

Opening Remarks by Mr. Makoto Washizu

Good afternoon, ladies and gentlemen. First of all, I would like to extend a sincere welcome to all of you joining us today for this seminar hosted by the Japan International Transport Institute. In addition, I greatly appreciate the participation of our keynote speakers and the panelists.

The purpose of this seminar is to explore the possibility of managing efficiency and environmentally friendliness in logistics. First, I would like to mention briefly the introductory part of the discussion.

The reduction of greenhouse gas (GHG) emissions has become a priority at the local, national, and international levels and the time for action has arrived. Since the transportation sector produces about 30% of the national total GHG emissions, cargo transportation can implement countermeasures to help the cause and improve the environment.

To date, more and more companies are taking their own steps to assess their carbon impacts and reduce their emissions. This is great progress. However, in general, environmental efforts are still considered as a factor

of cost increase. In addition, the recent difficult economic situation may have negative impacts on progress in companies' environmental approaches.

In this context, in order to promote environmental efforts, measures must be not only economically-feasible but also business-friendly. I believe it is possible. For example, since GHG emissions are directly related to fuel-consumption, emission reduction can result in fuel-cost savings. And, environmentally-friendly and efficient distribution systems may minimize total costs throughout the supply chain.

Significant opportunities may exist including measures in the vehicle itself such as efficient driving/ operation of trucks and intermodal measures like an optimal combination of different modes of transportation. Moreover, the cooperation between shippers and carriers may provide further possibility of business-environment relationships.

This seminar aims at exploring economically-feasible solutions for environmentally-friendly logistics. We can learn a great deal from best practices on sustainable logistics in both the U.S. and Japan. Today, we

have invited experts who are intimately involved in these leading projects.

Let me introduce the distinguished guests.

- The first speaker is Ms. Sarah Dunham, Director of the Transportation and Regional Programs Division, at the U.S. Environmental Protection Agency. She will speak about various US environmental policies including the well-known SmartWay Program she has been working on. This program aims at promoting environmentally-friendly logistics through cooperation between carriers and shippers, and has created a new frontier for environmental measures in cargo transportation. (to be revised)
- The next speaker is Mr. Hiroshi Omino, General Manager of the Sales Department, Isuzu Motors Limited. He has significant experience in planning and managing of training programs for truck drivers on “eco-friendly” driving. This unique service will show you the possibility of improvement of efficiency in truck operations.
- Mr. Randy Mullet, the third speaker, is the Vice President of Government Relations at Con-Way Inc. He is in charge of the company’s program on sustainable business practices. Since he has exerted himself for federal legislative advocacy, Mr. Mullet has

a significant influence in the cargo transportation and supply chain management field.

- **Mr. Akira Motomiya of Fujitsu Limited is the next speaker on the agenda.** Mr. Motomiya integrated scattered fragments of logistic functions into one unit as the President of the Corporate Logistics Unit of the company. Since then, he has been leading the company's efforts for efficiency improvements in logistics. His project on reform of the distribution system won the Ministerial Award at the Green Distribution Partnership in 2007.
- The last speaker, **Mr. Sean T. Connaughton**, is now Corporate Vice President for Government Affairs, at the American Bureau of Shipping. As you know, he supervised maritime transportation issues as the Maritime Administrator under President Bush. Today, he will make a presentation on GHG emissions regulation for international shipping.
- At the panel discussion session, **Professor Ayman Omar** will moderate the discussion. He is an Assistant Professor, at the Kogod School of Business, at American University. Dr. Omar is continuously studying supply chain management and also working on several consulting projects for a variety of corporations.

- Also, Mr. Ed Crawford will join the panel discussion with the previously mentioned keynote speakers. He has significant experience as the managing instructor of the eco-friendly driving program at Isuzu Commercial Trucks America Inc. in California.

I am very pleased to have such great speakers present at our seminar today. I am looking forward to a productive discussion among all of the participants including both the speakers and the audience.

Finally, I would like to express my appreciation to the Nippon Foundation for their generous support of this seminar. The Nippon Foundation aims at facilitating projects that benefit the public welfare. I would like to express my sincere respect and appreciation for the activities of the Foundation.

I hope today's seminar will be useful and interesting to all. Thank you very much for your attendance.

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