

**UNCTAD XII Pre-Conference Event on
Globalization of port logistics: opportunities and challenges for developing countries**

**Opening statement by Mrs Anh-Nga Tran-Nguyen – Director, Division for Services
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Distinguished experts, ladies and gentlemen,

It gives me great pleasure to welcome all of you to this UNCTAD XII Pre Event on Globalization of port logistics: opportunities and challenges for developing countries.

This is a subject which is of utmost importance for countries engaged in international trade and we have today some of the best experts to discuss it. Growth in world trade has fuelled the growth in supporting services such as transport and logistics. World trade stand to benefit tremendously from the opportunities offered by the globalisation of port logistics. The international transportation of merchandise goods remains dominated by the maritime sector for its ability to offer the most economical mode of transportation over large distances. Ships can carry far greater capacity than any other means of transport and make use of a natural free way, the sea where the infrastructure is only required at both ends of the journey, at the port.

Ports are the gateways of the economies and for many developing countries an essential condition for them to participate in international trade. At the same time, international trade is nowadays dominated by containerised goods and the ships that carry these containers. For reasons of economies of scale, these ships have grown ever larger in size and this has led to additional problems for developing countries. Not all port operators are able to keep pace with the demands associated with these ever-wider and deeper vessels. For many developing countries wishing to enhance their competitive position in world markets, port infrastructure and operational investments become their main concerns.

Without adequate port development, it would be difficult to lower transport costs. High transports costs, in turn, will be translated in higher unit costs of merchandise and reduce the demand for traded goods. This vicious circle needs to be overcome and this is one question which I trust you will deliberate today in this meeting.

Another question facing Governments is how to finance port development projects through private investments and still retain control over their revenue generation and security.

The presence of experts representing many of the players in international trade, port communities and transport offers the unique opportunity for a fruitful exchange of views and experiences. The outcome of your deliberations will provide an input to the preparatory process for UNCTAD XII and I encourage you to share your views and proposals as to how to help developing countries in this area and to what extent UNCTAD can assist in this process.

I wish you every success in your deliberations.