



Asia-Pacific  
Economic Cooperation

# CHALLENGES IN ANALYZING LOGISTICS SERVICES

Dr. Sherry M Stephenson  
PECC Services Network

GOS Workshop-  
Understanding Logistics Services  
23-24 March 2022

Advancing Free Trade  
for Asia-Pacific Prosperity

Copyright © 2022 APEC Secretariat



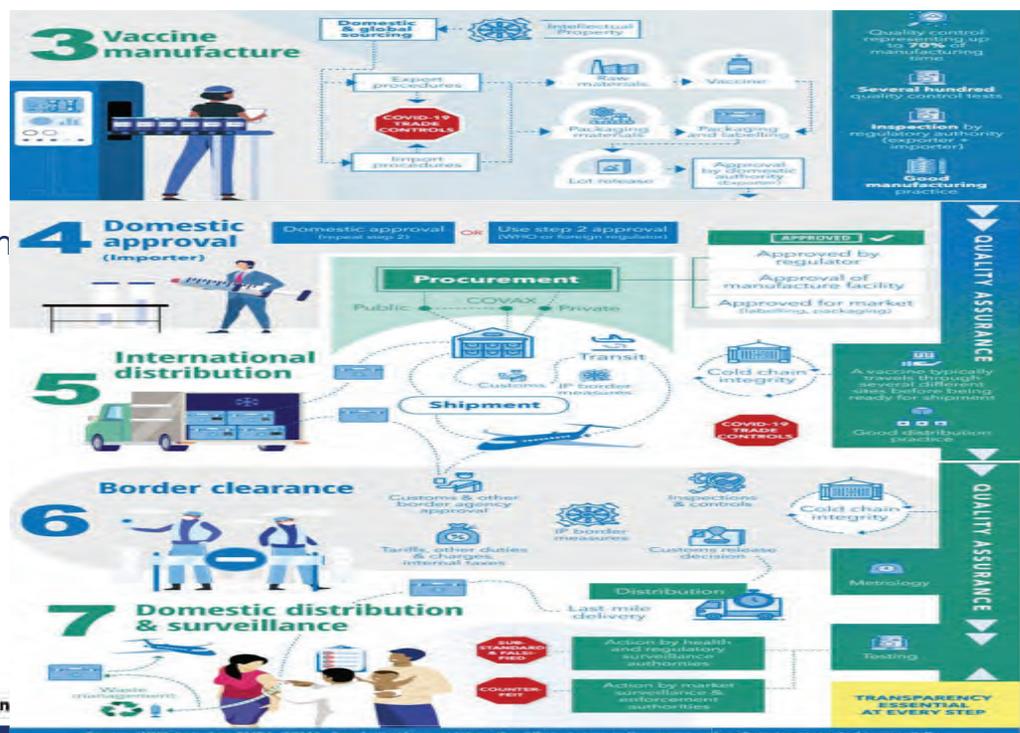
## Role of services in a pandemic

- ❖ **A pandemic knows no borders.** It is transmitted internationally through the interconnection of people, trade and travel.
- ❖ The Covid-19 pandemic has had a major impact on and disruption to international trade.
- ❖ **But trade plays a huge role in the response to a pandemic** - enabling the flow of essential goods across borders, including vaccines, therapeutics and medical supplies as well as basic foodstuffs necessary to treat and sustain affected populations.
- ❖ **Services that enable trade flows of essential goods are critical.** However, their importance was often ignored until the APEC MRT focused on this in their 2021 Statement.
- ❖ Part of the reason that services have not been highlighted is because they are so diverse and varied, and there has not been an attempt to narrow down which services play this critical role.

## Identifying services critical to the movement of essential goods

- ❖ Two years into the Covid-19 pandemic, there is no common understanding of what these services to support the movement of essential goods consist of and what policy steps are needed to ensure they can contribute adequately to pandemic mitigation and recovery efforts.
- ❖ Several services come into mind when thinking about what is necessary to move essential goods across borders: we all have a pretty good idea of these, starting with all types of transportation services, distribution and courier services, as well as those services necessary to import goods at the border and transmit them to their destination (customs processes, cargo handling, warehousing, freight forwarding, etc.) In addition, telecom/ ITC services are vital for enabling coordination and digitalization of logistics processes.
- ❖ These services can all be thought of as **LOGISTICS-RELATED SERVICES**, or those critical to enabling the flow of trade. Logistics are vital at every step of the vaccine supply chain, but our focus is on their role in steps 5 and 6 – the international segments of the vaccine supply chain.

## Logistics in Vaccine Supply Chains – That Cross Borders through International Trade : 5 & 6



## How well logistics services function to facilitate trade in essential goods depends upon several things

- ❖ Quality of existing infrastructure
  - ❖ Use of digitized processes
  - ❖ Restrictive measures that affect logistics sectors
  - ❖ Availability of necessary personnel (crews on cargo ships and flights)
  - ❖ Coordinated policies among governments
- ❖ Note: The restrictive impact of measures affecting critical logistics-related services can be quite pronounced, resulting in high costs for trade and impeding these services from playing their role as efficiently and smoothly as needed in times of crises. This reduces the timeliness and effectiveness of a pandemic response.

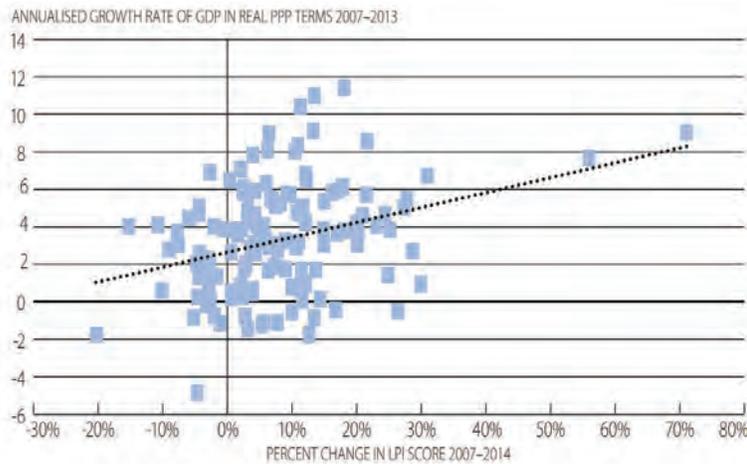
## Examples of problems manifested with logistics services during the Covid-19 pandemic

- ❖ Bottlenecks in port operations with long delays for cargo handling and warehousing
- ❖ Crews stranded on cargo ships for months, yet a lack of workers at the docks and in warehousing
- ❖ Uncoordinated border closures in response to the pandemic
- ❖ Disruptions to air freight, linked to capacity shortages

### RESULTING IN:

- ❖ Huge increases in both costs and delays in time of delivery: Average rates for shipping a container from Shanghai to Los Angeles rose from around \$1,500 in early 2020 to \$9,631 in August 2021, an increase of over 500 percent; Air cargo capacity decreased by over 12% during this same time period; Suppliers delivery times have hit record highs with big delays
- ❖ Transport and logistics costs expected to continue to rise this year : Cost increases in 2022 over 2021: Parcel shipping 6%; Container shipping 75%; Transport, warehousing & inventory 14%  
+ *Wall Street Journal, 20 December 2021*

## Correlation between improvement in logistics performance and GDP growth rate



Source: UNESCAP-World Bank Trade Costs Database; World Development Indicators.

StatLink <http://dx.doi.org/10.1787/88893240715>

Better logistics performance results in better economic performance and faster GDP growth ; strong link between policy (logistics) and performance in this important area for supply chain connectivity

 Economic Cooperation

Copyright © 2022 APEC Secretariat

## APEC MRT recognized the important role of logistics services in a pandemic

### APEC Ministers Responsible for Trade June 2021 Statement

“.....In particular, we highlight the integral role freight and logistics suppliers can play in the production, distribution, and sale of vaccines and medical supplies.”

### MRT Standalone Statement on Services to Support the Movement of Essential Goods June 2021

“.....**APEC economies will work to ensure the smooth and continued operation of the LOGISTICS NETWORKS that serve as the backbone of global supply chains.**”  
and

“.....**we commit to enhancing coordination, efficiency and transparency around TRANSPORT AND LOGISTICAL SERVICES.....**” and

“.....**APEC economies will update the progress of these initiatives as part of the review of the Statement on Facilitating the Movement of Essential Goods. The first such review will be conducted in 2022.**”

This project is being carried out in fulfillment of this mandate.

## But challenges exist in analyzing logistics

- ❖ **No agreed definition of logistics, either within or beyond APEC:** Logistics is a term commonly used but what it encompasses is not commonly understood
- ❖ No agreed definition of logistics exists in the economic literature or in general trade negotiation usage
- ❖ Logistics are not defined under the UN CPC.1 or CPC.2
- ❖ There are no commitments on “logistics services per se” in the GATS
- ❖ **This void has meant that there is no consistent way that statistics have been collected and published for a “logistics” category, meaning that trade officials are unable to evaluate its performance in a consistent way over time;** the indices that exist cover different performance metrics and encompass differing sectors or activities
- ❖ The lack of definitional consistency has permeated APEC’s work on logistics
- ❖ It has also complicated the policy response of APEC governments during the Covid-19 pandemic on a regional level and has meant delayed and sometimes incoherent policies, despite APEC’s long-standing work on Supply Chain Connectivity

## Objectives of this background paper

- ❖ **To help APEC economies understand how logistics and logistics-related services have been defined in various contexts and by various organizations**
- ❖ To highlight the link between policy and performance of APEC economies in the logistics-related service sectors
- ❖ **To obtain a more precise sense of the magnitude of barriers to logistics-related services that are applied in the APEC region**
- ❖ To appreciate the cost reductions to trade that would result from the lowering of these restrictive measures
- ❖ **To address the need for a common policy framework on logistics-related services for the Asia Pacific region and recommend actions that would allow APEC economies to move in this direction**



**THANK YOU!**

**Contact: [sherry.stephenson@gmail.com](mailto:sherry.stephenson@gmail.com)**

 **Asia-Pacific  
Economic Cooperation**

# **LOGISTICS IS A GLUE THAT HOLDS EVERYTHING TOGETHER**

Dr. Mia Mikic  
Consultant

GOS Workshop-  
Understanding Logistics Services  
23-24 March 2022

**Advancing Free Trade  
for Asia-Pacific Prosperity**

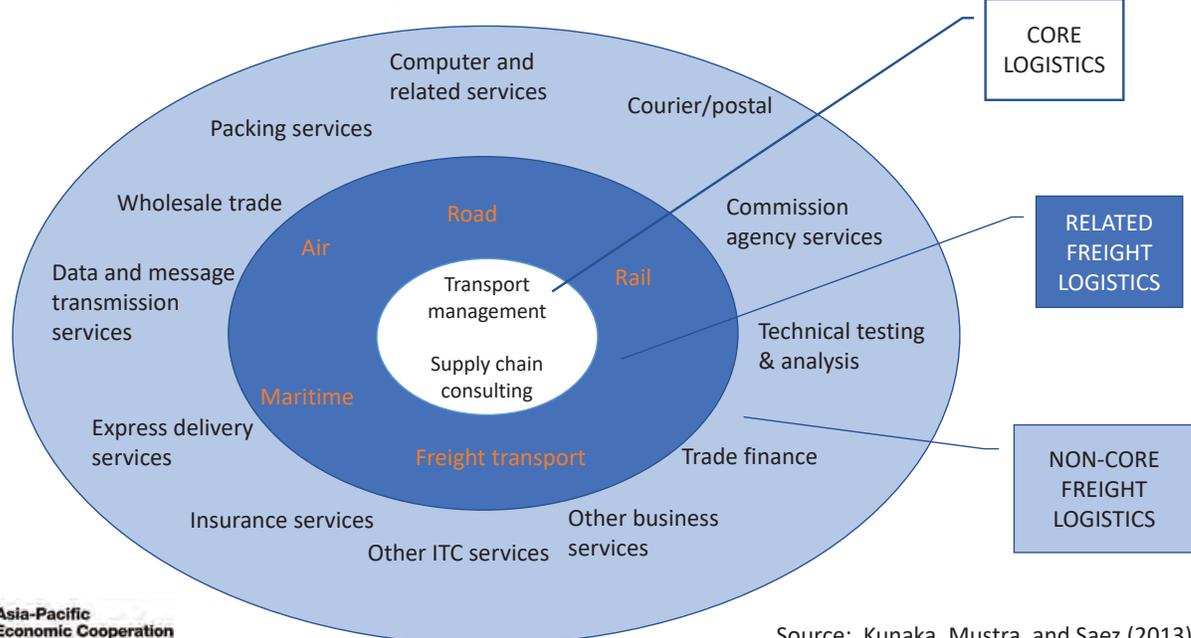
Copyright © 2022 APEC Secretariat



## Logistics-related Services' Definition

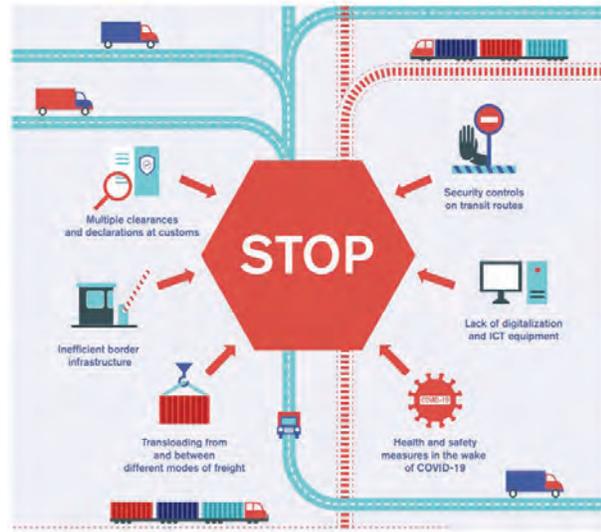
- ❖ **Everyday use:** “things that must be done to plan and organize a complicated activity or event that involves many people”
- ❖ **Business:** “...how resources are handled and moved along the supply chain”
- ❖ **CSGMP:** “Logistics is a part of supply chain management that plans, implements and controls the efficient, effective forward and reverse flow and storage of goods, services and related information between the point of origin and the point of consumption in order to meet consumer requirements.”
- ❖ **This paper:** “... a series of essential economic activities that enable the operation of reliable supply chains and allow for the predictable transport, storage, and delivery of goods and services for businesses”

## Ever-growing scope of Logistics-related Services



## Why are Logistics-related Services Important in Pandemic?

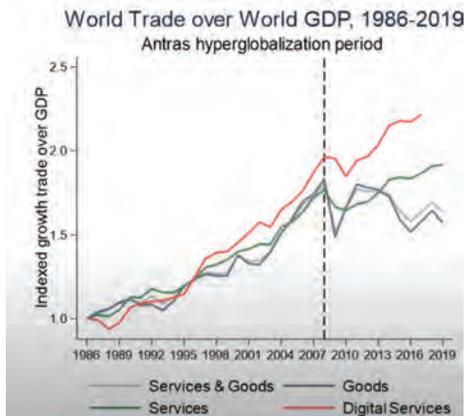
- ❖ They can **save time and costs** in moving essential goods across borders.
- ❖ Understanding trade costs (structure, determinants, evolution) is crucial to prevent bottlenecks and jamming flow of essential goods across borders
- ❖ In terms of logistics-related costs, they comprise trade costs other than those associated with tariff and policy-driven non-tariff measures (possibly including infrastructural costs)



Source: Extracted from Figure 1, WTO (2021)

## Pandemic and Shifts in Thinking about Logistics-related Services

- ❖ Digitally enabled services



- ❖ In a context of value chains / supply chains: de-risking through diversification and rethinking the primacy of efficiency in organization of supply chains

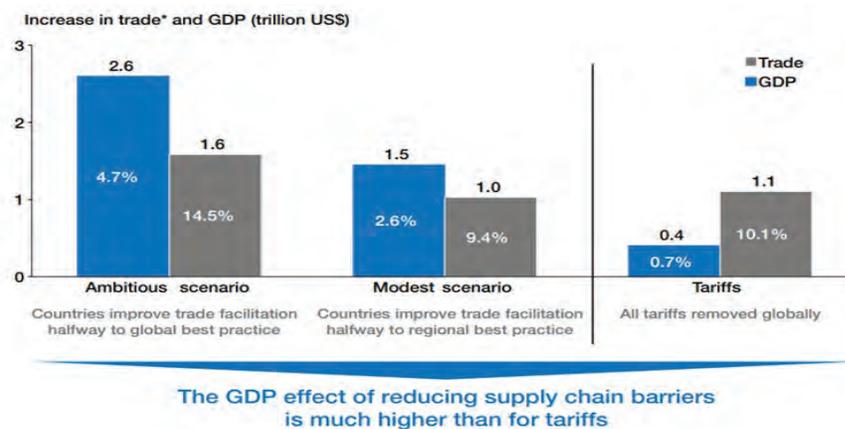
Source: Eric van der Marel presentation , 2021

([Digital Trade Policies – Charting a Way Towards More Transparency \(cepweb.org\)](https://cepweb.org/))

## Why is Solid Performance in Logistics Important?

- ❖ When the cluster of logistics industries performs well, economies can demonstrate the resilience, flexibility and efficiency to respond to economic shocks, whatever their nature or origin.
- ❖ Selected literature conclusions:
  - Arvis et al. (2014): the performance of the logistics industry has a significant influence on the development of industrialisation and on an economy's ability to participate in international trade.
  - OECD and WTO Aid for Trade report (2015): logistics is the most important component of potential cost reduction in trade; reducing logistics barriers to trade have stronger impact on growth and trade than lowering tariffs
  - Findlay and Roelfsema (2021): logistics have supported APEC economies' response to Covid-19; however, the major constraint remaining is in the area of logistics infrastructure and operations, particularly for ports and airports and connections to road and rail systems.

## Even Limited Improvements in Logistics have Stronger Impact than Tariff Cuts

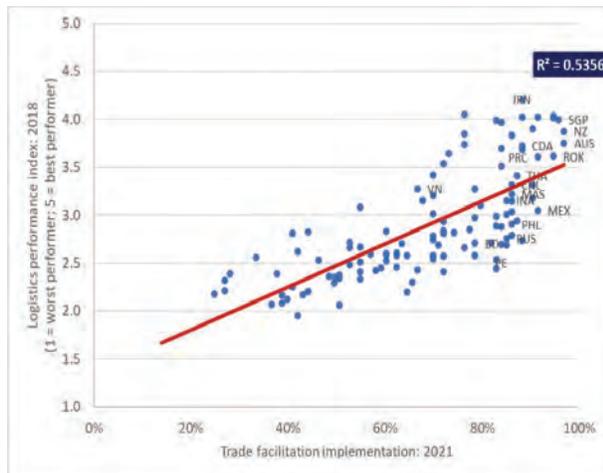


Improving only two areas of logistics\* increases global GDP SIX TIMES more than the world-wide elimination of tariffs

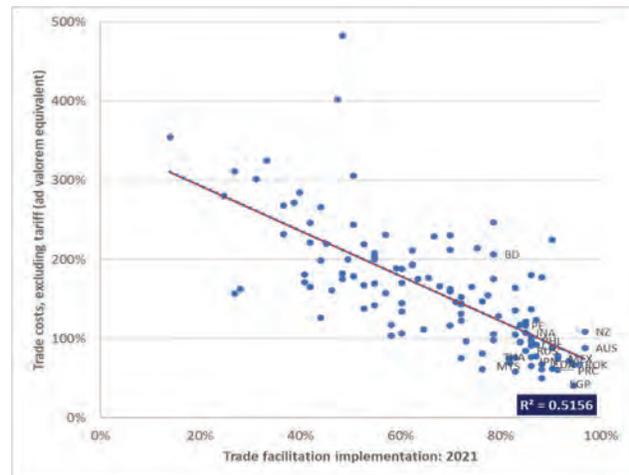
\*Border procedures and transport & communication services & infrastructure

## Solid Logistics Policy is linked to better Logistics Performance

Trade facilitation implementation and logistics performance



Trade facilitation implementation and Trade Cost



## The Need to Examine Logistics Policies of APEC

- ❖ The logistics performance of the APEC economies is significantly related to the region's economic growth and competitiveness in regional and global trade.
- ❖ Focusing on logistics is particularly critical in times of a pandemic. The inefficiencies in logistics operations and resulting delays and cost increases have been a major limitation in moving essential goods across borders to effectively respond to the COVID-19 crisis.
- ❖ APEC's performance in logistics still has room for improvement. The LPI, STRI and Trade-Cost-Reduction results presented in the Background Paper are significant as indicators of which direction APEC governments should move to reap efficiency gains in the logistics area.
- ❖ The logistics area could benefit from policies to encourage both greater efficiency and better coordination.
  - The adoption of a greater number of liberalizing measures affecting activities in the logistics sector during a pandemic
  - Better coordination of policies in areas critical to the functioning of transport, such as customs procedures, port operation and treatment of crew on cargo ships and cargo flights



**THANK YOU!**

## World Bank – Logistics and Supply Chain Connectivity

APEC Group on Services Workshop

**Cordula Rastogi**

Sr Economist  
Trade, Investment, and Competitiveness,  
Global Trade and Regional Integration Unit  
[crastogi@worldbank.org](mailto:crastogi@worldbank.org)



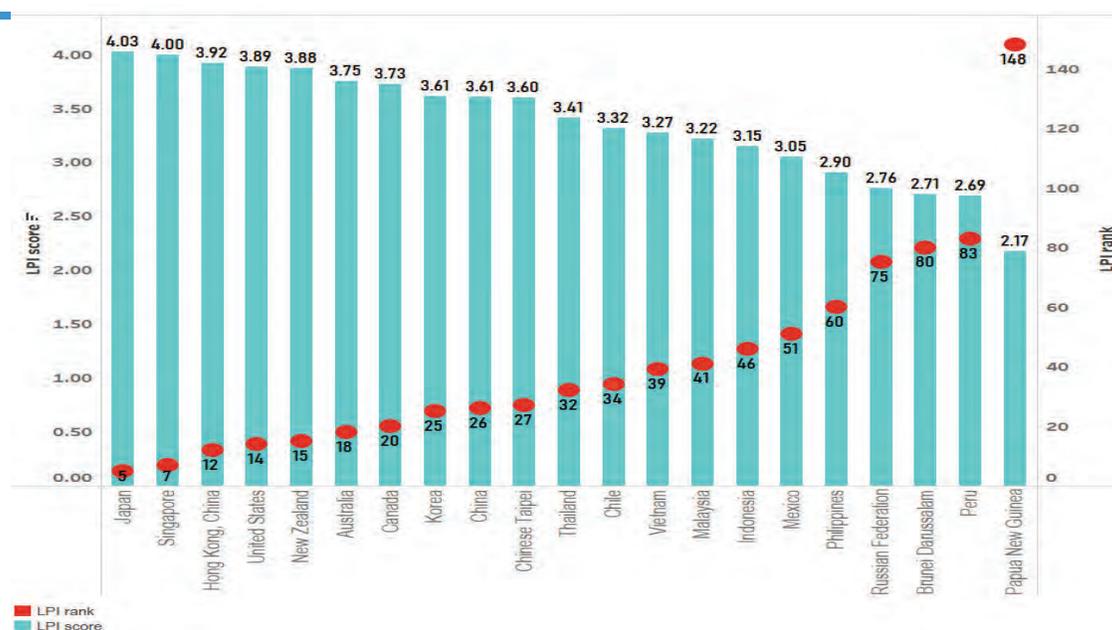
# Logistics Performance Index

- Logistics and supply chain connectivity is an important agenda worldwide, primarily B2B
- Government interventions critical to performance: regulations, provision of infrastructure, border process, etc.
- Relatively few established indicators with economy benchmarks
- The Logistics Performance Index (LPI) is popular since 2007 – a holistic metric incorporating many effects
- The LPI triggered logistics related initiatives in many economies
- Based on survey data collection concept



2

## LPI Scores/Ranks for the 21 APEC Economies, 2018



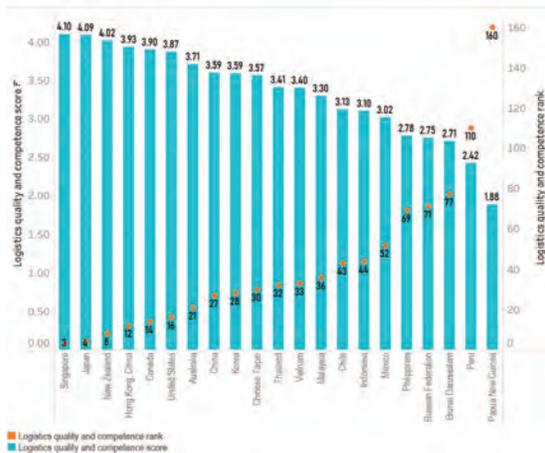
Source: Stephenson, S and Mia Mikic (2022): Paper submitted to the APEC Group on Services Workshop on Logistics 23 and 24 March 2022



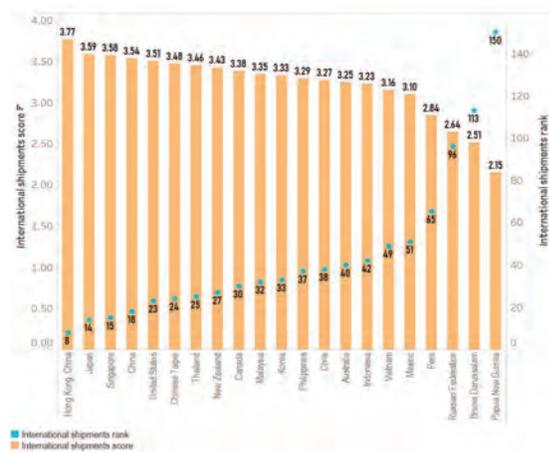
3

# LPI 2018: Logistics Services and International Shipments

## Competence and quality of logistics services



## Ease of arranging competitively priced shipments (International Shipments)



Source: Stephenson, S and Mia Mikic (2022): Paper submitted to the APEC Group on Services Workshop on Logistics 23 and 24 March 2022

# Rethinking Logistics Assessments in the Age of Big Data

### Tracking data (micro-performance data)

- Shipment-level data from global sources
- Vessel tracking tracking (containers, ships, trucks)

### Geospatial data

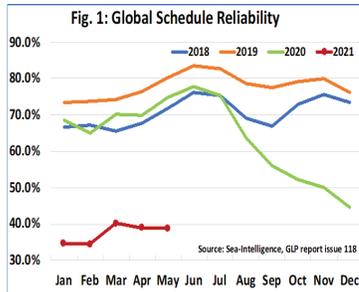
- Information on trade-related infrastructure
- Examples: roads and railroads
- Source: OpenStreetMap, Google Maps

### Non-traditional sources:

- Online professional data
- Social networks

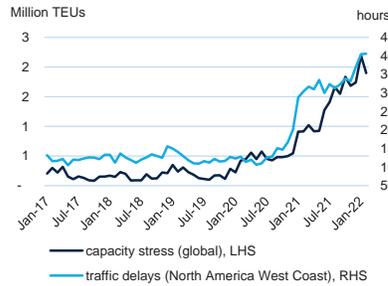
# Latest Data on Logistics – Along with Analysis

% ships arriving within 8 hours of schedule



Source: Sea-intelligence

Supply chain capacity stress (million TEUs) and traffic delays (hours), through February 2022



[Trade Watch Series \(worldbank.org\)](https://www.worldbank.org/trade-watch-series)



## Concluding Remarks

- Assessing logistics and supply chain connectivity is a core activity of the World Bank's Trade, Investment, and Competitiveness Department (TIC), Global Trade and Regional Integration Unit (ETIRI) – **Mona Hadded (Global Director)**;
- Timeliness of shipments is of particular importance when it comes to moving essential goods across borders;
- Costs due to barriers to logistics services trade are generally assessed through engagements at the level of World Bank client economies (inventory costs or logistics costs per GDP);
- Build on the UNESCAP-World Bank Trade Cost database and look specifically at internal sources of trade costs and policy that increase connectivity to markets: logistics services, supply-chain structure, intermediation, ...





# Measuring the regulatory environment for trade in logistics services

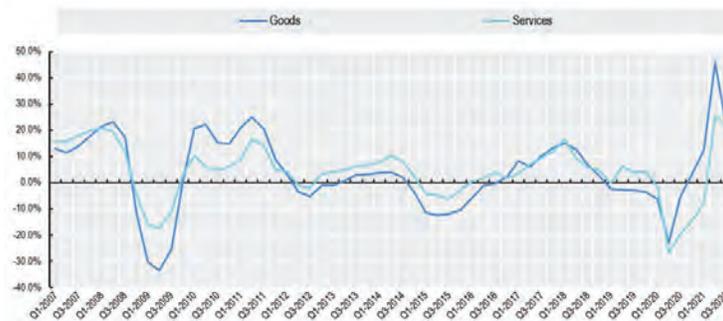
John Drummond, Head, Trade in Services Division

APEC Group on Services  
23-24 March 2022



## Services support economic recovery and strengthen resilient value chains

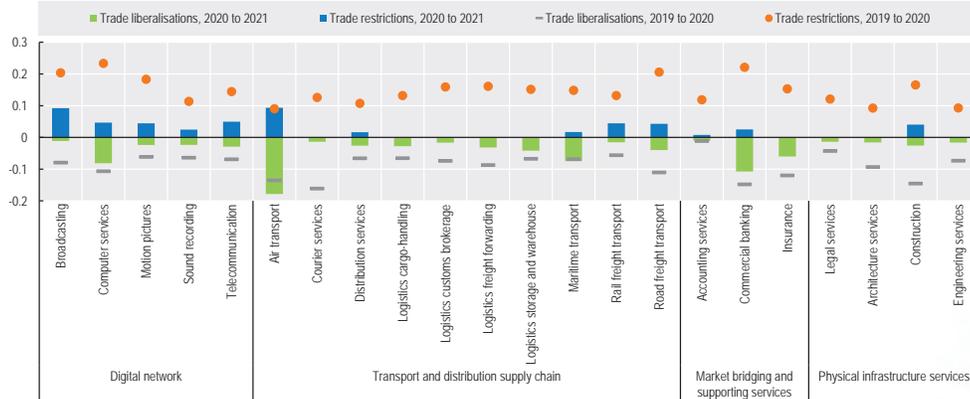
Imports and exports of goods and services, OECD economies, year-on-year growth rates



Source: OECD Balance of Payments Statistics

## Global services trade liberalised in 2021, including in logistics and logistics-related services

Changes in the STRIs per sector, 2020-2021



Note: Sum of all the positive (restrictions) and negatives changes (liberalisation) across all the measures over the period considered.

Source: OECD STRI: Trends up to 2022

Trade and Agriculture Directorate | Organisation for Economic Co-operation and Development (OECD) | [www.oecd.org/tad](http://www.oecd.org/tad) | [tad.contact@oecd.org](mailto:tad.contact@oecd.org)

## Global services trade liberalised in 2021, including in logistics and logistics-related services

Changes in the STRIs per sector, 2020-2021



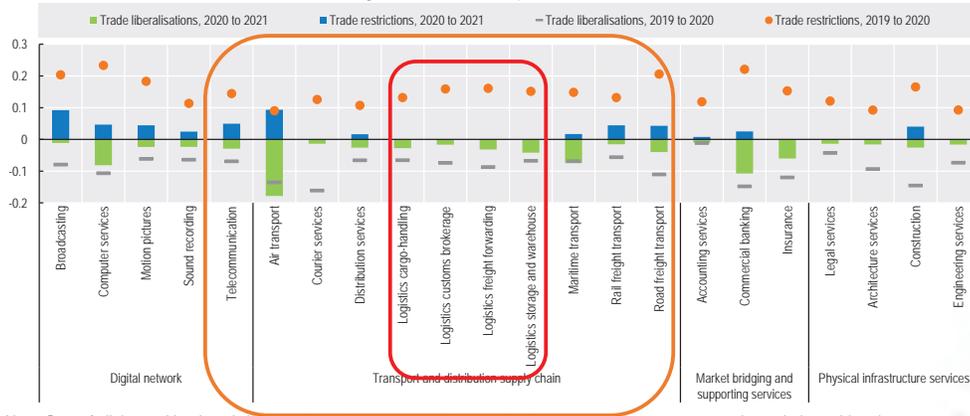
Note: Sum of all the positive (restrictions) and negatives changes (liberalisation) across all the measures over the period considered.

Source: OECD STRI: Trends up to 2022

Trade and Agriculture Directorate | Organisation for Economic Co-operation and Development (OECD) | [www.oecd.org/tad](http://www.oecd.org/tad) | [tad.contact@oecd.org](mailto:tad.contact@oecd.org)

## Global services trade liberalised in 2021, including in logistics and logistics-related services

Changes in the STRIs per sector, 2020-2021



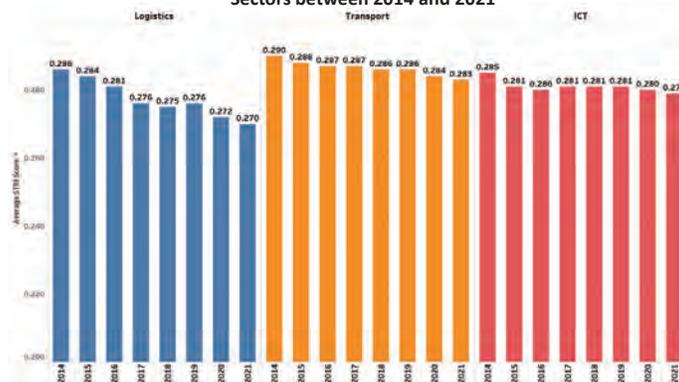
Note: Sum of all the positive (restrictions) and negatives changes (liberalisation) across all the measures over the period considered.

Source: OECD STRI: Trends up to 2022

Trade and Agriculture Directorate | Organisation for Economic Co-operation and Development (OECD) | [www.oecd.org/tad](http://www.oecd.org/tad) | [tad.contact@oecd.org](mailto:tad.contact@oecd.org)

## APEC economies eased trade barriers in recent years

Average STRI Score for the 16 APEC Economies in the Logistics, Transport and ICT Sectors between 2014 and 2021



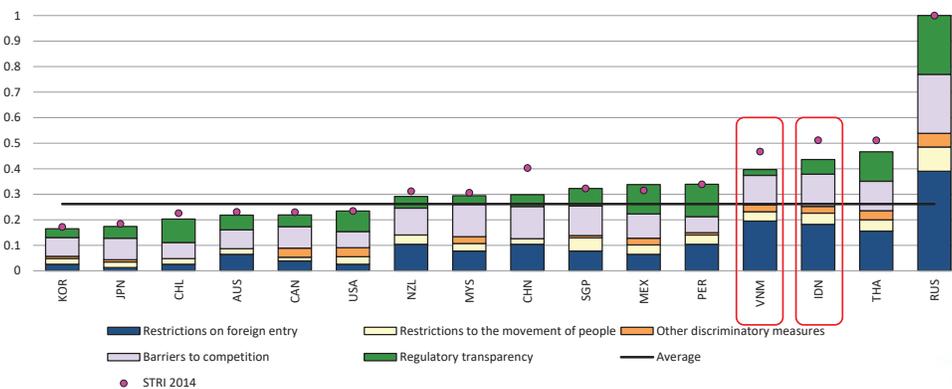
Source: Services to Support the Movement of Essential Goods: Background Paper on Logistics Services (2022) based on OECD STRI data.

Trade and Agriculture Directorate | Organisation for Economic Co-operation and Development (OECD) | [www.oecd.org/tad](http://www.oecd.org/tad) | [tad.contact@oecd.org](mailto:tad.contact@oecd.org)

## Common barriers in logistics services

- **Barriers on foreign entry** (e.g., equity limits, cumbersome conditions for establishment and control of companies, commercial presence requirements) account for more than 30% of the STRIs on average
- **Barriers to competition** (e.g., extensive government involvement in major firms in the sector, subsidies, and exemptions from competition laws etc.) especially at key transport terminals (airports, ports, road and rail facilities)
- **Transparency** on conditions for licensing and awarding contracts for logistics providers and operation at terminals
- **Customs procedures** (e.g., clearance, pre-arrival processing, single window, de minimis regimes)
- Barriers related to **transport crew** (e.g., crew visas)

## STRIs for logistics cargo handling services



## APEC stands to gain from more open services markets



Source: <https://issuu.com/oecd.publishing/docs/oecd-brief-apec-domestic-regulation>

## Concluding remarks

- Keeping markets open for logistics, transport and other supporting services will be essential to accelerate post-pandemic recovery, build long term economic resilience, and foster implementation of the ASCR.
- Strengthening the evidence base through appropriate measurement and monitoring tools, including the APEC Index and the OECD STRI, could inform policy choices and guide priorities.



Asia-Pacific  
Economic Cooperation

# APEC Initiatives on Logistics

"Understanding the key role of logistics services in moving essential goods across borders in the Asia Pacific"

23 & 24 March 2022

Akhmad Bayhaqi  
APEC Policy Support Unit

Advancing Free Trade  
for Asia-Pacific Prosperity

Copyright © 2022 APEC Secretariat



## Supply chain and Connectivity in APEC

APEC  
2010

- Supply chain connectivity framework 2010-2015
- 8 Chokepoints

APEC  
2012

- Global value chains
- Establishing Reliable Supply Chains: making supply chains more reliable, resilient, safe, efficient, transparent, diversified and intelligent

APEC  
2014

- APEC Connectivity Blueprint
- Physical, Institutional and People

APEC  
2016

- Supply chain connectivity framework 2017-2020
- 5 Chokepoints
- APEC Services Competitiveness Roadmap



Asia-Pacific  
Economic Cooperation

## The beginning....

- APEC Singapore 2009 Symposium: logistics was discussed in a plenary session which emphasised the wider, holistic nature of logistics services
- Symposium report:



- APEC PSU 2009 paper: “Logistics: Connectivity for Goods and Services”
  - The evolution of logistics to supply-chain management and connectivity
  - Logistics: inventory management, distribution, multimodal, 3PL



## SCFAP I (2010-2015)

- **The intention of the SCFAP:** to move beyond reducing transaction costs, and to extend the scope to include improving trade logistics as part of the trade facilitation agenda, thus supporting the private sector in conducting their global business operations.
- **APEC SCFAP I (2010–2015)** sets a target of 10 percent reduction in time, cost and uncertainty by 2015 through addressing eight chokepoints.

<i>Transparency</i>	<i>Infrastructure</i>	<i>Logistics capacity</i>	<i>Clearance</i>
<i>Documentation</i>	<i>Multimodal connectivity</i>	<i>Regulations and standards</i>	<i>Transit</i>



## SCFAP I (2010-2015)

- **Review of SCFAP I:**

- **Progress and outcomes:** a slight improvement on overall logistics performance; faster time to complete trade transactions; lower cost to import and export in real terms (inflation adjusted); and a marked improvement in the border clearance environment.
- **Challenges:** high logistics costs; inefficient and poor-quality transportation infrastructure; improving the quality of domestic logistics services; delays and uncertainty.



Source: PSU's computations

Copyright © 2022 APEC Secretariat

## SCFAP II (2017-2020)

1. Lack of coordinated border management, and underdeveloped border clearance and procedures.

2. Inadequate quality of, and lack of access to, transportation infrastructure and services.

3. Unreliable logistics services and high logistical costs.

4. Limited regulatory cooperation and best practices.

5. Underdeveloped policy and regulatory infrastructure for e-commerce

- Cost and time to import and export have fallen, connectivity has increased, and transparency has improved.
- COVID-19 pandemic has worked against improvements in CP3 as warehouse capacity contracted and inventory costs shot up in 2020 and early 2021.
- Conscious efforts to implement WTO TFA: facilitating the exchange of information between customs agencies.
- More reforms are needed to keep up with the increased volumes of e-commerce: COVID-19 restrictions severed supply chains and placed undue pressure on postal systems.



Copyright © 2022 APEC Secretariat

## SCFAP II (2017-2020)

- Review of SCFAP II:
  - **Chokepoint 3: Unreliable logistics services and high logistical costs**
  - The LPI indicators reflect mixed results. While there were improvements in quality of shipments, logistics services, as well as a reduction in lead time to import and export, there seems to be inefficiencies in handling shipments as reflected by the indicators that gauge the ability to track consignments, meet delivery schedules, and arrange competitively priced shipments.
  - Examples of initiatives
    - Indonesia: National Logistics Ecosystem (NLE), a digital platform connecting logistics communities, with the objective of harmonising the flow of goods and information across supply chains.
    - Singapore's collaboration with the private sector to digitalise the whole logistics industry through Industry Transformation Maps, the National Trade Platform, and Digital Economy Agreements.



Source: PSU's computations

Copyright © 2022 APEC Secretariat

## SCFAP II (2017-2020)

Table 3.6 Measures and composition of logistics costs

	Year	Logistics costs	Components of logistics cost				
			Transportation	Warehousing	Inventory	Administration	Other
China	2016	14.90% <sup>1</sup>	n/a	n/a	n/a	n/a	n/a
Indonesia	2016	21.48% <sup>2</sup>	✓	✓	✓	✓	–
Korea	2017	10.74% <sup>1</sup>	✓	✓	✓	✓	✓
The Philippines	2016	27.16% <sup>2</sup>	✓	✓	✓	✓	–
Thailand	2013	8.00% <sup>2</sup>	✓	✓	✓	✓	–
Thailand	2019	13.40% <sup>1</sup>	✓	✓	✓	✓	–
USA	2017	7.70% <sup>1</sup>	✓	✓	✓	✓	–
Viet Nam	2014	16.30% <sup>2</sup>	✓	✓	✓	✓	–
Viet Nam	2016	20.80% <sup>1</sup>	n/a	n/a	n/a	n/a	n/a

Note: <sup>1</sup> Logistics cost as % of GDP; <sup>2</sup> Logistics cost as % of sales

Source: R. Banomyong, D.B. Grant, P. Varadejsatitwong, and P. Julagasigorn. "Developing and Validating a National Logistics Cost in Thailand." *Transport Policy* (2021), <https://doi.org/10.1016/j.tranpol.2021.04.026>



# APEC Connectivity Blueprint 2015-2025

Table 4.1: Overview of indicators used

Element	Indicator	Sub-pillar
<b>Physical Connectivity</b>		
Infrastructure development and investment	Infrastructure score (LPI)	Quality of Infrastructure, Transportation, Public-private Partnership
Trade and transportation networks	Air freight (WDI)	Transportation
	Liner shipping connectivity index	Transportation
	Foreign value added - Global value chain	Supply chain performance
Broadband	Percentage of individuals using internet	ICT Infrastructure Development
<b>Institutional Connectivity</b>		
Modernisation of customs/trade-related agencies	Customs score (LPI)	Customs and Border Administration
Structural Reforms	Aggregate time required to import - transformed (DB)	Supply chain performance
	Business impact of rules on FDI (WEF)	Public-private Partnership
Regulations	Regulatory quality (WGI)	Regulatory Coherence and Cooperation & Good Regulatory Practices; Structural Reforms
	Regional trade agreements count	Trade Facilitation
E-commerce	Number of secure servers	Structural Reforms
<b>People-to-People Connectivity</b>		
Cross-border education, science, technology and innovation, and services	Inbound mobility	Cross-border Education Exchange
	International migrant stock	Business Travel Facilitation; Professional and Labor Mobility
Tourists, business people, professionals and workers, women and youth	International tourist arrivals (% of population)	Tourism Facilitation

Copyright © 2022 APEC Secretariat

## APEC Connectivity Index

Table 4.5: The 16 Economies with the highest Connectivity Index scores, 2018

	Economy	Region	CI 2018
1	Luxembourg	EU/OECD	0.78
2	Singapore	APEC/ASEAN	0.77
3	Netherlands	EU/OECD	0.73
4	Hong Kong, China	APEC	0.72
5	Germany	EU/OECD	0.70
6	Denmark	EU/OECD	0.70
7	Switzerland	OECD	0.69
8	Sweden	EU/OECD	0.69
9	Austria	EU/OECD	0.68
10	United Kingdom	OECD	0.68
11	Belgium	EU/OECD	0.65
12	Australia	APEC/OECD	0.65
13	Finland	EU/OECD	0.64
14	New Zealand	APEC/OECD	0.64
15	Canada	APEC/OECD	0.62
16	United States	APEC/OECD	0.62

# APEC Connectivity Blueprint Mid Term Review

- Modernisation of Logistics Infrastructure and Facilities to Support Supply Chain Connectivity**
  - Thailand invested USD 7.5 million in setting up an economy-wide Single Window, resulting in annual savings in logistics costs of USD 1.5 billion.
  - The APEC Port Services Network (APSN) enhances supply chain connectivity on a regional scale by strengthening economic cooperation, capacity building, information and personnel exchange among port and port-related industries and services in the region.
  - The Asia-Pacific Model E-Port Network (APMEN) project on “Visualization of Sea Freight Logistics” aims to enhance the visibility, integrity and transparency of the maritime supply chain data exchange by facilitating port-to-port information sharing and building a data-sharing framework.
  - A pilot APMEN project on “Digitalization of Air Freight Logistics” was developed to build an end-to-end paperless pre-clearance process for air cargo by replacing paper documents with digital information transmission.

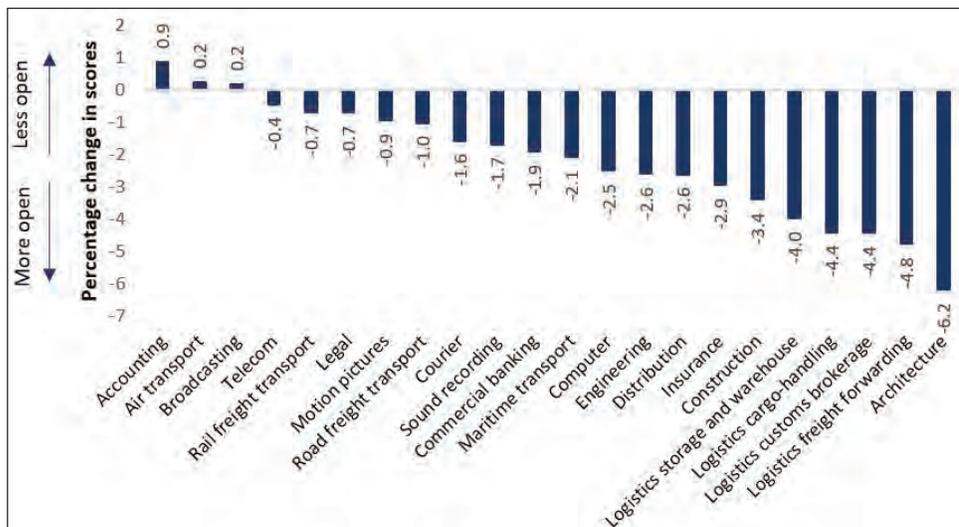


Source: PSU's computations

Copyright © 2022 APEC Secretariat

# APEC Services Competitiveness Roadmap / ASCR

- Aimed at **facilitating services trade and investment and enhancing the competitiveness of service sector** in the region by 2025.
- Encourages economies to undertake **unilateral actions** as well as **cooperate closely at the regional level** by undertaking actions at APEC-wide level.



Change in OECD STRI scores in APEC between 2016 and 2021

Copyright © 2021 APEC Secretariat

# Trends in GVC development and Digital Economy

## GVC development

- services and intangibles are gaining in importance
- innovation and knowledge spill-overs are becoming an important element of modern GVCs
- COVID-19 further put the spotlight on new risks and the transformation of old risks affecting GVCs

## Digital economy

- overcoming the digital divide
- opportunities for inclusive growth
- digital platforms also allow GVCs to become more resilient



Copyright © 2022 APEC Secretariat

# Way forward

## The Aotearoa Plan of Action

- promoting resilient supply chains and responsible business conduct; strengthening digital infrastructure; accelerating digital transformation; and narrowing the digital divide;
- collective action by APEC economies to address key infrastructure gaps, improve digital connectivity and promote the use of digital technologies.
- **APEC Ministers Responsible for Trade Meeting Joint Statement 2021**  
APEC trade ministers recognised the importance of freight and logistics suppliers in recovering from the pandemic and encouraged prioritisation of work in this area, especially in facilitating the movement of essential goods.

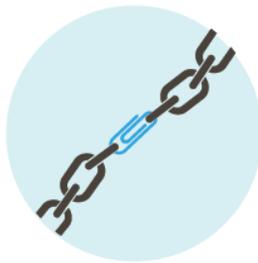


Copyright © 2022 APEC Secretariat

# Building connectivity for a resilient supply chain

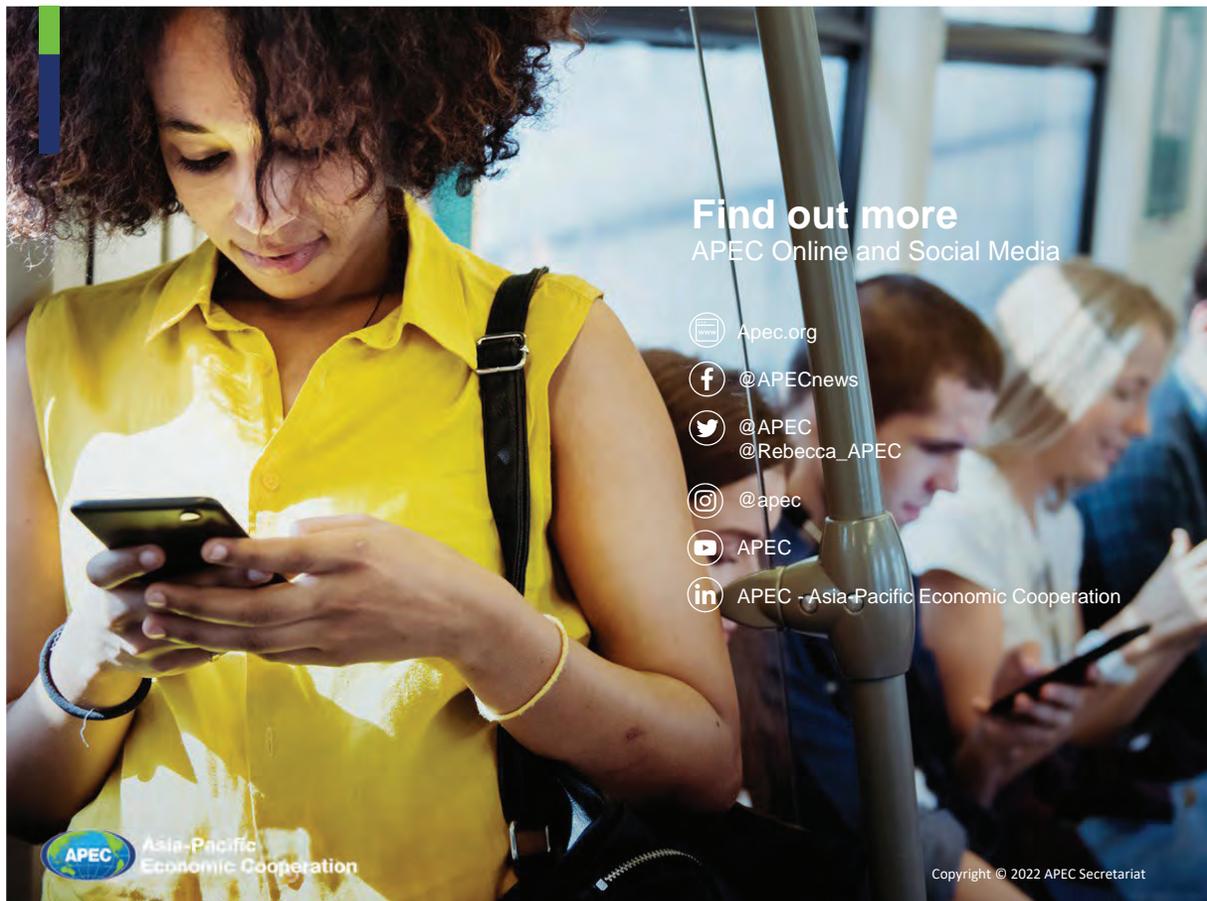
## IN SEARCH OF RESILIENCE

The pandemic has made businesses and governments more aware of the importance of resilience. But what does it really mean?



### Key characteristics of a resilient supply chain:

- **Robustness:** strong enough to withstand shocks and changes
- **Agility:** able to quickly recover from shocks
- **Flexibility:** able to leverage options and alternatives during normal times and during recovery
- **Redundancy:** able to build adequate surplus capacity



### Find out more

APEC Online and Social Media

 [Apec.org](http://Apec.org)

 [@APECnews](https://www.facebook.com/APECnews)

 [@APEC](https://twitter.com/APEC)  
[@Rebecca\\_APEC](https://twitter.com/Rebecca_APEC)

 [@apec](https://www.instagram.com/apec)

 [APEC](https://www.youtube.com/APEC)

 [APEC - Asia-Pacific Economic Cooperation](https://www.linkedin.com/company/APEC-Asia-Pacific-Economic-Cooperation)



APEC Group on Services Workshop – The role of logistics services in moving essential goods across borders, 23-24 March 2022

# UN Global Survey on Digital and Sustainable Trade Facilitation: Results for APEC (2021)

Yann Duval

Chief, Trade Policy and Facilitation Section

Trade, Investment and Innovation Division

UNESCAP



UNITED NATIONS  
**ESCAP**  
Economic and Social Commission for Asia and the Pacific

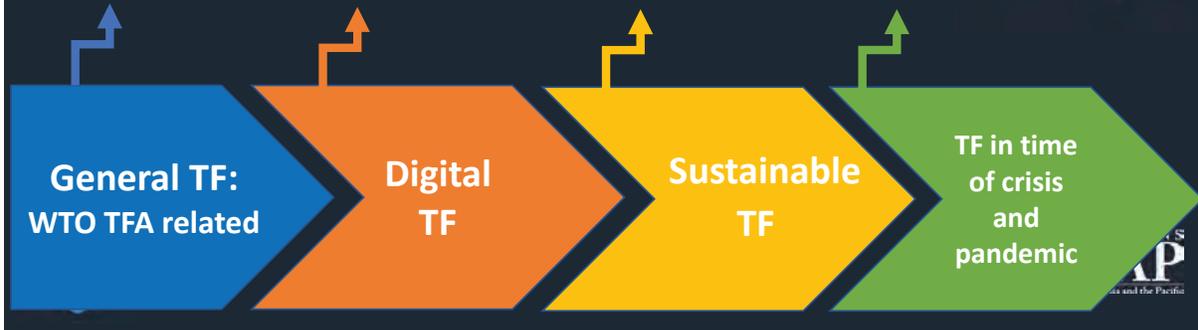
[www.untfsurvey.org](http://www.untfsurvey.org)

The screenshot shows the website interface for the UN Global Survey on Digital and Sustainable Trade Facilitation. At the top, the URL [www.untfsurvey.org](http://www.untfsurvey.org) is displayed. Below the browser address bar, the website title "UN Global Survey on Digital and Sustainable Trade Facilitation" is shown with the UN logo. A navigation menu includes "HOME", "GLOBAL DATA", "REGIONAL DATA", "ECONOMY DATA", "COMPARE", "ABOUT", "REPORTS", and "ENGLISH". The main content area features a large image of a shipping port at night with a "Trade Facilitation & Paperless Trade" banner. Below the banner, it says "Visualize and compare implementation of measures across regions and economies" and includes a "GET STARTED" button. At the bottom, it states "Led by ESCAP, jointly conducted by all 5 UN Regional Commissions".

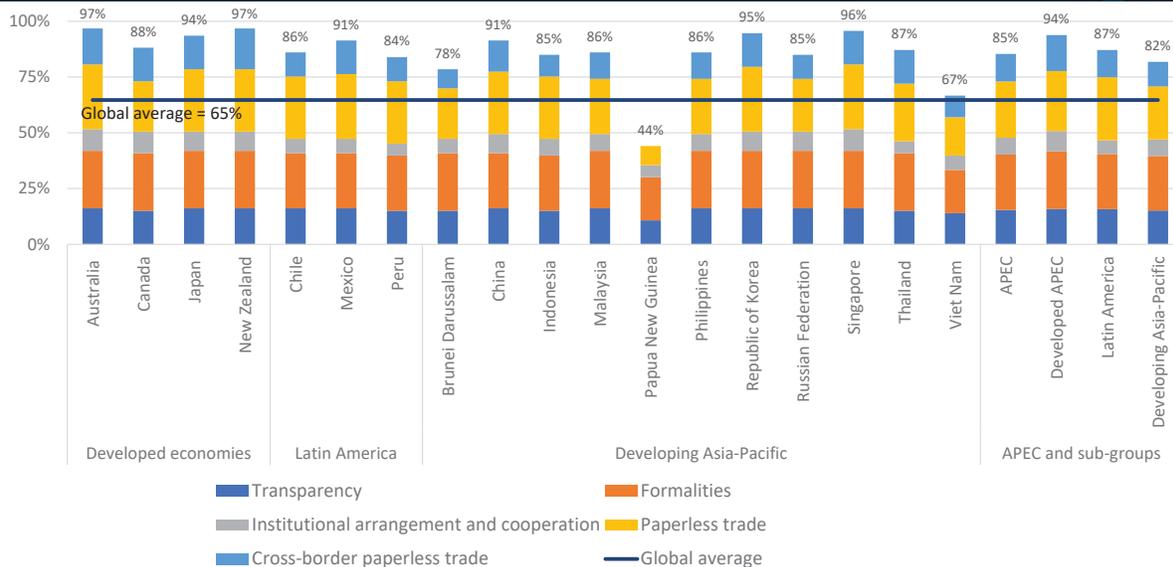
# Scope of Global UN TF Survey: WTO TFA+

**144 economies / 58 trade facilitation measures**

- Transparency
- Formalities
- Institutional arrangement and cooperation
- Transit facilitation
- Paperless trade
- Cross-border paperless trade
- TF and SMEs
- TF and agriculture
- Women in TF
- Trade finance facilitation
- TF measures related to crisis and current COVID-19 pandemic



## APEC Trade facilitation implementation far exceed the global average (UNTF data; 100 % = all measures fully implemented)

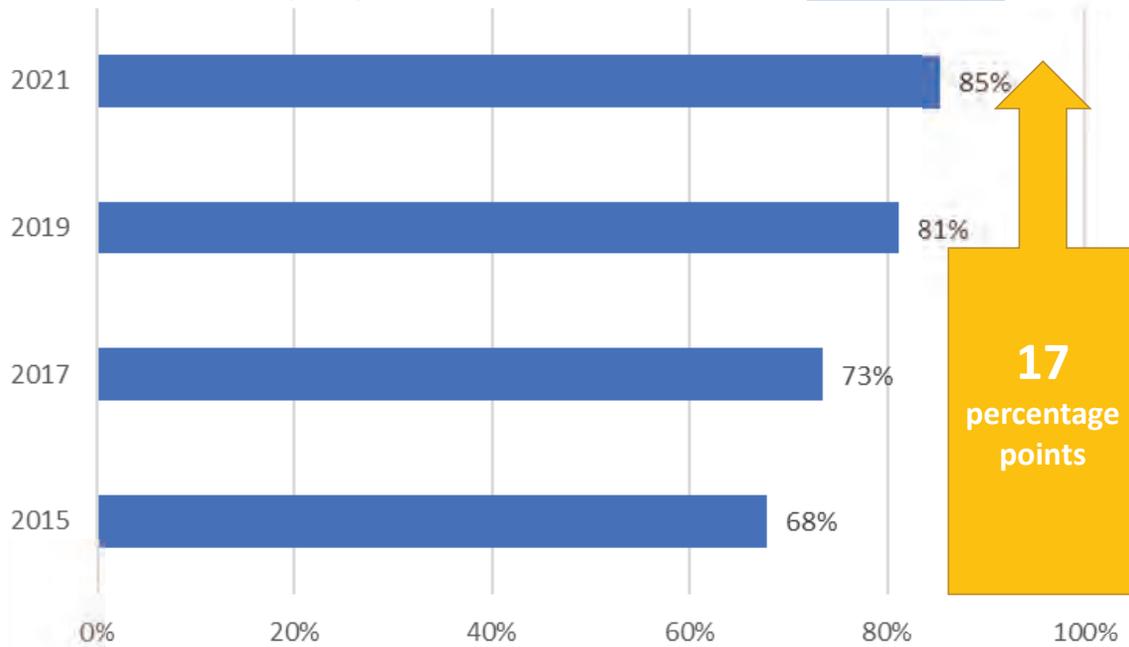


**APEC average (18 members) = 85%; Global average = 65%**  
 Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021)



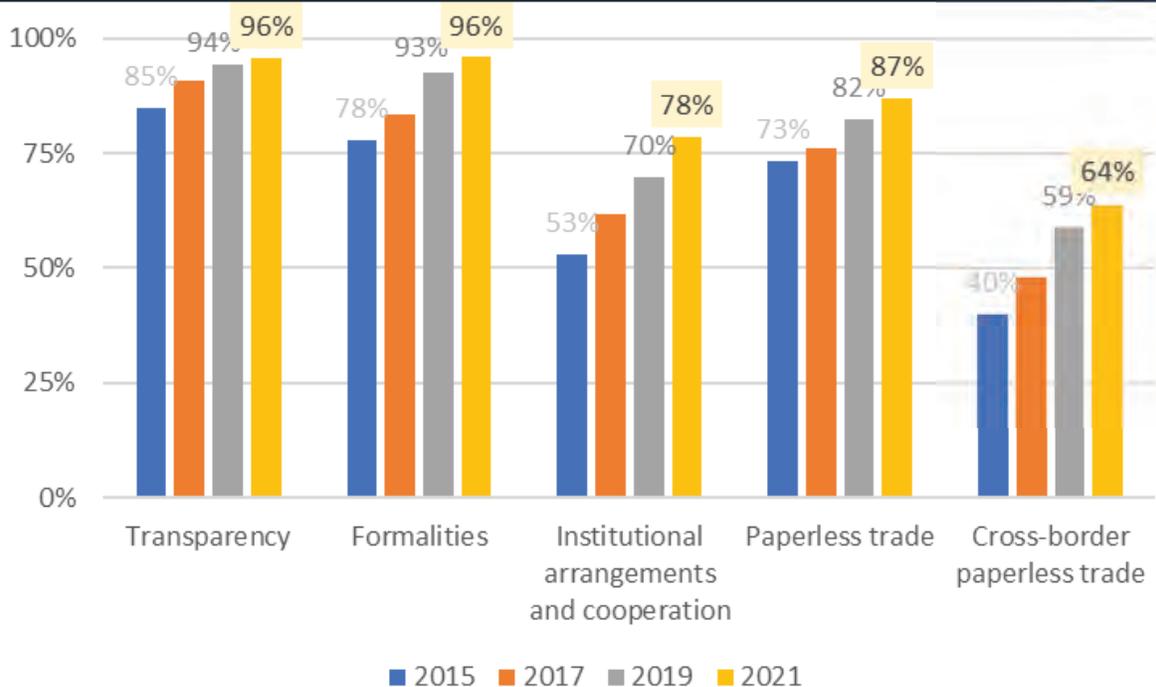
## APEC TF implementation trend: 2015-2021

Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021); [www.untfsurvey.org](http://www.untfsurvey.org)

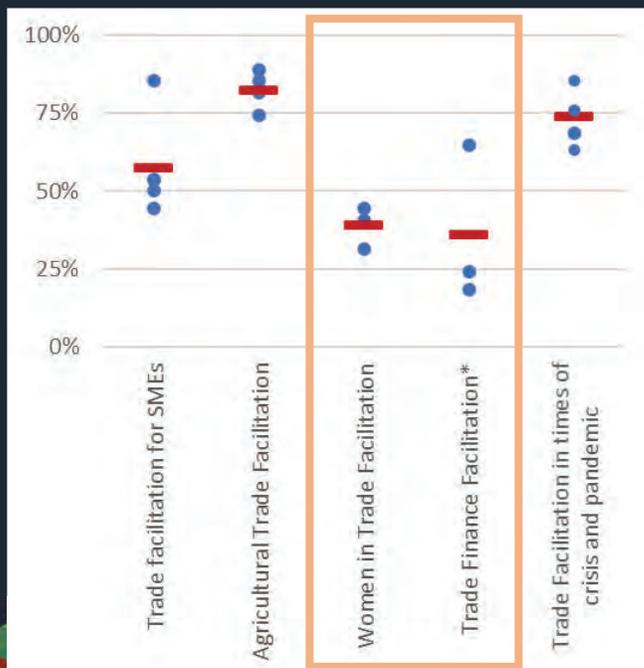


## APEC trend by groups of TF measures: 2015-2021

Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021)



## APEC Implementation of Different Groups of TF Measures: Sustainable TF and TF in time of crisis



- High implementation rates of:
  - Agri TF measures
  - TF measures in times of crisis/pandemic
- Attention to be paid to facilitating trade for:
  - SMEs
  - Women
 and further facilitating access to trade finance

Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021)

## Concluding remarks

- How does your institution's database contribute towards understanding the role of logistics services in moving essential goods across borders?
  - Trade facilitation measures as enablers of (or even as part of) efficient logistics services (provided by Government in cooperation with private sector)
  - UNTF Database provides the **state of implementation** of Digital and Sustainable Trade Facilitation measures across the world
    - Including TF measures in times of crisis/pandemic in 2021
  - UNTF data and WB LPI data strongly positively correlated
    - Lagged UNTF data (2015 and 2017) and WB LPI data (2018) correlations relatively stronger
  - Digital TF has high potential for reducing trade costs
    - full cross border paperless trade implementation → 12+% cost reduction (based on ESCAP-World Bank Trade Cost database)



APEC Group on Services Workshop – The role of logistics services in moving essential goods across borders, 23-24 March 2022

# Thank You

Contact: [duvaly@un.org](mailto:duvaly@un.org)



## WTO's Work on Logistics Services

Ruosi Zhang

APEC Group on Services Workshop

23-24 March 2022

## WTO's work relevant to logistics services

- **Trade negotiations**
- Implementation of GATS and TFA
- Transparency and monitoring
- Datasets (on trade costs, commitments, applied regimes, etc.)

## Challenges in trade negotiations on logistics services

- **Definitional challenge:** no separate category/sector for logistics services in either the GATS classification or the existing classification systems;
- **Identification of trade barriers:** what are the major measures restricting market access and creating discrimination against foreign LSPs?
- **Broader regulatory and policy issues:** identify GATS-consistent regulations that may adversely affect the operation of logistics services and supply chains as a whole; identify good-practices.

## Trade negotiations on logistics services

➤ Trade negotiations effectively raise awareness about logistics services and help build consensus:

- Uruguay Round and extended negotiations on maritime transport (1994-1996): introduction of **multimodal transport services**
- Doha Round: introduction of **logistics services** as a separate services sector; recognition of the industry definition
- Ongoing JSI e-commerce: introduction of **e-commerce logistics**

(JSI domestic regulation: set benchmarks for good regulatory practices in services sectors, including logistics services)

## Logistics services accepted as a separate sector

- Built upon an initial proposal from Hong Kong, China, in 2004, a group of “**Friends of Logistics**” (Australia, Hong Kong, China; Liechtenstein, Mauritius; Nicaragua; New-Zealand; Switzerland and Chinese Taipei) introduced logistics services as a separate sector for negotiation purposes; the group was enlarged later and consisted of 23 Members in 2006 in plurilateral negotiations.
- Recognition of the industry definition:
  - *Logistics services deal with the **supply chain process** that plans, implements, and controls the efficient and effective **point-to-point** flow and storage of goods, services and related information, through out the production, distribution and delivery stages, from the initial suppliers of inputs to final consumers of products.*
- A pragmatic approaching to defining the sectoral coverage of logistics services (the checklist covering about 20 sectors/subsectors in the existing classification):
  - I. Core Freight Logistics Services
  - II. Related Freight Logistics Services
  - III. Non-core Freight Logistics Services

## Main trade barriers and regulatory issues identified by Members

- No access to certain modes of freight transport; or supply of services along the logistics chain in combination not guaranteed;
- Prohibition of foreign establishment;
- Requirements concerning local incorporation, joint-venture, foreign equity ceiling, investment screening;
- Requirements on number and duration of joint ventures;
- Pre-establishment or local partnership requirement for cross-border operations;
- Requirements on nationality, language, qualifications, training, etc;
- Limited duration of stay for foreign employees;
- Burdensome licensing requirements;
- Opaque and burdensome border and customs procedures;

## Liberalization of logistics services under the GATS : a narrow basis

- Commitments on logistics related services are among the lowest across services sectors, for example:
  - Maritime freight transport services: 50
  - Road freight transport services: 41
  - Rail freight transport services: 20
  - Cargo handling services: 38
  - Storage and warehousing services: 47
  - Transport agency services: 43
  - Courier services: 58
- Most commitments are undertaken by recently acceded Members.
- There are huge gaps between commitments and applied regimes; I-TIP database may help measure such gaps.

## Issues raised in recent discussions

- With new impetus, discussions on logistics services have been intensified, including initiatives from both Members and the Secretariat;
- Consensus on the role of logistics services in economic growth and global trade. Concerns raised by developing economies are centred on the competitiveness of logistics service providers from developing economies.
  - In the context of trade liberalization and logistics consolidation, risks associated for smaller operators in the logistics chain being driven out of the market;
- Other issues:
  - Opportunities and challenges for logistics hubs and special economic zone operators from the liberalization of logistics services
  - Best practices and priority regulatory measures to help improve logistics capacities

## Possible ways forward

- Trade negotiations
  - JSI e-commerce: it remains unclear how logistics services could be built in.
  - A plurilateral process devoted to logistics related services?
- Better transparency and monitoring
  - Trade Policy Review
  - Monitoring Report
- Better dataset and more informed studies?
  - WTO Trade Cost Index: <http://tradecosts.wto.org/>
  - I-TIP Services Dataset: <https://i-tip.wto.org/services/default.aspx>
  - Studies on new trends in logistics (e.g., digitalization and policy implications)



# How the Global Trade Alert collects information on trade policy

Workshop on Logistic Services  
APEC Group on Services Workshop

Simon J. Evenett, Professor of International  
Trade & Economic Development and Founder  
23 March 2022

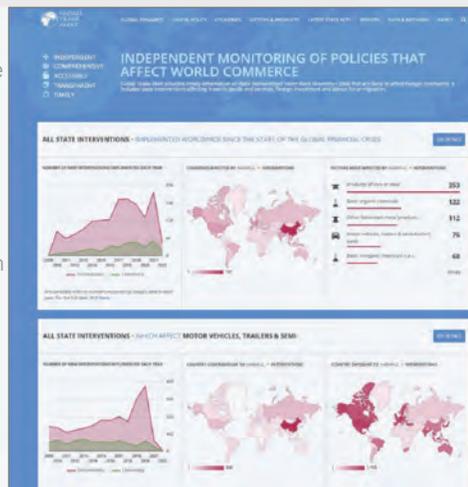


## Global Trade Alert

[globaltradealert.org](http://globaltradealert.org)



- A timely public inventory for trade and industrial policy
  - Comprehensive description of the rapidly changing landscape
  - Independent factual base based on official sources
  - Interactive, portable and free
- International commerce, comprehensively defined
  - Covering trade in goods + services and FDI, labour force migration
  - Tracking 60+ different policy instruments
- Broadest record in the public domain
  - Global coverage but focus on 60 largest economies
  - 43'000+ entries going back to 2009



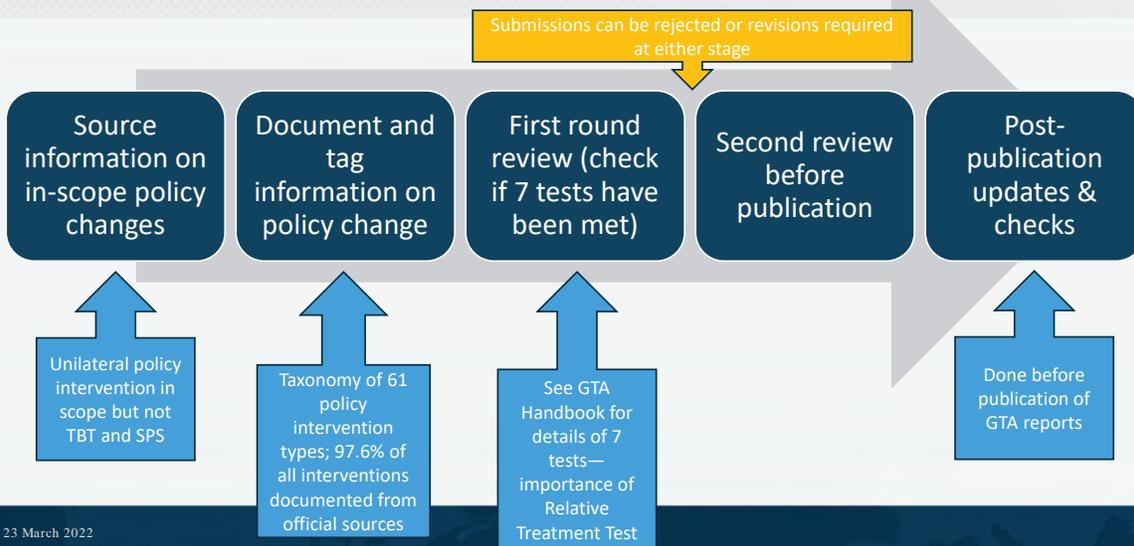
# We democratise access to policy information.

## High legibility

## Easy synthesis



# How we collect and process information on relevant public policy changes



## Most important tags on each policy intervention



- Implementing jurisdiction (customs territory).
- Level of government responsible.
- Type of policy intervention.
- Firms eligible.
- Date policy intervention came into force.
- Date policy intervention lapsed.
- HS codes implicated (where relevant)
- CPC sectoral codes implicated (where relevant).
- Assessment of change in relative treatment.

Where possible,  
automated  
identification of  
Affected Trading  
Partners follows

## Three common uses of GTA data



## Our data products are well-trusted as the impartial and biggest sources in their domain.



Global Trade Alert «has the most comprehensive coverage of all types of trade-discriminatory and trade-liberalising measures.»  
~ International Monetary Fund, 2016.



Global Trade Alert «is unmatched for up-to-date information on trade-distorting measures.»  
~ Alan Wolff, WTO Deputy Director-General, 2019.

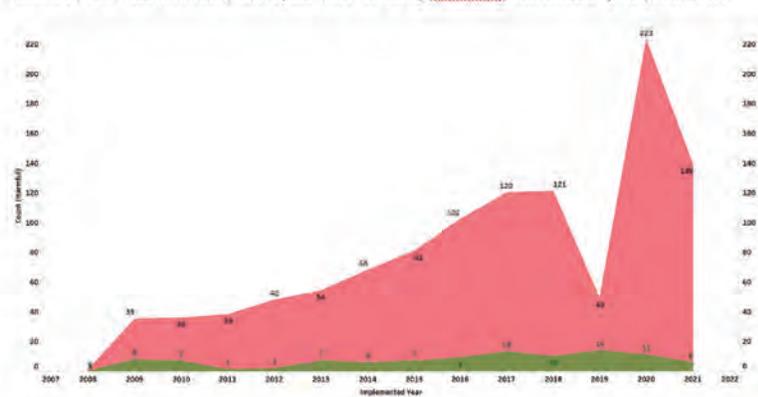


Global Trade Alert «does God's work.»  
~ Caroline Freund, Former Trade Director, World Bank, 2021.

## Application to logistics services in APEC



Number of APEC Trade Restrictive (Harmful) and Trade Facilitating (Liberalising) Interventions by Year, 2008 – 2021



Source: Milio and Stephenson (2022) based on the information in the GITA database.

## Want to learn more?



- Use our website: [www.globaltradealert.org](http://www.globaltradealert.org)
- Consult the GTA Handbook (scroll down this URL):  
[https://www.globaltradealert.org/data\\_extraction](https://www.globaltradealert.org/data_extraction)
- Extract full dataset from  
[https://www.globaltradealert.org/data\\_extraction](https://www.globaltradealert.org/data_extraction)
- Read GTA analysis: <https://www.globaltradealert.org/reports>
- Contact us for special data requests: [data@globaltradealert.org](mailto:data@globaltradealert.org)

23 March 2022

9



## LESSONS FROM THE CURRENT APPROACHES TO MONITORING LOGISTICS SERVICES

Dr. Mia Mikic  
Consultant

GOS Workshop-  
Understanding Logistics Services  
23-24 March 2022

Advancing Free Trade  
for Asia-Pacific Prosperity

Copyright © 2022 APEC Secretariat



## Findings from Comparing Institutional Work of:

- ❖ World Bank Group's Logistics Performance Index (LPI)
- ❖ OECD's Services Trade Restrictiveness Index (STRI)
- ❖ Logistics-related work performed by the APEC Secretariat
- ❖ U.N.'s Global Survey on Trade Facilitation Implementation (TFI)
- ❖ Logistics-related work performed by the WTO Secretariat
- ❖ Global Trade Alert (GTA) database

Overview of the main features of institutional databases on logistics-related services\*

Features	Services covered within Logistics Definition	Information collected on measures affecting Logistics Services	Calculates an index (for ranking of economies)	No of APEC (total) economies covered	Period covered and data frequency	Index validated by Governments Yes / No	Format of online dissemination
Institutions							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
World Bank	<ul style="list-style-type: none"> <li>Logistics quality (1 out of 6 LPI components)</li> <li>▪ Transport (Air, Maritime, Road &amp; Rail)</li> <li>▪ Warehousing/distribution; freight forwarders; customs agencies; customs brokers</li> </ul>	Yes <sup>i-3</sup>	Yes <sup>i-4</sup>	21 (160)	Since 2013 every two years, latest 2018	No	<a href="#">Database</a> and research papers
OECD- STRI	<ul style="list-style-type: none"> <li>▪ Logistics (Cargo handling, Storage and warehouse, Freight forwarding and customs brokerage)</li> <li>▪ Transport (Air, Maritime, Road freight and Rail freight)</li> <li>▪ Telecommunication</li> <li>▪ Courier</li> </ul>	Yes <sup>ii-3</sup>	Yes <sup>ii-4</sup>	16 (50)	2014 – 2021 Yearly	Yes	<a href="#">Interactive database</a> and research papers
United Nations TFI	<ul style="list-style-type: none"> <li>▪ Paperless trade; cross-border paperless trade</li> <li>▪ Formalities</li> </ul>	Yes <sup>iii-3</sup>	Yes <sup>iii-4</sup>	18 (144)	2015 – 2021 Every two years	Yes	<a href="#">Interactive platform</a> Reports by regions, by economy

(table, continued)

APEC - PSU	<ul style="list-style-type: none"> <li>Telecommunication</li> <li>Distribution</li> <li>Logistics services (storage and warehousing)</li> </ul>	Yes <sup>iv-3</sup>	2014-2018 Yes <sup>iv-4</sup>	21	2014 – 2018 Yearly	Yes (indirectly via CTI meetings)	Reports by PSU and CTI/SCCP
GTA	<ul style="list-style-type: none"> <li>Logistics (Cargo handling, Storage and warehouse, Freight forwarding and customs brokerage)</li> <li>Transport (Air, Maritime, Road freight and Rail freight)</li> <li>Telecommunication</li> <li>Courier</li> </ul>	Yes <sup>v-3</sup>	No, but economies ranked using different metric	Those which enacted measures (19)	2008 – 2021 Yearly	Yes	<a href="#">Interactive database and reports</a>
WTO	<ul style="list-style-type: none"> <li>WTO Members' proposals include elements for logistics definition</li> <li>WTO Trade Cost Index (TCI) Includes services (ISIC 3.1)</li> </ul>	Notification process for measures Yes <sup>v-3</sup>	Trade Cost Index- Yes <sup>vi-4</sup>	10	Since 2000	TCI -Estimated	<a href="#">Documents Online Trade Cost Index platform</a>

\*Extracted from “Services to Support the Movement of Essential Goods”, the background paper submitted to the APEC Group on Services Workshop on Logistics, 23 and 24 March 2022.

## Two buckets of takeaways (1)

### 1. COVERAGE - WHAT, WHO, WHEN

#### ❖ WHAT:

- ❖ Logistics-related services\* (and some infrastructure) presented through their level of performance / implementation/ existence and/or a degree of restrictiveness
- ❖ Mixture of survey-based mostly qualitative information converted into indices and econ. estimation and primary data collection
- ❖ Increasing attention to (measures on/for) digitally enabled services

#### ❖ WHO:

- ❖ Not all APEC economies covered (but in principle more than half)
- ❖ Focussed mostly on government/ public sector activity (looking at economy-level measures)

#### ❖ WHEN:

- ❖ Different periods (most cover 2014-2020); some longer series (GTA; WTO)

## Two buckets of takeaways (2)

### 2. WHY?

#### ❖ INPUTS INTO POLICYMAKING:

- ❖ Mostly by government officials, analysts/researchers, perhaps negotiators
- ❖ Not clear how useful for business and investors

#### ❖ IMPACT

- ❖ Calculation of potential for trade cost reduction or potential export and economic growth; resilience
- ❖ Possible to construe further effects (jobs, emissions) but not customarily done

## Selected Points for Considerations for the APEC Economies

- ❖ There is no monitoring system dedicated only for **logistics-related services**
- ❖ Metric used varies from holistic and complex to counts of observations
- ❖ Cross-economy benchmarking mostly possible; not so much sectoral
- ❖ Mostly elaborate processes involved, especially with use of surveys
- ❖ Measures of efficiency of provision (speed and cost; resilience) not always directly available

#### To note:

- ❖ Well functioning logistics-related services are linked to higher resilience of supply chains (note: supply chains are changing, but not disappearing)
- ❖ Well functioning logistics-related services are linked to more diverse and faster growing trade and economy
- ❖ A system for monitoring performance of logistics-related services must provide a useful tool to **enhance policymaking and intervention in a short run**
- ❖ A regional approach towards an establishment and maintenance of such a system is necessary



**THANK YOU!**



## **RECOMMENDATIONS FOR IMPROVING THE FOCUS AND PERFORMANCE OF LOGISTICS IN APEC**

Dr. Sherry M Stephenson  
PECC Services Network

GOS Workshop-  
Understanding Logistics Services  
23-24 March 2022

**Advancing Free Trade  
for Asia-Pacific Prosperity**

Copyright © 2022 APEC Secretariat



## A brief reminder of why Logistics-related Services are so important

- ❖ Logistics services are critical in times of a pandemic in order to ensure the timely and cost effective movement of essential goods across borders.
- ❖ Inefficiencies in logistics operations and resulting delays and cost increases have been a major limitation to this essential trade and have reduced the effectiveness of the region's response to the COVID-19 crisis.
- ❖ In addition, logistics performance of the APEC economies is significantly related to the region's economic growth and its competitiveness.

**Better logistics policies = Better logistics performance = Improved services competitiveness = Better supply chain connectivity and faster GDP growth and regional integration**

In order to move in the direction of these desirable outcomes, we have proposed a set of 16 actions grouped under 5 broad recommendation headings, for the GOS and relevant APEC fora to consider.

Recommendations have been developed in response to the analysis of the background study and the challenges it identified for the work on Logistics Services within APEC

---Namely to address the following:

- 1) ***Lack of a common definition of logistics-related services***
- 2) ***Absence of a monitoring mechanism and process to track policy and performance of logistics-related services within APEC***
- 3) ***Need for more resilient logistics policies, as well as better coordination of these at the regional level, especially in times of pandemics***
- 4) ***Lack of a central focus within APEC to bring together and discuss the many strands of work on different components of logistics-related services***

Recommendations are focused on actions to improve the focus of APEC's work on Logistics as well as the performance of Logistics-related Services

1) These suggestions are intended to be considered as possible components of a Draft Non-binding APEC Framework for the Treatment of Logistics-Related Services.

2) These recommendations are not exhaustive and may be expanded, revised or complemented by others.

3) The draft recommendations include measures that would provide for a common understanding of logistics-related services, create a process allowing for a centralized focus on logistics within APEC, track the policy and performance of logistics-related services over time, and improve the ability of APEC economies to respond to pandemics

4) The actions under recommendations #1 and #2 are targeted at trade measures and at what the GOS could do within its scope of work



Copyright © 2022 APEC Secretariat

## Logistics-related services: Recommendation #1 - 6 Actions

❖ **Recommendation #1: TO DEFINE LOGISTICS-RELATED SERVICES AND TO TRACK POLICY AND PERFORMANCE OF THESE IN APEC**

**1.1 Adopt a common definition to be used by APEC to track the evolution of restrictive measures affecting logistics-related services.** The following grouping of 11 sectors is suggested for this definition: customs clearance procedures; cargo handling; storage and warehousing; freight forwarding; courier services; distribution; air, maritime, rail, and road transport; and telecommunications services.

**1.2 Track changes in measures affecting these logistics-related services annually with the assistance of the OECD, using its STRI monitoring tool for APEC economies.**

**1.3 Track the logistics performance of APEC economies bi-annually with the assistance of The World Bank,** through a bi-annual update of its Logistics Performance Index for the APEC members.



Copyright © 2022 APEC Secretariat

## Logistics-related services: Recommendation #1 (continued)

**1.4 Publish an “APEC Logistics Services Tracker”** collating information on STRI and LPI metrics for individual APEC economies for each of the 11 logistics-related service sectors as well as in the aggregate. This task should be undertaken by the GOS and the outcomes reported annually to the Committee on Trade and Investment (CTI).

**1.5 Incorporate a focused discussion on Logistics-related Services into the annual review by the GOS of the APEC Services Competitiveness Roadmap (ASCR)** and include a section reviewing Logistics-related Services into the report.

**1.6 Deepen and broaden the understanding of logistics-related services performance and changes in policy measures, hold regular joint sessions with other relevant APEC fora involved in logistics work,** including the CTI, the Sub-Committee on Customs Procedures (SCCP), the Transport Working Group and the Digital Economy Steering Group **to review the outcomes of the “APEC Logistics Services Tracker”.**

## Logistics-related services: Recommendation #2 – 3 Actions

❖ **Recommendation #2: TO IMPROVE AND MONITOR TRADE POLICY MEASURES AFFECTING LOGISTICS-RELATED SERVICES IN APEC**

**2.1 Adopt a Standstill on all Measures affecting the 11 Logistics-related Service Sectors during the pandemic.**

While a standstill would be voluntary in nature, it would be subject to monitoring by the APEC GOS, with the assistance of the WTO's Trade Monitoring Reports and the Global Trade Alerts database. A report on the results of the monitoring of the Standstill on Measures affecting Logistics-Related Sectors would be provided annually by the GOS to the CTI during the pandemic period.

## Logistics-related services: Recommendation #2 (continued)

**2.2 Reduce existing levels of restrictiveness corresponding to the 11 Logistics-related service sectors during the pandemic, to the extent possible.** With the assistance of the OECD, the GOS should provide an analysis annually to the CTI of the reduction in trade costs that would result from improvement in the restrictive measures on logistics-related services annually to the CTI during the pandemic period.

**2.3 Move towards incorporating greater digitalization into the operations of the Logistics-related Sectors,** so as to increase their efficiency and speed of operation. The GOS should review annually the process of greater digitalization of logistics-related services in conjunction with the APEC Digital Economy Steering Group and in line with the key focus areas of the Digital Economy Roadmap.

## Logistics-related services: Recommendation #3 – 3 Actions

❖ **Recommendation #3: TO INCREASE EFFICIENCY AND TIMELINESS OF CUSTOMS CLEARANCE PROCEDURES AND PORT OPERATIONS**

**3.1 Implement an interoperable single window for customs clearance, together with the use of digitized customs forms and procedures for the cross-border movement of essential goods within APEC economies.**

**3.2 Adopt the Toolkit for Trade Facilitation Measures finalized by the SCCP in 2021** and implement it within each APEC economy for purposes of mitigating the trade-disruptive effects of a pandemic.

**3.3 Ensure around the clock operations where needed for the following logistics-related services throughout a pandemic:** port operations; customs clearance procedures; transportation for essential goods; ICT support and coordination.

## Logistics-related services: Recommendation #4 – 2 Actions

- ❖ **Recommendation #4:** TO ADOPT COMMON POLICIES ACROSS APEC TOWARDS THE TREATMENT OF CREWS WORKING WITH MARITIME CARGO AND AIR CARGO TRANSPORT OPERATIONS

**4.1 Adopt and implement the findings of the Safe Passage Task Force to be developed during the Thailand APEC Year.** This includes mutual recognition measures governing the interoperability of vaccination certificates, the establishment of an APEC Information Portal for Safe Passage in the Region, and a more inclusive APEC Business Travel Card, among others.

**4.2 Consider the development of a future Non-binding Protocol for the Safe Passage of Crews and Essential Workers in the Maritime and Air Cargo Transport sectors** that would specify conditions APEC economies could follow for the treatment of essential workers during a pandemic.

## Logistics-related services: Recommendation #5 – 2 Actions

- ❖ **Recommendation #5:** TO STRENGTHEN COORDINATION CHANNELS BETWEEN APEC GOVERNMENTS AND AT THE WTO ON LOGISTICS-RELATED ISSUES DURING A PANDEMIC.

**5.1 Notify a contact person for the major logistics-related sectors within each APEC economy who would act as focal points for regional policy coordination.** This could overlap with the list of contact persons under each APEC economies' National Trade Facilitation Committees.

**5.2 Follow and lend active support to WTO-related initiatives on trade in essential goods with a view to sharing APEC best practices and ensuring that the role of logistics-related services is given its necessary focus and importance in the multilateral context.**

Keeping in mind the mandate given by the APEC  
Ministers Responsible for Trade -

### MRT Standalone Statement on Services to Support the Movement of Essential Goods June 2021

*".....APEC economies will work to ensure the smooth and continued operation of the logistics networks that serve as the backbone of global supply chains." AND*

*".....we commit to enhancing coordination, efficiency and transparency around transport and logistical services....." AND*

*".....APEC economies will update the progress of these initiatives as part of the review of the Declaration on Facilitating the Movement of Essential Goods. The first such review will be conducted in 2022."*

➤ Can the above recommendations help to fulfill this objective?



THANK YOU!

# APEC GOS Workshop on Understanding Logistics Services

March 25, 2022

Anthony Patrick Chua  
Convenor, Asia Pacific Services Coalition

## Outline

### INTRODUCTION

About APSC

### UPDATES

Where are we now

### VIEWS

Logistics Services

## Advancing a New Services Agenda

### Asia Pacific Services Coalition (APSC)

Launched at the Regional Conference of Services Coalitions, on September 2015 in Cebu, The Philippines, in the margins of the APEC Structural Reform Ministers Meeting.

## Advancing a New Services Agenda

#### APSC Network

- Australian Services Roundtable
- ABAC Brunei
- Canadian Services Coalition
- Hong Kong Coalition of Service Industries
- Indonesia Services Dialogue
- Japan Services Network
- Federation of Korean Industries
- Malaysian Services Providers Confederation
- Business New Zealand
- Business Council of Papua New Guinea
- Lima Chamber of Commerce
- Philippine Services Coalition (ABAC Philippines)
- Singapore Business Federation
- Chinese Taipei Coalition of Service Industries
- US Coalition of Services Industries
- Asociación de Industriales de Colombia

**FOSTER INCREASED COOPERATION**

**SHARE INFORMATION &  
EXPERIENCES**

**STRENGTHEN THE ROLE OF  
SERVICES INDUSTRIES & ASSOC**

**PROVIDE FORUM FOR DIALOGUE**

#### APSC Network

- Sociedad de Fomento de Fabril de Chile (SOFOFA)
- China Council for the Promotion of International Trade (CCPIT) Commercial Sub-Council
- Russian Union of Industrialists and Entrepreneurs (RSPP)
- Latin American Services Exporters Association (ALES)
- China Association for Trade in Services
- Department of Foreign Affairs and Trade, Australia
- European Services Forum
- International Trade Centre (ITC)
- OECD
- Pacific Basin Economic Council (PBEC)
- Pacific Economic Cooperation Council (PECC)
- University of Adelaide
- WTO

## Public-Private Dialogue on Services 2021

Driving Services for an Inclusive Resilient  
Economic Recovery

300+

ZOOM AND FB ATTENDEES

31

ECONOMIES FROM  
ASEAN, REST OF ASIA,  
OCEANIA, AMERICAS,  
AFRICA, EUROPE

140

GOVERNMENT

90

BUSINESS

26

ACADEME

## Building resilient supply chains for essential services

**RECOGNIZE TRANSPORTATION AND LOGISTICS  
AS ESSENTIAL SERVICES**

**REMOVE RESTRICTIONS HAMPERING THE MOVEMENT OF  
TRANSPORT WORKERS**

**CREATE A "GREEN LANE" OR SPECIAL LANES FOR  
TRANSPORT WORKERS TO ENSURE SAFE PASSAGE**

**DEVELOP COMMON PROTOCOLS ON TRACING AND TESTING, AND  
DIGITAL VACCINATION CERTIFICATES OF ESSENTIAL WORKERS**

## Comments from APSC...

**Adopt and implement the findings of the Safe Passage Task Force developed during the Thailand APEC Year.** This includes mutual recognition measures governing the interoperability of vaccination certificates, the establishment of an APEC Information Portal for Safe Passage in the Region, and a more inclusive APEC Business Travel Card, **ALLOWING FOR A “GREEN LANE” FOR MARITIME AND AIR CARGO CREWS**, among others. others.

**Consider the development of a future Non-binding Protocol for the Safe Passage of Crews and Essential Workers in the Maritime and Air Cargo Transport sectors** that would specify conditions APEC economies could follow for the treatment of essential workers during the Covid-19 pandemic or future crises **ESPECIALLY ALLOWING FOR CREW CHANGES USING THE “GREEN LANE”.**

## Comments from APSC

**Implement an interoperable single window for customs clearance and digitization of customs forms and procedures for the cross-border movement of essential goods within APEC economies.** Establishing national single windows would only be useful to the extent that they are interoperable throughout the region through digital means.

**Consider uniform standards to guide industry players and regulators** (i.e. ISO standard for overseas warehouse services in cross-border trade")

**Customs charges** (i.e. storage charges) **should be commensurate with the cost of running the system - not funding all customs operations.** (How these and similar issues can be considered in future studies or could further deepen the discourse?)



# Thank You! Maraming salamat po!

ANTHONY PATRICK CHUA

@ [patrick.chua@mbc.com.ph](mailto:patrick.chua@mbc.com.ph)  
[asiapacificservicescoalition@gmail.com](mailto:asiapacificservicescoalition@gmail.com)  
+639209788404

