



EPTR/BESTUFS workshop

”Commercial Urban Transport”

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Country presentation

Finland

By

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Personal background

Ismo Mäkinen

- Master of Science (Engineering), Helsinki University of Technology 1978
- Transport consultant 1978-1985
- Department Manager in a technical wholesale company 1985-1988
- Various development projects in development (VC) company 1989-1990
- Programme manager in Finnish Technology Agency Tekes 1990-1998
 - 1993-1997 Technology Attaché in Finnish Embassy Bonn, Germany
- Programme manager in consultancy basis 1998 –
- Entrepreneur (Consello Consulting Ltd) 2001-
- Evaluation experience in Finland, EU Commission and Austria



1. Urban transport in the last decade

The trends are basically similar to the ones in the other western countries:

- Increasing competition and more requirement for transportation
- Concentration on the core business => outsourcing to 3PL
- Companies networking and greater usage of ICT
- Electronic shopping has increased slowly
- Quality and environment systems and standards have become more important
- Economic and population growth in main cities
- After the first “city logistics boom” in Central Europe national Finnish interest has moved towards regional point of view.



2. Urban transport programmes ...

There haven't been any special urban transport programme, but several programmes available for urban transport projects too.



Transport Chain Development Programme KETJU 1998-2000

Joined programme of MinTC and Tekes, total 17 M€

- EKAPRO: electronic commerce
- VECTOS: Franchising concept for delivery transport
- Virtual logistics centre for TURKU



e-Business Logistics (ELO) 2002-2005

Technology programme of Tekes, the National Technology Agency, total 25 M€ , www.tekes.fi



Development programmes of the Ministry of Transport and Communications , www.mintc.fi



Intelligent Transport Systems Infrastructure and Services 2001-2004

HEILI

Passenger transport information programme 2001-2004



Mobile services development programme 2001-



Personal navigation 2000-2002 ...



Real-time logistics of networks 2001-2003



2. ... and projects

Digiroad (FITS) Digital database of all roads and streets including names, locations, breadths, number of lanes, speed limits, bus stops etc. will be available end of 2003.

Distribution by electric cars Finland Post Ltd has been developing and testing electric cars over 15 year. In 1998 top of 61 e-cars.

Process guide for traffic system planning MinTC since 2002

Procurement cooperation “HALKO” (VALO) 2002-2003 Study about public procurement circles and their effect to transport cooperation.

Distribution of distance sale purchases to kiosks (R-Express) Distribution of mail or internet ordered products over the network of 400 R-Kiosks.



Consolidated transportation to institutional kitchens A masters thesis and a pilot project were conducted on consolidation of institutional kitchens in Espoo in 1998. Results of the simulation 60% less traffic, cost savings 19%.

Intertrade 2000-2001, Last mile delivery to reception boxes of single households. A trial with 50 households was realised. Product development continues.

Study on freight traffic logistics A study realised in 2001 by Helsinki Metropolitan Area Council was part of the transport system plan.



3. Ongoing research areas ...

Consolidation of food deliveries There are a number of examples of companies cooperating in goods deliveries.

Usage of alternative conveyance to trucks in distribution
Finland Post Ltd. Aims to use as much as possible vans, bicycles and walking in stead of trucks.

Consolidation of freight transports to the personal transports SeuLo project 2002-2003 in InnoELLI Programme. Main focus is in peripheral areas, but same principles a valid in urban areas too.

Underground bus terminal with a goods terminal A new underground bus terminal is being constructed in the centre of Helsinki. A good terminal immediately next to long-distance bus terminal will improve goods transport possibilities of coaches.



Reception boxes for home and office deliveries of perishable goods After experiments in the capital area new piloting projects are planned.

City distribution centre. New distribution centres are planned e.g. in Tampere.

Development of distribution to pedestrian zones. E.g. city of Vaasa

New ICT-applications for urban transport Ongoing programmes VALO, ELO and FITS among other support this kind of development.



4. Funding instruments

Beside the funding instruments of EU there are mainly the following national Finnish instruments :

- Development programmes of the Ministry of Transport and Communications.
- The unbound research of MinTC (beside the programmes)
- Technology programmes of the Finnish Technology Agency Tekes
- The unbound (beside Technology programmes) funding of Tekes for applied technology research and product development.



Funding of MinTC

- Traditionally studies and research projects which support the administrative work (up to 100%)
 - Active development role and own thematic development programmes since end of nineties. (Funding mostly 30-50%, companies participation asked)
 - www.mintc.fi
- + Good projects can be founded flexible, not only technology oriented projects
- Relatively limited funding volume
 - The administrative role of ministry is sometimes limiting possibilities to finance clearly business oriented projects



TeKes funding

- Total technology funding 2003 is 363 M€ (applied research 137,7 M€, product development 153,7 M€)
 - About 50 technology programmes (3..6 years each) running all the time (volumes 10...100 M€)
 - Strong commitment of companies always needed (funding 15...50%, with risk loans for SMEs even 75%)
 - www.tekes.fi
- + Because of the funding volume good financing possibilities
- + Polished routines (with growing bureaucracy) with clear criteria
- Only for technology oriented projects
- Logistics projects still have sometimes problems with the technology criteria and their applied nature



5. Programmes – Implementation strategies

- Before launching a new programme almost always some type of restudy or feasibility study is made.
- Calls for proposals in many cases in two steps; expression of interest, final project proposal.
- Evaluation of proposals made by the civil servants of the funding organisation. Use of extern experts (national) or steering groups expertise more or less formal feature
- Tekes programmes are with few exceptions evaluated of extern groups of experts. Same procedure also used in other programmes, but not so frequently.
- Typical dissemination activities are annual seminars, joint thematic seminars, road shows, websites etc.



Some experiences

- + With programme types of activities is easier to reach the needed critical mass
- + Good possibilities to find financing also outside of the programmes or even to start up a new programme if needed
- + Good technology acceptance, uncomplicated public private relations and Finnish scale of activities have proven to be good for piloting purposes.
- Difficulties to get the key companies involved in “al” development activities (tiredness, limited resources)
- Dissemination of results always difficult – marketing and internationalizing activities not accepted in funded costs.
- Needs to develop urban transport and (EU-)funding resources are not facing.



6. International activities

In urban transports:

Studies about German activities and own experiments in nineties

Bestuffs Helsinki and MinTC participating

cityfreight 2002-2004. Cities of Helsinki, Tampere and Vaasa and LT Consultants Ltd participate in the project under the EU FP 5.

=> www.cityfreight.org

Active participation in EU research programmes and

EUREKA VTT Technical Research Centre of Finland (a contract research organisation), Helsinki University of Technology and LT Consultants Ltd are probably the most active partners in the urban transport area,



Northern Dimension

- Special activities and initiatives in the Baltic Sea Region

TEDIM Programme since 1995 with RUS, D, EST, LV, PL (LT, DK and S) => www.tedim.com

- Concrete initiatives to the Northern Dimension Policy of EU
e.g. **Motorways of the Baltic Sea**



Possibilities to cooperation (Urban Transport)

- Regional aspects should be wider accepted in EU research – Northern Dimension Policy !!!
- Experience and willingness to cross regional cooperation (Interreg, Eu regional funds)
=> **InnoELLI** Innovative Actions Programme for Southern Finland
- Finnish participation in the international projects (with technology and piloting aspects?) always interesting
- Special interest in sub urban and surrounding areas.
- Joint evaluation of projects limited for language reasons. Finnish experts already active in one way.
- No experience about joint calls – would be interesting in big actions

THANK YOU FOR YOUR ATTENTION !
