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Country/Organization:  FZATA

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Agenda Item No:  9

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Excellencies,

Distinguished Delegates,

Ladies and Gentlemen,

I'm very honored to be given the floor in this prestigious meeting.

I'm invited here as President of FIATA, Federation of International Freight Forwarders Associations, the largest non-governmental organization in the field of transport, while I'm also Vice Chairman of China Merchants Group. Which has made many pioneering achievements in China since 1872, such as establishing the first industrial zone, the first joint-stock bank and insurance bank. And China Merchants now has three business platforms, transportation, finance, property development and management. I am also Chairman of the largest provider of integrated logistics in China, Sinotrans. China Merchants merged with Sinotrans last year, and is now very active in investing in ports and toll roads, operating Eurasia block trains, constructing industrial parks and other business in Asia, Africa, Europe and the Pacific.
FIATA just celebrated its 90th anniversary this year. For all these years, it is devoted to represent and protect the interest of the international freight forwarding industry. FIATA now has 106 Association Members and over 5500 Individual Members in 96 countries and regions around the globe, and represent the industry when the UN, WCO, ICC as well as many other international organizations consult public opinions on transport policies. FIATA's cooperation with UNESCAP is a long and successful one. Every summer, the Asia-Pacific Regional Meeting of FIATA is held together with UNESCAP Regional Forum for Logistics Services Providers. Through such a meeting mechanism, UNESCAP and forwarders are able to exchange information and ideas regularly.

Ladies and gentlemen,

Transport connectivity is an issue that we attach great importance to. It makes the foundation for a truly globalized, equally-developed future for the world. Yet, it's also too grand for any institute, including the governments, to accomplish alone. FIATA and China Merchants, on behalf of international organizations and
transport enterprises, are very willing to contribute for this process in the following three aspects.

The first one is policy-making. Now more and more governments will consult the private sector’s opinion before making any policy. Enterprises are ones that have most profound feeling on how policies affect our business every day and how it can be improved. For instance, Sinotrans operated several block trains, which take 10-18 days from China through Russia or Central Asia to Europe. To guarantee such efficiency is not very easy, we experienced difficulties such as lack of rail infrastructure, the difference in policies and standards, the lack of eastbound cargo, and coordination with all the customs, railway operators and other authorities of different countries. But we also feel the great efficiency if government authorities lead the coordination in customs procedures, rail standards and other transport policies. So when governments discuss measures to improve efficiency on rail transport, we are ready to contribute our experience.

After policies are made, international organizations can publicize them through membership as broad as
possible, and therefore assist the implementation through enhanced awareness among the industry. FIATA has E-flash published every two weeks to keep members informed of new policies around the globe.

The second aspect that the public and private sectors can cooperate on is the implementation of the transport policies and initiatives. This conference has emphasized for several times the importance of enhancing transport infrastructure, operational connectivity and capacity building. Each of these issues requires substantial amount of capital investment, operation experience and human resources, thus cooperation is the best solution.

For investment in new infrastructure, enterprises have our specialties. China Merchants has invested in 47 ports or terminals of 16 countries, including Sri Lanka, Australia, Turkey, Djibouti, etc. and is now exploring to combine the development of ports with industrial parks and urban real estates. Sinotrans constructs China-Europe logistics corridors mainly through block trains, and is now operating more than 10 train lines, and is planning to open more. With the ports, terminals, warehouses and industrial parks we invested in, our
ability to provide sea, air, rail, road and multimodal transport can be fully achieved, and transport connectivity is also enhanced in this process. Now, our logistics network have covered the main areas of Asia, Africa and Europe, and we hope to collaborate more with the governments on this field.

For the existed infrastructures, of course transport enterprises use them every day. So how to maximize their usage, to make sure the facilities play their expected role. This is the field that enterprises can contribute their expertise.

For software factors like capacity building and operational connectivity, industrial organizations like FIATA have their advantages. Vocational training has always been a key service of FIATA. Especially for the recent decade, FIATA is dedicated to provide “Training of Trainers” courses in the developing countries of Asia, Africa and South America, hoping to improve the average training capacity in the area. FIATA is also promoting digitalized trading documents in the industry, but things are moving slower than expected. Maybe it’s resulted by the lack of technology, capital or awareness.
So we hope to work with governmental organizations to solve this and push forward the process.

At last, evaluating the implementation of transport policies and initiatives is the third aspect for cooperation. Every year, FIATA and many of our members work with World Bank on Logistics Performance Index. It's a tool to help countries identify challenges and opportunities in logistics performance and how to improve it. This is one example of how the international organizations and enterprises can help the governments on knowing the status quo and in turn benefit future policy-making.

Ladies and gentlemen,

Transport connectivity is a grand vision. To achieve it, a 3-dimentional coordination and communication mechanism must be established.

The first dimension is coordination thorough the whole process of trade policies, its formulation, implementation, evaluation and then a new round of this process. The second one is seamless vertical exchange of information among governmental institutes, industrial organizations and enterprises. The third one, which I
didn’t mention much today but is equally important, is seamless horizontal coordination of policy, standards and procedures among different countries.

These three dimensions can make sure that transport policies fully consider the needs of all stakeholders as well as the need for unification among different countries, and be fully implemented to maximize its benefits. Right now, we have missing pieces, gaps and mismatches in the structure. But I believe that as long as all the parties involved make their contributions, the structure will be complete someday.

The conference will pass the action plan of governments for 2017-2021. This is a great start. FIATA, China Merchants and Sinotrans would like to cooperate more with you in the future, and work together for transport connectivity.

Thank you!