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Dear Sir or Madam

Please see attached UPS's response to the draft RSES. If you have any questions or require any further information, please do not hesitate to contact me.

Kind regards

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UPS Response to Draft Regional Spatial & Economic Strategy

23rd January 2019

UPS is one of the world's largest logistics companies, playing a vital role in the collection, warehouse and delivery of goods as well as having the world's largest in-house customs brokerage operations. Our current operations in Ireland includes over 1,400 employees across 22 facilities. UPS recently acquired Nightline in Ireland.

5. Dublin Metropolitan Area Strategy

UPS welcomes the Dublin Metropolitan Area Strategy and its vision to "build on our strengths to become a smart, climate resilient and global city region expanding access to social and economic opportunities and improved housing choice, travel options and quality of life for people who live, work, study in or visit the metropolitan area." We would like to highlight the role that freight and logistics play in supporting businesses and employment within the Dublin region. UPS has a depot based in Finglas which provides delivery and collection services to business and consumers across the wider Dublin area. We would urge the Eastern and Midland Regional Assembly to factor in freight and logistics in its spatial planning both in how this sector supports employment and business as well protecting logistics land to ensure it is not moved further out of urban areas. If logistics operations keep being moved further out of urban areas this will create more journeys into the centre to make deliveries as businesses will still need to receive and send goods. It will also negate the ability to use electric vehicles and other low/zero emission vehicles as the journeys will be too long to utilise these vehicles so ultimately will create more congestion and will contribute to air quality issues

6. Economic Strategy – Skills, Enterprise and innovation

One challenge that the logistics industry is currently facing in Ireland, and especially in Dublin is the shortage of professional drivers. The FTA Ireland has highlighted that the average age of a professional driver is 44.4 years, with 32% of professional drivers 50 years of age or over. This combined with the reduction of drivers coming from other European countries, the higher cost of living in Dublin and lack of housing, will continue to lead to an increased shortage of drivers.

We would urge these skills shortages are considered in planning from support for training and apprenticeships to the provision of housing to support skilled drivers settling in Dublin.

7. Environment – Decarbonising Transport / 8. Connectivity – Sustainable Transport

UPS is committed to reducing our environmental impact and we take our environmental footprint extremely seriously. We continually work to minimise the miles we travel and strive to increase the energy efficiency of our transportation network, regularly monitoring our carbon footprint and investing in low and zero carbon technologies such as electric vehicles and liquefied natural gas HGVs. This is all part of our effort to reduce absolute emissions across our global ground operations by 12 percent by 2025 – which means that even as our business grows and delivery volume increases, our overall emissions will decrease. We also have a target to have 25% of total vehicles purchased annually around the world to be alternative fuel or advanced technology vehicles by 2020.

Transitioning to Electric Vehicles

UPS currently operates a global fleet of over 9,100 alternative fuel or advanced technology vehicles. In Europe we are committed to the transition to electric vehicles (UPS first introduced EV's into the UK in 2008) in urban areas but one of the key challenges has been cost effective electric vehicle availability. This is not currently provided by the market as most EV's are up to three times the cost of an equivalent diesel vehicle. As a result in the last 10 years we have developed a diesel to electric conversion with EFA-S (a company in Germany), learnt how to deploy e-assist cycle solutions in dense areas (including Dublin), worked with Tevva on a diesel to range-extended electric conversion solution and most recently with Arrival on the development of a brand new design of EV. But still the problem persists. We would urge support for businesses to help accelerate the transition to low/zero emission vehicles.

Electric charging infrastructure

UPS would also urge consideration of the charging infrastructure (both public and commercial) that is essential in the transition to electric vehicles. One of the biggest challenges we have faced in expanding of our EV fleet has been in having enough grid capacity at our depots to support charging large fleets overnight back at their base operations.

E-cycle logistics

In 2017, in response to growing congestion and to reduce carbon emissions, UPS launched a new sustainable delivery system -- an 'eco hub' (or trailer)-- in Dublin City Centre in conjunction with Dublin City Council which allows electric cargo bikes to load packages from the hub and make final mile deliveries. Every evening, the trailer returns to our Dublin facility for the collected packages to be sorted and transported. As a result, we are eliminating about 200 conventional fuel vehicle movements daily together with 3-7 tonnes of CO2 emissions. We have also recently gained funding to conduct a feasibility study on the expansion of our cycle logistics work in Dublin. We would urge continue support of the industry through grants and other initiatives to drive innovation in developing urban logistics solutions.

8. Connectivity – Aviation

Whilst we agree that connectivity in regards to transport is key to supporting economic growth and improving quality of life, we would highlight that in regards to aviation there needs to be the recognition of the role air freight plays in supporting Irish businesses. We understand the need to minimise noise and environmental impact on the local communities but we urge this to be weighed against the economic importance of growth at the airport and especially the critical nature of air freight in ensuring the competitiveness of Irish businesses.

Aviation is key to the supply chain, enabling Irish businesses, especially in the hi-tech, retail, pharmaceutical and healthcare industries to send and receive just-in-time deliveries. Protecting air freight is critical to economic growth and keeping Irish businesses competitive in a 24-hour global economy. With customers requiring late afternoon collections and early morning deliveries, the only time we can move export and import shipments is by air and at night.

Oxford Economics conducted research into the Economic Impact of Express Carriers in Europe. The research of EU businesses found that night flights make an essential contribution to European competitiveness and to the EU Single Market. The key findings include:

- 16% of EU companies' sales revenues are dependent on express deliveries (set to increase to 21% by 2020)
- 47% of businesses consider that their company would be badly affected by constraints on the availability of express services
- 74% of businesses believe their ability to compete would be badly affected

- Overall, the research estimated that the loss of next-day delivery services would reduce GDP across the EU by some EUR 30 billion a year.

With the uncertainty of what a Post-Brexit economy will look like, Dublin, and Ireland as a whole, are well placed to provide international connectivity both across the Atlantic and into the Continent. Having flexibility within its air operations and support for air freight will be critical for Ireland's competitiveness and potential for growth.

Dublin Airport - North Runway

We are concerned about the caps on the current runway and the banning of night flights placed on the new runway once completed. As you are aware, when planning permission for a new runway at Dublin Airport was granted in 2007, two key conditions restricting night flights were placed on the planning permission:

1. Flights on the existing runway would be capped at 65 movements per night.
2. There can be no flights on the new runway between 23.00-07.00.

During the economic downturn that started about 10 years ago, the number of aircraft movements diminished and so there was no longer an immediate need for a new runway. With recent economic growth, the number of movements at Dublin Airport have increased and there is now a need for a new runway. In addition, there are currently in excess of 100 night movements at Dublin Airport. Given the restrictions were put in place prior to the economic downturn, we would urge the restrictions to be reconsidered once the primary legislation is put in place later this year.

Managing Noise and Environmental Impact

UPS currently operates two night flights daily at Dublin Airport. These flights operate between 04:30 and 06:00 and connect Dublin and Shannon to our main air gateway in Cologne, Germany. UPS is committed to ensuring we minimise noise at the airport. We are focused on being a responsible operator and neighbour and believe our operational record reflects this. UPS Airlines, with one of the youngest fleets in the industry contributes to aviation sustainability efforts by operating a fuel-efficient fleet and effectively managing aircraft and air hub operations.

As the operator of one of the world's largest cargo fleets, UPS also leads the industry in deploying noise and emission reduction technologies and by executing noise reducing flight procedures.

Summary

UPS supports the vision that is set out in the draft RSES – “To create a sustainable and competitive region that supports the health and wellbeing of our people and places, from urban to rural, with access to quality housing, travel and employment opportunities for all.” We would urge the EMRA to recognise the importance that road and air freight and logistics play in delivering growth and employment to the region and ensure the industry is factored in to any spatial and city planning. We would highlight the support the logistics industry requires in order to continue to help Irish businesses stay competitive, in driving innovation in urban delivery solutions and transitioning to low/zero emission transport.

For more information, please contact:

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