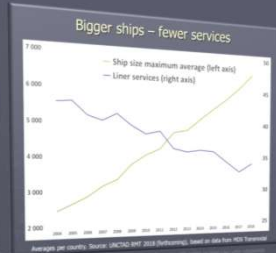
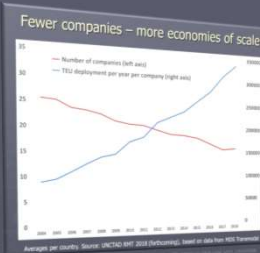


### 3 Challenges



### Challenge #1

- For the carriers:

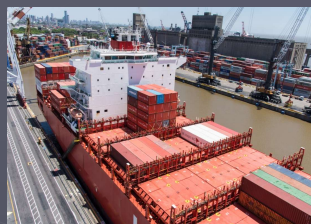
Over-supply



### Challenge #2

- For the ports:

Vertical  
integration  
&  
Total logistics  
costs may go up



### Challenge #3

- For the shippers:

Market  
concentration



- Shipping and shippers
- The common interest:  
Trade and Transport Facilitation
- The mind set
- Which measures should  
be priority?
- Science Fiction?

### Finding common ground...

- ... to improve the supply chain,
  - ... to reduce CO2 emissions,
  - ... to make trade procedures more  
transparent and efficient
- = will also enhance trust and cooperation  
among shippers and carriers.

For example:  
UN/CEFACT



For example:  
Global Maritime Logistics Forum



For example:  
Intelligent Tech & Trade Initiative



Working together to facilitate  
trade and its transport

We need

- ▶ Standards  
... but whose standards?
- ▶ Exchange of data  
... but who owns and controls it?
- ▶ Coordination, cooperation, collaboration  
... but how do you avoid collusion?

Challenges (cont.)

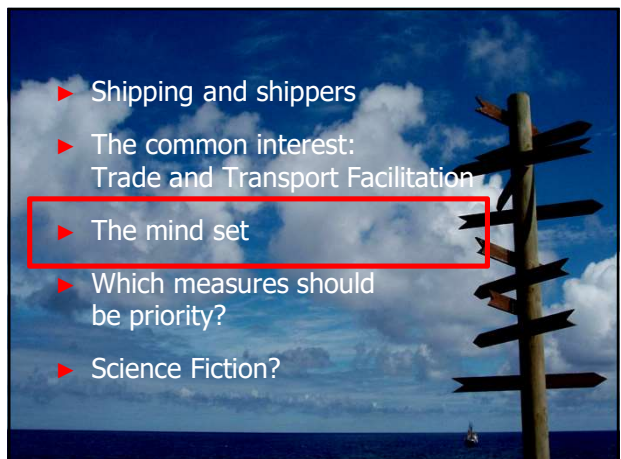
- ▶ For the shippers:

Market  
concentration

not only vessels,  
but also **data** and  
information



- ▶ Shipping and shippers
- ▶ The common interest:  
Trade and Transport Facilitation
- ▶ The mind set
- ▶ Which measures should  
be priority?
- ▶ Science Fiction?



## The mindset

- How to set today's rules for the future?



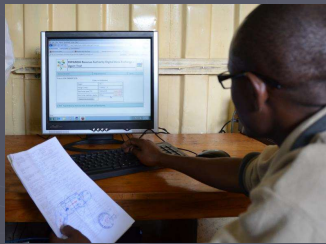
## The mindset

- The negotiation, ratification and implementation of conventions take time
- Need to commit to **whatever** is the best **[future]** technological solution



## Out of date already?

- In the future the concept of "copies" versus "originals" as per Article 10.2 TFA will become obsolete as processes focus on **data** rather than on documents.

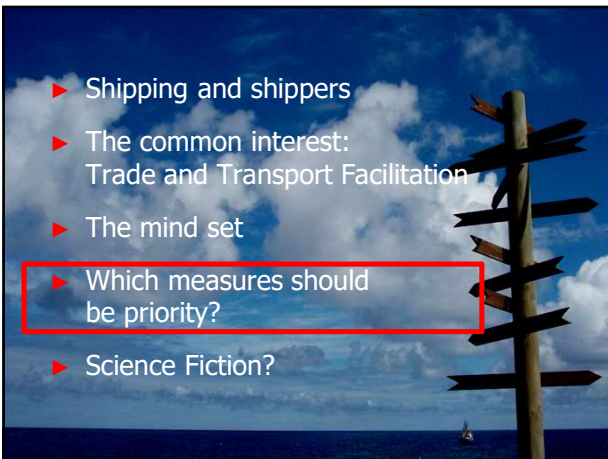


## Out of date already?

- The same will apply to "information technology to support the single window" as per Article 10.4, as focus shifts to data and information on a **distributed** ledger.



- Shipping and shippers
- The common interest: Trade and Transport Facilitation
- The mind set
- Which measures should be priority?
- Science Fiction?

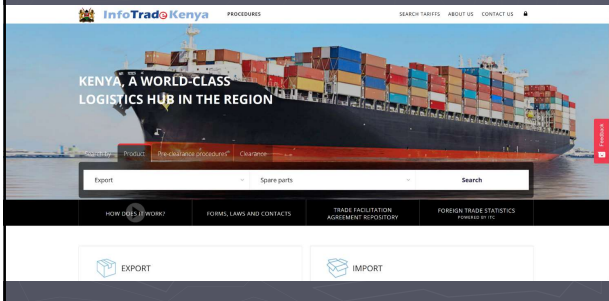


## A dynamic dimension in the TFA

- In the long term, Article 10.1 will gain in importance, it does not prescribe any specific technological solution.
- Progressively, various provisions will become antiquated or obsolete and we will just want to **minimize** "the incidence and complexity of import, export, and transit formalities"; continuously **"review"** requirements; keep **"reducing"** the time and cost of compliance for traders and operators"; and always choose "the **least** trade restrictive measure" (10.1 TFA)

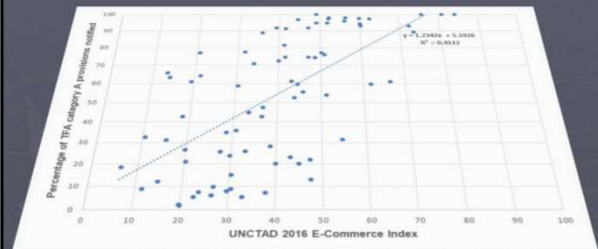
## Win-Win

- Article 1 - "Publication and Availability of Information"



## Trade Facilitation for E-Commerce

- Which Trade Facilitation measures go hand-in-hand with e-commerce?



Source: UNCTAD Policy Brief on Trade Facilitation and E-Commerce, forthcoming

## Trade Facilitation for E-Commerce

- All 37 trade facilitation measures included in the TFA have a positive correlation with e-commerce



## Trade Facilitation for E-Commerce

The top measures with the strongest statistical "impact" on the UNCTAD e-commerce index:

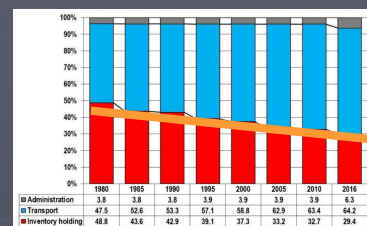
- Border agency cooperation (Article 8): **+77%**
- Publication (Article 1.1): **+71%**
- Single Window (Article 10.4): **+66%**
- Expedited shipments (Article 7.8): **+61%**

Source: UNCTAD Policy Brief on Trade Facilitation and E-Commerce, forthcoming

- Shipping and shippers
- The common interest: Trade and Transport Facilitation
- The mind set
- Which measures should be priority?
- Science Fiction?

## Changing logistics expenditures

**Inventory holding expenditures decrease, and Transport expenditures increase**



UNCTAD estimates, based on CSCM – State of Logistics Report various issues. Data for United States

## Science Fiction??

- ▶ Artificial Intelligence AI systems will **learn** and adapt faster to new challenges and technologies than humans, as newly acquired knowledge is passed on immediately to fellow AI-endowed units.



## Science Fiction??

- ▶ It will become increasingly important that AI systems be **taught a set of values** upon which to base their learning and decisions.
- ▶ E.g.: self-driving cars need to be taught to base decisions on pre-defined criteria

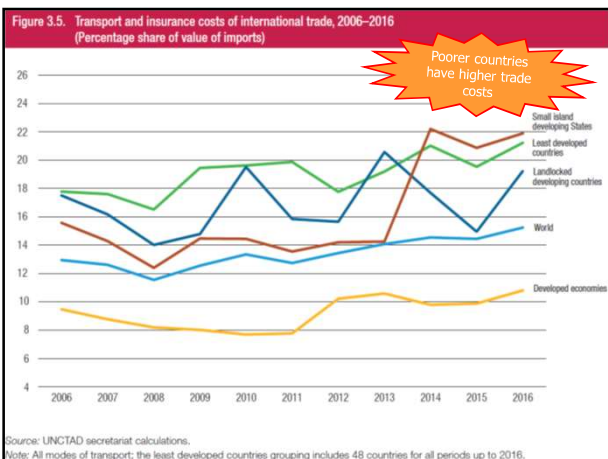


- ▶ Shipping and shippers
- ▶ The common interest: Trade and Transport Facilitation
- ▶ The mind set
- ▶ Which measures should be priority?
- ▶ Science Fiction?
- ▶ **Back to basics**



## Back to basics

- ▶ Many challenges remain. The use of the Internet is still not universal, especially in many LDCs and remote and rural areas.
- ▶ In LDCs only 1 in 6 people use the Internet



## Working on it

- ▶ UNCTAD works with partners on solutions that help facilitate trade and its transportation, transparency, E-Commerce, customs automation, port reforms, national trade facilitation committees and transport corridors.
- ▶ We provide analysis, technical assistance and capacity development for those who may **otherwise be left out**.



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