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Author(s)	Heikki Väänänen	Student number	
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Supervisor(s)	Ph.D. Lauri Ojala and M.Sc. Pia Jämsä		

Abstract

The objective of this study is to examine various distribution channel related issues in twelve countries from the Middle East and Africa region. The study focuses on answering the following research questions: what is the logistical business environment in the selected countries, what are the import regulations in the selected countries for specified consumer electronics, what are the costs of delivering these same goods from Europe to the selected countries and how much air freight capacity is available from Europe to the selected countries.

The theoretical part is structured to give an overview of the factors affecting logistical business environments and of the distribution channels themselves. The logistical business environment overview is built around the concept of trade and transport facilitation (TTF) and various issues surrounding the field. On the contrary, the theory of distribution channels is examined by taking a closer look on different physical distribution channel structures and various factors that define them.

The empirical part provides answers to the research questions. From the logistical point of view, it seems that nearly all of the twelve countries have same problems that hinder distribution related operations. These problems arise from issues such as poor infrastructure, awkward regulatory environments, high costs of doing business and pervasive corruption on nearly all fields of live. The results also show, that in the case of the defined consumer electronics, six of the twelve countries restrict themselves only to collect quite common importation charges like duties, taxes and other fees, while the other six countries also deploy other requirements, like pre-shipment inspections, for the importation. These other requirements can in turn cause delays and uncertainties to the total delivery lead time.

Cost of delivering goods from Europe to the selected countries, referred to as total landed costs, show that the import barriers imposed by the country of import define into large extent to which country it is cheaper and to which more expensive to deliver goods. Some smaller differences relating to the export locations also emerge but they are due to differences in some cost items and in some contractually agreed minimum levels. There also seems to exist great differences in the amount of available air freight capacities from Europe to the selected countries. While some countries are being dominant in the air freight of the whole Middle East and Africa region, others seem to have clearly undersized and underdeveloped air freight capacities available from Europe.

Key words	Physical distribution, distribution channel, trade and transport facilitation, TTF, logistical business environment, import regulation, total landed cost, air freight
Further information	

