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Trade in logistics services and food losses reduction:
Enhancing Trade in Food-related Logistics and Exporting Opportunities in Africa

by

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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.
TRADE IN LOGISTICS SERVICES AND FOOD LOSSES REDUCTION:

ENHANCING TRADE IN FOOD-RELATED LOGISTICS AND EXPORTING OPPORTUNITIES IN AFRICA

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Outline

1. ROLE OF TRADE LOGISTICS IN AFRICA
2. CHALLENGES TO REDUCE FOOD LOSSES
3. ENHANCING SUSTAINABLE TRADE AND FOOD RELATED LOGISTICS
4. ONGOING INITIATIVES IN AFRICA
5. RECOMMENDATIONS
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1. ROLE OF TRADE LOGISTICS IN AFRICA

- Nine (9) Trans African Highways (TAH) constitute the backbone of Trade Logistics in Africa. They:
  - are Transports Corridors or Trade Routes: road, rail, pipeline, inland waterways, logistics hub and transport services
  - Connect the continent with Sea Ports
  - Link the continent with the Rest of the World via Shipping Lines
  - Link the Centres of Production and Consumption (Intra region and mostly Inter Regions)
  - Integrate markets (Intra Economies and Inter Economies)
  - Carry the Trade

[Image of Trans-African Highways map]

Wikipedia, 09/09/2014
2. CHALLENGES TO REDUCE FOOD LOSSES

1/3 Food produced is lost and the big proportion is lost throughout the supply chains (Lost by producers or in distribution).

Therefore, reducing food losses are facing challenges related to: Logistics, economics and socio-politics factors.

- **Logistics challenges** are: lack or inefficient infrastructure and equipment, distribution gaps, unfitting stores capacity and inventory management, non optimized delivery & routes (i.e. usage of some metrics as solutions – Unctad-Liner shipping connectivity Index).
2. CHALLENGES ...... CONT ...

- **Economic challenges** are: high costs, delays due to inefficiencies, poor quality of data vs. lack of predictability, financial crisis affecting producers and consumers, distortion of local markets

- **Socio-politics challenges** are: cultural, institutional and local context
3. ENHANCING SUSTAINABLE TRADE AND FOOD RELATED LOGISTICS

SDG 12.3: Ensuring sustainable consumption and production patterns

Reducing food losses requires to develop sustainable transport along the trade routes by implementing strategies that integrate the 3 pillars:

- Economic – efficiency and competitiveness
- Social - inclusivity
- Environment – green logistics
3. ENHANCING SUSTAINABLE TRADE AND FOOD RELATED LOGISTICS

cont. ...

1st Pillar - Economic

- Develop safe, efficient and competitive transport infrastructure
- Offer required storage capacities and transit services
- Conclude regional transit agreements to foster cooperation and partnership on food related logistics
- Facilitate and reduce customs & administrative procedures
- Enhance seamless movement of food across the trade routes (i.e. Smart corridors, use new technologies, big data management, etc.)
- Collate Data for food losses analysis
3. ENHANCING SUSTAINABLE TRADE AND FOOD RELATED LOGISTICS

... cont. ...

2nd Pillar - Social

- Unlocking linkages between Centres of production and distribution: from production and post-production to processing, distribution and consumption
- Focus on intra regional food trade: women in cross border food and rural trade, SMEs, Health dimension and cross border communicable diseases along the trade routes
  (i.e Epidemic outreach vs. Supply chain)
- Collaborate between stakeholders to promote initiatives on reduction of food losses
- Foster food’s accessibility & Safety measures
- Ensure food’s affordability – alleviate poverty
3. ENHANCING SUSTAINABLE TRADE AND FOOD RELATED LOGISTICS

cont. ...

3rd Pillar - Environment

Promote green logistics

- Reduce use of chemical and fertilizers.
- Improve the fuel efficiency of food transportation and
- Use of green means of transport
- Reduce CO2 emissions that contribute to climate change
4. ONGOING INITIATIVES TO ENHANCE TRADE LOGISTICS IN AFRICA

- Development of Infrastructure Master Plan (i.e. PIDA - TAH)
- Development of food storage facilities (Grain Bulk at Sea Ports level, Containerization for frozen food,...)
- Automation of customs & administrative procedures
- Integration of Systems under Electronic Single Windows (ESWs)
- Implementation of Electronic Cargo Tracking Systems
- Migration to ASYCUDA World underway by Customs Authorities
- Use of High Speed Weigh In Motion Weighbridges (HSWIM)
- Development of Transport Observatories and Data Management Systems susceptible to monitor the trade route performance and food losses
5. RECOMMENDATIONS

- Implement regional transit agreements to foster partnership and cooperation
- Enhance food related Trade Logistics capacities
- Implement specific and practical measures for food related logistics
- Ensure efficiency of import & export processes for perishables goods
- Develop policies and regulations that guarantee transparency
- Collect and analyze trade related data to improve the predictability of food related logistics supply chain
6. CONCLUSION: Partnership & leveraging

- Advocating for shift of traffic to more sustainable freight transport systems/modes
- Enhancing storage capacities and management
- Collaboration & mobilizing financial support
- Promoting best practices & showcasing successful efforts

☒ To achieve above recommendations, this needs for:

- Partnership at national, regional and international level:
- Leveraging on existing initiatives with achievable targets and timeline: legal framework, policies, planning, operations, investments
  - i.e. leveraging on IT initiatives (Smart Corridor), food related logistics efficiency, Data collection & monitoring
- Create awareness, best practices and capacity building
Thank you for your attention