Understanding last-mile logistics

Last-mile logistics is the one segment of the shipment flow that directly interacts with the final customer, and often the most challenging to implement.
Objectives of the Last Mile Logistics Survey

• To obtain reliable information from E-commerce companies & Third party logistics service providers.

• To create a solid foundation on which to organize E-logistics services in Rwanda

• The main focus areas:
  – Infrastructure
    ▪ Transportation
    ▪ Internet
  – Logistics Services
Rwanda’s vision for the logistics sector

The survey examines each phase of parcel shipment in Rwanda; From the ordering process to receipt of the parcel by the customer.

Transport infrastructure is high quality

Quality of Transport Infrastructure

The number of firms

Quality of transport infrastructure (score)
Internet connection is high quality but comes at a high price

Quality & Price of Internet Infrastructure

The number of firms

Quality of internet connection (score)
- Quality of internet connection
- Cost of internet connection

Delivery services are widely seen as timely

Timely delivery of goods
- Goods or services delivered on time: 91%
- Goods or services delivered out of schedule: 9%

Main challenges to last mile delivery:
- Lack of accurate addresses
- Lack of network connectivity
- Insufficient distribution hubs
Third party logistics services are used by over half

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<tr>
<th>Third party/regular deliveries</th>
<th>Opportunities for third party logistics providers:</th>
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<td>43% Deliveries executed using third parties for the last mile</td>
<td>• Optimize their services with ICT</td>
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<td>57% Regular deliveries</td>
<td>• Increase investment in collaborative logistics &amp; warehouse automation</td>
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<td>• Increase delivery services to rural areas</td>
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Recommended actions to improve infrastructure and logistics services

• Establish a national E-logistics Advisory Board & Task Force
• Promote and improve E-logistics business climate in Rwanda
• Improve quality in last-mile connectivity
• Establish a national logistics data program
• Establish a Digital Logistics Marketplace to connect all the stakeholders
• Promote more agile urban logistics solutions
• Increase linkages of E-Commerce Support Centers with more logistics service providers & strengthen their performance
Transforming Rwanda into a Regional hub

The physical strategy

Transforming Rwanda into a Regional hub

The digital strategy

DLP

Network alternatives

Technology and innovation ideas

Warehouse pricing

Logistics pricing and mode options

Customer
Key Take Aways

- **No one size fits all** – There is a need to adjust interventions based on the ground realities.
- **Value addition** only when the Digital and Physical Strategies are aligned.
- The **views and concerns of the users** can help to improve the service delivery.
- **Use and extent of ICT solutions** has to be seen in the context of ICT infrastructure and technology maturity.
- This will benefit to all three project partners – DHL, GIZ and ITC – to promote improved access to e-commerce in Africa.

Thank you!

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