

## Background to development

The logistics industry is facing a major challenge in dealing with medium- to long-distance trucking due to the future labor shortage expected to result from the stricter overtime regulations for truck drivers that will go into force in 2024.

Much of the import and export cargo shipped from/to Europe, the US, and Asia is transported by truck to/from various parts of Japan via major ports on the outskirts of major cities, so securing that means of transport constitutes another challenge to be faced going forward.

Given these circumstances, Nippon Express has launched a new service – "Busan Hub x Japan Regional Ports" – that stores inventory in Busan, South Korea, which has excellent shipping routes to and from regional ports in Japan, and transports this inventory by sea when ordered to the regional port nearest the delivery destination in Japan.

This service will shorten trucking distances in Japan, helping to secure transport and cut costs as well as reduce CO<sub>2</sub> emissions.