



R&D IN LOGISTICS SECTOR TOP PRIORITY AREAS

مركز عُمان للوجيستيات
Oman Logistics Center

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INTEGRATION OF CLEARANCE PROCESSES



Do you have an innovative solution?

While a vast number of complicated procedures of freight at sea, air and land cannot be controlled, documentation is one major aspect that can be affected positively. When items\goods are transported either domestically or internationally their delivery must be accompanied by the relevant documentation. The number of documents varies depending on whether the shipment is destined for Oman or to another country. Incorrect data\documents, missed documents and technical issues in customs platforms, are some of the reasons that can cause delays in delivering goods. Delays are likely to invite storage fees from clearance agents and risk delaying or losing business deals because of long procedures for complete clearance and inspection. Even though today, there is an online single platform that should integrate all customs related activities, namely the “Bayan System”(an electronic customs data system for all customs procedures and operations enabling customers to finalize all customs interactions electronically), there are limitations to its use as it is not fully integrated with ports clearance. Any process that is not integrated requires the submission of all original\ printed documents, and therefore, delays are not effectively controlled.

ENHANCEMENT OF THE TRANSPORTATION INDUSTRY



Do you have an innovative solution?

The logistics industry is committed to meeting increasingly tough environmental regulations in order to achieve and maintain safety measures and improve the working environment. A trucker is responsible for offering a safe working environment for its employees, along with an efficient, environmentally friendly and cost-effective service for clients. A trucker is expected to offer services that are visible to the customer and also the other players in logistics supply chain. In Oman, problems related to the transportation industry have existed for years; such as shortage of new vehicles capable of fulfilling the above requirements and within specific criteria such as temperature control systems, lack of truck’s capacity, lack of facilities in dealing with seasonality of products, truck availability, appropriate vehicle maintenance, driver fitness and others. The transportation industry in Oman is very fragmented and as a result, global standards are not followed, neither maintained. Furthermore, there is a shortage of qualified truck drivers and of training programs.



ENHANCEMENT OF SOFT INFRASTRUCTURE



Do you have an innovative solution?

A lot of initiatives were introduced to improve logistics infrastructure. However, it is true that such projects are time-intensive and by the time these are completed, the freight forwarding agents and companies face issues due to the lack of adequate infrastructure. The major concern is lack of integration to and from airports, ports, roadways, postal services, terminals, freight stations etc. Within these services, there is lack of internal infrastructure, appropriate facilities, integrated services and technology. Also, there is a gap between customer demand and committed delivery time, which initiates at several handling locations (e.g. port terminals). For instance, inadequate track and trace technology. another example could be with regards to using port terminals. There are several related issues that are caused owing to lack of infrastructure such as cargo dwell time, delays, congestion, bottlenecks, that result in increased transaction costs, and escalation of other charges.



EFFICIENCY OF COLD CHAIN MANAGEMENT

Do you have an innovative solution?



Cold chain management plays a critical role in the manufacturing and distribution processes of numerous goods. As a consumer thinks of vegetables, frozen food or medicine, temperature control environment is important in moving these easily perishable products. There are a lot of factors that will affect the efficiency of the cold chain such as operational aspect of maintaining a cold chain, and the technologies available for logging and monitoring temperatures. Also, transportation (Controlled temperature) play a significant role in the cold chain ecosystem. For example, perishable goods are temperature sensitive as their quality deteriorates if not delivered in a timely and controlled fashion. Lack of Documentation, Inadequate Packaging, temperature variances and delays during loading/ unloading and transporting the goods, at borders, and on delivery inspections are some of the reasons that can cause these goods to perish.



LOGISTICS WORKFORCE



Do you have an innovative solution?

Logistics plays an increasingly complex and critical role in corporate operations and competitiveness, and companies must hire educated and properly trained workforce to grow. Employment, Hiring and retaining skilled workforce continues to be the biggest obstacle facing logistics companies and professionals due to lack of qualified people. Some institutes\ companies' approach is to invest significant amount of money in developing certain skills and readily employable talent. The availability of standardized training and vocational programs in Oman remains to date underdeveloped and require attention. Upgrading the skills of all types of workers, including managers, is key to firm performance in knowledge-based economies. The quality of management is particularly important for small and medium-sized enterprises (SMEs), which must be able to adapt quickly to evolving markets and changing circumstances, but which often have limited resources.



DEVELOPING A LOGISTICS DATABASE

Do you have an innovative solution?



While logistics related information on foreign markets is readily available, information with regards to Oman in the logistics sector faces some issues with regards to data availability as well as being unstructured that is difficult to interpret. This information would make more sense if it was well organized in databases. Availability of information facilitates better understanding of the market and identifying possible opportunities. Information needs to be shared with all parties and stakeholders. Information may vary from numerical data on export and import volumes, list of goods traded, market characteristics, employment market details, contact details to local and international potential partners. Information can potentially improve transportation efficiency, as a better understanding of markets, distances, volumes and costs involved can lead to more efficient planning of the supply chain.



INVENTORY MANAGEMENT SYSTEM



Do you have an innovative solution?

The accurate monitoring of inventory levels should be a core business practice for any business. Inventory management is an important function in order for the Supply Chain to deliver efficiency, and to effectively maintain a competitive position in the marketplace. There is more to inventory management than just keeping track of what enters and exits the warehouse. Several small providers consider inventory to be just that and maintain traditional manual processes that lead to inefficiencies, higher costs, excess inventory and eventually, poor service. Without the relevant technology in the warehouse, pickers take longer to find the items to ship, which slows the loading process and creates poor resource utilization in labor allocation and dock-to-door scheduling. Moreover, without adequate insight of inventory, the supply chain can suffer at different levels, both downstream and upstream.



WAREHOUSE LAYOUT/UTILIZATION

Do you have an innovative solution?



Real estate is a tremendous asset and it should be used in the best possible way in terms of capacity and utilization of available space. What warehouse designers and developers need to keep in mind are information such as flow and utilization of the layout, including rack configuration, slotting/pick philosophy, receiving, put away, replenishment, inventory management and packing and shipping including seasonal peak period. Also, in order to make supported decisions, they need to have information, for instance volumes of inbound and outbound product flow. This means enhancing storage systems is very important and should integrate systems through technology to ensure speedy, efficient and safe operations.



IMPROVING COMMUNICATION



Do you have an innovative solution?

Within any logistics network there are vendors, warehouses, distribution centers, service operations, transportation routes and hubs, carriers, freight forwarders, importers, exporters, and more. Communication between these different players is considered key in optimizing logistics networks. Lack of communication is a huge challenge within the logistics supply chain. Every party involved in the extended supply chain should understand all the different functions performed throughout, either downstream or upstream. Any party involved in the supply chain should understand the costs involved, with regards to time lost, including penalties and fees, stockouts or overproduction.



IMPROVING AIR CARGO EFFICIENCY

Do you have an innovative solution?



Airfreight represent one of five transport modern in the supply chain. it is characterized by speed of efficiency supporting the transport of perishable, sensitive of urgent products. Air shipments can be delivered within days or even hours, depending on the level of service purchased. The last couple of years have seen substantial changes in Oman's logistics sector, thanks to a collaborative effort between government and the industry through various public and private initiatives. Much progress has been made both in hard and soft infrastructure. Oman air cargo is optimistic that things are moving in the right direction. There have been visible efforts by all the stakeholders in reducing the dwell time and the same is expected to continue in the future as well. The challenge/opportunity comes from the incredible growth of e-commerce in today's logistics industry, obviously is how to improve service levels and increase capacity to keep up with the demand. The logistics industry should be capable of delivering the purchased goods in a timely way. While e-commerce has been a pillar in boosting demand for airfreight, the expectation that it is delivered quickly and at low cost presents problems for all involved.



EFFICIENCY OF MATERIAL HANDLING



Do you have an innovative solution?

Consumers are directly affected by retail experiences and expect damage-free products. In handling the goods, during transportation, distribution, and/or at store level, goods are prone to damage/ breakage. A large number of damaged goods could have an impact on the price a product is offered to end users. It is very important to include material handling process planning when designing the layout of warehousing facilities. Several aspects of materials handling can have a devastating effect on logistics' efficiency and productivity. Some damages occur throughout the process of moving goods in the supply chain. Most frequently damages are encountered owing to the following reasons: lack of qualified personnel, structural issues with warehousing space available, from where pallets cannot move freely, weak packaging, improper transportation vehicles, storage equipment, excessive movement, lack of safety standards and space utilization. The outcome of the resulting damages affects customer service, increase inventory, costs and cause extended delivery lead times.

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