

*ADB CAREC Workshop*

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# National Joint Committee (NJC)

The Public-Private Partnership for Development of Trade and Transport

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# Objectives

1. To identify and compliment good practices and observations on NJC efforts
2. To highlight some shortcomings and gaps for improvements
3. To emphasize key success factors in the formation and running of a NJC
4. To illustrate some lessons from Singapore's experience



# Contents

1. Common Observations
2. Strategic Issues
3. Case Study 1 : Singapore National Joint Committee

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# Common Observations



# Common Observations

<p><b>STRATEGY</b></p> <ul style="list-style-type: none"><li>• National Master-plan</li><li>• Action Plan Methodology</li></ul>	<p><b>STRUCTURE</b></p> <ul style="list-style-type: none"><li>• Leadership</li><li>• Two Tier Structure</li></ul>
<p><b>SYSTEMS</b></p> <ul style="list-style-type: none"><li>• Communication Channels</li><li>• Formalization of NJC</li></ul>	<p><b>STAFF</b></p> <ul style="list-style-type: none"><li>• Ministries</li><li>• Private Sector</li></ul>

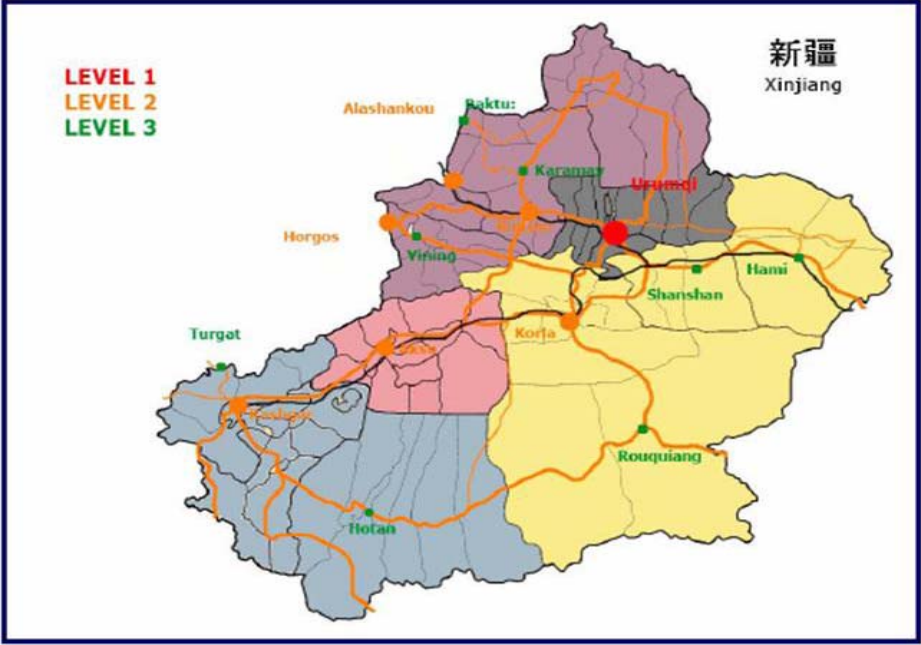


# National Master-Plan

## LOGISTICAL LOCATIONS PROPOSALS

The following is the summary of the logistics locations proposed for Xinjiang Uygur Autonomous Region:

- **Level 1:**
  - ✘ Urumqi
  
- **Level 2:**
  - ✘ Alataw
  - ✘ Horgos
  - ✘ Aksu
  - ✘ Kuitun
  - ✘ Korla
  - ✘ Kashgar
  
- **Level 3:**
  - ✘ Karamay
  - ✘ Yining
  - ✘ Shanshan
  - ✘ Hami
  - ✘ Rouquiang
  - ✘ Hotan
  - ✘ Baktu
  - ✘ Turgat

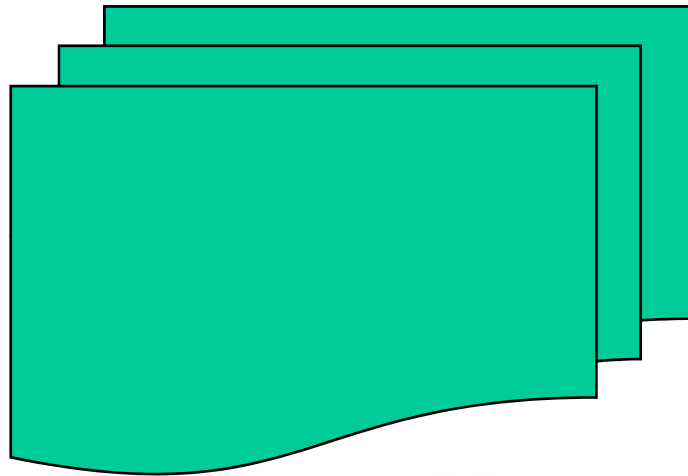


The national-master plan done by the NJC should always be location-driven! (See above, Good Example!)





# Action Plan Methodology



Some action plans produced by NJC are lists of recommendations. There is a lack of overall vision, enablers, priorities and time schedule. Importantly, it is also essential to identify ‘low hanging fruits’ so that committee can achieve momentum in tackling harder goals!

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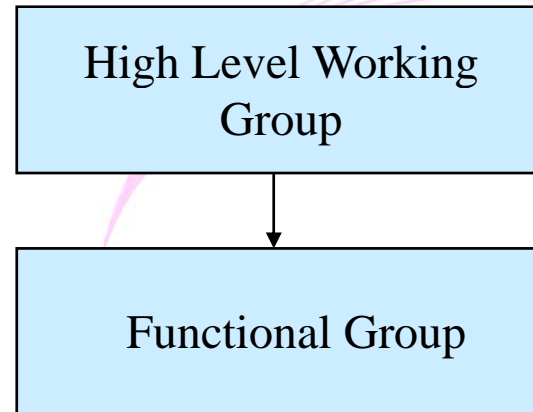


# Two Tier Structure



## Tajikistan NTTEFC

## Tajikistan



Chaired by Minister of Economic Development and Trade

Chaired by Deputy Minister of Economic Development and Trade

A NJC that involves too many people is likely to become ineffective. Create two tiers where key ministers make policies at the strategic level, and the second tier where heads of departments work on those policies/goals into actionable tasks.





# Leadership

Who should lead the NJC?

- Typically Ministry of Transport and Communications
- NGOs and donor organizations can facilitate, but should not be the driver of action plans.
- Senior leadership is **IMPORTANT!** A minister level representative should chair the meeting. If need to, the involvement of President will greatly expedite project schedule.



# Communication



The screenshot shows the official website of the Government of the Republic of Kazakhstan. The header includes the national flag, the coat of arms, and the text 'GOVERNMENT OF THE REPUBLIC OF KAZAKHSTAN' with the URL 'www.government.kz'. Below the header is a navigation bar with links for 'President of the Republic of Kazakhstan', 'Government of the Republic of Kazakhstan', 'Central Executive Power Bodies and Other Public Bodies', 'Local executive power bodies', and 'Akims (governors) of oblasts and the cities of Astana and Almaty'. The main content area displays the title 'Transport Strategy of the Republic of Kazakhstan' and provides a detailed overview of the strategy, including its goals, implementation stages, and expected outcomes. A sidebar on the left contains links to 'Documents', 'News', and 'Reviews'. A sidebar on the right contains 'Resources' and a 'Search' box with a search button labeled 'Искать' and 'Search Map'.

## Kazakhstan

Internet, CD, workshops, forums etc can all be used to communicate the outcomes of NJC to public!



# Formalization

Why do some NJC become ineffective?

- Like in business, there must be some formalization of entities (you can create a partnership, LLC, Pte Ltd) etc.
- For young NJC, it is **IMPORTANT** to document the objectives, plans and outcomes of meetings and discussions.
- These documents can be in the form of
  - Article of Association
  - Memorandum of Understanding
  - Project Schedule



# Key Ministries

Commonly, the following ministries are represented in NJC

- Ministry of Transport and Communications
- Ministry of Trade and Industry (Commerce)
- Customs Department / Administration / Services
- Ministry of Economic Development and Trade
- Ministry of Mining / Agriculture
- Ministry of Interior Affairs
- Executive Office of the President



# Other Ministries for Consideration

The following ministries / agencies may not directly relate to transport and logistics, but may be involved in selected projects

- Ministry of Health
- National I.T. Agency
- Ministry of Finance
- Ministry of Education
- Foreign Investment / Promotion Agency



# Private Sector

Commonly, the following organizations are represented in NJC

- National Chamber of Commerce and Industry
- Freight Forwarding Associations
- Road Carrier Associations
- Individual Private Operators







# Public-Private Representation



## Mongolia

Public Private Partnership Consultative Committee (PPPCC)

MONPRO (Trade Facilitation)

Transport and Trade Logistics  
Council (Feb 2006)

MONPRO has equal representation of private and public organizations.



# Strategic Issues



# Key Success Factors

**Vision** + **Skills** + **Incentive** + **Resources** + **Action Plan** = **Effective NTTFC**

**Skills** + **Incentive** + **Resources** + **Action Plan** = **Confusion**

**Vision** + **Incentive** + **Resources** + **Action Plan** = **Anxiety**

**Vision** + **Skills** + **Resources** + **Action Plan** = **Gradual Change**

**Vision** + **Skills** + **Incentive** + **Action Plan** = **Frustration**

**Vision** + **Skills** + **Incentive** + **Resources** = **False Starts**

# **Case Study 1**

## **Singapore National Joint Committee**

### **For Trade and Transport**







# Strengths and Weaknesses

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ Strong physical infrastructure.</li> <li>▪ Good connectivity to major trading hubs and manufacturing bases (by both air and sea).</li> <li>▪ Major shippers and logistics service providers have their regional headquarters and offices in Singapore.</li> <li>▪ Stable political, economic and social conditions</li> <li>▪ An educated workforce.</li> <li>▪ A strong legal system and business-friendly tax structure.</li> <li>▪ Government is pro-active in opening doors for businesses through bilateral and multilateral initiatives e.g. FTAs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Relatively high costs of operation (especially land rental and wages)</li> <li>▪ Small geographic space and domestic market.</li> <li>▪ Industry is fragmented and lacks scale, with very few global players with global aspirations.</li> <li>▪ Instances of lack of a logistics cluster / ecosystem.</li> <li>▪ Lack of responsiveness to customers' needs.</li> <li>▪ Shortage of skilled, experienced and entrepreneurial logistics professionals.</li> <li>▪ Inadequate technological capabilities to carry out a wide range of SCM</li> </ul>



# Opportunities and Threats

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>▪ Strong growth potential for logistics outsourcing in Asia (US\$80b<sup>2</sup> by 2012).</li> <li>▪ Specialised capabilities, dovetailing with other sector expansion plans (e.g. biomedics and chemicals).</li> <li>▪ Leverage on Singapore's good connectivity to the Asia Pacific region to provide total supply chain management services to shippers i.e. expand hinterland, especially to China (expected to have annual growth rate of 7.4%).</li> <li>▪ Tap on offshore trade conducted by Singapore-based trading companies, which is estimated at US\$120b.</li> <li>▪ Establish a reputation as a secure logistics hub.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Relocation of manufacturing and distribution bases to other regional hubs (e.g. China).</li> <li>▪ Other governments are aggressively improving their logistics infrastructure and marketing themselves as logistics hubs, giving rise to intense competition.</li> <li>▪ Technological advances such as the increase in size of ocean liners and jetliners may result in vessel / aircraft operators bypassing Singapore if the trade route becomes too 'thin'.</li> </ul>





# Logistics Masterplan

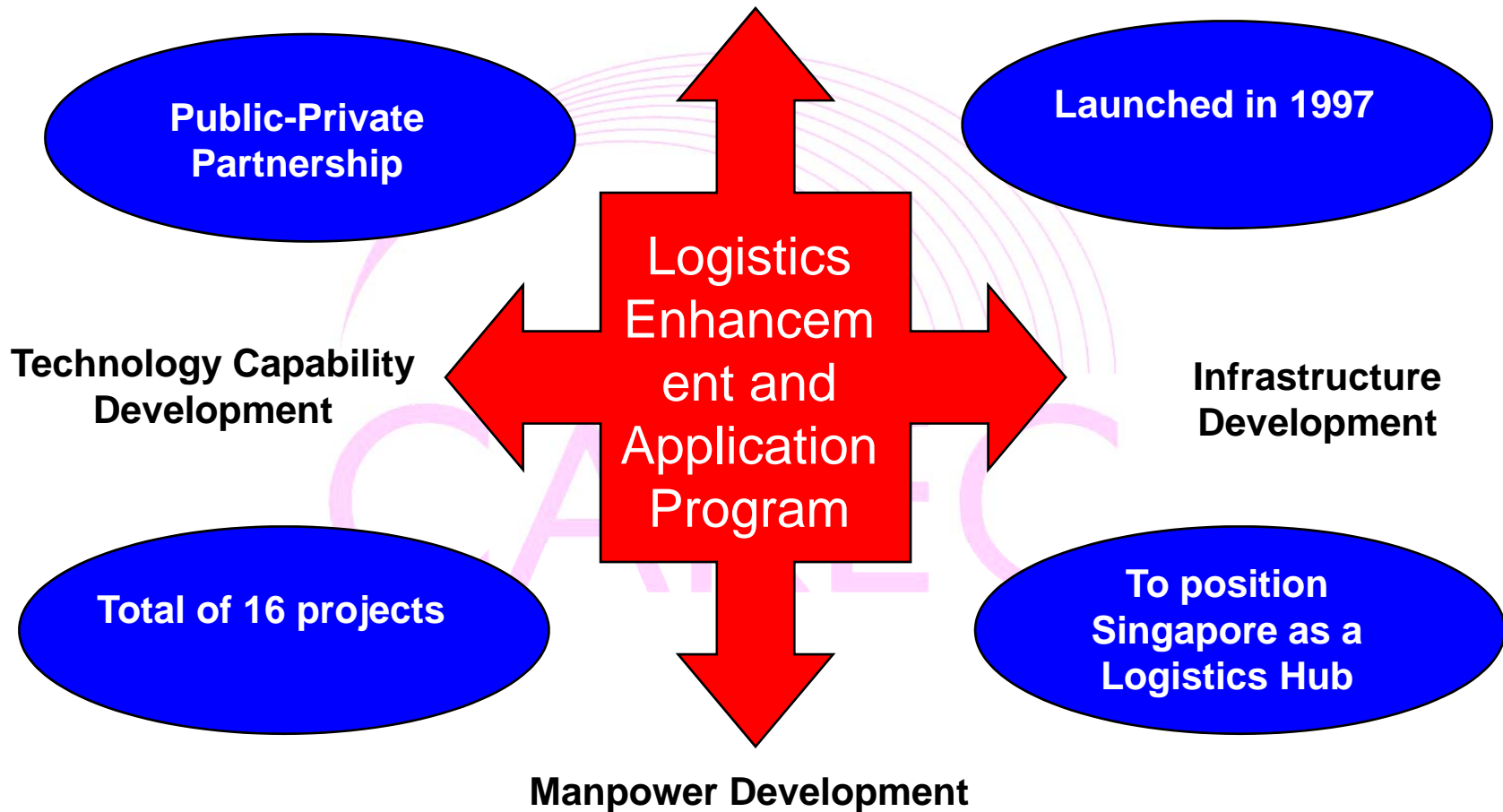
To develop Singapore into a leading global integrated logistics hub, with robust maritime, aviation, and land transport capabilities supporting the global economy.





# What is L.E.A.P.?

**Business Process Enhancement**



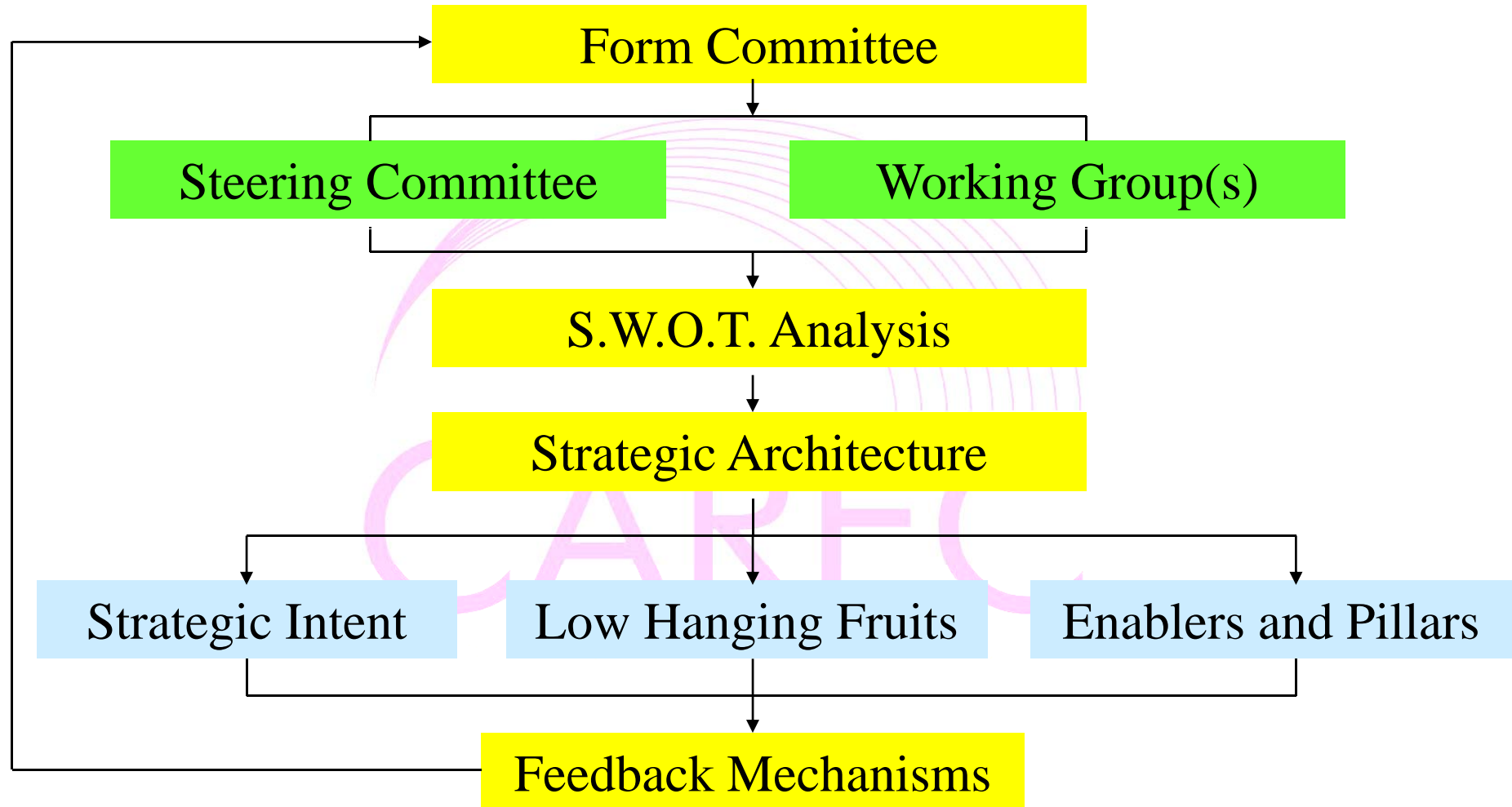


# Sample L.E.A.P. Projects

1. Benchmarking Study
2. Balanced Score Card
3. Logistics Manpower Conversion Program
4. I.T. Master Plan
5. R.F.I.D.
6. Multi-Storey Warehouse
7. Pallet Standardization
8. Electronic Container Seal
9. Online LogisNet
10. E-commerce
11. Certified Logistician
12. Airport Logistics Park
13. Annual Logistics Survey
14. Development of R.E.I.T.



# Learning Points for NJC





Many organizations and teams fail, simply because

- No leadership
- No follow up
- No goals
- No action
- No feedback
- No communication
- No incentives



**FAILURE**

WHEN YOUR BEST JUST ISN'T GOOD ENOUGH.

**SLOW DEATH SYNDROME!**





# HOW CAN YOU MAKE NJC A SUCCESS?







## Link to WTO

By aligning the objectives of the NJC to a national goal (e.g. WTO accession), it is likely to stay active!

## Aim Big, Start Small

E.g. SEW is a BIG project. Why not start quickly by financing the freight forwarders and borer posts with PCs first?

## Leader Involvement

Invite the top person, be it the President, the Minister, CEO to join the meetings, or at least officiate key events!

## Publicize

Communicate goals and progress to the public. This gives incentive for NJC to complete project on time.





# Parting Quote



*“The invention of airplane signals the beginning of man’s landing on the moon. This opened up all possibilities, and possibilities are what make dreams come true.”*

Anon

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