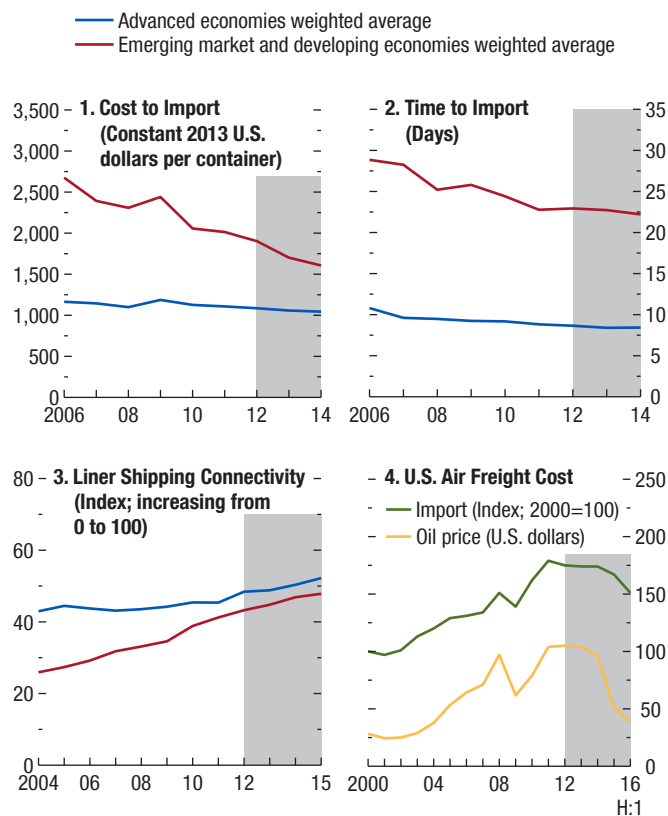


Figure 2.11. Logistics and Transportation Costs of Trade in Historical Perspective

Monetary and time costs associated with domestic transport and border and documentary compliance for importing goods have been continuously declining, particularly in emerging market and developing economies. Countries are increasingly more connected to global shipping networks. Air freight costs have also fallen during the trade slowdown period amid lower oil prices.



Sources: United Nations Conference on Trade and Development (UNCTAD); U.S. Bureau of Labor Statistics; World Bank, *Doing Business Indicators*; and IMF staff calculations.

Note: The cost and time indicators measure the cost (excluding tariffs) and time associated with three sets of procedures—documentary compliance, border compliance, and domestic transport—within the overall process of importing a shipment of goods across a balanced sample of 161 economies. The UNCTAD Liner Shipping Connectivity Index captures how well countries are connected to global shipping networks based on five components of the maritime transport sector: number of ships, their container-carrying capacity, maximum vessel size, number of services, and number of companies that deploy container ships in a country's ports.