

SOLUTIONS IN THE FIELD OF CITY LOGISTICS AND THE INFLUX OF NEW INVESTORS BASED ON THE EXAMPLE OF THE LUBUSKIE PROVINCE

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Abstract

Urban development and the influx of people causes new problems posed in front of city authorities. Good solutions are those used in the area of logistics. Thus, the new direction of development of logistics that is dedicated to metropolitan area - city logistics. The management of cities, and especially practices in the field of city logistics have an impact not only on the quality of life of residents, but also on the influx of new investors. It could be for example road infrastructure, technical infrastructure, accessibility to the most important routes, the focus of other entities and partners in the area of supply chains have an impact on location of businesses. It becomes important to manage effectively logistics in cities and in creating good conditions for the creation of new enterprises, which stand to benefit metropolitan areas themselves, as well as residents. The aim of the article is to present solutions for city logistics, which favour the influx of new investors. This analysis will be presented on the basis of the Lubuskie Province. The article is literature - empirical, it is based on the analysis of literature, reports and research carried out for the authorities of the Lubuskie Province.

Keywords: City logistics, infrastructure, new investors

1. INTRODUCTION

The changes in the economy force the evolution of management. New tendencies of development necessitate new solutions or using the existing ones to new areas. One such example is the use of logistics aspects in the field of metropolitan area management. Logistics ultimately is dedicated to businesses. However, many aspects are not only related to the businesses but also the processes in the entire economy. The problems that arise due to the growth of cities, population growth, means of transport etc. create a new field of management. The increase of the awareness of the urban population, their preferences and requirements are also factors affecting the exploitation of new areas of management. Thus, for the efficient and effective management, including towns, solutions used in logistics are applied. Hence, a new concept of city logistics has emerged. It supports a number of management processes in the metropolitan area, and also puts a lot of emphasis on areas which have not been treated as relevant or have been ignored so far. One of the benefits that entails city logistics is the ability to create attractive conditions that contribute to the influx of new investors. The aim of the article is to present the relationship between the use of the concept of city logistics and the influx of new investors based on the example of the Lubuskie Province. The article was developed on the basis of the literature as well as the research and report created for the analysis and the state of development of the Lubuskie Province.

2. THE NATURE AND CHARACTERISTICS OF CITY LOGISTICS

The changes emerging in the economy determine new processes and the transfer of management concept to new areas, which are metropolitan areas. With regard to the changes taking place in the economy, at the turn of XX and XXI century a new research area emerged - city logistics. The occurring urban sprawl, and the associated population growth, organizations, enterprises and institutions, the density of road and municipal networks, waste growth, population flows and changes in preferences and awareness of the society, create

significant problems in management. Due to the fact that one of the features of logistics is universalism, the principles of logistics management, which are used in the management of enterprises, can also be transferable to cities' economy [2]. To understand the idea of changes in the management of metropolitan areas in the first place it is necessary to define and characterize the very concept of "city logistics". [2].

M. Szymczak presented the definition of city logistics based on the definition of logistics developed by the Council of Logistics Management. He states that "city logistics can be defined as the process of planning, implementing and controlling the flows of:

- initiated outside and addressed to the city,
- initiated in the city and directed outwards,
- passing through the city,
- internal in the city

and accompanying information flows, designed to meet the needs of the city in the field of quality management, quality of life and development [6]. " An attempt to define city logistics has been also taken by J. Szoltysek. He claims that "city logistics is the processes to manage flows of people, goods and information within the logistics system of the city, according to the needs and objectives of the development of the city, with respect for the environment, taken into account that the city is a social organization whose primary goal is to meet the needs of its users [5]." The research of city logistics are the issues of deliberately structured and integrated flow of materials, people and information in the urban area. These problems include, among the others: the problem of transport accessibility of cities, the supply chains of goods, the supply of metropolitan area in water and energy, waste water management, disposal and waste treatment, construction and maintenance of telecommunication networks and care for the environment of urban area and its surroundings [9]. Moreover, one of the main tasks of the city logistics is to create urban transport system that will optimize travel time [1]. The development of flows in the city has a significant impact on the functioning of the residents and life satisfaction in the city. So, it seems important to meet the expectations of citizens by ensuring an optimal urban transport, eliminating traffic congestion, minimizing the environmental impact, ensuring adequate public utilities etc. Aesthetic, cultural aspects and attractiveness of a particular place perception seem also important. This directly affects the number of people living in a given metropolitan area, as well as the increase or decrease in the population of the area. Thus, it is significant to undertake activities in the field of city logistics and optimizing processes in its area.

City logistics includes essentially the same processes that constitute the content of logistics in every dimension. It is possible to mention here transport, warehousing, customer service [6]. The main difference, however, is the recipient of these processes and added value, which in this perspective is a non-financial benefit in the form of the population living in the area, residents' satisfaction, attractiveness of the region, perception of the area by tourists, the region's image. Only an indirect impact of these elements can in some degree help to increase the profitability of the region.

The area of metropolitan area includes, however, the economic and social potential of the country, and its smooth functioning determines both the development of the country and the region [9]. From the point of view of the individual, as individual urban residents, two phenomena are crucial - meeting their needs in favourable conditions and the need to overcome space to implement these needs [4]. These phenomena also affect businesses. The location of the entity is determined now by a number of factors, which among other things, affect the authorities of the state administration. Attracting potential investors should be one of the objectives of the effective management of city logistics. It should be noted that in addition to economic benefits, for particular metropolitan areas remain social aspects.

3. CITY LOGISTICS AND INFLOW OF NEW INVESTORS BASED ON THE EXAMPLE OF THE LUBUSKIE PROVINCE - SELECTED ASPECTS AND RELATIONSHIPS

The development of cities depends on the efficiency of logistics systems, so their development is inextricably linked to the expansion of the logistics on their territories [7]. City logistics involves many concepts relating to the development and efficiency of transport systems [8]. It represents one of the key challenges for the authorities of the metropolitan areas, where the goal is to attract new investments. The location of production plants, companies in urban areas creates new areas of development for these entities. Moreover, the cities have large benefits from the influx of new investors.

The article tries to analyse the factors in the field of city logistics that affect the influx of new investors and the location of businesses. This analysis was based on a case study of the Lubuskie Province. The province is located in the western part of Poland and borders with Germany. The surface covers almost 14 thousand km², and the area is inhabited by over 1 million inhabitants.

The influx of new investment depends largely on the policy followed by the authorities of the administrative units, but also on the actions undertaken in the field of city logistics. It is possible to highlight the factors influencing the decision to locate enterprises, which relate to aspects of city logistics. The following describes the most important conditions affecting the influx of new investors on the example of the Lubuskie Province.

The factors influencing the attraction of new investors in the Lubuskie Province in the field of city logistics (Developed on the basis on: *Potencjał inwestycyjny i eksportowy województwa lubuskiego w aspekcie rozwoju gospodarczego gmin i przedsiębiorstw z terenu województwa lubuskiego*, Final report, Warszawa 2015, pp. 180-185.):

- Expansion of road infrastructure - preparation of S3 road and ring-roads in order to improve the flow of transport and relieve cities and nuisance to residents. City authorities in a particular way should strive to create conditions that will result in reducing the harmful effects of new investments within cities. Moreover, an important aspect is to improve local roads (municipal, county), which serve as vehicular routes between localizable investments and other co-operators in supply chains. The optimization of road infrastructure is also building new facilities and improving the flow of transport. An example of this province is the construction of a bridge in Kostrzyń, which would improve access to the German border. It is estimated that such an investment, only for one company located in this area, could save 340 thousand km (for 22 thousand of trucks leaving a year with the organization).
- Restoration of inland transport - of navigation on the river Oder, the transport has been in a low degree in the described area so far. According to the estimates, it is possible to achieve the fourth, namely international shipping class on the Oder, which would allow for the connection to an international network of waterways and transport up to 50 million tons of cargo annually.
- Use small airports to transport - Babimost Airport could be used to transport commodities (cargo-type operations).
- Accessibility to the border, and good connections with the main transport routes, including access to the A2, A6, A4 highways.
- Economic activity zones created in Gorzów Wielkopolski, Międzyrzecz, Świebodzin, Sulechów, Zielona Góra, Nowa Sól and Special Economic Zones (Wałbrzych Special Economic Zone and Słubice - Kostrzyń Special Economic Zone) - they attract investors because of the tax allowances, grants from local government units and infrastructure of these areas constituting a convenience for the operation of enterprises.
- Improvements in the field of public transport - the problem in connection with the location of new investments and jobs generated there is a need to create new routes for public transport, so that employees can easily reach out to companies.

- Access to the media - it is essential in the operation of businesses to have access to both water and electricity, gas, but also the Internet. It is pointed out, however, that in the Lubuskie Province not all areas are sufficiently adapted to the adoption of large investors.
- Construction of new halls in the share of local government units - the construction of halls supports the influx of investors, who are not required to prepare the related procedures. An example of such an investment in the Lubuskie is to have built four modern halls by the Wałbrzych Special Economic Zone in 2015, all of which found buyers / tenants. It is also stated that many of the buildings (approximately 300 assets held by municipalities and private owners) situated in the area do not meet modern standards / requirements of the investors.
- Qualified staff and adequate labour force - new investments mean new jobs. An important aspect becomes then labour force, but also mid-level managers having competence in particular functional areas. Unemployment in the Lubuskie Province at the end of September 2016 is 8.4%. Additionally, in this region there is a large influx of labour from Ukraine (according to the estimates in the region work 50 thousand of citizens of Ukraine), which affects the development potential of the area.
- Social aspects - awareness and attitudes of the local community, which will favour the location of new investments in urban areas. It is now a key aspect, which is associated with the attitudes of citizens and their acceptance of the investments.
- Attitudes of the authorities towards new investments emerging in the areas of particular metropolitan areas - it is the way of management, especially in the field of city logistics and the creation of favourable conditions for investments that the desire to create new branches or the location of the new organization in the area depends on.
- Shaping space by land use plans and modernization of technical infrastructure.
- Research and development - the creation of research units in urban areas, which promotes the development of new technology and eliminates barriers to access them.

Above there were presented the most important factors that affect the influx of new investors in the areas concerned. They refer to the city logistics, as it represents a new challenge placed before the authorities of the metropolitan area in terms of its effective management. Only active actions bringing tangible benefits and improvements in logistics management in cities can affect the development of the areas due to the influx of new investments. There are many benefits that can be achieved by a particular metropolitan area and its inhabitants in the social, economic, organizational, technological terms. Only efficient management of cities, especially in logistics can translate to achieve these effects.

4. CONCLUSION

City development is a very broad topic addressed in the literature and economic practice. One of the concepts that has been implemented for the needs of city management is logistics. The article presents the theme of city logistics in relation to the influx of investors, as a result, and a condition for efficient management of cities. There were presented the factors in the field of city logistics, which affect the influx of new investors. This description was based on the case study of the Lubuskie Province. The Lubuskie has been gradually developing. One of the goals the local authorities set is to create attractive conditions for the development of the industry. The conditions for development of the industry necessitate action in the field of logistics management in urban precincts. Only efficient and effective action can help to build new, attractive locations of businesses for potential investors. Therefore, efficient management in the field of city logistics can bring tangible benefits. The influx of people and new investments can be seen as a benefit, but it is combined with the conditions that must be met in order for a metropolitan area to still remain attractive for both residents and investors. These aspects are included in the topic of city logistics. It is an important management area, which contributes to increasing the attractiveness of regions for potential investments.

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