## UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

# TRANSPORT & TRADE FACILITATION

TRADE LOGISTICS BRANCH, DIVISION ON TECHNOLOGY AND LOGISTICS

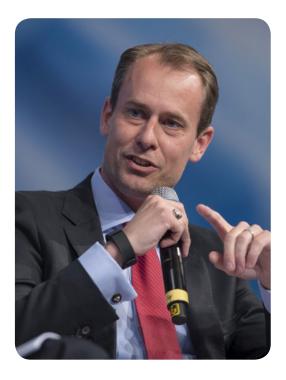
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### THE ROLE OF INTERNATIONAL ORGANIZATIONS IN THE IMPLEMENTATION OF THE WTO'S TRADE FACILITATION AGREEMENT

Statement by Mr. Joakim Reiter, Deputy Secretary-General of UNCTAD at the WCO Europe Region Trade Facilitation Agreement Workshop - Stockholm, Sweden- 01 Jun 2016



When I look around, I realize this is a classic case of what you call preaching to the choir.

I presume that there is no one in this room that doubts the benefits of trade facilitation -- or at least that is my hope.

But it still deserves to be repeated: WHY is this so important?

First: As tariffs and quotas have been reduced worldwide, attention has rightfully been shifted to the remaining impediments to trade. Average world tariffs are around 5 percent ad valorem. But average trade costs are about 10 percent. And a lot of it has to do with unnecessary red tape to trade.

Second: Global production and trade patterns are changing. In a world of deepening global value chains, no one can afford to be the weakest link. Just in time delivery at competitive prices is more important than ever. Unnecessary costs to trade are basically roadblocks to countries' aspirations of integrating in global trade, but also to critically important investment that allows countries to access and climb value-chains. No country can afford this in the long run.

As UNCTAD has put it many time: Trade efficiency in general and trade facilitation in particular is the "new frontier of competitiveness".

Simply put, investing in improving trade facilitation makes utter sense. The empirics back this up. A study from 2009 found that for every \$1 spent on trade facilitation in an Aid for Trade country, the country's trade volume grows by \$6.37 per year.

But the gains from trade facilitation go beyond trade efficiency gains; Trade facilitation fosters good governance.

New technologies and institutional reforms can improve governance, reduce entry barriers and pull the informal sector into the formal sector. And with less paperwork to dodge, and fewer palms to grease, public revenues go up. This generates new resources for spending on essential services.

For all of these reasons, trade facilitation is a clear win for growth and for development. And it benefits everyone: consumers, companies, governments and the global trading system that we all ultimately depend on.

This is why so many countries are pursuing trade facilitation reforms. And it is also why so many international organizations are giving clear priority to it.

BUT if the benefits of trade facilitation reforms are so evident, WHY do countries need international organizations? Why are our services needed?

Bottom line, while trade facilitation is a nobrainer, it is not a simple reform process. At its heart, we are talking about institutional reforms - sometimes even a fundamental reboot of legal, regulatory and administrative procedures and practices. This requires technical knowhow, financial resources, coordination among government agencies and involvement of stakeholders, not to mention political will. In the end, the new WTO Trade Facilitation Agreement (TFA) is setting out a minimum standard of what countries should put in pace. It does not say HOW to do it. Also, TFA is not an end in itself - it is a means to an end. And, as such, we need to ensure that countries understand how the implementation of this WTO Agreement, important as it is, should go hand in hand with broader reforms and improvements to trade, ranging from e-Governance, soft infrastructure, services (like distribution, logistics, transport services, insurance and trade finance), as well as port management, rail and road systems and other hard infrastructure investment.

Otherwise, the benefits of the WTO's Trade Facilitation Agreement will not be fully materialized. Otherwise, we will not seriously address the fact that costs to trade in developing countries are still - on average - 1.8 times higher than in developed countries. Otherwise, we will not ensure that trade facilitation reforms indeed become the spring-board for countries' integration in global trade, higher revenues and stronger institutional development.

The wide scope of the agenda of trade facilitation reforms justifies the wide range of international organizations. The field is crowded, yes, but each international organization also has its own niche and comparative advantage.

In the case of UNCTAD, Trade Facilitation has been part of UNCTAD's mandate since its inception, in 1964. We are proud that our work on trade efficiency directly contributed to making trade facilitation one of the socalled Singapore Issues.

Starting in 2004 - with the beginning of substantive negotiations on the WTO - UNCTAD also began to provide more targeted support to developing countries. In the run up to WTO's Ministerial Conference in Bali, we supplied policy papers, training events, and technical assistance tailored to local needs.

And today, we're engaged in efforts to implement the Bali package. For instance, we identify compliance gaps and design projects aimed at closing those gaps (or - in TFA-speak - we assist with identifying what requires to be out in Category B, as well as to develop projects for Category C measures). We offer advisory services for countries that face specific legal or technical challenges in ratifying the agreement. And we help to establish and maintain National Trade Facilitation Committees.

Of course, we are not alone in doing this, and more. In fact, our effectiveness depends on the extent to which we coordinate our efforts with other development partners. This is true for UNCTAD, just as it is for every other international organization in this field.

For this reason, we work closely with colleagues in ITC, as well as UNECE and WCO in a number of TFA-related activities. The World Bank - as well as regional partners like TradeMark EastAfrica - are also key donors to our customs automation program, ASYCUDA, which has been rolled out and benefitted 110 countries since its inception in 1981. And we are working with our private sector partners as part of the World Economic Forum's and ICC's Global Alliance for Trade Facilitation.

Rest assured, all international organizations in this field try hard to work together. We must deliver as one. And: We all do our best to help developing and transition countries to fully and timely implement the TFA.

But we must also be honest about the challenges that we face. Despite close collaboration and significant resources allocated and generous commitment by donors, there remain important challenges with respect to matching and funding. The money is there, but it is not always accessible in a timely and results-oriented manner. This is particularly the case for targeted assistance on TFA-ratification and implementation.

To illustrate the point: UNCTAD and ITC, working together, have helped over 50 countries to categorize their commitments for notification to WTO. And we have been not only effective, but also cost-efficient: the cost of our assistance is, on average, USD 20.000 per country for the services provided.

But despite this and despite the nearly USD \$160 million that have been allocated for TFA-implementation to six key institutions (WTO, the World Bank, the WCO, the Global Alliance, ITC and UNCTAD), it is a fact that UNCTAD and ITC today receive numerous requests for assistance to which we cannot respond favourably for lack of funding. UNCTAD and ITC, combined, do not even account for 3% of the total funds allocated to support the TFA. This leaves a bad impression with developing and transition economies which are in the process of deciding if/when to prepare their ratifications and notifications, and whose requests for help we now run the risk of having to turn down.

Frankly, this is something that can and must change. Collectively, we must find ways to more efficiently release the funds necessary to the countries requesting it. And to allow the countries to draw on the expertise of international organizations based on their needs - not the priorities of donors. Money sitting still in massive trust funds will do no good.

#### Ladies and Gentlemen,

It is clear to all of us that trade facilitation can accelerate inclusive growth and development. But it's equally clear that many developing and transition countries need our support to make the necessary reforms. Working together, we are convinced that we can successfully implement the WTO Trade Facilitation Agreement.

Thank you for your attention.

Joakim Reiter



### LATEST MARITIME STATISTICS UPDATED ON UNCTADSTAT

UNCTAD uploaded and updated key maritime statistics via its UNCTADSTATS portal (http://stats.unctad.org/maritime)

## The world fleet by flag of registration

The top 5 countries where the world shipping tonnage is registered are Panama, Liberia, Marshall Islands, Hong Kong China SAR and Singapore. The data also includes details by vessel type and shows how the share of container shipping tonnage has continued to increase between January 2015 and January 2016.

#### Ship building

The largest ship building countries are China, Republic of Korea, and Japan. Together, these three countries accounted for 91.4 per cent of gross tonnage constructed in 2015.

## The ownership of the world fleet

The top 5 ship owning countries in January 2016 are Greece, Japan, China, Germany and Singapore. The table also shows under which major flags of registration the shipping fleet is registered. The Japanese owned tonnage, for example, is 65 per cent flying the flag of Panama, while Greek owned ships are more commonly registered in Greece, Marshall Islands and Liberia.

#### Ship scrapping

Most demolitions of old ships take place in Asia. Four countries – Bangladesh,

India, Pakistan and China – account for approximately 95 per cent of ship scrapping in 2015.

#### Liner shipping connectivity

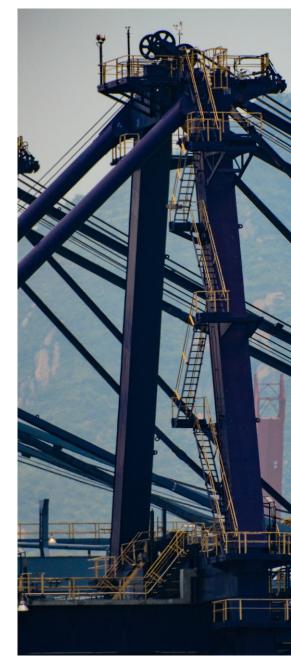
The position of coastal countries within global container shipping networks is reflected through the LSCI (Liner Shipping Connectivity Index). In May 2016, the best connected countries in East Asia are China and Republic of Korea; Singapore and Malaysia have the highest LSCI in South East Asia; Sri Lanka and India in South Asia; Morocco, Egypt and South Africa in Africa and Panama and Colombia in Latin America and the Caribbean.

#### **Seaborne trade**

In 2015, international maritime cargo volumes continued to grow, albeit at slower pace than the previous year. During the same year, developing countries accounted for the lion's share of both goods loaded (60%) and unloaded (62%) at seaports worldwide.

Further statistics are available on bilateral liner shipping connectivity, and port container traffic, which will be updated in coming months.

Note: The statistics are generated by UNCTAD based on data provided by Clarksons Research (the fleet, ship building and scrapping), Lloyds List Intelligence (liner shipping connectivity) and various national and specialized sources and websites.



For further information contact Jan Hoffmann (<u>jan.hoffmann@unctad.</u> <u>org</u>), Trade Logistics Branch

## CHINA HOSTS TRADE FACILITATION TRAINING FOR STAKEHOLDERS FROM ALL AROUND THE GLOBE

Following on from last year's successful introduction with the Trade Facilitation team of speakers from UNCTAD (see Transport Newsletter No 68, p 15), the Ministry of Commerce of the People's Republic of China (MOFCOM) and UNCTAD continued their collaboration in cosponsoring the 2016 Seminar on Trade Facilitation for Developing Countries that took place in Wuhan, China, from 19 May to 8 June 2016, organized by the China-Europe Vocational Training Centre.

UNCTAD's segment of the Seminar was on 31 May - 3 June 2016, during which participants were updated about UNCTAD and its work in Trade Facilitation.

Beyond the introduction to the concept of Trade Facilitation, participants had also a alimpse into the substantive role of trade facilitation in business processes of crossborder trade and logistics. Being from various countries, participants appreciated the importance of being compliant with the WTO TFA in establishing a level playing field for all countries in improving their cross-border international trade. Participants also learned and appreciated the Special and Differential Treatment provisions of the TFA that gives not only flexibility but also accountability and strong sense of commitment to developing and least developed countries in prioritizing their own WTO TFA related TF reforms into three different categories. Related to the role, experience, and best practices of National Trade Facilitation Committees (NTFCs), UNCTAD also shared its findings from its work in assisting various developing countries set up and strengthen their NTFCs.

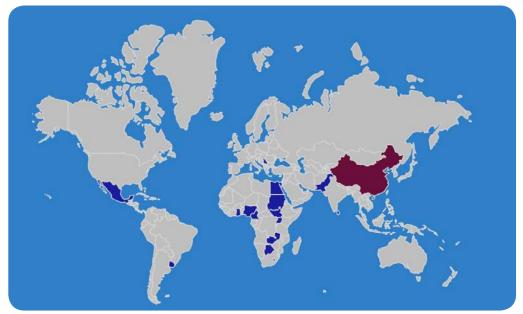
Exploring each of the 36 measures in the

WTO TFA helped participants to realize that improving cross-border clearance and therefore trade had to be the concern of not only those from Customs who focused mainly on ensuring revenue from traders complying with the required border protocols and formalities, but also those from other agencies who would handle border issues that might affect national issues such as security, revenue, agriculture, health, and commerce etc. Implementing all of these 36 WTO TFA measures must be complemented with the establishment of a National Trade Facilitation Committee that would act as a sounding board for the Government and all stakeholders, both public and private for developing appropriate road-map and project proposals aiming at trade facilitation reforms that would improve the cross-border trade for import and export in the long run. Indeed, the NTFC would therefore be an indispensable forum where all stakeholders could voice their concerns and formulate advice based on their assessment of current feedback data supplied by the monitoring system. Establishing an NTFC secretariat, stakeholders must give careful consideration on how to ensure the correct identification of

lead agencies and the most direct access to regular feedback, data, funding, resources and capacity building activities in order to ensure relevance, transparency and sustainability.

Participants in the Seminar also benefited from sharing and exchanging country experiences on Trade Facilitation in their respective countries. In general, besides the establishment of an NTFC, participants also considered the automation of customs clearance, national single window, and moving toward paperless trade transactions as important mile stones for their national trade facilitation reforms. Along with revealing the level of trade facilitation initiatives in the countries, the experience sharing exercise also enforced a shared sense of urgency that countries must soon comply with WTO TFA provisions, encouraged participants to avail themselves in supporting each other, and looked at ways on how to meet their capacity building needs in Trade Facilitation.

> For further information contact Bismark Sitorus (<u>Bismark.Sitorus@</u> <u>unctad.org</u>) Trade Logistics Branch



The seminar was well attended by developing countries' representatives including Botswana, Cameroon, Egypt, Ghana, Lesotho, Mauritius, Mexico, Nigeria, Pakistan, Serbia, South Sudan, Sri Lanka, Sudan, Uganda, Uruguay, and Zambia, representing various agencies, focusing on Customs, Transport, Trade, Finance, and Foreign Affairs.

## OPERATIONALIZATION OF GHANA NATIONAL TRADE FACILITATION COMMITTEE

09-12 May 2016, Accra - Ghana



## **OBJECTIVES**

- Deliver the Introductory Module 0 of UNCTAD's Empowerment Program for the Members of the Ghana National Trade Facilitation Committee (NTFC);

- Increase Ghana NTFC members' understanding on trade facilitation benefits and impact on development;

- Improve Ghana NTFC members' knowledge on the World Trade Organization (W TO) Trade Facilitation Agreement;

- Assist Ghana NTFC in the process of categorization, notification and ratification of the WTO Trade Facilitation Agreement

## MAIN OUTCOMES

- Improvement of the Terms of Reference for Ghana's NTFC, contributing to its formal establishment

- Creation of a six month work plan for Ghana's NTFC

- Categorization of WTO measures, preparation of notification and ratification processes



## **FURTHER INFO**

This module of UNCTAD empowerment program was financed by UK Customs and organised in the context of HMRC-UNCTAD-WCO Capacity Building Program. TARGET AUDIENCE

- 29 members and potential members of Ghana's NTFC (7 women / 22 men)
- 15 Ministries / Agencies represented (including private sector)



## **WORTH MENTIONING**

Next Module of UNCTAD's Empowerment Program for Ghana's NTFC will take place in Accra on 29 August - 1 Septermber 2016. For more information please contact: Arantzazu Sanchez, Trade Logistics Branch, UNCTAD ARANTZAZU.SANCHEZ@UNCTAD.ORG

UNCTAD EMPOWERMENT PROGRAM for National Trade Facilitation Committees

## KICK-OFF OF THE NTFC TRAINING PROGRAM IN TANZANIA

06-08 June 2016, Dar es Salaam - Tanzania



## **OBJECTIVES**

Deliver the "Initiation Module" of UNCTAD's Empowerment Program for training members of the National Trade Facilitation Committee (NTFC) of Tanzania:

 Presentation of program's objectives, methodology and brief description of modules;

 Raise awareness about trade facilitation among key stakeholders from public and private sectors;

- Ensure buy-in of high level authorities; - Identify specific training needs of the National Trade Facilitation Committee

## **TARGET AUDIENCE**

- 47 members and potential members of Tanzanian NTFC (17 women and 30 men);
- 38 institutions representing public and private bodies (e.g. Customs, Food and Drugs Board, Transporters and Tanzanian Manufacturers Association)



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When I hear 'Trade Facilitation' the first word that comes to my mind is 'opportunity'

Representative of the Agricultural Council of Tanzania, umbrella organization of the agricultural private sector in the country.

## MAIN OUTCOMES

- 90% of participants understand the principles and methodology of the Empowerment Program;

- 95% of participants consider that trade facilitation is extremely important for economic and social development;

- Specific training needs were identified for most member institutions of the NTFC

## FURTHER INFO

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UNCTAD is supporting the East African Community (EAC) since 2012 under various technical assistance projects.

The kick-off event was organized as a coordinated effort between UNCTAD, WCO, UNIDO, EAC Secretariat, Ministry of Industry and Trade of Tanzania, with the support of the Germany (GiZ), UK Customs (HMRC) and TMEA.

For more information on the EAC project, please contact: Poul Hansen or Celine Bacrot, Trade Logistics Branch

POUL.HANSEN@UNCTAD.ORG Celinebacrot@hotmail.com

UNCTAD EMPOWERMENT PROGRAM for National Trade Facilitation Committees

## MEASURING AND IMPLEMENTING TRADE FACILITATION IN SUDAN

29 May -02 June 2016, Khartoum - Sudan



## **OBJECTIVES**

- Analyze and interpret trade and transport data, including international institutions' flagship publications such as UNCTAD Maritime Statistics, World Bank Doing Business, etc.;

- Identify trade facilitation bottlenecks at the national level using WCO tools and adapt national trade policies;

- Increase knowledge on customs automation benefits and implications for trade facilitation;

- Get familiar with the usage of information and communication technologies in trade facilitation;

- Raise awareness on single window environments and solutions for improving trade facilitation.

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## **FURTHER INFO**

This module of UNCTAD empowerment program was financed by UK Customs and organised in the context of HMRC-UNCTAD-WCO Capacity Building Program.

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## **WORTH MENTIONING**

Next Module of UNCTAD's Empowerment Program for Sudan's NTFC will take place in Khartoum on 14-18 August 2016.

## **TARGET AUDIENCE**

- 31 members and potential members of Sudan's NTFC (61% women)
- 13 Ministries / Agencies represented (including private sector)

> For more information please contact: Arantzazu Sanchez, Trade Logistics Branch, UNCTAD ARANTZAZU.SANCHEZ@UNCTAD.ORG

**UNCTAD EMPOWERMENT PROGRAM** for National Trade Facilitation Committees

### INTERNATIONAL AGENCIES JOIN FORCES TO SUPPORT WTO ADVANCED COURSE ON TRADE FACILITATION FOR NATIONAL COMMITTEE CHAIRS

The WTO TFAF (Trade Facilitation Agreement Facility), in cooperation with several of its partner organizations, including UNCTAD, conducted a one-week training course for officials from 30 WTO Member governments from Africa, Asia, the Caribbean, Latin America, the Middle East and the Pacific Islands.



The aim of the course was to build the capacity of chairs of national trade facilitation committees. This intensive course included topics such as how to prepare category A,B,C notifications (taught by WTO); communication skills, how to manage a meeting, and how to create an action plan (taught by the WCO). The participants shared their experiences in the development of their national TF committees in a one day workshop that was open to all WTO Members. And they also took part in a mock committee meeting led by the ITC.

Throughout the week the participants worked with a coach from either UNCTAD, UNECE or the World Bank Group, to develop an action plan that they will carry out in order to address issues they are facing in their committee. Officials from Europro and Swepro provided valuable insight, based on their experience.

The TFAF received around 75 applications for this course but limited the number to 30 in order to provide individual attention to the participants. Given the great interest, and positive feedback from the course participants, the TFAF has already begun initial planning for additional courses. Information on future courses will be made available as plans develop.



Article published in: http://bit.ly/292gAxX For further information on UNCTAD's role in this event, please contact Arantzazu Sanchez (<u>arantzazu</u>, <u>sanchez@unctad.org</u>), or Poul Hansen (<u>poul.hansen@unctad.org</u>), Trade Logistics Branch



Pictures by WTO

### MAKING THE WTO TRADE FACILITATION AGREEMENT WORK BETTER FOR THE PRIVATE SECTOR

by Mohammad SAEED, International Trade Centre (ITC)

In today's world, the fragmentation of production processes across geographic boundaries has become a 'norm' as goods cross borders multiple times during their production lifecycle prior to reaching the retailers' shelves.

According to the UNCTAD Key Statistics and Trends in International Trade 2015, 'intermediate products' represent the largest flow of world trade at almost US\$ 8 trillion out of total volume of 18.5 trillion of global trade in goods in 2014.

At the same time, suppliers are aligning their businesses to the key management principles of "5 Zeroes" which require inventory, delay, paper, failure and default all to be zero (or minimum). This business model can only work in a sustainable manner if there are transparent and predictable international trade procedures in place. Any uncertainty resulting from unpredictable international trade procedures and in particular, how these are implemented can disrupt the planned production and delivery schedules and adds significantly to the transaction costs of trading goods. Accordingly, businesses increasingly rely on government agencies to provide efficient cross-border services to minimize their costs of doing business to increase their competitiveness.

The WTO TFA is a befitting global response to the business reality that logistics efficiency is an important determinant of business competitiveness and must be addressed by all Members. The TFA has initiated a new 'paradigm' that private businesses are recognized as important stakeholders in trade policy formulation as well as in the subsequent implementation. It specifically acknowledges the importance of involvement of private sector by making it mandatory to hold regular consultations, provide opportunity to comment on proposed or new regulations and establish a public-private national committee to facilitate domestic coordination and implementation. These initiatives provide the private sector with a platform to regularly engage with government agencies and contribute to the national objectives. Trade facilitation is too important an issue to be left only to the governments. It extends beyond government regulatory ambit as it covers each step in international trade supply chain from producers to retailers.

The businesses are not only the main beneficiaries of trade facilitation reforms but also an important partner of the government in providing trade related services. There are many activities in the international trade transactions which are either exclusively performed by private businesses or are assigned to them by governments to be carried out on their behalf. These services include banking, insurance, customs brokerage, freight forwarding, and domestic transport sectors and also extend to shipping and port operations which are manged by the private sector. The efficiency of international trade procedures is always equal to the efficiency of the 'weakest link'. Hence, private sector's needs and governments' objective of stimulating growth through efficient trade can only be achieved when both sets of actors interact and collaborate to reduce costs and ensure efficient regulatory compliance.

The national governments, by agreeing to the TFA, have offered a 'seat at the table' to the private sector to take this collaboration to the next level. However at the operational level there is a long way to transcend the mind-set of a 'patron-client' relationship to that of a 'partnership' and 'collaboration' working together to achieve common goals. The TFA provides the framework for such coordination; it is up to both parties to make it useful and effective. From the point of view of the business sector to effectively contribute to this public good, the mechanism for collaboration has to be Inclusive, Comprehensive, and Coordinated.

#### Inclusive

Businesses are diverse in terms of their size and area of expertise. In almost every economy, Small and Medium Enterprises (SMEs) outweigh bigger companies in number and employment opportunities offered but invariably have limited access and influence with public functionaries. It becomes the responsibility of governments and larger firms, with resources at their disposal, to ensure that all economic sectors (from manufacturing to service providers of varying sizes) are represented in the public-private dialogue process. There is a need for bringing SMEs to the forefront of decision making process and this point can be substantiated convincingly with the following example: TFA requires governments to introduce Authorized Economic Operators (AEO) initiative which invariably includes a criterion based on 'financial solvency' of the participating firms. This could render many SMEs ineligible for this scheme unless representatives of SMEs, as part of the inclusive PPD mechanism, raise this issue and decide on an alternative criterion which does not de facto exclude them. The right mix of businesses from all sectors of the economy and of all sizes can add value to the public private dialogue.

#### Comprehensive

Private sector can play a decisive role in all phases of implementation of trade facilitation reforms (from needs assessment, to design, to implementation and to monitoring and evaluation). ITC, in its experience of working with beneficiary countries, has witnessed that regulatory authorities focus on minimal changes to achieve legal compliance and are reluctant to go beyond it to undertake meaningful reforms. The businesses, on the other hand, are usually driven by results of the reform process. The emphasis must not be to achieve compliance but implementing reforms in a manner which gives businesses an edge by increasing their competitiveness.

A well organised and informed private sector can play an important role in:

- Policy formulation, including accompanying business process reforms, tailoring these polices and processes to the business needs;

- Prioritization of reforms;

- Financial partners (PPP) in implementation; and most importantly

- Monitoring effectiveness of reforms through regular feedback loop and providing inputs to continuously improve systems.

The implementation of trade facilitation initiatives cannot be done overnight. It is a process of constantly analysing the solutions, gauging performance against pre-defined indicators and striving to make continuous improvements. The private sector can play a key role in the monitoring and evaluation phase of the project and as users, they will be best placed to provide constant feedback and suggest operational improvements. The consultation mechanisms and national trade facilitation committees should, therefore, serve as institutional arrangements for improving trading environment through constant dialogue.

#### Coordinated

Private businesses are diverse in size, activities and resources at their disposal which invariably results in competing and sometimes contradicting priorities and interests between them. The TFA does not specify how commitments undertaken by WTO members should be implemented. The modalities of implementation have been left to the discretion of the member states to decide what models (operational, regulatory, strategic etc.) suit them best. It requires coordinated reforms from dozens of border regulatory agencies (BRA) which answer to different line ministries with sometimes competing agendas. To be effective and successful, businesses must coordinate amongst themselves to come up with common positions and recommendations. This might require them to invest resources to develop recommendations that are backed by thorough quantitative and qualitative analysis. A consensus position presented as a 'coordinated business voice' has more chances to succeed. While presenting to the government, businesses must suggest possible solutions to address constraints and at the same time, acknowledge that the government also has to cater for national development priorities that supersede private sector demands. It is important to understand that the final decision making remains governments' prerogative.

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Governments, bigger businesses and development partners need to support small industry groups to build their capacity to formulate recommendations and effectively participate in consultation processes. ITC has done a lot of work in the area of effective participation of private sector in trade policy reforms including through 'Business Process Analysis' (BPA) studies, NTM surveys and advisory services. The dissemination of TFA Business Guide and SME training module has equipped businesses with knowledge of trade facilitation initiatives and the role they can play in their successful implementation. The effort continues!

For further information contact Mohammed Saeed (<u>saeed@intracen.org</u>), International Trade Center

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### TOWARDS THE ESTABLISHMENT OF A SINGLE WINDOW IN ALBANIA

UNECE is supporting a project titled "Improved capacity of governmental trade control agencies in Albania to implement Single Window", implemented in partnership with the Ministry of Economy, Trade and Entrepreneurship of Albania, the Albanian Customs Administration, and UNCTAD.

A Single Window is a facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfil all import, export, and transit-related regulatory requirements. The establishment of a national Single Window for trade lessens the procedural burdens involved in the import and export of goods, and is considered to be a key step in trade facilitation. Globally, more than 70 country economies are using Single Window systems, as reported by the World Bank.

Moreover, the implementation of a Single Window is a requirement for countries that ratify the Agreement on Trade Facilitation of the World Trade Organization (WTO TFA). Having recently ratified the TFA and recognising the benefits of a Single Window, the Government of Albania has made the establishment of a Single Window a national priority.

In light of this, the United Nations Economic Commission for Europe (UNECE) is supporting a project entitled "Improved capacity of governmental trade control agencies in Albania to implement Single Window". implemented in partnership with the Ministry of Economy, Trade and Entrepreneurship of Albania, the Albanian Customs Administration. and the United Nations Conference on Trade and Development (UNCTAD). The project aims to strengthen the capacity of governmental trade control agencies and the business community in Albania to simplify, harmonise and automate trade information gathering and customs operations through a Single Window.

A workshop was held under this project in Tirana from 13 to 17 June 2016, where officers from the Albanian Customs Administration, State agencies, and the private sector were trained by experts from the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT), UNECE, and UNCTAD on the development of a Single Window in the country. The workshop focused on international best practice and standards, and emphasized the importance of stakeholder involvement. Key outcomes of the workshop were:



• Increased knowledge of relevant international recommendations, standards and tools (e.g. UNECE recommendations related to Single Window, United Nations Trade Facilitation Implementation Guide, Business Process Analysis, ASYCUDA system, etc.);

• Improved understanding of existing customs procedures through a technical visit to a port;

• Draft outline of a National Trade Facilitation Roadmap in relation to Single Window establishment; and

• Draft terms of reference for a working group for the establishment of a Single Window.

This project is a good example of the cooperation between United Nations entities working in trade facilitation, as set out in the Memorandum of Understanding between UNECE, UNCTAD, and the International Trade Centre (ITC).

For more information, see <u>http://tfig.unece.</u> org/contents/single-window-for-trade.htm

For more information, see <u>http://www.</u> unece.org/cefact/cf mou index.html

## UNECE suite of recommendations on Single Window

UNECE has developed a suite of recommendations related to Single Window establishment and maintenance. These include, in addition to the introduction of the concept and guidance on how to establish a Single Window operation (Recommendation N°33), recommendations for datasimplification and standardization for international trade (Recommendation N°34), establishing a legal framework for international trade Single Window (Recommendation N°35), and a recommendation on establishing interoperability between two or more national Single Window systems (Recommendation N°36, upcoming).

The recommendations are available at:<u>http://www.unece.org/cefact/</u>recommendations/rec\_index.html

For further information contact Maria Ceccarelli (<u>maria.ceccarelli@</u> <u>unece.org</u>), Trade Facilitation Section, UNECE

### PERFORMANCE OF CONTAINER TRADE IN LATIN AMERICA AND THE CARIBBEAN 2015

#### Data and analysis available from UNECLAC Ranking of Port Throughput

In 2015, global and regional container port activity experienced a slow growth worldwide. The global container throughput grew by only 1.1% in 2015, according to Alphaliner's estimates based on a preliminary survey of over 400 ports worldwide. Last year's global throughput growth logged the second lowest annual growth rate ever recorded for the industry, surpassed only by the record low of 2009 when it declined by -8.4% due to the global financial crisis. Although global GDP grew by 3.1% in 2015 according to the latest IMF estimates, container volume growth grew by less than half of the rate of GDP growth rate. Although the region achieved overall better results, 1.7% during 2015, Latin America and the Caribbean's container throughput showed a slowdown in its growth during the last year. This comparative assessment of the performance in 2015 and in 2014 is based on a survey of a representative sample of ports in the region<sup>1</sup>. Showing a decelerating growth, with a lower expansion of port throughput compared to previous years in some cases and a more dynamic growth in the others<sup>2</sup>. During 2015, the port container movements in Latin America and the Caribbean included in the survey reached an increase of 3.0% more than in 2014. The region's exports declined in value by 11.6% and the imports by 9.3%. Over this period, the region's economies presented a recession of Gross Domestic product (GDP), declining by 0.4%.

Comparing 2014 and 2015, port activity revealed a growth of container throughput by 3.49%, and the GDP had a lower variation by 3.1%, while the variations of import and export values were even further below in percentage change than the container trade. This reveals a sharp decrease of trade that has been observed in the region during the last five years. It is worth highlighting that in the four years prior to the global economic crisis, container ports experienced an average annual growth of 14.5%, which was almost three times the rate of average change of the economic activity of the region in the same period (5.4%).

Port activity displays vast heterogeneity in container throughput by country. Six coun-

 $1\ \text{Survey}\ \text{covers}\ \text{around}\ 65\%\ (97\ \text{of}\ 150)\ \text{of}\ \text{container}\ \text{ports}\ \text{of}\ \text{the region,}\ \text{about}\ 80\%\ \text{of}\ \text{container}\ \text{throughput}\ \text{of}\ \ \text{LAC}.$ 

2 These figures will be completed with the presentation of the ECLAC Ranking of Ports 2015. tries registered important growth: Colombia, Nicaragua, Honduras, Guatemala, Mexico and El Salvador, while five countries, Brazil, Peru, Puerto Rico, Trinidad & Tobago and Venezuela, show a downturn in their port activity.

At a country level, six countries stood out: Colombia (13.1%), Nicaragua (24.4%), Barbados (10.3%), St. Vincent and the Grenadines (11.3%), Monserrat (11.7%), and Anguilla (27.7%), while other six countries from the region have showed an important slowdown in their activity: Argentina (-0.3%), Brazil (-2.1%), Peru (-3.6%), Puerto Rico (-8.3%), Trinidad & Tobago (-12.4%), and Venezuela (-22.2%). Mexico increased its port activity considering the 3.8% figure of 2014 to.7.4% in 2015. In Central America, the reduced growth of Panamanian ports (1.8%) during 2015 hides and important rise in the port activity of some countries of the sub-region. These countries averaged a 6.7% container throughput increase during 2015, which means at a country level growth rates as El Salvador (6.4%), Guatemala (6.9%), Honduras (8.9%) and Nicaragua (24.4%)?

The most significant variations are:

a) the sharp rise import activity in Colombia, which shows a growth by 7.0% in 2014 and 13.1% in 2015 compared to 2013, and

b) The 3.6% decline in Peruvian port movements.

To a lesser extent, Mexico showed an improvement in its port activities with the3.8% growth during 2014, and a 7.4% growth in 2015, respectively.

The outlook in South America is less encouraging and highlights the downward trend in the rate of growth of the port throughput in the subregion. In 2015, ECSA's activity reduction reached 1.4%, while WCSA results suggest a slight increase in container throughput, with a positive variation of 1.1%. The stagnation of the container ports in Chile (0.1%) and the negative variation of Peruvian ports (-3.6%) counterbalances the growth rate in Ecuador (6.3%) and the Port of Buenaventura in the Pacific Coast of Colombia (6.6%). Central America dropped 0.1% reaching 3.4% last year versus a growth of 3.5% in 2014, whilst the throughput figures of the Caribbean ports remained flat with only +0.1% change.

According to figures unveiled in ECLAC's 2015 edition of its ranking of container port throughput (ECLAC Port Ranking<sup>3</sup>), the figures confirm two trends observed during the last years in the region: the slowdown of foreign trade shown by container terminals and great heterogeneity of the growth rates inside the region. The total volume of activity in 2015 was approximately 48 million TEU<sup>4</sup>. The first 40 ports in the ranking accounted for nearly 90% of the operations this type of cargo in the region, while another 98 smaller ports divided up the remaining 5.9 million TEU (equivalent to 10%) among themselves.

At an individual level, the ports that registered a relatively better performance during 2015 were: Santos (3,645,448 TEU), Colón (3,577,427 TEU), Balboa (3,294,113 TEU), Cartagena (2,606,945 TEU), Manzanillo (2,458,135 TEU), El Callao (1,900,444 TEU), Guayaquil (1,764,937 TEU), Kingston (1,653,272 TEU), Buenos Aires (1,433,053 TEU) and Freeport (1,400,000 TEU). See Table:"Latin American and the Caribbean Container Port Throughput, Ranking 2015"in annex for details. Just as in previous periods, the reasons behind growth, deceleration or an outright decrease in port activity are varied. For example, the ports of Cartagena 16.6% (Colombia), Colón 8.8% (Panama), Guayaquil 8.9% (Ecuador), Manzanillo 4.4% (Mexico), Veracruz 9.9% (Mexico), and San Antonio 7.0% (Chile) registered positive figures due to the success of their projects and commercial management, while others were affected by low trade performance in general as in the case of El Callao -4.6% (Peru), Puerto Cabello -19.2% (Venezuela), Valparaíso -10.7% (Chile), San Juan -8.8% (Puerto Rico), Río de Janeiro -28.0% (Brazil) and Balboa -5.0% (Panama).

Considering economic factors such as the GDP Multiplier, since 2010, these has fallen further to 1.5X as the container shipping industry reaches a new level of maturity. Latin America shows a similar trend in line with this factor. In the region, GDP multiplier has

3 http://www.cepal.org/cgi-bin/getprod.asp?xml=/perfil/noticias/noticias/7/29917/P29917.xml&xsl=/perfil/

4 Standard unit of measurement, equivalent to a container of 20 feet, or 6.25 meters, which is to say, a metallic box of standardized size that can be transferred easily between different means of transportation, such as ships, trains and trucks

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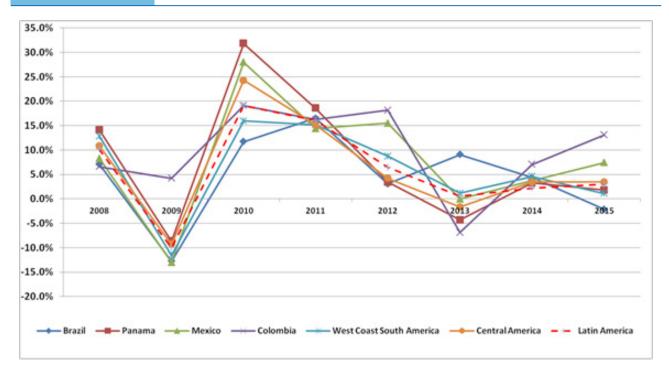


Table 1: Annual Variation of container throughput by selected countries and areas of the region

also fallen further in the period leading to the 2009 global financial crisis, dropping from 5X, as recorded during the decade of 1990 and the early 2000's, just over half this value – 2.9X in the period from 2004- 2008 to 1.45X in 2012-2014. This number is similar to the recent figures registered globally.

In relation to the causes, several components have contributed to the lower container throughput growth in recent years, including<sup>5</sup>: the impact of the technological change of conversion from breakbulk to a containerized mode of transportation has plateaued; increased share of manufactured goods versus raw materials transported by containers, and a corresponding trend of miniaturization of manufactured goods; the rate of offshoring of manufactured activities to Asia and especially to China has slowed; changes in the imbalances of trade: the decelerated growth of laden container volumes in one direction leads to the lower volume of container goods, as well as to the reduced empty container handling; reduced incidence of container transshipment, as more ports are served directly. Various ports in Southeast Asia, Latin America or Africa that were previously connected mainly by feeder or relay services have attracted mainline calls as volumes increased while port facilities have been improved.

5 Alphaliner Weekly Review, Volume 2016 Issue 08



For more information, contact Ricardo Sánchez (richardo.sanchez@eclac.org), Natural Resources and Infrastructure Division, ECLAC

You can also visit the latest ECLAC Maritime Bulletin: http://www.cepal.org/en/notes/container-throughput-regions-ports-rises-17-year-2015 and the ECLAC Maritime and Logistics Profile: http://www.cepal.org/perfil/

# **Ports Ranking** The Top 20 in Latin America and the Caribbean in 2015

ECLAC updates every year its ranking of container port throughput, which shows the cargo volume in containers in 120 ports of the region, based on data obtained directly from port authorities and terminal operators. In 2015 this activity grew 1.7%, with a total volume of approximately 48 million TEU. This infographic displays the first 20 ports of the ranking.



Source: ECLAC, Maritime and Logistics Profile of Latin America and the Caribbean, May 2016. http://bit.ly/1lL0Rgy

ECLAC

## NEW RANKING OF WORLD BANK LOGISTICS PERFORMANCE INDEX HIGHLIGHTS LAG IN LEAST DEVELOPED COUNTRIES' PROGRESS

Germany Tops 2016 Logistics Performance Index

Progress in logistics performance has slowed for the first time since 2007 for the world's least developed economies, while emerging economies that implement comprehensive initiatives continue to improve their performance, according to a new World Bank Group report released today.

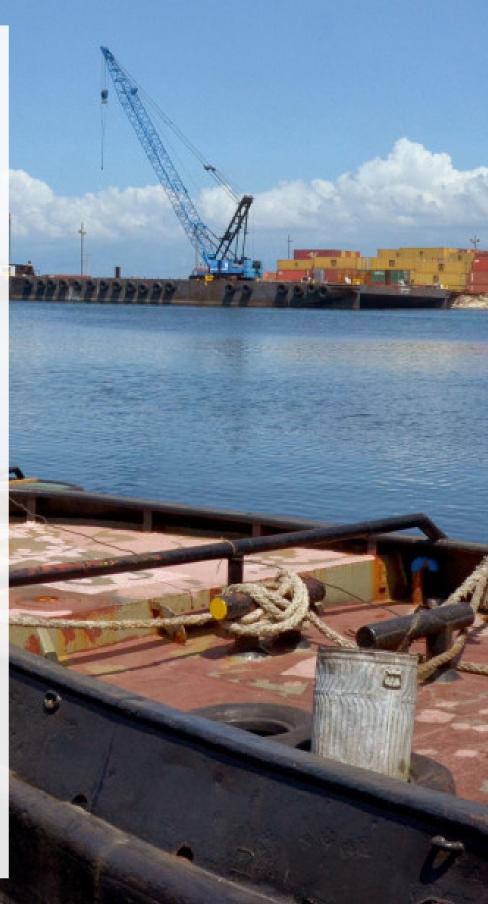
The latest edition of the Logistics Performance Index, which is a part of the bi-annual report, Connecting to Compete 2016: Trade Logistics in the Global Economy, ranks 160 countries on their trade logistics performance. For the third time, Germany is the top performer. Syria ranked lowest.

"Logistics performance both in international trade and domestically is central to countries™ economic growth and competitiveness," said Anabel Gonzalez, Senior Director for the World Bank Group's Trade & Competitiveness Global Practice "Efficient logistics connects people and firms to markets and opportunities, and helps achieve higher levels of productivity and welfare. Unfortunately, the logistics performance gap between rich and poor countries continues and the convergence trend experienced between 2007 and 2014 has reversed for the least performing countries."

Countries like Kenya, India and China, all improved their previous performance according to the report, which is based on survey data from more than 1,200 logistics professionals. The report ranks countries on a number of dimensions of supply chain performance, including infrastructure, quality of service, shipment reliability, and border clearance efficiency.

Over the past six years, the world's top-10 performers have remained consistent and include dominant players in the supply chain industry. Low-income economies with the worst performance are often landlocked, small islands, or post-conflict states. However, for the first time in the history of the Connecting to Compete reports, landlocked countries are no longer automatically disadvantaged, as shown by the performances of both Rwanda and Uganda, which benefit from regionally coordinated efforts to improve trade corridors.

> For more information: <u>lpi.worldbank.org</u>



### DAR ES SALAAM PORT MOVES TO SHED THE OLD STIGMA

TradeMark East Africa's support has not only catalyzed additional financing for the Port's modernization from other donors, but it has also provided the foundation for some of the activities that need to be undertaken to improve the Port.

Waziri Hussein, 38, growls as he shifts gears to inch his 40ft container Scania semi-trailer forward in the truck traffic emerging from Gate No 5, the international container terminal of the Dar es Salaam Port. The peak Friday exit traffic meant he had been queuing for at least an hour to get this far.

Under a permanent cloud of dust in the blazing afternoon sun, Hussein's three-member crew prepared to embark upon its 2,300km journey to Kisangani, the Democratic Republic of Congo.

"In another two maybe three hours, we may reach Ubungo intersection," says Hussein, frowning as he looks ahead over the traffic from his elevated vantage position. "What is annoying is that after enduring the long wait inside the gate, there are still about three checkpoints on just this 2km Bandari stretch, which only worsen the congestion, and then we still have to get across Mandela road to Ubungo."

Without a substantive, functioning railway system, trucks such as Hussein's remain the main connector between the Port of Dar es Salaam and its clientele in seven countries, including Tanzania.

This also means they are the landside manifestation of a critical set of challenges including clearing systems and seaside infrastructure, which together have contributed to the bothersome reputation for congestion that the Port of Dar es Salaam is currently battling to quash through concerted efforts.

"It is a complex mix of challenges," says Hebel Mhanga, the acting Port Manager. "We have a narrow and shallow entrance channel which can't receive bigger vessels. Our berths too can only receive small vessels with a maximum draft of 11 meters, while modern cargo vessels are between 14 and 16 meters."

Dar es Salaam is the second largest port in East Africa after Mombasa and serves as a gateway to regional economies including Uganda, Burundi, Rwanda, Zambia, and the Democratic Republic of Congo. In 2013, the World Bank reported that the total cumulative cost of delays and additional monetary payments at the Port of Dar es Salaam compared to Mombasa are equivalent to a tariff of 22 percent on container imports and of about five percent on bulk imports. As modern containerized trade developed and took root, the Port of Dar es Salaam found itself with eight covered sheds covering 81,000 sq. meters of its terminal space. These were built close to the quays to facilitate the easy offloading of goods from ships. On the flip side, they have been a challenge for setting up container handling equipment and for easy truck movement within the surroundings.

In addition, with the Port's original layout designed to handle small vessels, the quay approach is not wide enough to allow use of bigger and more efficient equipment to load and offload ships. Access roads at exit and entry gates are also very narrow and make it difficult for trucks to manoeuver. The narrow outside roads further constrain the off-take of cargo even as volumes keep increasing annually.

Over the past few months, work has begun on the improvement and expansion of access roads from the Port to the main roads through four key gates supported by TradeMark East Africa (TMEA) as part of a five-year financing package of over \$60 million to the Tanzania Port Authority (TPA) since 2011. The support also covers initiatives to improve land use; port layout, storage, off-take processes and city inter-connectivity in order to help it cope better cope with the increasing demand for its services.

"The roads being fixed within are actually short but have for long been in need of repaving in order to improve our connection with the network outside the Port. Trucks don't move at speed while in this area so they need roads of superior quality which have been compacted to withstand their weight at near-zero speed."

To stakeholders, it has been a long wait for this intervention. "Sometimes due to shortcomings regarding paperwork, perhaps because of the shoddy work by the clearing agent, a truck at the front can be turned back from the queue," says Festo Kyando, a truck-driver on his way to Zambia. "But with the narrow space, turning one truck around can affect all trucks in the queue leading to long delays."

TradeMark East Africa's support has not only catalyzed additional financing for the Port's modernization from other donors, but it has also provided the foundation for some of the

activities that need to be undertaken to improve the Port. For example, the findings of the TMEA supported Bathymetric Study were incorporated in the 2013 Big Results Now, a Government mechanism for fast-tracking results in priority sectors including transport. Furthermore, these findings also constitute the technical foundation for the planned deepening and strengthening of berths 1-7 which is to be done as part of the comprehensive \$565 million Dar es Salaam Maritime Gateway Project (DMGP). TMEA is also contributing to the DMGP together with the World Bank, the UK's Department for International Development (DFID), the Development Bank of Southern Africa (DBSA) and the TPA.

"The project has many components and each of them is complex," says Mhanga. "And it is impacting on our operations because it is being implemented while we continue to provide services. Yet the feedback we get from clients at the moment points to a shared sense that future of the Port of Dar es Salaam is bright."



Article published by Trade Mark East Africa: <u>http://bit.ly/28Mkfdl</u>

### GREEN BUSINESS: KENYA PORT AUTHORITY GEARS UP FOR A GREEN PORT POLICY

Environmental degradation is bad for trade and business growth especially when it directly affects the health and productivity of workers and neighbouring communities. The Kenya Ports Authority (KPA) with technical and financial assistance from TradeMark East Africa (TMEA) has initiated an elaborate Green Port Policy that will transform the port of Mombasa into a premier port of 'clean fuels' in Africa.

Locals call it the 'river of death'. In its thick foam, it gushes through the rocks and with a mournful murmur spills over a cliff into the sea turning the water below into a smelly gel.

Another hot stream with an offensive smell flows gently through the Port of Mombasa. Along its long winding journey, the small stream picks up domestic and industrial effluents before spewing its load of putrid waste into the vast ocean.

Similar 'rivers of death' spring from different parts of the City of Mombasa, pouring their deadly cargo into the Indian Ocean. Children, oblivious of the dangers posed and inured to the stench swim and play in the ocean waves breaking over the shore close to the point of discharge.

Abdi Hassan, a fisherman from Likoni knows all too well the impact these rivers have on his trade. He walks the beach picking up sticks, which he hurls into the sea as if to deflect his thoughts from the reality he faces: "Many times we find dead fish floating in the water. They are normally bloated and smelly having died from the poisons of the industrial waste and oils from the ships. You can even see the blackness that covers the plants around this area."

He pauses, temporarily taking off his mind from the streams that are choking marine life and endangering the lives of the fishing community that depends on the ocean for their livelihoods.

The workers at the Mbaraki Wharf sweat and toil through the dust emanating from the clinkers and bulky containers. For hours, they push, pull and shove through 'dirty cargo' inhaling the fine dust that covers the entire neighbourhood sometimes making visibility a challenge. Unlike Abdi, these workers are unaware of the environmental damage the streams and the dust are wreaking.

The dust blows in from various products including coal, iron ore and fertilizers posing a major health risk to both the workers and port users. On windy days, it spreads out through the tourist city of Mombasa as hundreds of the trucks embark on the long voyage back into the heart of the East African Community (EAC). This environmental degradation has been giving the Kenya Ports Authority (KPA) management sleepless nights. "We must bring a stop to this pollution. We must get rid of this stench," says the KPA General Manager Corporate Services, J. O Nyarandi. He adds that since most of the effluent does not originate from KPA it is necessary to involve the community and other players to clean up the port.

#### The Green Port Policy sets to give a solution to tackle environmental degradation

In May 2015, the UK Department for International Development (DFID) and Trade-Mark East Africa (TMEA) signed a 23 million pounds (Ksh 3.5billion) grant agreement for the modernisation work at the port of Mombasa. The funds will be used to improve infrastructure while addressing efficiency, speeding up import and export trade and minimizing negative environmental impact on the port. The project will enhance quality of service and management in the daily operations of the port of Mombasa which impact directly on the lives of millions. They will help mitigate the fact that the port is currently a major contributor to environmental pollution. Some of its activities pose a threat to both the health of port workers and surrounding communities.

DFID Kenya Deputy Head of Department, Tony Gardner said during the signing of the agreement, "The expansion of the port modernisation work at the port of Mombasa will take into account environmental and social aspects and this will go a long way in complementing existing projects. It will expand the flow of benefits to stakeholders, including the population of Mombasa and the wider East African Community residents."

TMEA Director General David Stanton said, "This project aims at minimising environmental impacts whilst addressing energy efficiencies. This investment is among many projects that TMEA is spearheading through the UK Government support at the Mombasa port to enhance trade environment in the region since East Africa has amongst the highest freight and transport costs in the wold. These costs seriously erode the marginal competitiveness of goods exported by East African countries, reducing trade, economic growth, job creation and poverty reduction."

Nyarandi agrees that Mombasa produces a high concentration of Green House Gas emissions from ships that use heavier fuel and running generators while in port. Pollution also emanates from trucks and aging vehicles hauling cargo from the port.

The Green Port Policy will introduce practical and implementable strategies focusing on reduction of electricity and fuel consumption by vessels, trucks and port equipment. Once the policy is in full force, only new technologies and equipment that are either electric powered or that use "clean fuel" will operate at the port. The KPA management is already working on a programme that will mobilise the community, port workers, the County Government of Mombasa and other stakeholders in planting trees to enable the port comply with ISO 14001 certification.

Stephen Ogola, a Programme Officer with the Kenya Transporters Association (KTA) says the Green Policy is the best concept for the port: "Most of us stakeholders participated in its formulation. We must all play our various roles in keeping the port clean through the use of environmentally friendly methods," says Ogola

Ogola says that since the essence of the Green Port Policy is to protect people from harmful impacts of port operations, KPA must invest in sustainable operations and port development with new technology. It must coopt stakeholders and educate the community on the need to improve the environment.

Nandan Warrier, Owners Representative; Pacific International Lines Ltd and a member of the Kenya Ships Agents, argues that KPA should as a matter of priority, implement environmentally sound best practices in port administration and waste management. It should also improve recycling and minimise energy usage. With the plenty of sunshine at the coastal city, KPA should tap the solar energy to industrial scale while harvesting rainwater and cleaning up the seawater for its use. Now, the water supply at the port is critically insufficient leading to occasional closure of most of the toilet facilities meant for both workers and visitors.

Each time the ships dock at the port, their engines remain running sometimes for days. The port in its Green Policy will explore cleaner energy for use by the ships to reduce air and marine pollution.

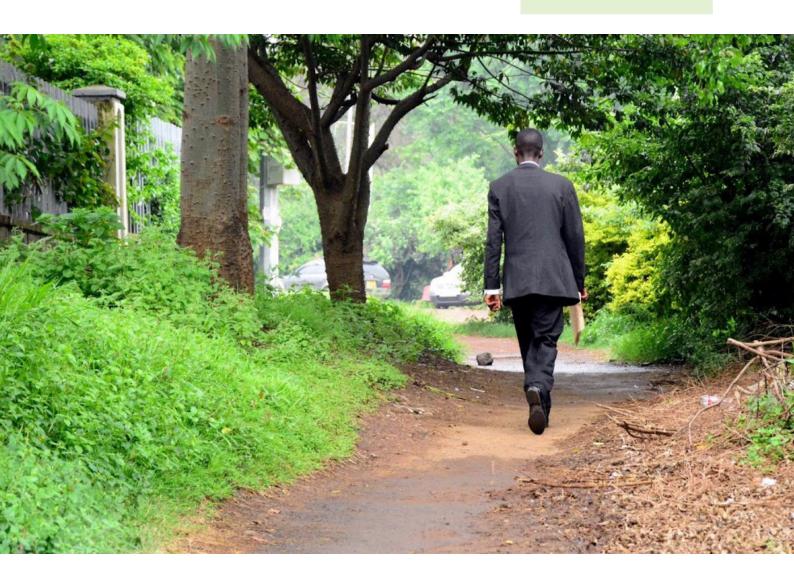
The Port of Long Beach, the second-busiest container port in the United States after the Port of Los Angeles, has inspired the KPA Green Port Policy. The Port of Long Beach acts as a major gateway for US–Asian trade. It occupies 3,200 acres (13 km2) of land with 40 km of waterfront in the city of Long Beach California. This seaport generates more than US Dollars 100 billion in trade and provides more than 316,000 jobs.

Alarmed by its own rapid expansion, and concerns of pollution, the Port of Long Beach instituted programmes to prevent and control oil spills, contain debris, and effectively manage vessel traffic. Its efforts won it the American Association of Port Authorities Environmental "E" Award making it the first harbour in the Western Hemisphere to receive such an award.

In 2007, Long Beach launched the first stage of its Clean Air Action Plan by approving a Clean Truck Programme that banned older diesel trucks from serving the port. It adopted its internationally recognised Green Port Policy in 2005 in an effort to reduce pollution in the growing region of Los Angeles/ Long Beach. The policy sets a framework for enhancing wildlife habitat, improving air and water quality, cleaning soil and undersea sediments, and creating a sustainable port culture. In Kenya, the new rail system expected to link the port of Mombasa to the interior industrial and economic markets will also help reduce long haul truck traffic and decrease carbon emissions caused by road transport.

With time, the Green Port Policy is expected to eradicate the rivers of death, clear the air of dust and create a clean, healthy environment for Abdi the fisherman, the port workers and the entire port community.

> Published by TradeMark East Africa: <u>https://www.trademarkea.</u> <u>com/impact-stories/green-</u> <u>business-kpa-gears-up-for-a-</u> <u>green-port-policy/\_</u>



## GLOBAL WARMING AND ITS EFFECT ON INTERNATIONAL TRADE LOGISTICS

Global warming is the foreboding thunder in the distance. Ocean acidification is the lightning strike in our front yard, right here, right now.

#### **By Prateek Lohiya**

International trade is dependent on efficient transportation of material from one destination to another by Sea, Air, Road and Rail. Without the aforementioned modes of transportation, we cannot even imagine the world in the 21st Century. Supply of raw material to the manufacturing plants, produced goods to the distribution centers and final delivery of such goods to the customer are all dependent on transportation activity. Today's fastest growing business vertical of E-commerce will have no meaning, if we can't deliver the listed products on their websites to the end consumer.

Although the perks of living in the new world (everything at our fingertips) have its set of advantages, we generally tend to altogether ignore the implication of such an act on our beloved environment.

The main intention of this article is to explore the effect of global warming on transportation activity and not vice- versa, even then it will be imperative to reflect some thought on whether we ever imagine how much fuel is generally consumed and the Carbon Emission it causes during the transportation activity? Below is the chart which reflects such emission by different modes of transportation for easy reference.

Chart Source - www.safety4sea.com

Global warming is a phenomenon which has impacted every sphere of our world and International Logistics is no virgin merry. Increase in climate results in change in weather patterns and thus leading to typhoons, earthquakes, volcanic eruption, etc.

Imagine a steel manufacturer exporting steel coils from Japan to a buyer in India. Now with the increase in global temperatures, solar radiation on the container will increase, which can heat the inside of the container to temperatures of up to 30±C above ambient. Now the same container gets transported from the sea port in India to Inland destination which is almost 1000 KM in distance. While stored on land, the roof temperature of containers sheltered by other containers stays at or below ambient temperatures while it goes up to 70±C for unsheltered containers due to solar radiation (as per the studies conducted by International Wine Association). There have been studies where change in container colour of the container, can have substantial impact on the temperature climate.

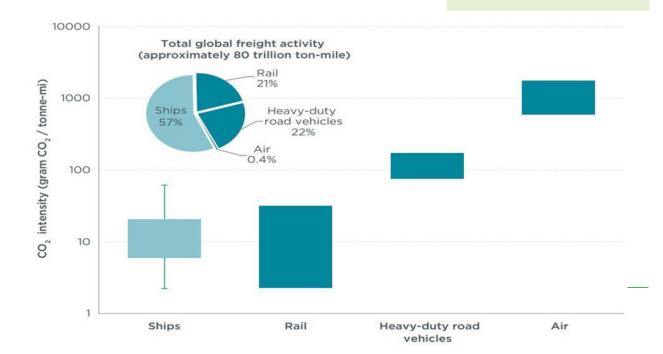
The same container of steel coils also faces extensive sea water / rains due to change in tidal behavior and various factors e.g. monsoons during the sea transit. Thus with all these factors in play, the cargo inside the container gets to bear the brunt in form of rust (due to high humidity levels) or other damages. This invariably will lead of loss of capital for the manufacturer and loss of production for the customer in India. Due to the various natural calamities being observed due to Global warming, the cargo movement from one country to another is also getting severely affected. According to Georgi Slavov of Marex Spectron, "The Increase in cyclones in the North Indian Ocean impacts the supply chain for crude going to east". The EI Nino effect on global shipping can have multiple implications on the financial market as well. Data from S&P Dow Jones Indices show that in the 2006-07 events, returns on S&P GSCI Energy index were 58 per cent in the 12 months after the EI Niño period.

Unpredictable weather pattern plays havoc with the logistics and supply chain planning that international organizations do in order to secure timely delivery / movement of material. It not only increases the freight, but also leads to higher delivery time.

In future, Government might impose Carbon taxes on shipping / airlines to curb this menace and increased freight in form of environment taxes will surely be not in the interest of importers/exporters.

More international institutes need to examine the effect of change in weather patterns on International trade and its long term implications on our businesses.

> Article by Prateekmukesh. Iohiya (prateekmukesh.lohiya@ sumitomocorp.com), Sumitomo Corporation India Private Limited



## UGANDA UPGRADING ITS BORDER WITH SOUTH SUDAN: A WIN FOR TRADE AND A WIN FOR HUMANITARIAN AID

Across East Africa, most border crossings mean long lines of traffic and the clamour for haste as frustrated drivers and government officials go about their business. In some parts of East Africa, these long lines and delays are a matter of life and death.

But things are improving markedly at 13 border posts, where TradeMark East Africa (TMEA), a strategic partner of EAC, is supporting governments to upgrade infrastructure and improve procedures to enable One Stop controls to take effect. Five of these border posts are in Uganda. The One Stop Border Post (OSBP) concept, which allows transit traffic to only stop once, is now operational at the Mirama-Hills/ Kagitumba border with Rwanda, the Mutukula/Mutukula border with Tanzania. Plans are underway to construct modern infrastructure at Elegu/Nimule, Uganda's border with the world's youngest country, South Sudan.

These mega infrastructures are transformational, and sometimes stand out majestically in the remote and rural locations they are in. The interventions are, "Reducing the time it takes to clear cargo and people at borders as a result of efficiency brought about by the adoption of One Stop controls and adoption of technology," said Allen Asiimwe the TMEA Uganda Country Director. An OSBP includes facilities where border officials including customs and immigration from adjacent countries are housed under one roof. This reduces the need for back-and-forth movement of users between agencies and authorities which adds to the stacks of paperwork and the overall administrative anarchy.

It is particularly strategic to improve and support the development of one stop controls between Uganda and South Sudan at the Elegu/ Nimule border. South Sudan is a top five recipient of Ugandan exports and over 80% of imports to South Sudan, including humanitarian assistance comes through the Elegu/ Nimule border. To complete the infrastructure initiatives, TMEA has supported the South Sudan Customs to adopt a new computer system that quickly processes documents and undertakes physical measures to de-congest the border and fast track clearance of humanitarian cargo.

In addition to improving efficiency in trade, there is an urgency to ensure the ease of crossing between Elegu and Nimule, considering that South Sudan, is embroiled in a humanitarian crisis since civil conflict broke out in late 2013. Damage to the agricultural sector has left the country more vulnerable and dependent than ever on imported food, which mostly comes from Uganda, while disruptions to oil exports—the country's major source of revenue—have left a hole in the government's finances. Latest UN reports indicate that more than four million people, a third of South Sudan's population, face serious food shortages and tens of thousands are on the verge of catastrophic famine. Facilitating trade, ensuring humanitarian aid is cleared on time and that it reaches people who need it the most, while also efficiently collecting customs dues is vital for the country.

TMEA Uganda programme projects that the construction of the Elegu OSBP will make major progress this year. The program has invested US\$6 million and notes that this is only half of the investment required to cater for both sides of the border. Once completed, trucks bound for South Sudan will be checked at Nimule, while those heading in the opposite direction will be inspected at Elegu, rather than on both. They will stop only once. This could bring down logistical costs significantly consequently leading to better prices for commodities.

"Currently it can take as long as three days to cross into South Sudan. With the new investment in an OSBP, we are aiming for this to drop to five hours. This is a big savings in time. A truck makes more money when it is in motion – when stuck at the border, the costs rack up," says Michael Ojatum, the OSBP manager at TMEA. "It impacts costs of goods at the final destination as businessmen want to recoup their costs."

Studies have shown that delays at borders can be a more significant barrier to trade than other infrastructure deficits. Poor roads add cost and time, but stopped vehicles are unproductive ones, and the long queues at border posts represent money going to waste—and they create incentives to try to circumvent the system.

In addition to infrastructural development, TMEA has supported training of key Customs personnel. "we are also offering training for the border agencies to understand the new procedures. We have also supported anticorruption campaigns as it is futile to invest in infrastructure and new processes without addressing corruption," Ojatum says.

Revenues from customs are an important

contributor to the national account and it is important to ensure that the payment process is simple and efficient as this is vital to minimizing loss says Dickson Kateshumbwa, the Commissioner of Customs at the Ugandan Revenue Authority

"We must facilitate people and use simplified procedures which will serve them whilst enabling us to collect revenue in a timely manner," he says. "If you have very lengthy procedures, it takes too long and people have to go through a lot."

Delays compromise the viability of exporting perishable goods, such as fresh foodstuffs, which easily get spoilt at the border; and emergency shipments, such as medicine or food aid, which if delayed too long can be ineffective or even harmful

Keeping the border running smoothly is important for both Ugandan businesses and South Sudan's fledgling economy. Uganda, for instance, risks losing access to a major market, which had been growing steadily since South Sudan's independence in 2011. Data from the Uganda Bureau of Statistics shows that between 2013 and 2012 exports to South Sudan more than doubled to \$306 million from \$133 million.

Interventions at the border and with key trade agencies in both countries, that aim to promote cross border trade, will be made worthwhile by various road network interventions planned for South Sudan and for Uganda's key trading towns. The US Agency for International Development (USAID), UK's Department for International Development (DFID), the World Bank and the Japanese International Cooperation Agency (JICA) are funding a series of road upgrades that will link the South Sudan's capital, Juba to Nimule, and from Nimule to the important Ugandan trading town of Atiak, and beyond to Gulu. When these are in place, the TMEA OSBP team hopes that the border post will attain

> Published by TradeMark East Africa: <u>http://bit.ly/28S85Qr</u>

### A MIXED APPROACH FACILITATES CROSS BORDER TRADE

To increase efficiency of the Mirama/Kagitumba OSBP, the Uganda government with its partners is constructing the 37km road from Ntungamo to Mirama, upgrading it to Bitumen road. This is aimed to increase traffic to the route, which offers a better transport terrain.

Allen Twinomugisha, a mother of 7, plies her trade at the Uganda/Rwanda Border at Mirama Hills. Allen crosses from Uganda to the Rwanda town of Kayonza to sell bananas and other agricultural produce at-least 4 times a day making a profit of UGX10,000 per day (USD61 per month). It is obvious to an observer that the cross border business at the newly opened Ntungamo/Kagitumba One Stop Border Post (OSBP) is thriving. Bodaboda's, matatus and bicycles call out to traders like Allen, willing them to use their transport to ferry goods to Rwanda. Allen and others like her are classified as informal cross border traders, and their journey has not always been this rosy. However, various infrastructural and policy initiatives around the borders are expected to lead to an improvement of the informal cross border traders which will increase their contribution to their countries' economies. To increase efficiency of the Mirama/Kagitumba OSBP, the Uganda government with its partners is constructing the 37km road from Ntungamo to Mirama, upgrading it to Bitumen road. This is aimed to increase traffic to the route, which offers a better transport terrain.

Today, Allen can simply walk through to Rwanda and proceed to the market to sell her produce, without much hassle. Either of the currencies is good to do business. She compares her journey between the two countries, to a few months ago and highlights new benefits. The clearing process for her goods which are usually less than USD 2,000 have been simplified. The border officials are friendlier, there is less congestion as the border has expanded its facilities and she only stops once upon entry to Rwanda. Thousands of other informal cross border traders across the region give similar narratives or are on their way to experiencing Allen's experience. This is as a result of various interventions being undertaken by East African governments to enhance and promote intra-regional trade.

The Bank of Uganda reported that informal cross border traders that ply various borders contributed around USD381million for the year ending November 2015, averaging at USD32million per month. The most commonly traded items include grain, beans, fish and other agricultural produce. The Bank of Uganda is supported by the fact that informal cross border trade has had a positive knock-on effects in the country in terms of employment creation and increased income.

Allen and her cross border trader cousins are enjoying success of various initiatives and reforms undertaken by Uganda government, Rwanda government and its partners. Reports by the African Development Bank indicate that supporting cross border traders has had positive macroeconomic and social ramifications such as food security and income creation particularly for rural populations who would otherwise suffer from social exclusion. In a recent event in Kampala, Al-Ien Asiimwe, the Country Director TradeMark East Africa-Uganda said that her organisation will continue working with government agencies like Uganda Revenue Authority as well as the private sector to support projects that will, "contribute to reducing the time and costs of doing business in the country." TMEA is a leading government of Uganda strategic partner in trade facilitation and has invested in the construction and operationalisation of One Stop Border Posts in Uganda valued at over USD, 52 million, TMEA in Uganda is funded by a range of agencies including United Kingdom (UKAID), the Netherlands, Denmark and Sweden.

"We endeavour to continue our partnership with the government of Uganda in construction of infrastructure and adoption of ICT in order to enhance access to markets for all business people. Already, we have partnered with the government to construct and operationalise OSBPs at Busia, Mutukula, Mirama Hills and Elegu. TMEA has invested approximately USD 52 million in these border posts," said Allen. Other interventions include supporting the simplification and adoption of processes and procedures under the EAC Rules of Origin (ROO) regime which provides for simpler processes for clearing of goods under USD2, 000 and the application of the Common External Tariff where goods produced in the EAC attract zero Tariff.

So, where does the rubber meet the road for Ugandans to reap benefit of government supported projects? Assessments indicate that many cross border traders are not aware of the gains of the reforms and as a result, end up shying away from new facilities and continue using illegal routes to trade. This means loss of revenue to government as well as loss of income to the traders.

In response to this need, organisations such as EASSI and UWEAL have partnered with

the government and other donors to create awareness and educate cross border traders on the new procedures. They empower traders by supporting development and organisation of small trader cooperatives, teaching negotiation techniques, tax classification, advocate for removal of non-tariff barriers and small business management. Border officials are also trained to better manage and treat cross border traders. Forums where state agents and traders meet to voice and address grievances and tackle obstacles to trade are organised. Mrs Amelia Kyambadde the Minister of Trade Industry and Cooperatives underscores the importance of the mixed approach and projects a vibrant future saying that "support to informal cross border traders, especially women helps to alleviate pervert at the house hold level that is why these initiatives are so important".

The newly operational Mirama Hills OSBP and the opportunities it has provided to Allen is an indication of an even brighter future in cross border trade. Allen crosses from Mirama Hills in Uganda and sells her produce to shops in Kayonza Town in Rwanda making enough money to school four of her seven kids, with one of her daughters attending a boarding school. When crossing the border Allen stops once on the Rwandan side of the border to clear her produce which is covered under the ROO and is therefore not taxable.

Published by TradeMark East Africa: <u>http://bit.ly/28S48j7</u>

## WTO MEMBERS AND INTERNATIONAL ORGANISATIONS (INCLUDING UNCTAD) SHARE EXPERIENCES ON NATIONAL TRADE FACILITATION COMMITTEES

Representatives from more than 150 countries participated in a workshop to share their experiences on setting up and maintaining national trade facilitation committees, a requirement under the Trade Facilitation Agreement (TFA). Experts from more than 20 countries and 5 international organizations made presentations at the 8 June workshop. This was the first experience sharing session at the WTO to discuss how best to implement specific commitments under the TFA.

Although the requirements of the TFA are relatively straightforward, and guidelines have been developed by several international organizations and other donors, some WTO members have found it difficult to determine how best to structure a national committee and to identify the key issues that need to be taken into account. A survey conducted by the WTO Secretariat confirmed that considerable work is being done by Members in this area.

"We have been registering a significant amount of attention on the issue of national TF committees – and demand for related guidance - for a considerable amount of time," Ambassador Esteban Conejos of the Philippines, the Chairman of the WTO's Preparatory Committee on Trade Facilitation (PCTF), told participants. "What was meant to be a pretty straightforward provision in the Trade Facilitation Agreement...proved to raise several questions when faced with the task of implementing it on the ground."

The officials came from Albania, Botswana, Brazil, Costa Rica, Fiji,Ghana, Guyana, Jamaica, Lao PDR, Netherlands, Nigeria, Pakistan, Papua New Guinea, Paraguay, St. Vincent and the Grenadines, Sweden, Tajikistan, Uganda, Vanuatu, and Viet Nam. Most of these members already have national trade facilitation committees in place or are in the process of setting it up.

A common theme which emerged from the interventions was the importance of private sector involvement in the establishment and work of the national committees, particularly representatives from small and mediumsized enterprises, as business is directly affected by the customs bottlenecks and red tape which the TFA seeks to address. Several speakers said the participation of the private sector was often the most critical factor in determining the success or failure of national committees.

Another common theme was the need for coordination between government ministries and agencies with a role in TFA implementation. Speakers cited the importance of sustained engagement by all public bodies involved with implementation efforts, sufficient coordination among agencies, and the need for support at the highest levels of government to ensure the effectiveness

Summing up the discussions, Amb. Conejos said that while Members often face common challenges, they have chosen different ways of approaching the task of establishing or maintaining a national committee – "and for good reason, as one size will never fit all."

Nevertheless, the experiences of Members so far shows that "having clear and measurable tasks, achieving early results to show that the committee can deliver, as well as securing consistent engagement and high political support emerged as important conditions for a committee to well perform its role," he said. "An inclusive approach to committee composition, allowing all stakeholders - including different stake holders in the private sector to take part, appears to be an important success factor as well."

To access all presentations visit:

http://www.tfafacility.org/wto-hostsfirst-workshop-national-tradefacilitation-committees

When referencing about national trade facilitation committees. "Having clear and measurable tasks, achieving early results to show that the committee can deliver, as well as securing consistent engagement and high political support emerged as important conditions for a committee to well perform its role. An inclusive approach to committee composition, allowing all stakeholders - including different stake holders in the private sector - to take part, appears to be an important success factor as well."

> Ambassador Esteban Conejos of the Philippines, Chairman of the WTO Preparatory Committee on Trade Facilitation

### INFOGRAPHIC: DYNAMICS IN ALLIANCE FORMATION IN CONTAINER SHIPPING

## By Theo Notteboom, Professor at Dalian Maritime University, High-End Foreign Expert (SAFEA, State Adm. of Foreign Expert Affairs)

Alliances are about operational vesselsharing co-operation between container shipping companies on multiple trade routes (mostly east-west). The first strategic alliances between shipping lines date back to the mid-1990s, a period that coincided with the introduction of the first post-Panamax containers vessels on the Europe-Far East trade. The alliance partnerships evolved as a result of mergers and acquisitions (e.g. merger between P&OCL and Nedlloyd and the take-overs by P&O Nedlloyd and SeaLand by Maersk) and the market entry and exit of liner shipping companies.

Today, four alliances are operational in the market: 2M, Ocean Three, CKYHE and G6.

However, the recent merger of China Shipping and Cosco to form China Cosco Container Lines (COSCOCS) and the acquisition of APL/NOL by CMA CGM already signalled upcoming major changes in the current alliance structure. The new alliance landscape has become more clear in the past weeks. The 2M alliance will remain. Subject to regulatory approval, two new large-scale alliances will start operations in Q2 of 2017: Ocean Alliance and THE Alliance. There are still a few unknown factors though. First, Hapag-Llovd and UASC are still in talks about far-reaching cooperation or even merger, so UASC might end up being part of THE Alliance. Second, Hyundai Merchant Marine (HMM) is a remarkable absentee in the latest round of alliance formation. Third, it remains to be seen whether some of the other top 20 carriers might eventually go for alliances (think of ZIM Line or Hamburg-Sued) or will rely more on ad hoc vessel-sharing agreements (VSA).

Despite the announced changes, it is dangerous to conclude that the dance of the alliances will be finally over in Q2 of 2017. The graph clearly shows that strategic alliances have seen many changes in the past. Individual shipping lines continue to show a high level of pragmatism when setting up partnerships with other carriers. There seems to be no such thing as a fixed dancing partner..

Article published in: <u>https://www.</u> linkedin.com/pulse/infographicdynamics-alliance-formation-containertheo

## Rounds of alliance formation in container shipping

Q2 1996	011000						
	Q1 1998	Q4 2001	Q4 2005	Q4 2009	Q1 2012	Q2 2015	Q2 2017
GLOBAL ALLIANCE	NWA	NWA	NWA	NWA	G6 ALLIANCE	G6 ALLIANCE	THE ALLIANCE
APL	APL/NOL	APL/NOL	APL/NOL	APL/NOL	APL/NOL	APL/NOL	Hanjin
MOL	MOL	MOL	MOL	MOL	MOL	MOL	MOL
Nedlloyd	HMM	HMM	HMM	HMM	HMM	HMM	K-Line
OOCL					Hapag-Lloyd	Hapag-Lloyd	NYK Line
MISC	GRAND ALLIANCE II	GRAND ALLIANCE II	GRAND ALLIANCE III	GRAND ALLIANCE IV	NYK Line	NYK Line	Yang Ming
	Hapag-Lloyd	Hapag-Lloyd	Hapag-Lloyd	Hapag-Lloyd	OOCL	OOCL	Hapag-Lloyd (+UASC?
GRAND ALLIANCE	NYK Line	NYK Line	NYK Line	NYK Line			
Hapag-Lloyd	P&O Nedlloyd	P&O Nedlloyd	OOCL	OOCL		CYKHE	
NYK Line	OOCL	OOCL	MISC	-	СКҮН	Hanjin	OCEAN ALLIANCE
NOL	MISC	MISC		СКҮН	Hanjin	K-Line	CMA CGM
P&OCL				Hanjin	K-Line	Yang Ming	COSCOCS
100	UNITED ALLIANCE	СКҮН	СКҮН	K-Line	Yang Ming	COSCO	OOCL
11	Hanjin	Hanjin	Hanjin	Yang Ming	COSCO	Evergreen	Evergreen
	Cho Yang	K-Line	K-Line	COSCO		1015	-
	UASC	Yang Ming	Yang Ming		MSC/CMA CGM	2M MSC	2M MSC
	CYKALLIANCE	COSCO	COSCO		MSC/CMA CGM MSC	MSC Maersk Line	Maersk Line
	K-Line				CMA CGM	MEETSN LINE	Maersk Line
	Yang Ming				CIVIA COIVI	Ocean Three	
	COSCO		- A O Thee	Mattaliaam		CMA CGM	
	00000	<u>م</u> کر کے		o Notteboom		China Shipping	
Mærsk	Maersk		onomics May	2016		UASC	
Sea-Land	Sea-Land	PONECO	onomics				
		COLUMN STREET, STREET, ST.	Concession of the local division of the loca				
Main carriers not part	t of an alliance	Maersk SeaLand	Maersk Line	Maersk Line	Maersk Line		Undecided or stand alor
MSC	MSC	Maersk SeaLand	Maersk Line	Maersk Line	Maask Line		in top 20 container carrie HMM, PIL, ZIM Line,
CMA CGM	CMA CGM	CMA CGM	CMA CGM	CMA CGM			Hamburg-Süd, Wan Ha
Evergreen	Evergreen	Evergreen	Evergreen	Evergreen	Evergreen		rising out, rightin

## THE OCEAN ECONOMY

For centuries the oceans have been used for fishing and for transport and trade. However, such use remained relatively marginal in relation to the bulk of human activities. With globalization, economic growth and technological innovation, the usage of the oceans for economic purposes has increased substantially. The term "ocean economy" is often used to characterize the wide range of activities that are related to the exploitation of maritime resources (such as food and energy) or the use of the ocean for transport and commercial purposes. The term "blue economy" is used as well, mostly when related to the sustainable use of the oceans. Three types of oceanic regions help articulate the ocean economy, with coastal areas representing the most extensively used because of their adjacency and ease of access. In recent years, Exclusive Economic Zones (EEZ) have been formalized for the purpose of sovereign ownership of energy and mineral resources, as well as fishing rights. The deepsea (or high seas) is usually composed of international waters with navigation being its more prevalent use. The extraction of resources on the high seas is subject to international regulations, commonly managed by the United Nations.

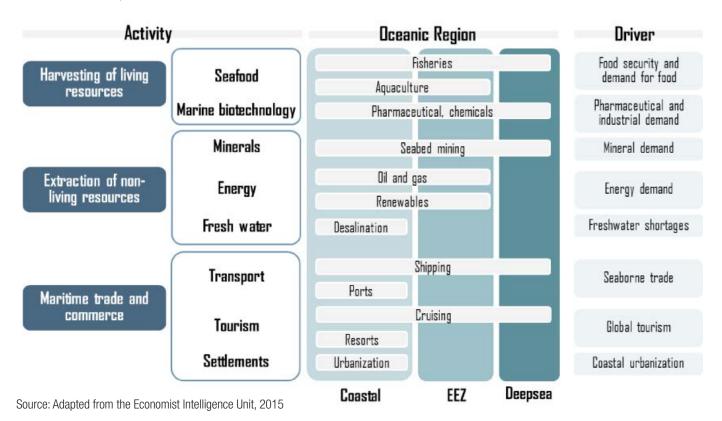
There are three groups of activities related to the ocean economy:

Harvesting of living resources. The most conventional use of ocean resources concerns fisheries, which account for about 15% of the world's protein intake, with aquaculture accounting for about 20% of all the fish harvested. A growing share of the seafood is coming from aquaculture since conventional fish sources are challenged by overfishing and that the global population requires additional protein sources. With scientific advances, marine biotechnology enables a more extensive usage of marine resources for the pharmaceutical and chemical industries.

Extraction of non-living resources. The use of the oceans to extract energy and mineral resources is relatively recent. Seabed mining is an emerging technology enabling to extract minerals from nodules are various depths. Although this activity can take place at almost any depths, the mineral rights are only available within an EEZ. Mineral rights for the high seas are managed by the International Seabed Authority, but no significant commercial ventures have so far been realized. Oil and gas is extracted from offshore platforms, mostly on the continental shelf within EEZs. The use of the oceans as a source of renewable energy is also beginning, particularly in terms of offshore wind farms and the use of tidal energy. In many areas, the scarcity of fresh water supply has incited the construction of desalination plants, which account for a growing share of the world's freshwater production.

Maritime trade and commerce. With globalziation, international trade and maritime shipping have experienced a substantial growth. This went on part with the expansion of port facilities and their associated logistical activities. The use of the oceans for touristic purposes is expanding, particularly in tropical and subtropical ares. The ongoing development of coastal resorts is occupying a significant amount of coastal real estate that has been captured by large hotel chains. Cruise shipping is also expanding with larger ships servicing more itineraries and has created an entirely new dimension to the ocean economy. Human coastal settlements have emerged in the past to take advantage of the commercial opportunities offered by maritime shipping. Many of the world's most important cities are port cities. The process now continues, in part driven by the economic and esthetical amenities offered by coastal areas.

Source: The Geography of Transport Sysems - Article published in: <u>http://</u> people.hofstra.edu/geotrans/eng/ch7en/ conc7en/ocean economy.html



UNCTAD TRANSPORT AND TRADE FACILITATION NEWSLETTER N°70 - SECOND QUARTER 2016 25

## PUBLICATIONS

### Logistics Development Strategies and Performance Measurement

#### OECD

Logistics performance is a strong determinant of national income and is the result of actions from a wide array of private and public actors. Understanding and decomposing the components of logistics performance is fundamental to improving the efficiency of transport systems and the quality of regulation of trade and transport. The roundtable meeting was convened to improve understanding of logistics performance and logistics measurement and exchange experience in developing indicators and comparable methods of assessment internationally.

The roundtable focused on discussion of four input papers. The first examined the potential for applying performance measurement in the design and implementation of public policy, identifying appropriate metrics and the potential for misuse of key performance indicators. The remaining papers and presentations examined practical application of indicators from different perspectives. Paper two outlined the use of the Logistics Performance Index (LPI) developed for the World Bank in driving improvement in trade logistics with a case study of Turkey. Paper three reviewed the use of supply chain performance measurement in Latin America. Paper four set out a performance measurement methodology for intermodal corridors.

http://bit.ly/1RolvS7\_

### Maritime Policy & Management

#### Volume 43, Issue 4, 2016

This issue includes articles on overcapacity in shipping, customer segmentation of freight forwarders, port related supply chain disruptions and port infrasturcture, among others.

http://mpm.iame.info

### Maritime Economics & Logistics

Maritime Economics & Logistics is a quarterly scientific journal committed to the rigorous methodological analysis of global supply chains; that is, ocean transportation, ports, marine terminals and maritime logistics.

#### http://mel.iame.i

### **NEW VIDEO**

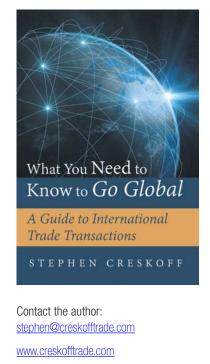
#### https://www.youtube.com/watch?v=WQnmOqucCzI

#### Published by the World Trade Organisation on 13 June 2016

The Trade Facilitation Agreement, a deal harmonizing procedures for the movement, release and clearance of goods, contains detailed provisions about assistance for developing countries which may lack capacity for putting some of its requirements in place. At a seminar in March 2016 several donors showcased their existing programmes. The event was led by the Trade Facilitation Agreement Facility (TFAF), set up by the WTO to coordinate work in this area.







### What You Need to Know to Go Global: A Guide to International Trade Transactions

#### **Steve Creskoff**

This book is intended as an overview of the opportunities and pitfalls of international trade transactions of international trade transactions. This book is designed like a travel guidebook. As such, it is not necessary to read the chapters or subsections in sequence. The reader can jump to topics that are of particular interest and ignore topics that are not. Each chapter summarizes the advice given in a concluding section. Also like travel guides, What You Need to Know to Go Global does not treat any topic in minute detail. The objective is to provide a comprehensive, up-to-date overview, not in-depth knowledge about a particular trade topic.

This Guide is specifically designed for Small and Medium Enterprises (SMEs) engaged in trade transactions.

## **FEATURED EVENT**

#### First African Forum for National Trade Facilitation Committees

#### 17-21 October 2016 - Addis Ababa, Ethiopia

In its continued effort to support Trade Facilitation reforms in developing and Least Developed Countries, UNCTAD will organize the first African Forum for National Trade Facilitation Committees in Addis Ababa, Ethiopia, on 17 to 21 October 2016.

The event is co-organised with the International Trade Center (ITC) and the World Customs Organisation (WCO), with the support of international partners, including Her Majesty Revenue and Customs (HMRC), Gesellschaft für Internationale Zusammenarbeit (GIZ), the Government of Finland, and the Pan African Chamber of Commerce and Industry, among others.

This meeting aims at bringing the opportunity to National Trade Facilitation Committees (NTFCs) all over the African continent to share best practices, but also provide a platform to discuss existing challenges and opportunities. Parallel sessions on the particular role of the private sector and Customs in the NTFC will be organized. The Forum aims at empowering the leaders of African NTFCs.

For further information, please contact tfbodies@unctad.org

### PROCEEDINGS OF EVENTS

Oceans Economy and Trade: Sustainable Fisheries, Transport and Tourism

#### 10 - 12 May 2016 - Geneva, Switzerland

The UNCTAD Secretariat, the Commonwealth Secretariat and the International Oceans Institute (IOI) jointly organized an International Seminar on Oceans Economy and Trade: Sustainable Fisheries, Transport and Tourism.

Proceedings are published here:

http://unctad.org/en/pages/MeetingDetails. aspx?meetingid=1082





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