



# TRADE LOGISTICS AND TRADE FACILITATION



## WHY IS THIS IMPORTANT?

An effective, competitive national and international trade logistics environment is vital for achieving e-commerce success, domestically as well as internationally. Most traders would like to have access to a single window, a global standardized de minimis regime, full tracking of all shipments, predictable delivery times, fully transparent procedures and duties via websites and enquiry points, warehouse consolidation for MSMEs in the export market and the possibility to make electronic payments to customs.

## CONTEXT

UNCTAD has carried out Rapid eTrade Readiness Assessments for [Bhutan](#), [Cambodia](#), [Lao PDR](#), [Liberia](#), [Myanmar](#), [Nepal](#), [Samoa](#), [Senegal](#), [Solomon Islands](#) and [Vanuatu](#). Each assessment was carried out along the seven policy areas of the [eTrade for all initiative](#):

-  E-commerce readiness assessment
-  ICT infrastructure and services
-  Payment solutions
-  Trade logistics and trade facilitation
-  Legal and regulatory frameworks
-  E-commerce skills development
-  Access to financing

Although each assessment identifies country-specific barriers and opportunities related to strengthening e-commerce, and provides corresponding policy recommendations, some common themes are emerging.

This document summarizes the key findings and main policy recommendations, based on the seven assessments completed so far, with regard to: **trade logistics and trade facilitation**.

## KEY FINDINGS

### 1. Last-mile delivery continues to pose a challenge

Physical address systems remain underdeveloped, particularly outside urban areas. This makes it difficult to efficiently deliver packages resulting from domestic and cross-border e-commerce. The delivery of small parcels is particularly time-consuming.

### 2. Local entrepreneurs are developing innovative logistics solutions

From the use of motorcycles and bicycles to deliver small parcels, to leveraging technology to support route optimization, local entrepreneurs are developing new solutions to ease last-mile challenges. While meeting some of the current needs of the market, these solutions do not address the underlying barriers to last mile delivery.

### 3. Logistics and regulatory bottlenecks hamper cross-border e-commerce

Cumbersome customs clearance procedures are a bottleneck to the growth of e-commerce. Clearance for small parcels, widely used for e-commerce, pose unique challenges that are not present for large cargo freight.



# MAIN POLICY RECOMMENDATIONS

## 1. Develop a physical address and postal code system.

Simply locating individuals and businesses for package delivery can be challenging without a formal address system. Dealing with this issue requires a multi-pronged approach, including improving road infrastructure, developing forward-looking postal service strategies and increasing the capacity of national postal service and private sector couriers. The ultimate aim is to improve the “findability” of physical addresses.



## 2. Streamline customs clearance.

Many MSMEs rely on cross-border shipment of small parcels, which often involves expensive and time-consuming clearance processes. Modernizing customs clearance, through automation of procedures and digitalization of documents, would make it easier to ship small parcels across borders. Strengthening existing single window systems and laying the groundwork for cross-border paperless trade would also help increase efficiency.

## 3. Support the development of e-commerce delivery solutions.

Enterprises are beginning to develop package delivery solutions, including in rural areas, however, the solutions tend to be shaped around the delivery constraints themselves. Governments have an important role to play in supporting new solutions across the packaging-shipping-delivery chain of e-commerce. This could be achieved through public-private partnerships between private couriers, logistics providers and national postal services.

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Rapid eTrade Readiness Assessments:  
<http://unctad.org/en/Pages/Publications/E-Trade-Readiness-Assessment.aspx>