SPECIAL EVENT

Understanding the impact of consecutive crises on the effectiveness of international transport and supply chains in LLDCs in the Euro-Asian region

Bangkok, 23 August 2023
8:30am to 9:30am, Conference Room 4

I. INTRODUCTION

At a time of multiple crises faced by the inland transport sector, this special event will bring together representatives of LLDCs and transit developing countries from across the Euro-Asian region for a strategic discussion on the role of inland transport connectivity and the 2030 Sustainable Development Agenda in addressing the outstanding challenges and in identifying ways for capitalizing on opportunities for global economic development. While the round table will dwell mostly on the repercussions that the pandemic and the ongoing geopolitical crisis have had on the international transport system being a key enabler of global supply and value chains, it will also touch on other key pressing issues that are impacting heavily on the transformation of contemporary transport systems, including the importance of decarbonization, digitalization and adaptation to climate change.

II. RATIONALE AND BACKGROUND

Recent years have witnessed several subsequent external shocks to the international transport system and by extension the entire global value chain. From early 2020 onwards, the pandemic has affected shipping companies’ operations along the entire supply chain and across the various transport subsectors, resulting in congestions at land border crossings and maritime ports, labour shortages, a steep increase of maritime shipping costs due to container and work force shortages as well as lack of warehouse space and logistics services. As of February 2022, the consequences of the pandemic were further exacerbated by the war in Ukraine and its resulting blockade of the country’s Black Sea Ports in combination with the large-scale destruction of
transport infrastructure and the abrupt disruption of its transit possibilities by road, rail, or inland waterways. Important external factors featuring in the background of these geopolitical transformations include the increased pressure on the transport sector to decarbonize (or at the very minimum diversify its energy consumption) and the strong push for digitalization and automation of transport processes.

During and in the immediate wake of the pandemic, when the major disturbance of the international transport system and the global supply chains became apparent, there was a widespread belief that globalisation had reached its boundaries and that reshoring (or nearshoring) of supply chains would better meet the conditions for sustainable economic prosperity through offering geographic proximity on the one hand and higher levels of supply chain predictability, especially for time-sensitive products, on the other hand. So far, the global trading system has however proven to be remarkably resilient by allowing countries to flexibly adapt their sourcing patterns. In the road transport sector for instance this had led to a diversification of routes resulting in some cases in time and efficiency gains.

III. OBJECTIVES OF THE SPECIAL EVENT

Building on the above analysis, this special event is held to take stock of these tectonic movements and their impact on connectivity of inland transport networks as key enablers of global supply chains. The roundtable will offer an opportunity to elaborate on the pros and cons of globalized supply chains and will offer an opportunity to exchange views on what should be the next steps in developing an international transport system that is resilient and prepared to take on the challenges it already faces today and those it may come across in the future. The round table will allow transport and supply chain leaders from LLDCs and transit developing countries in the Euro-Asian region and beyond to exchange views on:

(a) National and international experiences with regional versus global sourcing, the role of the transport sector as a whole and of the inland transport specifically.

(b) Resilience of transport networks and nodes in support of regional versus global sourcing, including resilience to climate change hazard, geopolitical emergencies or to pandemics.

(c) Impact of digitalization and innovation efforts on transport sector and supply chain management in Euro-Asian LLDCs.
IV. DRAFT AGENDA

- Moderator: Ms. Michiko Enomoto, Deputy Head, Subregional Office for North and Central Asia, ESCAP
- Welcoming remarks by Ms. Gladys Mutangadura, Senior Programme Officer, UN-OHRLS
- Brief introduction by Mr. Roel Janssens, Secretary to the Working Party on Transport Trends and Economics, Sustainable Transport Division, Transport Facilitation and Economic Section, United Nations Economic Commission for Europe (UN-ECE)
- Panel discussion with statements: Presentations by selected LLDCs on inland transport sector adaptation and resilience measures put in place
  - Panelists:
    - Mr. Raul Torres, Head, Development Policy Unit, Development Division, WTO
    - Mr. Davit Grigoryan, Head, Multilateral Economic Cooperation Division, Department for Multilateral Policy and Development Cooperation, Ministry of Foreign Affairs, Armenia
    - Mr. Ashraf Khodjaev, Director, Department of Economic Diplomacy, Ministry of Foreign Affairs, Uzbekistan
- Closing: Ms. Michiko Enomoto, Deputy Head, Subregional Office for North and Central Asia, ESCAP

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