VI. ROLE OF NATIONAL ASSOCIATIONS

The previous chapters described an institutional framework aimed at supporting logistics service providers in the development of the industry in the modern operating environment. In addition to the actions by the government authorities, the national logistics associations can act as a key player in supporting the further development of the industry.

The possibilities to influence policy making for national associations are increased when the association has built a good professional reputation and shown its commitment to dialogue, for example by participating in an active and constructive way to consultations. Measures to maintain professional standards, such as standard trading conditions and codes of conduct, can also help build the reputation of the industry and give the association national and international credibility.

A. Contributor to National Logistics Policy Development

As a major stakeholder, the private sector has a key role in the formulation and implementation of the comprehensive policy framework outlined above. The national logistics association is a natural representative of the industry. Participation in the development of the national logistics strategy ensures that the priorities and challenges faced by the logistics service providers in everyday operations are reflected in the national plans. At the same time, representatives of the industry have a role in ensuring that the measures introduced are the most effective and efficient to encourage and support the industry. The participation of the private sector in a national logistics council/committee may also allow for more efficient policy making, as the private sector can voice concerns and opinions from the very early stages of policy development.

In the cases when several associations exist, they may all be included in the policy framework, either separately or through a cooperative body of associations. Selection of one association as a representative of all logistics service providers may be seen as a
challenge to the fair treatment of all sector players. The mandate of the national associations is primarily to look after the interest of their own members, which may introduce biases in their perspectives on issues. They may also lack sufficient knowledge of all sub-industries to fully consider the implications of policy decisions.

B. Capacity Builder

National associations are well placed to significantly contribute to training and capacity building for the industry, as they can react to emerging needs flexibly and are aware of the most urgent capacity building needs among their members. The association may also act as advisor to its members, particularly relating to regulatory issues. In addition, it may support training activities for the industry, either directly or indirectly.

The association can promote the educational needs of the sector through the national logistics council/committee or directly through the authorities responsible for education. It can work together with universities to support the development of curricula reflecting the needs of the industry.

The association may also deliver training through its own training facilities. While this can be a very convenient way to deliver basic training, the association may face difficulties in creating a sustainable training model. This problem can be eased if the government provides financial and other support as part of the national strategy. Associations can also cooperate with universities to promote training in areas which are most beneficial to the industry. As logistics services become more international, it becomes increasingly important that training is standardized and recognized by foreign partners. This contributes to effective and efficient communication between service providers. The mutual recognition of training may promote the movement of experts internationally and fill in gaps in know-how through foreign workers.
C. Developer of Industry Standards

It is important that the industry standards and codes, such as standard trading conditions, are reviewed on a regular basis to ensure that they are still applicable. The association may enhance standard trading conditions by including more roles and descriptions of responsibilities and by responding to international practices and the needs of the industry. The association may also develop guidelines relating to best practices in contract negotiations, service delivery, agreements with subcontractors, liability insurance and other topics of interest.

The association may review the minimum standards imposed on new members to ensure that they reflect current market conditions. However, it may not be necessary to impose excessive restrictions on companies seeking membership, as the market is generally competitive enough to ensure that complex services are offered only by competent and well-established companies.