



REVIEW OF MARITIME TRANSPORT

2015

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The year 2015 is a milestone for sustainable development. The international community has a unique opportunity to strengthen its commitment to sustainable development and consider how best to mainstream sustainability principles across all economic activities and sectors, including maritime transport. In this context, relevant chapters of the present edition of the *Review of Maritime Transport* highlight some issues that are at the interface of maritime transport and sustainability and underscore the role of maritime transport in helping implement a workable international sustainable development agenda.

Seaborne Trade



SEABORNE TRADE



2.3%

World merchandise trade

grew 2.3%. This is down from 2.6% in 2013 and below the pre-crisis levels

3.4%

Global seaborne shipments

have increased 3.4%, at the same rate than in 2013

Additions to volumes exceeded 300 million tons taking the total to 9.84 billion tons



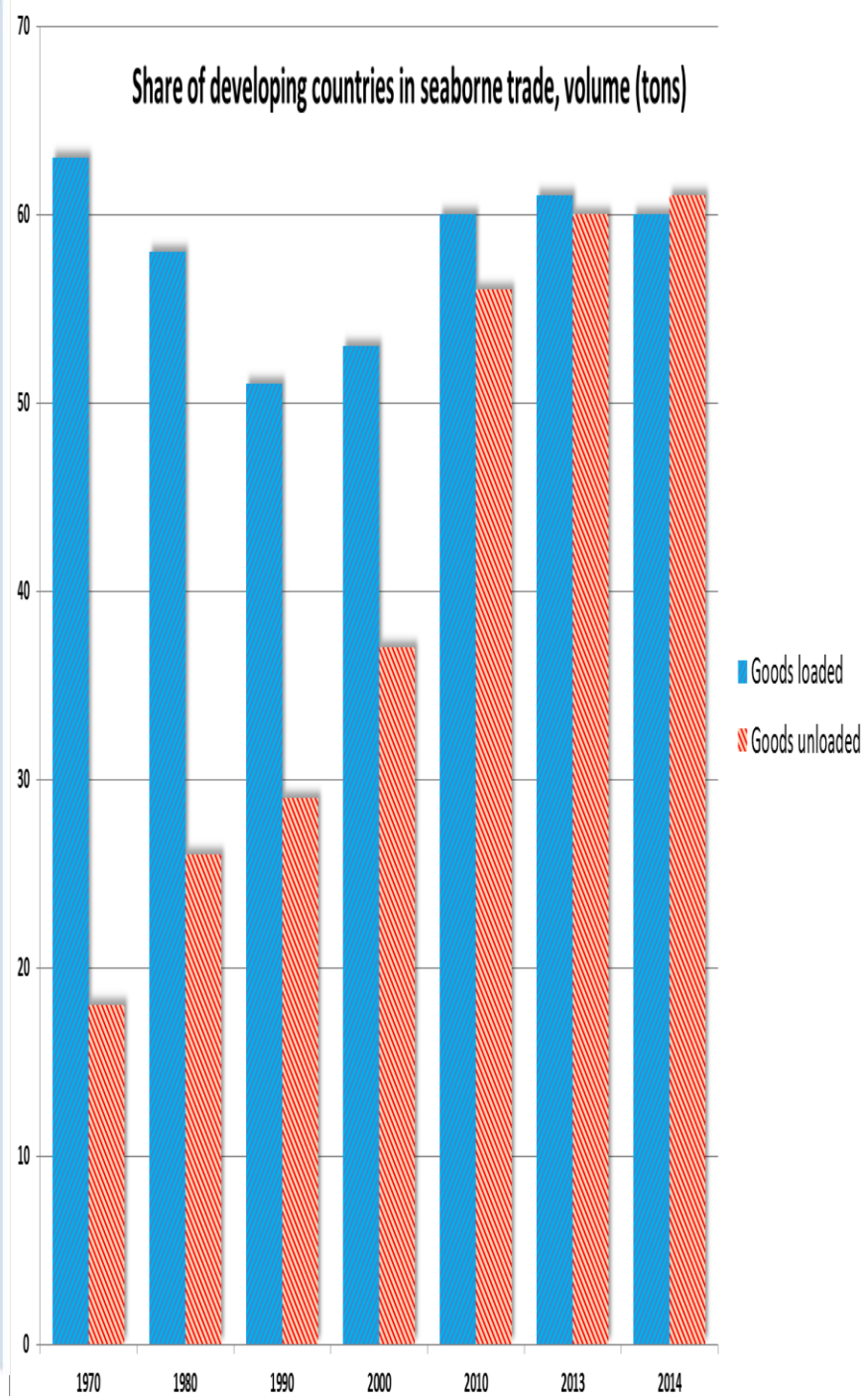
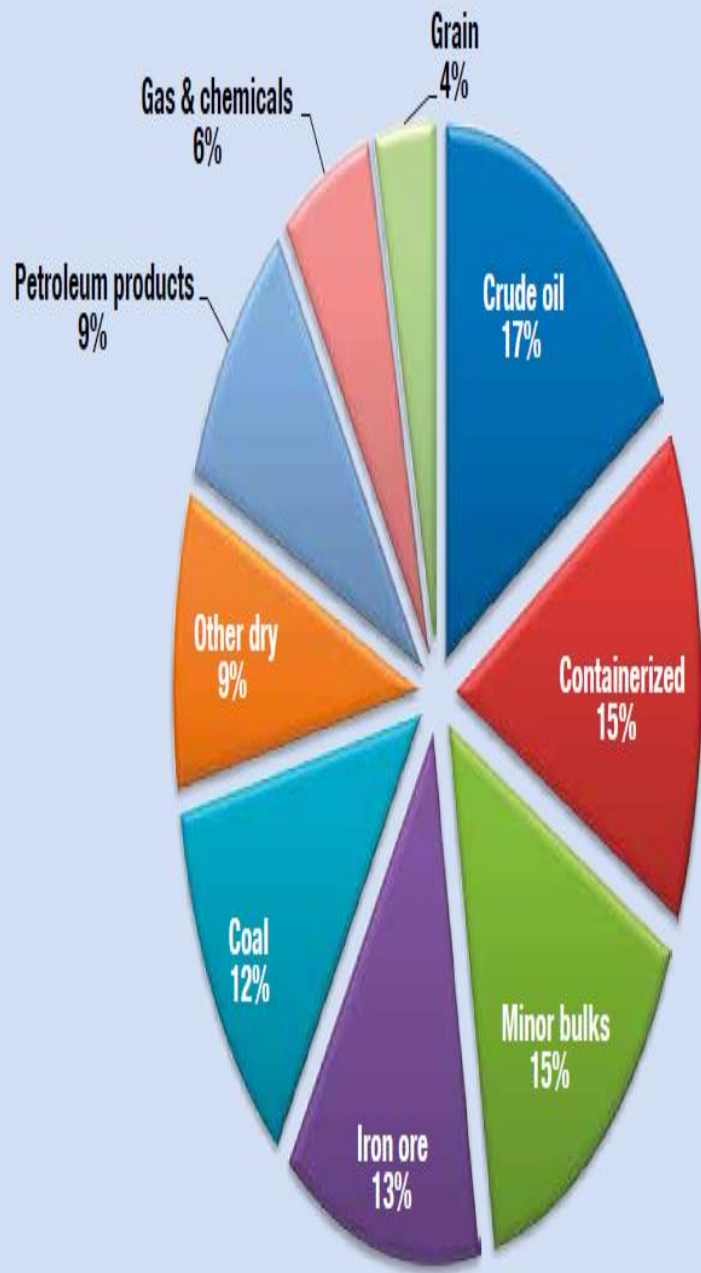
This performance unfolded in the context of a number of developments including:

- a slowdown in large emerging developing economies
- lower oil price levels and new refinery capacity developments
- a slow-moving and uneven recovery in the advanced economies

Developing countries share of global imports measured by volume of unloaded goods reach

61%

3.5 times more than in 1970



UNCTAD notes, for example...

- The long-term trade recovery depends on trends in GDP growth as well as on how the relationship between trade and GDP unfolds and whether relevant initiatives to further stimulate demand and trade are implemented. Such initiatives may include:
 - ✓ Stimulating demand for investment goods (for example, capital goods, transport and equipment) that are more import intensive
 - ✓ Reorganizing supply chains with a new scope for the division of international labour, including in South Asia, sub-Saharan Africa and South America
 - ✓ Increasing trade finance
 - ✓ Furthering the liberalization of trade and reducing protective measures.

Among others, UNCTAD recommends....



However, the transport infrastructure gap remains a significant challenge in many developing regions.



A well-articulated transport infrastructure vision and a long-term plan that also seeks to close the infrastructure gap in maritime transport should be pursued as matters of priority. Such efforts should be

G20 Trade Ministers Meeting is held in Istanbul, Turkey, Oct 6, 2015. G20 trade ministers on Tuesday agreed to pursue deeper and wider trade reforms to ensure trade growth as it grew less than the global economy for the first time in the last four decades. [Photo/Xinhua]

ISTANBUL - G20 trade ministers on Tuesday agreed to pursue deeper and wider reforms to ensure trade growth as it grew less than the global economy for the first time in the last four

The Fleet





THE FLEET



World fleet grew by **3.5%**

The lowest annual growth rate in over a decade

World commercial fleet

consisted of
vessels

89,464



1.75 Total tonnage of
billion dwt

The average age of the world fleet
increased slightly

Top 5 largest ship- owning countries



Greece



Japan



China



Germany



Singapore



Together, these countries
control more than half of the
world tonnage

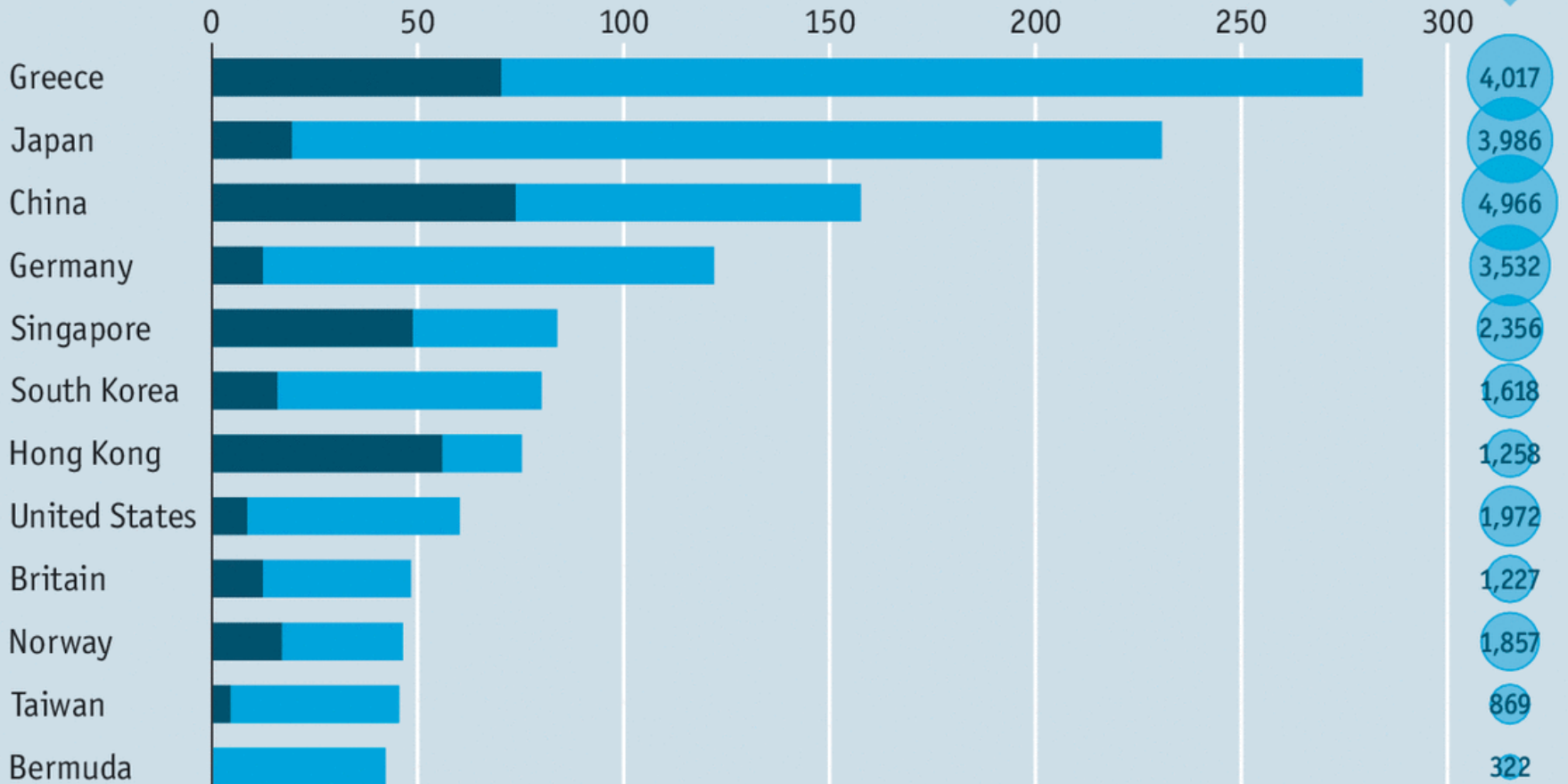
In *The Economist*

Merchant fleets

January 1st 2015, deadweight tonnes m

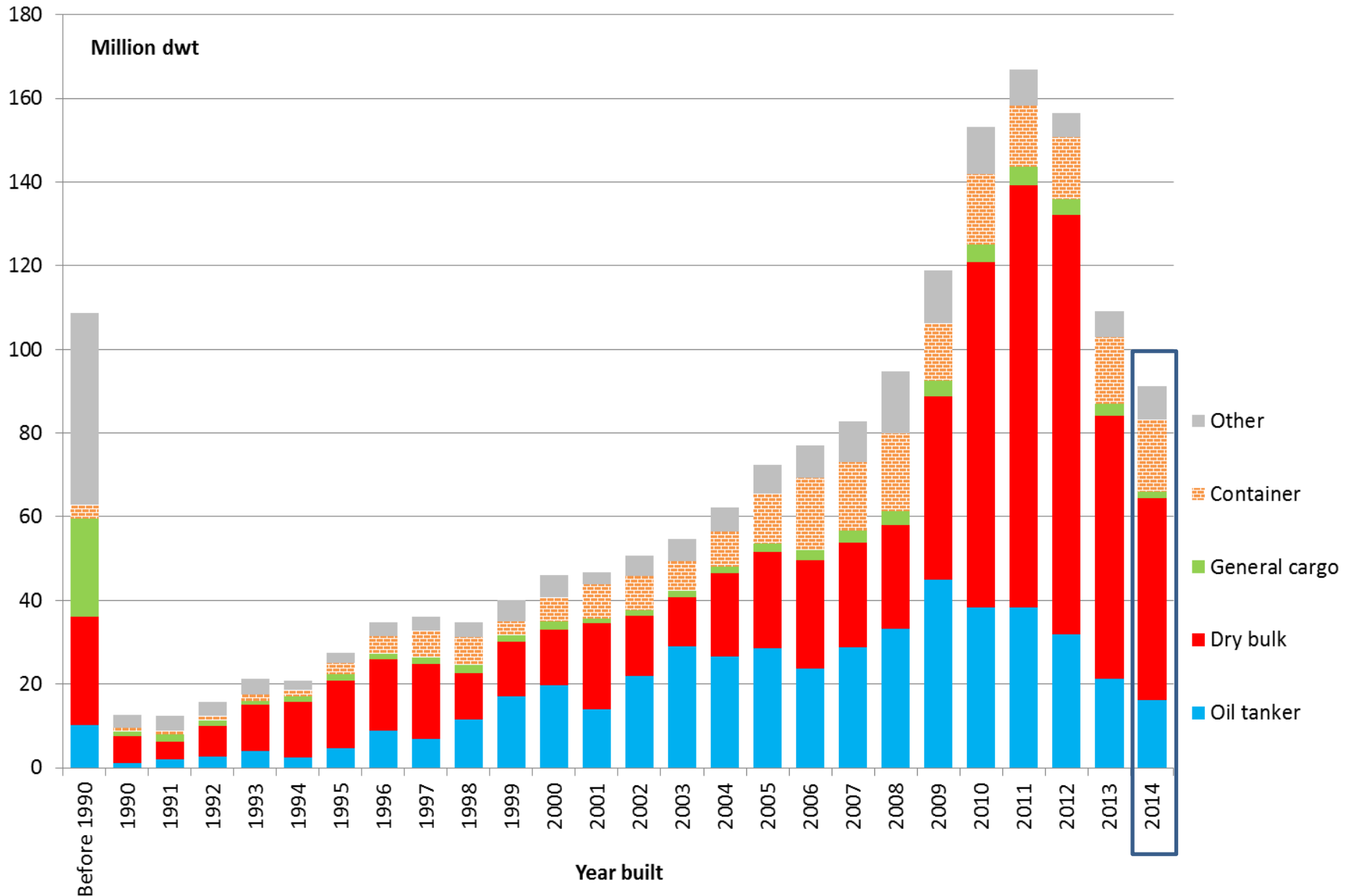
■ National flag

■ Foreign flag



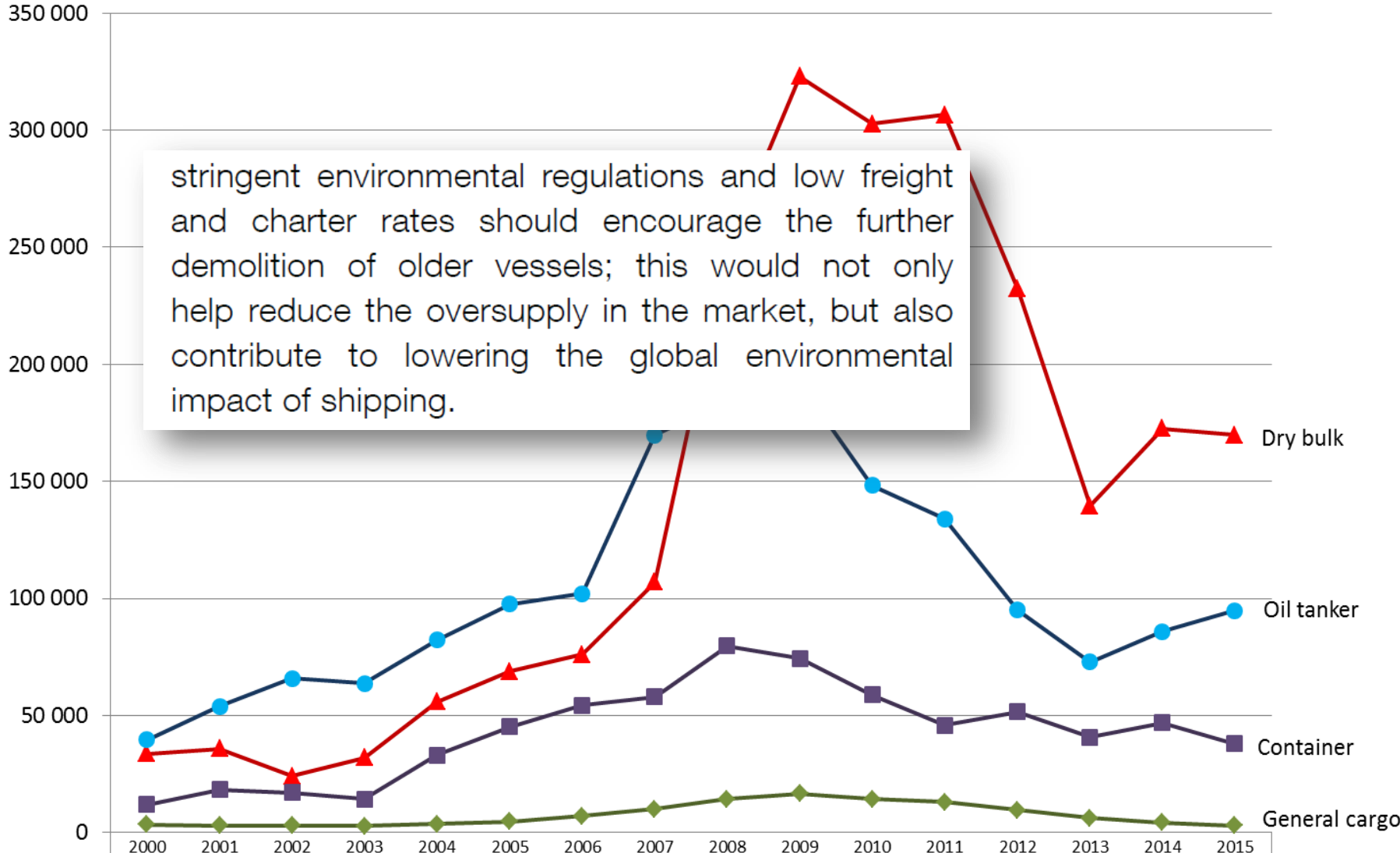
Source: UNCTAD

2015 fleet by year of construction



Orderbook

stringent environmental regulations and low freight and charter rates should encourage the further demolition of older vessels; this would not only help reduce the oversupply in the market, but also contribute to lowering the global environmental impact of shipping.



▲ Dry bulk	33 721	35 757	24 144	32 066	55 850	68 878	75 988	106 896	249 289	322 903	302 797	306 458	232 138	139 516	172 539	169 734
● Oil tanker	39 546	53 919	65 896	63 678	82 258	97 474	102 010	169 883	184 196	192 252	148 307	134 044	94 936	72 843	85 844	94 851
■ Container	11 922	18 348	17 121	14 225	33 004	45 241	54 351	57 938	79 665	74 408	58 821	45 860	51 614	40 685	46 795	37 977
◆ General cargo	3 325	3 053	2 984	2 881	3 587	4 638	7 139	10 070	14 389	16 657	14 315	13 051	9 526	6 172	4 226	3 058

Container ship deployment



As ships get bigger and companies aim at achieving economies of scale, there remain fewer companies in individual markets.

Between
2004 &
2015



the container carrying capacity per provider per country tripled

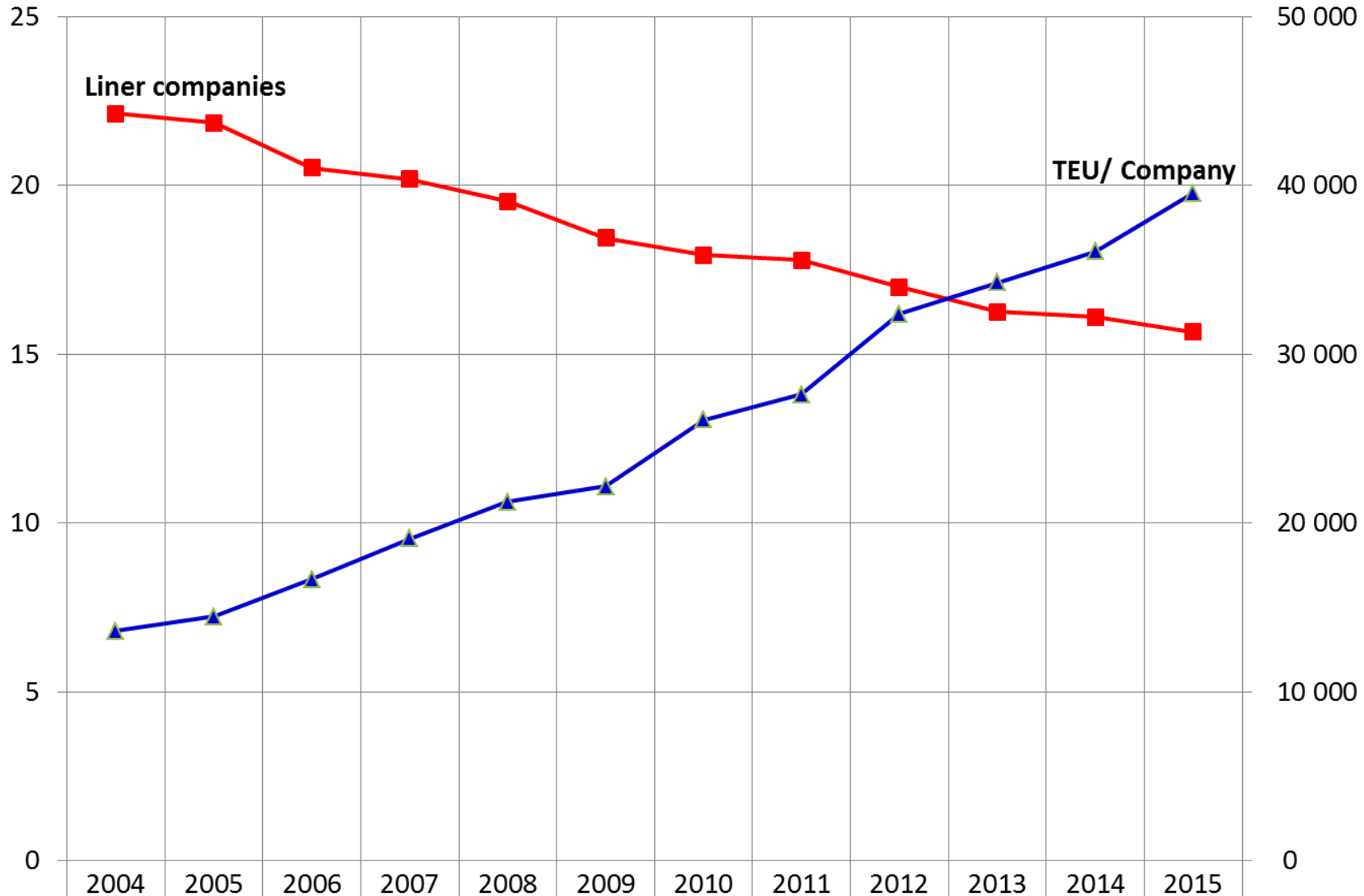
X3



the average number of companies that provides services from/ to each country's ports decreased by 29 %



Concentration in container shipping



Liner companies	22.1	21.8	20.5	20.2	19.5	18.4	17.9	17.8	17.0	16.3	16.1	15.7
TEU/ Company	13 625	14 471	16 675	19 080	21 246	22 182	26 111	27 628	32 387	34 261	36 072	39 530

Freight costs



FREIGHT COSTS



Developing countries pay

40 to 70% more

for the international transport of their imports than developed countries.



Container and tanker freight rates remained volatile throughout 2014

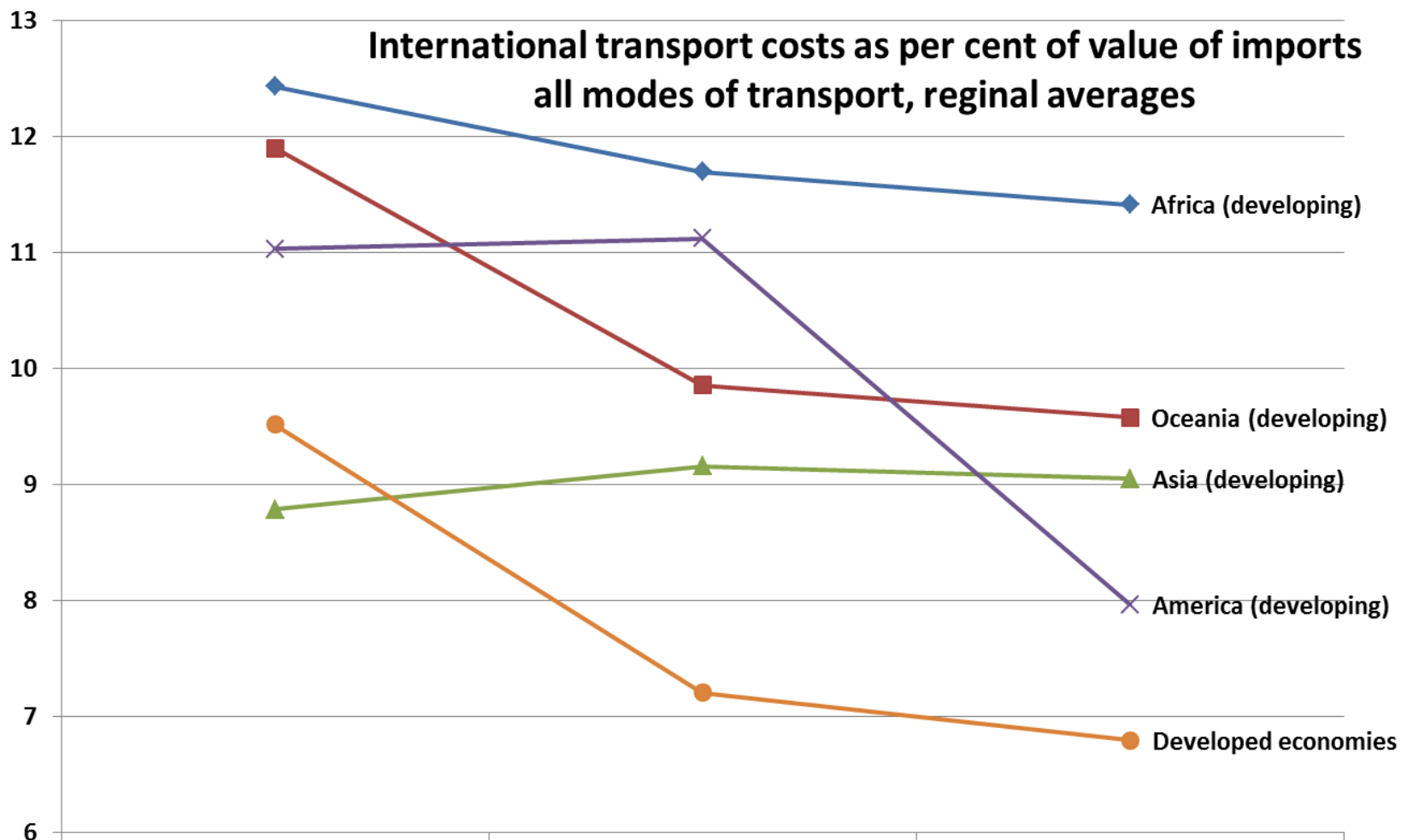


The dry bulk market freight rates faced another challenging year influenced by the surplus capacity that still exists and the uncertainties in demand projections.



Bulk carrier earnings fell 5% from 2013 to reach an average of \$9,881/day

How much do countries pay for the transport of their imports?



	1985-1994	1995-2004	2005-2014
Africa (developing)	12.4	11.7	11.4
Oceania (developing)	11.9	9.9	9.6
Asia (developing)	8.8	9.2	9.0
America (developing)	11.0	11.1	8.0
Developed economies	9.5	7.2	6.8

And the decline in freight costs continues...

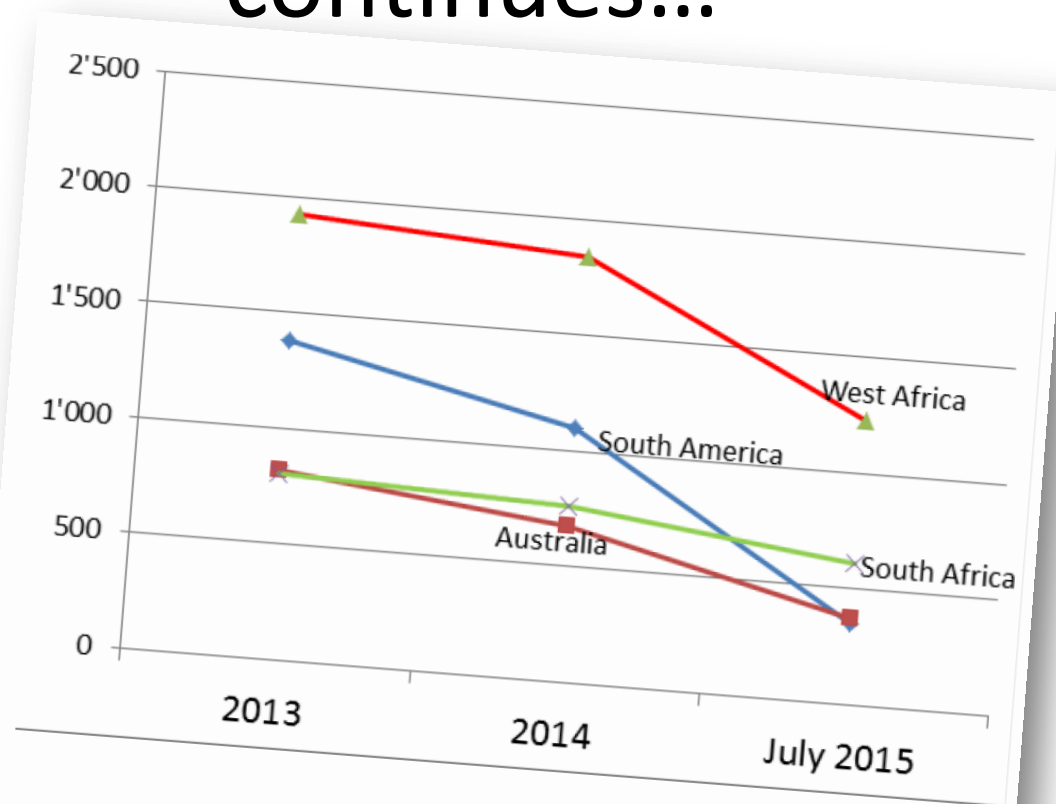


Figure 1: Freight rates from China to Southern markets, US\$ per TEU

UNCTAD recommends...

In conclusion, the analysis of UNCTAD data on transport costs suggests that developing countries, especially in Africa and Oceania, pay more for the international transport of their imports than developed countries. The main reasons for this situation are to be found in these regions' trade imbalances, pending port and trade facilitation reforms, as well as lower trade volumes and shipping connectivity. There is potential for policymakers to partly remedy the situation through investments and reforms, especially in the regions' seaports, transit systems and customs administrations.

Ports





PORTS

Developing economies' share of world container port throughput increased to

71.9%

This continues the trend for a gradual rise in developing countries' share of world container throughput.



DID YOU KNOW?

The world largest terminal operator handled **65.4 million TEU** in 2014 an increase of **5.5%** over the previous year.

ECONOMIC, ENVIRONMENTAL AND SOCIAL CHALLENGES FACING PORTS

Growing and concentrated traffic volumes brought about by ever increasing ships size

The cost of adaptation of port and port hinterland infrastructure measures

A changing market place as a result of increased alliances between shipping lines

National budget constraints limiting the possibilities of public funding for transport infrastructure

Volatility in energy prices, the new energy landscape and the transition to alternative fuels

Entry into force of the stricter sulphur limits in (e.g. IMO Emission Control Area countries)

An increasing societal and environmental pressure

Potential changes in shipping routes from new or enlarged or new international passage ways

Legal and regulatory framework



LEGAL AND REGULATORY FRAMEWORK



Adoption of the International Code for Ships Operating in Polar Waters (Polar Code), expected to enter into force on 1 January 2017



To further strengthen the legal framework relating to ship-source air pollution and the reduction of GHG emissions from international shipping, several regulatory measures were adopted at the IMO, and the third IMO GHG Study 2014 was finalized



Guidelines for the development of the Inventory of Hazardous Materials required under the 2010 HNS Convention - which, however, is not yet in force - were adopted, and further progress was made on technical matters related to ballast water management, ship recycling, and measures to help prevent and combat ship-source pollution from oil and other harmful substances



Issuance of a new version of the WCO SAFE Framework

<http://unctad.org/RMT>

<http://stats.unctad.org/maritime>

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