

LPI Team



International Federation
for Freight Forwarders
Associations



Turku School of
Economics and Business
Administration



Global Facilitation
Partnership for
Transportation and Trade



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Introducing the



1. Background

2. What is the LPI ?

3. LPI Survey

... an invitation for Partnership



Background

The World Bank is developing an **effective measure of trade facilitation** to allow policy makers and researchers to:

- benchmark a country's overall performance on several dimensions in trade logistics and
- assess the quality of a country's connections to the global market

The Project

- Will build upon the positive results demonstrated through pilot surveys that were carried out for the World Bank by TSEBA, Finland
- Is supported by the members of GFP with active support and participation of FIATA

The dataset

- Will be the product of a survey of operational staff in global forwarding and express carriers companies
- Is designed to assess their perception of trade logistics performance of the countries they are dealing with and in the country in which they operate
- Will be made available to policy makers, researchers, firms, stakeholders and international organizations (e.g. World Bank, IMF, WTO, WCO, UNCTAD) to further promote the agenda of trade facilitation

What is the LPI

A set of indicators that measure perceptions of the logistics environment of countries on several logistics dimensions (e.g. transport cost, infrastructure, customs...)

Data for the LPI

Collected perceptions



The LPI Survey Methodology



The survey uses an anonymous, web-based questionnaire which asks respondents to evaluate their country of residence, as well as eight countries they are dealing with, on several logistics dimensions:

- International transportation costs
- Domestic transportation costs
- Timeliness of shipments
- Trackability of shipments
- Transport and IT infrastructure
- Customs and other border procedures
- Logistics competence

The survey methodology proposed and piloted by TSEBA is designed to be both cost-effective and company friendly

The LPI Survey Next Steps

A **two-step approach** is followed in order to retrieve the desired information from the targeted pool of respondents

Partner Firms

- *International freight forwarding firms – the **target group** – possess valuable operational information*
- *Senior management identifies a focal person*
- *The focal person will mobilize operational personnel - **the respondents** (i.e. will send an invitation to take the survey)*



Respondents within the Firms

- ***Respondents** are the participating logistics professionals who deal with international shipments*

The LPI Survey Web Portal

LPI 2005 test

1 When clearing shipments in each of the countries listed below, please rate the efficiency of Customs and other border agencies?

	Very low	Low	Average	High	Very high
Brazil	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
United States	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Chile	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Germany	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mexico	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Taiwan	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Venezuela	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Czech Republic	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Continue

An example view of the respondent's interface in the LPI web-based questionnaire. The questions are designed to make answering quick and easy.

	Timeliness of shipments	Domestic freight costs	Customs procedures	Country rank
Belgium	6.17	4.83	6.17	1
UK	5.67	5.17	5.67	5
Japan	5.75	3.00	4.25	15
Canada	5.25	4.76	4.76	23
USA	5.15	4.38	5.15	26
Singapore	5.75	5.25	5.63	28
Colombia	3.88	4.38	3.00	59
Costa Rica	3.00	3.50	3.50	63
Kenya	2.75	3.00	3.00	70

Sample Results from 2003 pilot survey

Output

Dissemination Plans

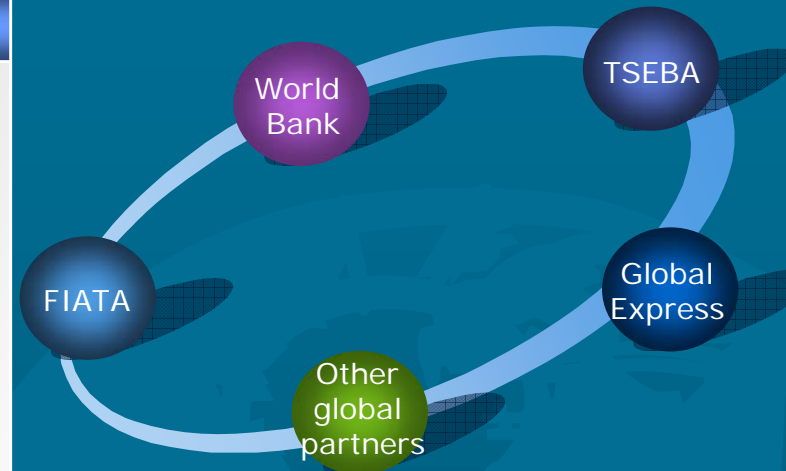
Partnerships

Anticipated Output

- Perception data covering relevant dimensions in trade logistics for 140 countries
- Based on the perception data, indices will be constructed

Dissemination

- Dataset made available through the World Bank Trade Logistics website as well as the websites of LPI partners including Global Facilitation Partnership for Transportation and Trade (GFP), International Federation for Freight Forwarders Associations (FIATA), Turku School of Economics and Business Administration (TSEBA).
- Comparative analysis with other global indicators and relevant datasets such as:
 - Corruption Perception Index
 - Human Development Index
 - Economic Freedom Index
 - Global Competitiveness Index
 - Doing Business database
- Research papers and other publications based on the findings from this survey
- Note prepared by TSEBA for each participant company summarizing the collective perception of the companies and comparing this perception against the average



The LPI concept is endorsed by experts who are partners in the Global Facilitation Partnership. The GFP will be instrumental in the promotion and dissemination strategy.

An Invitation for Partnership



Benefits of Partnership

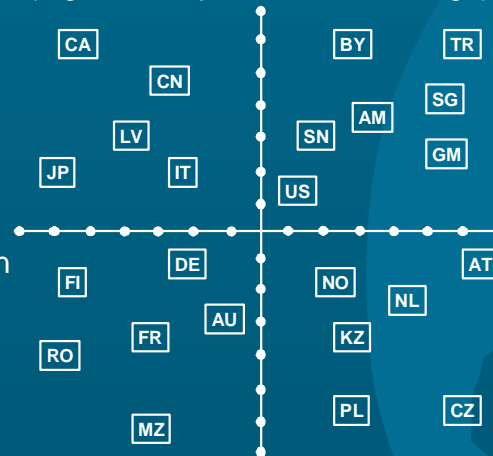
- Get access to comparative analysis of the logistics perceptions of your firm against the LPI results
- Receive free of charge a report on 30 countries of choice
- Have the opportunity to interact with the LPI team of experts
- Obtain the right to use the LPI logo for public relations

Commitment as a Partner

- Assign a global focal contact person in your firm who will assist in making practical arrangements for the LPI survey.
- To engage key personnel worldwide in answering the LPI survey. To allow maximum flexibility the survey is online at:
 - www.gfptt.org/lpi
 - www.worldbank.org/transport/prt_over.htmor:
 - www.tukkk.fi/markkinointi/log/LPI/LPI.htm

Professionalism in freight forwarding
(lower than perceived in average)

Overall Logistics Friendliness
(higher than perceived in average)



Professionalism in freight forwarding
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Example of firm-specific report. The position of the country symbol indicates whether the respondents in your firm evaluated these countries higher or lower than all survey respondents on average