UNCTAD
Transport Newsletter

No. 29
Third Quarter 2005

Contents

NOTE

UNCTAD/SDTE/TLB/MISC/2005/5

Unedited version

Published by the

United Nations Conference on Trade and Development (UNCTAD)

Trade Logistics Branch, SITE

Palais des Nations

Geneva

www.unctad.org

Editorial

Dear readers:

September has been a busy month here in Geneva for all those of us with an interest in trade and transport facilitation. In this Transport Newsletter we inform about the various meetings that took place at UNCTAD, including the Expert Meeting on Trade Facilitation as an engine for Development (page 4), the bi-annual meeting of the Global Facilitation Partnership (page 13), the launch of the GFP web site upgrade (page 13), and a workshop for Asian LDCs and landlocked countries (page 18).

In an article about liner shipping we provide an update on the Liner Shipping Connectivity Index 2005 (page 7). The index suggests that a majority of countries (102 out of 162) is better connected to global liner shipping networks today than one year ago.

We also include an update on the status of conventions adopted under the auspices of UNCTAD (page 14), and we inform about two recent conferences; the International Port Training Conference (page 15) and the annual conference of the International Association of Maritime Economists (page 17). Finally, we provide a list of recent and upcoming events on trade and transport facilitation (page 18).

For feedback, comments, and suggestions for our next UNCTAD Transport Newsletter (4th Quarter 2005), please contact Jan Hoffmann at jan.hoffmann@unctad.org before December.

Your Team of the Trade Logistics Branch

Geneva, September 2005

Subscriptions

To subscribe or unsubscribe to the UNCTAD Transport Newsletter, please use the following on-line form: http://extranet.unctad.org/transportnews.

For past issues of the Transport Newsletter, please visit www.unctad.org/transportnews.

Expert Meeting on Trade Facilitation as an Engine for Development

As announced in the last Transport Newsletter, the Expert Meeting on Trade Facilitation as an Engine for Development took place 21 to 23 September 2005 at UNCTAD in Geneva. The meeting was chaired by Ambassador Juan Antonio March, Spain; and the Vice-Chairman was Minister Dayaratna Silva, Sri Lanka. Below, we provide selected excerpts of the Chairman's summary. The complete report has been published as document TD/B/COM.3/EM.24/3.[1]

Trade and transport facilitation and development

The potential medium-term revenue gains from trade and transport facilitation are estimated to be 2 to 3 per cent of the total value of traded goods. Important benefits of trade and transport facilitation measures relate to time savings, which often outweigh direct cost savings.

Obstacles to transport and trade include differing standards and regulations, inadequate transport infrastructure, insufficient use of information and communication technologies (ICT), and lack of liability and cargo insurance and protection for national operators. One frequent practical impediment to international trade relates to the multiplicity of certificates (e.g. certificates of origin) and to lack of uniformity regarding which certificates are required and which parties are entitled to issue such certificates. Commitments regarding trade facilitation that might emerge from the ongoing negotiations at the WTO could be particularly beneficial for certain developing countries. South-South and intra-regional trade in particular would benefit from multilateral trade facilitation agreements.

The need for facilitation has increased during the last decade because of trends in international manufacturing, improved market access through tariff reduction, the new geography of trade, and the introduction of ICT.

One big challenge in the promotion of trade and transport facilitation is the fact that implementation costs are immediate, while benefits are potential and cannot be counted on in the longer term. This situation often makes it difficult to convince the decision makers to engage in reform, even though benefits are likely to outweigh costs. More specifically, in highly indebted countries and least developed countries (LDCs), the conviction that reform is needed does not always translate into concrete action.

However, studies presented at the meeting suggested a positive relationship between development and trade facilitation indicators. This correlation is evidenced by the extensive requirements for signatures, stamps and physical inspections prevailing in low-income countries and by the degree of corruption associated with paper-based documentation. One study indicated that import delays are the result of pre-arrival documentation (59 per cent), customs clearance (16 per cent), port operations (12 per cent) and inland transportation (13 per cent).

Trade facilitation and regional integration

Regional economic integration initiatives usually focus on trade liberalization, tariff reduction and quota abolition. However, trade facilitation issues too have received increased attention in recent years. In fact, several specific trade facilitation measures, including those related to transit trade and coordination at border crossings, are often included in the trade promotion

[1] http://www.unctad.org/en/docs/c3em24d3_en.pdf

agendas of regional organizations. Likewise, removal of trade barriers is recognized as a driver of regional integration and development.

Typical regional activities concerning trade and transport facilitation include capacity building, regional customs bond guarantee schemes, rules of origin, the licensing of clearing agents, common customs standards, regional unification of documents, and mutual recognition of third-party motor vehicles and drivers' licenses. Schemes enabling cooperation between customs authorities and regional networks of chambers of commerce also exist at the regional level.

Private-sector expectations from the WTO negotiations on trade facilitation

The report on the status of current WTO negotiations highlighted the fact that these negotiations are Member-driven. At the time of the Expert Meeting, more than 60 proposals had been made by developed and developing WTO Members. The proposals tackled a wide spectrum of measures relating to trade and transport facilitation, ranging from possible improvements and clarifications to Articles V, VIII and X of the GATT to customs cooperation, technical assistance, capacity building, special and differential treatment, and cost implications.

Activities by WTO, UNCTAD and other international organizations in support of these negotiations, including capacity building and technical assistance, are progressing according to conferred mandates and established work plans.

Implementation of trade facilitation measures

Regarding the introduction of facilitation measures at border crossings, it was argued that local stakeholders need to be involved in such a project from the outset. Misperceptions about associated costs and benefits can cause a project to fail. Indeed, local communities may view such a project as being to their disadvantage and may therefore strongly oppose reforms at border crossings. Another factor discussed was the need for clear arrangements for the ownership and operation of installations at borders, as well as careful selection of a lead institution. Examples of relevant border crossing initiatives include a "single window" and joint physical installations and operations for customs administrations.

The level of automation and the level of technology used in different facilitation measures can and should vary, depending on the realities of each country. For example, a single window in countries with a trading community that is familiar with sophisticated technologies is likely to use more automation than a single window in countries where traders and service providers are less exposed to current technology. In this context, experts highlighted the need for technical and financial assistance to implement ICT-based trade facilitation measures.

Regarding implementation of the WTO negotiations outcome on trade facilitation, it was recalled that Annex D of the “July package” provides that LDCs and other developing countries will not be obliged to implement measures that are not commensurate with their implementation capacities. Furthermore, Annex D stipulates that special and differential treatment should extend beyond merely granting longer transition periods. Currently there are discussions at the WTO to establish a mechanism to assess implementation capacities and the appropriateness of special and differential treatment.

Conclusions and the way forward

Existing bureaucratic obstacles have an enormous cost for business, as well as for state revenues. Reducing these obstacles benefits the private and public sectors alike.

Trade and transport facilitation will play an increasing role in ensuring the integration of LDCs, land-locked countries and other disadvantaged countries into the global economy. Coordinated action is required to support these countries in their efforts. It is important to aim for an equitable balance of the benefits of trade and transport facilitation measures among all trading partners.

Implementation of trade facilitation measures requires a thorough analysis of existing bottlenecks and costs, as well as a comparison of current practices with international standards and benchmarks. Regional and international organizations, including UNCTAD, can make valuable contributions to these analyses.

ICT can be expected to play an increasing role in the design and implementation of trade and transport facilitation measures and programmes. Customs automation will continue to be especially important, and it is expected that UNCTAD's Automated System for Customs Data (ASYCUDA) will continue to play an important role here.

Institutional mechanisms need to be created or strengthened to ensure the integration of trade and transport facilitation into the development process. Assistance is required both with institution building and with training and capacity building.

There is overwhelming evidence that close cooperation between all affected parties and joint efforts and partnership between the private and public sectors are crucial for reforms to be effective and sustainable. One such mechanism is the Global Facilitation Partnership for Transportation and Trade (GFP, www.gfptt.org), which provides extensive information on trade and transport facilitation, including documents, events and recent developments. The site is maintained jointly by relevant international organizations including the World Bank, UNCTAD, UNECE, UNIDO, WCO and WTO.

Aid for trade is fast becoming a necessity. Financing technical assistance and training schemes as well as new basic infrastructure in the area of trade and transport facilitation can play an important role here.

International organizations, including UNCTAD, are providing valuable support to the negotiations on trade facilitation at the WTO. Experience suggests that such support benefits greatly from involvement by the private sector, as well as from close coordination between experts from capitals and Geneva-based negotiators. Particular attention needs to be paid to assisting the implementation of commitments agreed to in the WTO negotiating process.

For the complete report of the meeting, see http://www.unctad.org/en/docs/c3em24d3_en.pdf
For the files of the presentations, see http://r0.unctad.org/ttl/ttl-ppt-2005-09-21to23.htm.
For further information contact Bismark Sitorus, Trade Facilitation Section, TLB, UNCTAD at bismark.sitorus@unctad.org.

Liner Shipping Connectivity Index – LSCI 2005

In Transport Newsletter # 27, 1st Quarter 2005, we presented an index that provided an indicator of liner shipping connectivity for 162 countries in mid 2004. In the present article, we provide an update on the index with data for July 2005.[2] The different components of the index are again generated from data obtained through Containerisation International Online (www.ci-online.co.uk; accessed in July 2005). They reflect the services, vessels and their TEU[3] capacity deployed by international liner shipping companies.

1) Deployment of container ships

The "fleet deployment" is the number of ships that national and international liner shipping companies assign to the liner services from and to the country's ports.[4] A larger number of ships is an indicator that a country's shippers have more opportunities to load their containerized exports, i.e. that they are better connected to foreign markets.

Table 1 shows the ten economies with the highest number of container ships deployed on liner services from and to their ports. Compared to 2004, China in 2005 receives 10.4 per cent more vessels. The ranking among the top 10 economies has remained almost the same, except for Korea, which has overtaken Japan. On average, the number of ships deployed per country has increased by 5.6 per cent between 2004 and 2005.[5]

Table 1: Fleet assignment (number of ships)

Rank	Country	Ships
1	China	1'354
2	Hong Kong, China	1'175
3	United States	1'094
4	Singapore	930
5	United Kingdom	825
6	Germany	820
7	Netherlands	797
8	Belgium	793
9	Korea, Republic of	767
10	Japan	701

Source: www.ci-online.co.uk, *July2005.*

2) Deployment of container carrying capacity (TEU)

A similar picture is obtained if we look at the deployment of container carrying capacity, i.e. considering the number of slots for 20 foot equivalent units (TEU) (Table 2). Compared to 2004, TEU capacity assignment has increased by 13.1 per cent in China. The Republic of Korea has overtaken the United Kingdom with now 1.215 million TEU. On average, the TEU capacity assignment per country has increased by 17 per cent between 2004 and 2005.

---

[2] For more detailed information about the concept, the components and the calculation of the index please see www.unctad.org/en/docs/sdtetlb20051_en.pdf.
[3] TEU stands for a twenty-foot equivalent unit. The number of TEU reflects the container carrying capacity of a ship and not the actual containerized trade carried.
[4] For the purposes of this article, "deployment" and "assignment" are used synonymous. Although a ship can only be deployed at one place at one point in time, if it is assigned to a given route covering several countries it will effectively be deployed to these same countries over a period of time.
[5] In order to give equal weight to each country, "average" change in this article is calculated by taking the sum of all 162 growth rates per country and dividing it by 162.

Table 2: Fleet assignment (TEU)

Rank	Country	TEU
1	China	4'442'070
2	Hong Kong, China	3'936'129
3	United States	3'014'748
4	Singapore	2'477'400
5	Germany	2'341'410
6	Korea, Republic of	2'215'415
7	United Kingdom	2'204'620
8	Netherlands	2'120'237
9	Taiwan Province of China	2'001'254
10	Japan	1'797'796

3) Deployment of container ships per capita

Everything else being equal, a larger country will usually have more ships and TEU assigned to its ports than a smaller country. However, if these ships or TEU have to be "shared" by a larger population, an individual shipper may not necessarily be better connected than his colleague in a smaller country.

In fact, there exist a number of smaller countries that have managed to attract additional liner services by providing transshipment port services. In order to account for a country's "size", the vessel deployment at a country's ports is divided by its population, thus generating the indicator "fleet assignment per capita" (Table 3). Average fleet assignment (ships) per capita per country has increased by 1.2 per cent between 2004 and 2005.

Table 3: Fleet assignment (ships) per capita

Rank	Country	Ships per million capita
1	Aruba	307
2	American Samoa	293
3	Malta	251
4	St. Kitts and Nevis	238
5	Singapore	210
6	French Polynesia	181
7	Hong Kong, China	170
8	New Caledonia	161
9	Bahamas, The	159
10	Marshall Islands	152

4) Deployment of container carrying capacity per capita

By the same token, the TEU capacity can also be calculated on a per capita basis (Table 4). The average TEU assignment per capita has increased by 11.4 per cent between 2004 and 2005.

Table 4: Fleet assignment (TEU) per capita

Rank	Country	TEU per 1000 capita
1	Malta	638
2	Hong Kong, China	570
3	Singapore	559
4	Bahamas, The	344
5	Aruba	298
6	United Arab Emirates	293
7	French Polynesia	289
8	Panama	241
9	New Caledonia	220
10	American Samoa	208

5) Number of liner shipping companies

This indicator is of particular interest in view of the recent mergers in the shipping industry.[6] Globally, the market share of the largest liner shipping companies has been increasing over the last years, and their have been concerns about the resulting process of concentration of market power.

In spite of this global process of concentration, our data suggests that in many countries the number of shipping companies providing services from and to its ports is still increasing, because carriers are still expanding into new markets. In 51 countries the number of companies has increased between 2004 and 2005, in 53 countries there has been no change, and in 58 countries the number has decreased. Between 2004 and 2005, the average change in the 162 countries in the number of liner shipping companies has actually been positive (3.3 per cent), although the average number of companies has slightly decreased (by 1.6 per cent). The explanation for this apparent paradox is that countries with fewer companies are still recording increases, which leads to higher percentage increase, whereas the countries with the highest numbers of companies are those that start to record de facto reductions. In fact, all the countries in Table 5 are served by fewer companies in 2005 than in 2004.

Table 5: Liner companies providing services to the country's ports

Rank	Country	Lines
1	Netherlands	126
2	Belgium	119
3	United Kingdom	117
4	Germany	110
5	United States	101
6	France	100
7	Singapore	95
8	Spain	88
9	China	87
10	Hong Kong, China	85

Note: Not all liner companies provide the service with their own vessels.
The figures thus also include companies who charter slots with other companies.

The above calculations suggest that in those markets where almost all companies are already present, the recent mergers have led to a reduction in the number of companies. In countries that are so far being served by fewer companies, the mergers are being compensated by the

[6] See also UNCTAD Transport Newsletter #24, second quarter 2004.
http://www.unctad.org/en/docs/websdtetlb20042_en.pdf

expansion of new companies into these markets. Like this, the differences between countries, although still large, have slightly decreased between 2004 and 2005; the variance in this indicator was reduced by 6 per cent, whereas in all other indicators, the variance has increased between 2004 and 2005.

6) Liner services

Usually, shipping lines provide more than one regular service. Between 2004 and 2005, the number of services from and to China has increased by 10.9 per cent. The average increase per country was 3.3 per cent.

Table 6: Liner services from the country's ports

Rank	Country	Liner services
1	China	957
2	Hong Kong, China	738
3	Singapore	687
4	United States	621
5	Korea, Republic of	567
6	Japan	540
7	United Kingdom	503
8	Netherlands	498
9	Germany	474
10	Taiwan Province of China	437

Note: Includes some double counting if services are being sold under different names.

7) Average vessel sizes

On average, between 2004 and 2005, the vessel size average per country has increased by 9.3 per cent. Oman has overtaken Hong Kong (China) after an increase of 11.8 per cent, or 380 TEU.

Table 7: Average vessel sizes

Rank	Country	Ship size average
1	Oman	3595
2	Hong Kong, China	3350
3	China	3281
4	Taiwan Province of China	3147
5	Saudi Arabia	3097
6	Canada	3074
7	Korea, Republic of	2888
8	Malaysia	2862
9	Germany	2855
10	Panama	2855

8) Maximum vessel sizes

In July 2005, when this "snap shot" of the existing liner shipping services was taken, 15 countries received vessels larger than 8000 TEU in their ports; this is an increase of 50 per cent as in July 2004 there were only 10 such countries. On average, the maximum vessel size increased by 9.5 per cent between 2004 and 2005. The largest ship recorded to provide regular liner services in July 2005 had a reported carrying capacity of 9200 TEU, an increase of 11.7 per cent compared to maximum of 8238 TEU in July 2004.

The 9200 TEU vessel recorded in Table 8 is the MSC Pamela, operated by Mediterranean Shipping Company and owned by Offen. The vessel was introduced only very recently, which is why in July 2005 it was still only reported to offer services in three countries. Today, as this article is written (September 2005), she serves ports in Belgium, China, France, Hong Kong (China), the Republic of Korea, the Netherlands, Singapore, Spain, and United Kingdom.

Table 8: Maximum vessel sizes

Rank	Country	Ship size maximum
1	Hong Kong, China	9200
2	China	9200
3	France	9200
4	Malaysia	8750
5	Germany	8750
6	United Kingdom	8750
7	Singapore	8750
8	Netherlands	8750
9	Italy	8468
10	Belgium	8468

9) Vessels per liner shipping company

This indicator attempts to measure Economies of scale as regards the number of operated vessels per liner shipping company. Given that the number of vessels has increased in most countries, whereas the number of companies has, on average, remained unchanged, this indicator also records an increase between 2004 and 2005. Those companies serving China now operate an average of 15.6 vessels on their liner services from and to China, compared to 12.8 vessels in 2004. On average, the number of vessels per company has increased by 5.3 per cent (Table 9).

Table 9: Vessels operated per liner shipping company

Rank	Country	Ships per line
1	China	15.6
2	Oman	14.3
3	Hong Kong, China	13.8
4	United States	10.8
5	Singapore	9.8
6	Taiwan Province of China	9.6
7	Panama	9.5
8	Korea, Republic of	9.5
9	Japan	9.0
10	Malaysia	8.1

This indicator is derived by combining the data from Tables 1 and 5.

The LSCI 2005

If we combine the available information about fleet assignment, liner services, and vessel and fleet sizes, it is possible to generate an overall “Liner Shipping Connectivity Index” (LSCI) (Table 10). In order to allow a comparison over time, the maximum value of the LSCI is set to be equal to 1.0 in 2004.

Table 10: Liner Shipping Connectivity Index for 2005

(Maximum index 2004 = 1)

Rank	Country	Index
1	Hong Kong, China	1.03
2	China	0.93
3	Singapore	0.91
4	United States	0.74
5	Netherlands	0.69
6	Korea, Republic of	0.66
7	Germany	0.66
8	Belgium	0.66
9	United Kingdom	0.66
10	Taiwan Province of China	0.63
11	France	0.60
12	Malaysia	0.60
13	Japan	0.59
14	Italy	0.55
15	Malta	0.54
16	Spain	0.51
17	United Arab Emirates	0.50
18	Egypt	0.47
19	Oman	0.46
20	Panama	0.46
21	Saudi Arabia	0.42
22	Canada	0.42
23	Bahamas, The	0.38
24	Sri Lanka	0.37
25	India	0.34
26	Brazil	0.33
27	Greece	0.32
28	Aruba	0.31
29	Jamaica	0.31
30	Thailand	0.31
31	French Polynesia	0.30
32	Mexico	0.30
33	Argentina	0.29
34	South Africa	0.29
35	Australia	0.29
36	Turkey	0.27
37	Sweden	0.26
38	New Caledonia	0.26
39	Indonesia	0.26
40	Israel	0.26
41	New Zealand	0.26
42	Denmark	0.25
43	American Samoa	0.25
44	Uruguay	0.25
45	Pakistan	0.24
46	Guam	0.24
47	Cyprus	0.23
48	Chile	0.23
49	Colombia	0.23
50	Venezuela, RB	0.22
51	Slovenia	0.22
52	St. Kitts and Nevis	0.22
53	Croatia	0.21
54	Peru	0.21
55	Romania	0.20
56	Trinidad and Tobago	0.20
57	Côte d'Ivoire	0.20
58	Guatemala	0.19
59	Netherlands Antilles	0.19
60	Ghana	0.19
61	Mauritius	0.19
62	Jordan	0.18
63	Iran, Islamic Republic of	0.18
64	Nigeria	0.18
65	Gabon	0.18
66	Portugal	0.18
67	Togo	0.18
68	Senegal	0.18
69	Ecuador	0.18
70	Djibouti	0.17
71	Dominican Republic	0.17
72	Philippines	0.17
73	Benin	0.17
74	Barbados	0.16
75	Angola	0.16
76	Cameroon	0.16
77	Costa Rica	0.16
78	Congo, Republic of	0.16
79	Mauritania	0.15
80	Lebanon	0.15
81	El Salvador	0.15
82	Marshall Islands	0.15
83	Vietnam	0.15
84	Finland	0.15
85	Guinea	0.14
86	Syrian Arab Republic	0.14
87	Fiji	0.14
88	Russian Federation	0.14
89	Latvia	0.14
90	Namibia	0.14
91	Norway	0.14
92	Estonia	0.14
93	Puerto Rico	0.14
94	Yemen, Rep.	0.14
95	Tonga	0.13
96	Grenada	0.13
97	Lithuania	0.13
98	Ukraine	0.13
99	Greenland (*)	0.13
100	Faeroe Islands	0.13
101	Samoa	0.13
102	Kenya	0.12
103	Vanuatu	0.12
104	Seychelles	0.12
105	Ireland	0.12
106	St. Lucia	0.12
107	Dominica	0.12
108	Cuba	0.12
109	St. Vincent & Grenadines	0.12
110	Tanzania	0.12
111	Honduras	0.12
112	Cayman Islands	0.11
113	Gambia, The	0.11
114	Micronesia, Fed. Sts.	0.11
115	Papua New Guinea	0.11
116	Virgin Islands (U.S.)	0.11
117	Liberia	0.11
118	Sierra Leone	0.11
119	Morocco	0.11
120	Algeria	0.11
121	Antigua and Barbuda	0.11
122	Iceland	0.11
123	Equatorial Guinea	0.11
124	Nicaragua	0.11
125	Comoros	0.11
126	Kiribati	0.10
127	Brunei	0.10
128	Solomon Islands	0.10
129	Sudan	0.10
130	Poland	0.10
131	Mozambique	0.10
132	Kuwait	0.10
133	Suriname	0.10
134	Madagascar	0.10
135	Guinea-Bissau	0.09
136	Northern Mariana Islands	0.09
137	Guyana	0.09
138	Tunisia	0.09
139	Bangladesh	0.09
140	Belize	0.09
141	Cambodia	0.08
142	Libya	0.08
143	Bulgaria	0.08
144	Qatar	0.08
145	Palau	0.08
146	Maldives	0.08
147	Bahrain	0.08
148	Haiti	0.07
149	Georgia	0.07
150	Yugoslavia, Fed. Rep.	0.07
151	Cape Verde	0.06
152	Czech Republic	0.06
153	Switzerland	0.06
154	Bermuda	0.05
155	Congo, Dem. Rep.	0.05
156	Myanmar	0.05
157	Sao Tome and Principe	0.04
158	Iraq	0.04
159	Paraguay	0.03
160	Somalia	0.03
161	Eritrea	0.03
162	Albania	0.01

On average, the LSCI per country has increased by 5 per cent between 2004 and 2005. The largest absolute increases are recorded for China, Denmark and Sweden. In the case of the latter two countries, the reason is above all the introduction of larger vessels. In the case of China, it is the growth in the fleet deployment. The largest relative increase is recorded for Guinea Bissau, which more than doubled its LSCI. Eritrea, Iraq, Somalia, and Rep. of Yemen are the countries with the largest recorded decrease in the LSCI, seeing their liner shipping connectivity reduced by more than 25 per cent between 2004 and 2005.

Truong Thai and Jan Hoffmann, Trade Facilitation Section, Trade Logistics Branch, SITE, UNCTAD
Jan.Hoffmann@UNCTAD.org.

GFP bi-annual meeting

As announced in the last Transport Newsletter, the Global Facilitation Partnership on Transportation and Trade (GFP) held its last bi-annual meeting in Geneva, at UNCTAD, on 20 September 2005. The meeting consisted of three main sessions:

1. The Changing Scenario for Trade and Transport Facilitation

2. Mobilizing Institutional Support: An Exercise in International Cooperation

3. Panel: The Private Sector's Role in the Support to the Trade Facilitation Agenda

Session 1 consisted of introductory remarks from UNCTAD and the World Bank GFP Secretariat. Session 2 included updates on activities and analysis by the World Bank, the World Customs Organization, the UNECE, the OECD, and UNCTAD. Session 3 provided for a lively discussion of the private sector's role, with contributions from representatives of the Trade Facilitation Alliance, the International Chamber of Commerce, the Boksburg Group, the Global Express Carriers Association, and Nestlé.

The presentations can be downloaded under http://r0.unctad.org/ttl/ttl-ppt-2005-09-20-gfp.htm
For further information contact Jan Hoffmann at jan.hoffmann@unctad.org

GFP website upgrade

The GFP Website team is pleased to let you know that it has completed the upgrade of the Global Facilitation Partnership for Transportation and Trade Website, www.gfptt.org, with financing support from the World Bank. Among the 40+ upgrades, you will find the following features:

- A powerful Search Engine, based on Google, offered in partnership with the World Bank, to search through the 750+ documents, partners and activities.
- The ability to express your opinion by rating from 1 to 4 the documents and topics, at the bottom of each page when logged in.
- A Calendar of Events to learn about all key events organized by GFP Partners on TTF matters.
- A new Topic Profile reorganized to flag all key reference documents, events, recommendations for the 50+ GFP topics.
- The flagging of documents with the highest ratings by GFP Partners under the corresponding topics, to ensure that you find the best documents easily.
- The GFP also changed its server to improve your experience with the site and avoid downturn.

We look forward to your contributions through submission of new papers, sharing of your experience in trade facilitation, voting for the best documents and encouraging your respective networks to join. To date, we received active contributions from over 15 GFP partners, among which the most active are the World Bank, the WCO, UNCTAD, UNIDO, UNECE, BULPRO and the WTO secretariat. This enabled us to widen the knowledge pool by 50 percent in six months.

Recent documents added include the GFP Explanatory Note Series (4-6 page each) covering the following topics: The Almaty Agenda, Assuring Trade Liberalization Agreements Achieve Their Goals, Cargo and Vehicle Tracking, Enabling SMEs to Enter the International Supply Chain, Integrated Border Management, Public-Private Partnerships in Trade and Transport Facilitation, Simplification and Harmonization of Border Measures Enforcing Non-Tariff Controls at the Border, Trade Logistics: Practical Measures, Transport Intermediaries: Types and Selected Drivers of Efficiency. In addition, UNCTAD, UNECE, WCO, and the World Bank have added over 200 new documents on the website during the past six months.

The GFP Website Team encourages you to circulate this information to your respective networks and let them know that registration is simple: Go to www.gfptt.org and select “Become a Partner” or, if you work for an organization already registered as a GFP Partner, go to “Register as a Person” and select the name of your organization.

The GFP website is www.gfptt.org.
Gerald Ollivier, for the GFP Website Team, golliver@worldbank.org.

New Contracting Parties to international conventions adopted under the auspices of UNCTAD

United Nation Conventions on a Code of Conduct for Liner Conferences, 6 April 1974

Entry into force: 6 October 1983; Contracting States: 79

Liberia - 16 September 2005 (a)

United Nations Convention on the Carriage of Goods by Sea, 31 March 1978

Entry into force: 1 November 1992; Contracting States: 31

Liberia - 16 September 2005 (a)

Paraguay - 19 July 2005 (a)

United Nations Convention on International Multimodal Transport of Goods, 24 May1980

Entry into force: Not yet in force; Contracting States: 11

Liberia - 16 September 2005 (a)

United Nations Convention on Conditions for Registration of Ships, 7 February 1986

Entry into force: Not yet in force; Contracting States: 14

Liberia - 16 September 2005 (a)

United Nations Convention on Arrest of Ships, 12 March 1999

Entry into force: Not yet in force: Contracting States: 8

Liberia - 16 September 2005 (a)

(Two more Contracting Parties are required for this Convention to enter into force.)

For more information on the latest status of these Conventions, you may check this link: http://r0.unctad.org/ttl/ttl-docs-legal.htm

18th International Port Training Conference

As announced in Transport Newsletter # 24, the 18th IPTC took place in Setúbal, Portugal, from 8-11 May 2005. Below, we reproduce excerpts from the conference report. For more detailed information please contact the conference secretary.

Cross-cultural concerns in training

Cross-cultural interaction is growing in our increasing global economy. Working, studying and interacting in cross-cultural situations often leads to problems arising from misunderstandings and misinterpretations among people having different worldviews. Cross-cultural interactions are growing in our society as we experience more and more cultural diversity within our communities. Our economies are becoming progressively more global, leading to the need to understand different ways of doing things in various parts of the world.

Effective cross-cultural interaction is especially crucial in dealing with international trade and modern technological developments in the ports community. Improvements in cargo-handling technologies such as containerization, neo-bulks and bulk trades and in passenger handling on cruise ships often require the introduction and development of standard systems and approaches at the ports at each end of the trade route. Often such standardization implies the imposition of one culture's technology, systems and methods on another culture

In the maritime transport sector, cross-cultural dynamics plays an important role as many ships are manned by sailors from a variety of countries. Ports need to interact with ships masters and crew from different nations. Hence an understanding of cross-cultural issues and methods of mitigating communication difficulties and enhancing understanding is essential.

Port training programs often seek to mitigate the impact of modern cargo-handling and system standardization by ensuring international students from various countries are effectively trained in dealing with the technological and logistical complexities being introduced to their ports. Port education and training is being provided by leading universities and colleges in different regions Regardless of the setting, port education and training must recognize and accommodate the cultural differences of their students and instructors to ensure an effective learning process.

In a cross-cultural situation, clashes can occur between the core values and perceptions of one person, reflecting their own society's cultural norms, and another person from a different society having a completely different upbringing. Cultural clashes arise from misunderstandings and misperceptions of the other person's "worldview." Such clashes are increasing in our global economy where peoples from different cultures are being brought together for education, business, commercial and other purposes. In the classroom, students and instructors from different cultures may clash due to their differing core values, perspectives and expectations of the learning experience.

Cultural clashes effect the learning process as students (and at times, instructors) find themselves encumbered with various emotional difficulties and anxieties emerging from misunderstandings and challenges to their core values.

To be an effective port trainer in a cross-cultural situation, the onus is on instructors to take steps to understand the varying needs of the students. Teaching in a cross-cultural setting is a challenge. Instructors need appropriate cross-cultural training prior to their involvement with international students. Good instructors using one teaching method may not be effective in another cultural setting.[7]

Balancing the costs and benefits of training

Training is too often viewed as purely a monetary cost, a drain on the 'bottom line', with the benefits being ignored because they can be difficult to identify and quantify in monetary terms. A broader, more reflective, consideration of training leads to the identification of a range of non-monetary benefits many of which have influences on productivity as well as important aspects of people's lives. The argument that training is just an expense is countered by the argument that not to engage in training is even more expensive. Training is inextricably linked with life beyond the workplace thus, in evaluating and balancing the costs and benefits of training these social and individual factors must be considered.[8]

Job profiles, competencies and standards

Increasingly, the phrase "competencies requirements" are used for defining the training needs for a function. Usually, the function is firstly described in a job profile. On the basis of this profile the competencies needed for the job are determined. The training curriculum for the job is designed in line with the competencies needed for the job.

A comparative analysis on job profiles especially carried out in selected ports for this conference, revealed that there is a significant confusion in the perception of the term competency. It also looks as if there is a misconception in the meaning of this term. The comparative analysis also showed that the profiles of port functions are not defined on standards/guidelines recognized nationally. In some cases these profiles are defined by a company. In others they may be determined by the social partners and yet in other cases, they may be determined by training providers. The foregoing raises the question whether standardization of port training can be further pursued. The above confusions and misunderstandings also makes it difficult to introduce and develop programmes for life long learning in the port industry as was experienced in a project accomplished in this field in selected European ports. [9]

Most likely, the similarities in operational and administrative systems applied by global leading shipping and terminal operators will lead to similarities in the relevant training programmes used worldwide. In spite of this, these training programmes will most probably not be developed commonly but independently by each of the leading global players in the transport and logistic industries.[10] Classification societies, too, may become involved in certification of transport personnel to approved standards set by these societies.[11]

[7] M. Irscha, Canada
[8] B. Lewarn, Australia
[9] F. Veringa, the Netherlands- H. Scharrinhausen, Germany-M. Udrea, Romania-U. Muller, Denmark
[10] E. Hietbrink. the Netherlands
[11] J. Douglas,Norway

The ISPS Code: experiences gained

The world port industry has made a special effort to accomplish the implementation of the ISPS Code on 1 July 2005. Many problems have been encountered and many have yet to be overcome. The above date should be seen as a starting point with a view to progressively improve the implementation methods to secure a balance between security versus a proper free flow of commerce. Training providers have found a profitable market to train the required personnel in accordance with the provisions of the Code.

Transport and the HIV/AIDS disease

As of 1 May 2005 more than 62 million people in the world were affected by the HIV disease. Transport is a significant factor that causes the spreading of this illness, particularly in regions where long hauls have to be made to move cargo from one place to another. The HIV illness is rapidly thinning out the availability of experience and expertise in many sectors of African countries, including the port sector. Sexual education is crucial for counter arresting the spreading of this disease. Education and training programmes for the transport sector should give high priority for creating alertness on the HIV illness and the dangers involved with relationships of a casual nature without taking measures against contamination. Success of these training programmes can be measured through behavioural change among employees and the general public as well as the accomplishment of safe sex practices.[12]

Bartolomé de Boer, Secretary, International Port Training Conference, chasqui@wxs.nl.

IAME conference proceedings

As announced in UNCTAD Transport News # 25, the annual conference of the International Association of Maritime Economists (IAME) 2005 took place in Cyprus ON 23-25 June, hosted by the Cyprus International Institute of Management (CIIM).

The conference was opened by the Cyprus Minister of Communications and Works. During the conference, 66 peer reviewed papers concerned with Maritime Economics were presented. Probably of particular interest to policy makers are various papers concerned with freight rates, port competition, the measurement of port productivity, liner shipping networks and geography, as well as several case studies, including from Latin America, the Mediterranean, and China.

The Best Conference Paper prize (sponsored by Maritime Policy and Management) was awarded to Roar Adland and Siri Strandenes for their paper “Market Efficiency in the Bulk Freight Market Revisited”. The prize for the Most Innovative Research Paper (sponsored by Maritime Economics & Logistics) was awarded to Nikos Nomikos and Amir Alizadeh for their paper “Investments Timing and Trading Strategies in the Sale and Purchase Market for Ships”. The Best Logistics/Supply Chain Management Paper Prize (sponsored by Transportation Research E) went to Theo Notteboom for his paper “The Factor Time in Liner Shipping”. Finally the Best Young Researcher Paper Prize (sponsored by Maritime Economics and Logistics) was awarded to Michele Acciaro for his paper “The Role of Ports in the Development of Mediterranean Islands: The Case of Sardinia”. The Conference prizes were followed by the award of the prize for the best PhD thesis of the Palgrave Macmillan PhD Competition that was sponsored by the Centre for Maritime Economics and Logistics, Erasmus University, Rotterdam. The winner was Dr. Teng-fei Wang, from the University of Plymouth, United Kingdom.

[12] H. Maasdorp, South Africa-C. Mbena, Tanzania

The IAME conference proceedings CD can be purchased at a cost of CYP35.00 plus Post and Packing from the conference chairman Dr. Photis Panayides.

For further information contact Dr. Photis Panayides, Professor of Marketing and Shipping Management, The Cyprus International Institute of Management, 21 Akademias Av., POB 20378, CY-2151 Nicosia, Cyprus, Fax: +357-22331121, E-mail: photis@ciim.ac.cy.

Agenda

Recent and upcoming events on trade and transport facilitation

26 September 2005: Round Table on Trade Facilitation for Least-Developed and Landlocked Countries in Asia. The round table was focused on the on-going WTO negotiations on the GATT Articles V, VIII and X. It provided an opportunity for discussing issues at stake between the Geneva-based WTO trade facilitation negotiators and the capital-based delegates from Afghanistan, Bangladesh, Bhutan, Mongolia, Myanmar, Nepal and Uzbekistan. The discussion highlighted a number of general problems of these countries, relating to Article V, which they are facing with respect to their landlocked geographical position and access to the sea. Their main concern was how to meet implementation challenges of the future WTO commitments on trade facilitation. UNCTAD, Geneva, Switzerland.

27 September: The UN/CEFACT International Trade Procedures Working Group met in Lyon, France during the 7th UN/CEFACT Forum. The main focus of the meeting was to provide an interface between ITPWG-TBG15 and the other Forum working groups on matters relating to trade facilitation. Of particular importance is the joint meeting with other relevant working groups (TBG1, 2, 3, 4, 14 and 17) on Single Window Standards and interoperability. Lyon, France.

5–6 October: Negotiating Group on Trade Facilitation – NGTF. WTO, Geneva, Switzerland.

6–7 October: Angola National workshop on Trade Facilitation. Luanda, Angola.

10 October: UNECE Workshop on Trade Facilitation, Kiev, Ukraine.

10–14 October: WTO / UNCTAD Regional Seminar for English-speaking African Countries. Windhoek, Namibia.

10–14 October: Public Private Partnerships in Ports, Course. Antwerp, Belgium.

17–19 October: WTO Sub-Regional Workshop on Trade Facilitation. Gaborone, Botswana.

18–19 October: OECD Global Trade Forum on Trade Facilitation. Colombo, Sri Lanka.

24–25 October: UNCTAD Workshop on WTO Negotiations on TF for Caribbean countries. Port of Spain, Trinidad and Tobago.

25–26 October: Asian Cargo & Border Security Summit 2005. Bangkok, Thailand.

26 October: Leading Court Cases on Letters of Credit - Trade Fraud Prevention and L/C Dispute. ICC, Paris, France.

27–28 October: Globalization, European Conventions and National Initiatives against Money Laundering and Terrorism Financing. Sofia, Bulgaria.

28–30 October: UNECE Workshop on WTO Accession, Trade Facilitation and Transit. Belgrade, Serbia and Montenegro.

8–9 November: WTO National Seminar on Trade Facilitation. La Paz, Bolivia.

10–11 November: WTO National Seminar on Trade Facilitation. Asunción, Paraguay.

14–18 November: Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices. Antalya, Turkey.

29–30 November: UN-ECLAC workshop on trade and transport facilitation in Latin America. Santiago, Chile.

8–9 December: WCO Biometrics 2005, Conference and Exhibition. WCO, Brussels, Belgium.

6–8 April 2006: WCO IT Conference & Exhibition. Bangalore, India.

For further information and updates please visit http://www.gfptt.org/Entities/EventList.aspx?list=all.

Review of Maritime Transport 2005

The Review of Maritime Transport, an annual publication prepared by the UNCTAD secretariat, provides comprehensive and up-to-date statistics and information on maritime and ancillary services. The Review focuses on developments concerning maritime activities in developing countries as compared with other groups of countries. Developments in Latin American and Caribbean trade and maritime transport are featured in the 2005 edition.

This year's Review indicates that, while world output grew by 4.1 per cent in 2004, world seaborne trade (goods loaded) increased by 4.3 per cent. Worldwide fleet expansion continued at a pace of 4.5 per cent. World container port traffic expanded by 9.6 per cent over that of the previous year, reaching 303.1 million TEUs (20-foot equivalent units), with ports of developing countries handling 122.4 million TEUs, or 40.4 per cent of the total.

The share of the developing-country fleet reached 22.6 per cent, or 202.3 million dwt (deadweight tons), at the beginning of 2005. About 77 per cent of this fleet belongs to developing countries in Asia. The net increase of developing countries´ fleet was 20.9 million dwt, more than four times the net increase of the fleet of major open-registry countries, which increased by 4.5 million dwt. The worldwide merchant fleet increased by 38.8 million dwt to a record 895.8 million dwt.

This year's regional review focuses on Latin America and the Caribbean. These countries recovered from the 2001 crisis and recorded export growth by value of 22.4 per cent in 2004. The merchant fleets of these countries, not counting those of the major open-registry countries, make up only 4 per cent of the world fleet, with three quarters of this percentage accounted for by three minor open-registry countries. Trans-shipment port activity is remarkable in the Caribbean, with a flurry of new investments.

The complete report can be downloaded via
http://www.unctad.org/Templates/WebFlyer.asp?intItemID=3588&lang=1