

International Transport Forum  
2012 Annual Summit

*Seamless Transport:  
Making Connections*

**Facilitating Global Trade:  
Connectivity Across Borders**

Dr. Andreas Kopp

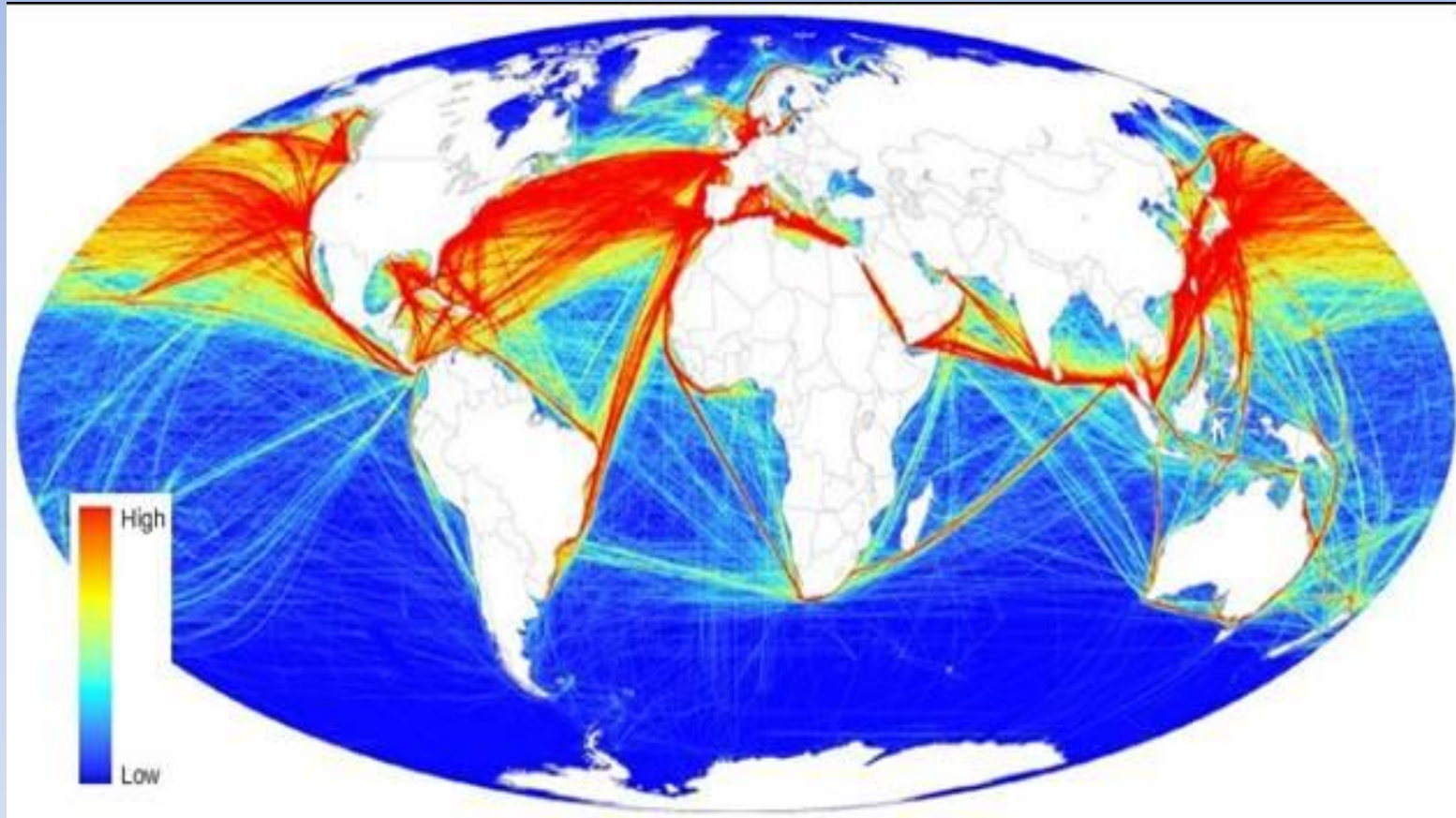
World Bank



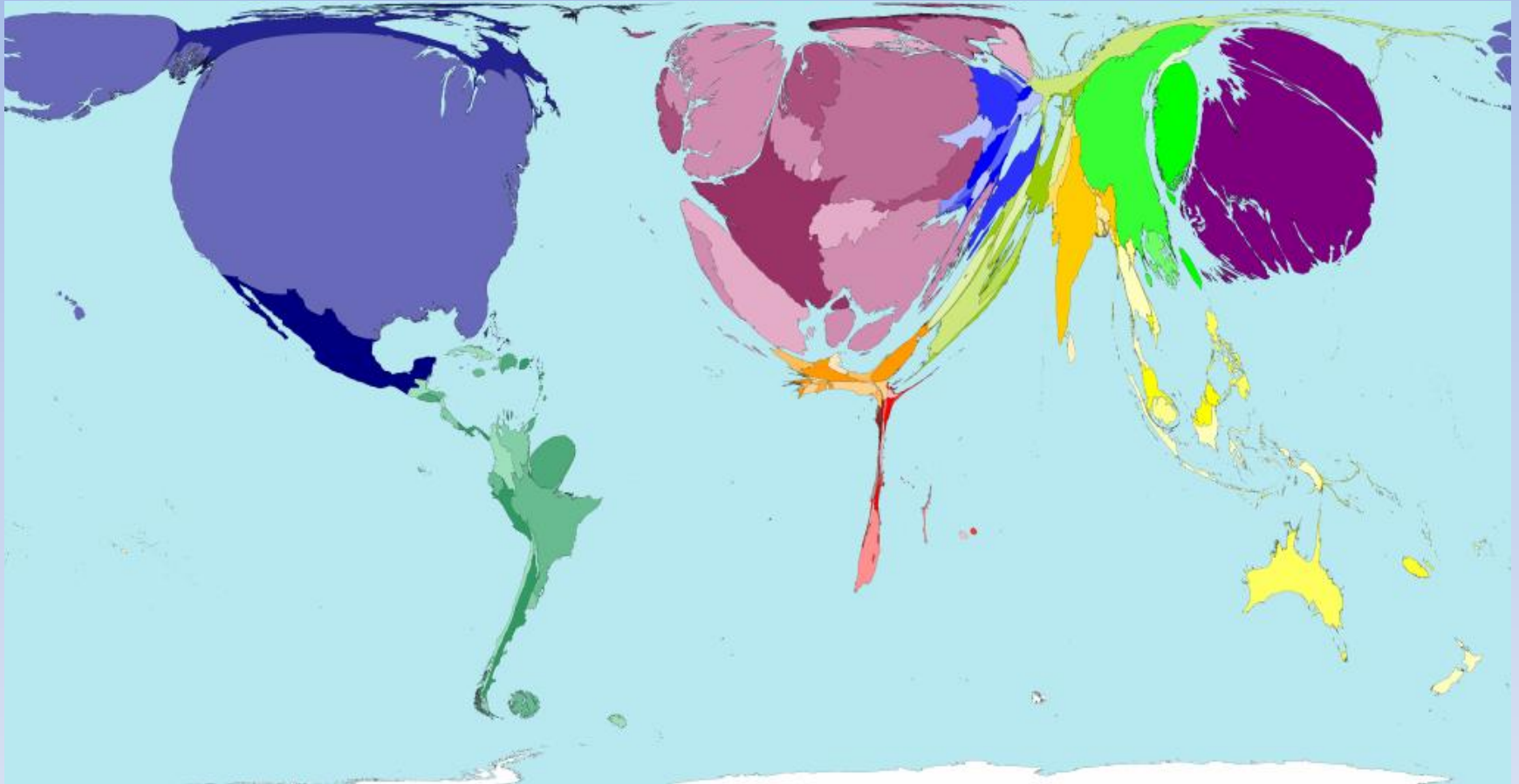
# THE BORDERS IN AFRICA, SOUTH AND CENTRAL ASIA HAVE REMAINED THICK.



# THE THICKNESS OF BORDERS CORRESPONDS TO TRADE INTENSITY.



# THE INTENSITY OF TRADE CORRESPONDS TO ECONOMIC SUCCESS OF COUNTRIES AND CONTINENTS.



# MONETARY TRANSPORT COSTS ARE THE MOST IMPORTANT TRADE IMPEDIMENT,...

- High responsiveness of trade to transport costs: a 10 per cent increase in transport costs leads to a 20 per cent reduction in trade volumes on average, leading to lower aggregate income of 2.5 %
- High transport costs reduce competitiveness in two ways:
  - Net domestic export prices are reduced
  - Gross imported input prices are higher



# AND TIME COSTS OF TRANSPORT INCREASINGLY DETERMINE TRADE FLOWS.

- On average a one day delay in transit reduces trade by more than one percent.
- A 10 days delay reduces national income by 1.25 % on average.



# THE LOGISTICS PERFORMANCE INDEX

Connecting  
to  
Compete

2012

Measures the overall  
trade logistics efficiency  
of 150+ countries

Trade Logistics in the  
Global Economy



The Logistics Performance Index and Its Indicators

Available MAY 16<sup>th</sup> 2012

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