

CONNECTING TO COMPETE

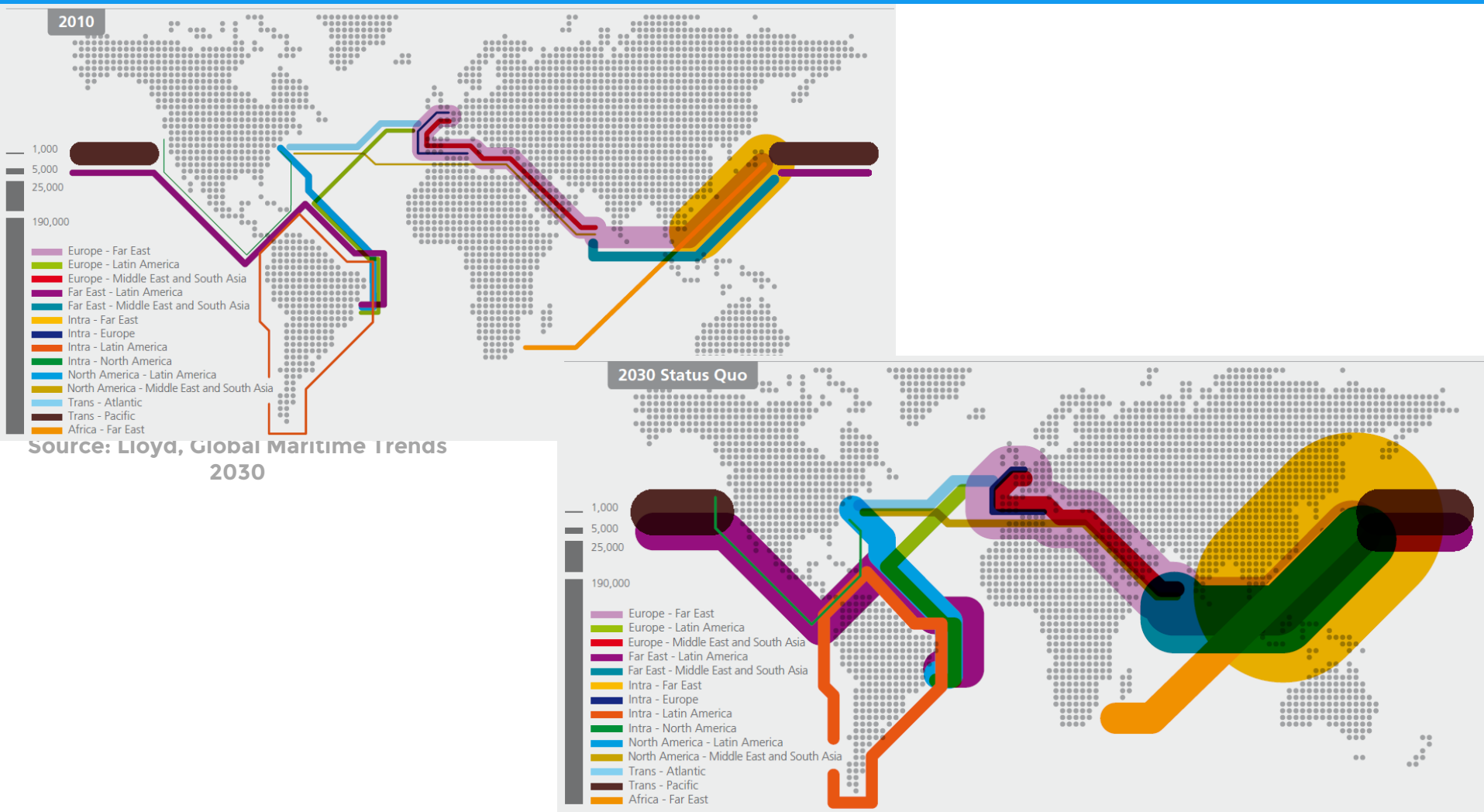
A DECADE OF LOGISTICS DELIVERY IN APEC AND LATIN AMERICA

APEC FORUM – August 13 2019, Santiago de Chile

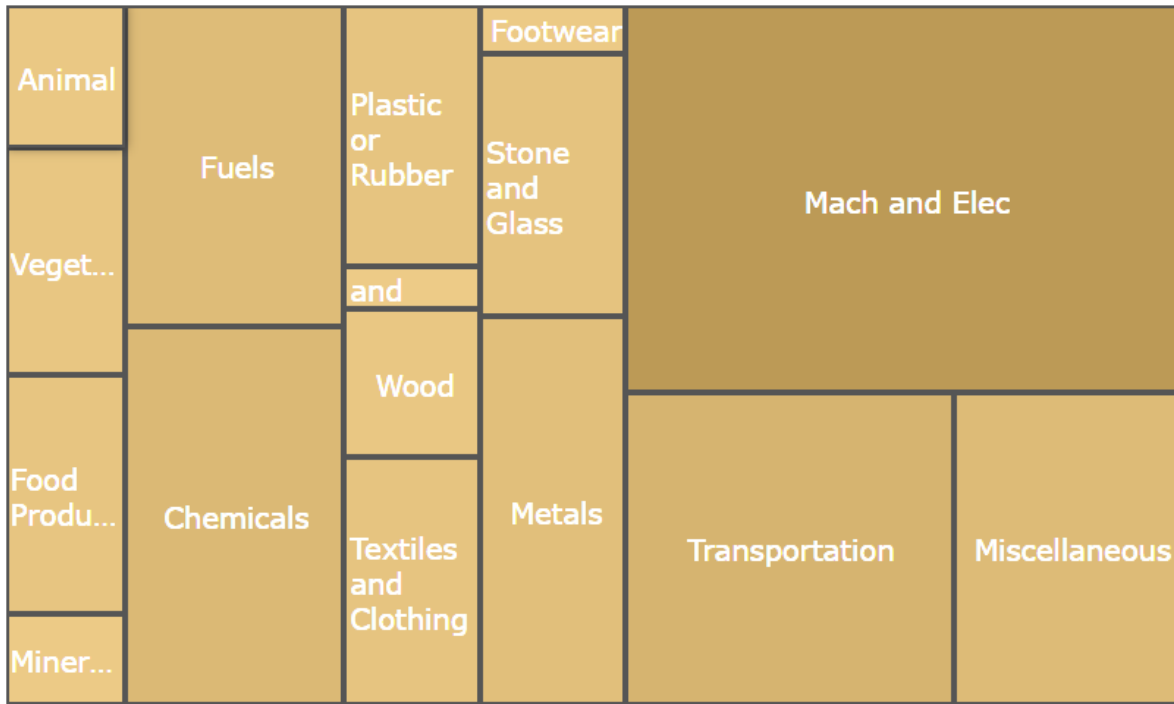


Grégoire Gauthier
Senior Transport Specialist
Transport Global Practice

International trade is expected to grow by 50% by 2030.



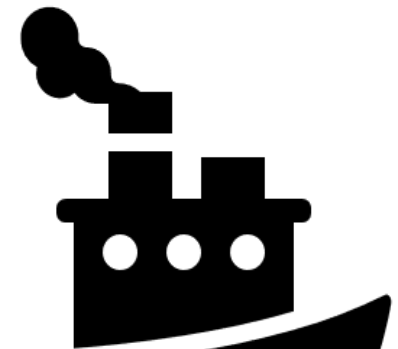
Logistics services are the backbone of international trade.



Source: WITS

\$4.3 trillion

Source: BCG

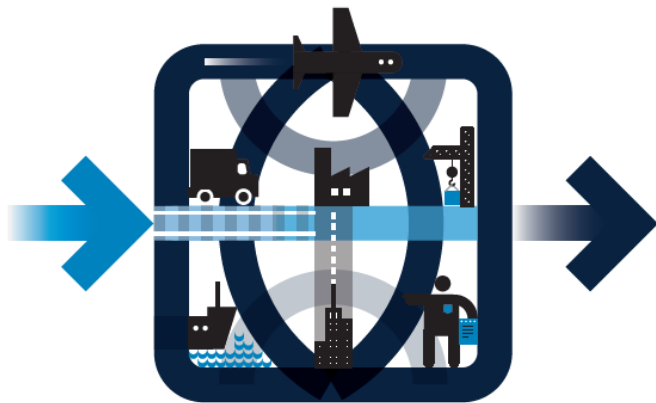


LPI Methodology

Connecting
to
Compete

Trade Logistics in the
Global Economy

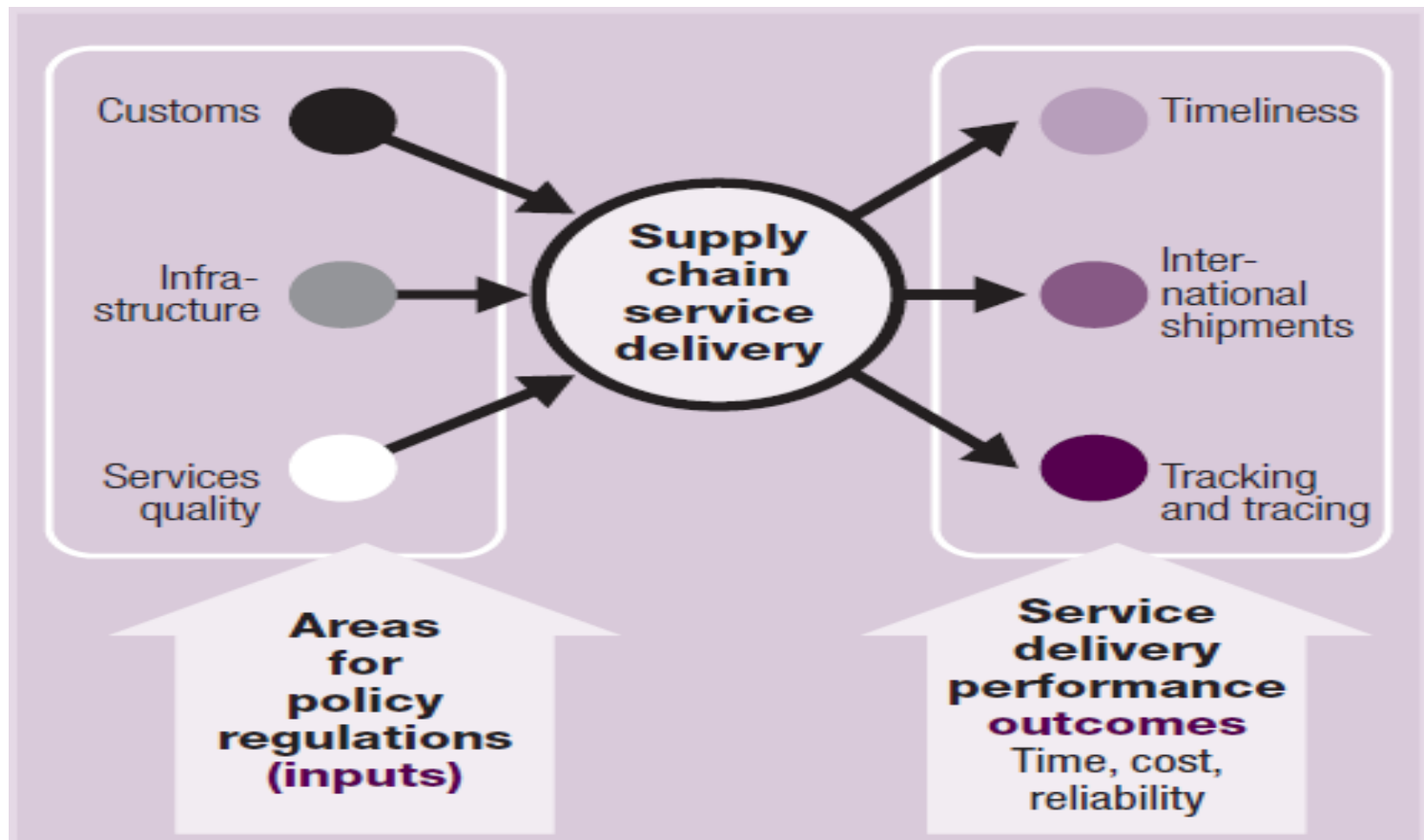
2018



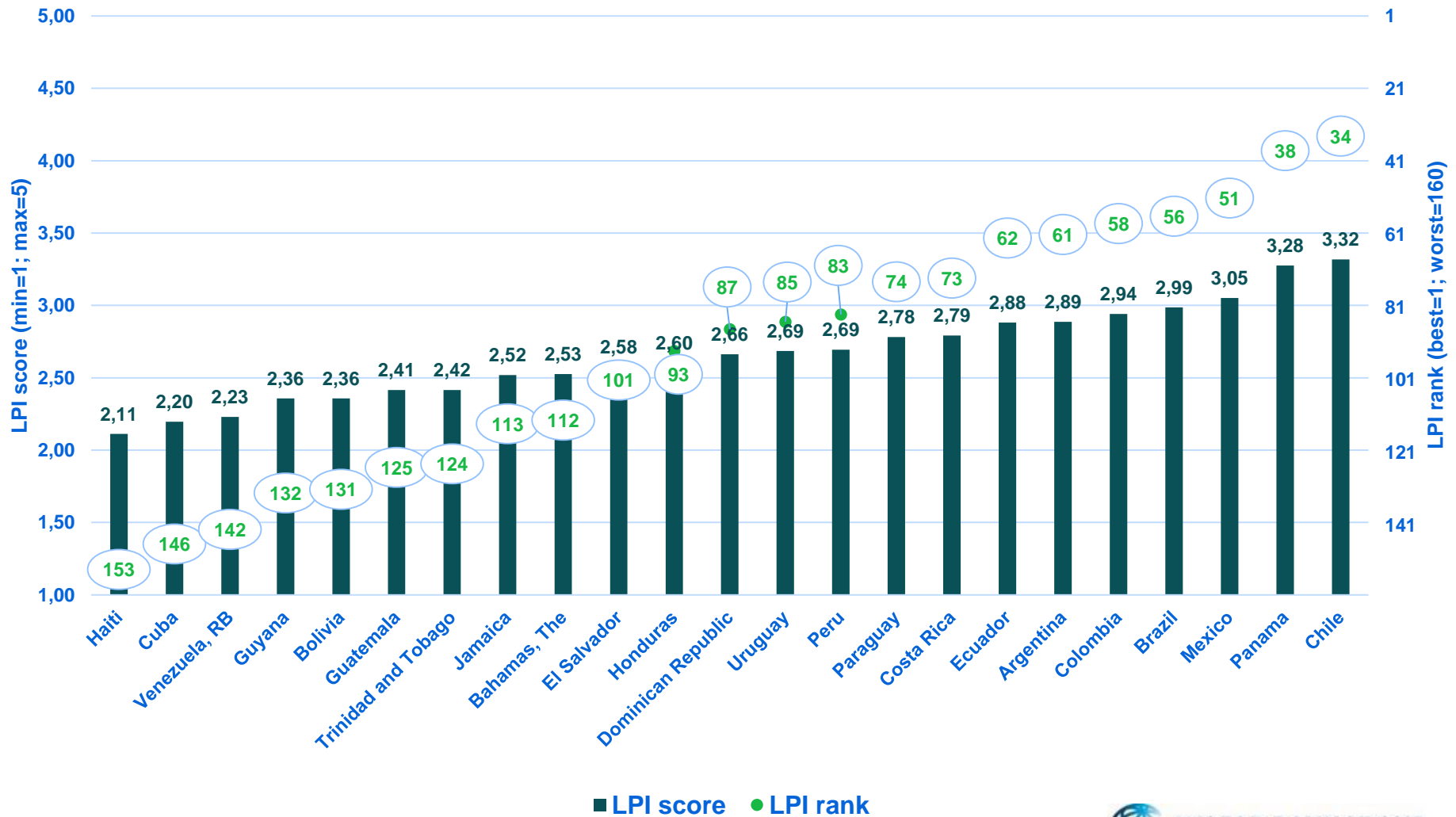
The Logistics Performance Index and Its Indicators

- Built on **> 5,000 country assessments** by around **1,000 freight forwarders & express carriers** worldwide
- Respondents rate logistics performance of own country and 8 other countries on a **scale from 1 to 5**
- Coverage: **160 countries**
- Published **every 2 years**
- How do respondents get to participate?
 - Respondents are invited to answer an electronic survey
 - Outreach via partners such as FIATA, national associations of freight forwarders, & large logistics firms
 - Direct contacts via a mailing list of logistics operators
 - Respondent base includes multinationals, large local firms and SMEs
 - No sampling involved

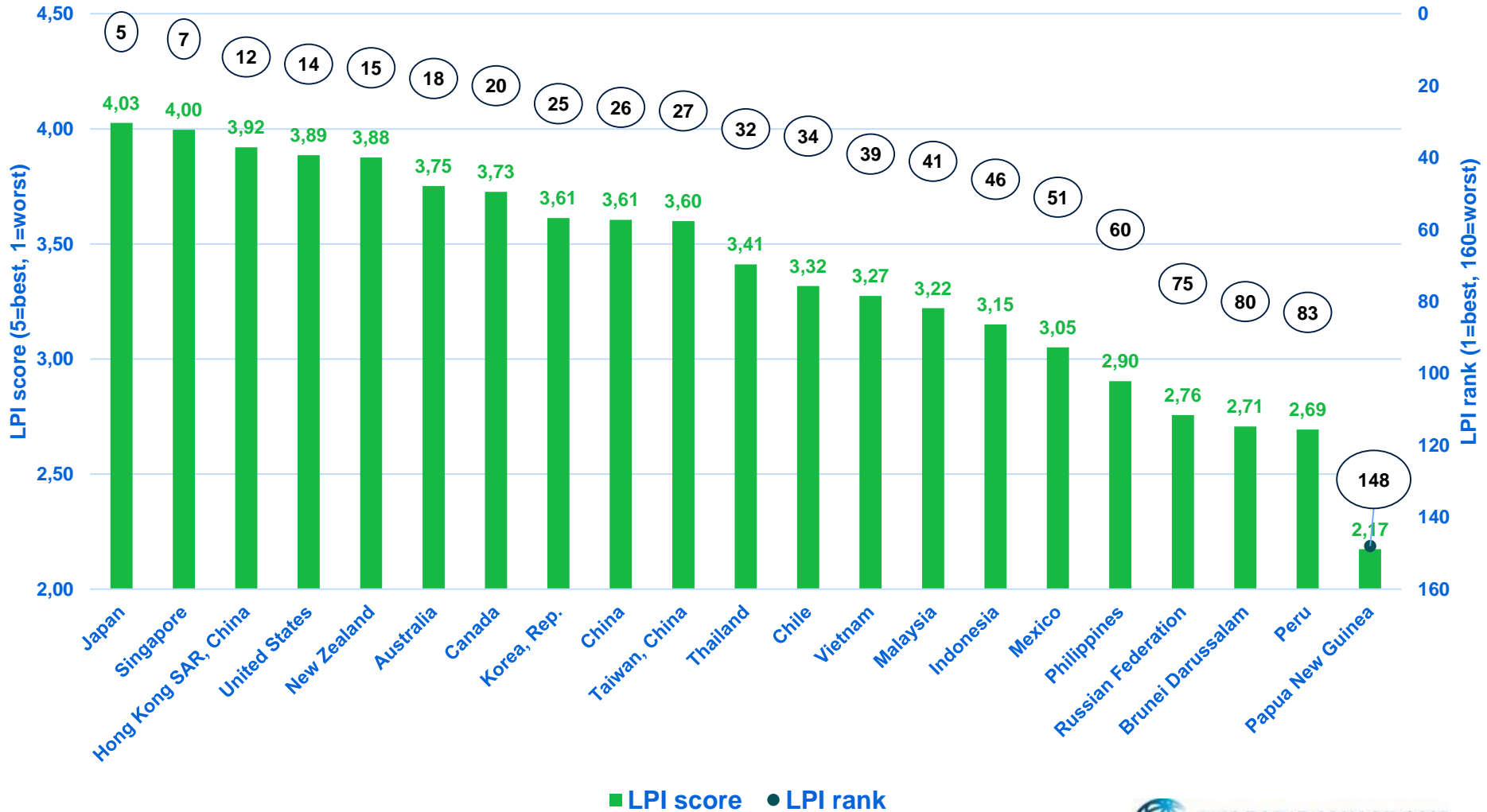
Input and outcome indicators in the LPI



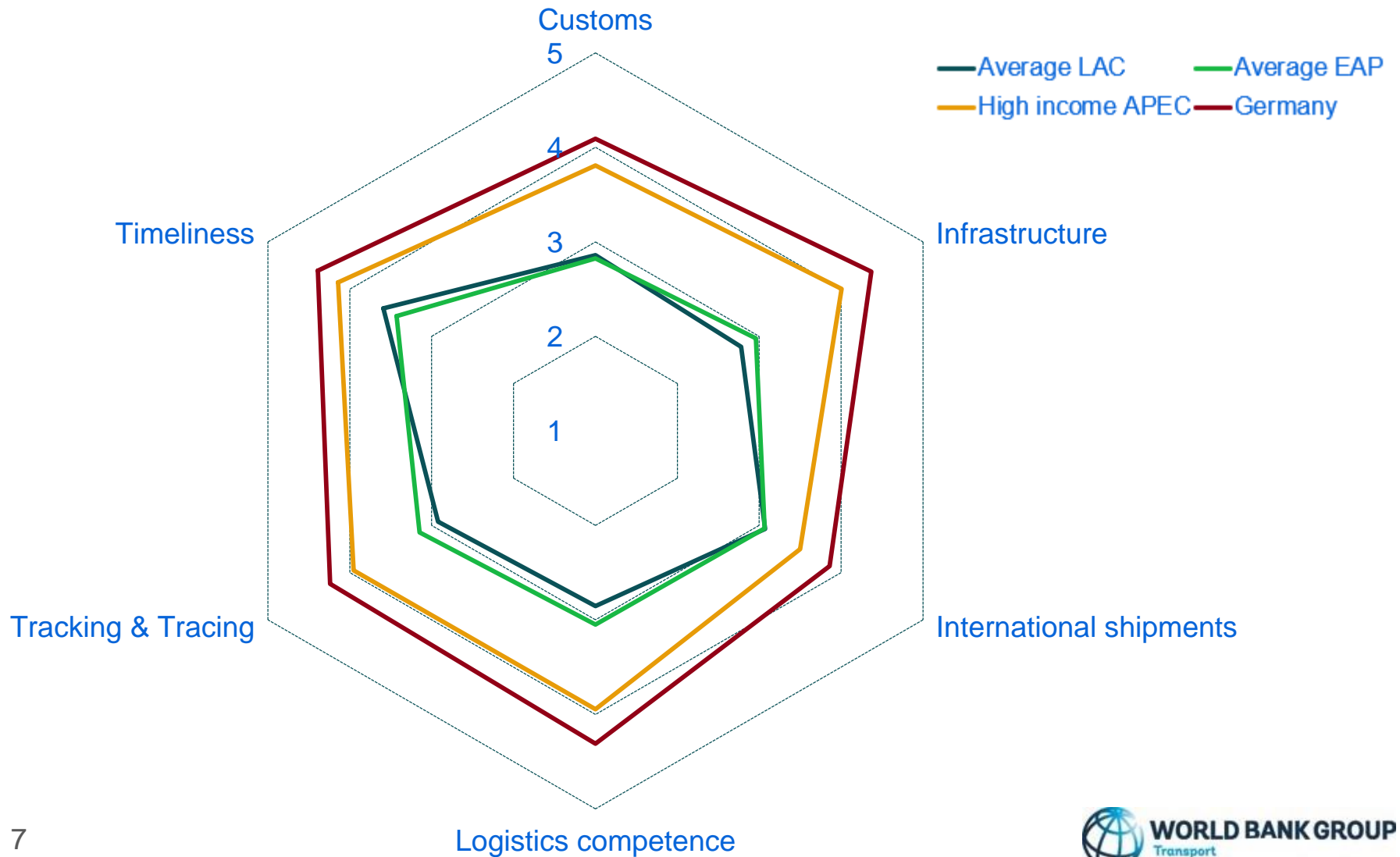
LPI 2018: Countries in the Latin America and the Caribbean region



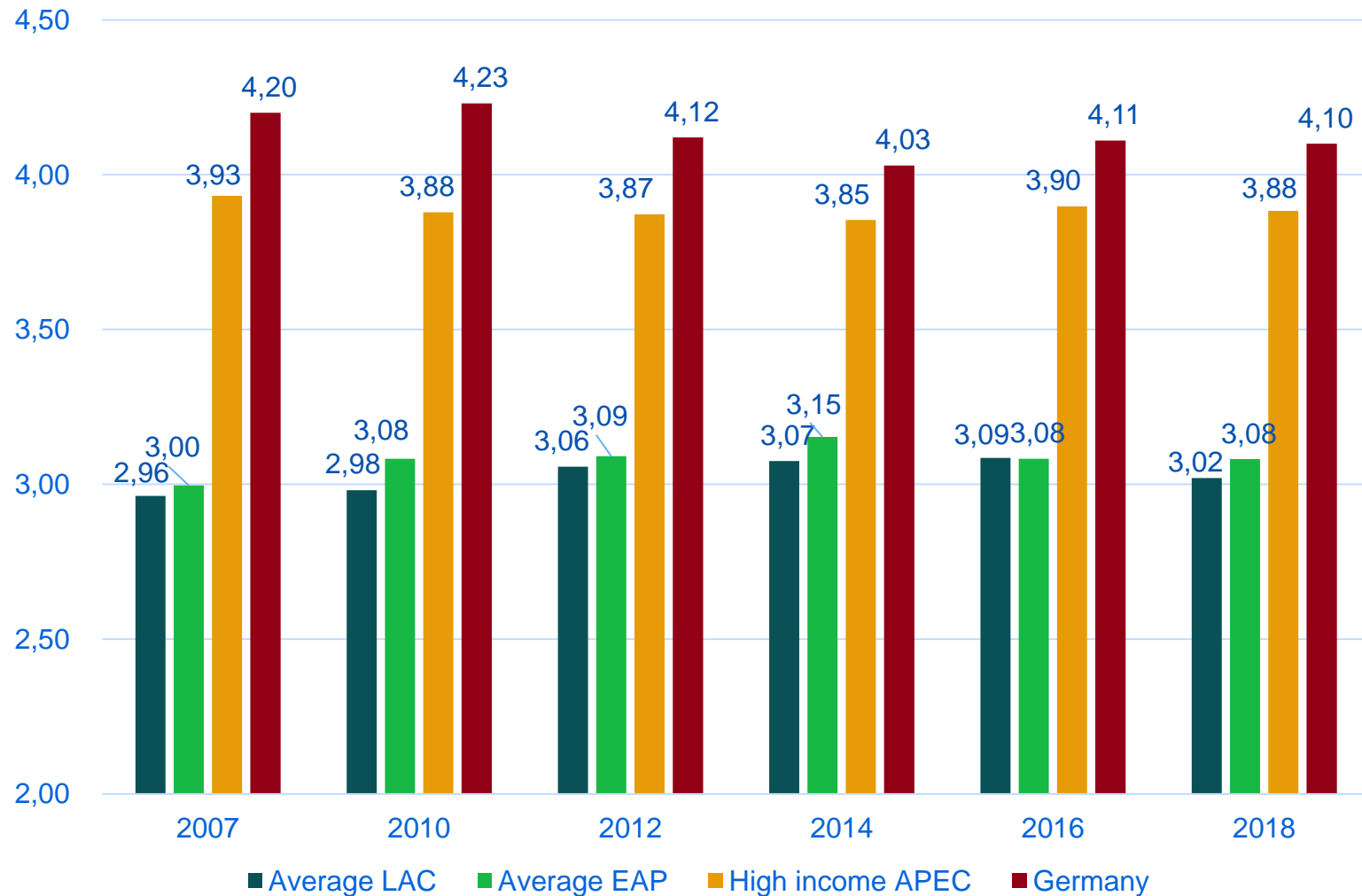
LPI 2018: 21 APEC Economies



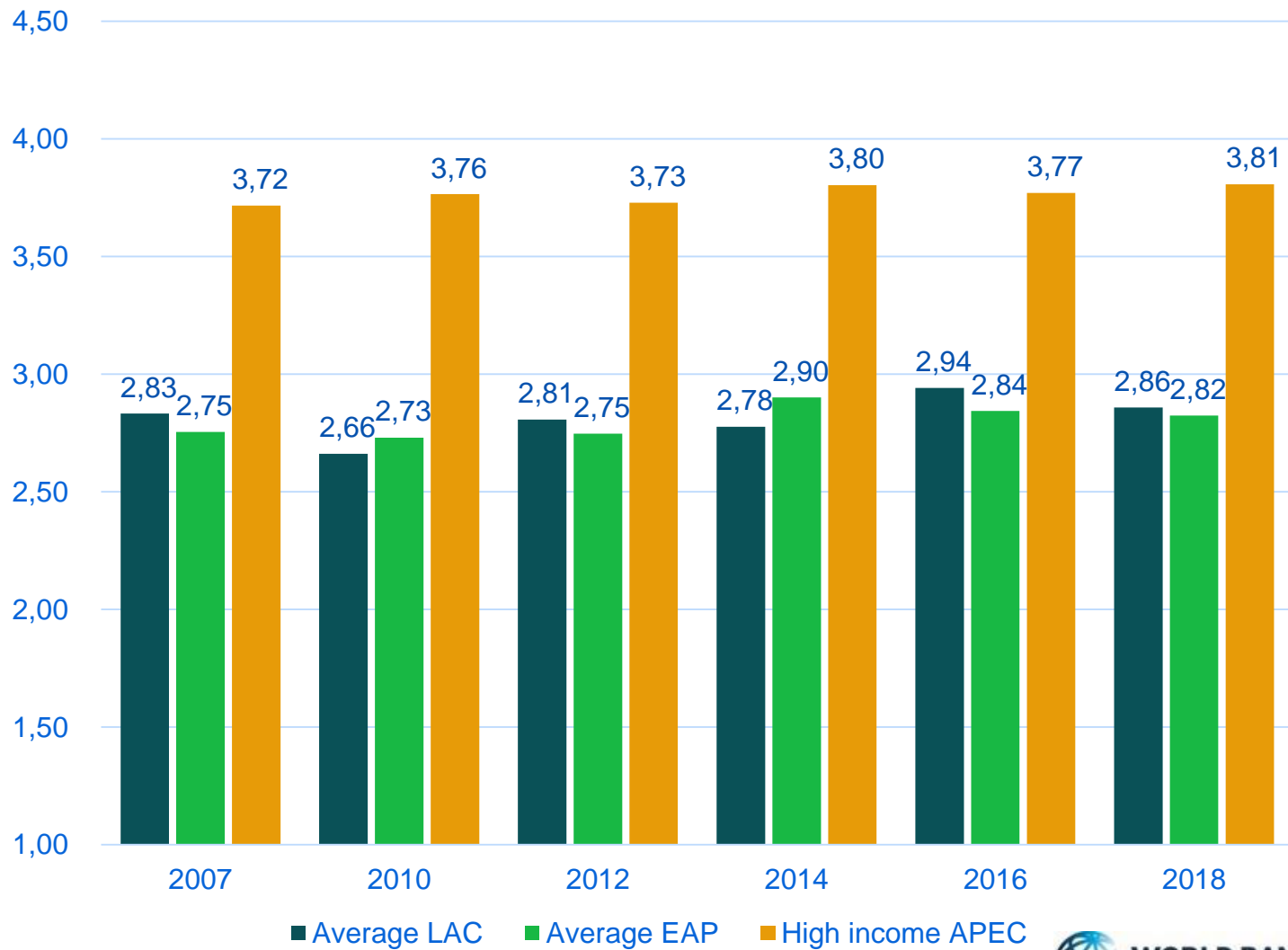
LPI 2018: 21 APEC Economies, Breakdown per component



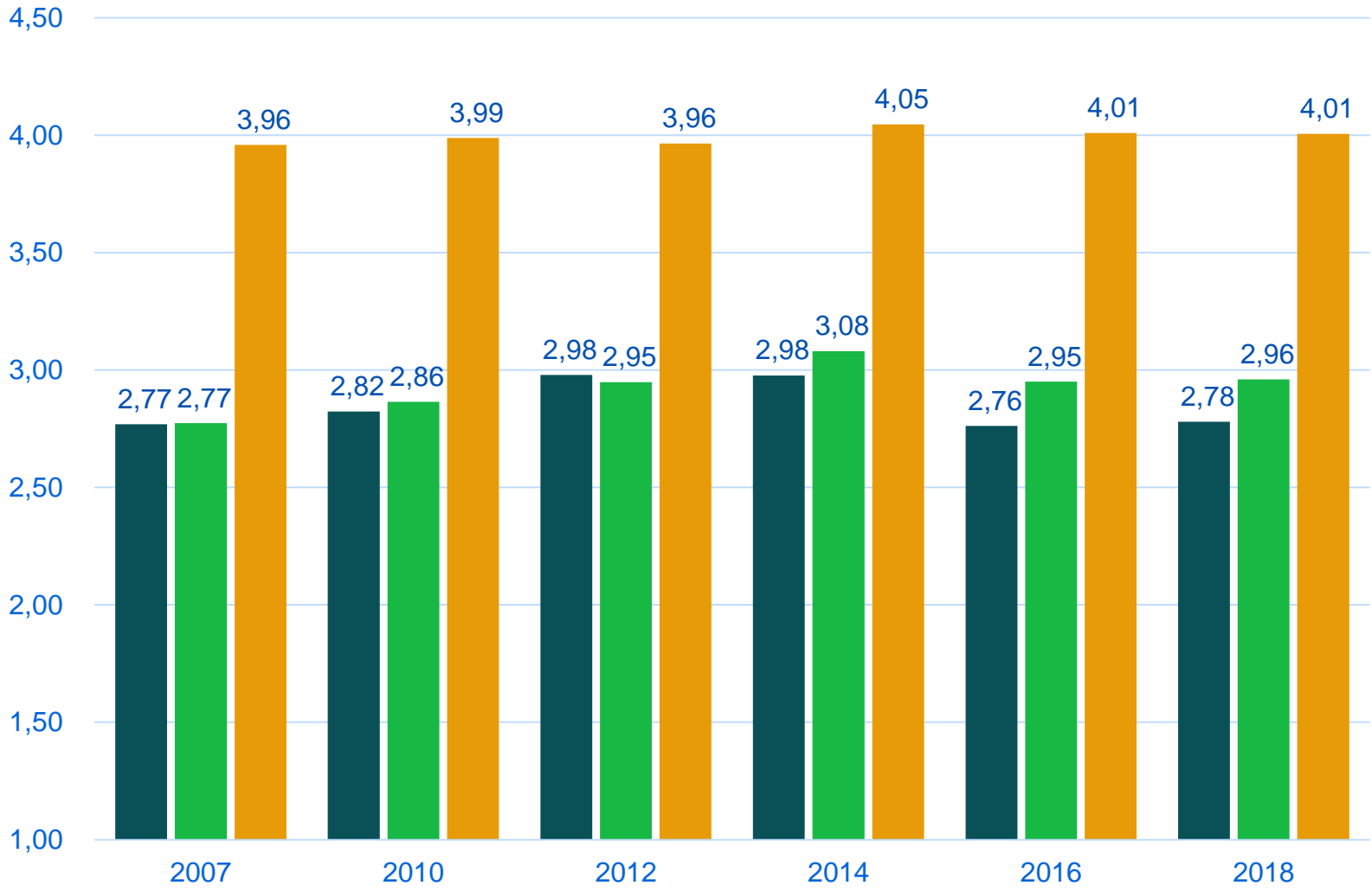
LPI Evolution 2007 – 2018: 21 APEC Economies



Customs: 21 APEC Economies



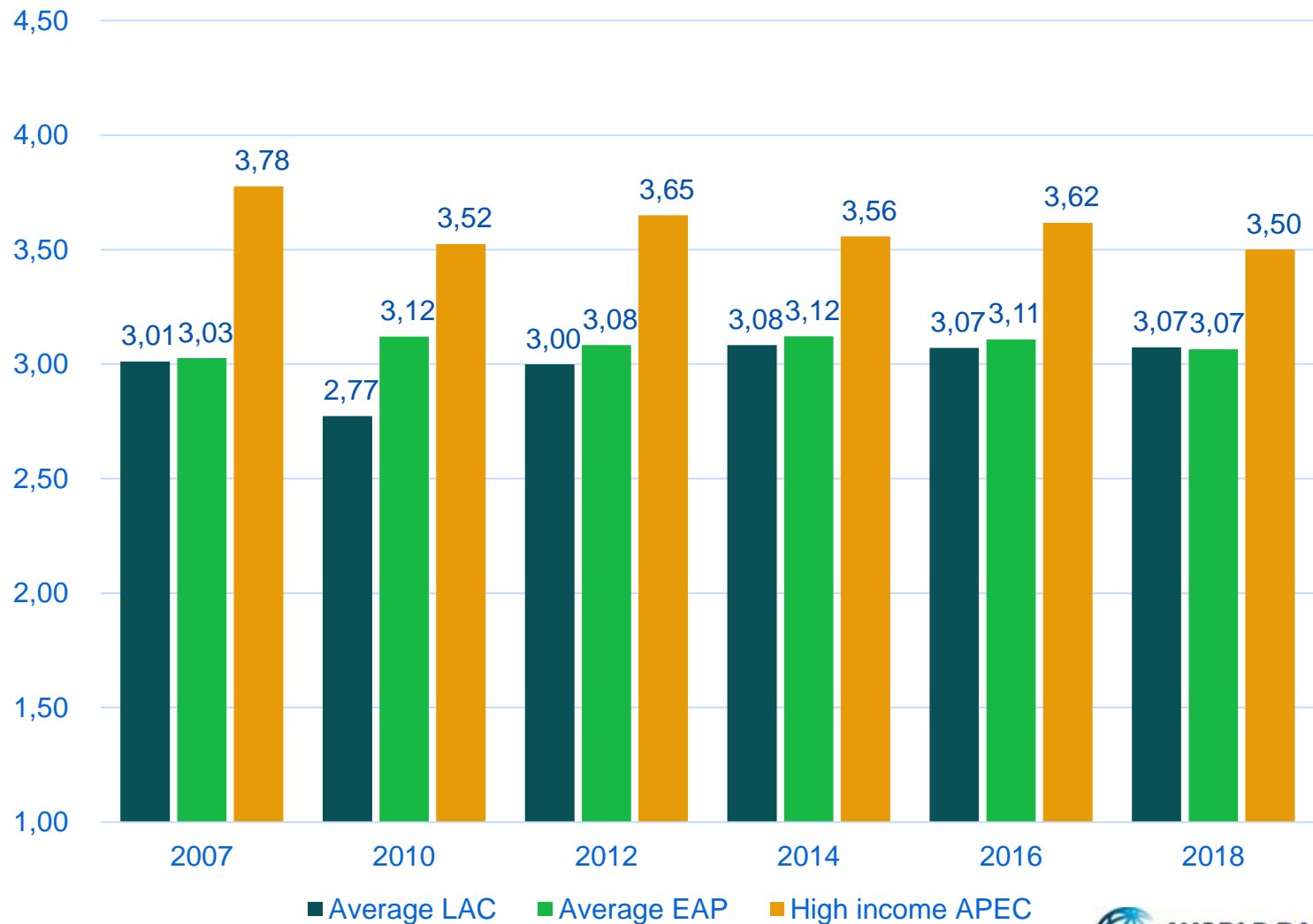
Infrastructure: 21 APEC Economies



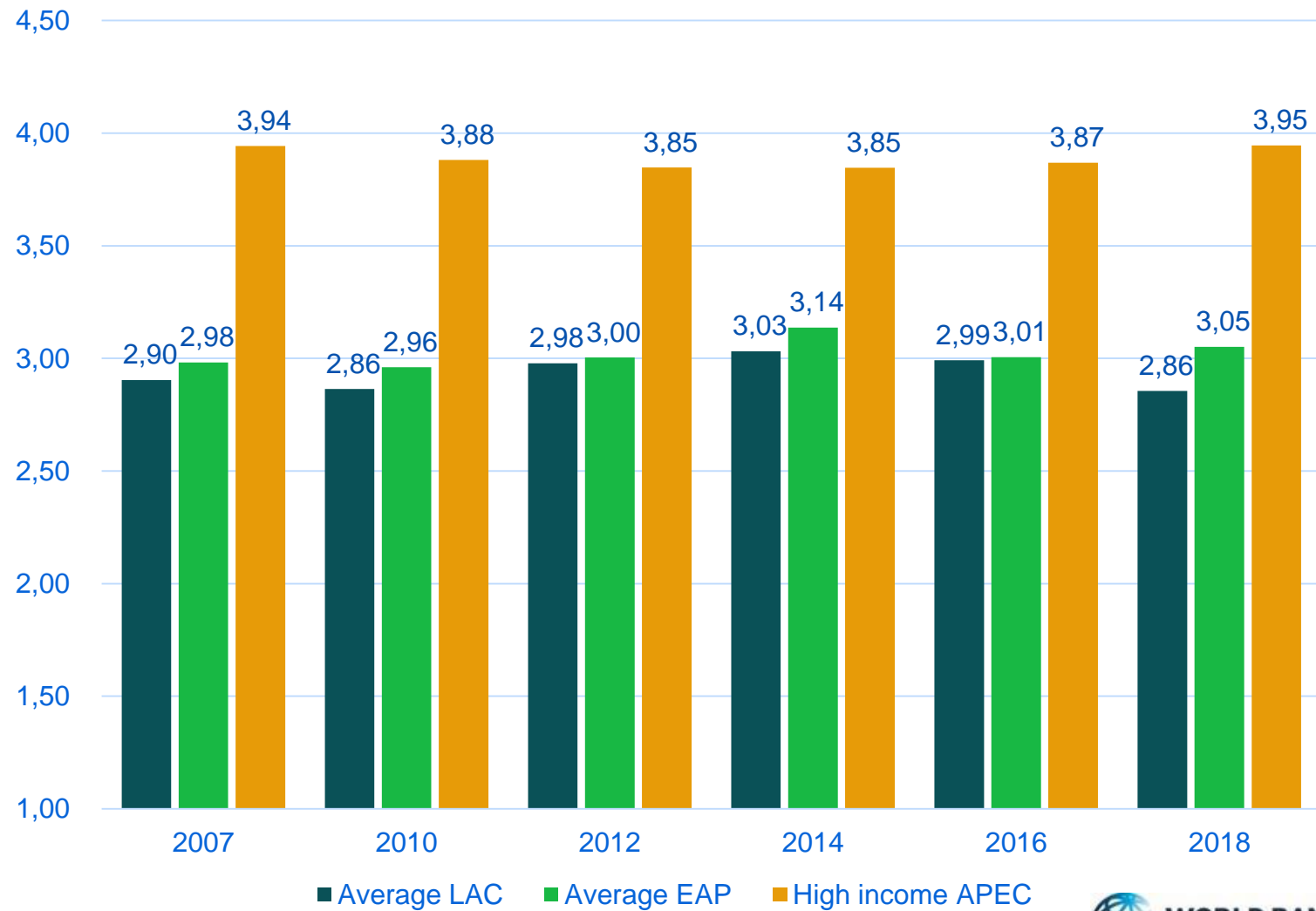
■ Average LAC
 ■ Average EAP
 ■ High income APEC



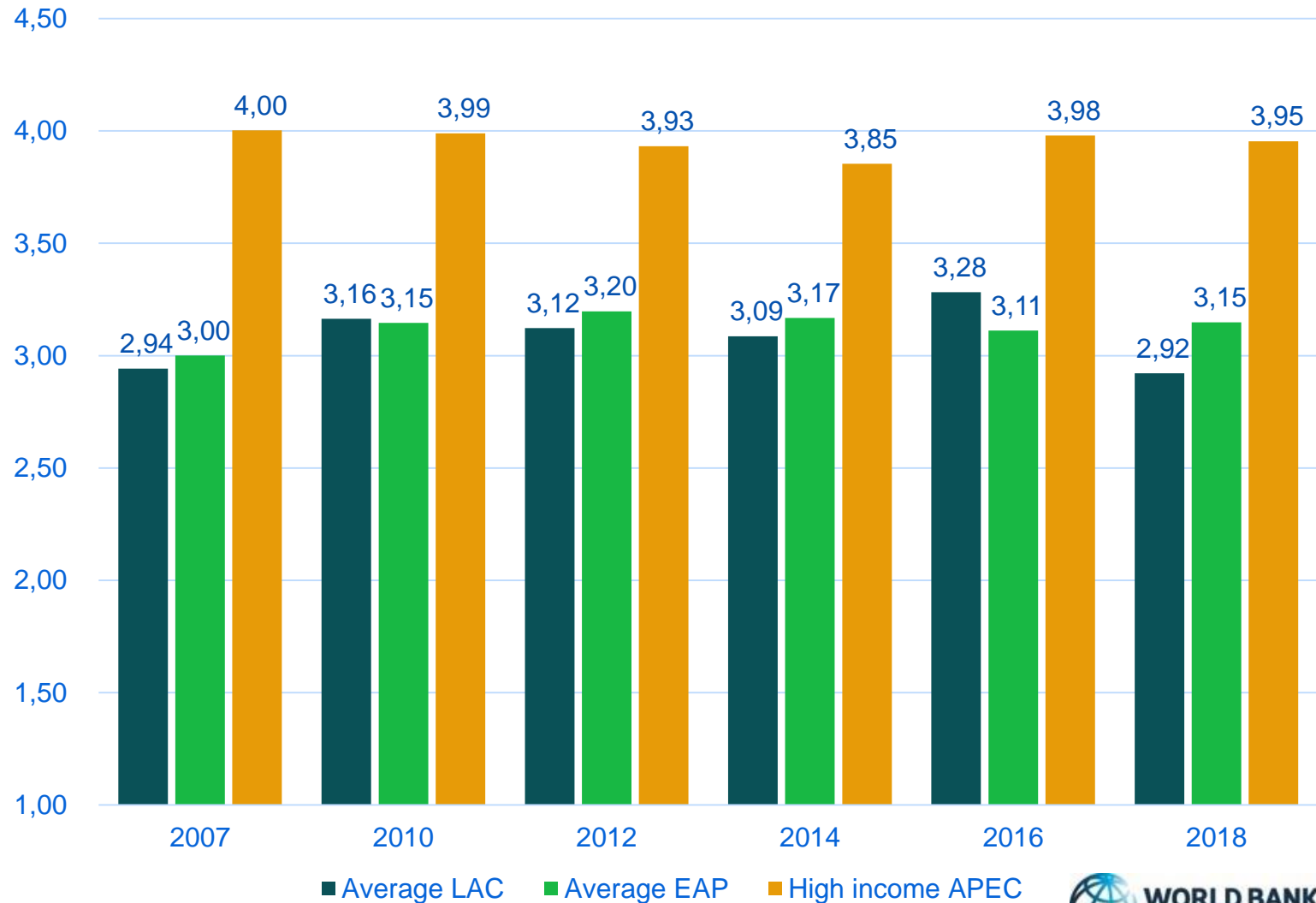
International Shipments: 21 APEC Economies



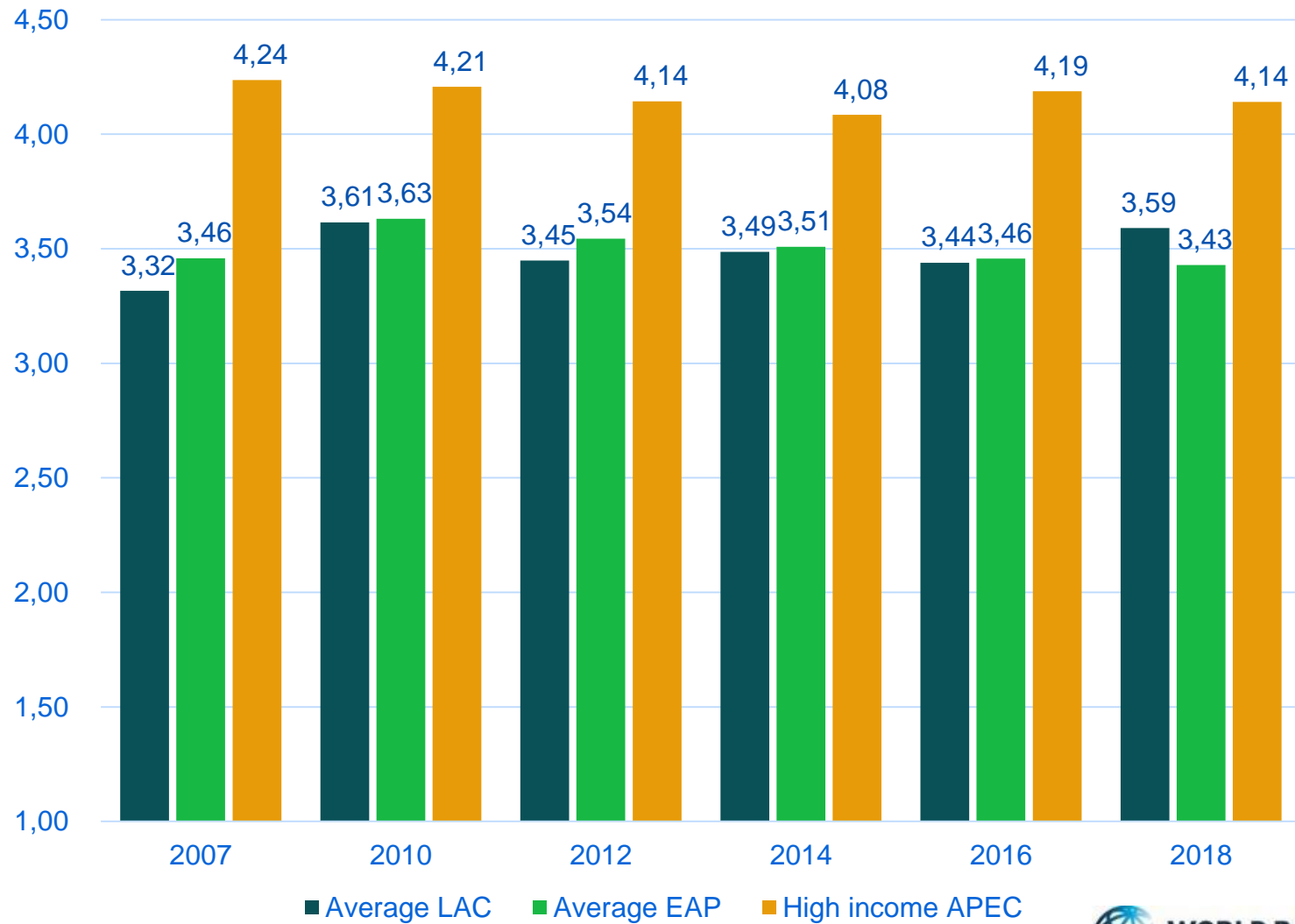
Logistics Services: 21 APEC Economies



Tracking and Tracing: 21 APEC Economies



Timeliness: 21 APEC Economies



Interaction of LPI performance quintile and logistics priorities

√√√ Very important √√ Important √ Less important

	Lowest performer (fifth quintile)	Fourth quintile	Third quintile (e.g. Peru)	Second quintile (e.g. Chile)	Best performer (first quintile)
Transportation infrastructure	√√√	√√√	√√	√√	√√
Trade and transport facilitation	√√√	√√√	√√	√	√
Service markets and regulations	√√	√√√	√√√	√	√
Logistics skills	√√	√√√	√√√	√√√	√
Green logistics	√	√	√√	√√	√√√
Urban logistics	√	√√	√√√	√√√	√√√
Spatial planning	√	√	√√	√√	√√
Resilience	√√	√√	√√	√√	√√
Dedicated logistics body	√	√	√√√	√√√	√√
Specific legal framework	√	√	√√	√√	√
National data system	√√	√√	√√√	√√√	√√√

1

• The logistics performance gap between countries persists between the bottom and top performers.

2

• Supply chain reliability and service quality are strongly associated with logistics performance.

3

• Infrastructure and trade facilitation remain at the core of assuring basic connectivity and access to gateways for most developing countries.

4

Middle- and high-income countries are increasingly concerned with domestic connectivity.

5

The logistics policy agenda continues to broaden, with growing focus on supply chain resilience, cyber security, environmental sustainability, and skills shortages.

6 megatrends likely to drive the future of logistics

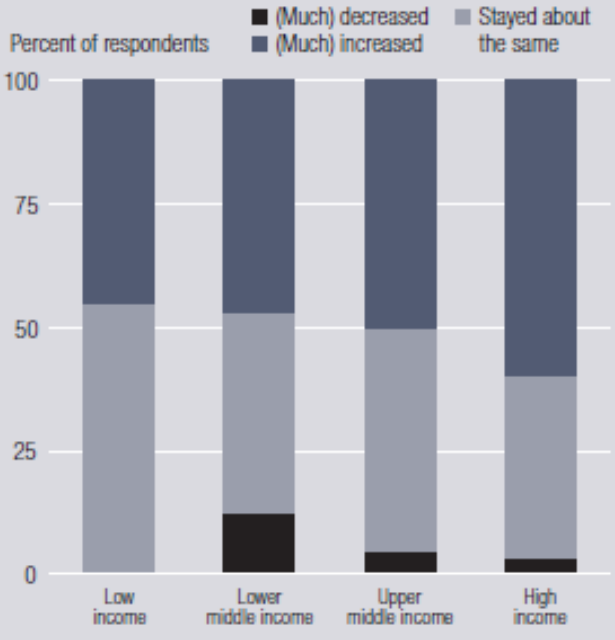
1. E-commerce driving demand chains
2. Logistics skills shortages |
3. Restructuring global value chains
4. Supply chain risk and recovery (resilience) |
5. Sustainability of supply chains
6. Digital transformation of supply chains

Most of these trends are directly relevant to the logistics policy agenda.

E-commerce driving demand chains



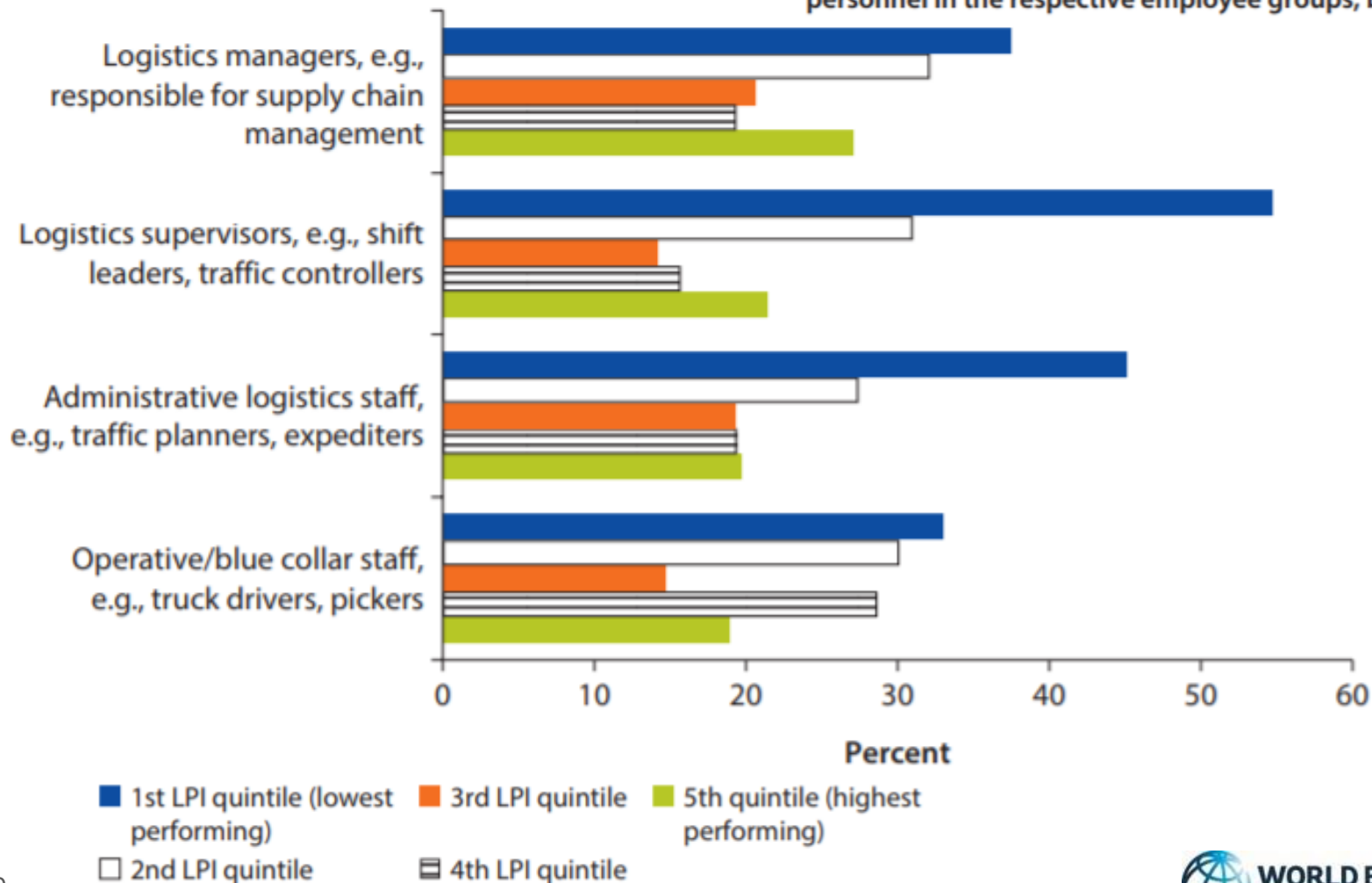
Figure 3.1 Increased use of electronic trading platforms (business to business and business to consumer) by shippers mean that our business volumes have...



Source: WB, Connecting to Compete 2018

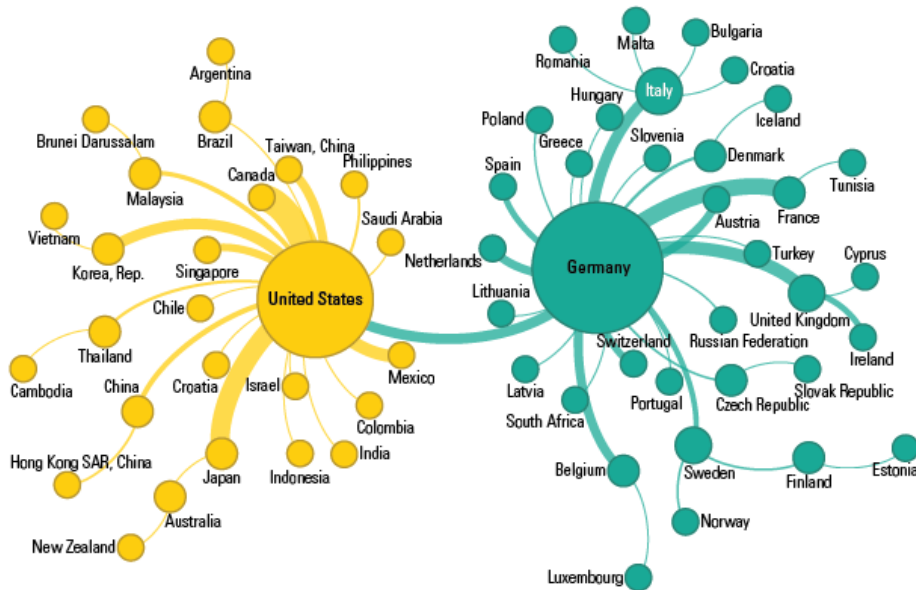
Logistics skills shortages

Respondents indicating "low" or "very low" availability of qualified personnel in the respective employee groups, by LPI Quintile

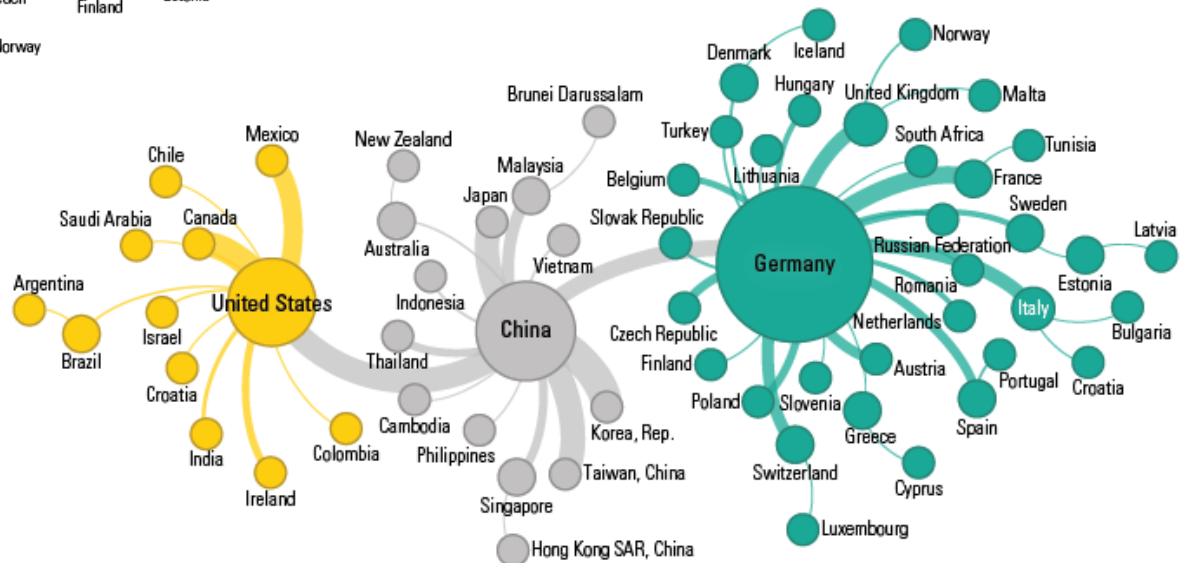


Restructuring global value chains

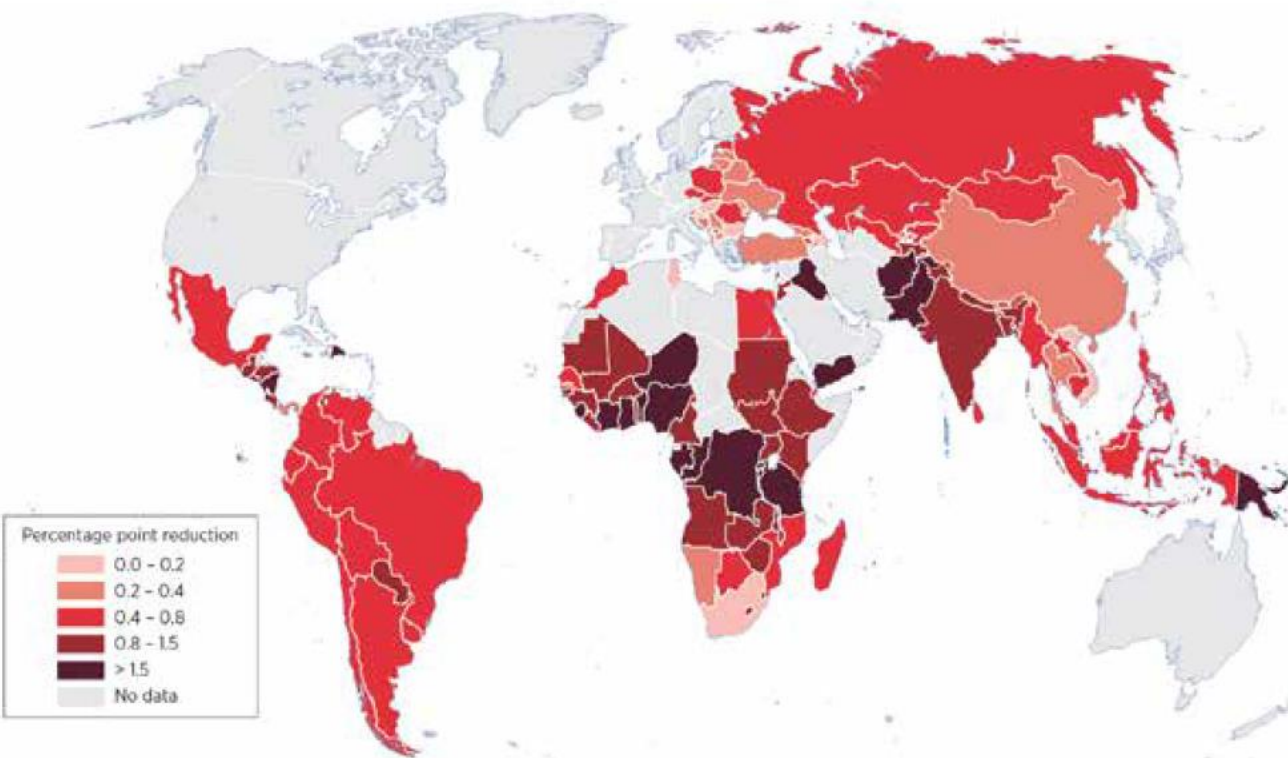
a. In 1995, Germany and the United States were at the core of the network



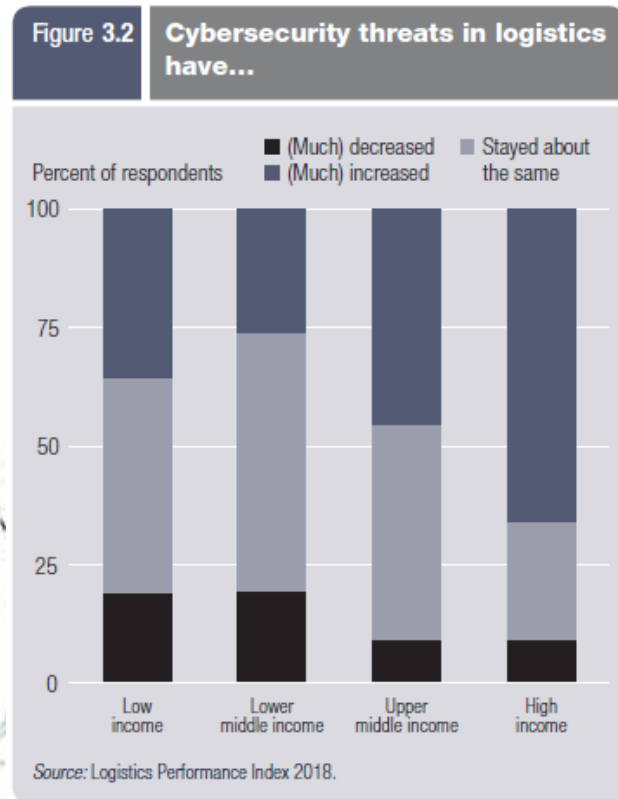
b. In 2011, Germany, China, and the United States were at the core of the network



Supply chain risk and recovery (resilience)



Source: WB, Lifelines - resilient Infrastructure, 2019



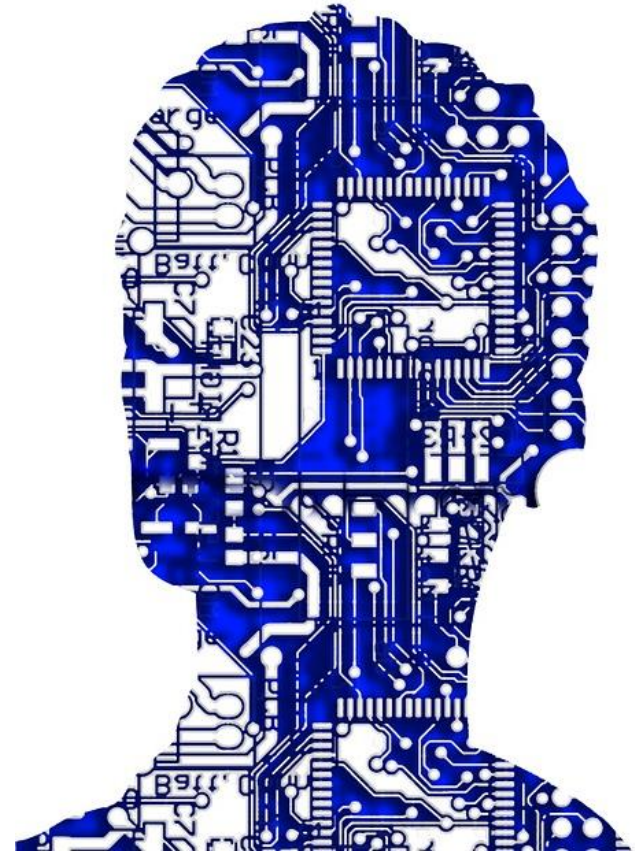
Sustainability of

supply chains



Digital transformation of supply chains

- **Internet of things**
- **Artificial intelligence**
- **Supply chain finance – FINTECHs**



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