

National Workshop on Sustainable Maritime and Port connectivity for Resilient and Efficient Supply chains

Cambodia, 6 September 2022



Developing national plans to enhance maritime and port connectivity

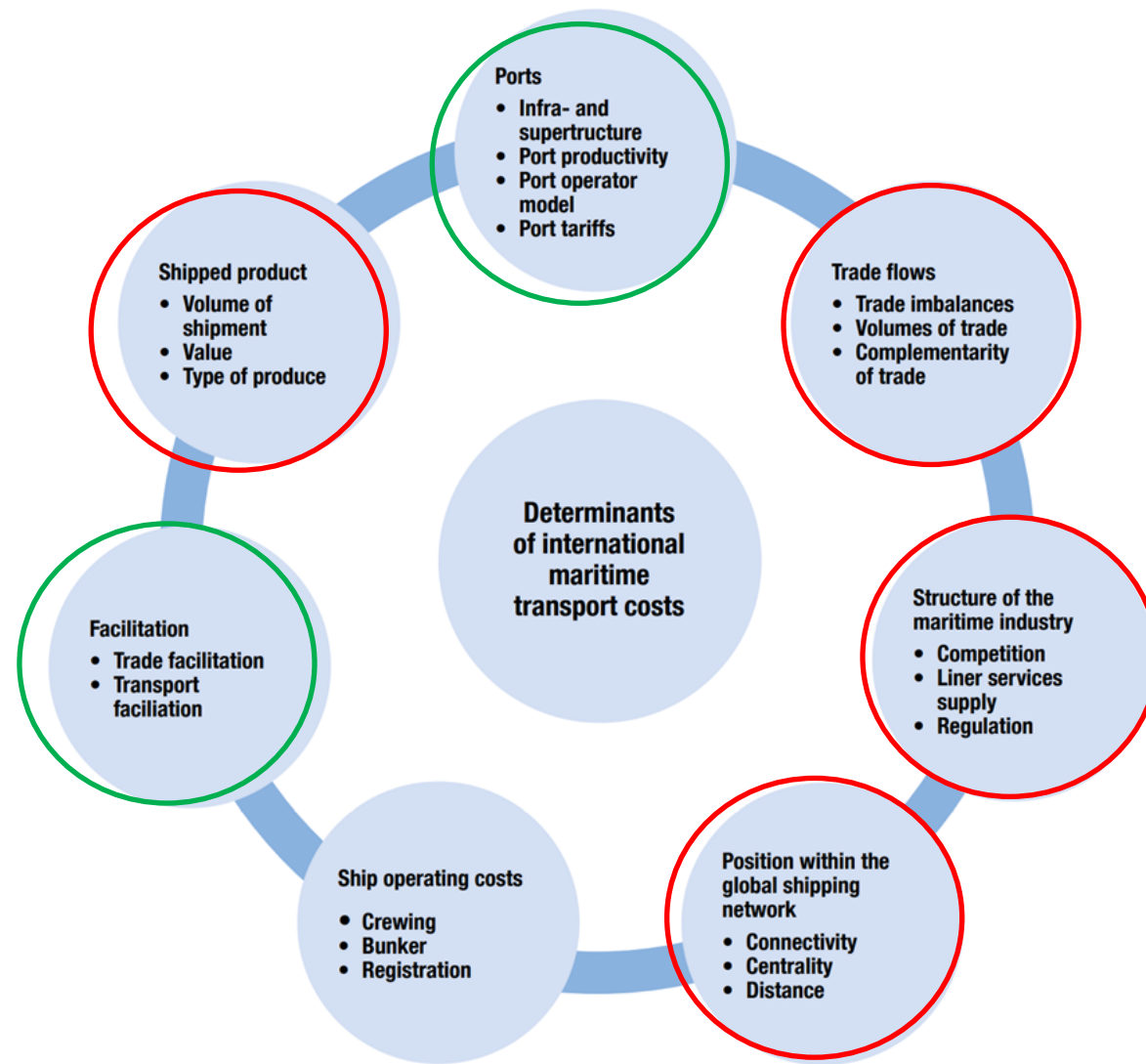
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I. Mapping connectivity drivers



Mapping connectivity drivers

Determinants of international maritime transport costs

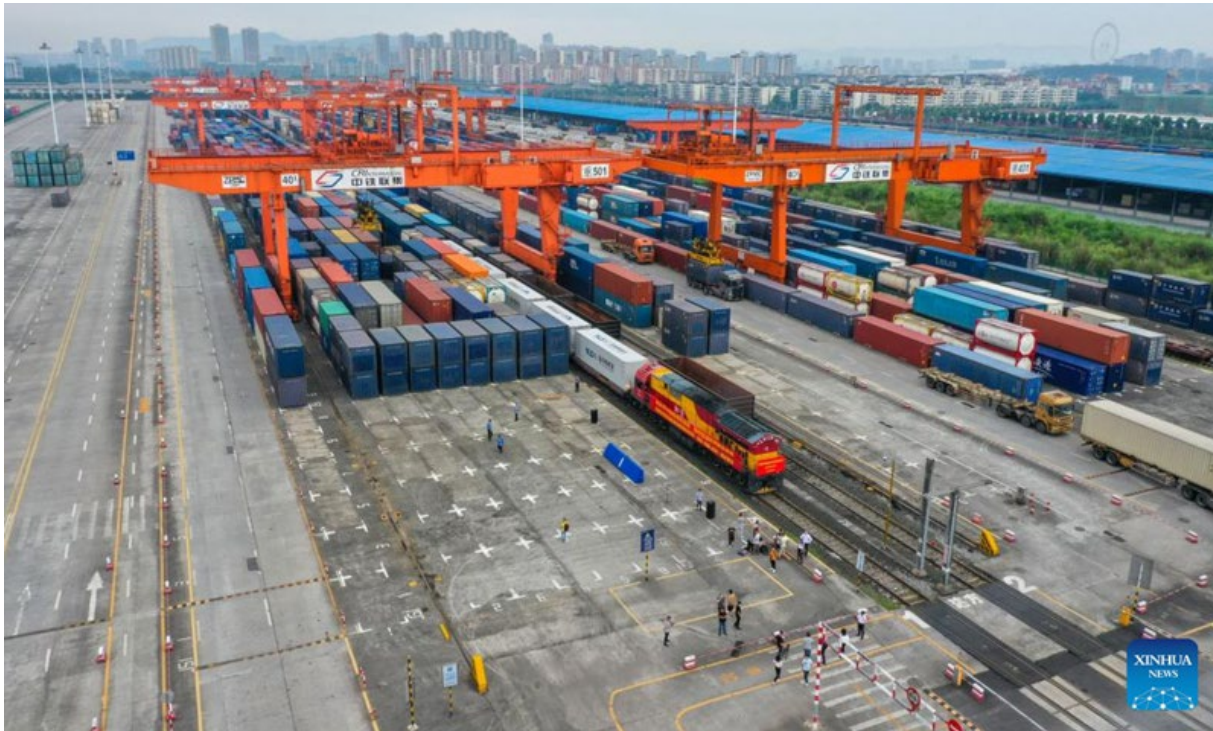


Source: UNCTAD secretariat, based on Wilmsmeier, 2014.

Source: UNCTAD (2015). Review of Maritime Transport 2015

1. Promoting port efficiency and infrastructure connectivity

Improving port **infrastructure** and efficiency



- ✓ Continuing with port reforms; Raising attractiveness of ports as port of call
- ✓ Improving **hinterland connections** and **inland facilities** (e.g. rail, road, missing links, varying technical standards, warehousing, transloading, dry ports, loading and unloading facilities, etc.).
- ✓ Promoting **multimodal transport** and transport **corridor approaches**

2. More quantity and quality services

Dealing with imbalances and promoting competitive transport markets

- ✓ Addressing operational challenges such as **empty returns** (e.g. promote capacity sharing, resource pooling, electronic platforms linking spare capacity with cargo, consolidation systems) and developing strategies to ensure the availability of backhauls.
- ✓ Promoting complementarity of exports and imports to **generate cargo and volumes** that help achieve economies of scale and reduce trade imbalances.
- ✓ Promoting **greater participation by the private sector** in the transport and trade logistics sector.
- ✓ **Liberalising** transport/logistics services/non-core freight logistics is “low-hanging fruit” policy option which may not involve heavy adjustment costs and regulatory capacity requirements.
- ✓ Providing an **enabling business environment** conducive to the development of modern logistics services.
- ✓ Promoting maritime **clusters** where shipping and port activities can boost related services sectors (e.g. banking, finance, insurance, consulting, ship repair, ship bunkering)

3. Streamlining and simplifying processes

Easing the flow of cargo and trade



- ✓ Harmonizing transport regulation (e.g. road and rail transport). International conventions/standards as the basis.
- ✓ **Customs cooperation**, Customs reform and modernization, Transit regimes, Border management
- ✓ Addressing the differential treatment of exports and imports which may have important implications for the competitiveness of domestic production (e.g. manufacturing).

II. Cambodia's connectivity: relevant issues for consideration





Port efficiency and infrastructure connectivity:

1. Port of Sinoukville: capacity constraints and congestion
2. Road access to Sihanoukville from Phnom Penh: poor condition, high congestion low average speed
3. Limited availability of railway transport

Imbalances and transport markets:

1. Imbalances in transport volumes
2. Shortages of available trucks and drivers
3. Very small - local fleet (feeder ships)
4. High operating costs and lower efficiency of logistics system





Transport and trade processes:

1. Interruptions to truck transport
2. Customs misdeclarations
3. Alignment between national and regional priorities



Questions for discussion

What are the main issues related to Cambodia's connectivity?

What might we need to do in order to enhance connectivity?

- Strategies (direction)
 - What should be the main priorities?
- Actions (concrete steps)
 - What should be the main priorities?

How to do this?

- Which actions/strategies are best addressed at the national level or regional level?
- Who should lead? Who should "sit at the table"?

Dimensions

- Infrastructure quality
- Port services
- Shipping lines' operations of terminals and investment
- Port efficiency/productivity
- Hinterland connections