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**Multi-year Expert Meeting on Transport,
Trade Logistics and Trade Facilitation**
Ninth session
Geneva, 12–14 July 2022

**Report of the Multi-year Expert Meeting on Transport,
Trade Logistics and Trade Facilitation on its ninth session**

Held at the Palais des Nations, Geneva, from 12 to 14 July 2022



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Introduction

The ninth session of the Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation was held from 12 to 14 July 2022, in both virtual and physical formats. The session was overseen by the Chair (Botswana), as elected at the opening plenary meeting. Discussions focused on the links between transport, trade and supply chains.

I. Chair's summary

Sustainable and resilient transport and trade facilitation in times of pandemic and beyond: Key challenges and opportunities

(Agenda item 3)

1. Opening the discussion under the agenda item, a representative of the UNCTAD secretariat underscored the increasing importance of global supply chains and logistics in the context of the coronavirus disease (COVID-19) pandemic, the war in Ukraine and the ocean economy as global gross domestic product (GDP) and trade growth were impacted. He also informed participants that an UNCTAD trade logistics forum would be held in Barbados in 2023.

Understanding the challenge

2. Panellists for the first panel discussion comprised the President of the International Association of Ports and Harbours of Malaysia; the Chair of the Trade Facilitation Committee of the World Trade Organization; the Secretary General of the Union of African Shippers' Councils; the Deputy Director of the Global Alliance for Trade Facilitation, International Chamber of Commerce; and the Head of International Trade and Law Unit, International Federation of Freight Forwarders Associations.

3. One panellist highlighted the strategic areas for port development – risk and resilience, data collaboration, energy transition and sustainable development – under the new context where disruptions were business as usual. The maritime shipping sector was lagging in digitalization due to a lack of cooperation. He said that revenues from market-based measures should be allocated to infrastructure, including ports, as ports could be decarbonization hubs. He stressed that greater sustainability in the maritime industry could be achieved through collaboration across stakeholders.

4. Another panellist stated that the Agreement on Trade Facilitation of the World Trade Organization was a lasting solution to speed up clearance processes and reduce trade costs, particularly in developing countries and the least developed countries. Transparency and digitalization played a major role in creating a level playing field. The Agreement on Trade Facilitation had a mechanism to provide financial support and technical assistance that developing countries required to fully implement their commitments. National trade facilitation committees provided space for involvement by both the private sector and the public sector. At a fifth anniversary event for the Agreement on Trade Facilitation, held on 29 June 2022, the importance of digitalization, resilience, inclusiveness and coordination for moving forward had been highlighted.

5. The next panellist expressed concerns about hikes in freight costs since the beginning of the COVID-19 pandemic. He suggested setting up a committee to discuss and find global and regional solutions to offset increasing freight costs, as they had a serious effect on the purchasing power of African consumers.

6. Another panellist stressed the increasing impact on and frequency of shocks to global supply chains. She highlighted the need for implementation of sustainable, efficient and resilient supply chains. Solutions existed and depended on advanced planning, with business continuity plans, based on data and digital solutions, and involvement of public and private sectors. Those solutions were enshrined in the Agreement on Trade Facilitation of the World Trade Organization and in regional trade agreements. Trade was inherently a public-private

partnership and should reflect the priorities of both sectors when planning for responses to shocks.

7. Another panellist presented the current logistics crisis, including port congestion, and a concern regarding the market consolidation of shipping lines. That consolidation led to reconfiguration of the supply chain from “just in time” to “just in case” and an increase in prices of the maritime supply chains that impacted developing countries and microenterprises and small and medium-sized enterprises. Solutions relied on the multi-modality of transports supported by upgraded infrastructure and a revised legal framework, advanced planning, such as a business continuity plan, and trade facilitation measures to ensure more resilient and sustainable supply chains through dialogue between the private sector and Governments.

8. During the discussion, one delegate stressed that the COVID-19 had affected maritime freight costs and called for the lifting of economic measures against the Bolivarian Republic of Venezuela, as well as more investment to exploit the potential of positive economic prospects. Some delegates emphasized that the geographic situation of landlocked developing countries exacerbated the challenges caused by the pandemic; several delegates reiterated the need for financial and technical assistance of African economies, particularly in the implementation of the Agreement on Trade Facilitation. Some delegates supported a suggestion by the Union of African Shippers’ Councils to set up a framework to discuss solutions to the freight rate surge and emphasized the urgency of the matter.

9. One participant highlighted the need for attracting more workers, particularly women and youth, to ensure the transport sector’s sustainability and recommended a focus on infrastructure and career pathways for workers.

Implementing sustainable and transparent trade facilitation reforms

10. Setting the context for the discussion, the Minister of Tourism and International Transport of Barbados extended an invitation to the upcoming global supply chains forum to be held in Barbados in 2023 and presented the critical situation of global supply chains, and the transport networks supporting them, that the COVID-19 pandemic had created for countries of the global South. She stressed that COVID-19 had heavily impacted vulnerable economies, particularly small island developing States. Over recent years, Barbados developed automated borders with support from the Automated System for Customs Data (ASYCUDA) programme, working on an electronic single window and a port community system. She highlighted that there were opportunities for investments in smart warehouses, increasing automation and logistics networks, and that strengthening public–private partnerships would attract such investment. Discussions at the current multi-year expert meeting would feed into discussions at the forum.

11. For the panel discussion, panellists consisted of the Capacity-Building Lead, Her Majesty’s Revenue and Customs, United Kingdom of Great Britain and Northern Ireland; Senior Director for Regulatory Affairs, DHL Express Americas; Permanent Secretary of the National Trade Facilitation Committee, Ministry of Economy, Trade and Industry, Madagascar; Head of Customs Policy Department, Honduras Customs Administration; Manager, Electronic Single Window Project, Ministry of Tourism, Trade, Commerce and Ni-Vanuatu Business, Vanuatu; and Principal E-Portal and Value Add Services Officer, Kenya Trade Network Agency.

12. Introducing the issue, a representative of the UNCTAD secretariat noted the need for smart, climate-friendly trade facilitation solutions. To build good climate governance, countries needed to apply international rules, such as the Agreement on Trade Facilitation of the World Trade Organization, together with international standards. He highlighted UNCTAD work in the area under the intergovernmental consensus-building, technical assistance and research and analysis pillars.

13. One panellist, speaking from the perspective of a donor, pointed out that trade facilitation support sought to build resilient and inclusive supply chains to achieve the Sustainable Development Goals. He highlighted the cooperation between UNCTAD, the World Customs Organization and Her Majesty’s Revenue and Customs in creating synergies, international networks and technical expertise. He stressed that reaching concrete outcomes,

ensuring coordination among development partners and ensuring sustainability were challenges.

14. Another panellist said that the pandemic showed the crucial role of building resilience among public and private sectors. The long-term impact of trade facilitation reforms required strong political will, sustainable public-private partnerships, concrete action plans and a monitoring and evaluation system. He highlighted the critical role of national trade facilitation committees in the coordination process and reforms, as well as the importance of risk management. He praised ASYCUDA work in relation to displaying technology for smart border management.

15. With regard to good practices in implementing trade facilitation tools, another panellist shared the experience of Madagascar with the UNCTAD reform tracker, which had enabled the country's national trade facilitation committee to better organize and track reforms, contributing to the national trade facilitation committee's mandate of fully implement the Agreement on Trade Facilitation.

16. The next panellist shared the experience of Honduras in trade facilitation preparedness through the use of rapid scans as a tool during the health and climate crises experienced in 2020–2021. In that way, they identified more than 30 of the main national regulations and measures that were implemented in relevant areas, such as cross-border trade and transit. The approach had helped in understanding what had been done and to be able to make recommendations for future crises. He mentioned challenges, such as poor human capacity and lack of interoperability between platforms. Finally, an action plan had been developed and would be included in the country's reform tracker.

17. Another panellist shared the experience of Vanuatu in single window and trade portal implementation. A sanitary and phytosanitary module had strengthened biosecurity clearance and environmental institutions. He affirmed that automation and transparency of border procedures promoted renewable sources of energy and efficient energy use, attracting new investment. Finally, he stressed the need for a post-disaster system as well as preparedness for future crises by deploying tools such as the Automated System for Relief Consignments.

18. The last panellist shared the experience of Kenya with the trade portal. She recommended combining that transparency tool with monitoring tools, such as the reform tracker, to achieve sustainable reforms. She noted that transparency helped Kenya to identify bottlenecks and further simplify procedures. She praised the UNCTAD e-learning platform on trade facilitation. Finally, she mentioned that further work on legal frameworks, policies and technological investment was necessary.

19. One delegate shared the difficulties that the Plurinational State of Bolivia had experienced during the pandemic. She emphasized that trade facilitation was important, and it had helped country imports increase to record numbers in recent years.

20. Another delegate asked how a lack of continuity and long-term commitment to trade facilitation work and fighting risk aversion could be addressed. One panellist and the UNCTAD secretariat representative suggested use of innovative tools to transfer knowledge, such as the reform tracker, political will and long-term engagement with donors. Another panellist addressed the issue of risk management by discussing two key elements, data quality and public and private sector cooperation.

21. One delegate asked when the reform tracker should be set up in a country. In response, one panellist encouraged countries to observe the state of implementation of reforms. The UNCTAD secretariat representative mentioned the need to understand trade facilitation, dedication, political will and investment in human resources and technology.

Achieving sustainable development and resilience-building in transport and logistics

22. Panellists for the third panel discussion were a professor from Hofstra University, United States of America; the Deputy Minister for Planning and Sector Development, Ministry of Transport, Saudi Arabia; Chief Executive Officer of the Regulatory Agency for Cargo Certification and Logistics of Angola; Senior Manager Technical Services, Mauritius Ports Authority, Mauritius; and the Global Head of Business Resilience Lead Logistics, A.P. Møller-Maersk.

23. Opening the discussion, a representative of the UNCTAD secretariat highlighted key issues at the interface of transport, sustainability and resilience-building and relevant megatrends reshaping transport and logistics, against the backdrop of highly volatile and uncertain global operating landscape. There was a need for both short- and longer-term measures and a vision that promoted sustainability, resilience, innovation, flexibility, agility, efficiency and effective resource allocation. Action should bear in mind the special needs of vulnerable economies and promote coordinated efforts, cooperation, dialogue, experience sharing and an enhanced capacity to mobilize resources by making clear business cases. Identification of feasible and bankable projects was equally important.

24. The first panellist identified challenges affecting supply chains and transport and in the aftermath of the COVID-19 pandemic. As global supply chains were complex, their strength could also be a source of weakness. This was evidenced by the “great entanglement”, involving a logjam in global logistics and increased costs. Resilience-building tools and strategies needed to be smart and should not result in unintended negative effects and adverse feedback loops. The synchronized move, since the pandemic, on the part of many supply chain managers to build stocks and inventories as a means of enhancing resilience was a case in point.

25. Another panellist observed that national response measures introduced in the face of the COVID-19 pandemic had been effective. Immediate actions spanned various areas, including financial, operations, business continuity and infrastructure aspects. Longer-term solutions included a broader transport and logistics strategy addressing all modes of transport and underpinned by sustainability principles, multimodality, resilience, clean energy, decarbonization, digitalization and smart solutions.

26. The next panellist spoke on a new regulatory body recently set up to develop the national logistics sector of Angola. Planned investments in logistics, including logistical platforms, were aligned with the Sustainable Development Goals. In collaboration with UNCTAD and taking into account those platforms, the country favoured a public-private partnerships approach based on a design-build-operate-transfer concession model. He argued that adequate infrastructure and regional solutions, such as an African maritime index, a freight observatory and an African fleet, could help tackle many of the challenges faced by countries in Africa.

27. Another panellist shared the experience of a national port in Mauritius in relation to the sustainable smart ports concept. Highlighting collaboration with UNCTAD, he noted the four areas of focus, namely energy, environment, operations and safety and security. The country’s green port initiative, which was structured around energy efficiency and renewable energy use, was a key instrument. Various technologies had been deployed, and standards and rules, including for safety and security, had been implemented. He argued that, despite the challenges faced, such as financial constraints, there were opportunities to be seized in the context of the COVID-19 response.

28. Another panellist reiterated the importance of resilience building in the face of disruptions created by pandemics and other threats. Public and private sector actors, particularly those with a global footprint, had a responsibility to maintain business continuity in times of adversity. For ports and other stakeholders, including Government, having a “plan B”, planning for the unknown and working together were critical for effective response with lasting effects.

29. One delegate shared the transport sector experience of the Niger, as a landlocked country, during the COVID-19 pandemic. She highlighted both the challenges and some of the favourable factors, such as the potential for the country to support transit trade.

30. Several delegates underscored the challenges faced by shippers and the need for funding to tackle infrastructural gaps, such as car parks. They stressed that resource mobilization was important and that UNCTAD could help countries to identify key projects, tap requisite funding sources and facilitate linking with investors.

31. Another delegate expressed his country’s appreciation for UNCTAD support for the trans-Saharan road transport corridor, which would help in operationalizing the African Continental Free Trade Area.

Strengthening legal, policy and collaborative approaches to keep trade flowing during the pandemic and beyond

32. Panellists for the fourth panel consisted of the Head, Transport and Maritime Unit, International Labour Office; Manager, Contracts and Clauses Department, Baltic and International Maritime Council; Human Rights and Sustainability Manager, Mediterranean Shipping Company; Programme Director, Climate Change and Disaster Risk Management, Commission of the Organisation of Eastern Caribbean States; Senior Expert, Adaptation and Resilience to Climate Change, Directorate-General for Climate Action, European Commission; and a representative of the World Association for Waterborne Transport Infrastructure (Pianc).

33. Introducing the issue, a representative of the UNCTAD secretariat said that the focus of the session would be on policy, legal and collaborative approaches to address two key issues. The first was the implications of the pandemic and response measures for seafarers and for commercial contracts, an issue critical for safe and secure navigation, accident and pollution prevention and to ensure the free flow of goods across supply chains, as well as for the Sustainable Development Goals. The second involved climate change adaptation, resilience building and disaster risk reduction for ports, a matter of increasing strategic economic importance and urgency, as experts highlighted at the previous session of the multi-year expert meeting and an UNCTAD policy brief. Both issues caused extensive disruption and delay throughout global supply chains, giving rise to significant economic and trade-related losses, with important sustainable development implications.

34. The first panellist focused on the impacts of the pandemic on seafarers, in particular the ongoing crew change crisis that was a threat to global supply chains, the need to implement the Maritime Labour Convention, 2006, as amended, and related regulatory developments, particularly at the International Labour Organization. The Convention was the key international instrument protecting working and living conditions of seafarers. He explained the importance of raising awareness of Governments on the difficult situation of seafarers and their important role in the global context and highlighted collaborative ongoing work by International Labour Organization, UNCTAD, other United Nations entities and the industry, to address seafarer issues.

35. A second panellist made a presentation on the standard form risk allocation clauses of the Baltic and International Maritime Council for commercial contracts, the most widely used in shipping. Standardizing and producing balanced contracts based on the involvement by all relevant parties, helped avoid costly disputes and supported smooth shipping and trade operations. In response to the COVID-19 pandemic, the Baltic and International Maritime Council developed the COVID-19 Crew Change Clause for Time Charter Parties 2020, the Force Majeure Clause 2022 and the Infectious or Contagious Disease Clause for Time Charter Parties 2022.

36. Another panellist presented an industry perspective, the Mediterranean Shipping Company, on advancing the implementation of human rights standards for seafarers, including through use of model clauses in individually negotiated contracts with large customers. A priority commitment to protect seafarers was stressed in the company's Code of Business Conduct, which set standards of responsible business conduct focusing on seafarers as rights holders. The approach was undertaken in line with the applicable legal requirements and regulations of flag States; international United Nations standards, guidelines and recommendations; and the Maritime Labour Convention, 2006, as amended. She highlighted the need for official guidance, collaboration and further focus on the development of model clauses with a sector-specific focus on seafarers.

37. Another panellist focused on climate change adaptation, resilience-building and disaster risk reduction for ports. He highlighted key features of the climate change adaptation strategy and action plan of the Organisation of Eastern Caribbean States, adopted in 2021. The panellist identified key gaps and constraints facing the region. He highlighted a number of transformative pathways and proposed actions, including expanding on previous work by UNCTAD (such as research and multi-hazard assessments for small island developing States), for all ports in countries of the Organisation of Eastern Caribbean States, to develop technical and policy solutions for resilience-building using a network approach. He also

highlighted the critical socioeconomic importance of ports for small island developing States and the need for adequate and affordable financing to implement resilience-building actions for ports, related research and capacity-building.

38. Another panellist presented new technical guidance on the climate proofing of infrastructure in the period 2021–2027, adopted by the European Commission, to facilitate implementation of relevant legal requirements, including those arising from article 5 of Regulation (EU) 2021/1119 (the European Climate Law), as well as investment decision-making. He highlighted various elements of the climate proofing process for climate resilience and adaptation and underscored the critical importance of climate resilient transport infrastructure for economies and societies.

39. The last panellist presented new technical guidance developed by the World Association for Waterborne Transport Infrastructure to support decision-making on port adaptation under uncertainty. The aim of the guidance was to help project owners, designers and financiers to reduce climate change-related risks by drawing on a range of climate change scenarios, reducing reliance on past data, considering unlikely but plausible scenarios for major, long-term investments, preparing for cascading failures, using monitoring to inform decision-making (adaptive management) and adopting adaptive and flexible solutions, as well as selecting evaluation methods that recognized and accommodated uncertainty.

The way to Barbados

40. At the final meeting of the session, a representative of the UNCTAD secretariat briefed participants on to the forthcoming global supply chain forum, to be held in Barbados in 2023 and recalled that, at the session, guidance had been sought from participants in relation the forum.

41. Several delegates expressed satisfaction regarding UNCTAD capacity-building in the areas of trade facilitation, emphasizing different tools under the national trade facilitation empowerment programme, and preparation of public–private partnership projects to leverage financing to develop transport infrastructure.

42. Another delegate saw the global supply chain forum in Barbados as an opportunity to continue the analysis of supply chain challenges affecting developing countries.

43. Several delegates highlighted concerns regarding the growing gap between developing country needs in the current context and donor support. They highlighted needs related to strengthening capacities to advance trade facilitation reforms, growing financing needs to develop “trade facilitating infrastructure” and needs related to technological support to advance in trade facilitation reforms.

44. Several delegates emphasized the need to increase donor support for UNCTAD capacity-building activities. One delegate highlighted that trade facilitation technical cooperation was particularly important in relation to mandates approved at the fifteenth session of the United Nations Conference on Trade and Development. Another delegate suggested the need to actively search for donors to ensure capacity development and financial assistance required to strengthen transport infrastructure and logistics.

45. The UNCTAD secretariat representative highlighted that, unlike other entities, UNCTAD was not a donor, and therefore relied on partnerships and bilateral collaboration to obtain the funds needed for technical cooperation activities.

46. Against the backdrop of current overlapping global crises, one delegate suggested developing or strengthening local or regional fleets, to cope with high freight rates. Another delegate mentioned monitoring and strengthening regulatory oversight of practices of private port operators who imposed conditions to transit, as was the case for some West and Central African countries. Another delegate mentioned reviewing the profit margins of transport operators to protect consumers from high logistics costs.

47. Many delegates and participants said that trade facilitation issues and high freight costs were key concerns for traders, particularly in the current context.

48. One delegate and one participant suggested enhancing regional (African) data collection and analysis on freight rate developments and transit costs to better inform decision-making.

49. The UNCTAD secretariat representative took note of the concerns and suggestion to find mechanisms to improve the measurement of maritime freight and transit costs.

50. One delegate enquired whether the UNCTAD secretariat had in place or was exploring the possibility of providing trade facilitation capacity-building support in the context of the African Continental Free Trade Area.

51. Another delegate requested that the UNCTAD secretariat study the specific transport and connectivity challenges affecting landlocked countries.

52. Many delegates said that increased financing and investment, as well as resource mobilization, were required to enhance the efficiency of trade logistics. The UNCTAD secretariat representative added that that was likewise the case to boost climate mitigation and adaptation, while a long-term vision of infrastructure development was crucial.

53. One participant described the ongoing crisis as combining supply chain disruption derived from COVID-19 and conflict, as well as climate change. She mentioned accelerating implementation of solutions that enabled transporting growing international trade in a manner that was compatible with environmental protection and ensuring a just and equitable transition, particularly for countries currently struggling to trade necessity goods. She and the UNCTAD secretariat representative agreed that responding to the imperative of climate change entailed decoupling growing trade and negative transport externalities. A systemic change was required to achieve that, which was likely to increase the cost of transport.

54. Another participant highlighted the usefulness of expert meeting discussions on seaport climate change adaptation plans, shipping decarbonization and infrastructure resilience-building to enhance understanding and awareness about related challenges.

II. Organizational matters

A. Election of officers

(Agenda item 1)

55. At its opening plenary meeting, on 12 July 2022, the Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation elected Ms. Athaliah Lesiba Molokomme (Botswana) as its Chair and Mr. Carlos Sebastian Guevara Aguirre (Ecuador) as its Vice-Chair-cum-Rapporteur.

B. Adoption of the agenda and organization of work

(Agenda item 2)

56. Also at its opening plenary meeting, the Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation decided to adopt the provisional agenda for the session, as contained in document TD/B/C.I/MEM.7/25). The agenda was thus as follows:

1. Election of officers.
2. Adoption of the agenda and organization of work.
3. Sustainable and resilient transport and trade facilitation in times of pandemic and beyond: Key challenges and opportunities.
4. Adoption of the report of the meeting.

C. Adoption of the report of the meeting

(Agenda item 4)

57. At its closing plenary meeting, on 14 July 2022, the Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation authorized the Vice-Chair-cum-Rapporteur, under the authority of the Chair, to finalize the report after the conclusion of the session.

Annex

Attendance*

1. Representatives of the following States members of the Conference attended the session:

Algeria	Kenya
Angola	Lesotho
Argentina	Madagascar
Barbados	Malaysia
Bolivia (Plurinational State of)	Maldives
Botswana	Mali
Brazil	Mauritius
Burkina Faso	Morocco
Cambodia	Nicaragua
Cameroon	Niger
Comoros	Nigeria
Congo	Panama
Czechia	Russian Federation
Djibouti	Saudi Arabia
Egypt	Spain
El Salvador	Sri Lanka
Ethiopia	State of Palestine
Germany	Togo
Guatemala	United Kingdom of Great Britain and Northern Ireland
Guinea	Uruguay
Guyana	Vanuatu
Haiti	Venezuela (Bolivarian Republic of)
Honduras	Viet Nam
India	Zambia
Iran (Islamic Republic of)	Zimbabwe
Jamaica	
Jordan	

2. The following intergovernmental organizations were represented at the session:

Commonwealth Secretariat
European Union
International Grains Council
Organisation of Eastern Caribbean States
Organization of Islamic Cooperation
South Centre

3. The following specialized agencies and related organizations were represented at the session:

International Labour Organization
World Food Programme

5. The following non-governmental organizations were represented at the session:

General category

Baltic and International Maritime Council
International Chamber of Commerce
International Federation of Freight Forwarders Associations
International Network for Standardization of Higher Education Degrees

* This attendance list contains registered participants. For the list of participants, see TD/B/C.I/MEM.7/INF.9.

Special category

International Chamber of Shipping
