

*UNDP/ESCAP ARTNeT Consultative Meeting on Trade
Facilitation and Regional Integration*

The Relationship between Liberalisation in the Logistics Sector and Trade Facilitation



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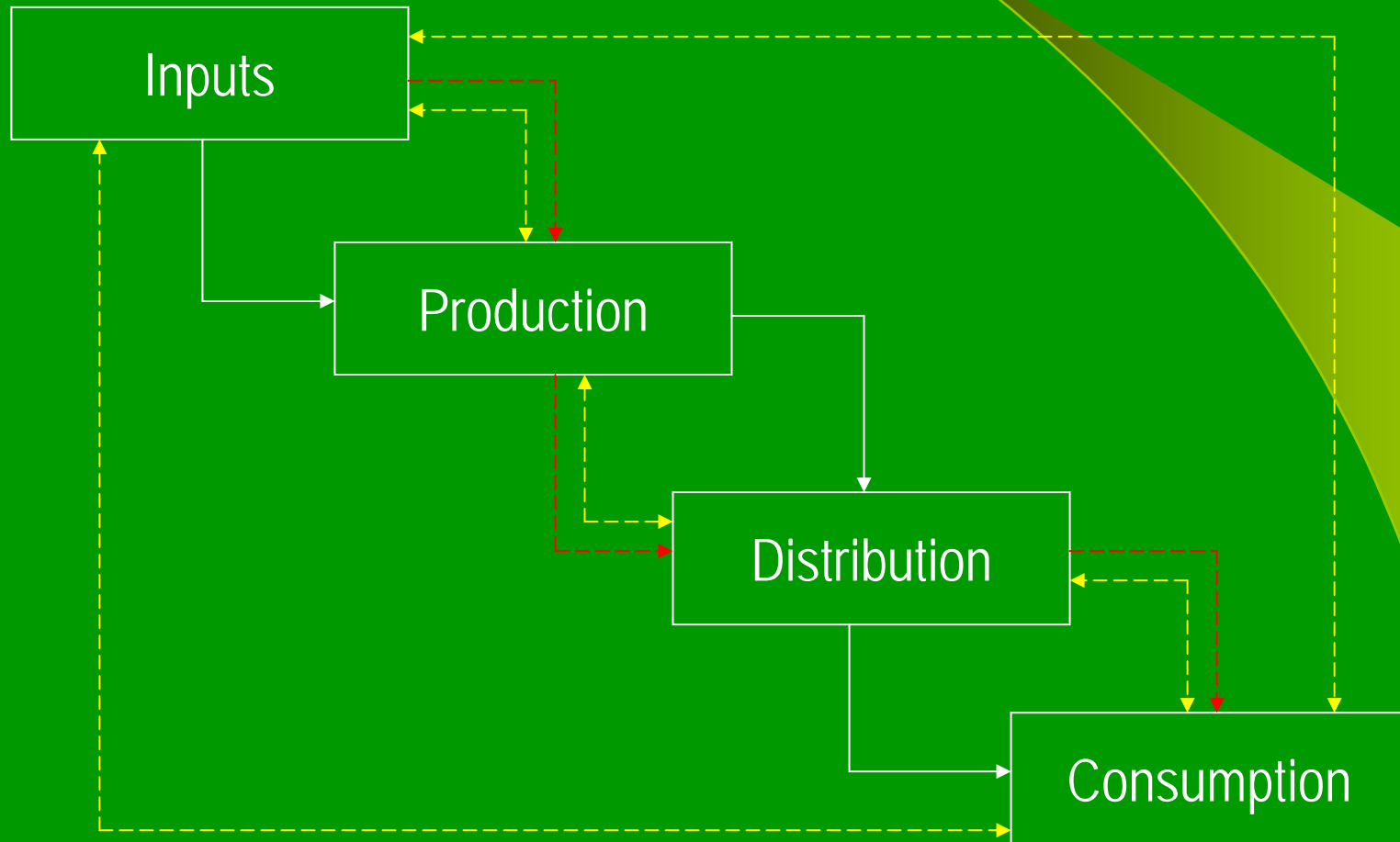
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- Flow of goods
- - - Logistics services
- - - Logistics infrastructure and information systems

The Logistics Supply Chain



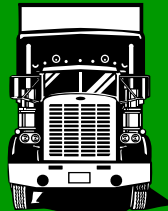


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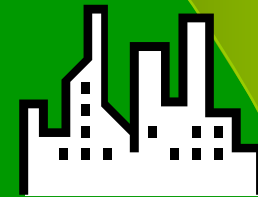
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Logistics Service Suppliers

Transportation



Storage, warehousing



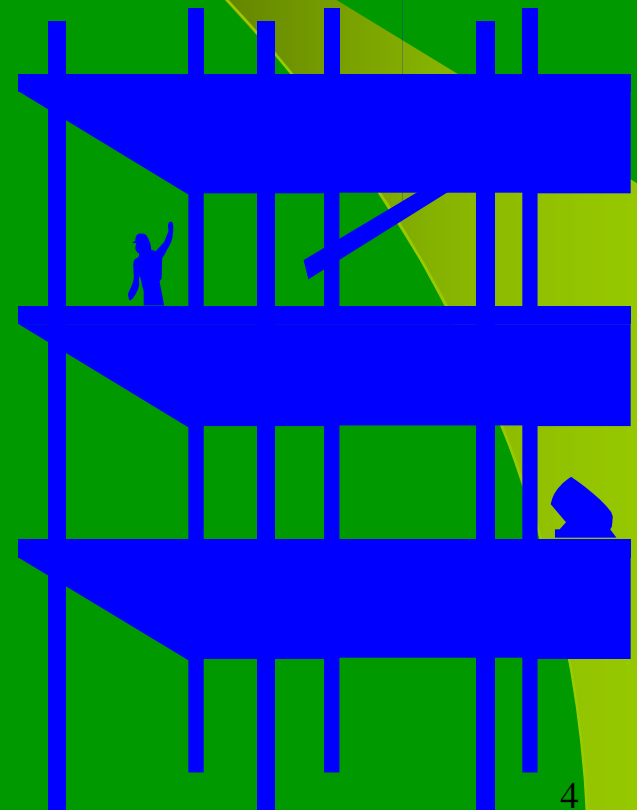
Freight forwarding





Liberalisation of Logistics in Australia: Three Tiers of Reform

Overarching competition policy	1995
Market access commitments	1994
Domestic regulatory reform (Rail, road, sea and air freight)	1990s

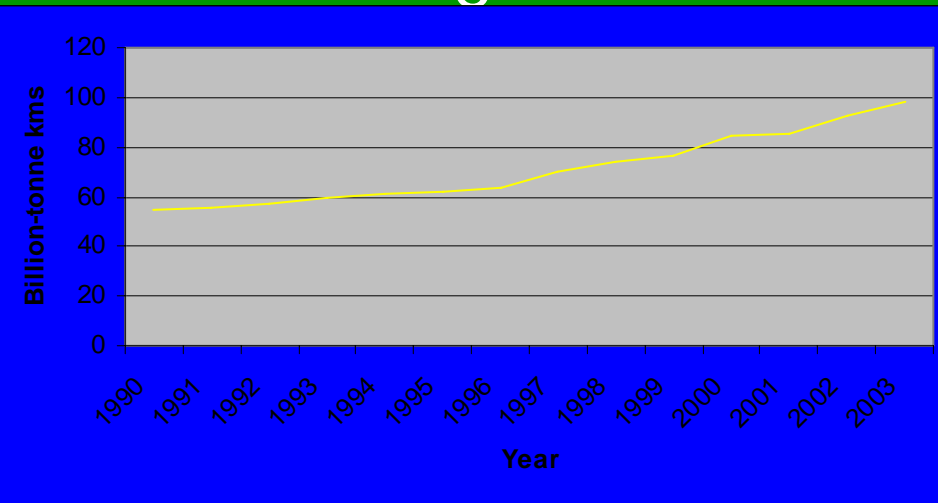




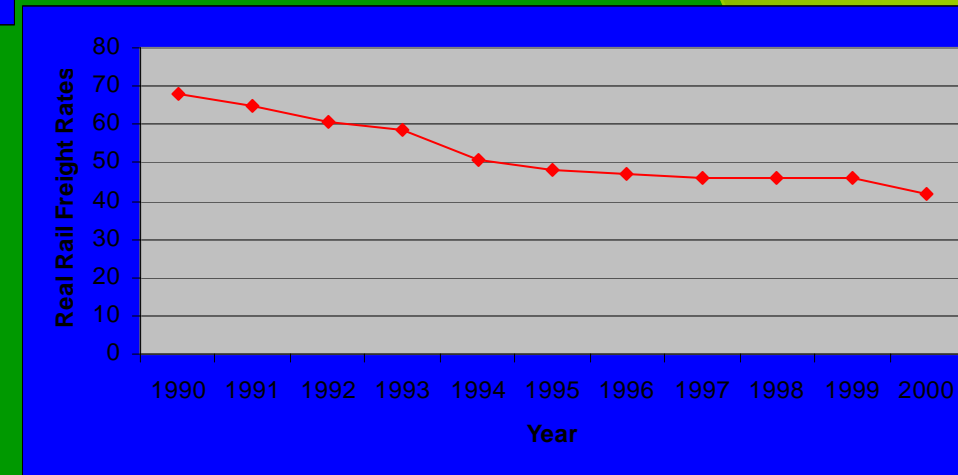
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Liberalisation of Logistics in Australia: e.g. Results of Rail Freight Reform



Usage



Prices



Governmental Measures that may have an Impact upon Supply of Logistics Services

E
X
P
O
R
T



I
M
P
O
R
T



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Logistics Liberalisation and Trade Facilitation: Case Study



Sydney, New South Wales

Japan

Port Lincoln, South Australia

Adelaide, South Australia

Melbourne, Victoria

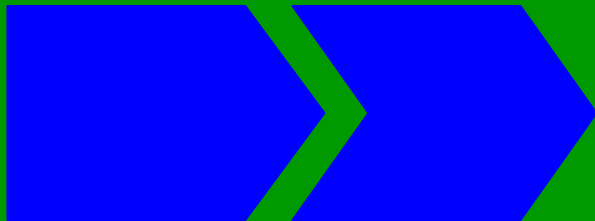


Tokyo, Japan

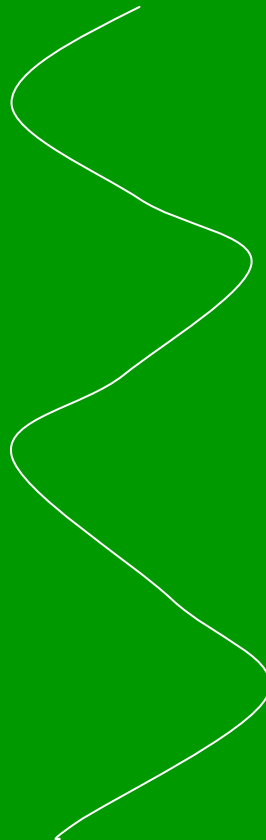
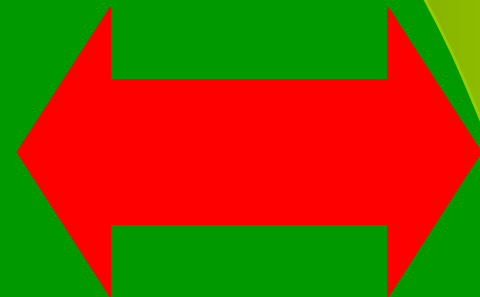


Logistics liberalisation and trade facilitation: what is the relationship?

Positive, symbiotic,
mutually reinforcing?



Negative, conflicting,
undermining?





Some Features of the Australian Seafood Industry

- Australian seafood industry worth in excess of AUD 2 billion
- South Australia accounts for 20% of total seafood production
- South Australian tuna renowned worldwide for its superior quality



Some factors affecting the supply of South Australian tuna

- Global quota to prevent over-fishing
- Efforts of the Australian Tuna Boats Association to enhance quality
- Waning competition for high-end tuna from China, Taiwan, Indonesia and the Philippines

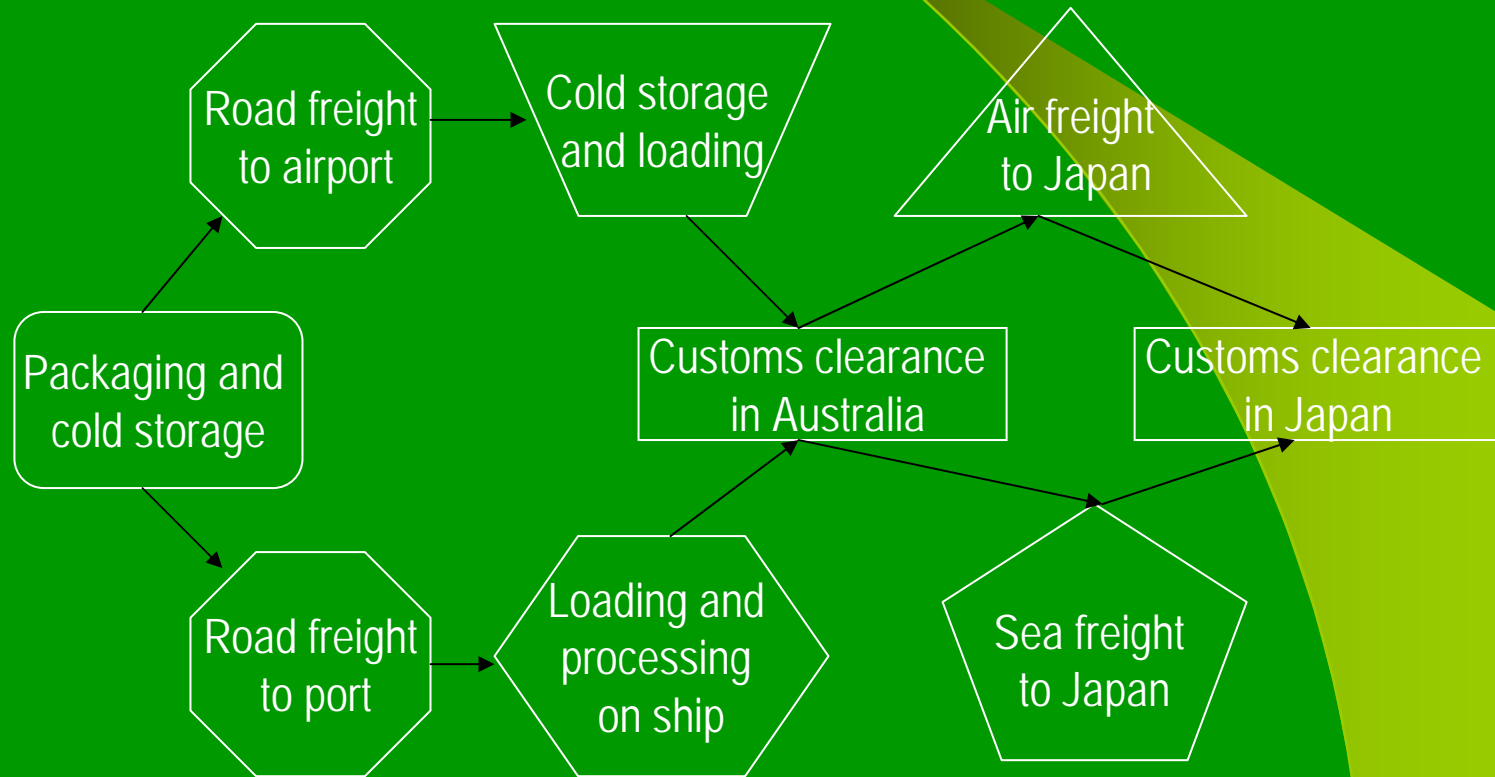


Logistics Supply Chain: Export of tuna from SA to Japan

Chilled



Frozen





Some factors affecting the logistics supply chain

- Maintaining the “cold-chain” for chilled and frozen tuna
- Improvements in freezing technology for frozen tuna
- Emergence of specialist vehicles to transport chilled and frozen tuna
- Need for infrastructure to store chilled tuna
- Increasing air freight capacity for chilled tuna
- Lower costs for sea freight of frozen tuna due to port reform
- Role of freight forwarders, particularly for chilled tuna

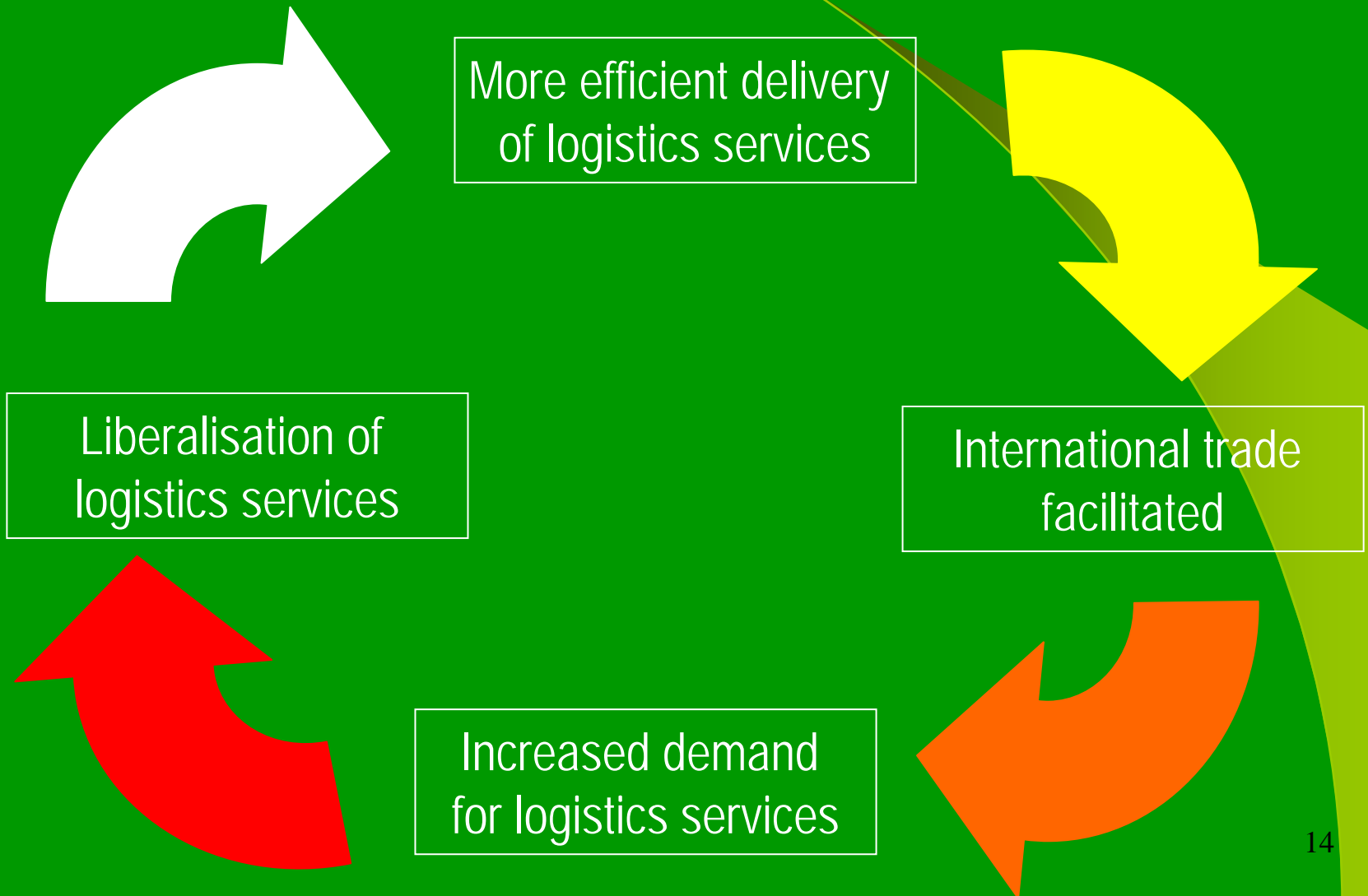


Special trade facilitation measures applying to South Australian tuna

- AQIS “Approved Arrangements” for seafood products
- Food promotion bodies e.g. “Food Adelaide”
- Nippon Automated Cargo Clearance System (NACCS)
- Industry considers that the involvement of ACS and AQIS helps to enhance competitive advantage rather than to hinder trade



The Virtuous Cycle





Implications for Developing Countries and Policy Makers

- The importance of efficient logistics services for economic growth
- Acknowledgement of the relationship between logistics liberalisation and trade facilitation
- Logistics liberalisation and reform of border measures to be undertaken on a complementary basis



Implications for Developing Countries and Policy Makers

- Need to consult all relevant stakeholders (government bodies, suppliers of logistics services, exporters and importers)
- Designing the regulatory framework:
 - Reform measures
 - Striking the balance to achieve prudent regulation
 - Public or private control of logistics infrastructure
 - Prioritisation and sequencing