Indiana University Bloomington

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
UNCTAD

UNCTAD:
Review of Maritime Transport 2023

Jan Hoffmann
Head, Trade Logistics Branch
Jan.Hoffmann@UNCTAD.org -

14 October 2023

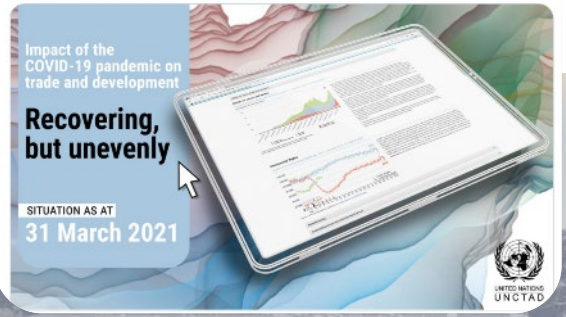
WTO
@wto

Welcome to the WTO!
WTO Director-General @NOIweala announced her four Deputy Directors-General.
More about these appointments here:
wto.org/english/news_e...

UNCTAD
@UNCTAD

To #BuildBackBetter, the world needs updated information on how #COVID19 is impacting our economies, societies and environment.

@UNCTAD's new portal provides data and analysis for over 25 indicators. bit.ly/3uv0rFq



International Labour Organization @ilo · 24 Sep 2020

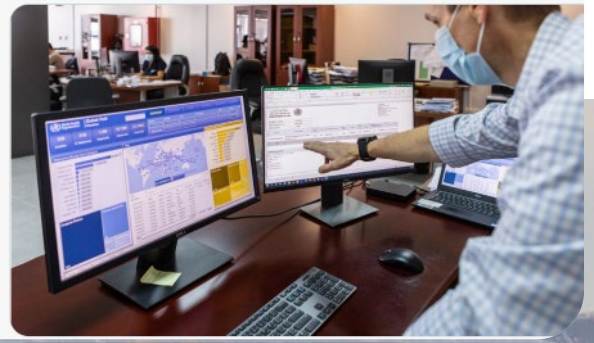
Nearly 400,000 seafarers continue to be stranded at sea as a result of the current #COVID19 pandemic. Their human rights are in need of our urgent action.

World Health Organization (WHO) @WHO · 3h

#COVID19 has highlighted the urgency for countries to cooperate & better prepare for future pandemics.

The NEW WHO Hub for Pandemic & Epidemic Intelligence will be a global center using data to detect & monitor risks worldwide.

bit.ly/3b3d0QR



“Hoffmann Shipping”:

- ✓ Owner: German
- ✓ Flag: Antigua and Barbuda
- ✓ Freight agent: Netherlands
- ✓ Seafarers: Poland
- ✓ Crewing agent: Cyprus
- ✓ Cargo: Turkey
- ✓ to Canada
- ✓ Fuel: Spain
- ✓ Insurance: United Kingdom
- ✓ Shipyard: Portugal
- ✓ Captains’ favourite drink: Ireland

UNCTAD

Think:
Research and Analysis

Debate:
Consensus building

Deliver:
Technical assistance

UNCTAD TRADE LOGISTICS

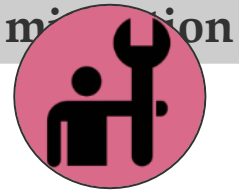
Research	Consensus Building	Technical Assistance and Capacity Building
Review of Maritime Transport Liner Shipping Connectivity Index Statistics Data sets on transport costs Country Profiles		

UNCTAD TRADE LOGISTICS

Research	Consensus Building	Technical Assistance and Capacity Building
Review of Maritime Transport Liner Shipping Connectivity Index Statistics Data sets on transport costs Country Profiles	**Commissions and UNCTAD Expert Meetings** **Regional collaboration e.g. AfCFTA, RECs** **Support to processes at WTO or IMO**	

UNCTAD TRADE LOGISTICS

Research	Consensus Building	Technical Assistance and Capacity Building
Review of Maritime Transport Liner Shipping Connectivity Index Statistics Data sets on transport costs Country Profiles	Commissions and UNCTAD Expert Meetings Regional collaboration e.g. AfCFTA, RECs Support to processes at WTO or IMO	**Projects on building capacities of developing countries to shift towards sustainable freight transport.** **Programmes on trade facilitation, port reforms, Customs automation, climate change adaptation – to help mitigate the impact of climate change mi[illegible]tion**



Presentation of the

REVIEW OF MARITIME TRANSPORT 2023

Towards a green and just transition

UNITED NATIONS
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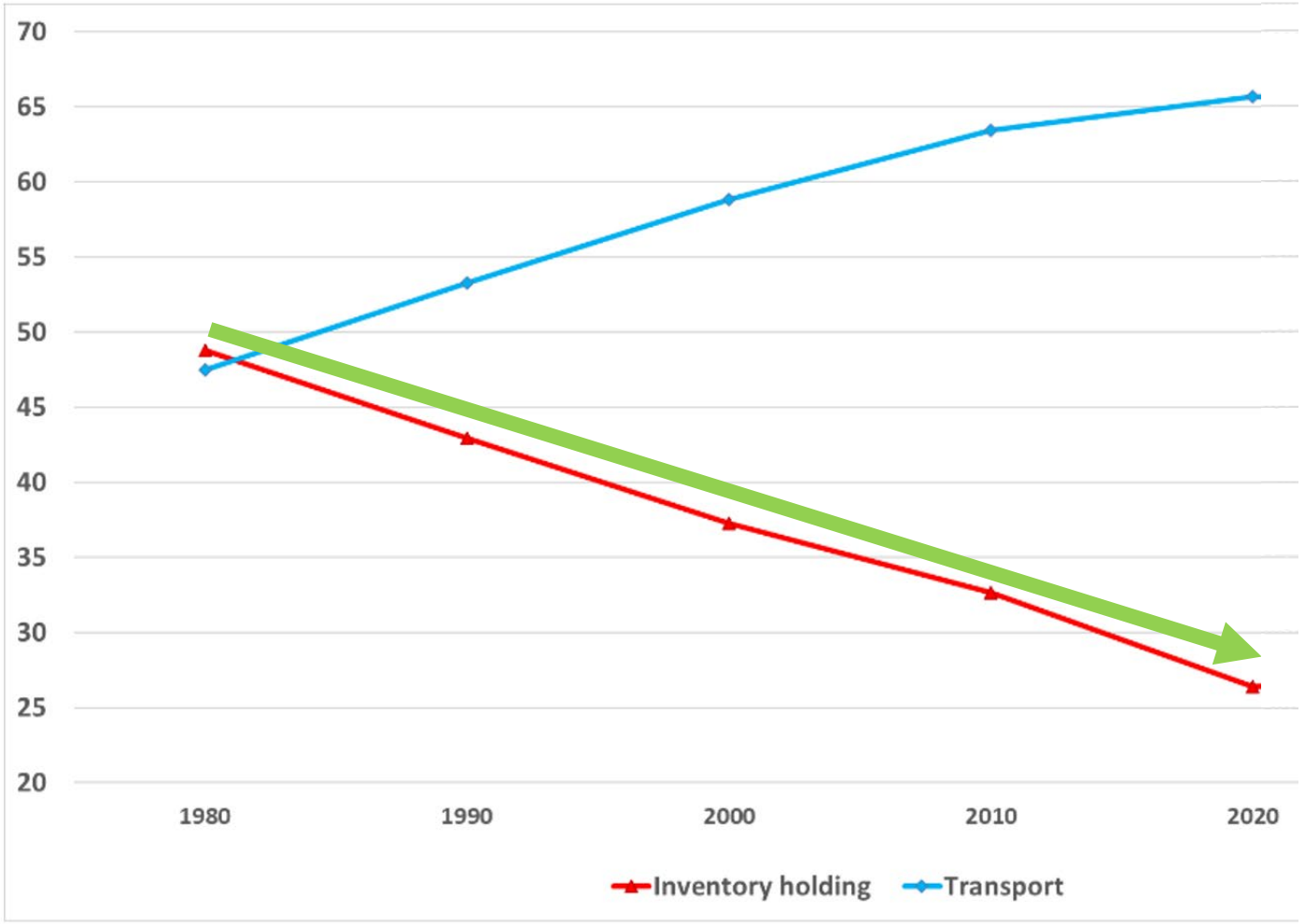
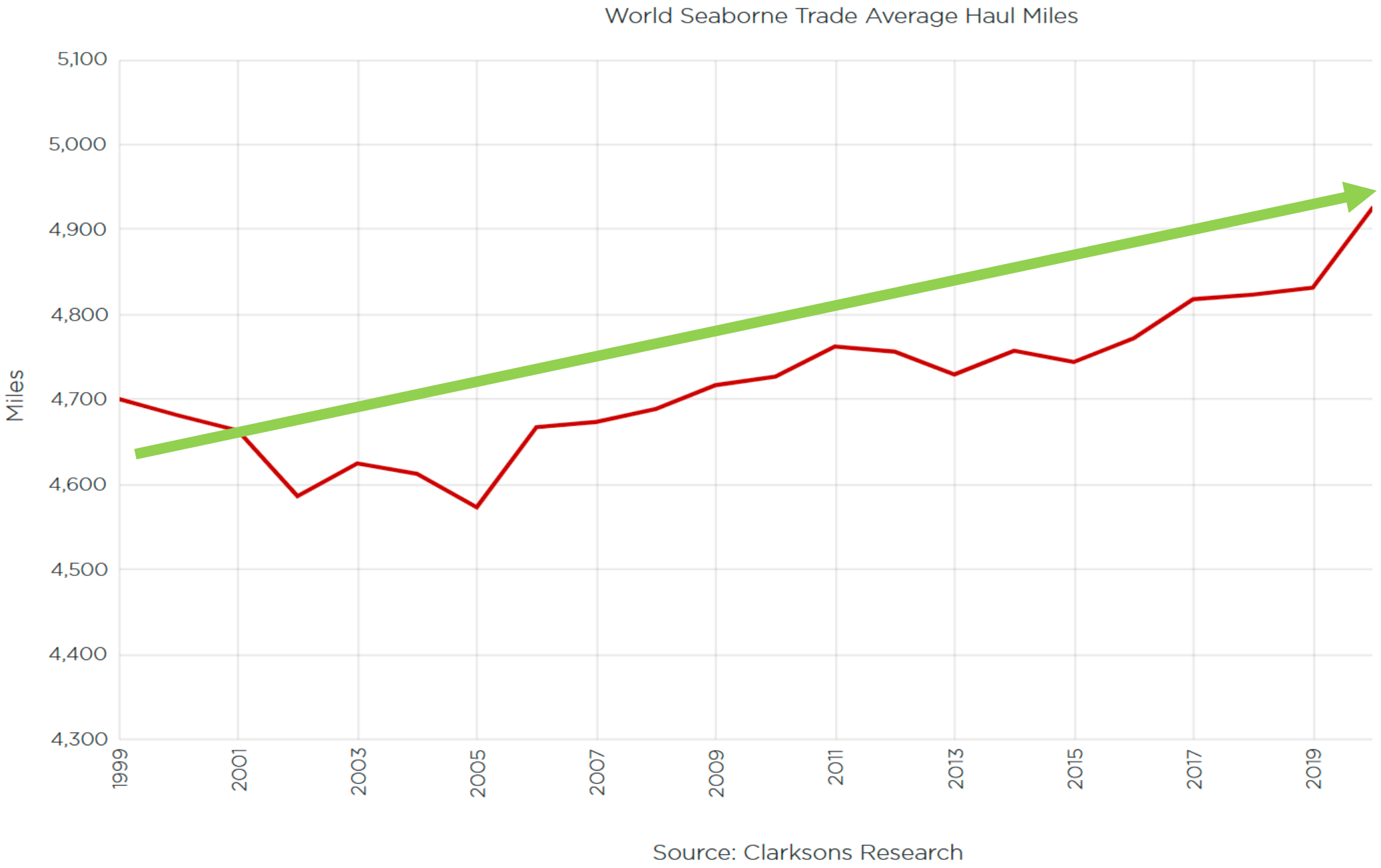
THE STORY SO FAR

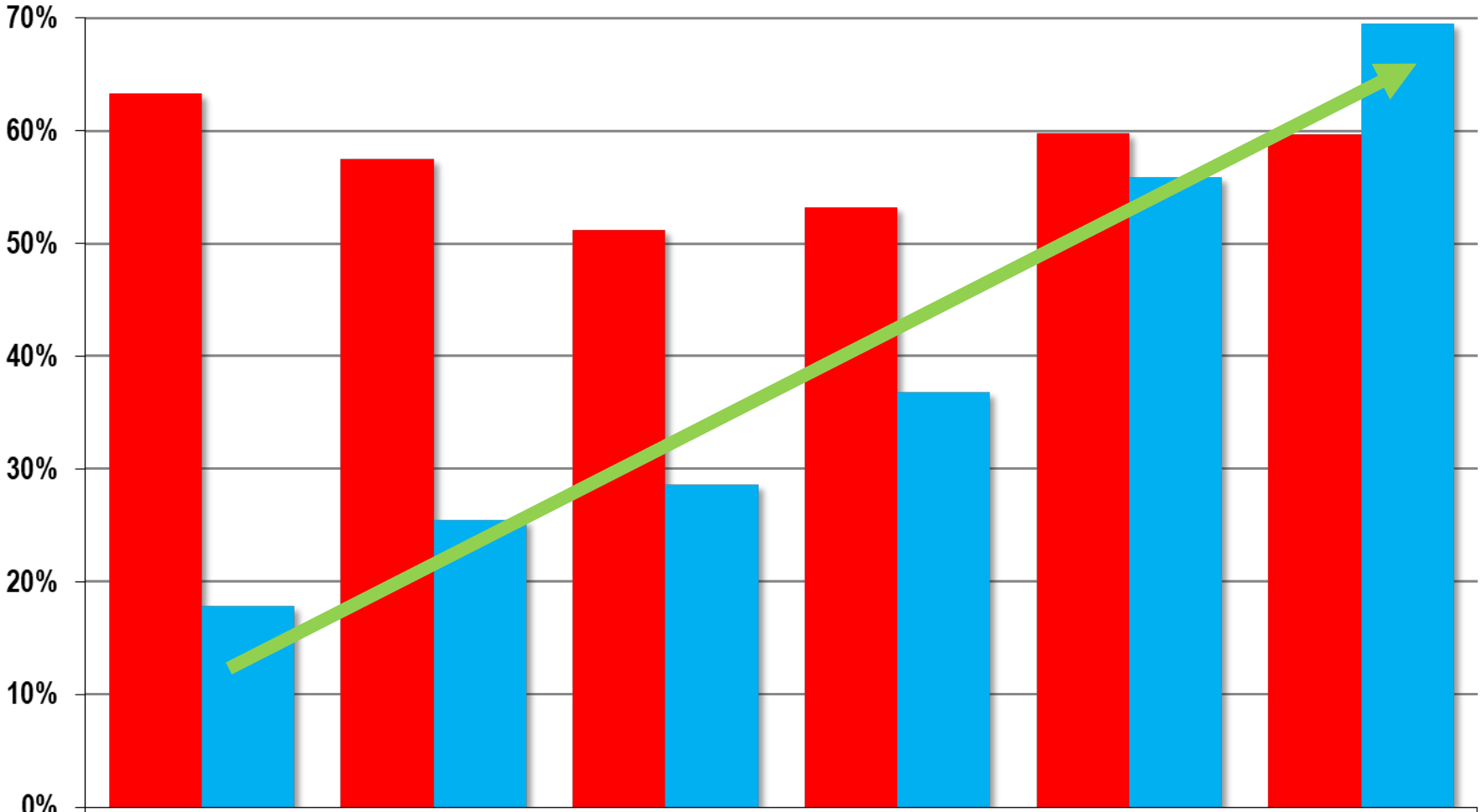
Share (per cent) of transport and inventory holding expenditure within total logistics expenditure, United States



Source: UNCTAD, based on data from CSCMP Annual State of Logistics Report.
Presented in Issues Note on Geography of Trade, TDB


World Seaborne Trade Average Haul Miles
5,100
5,000
4,900
4,800
4,700
4,600
4,500
4,400
4,300
Miles
1999
2001
2003
2005
2007
2009
2011
2013
2015
2017
2019
Source: Clarksons Research

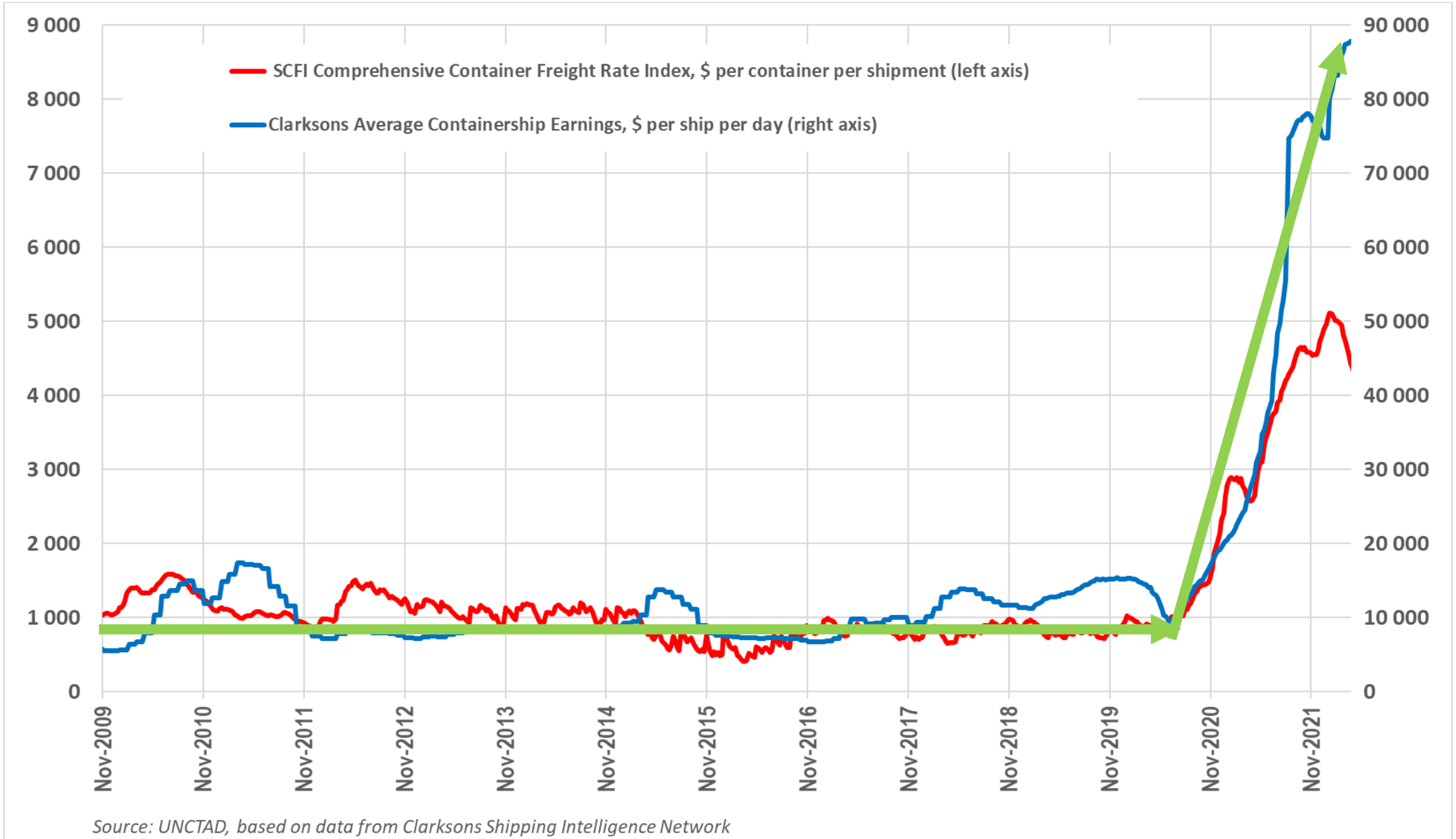
Seaborne trade: share of developing countries



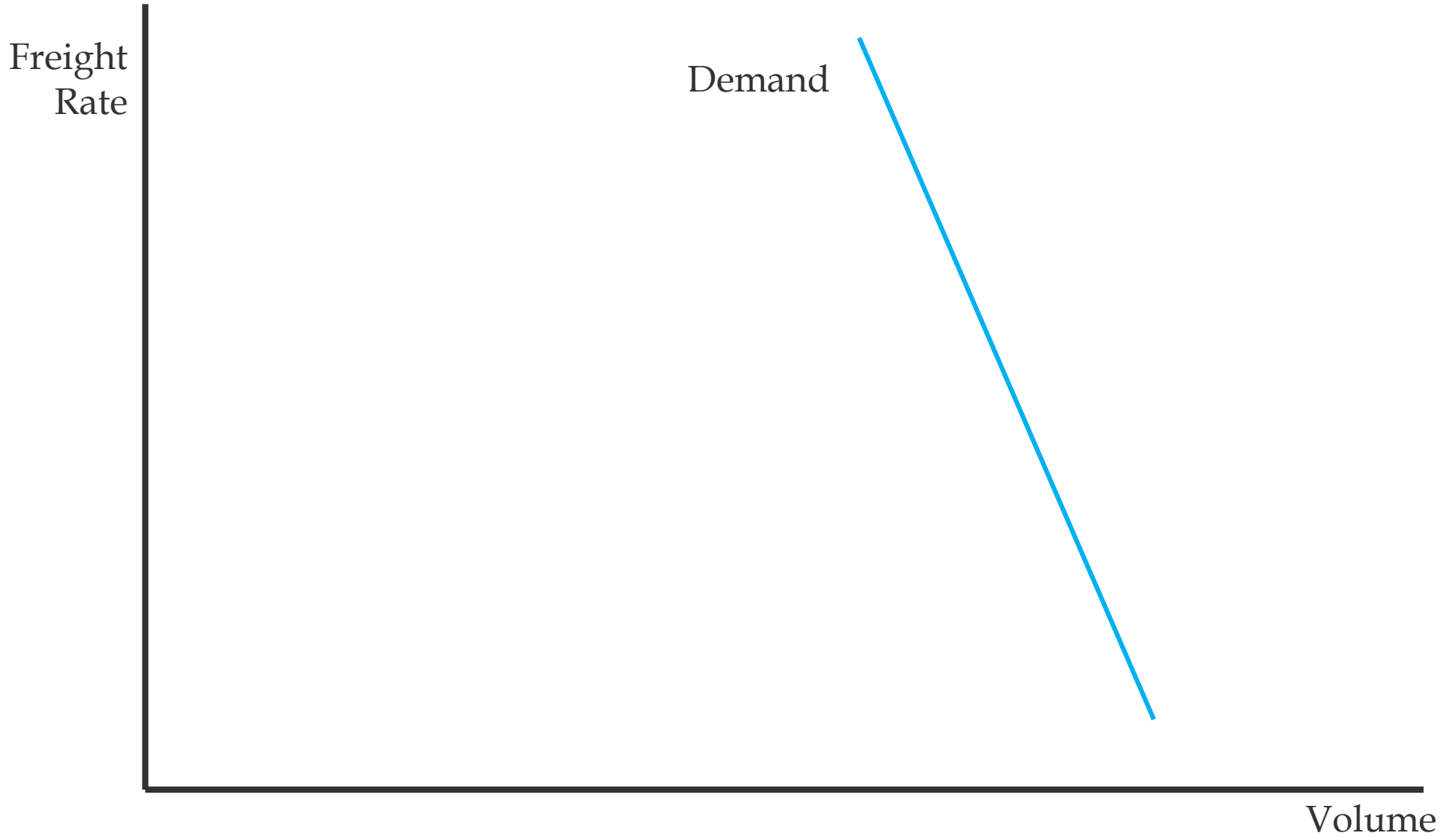
	1970	1980	1990	2000	2010	2020
Loaded	63%	58%	51%	53%	60%	60%
Unloaded	18%	26%	29%	37%	56%	70%

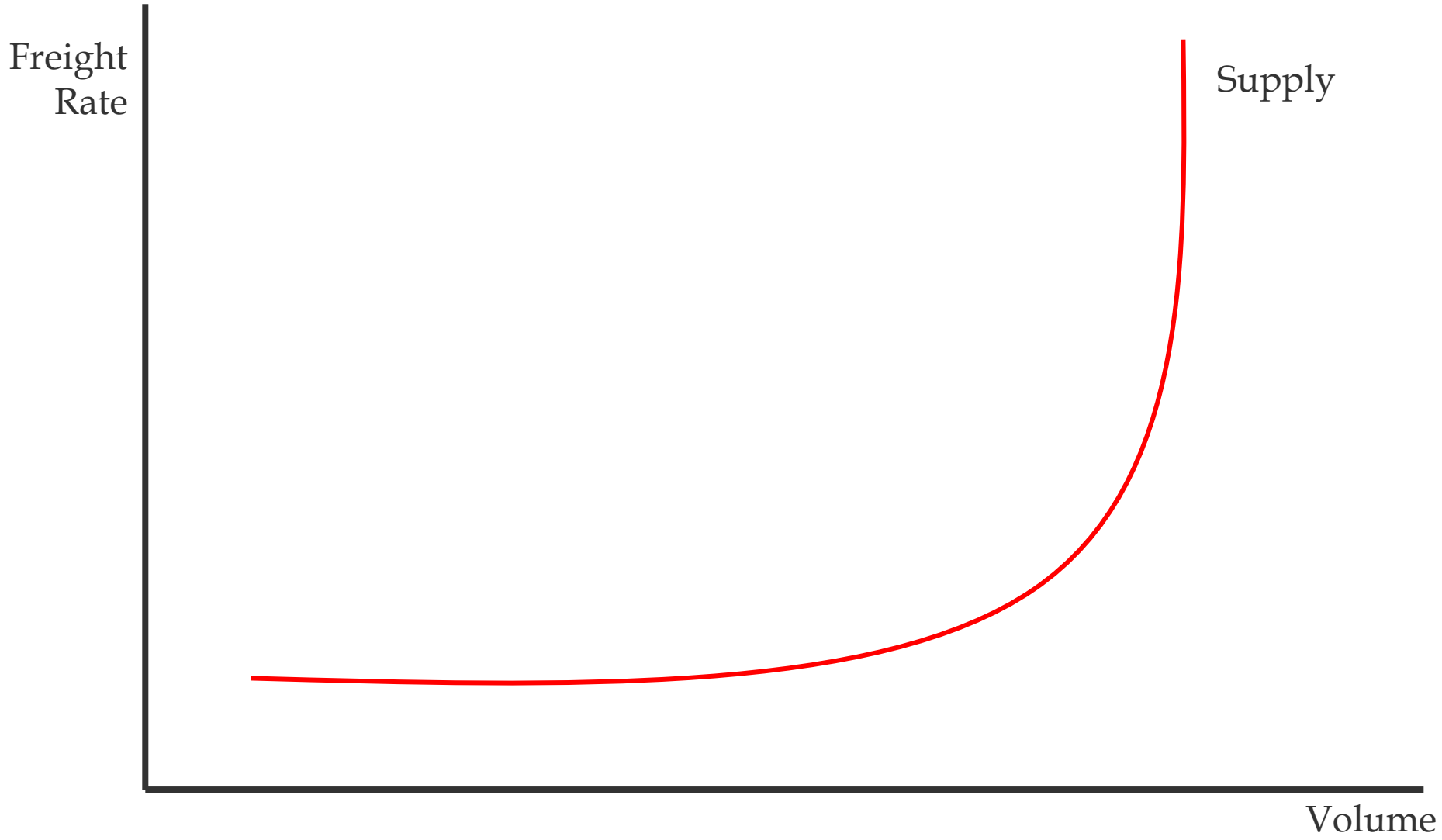
Share of developing countries in seaborne trade (tonnes)

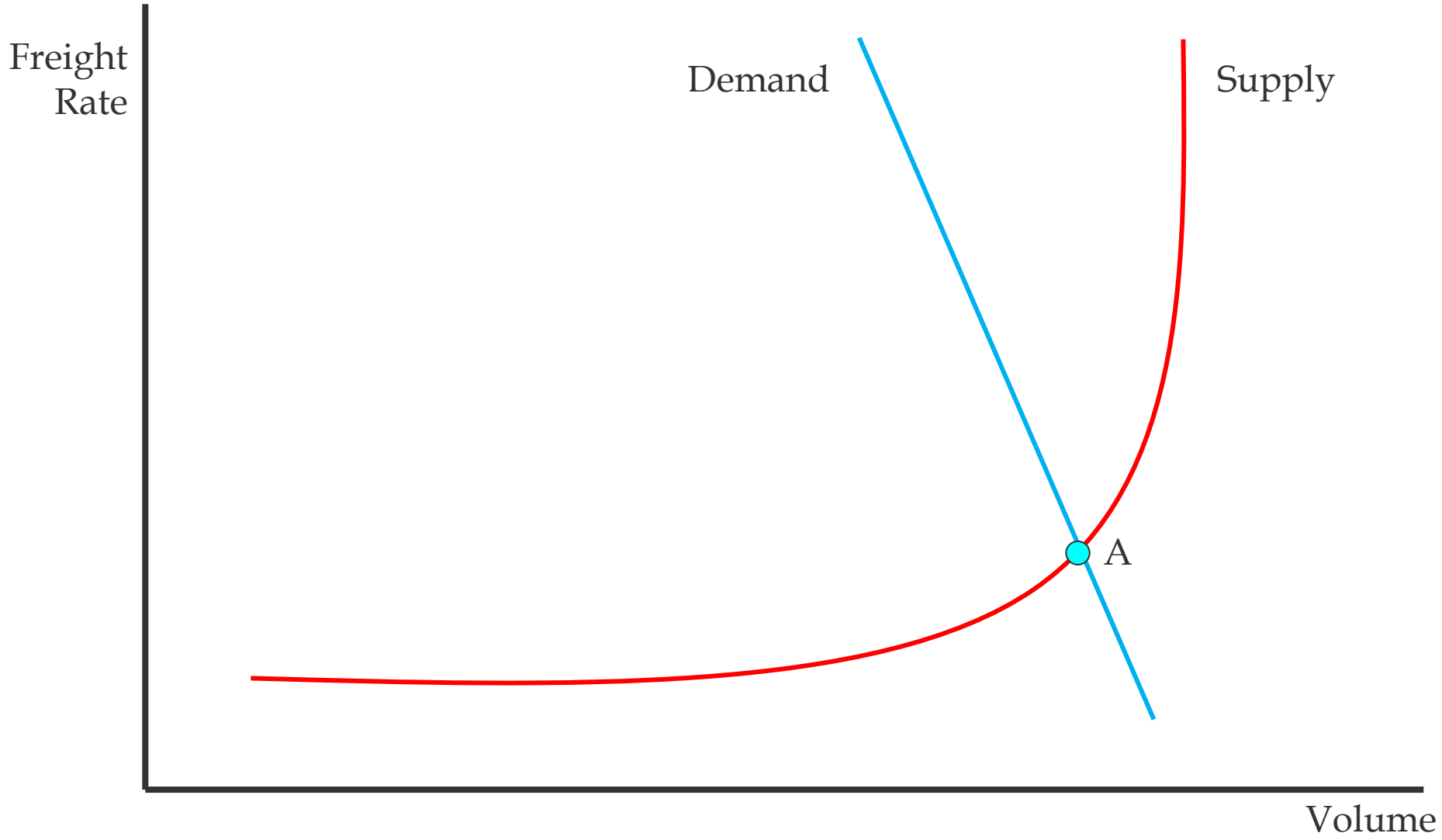
Source: Review of Maritime Transport

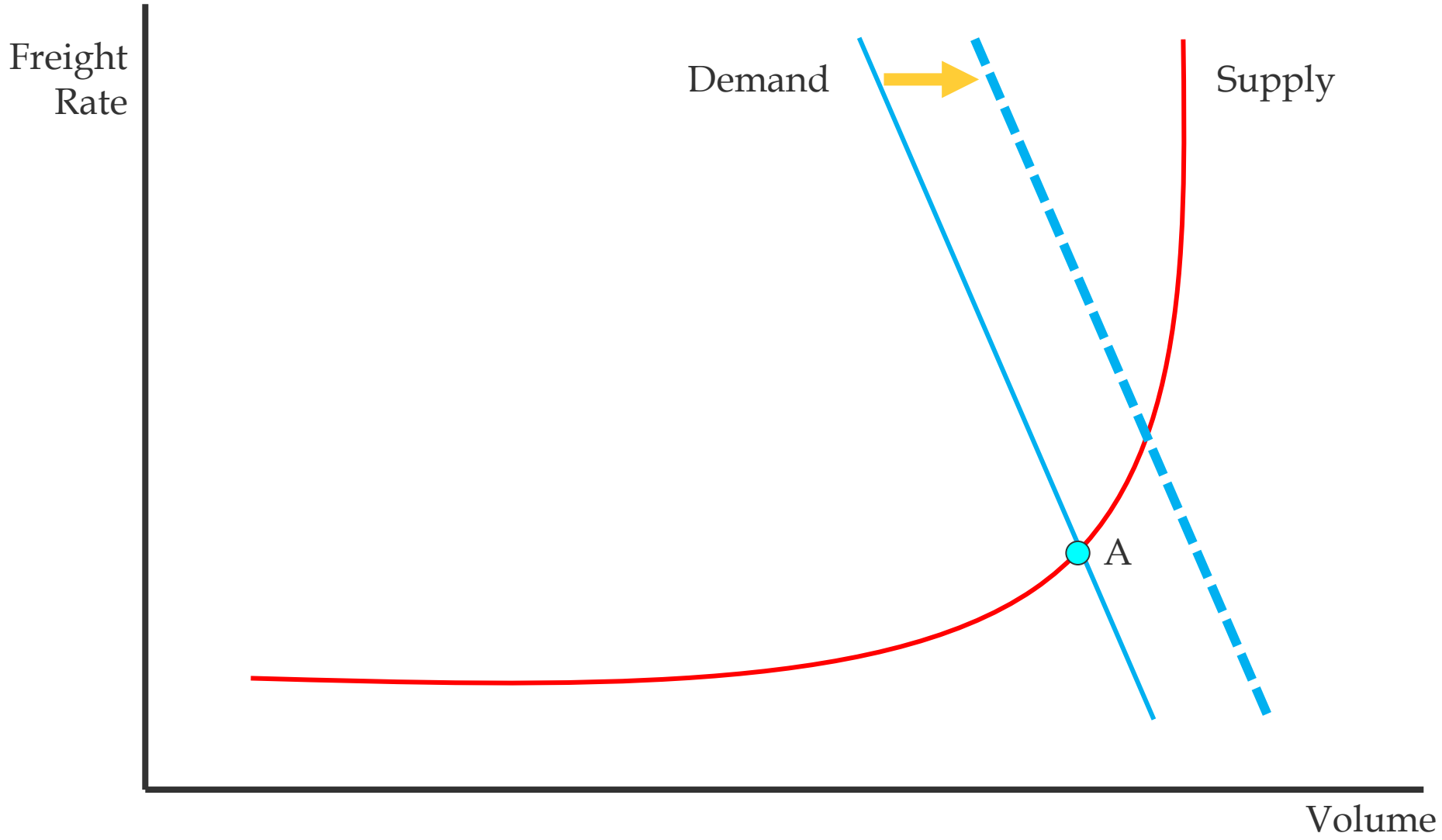


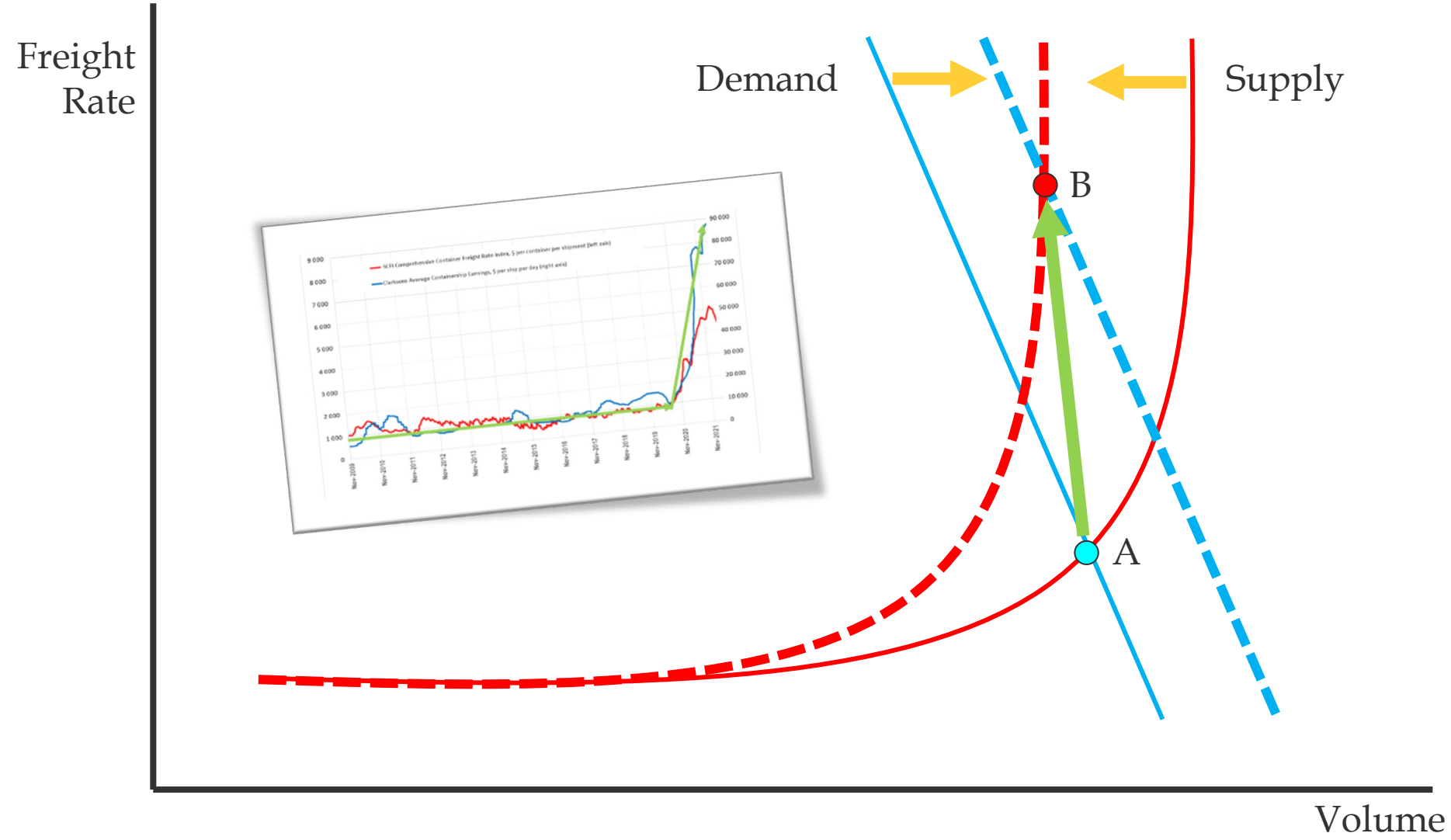
Source: UNCTAD, based on data from Clarksons Shipping Intelligence Network


Freight
Rate
Demand
Volume


Freight
Rate
Supply
Volume


Freight
Rate
Demand
Supply
A
Volume


Freight
Rate
Demand
Supply
A
Volume

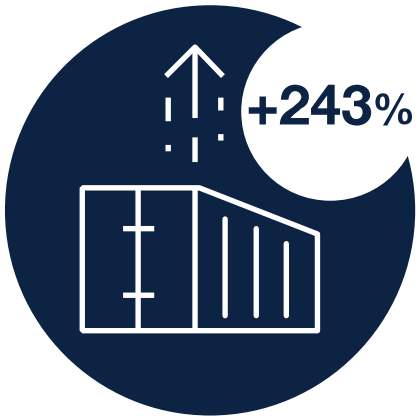

Freight Rate
Demand
Supply
B
A
Volume

SIMULATED IMPACT OF CONTAINER FREIGHT RATE SURGES

Hardest hit will be SIDS

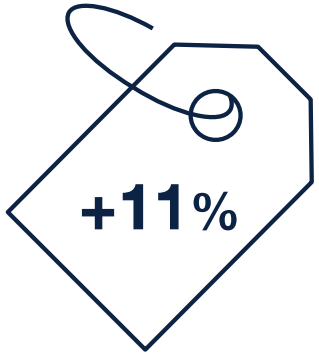
Simulation assumption:

Sustained increase in container freight rates

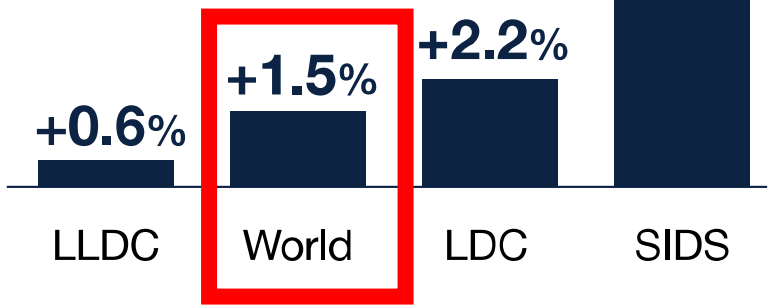


Simulation results:

Increase in global import price levels



Increase in consumer price levels by country groupings



SIMULATED IMPACT OF CONTAINER FREIGHT RATE SURGES

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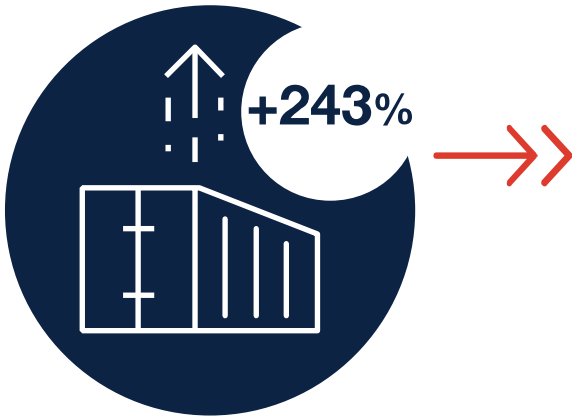
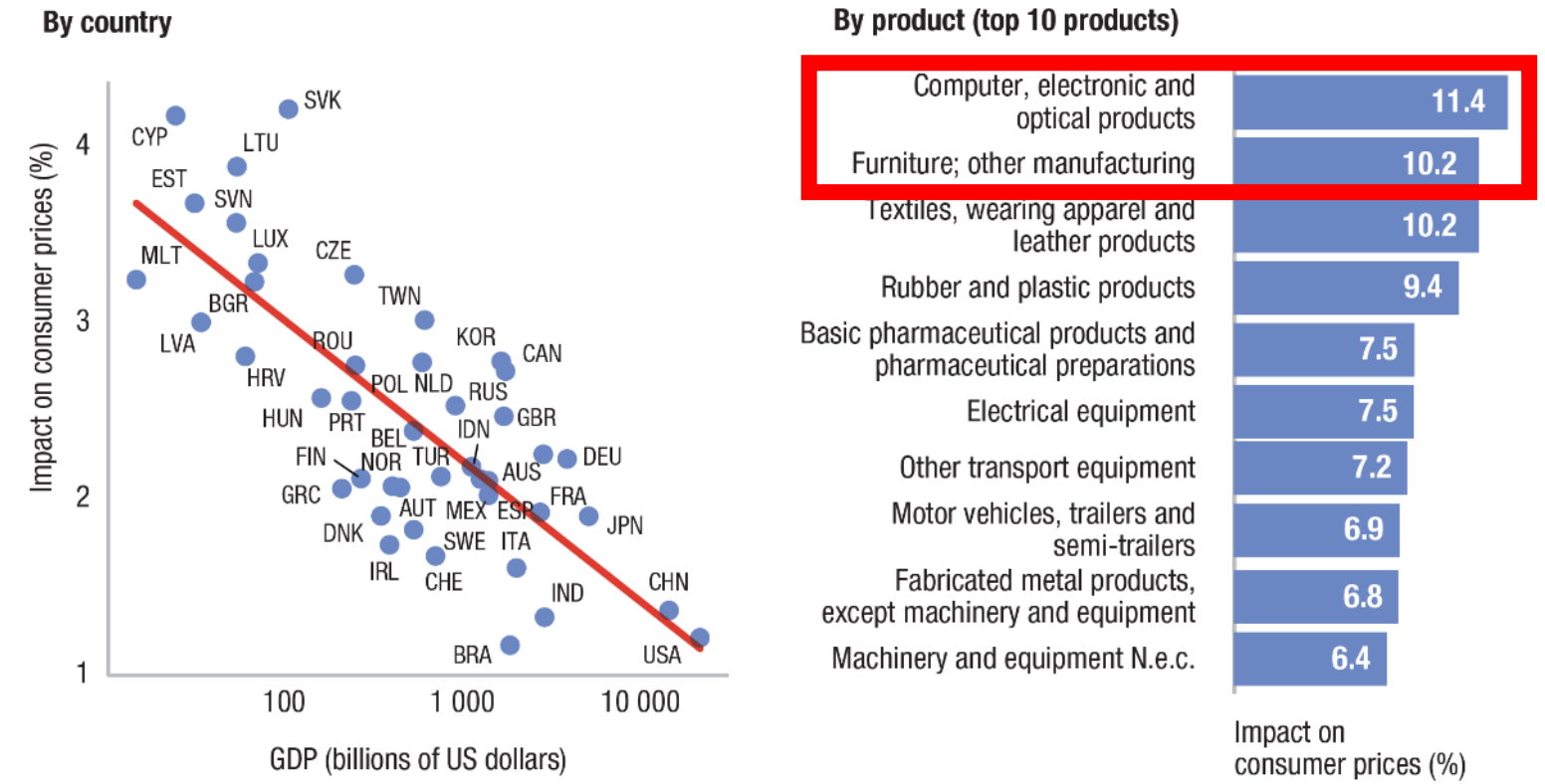
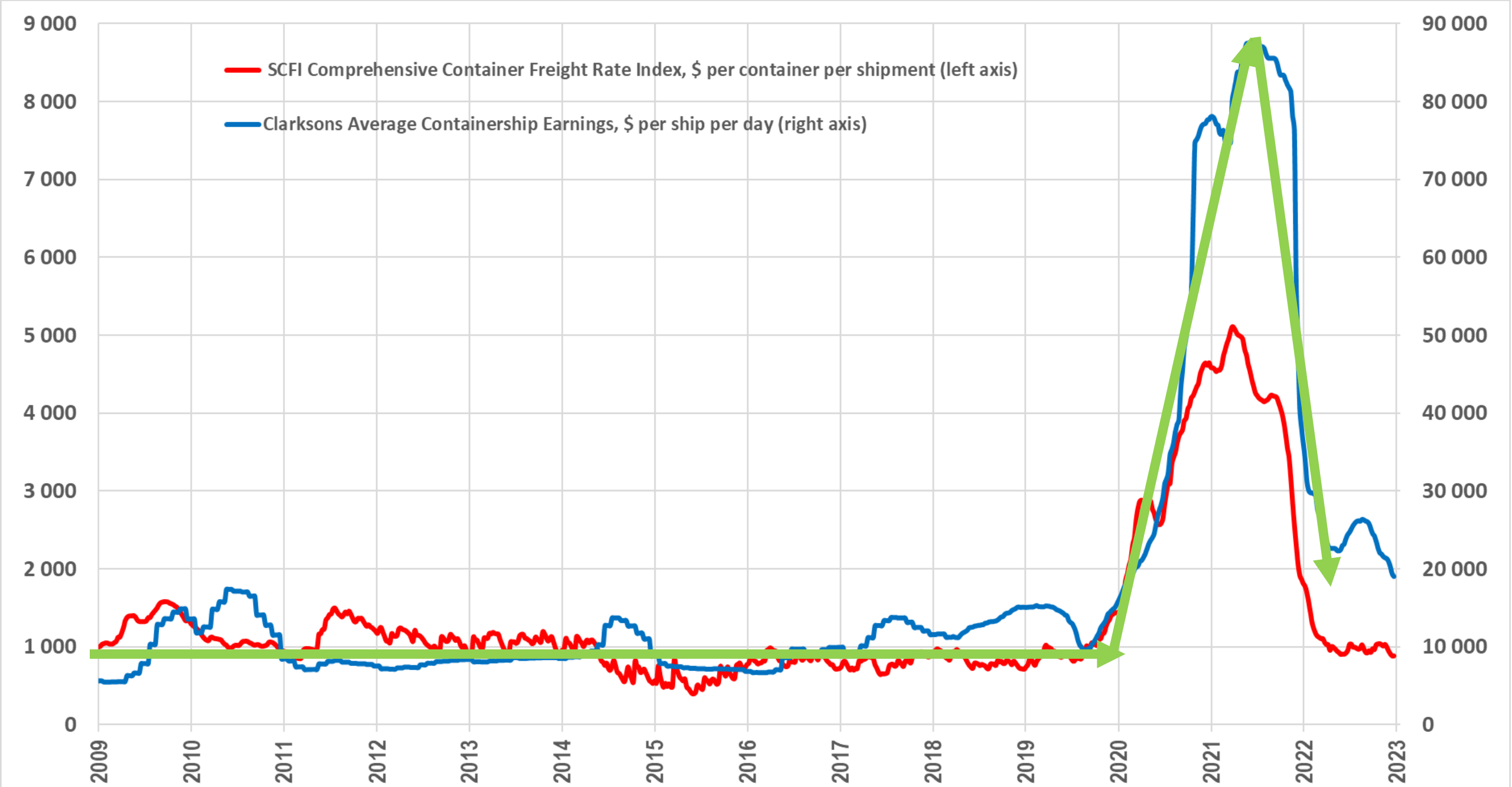


Figure 3.9 Simulated impacts of the container freight rate surge on consumer price levels, by country and by product



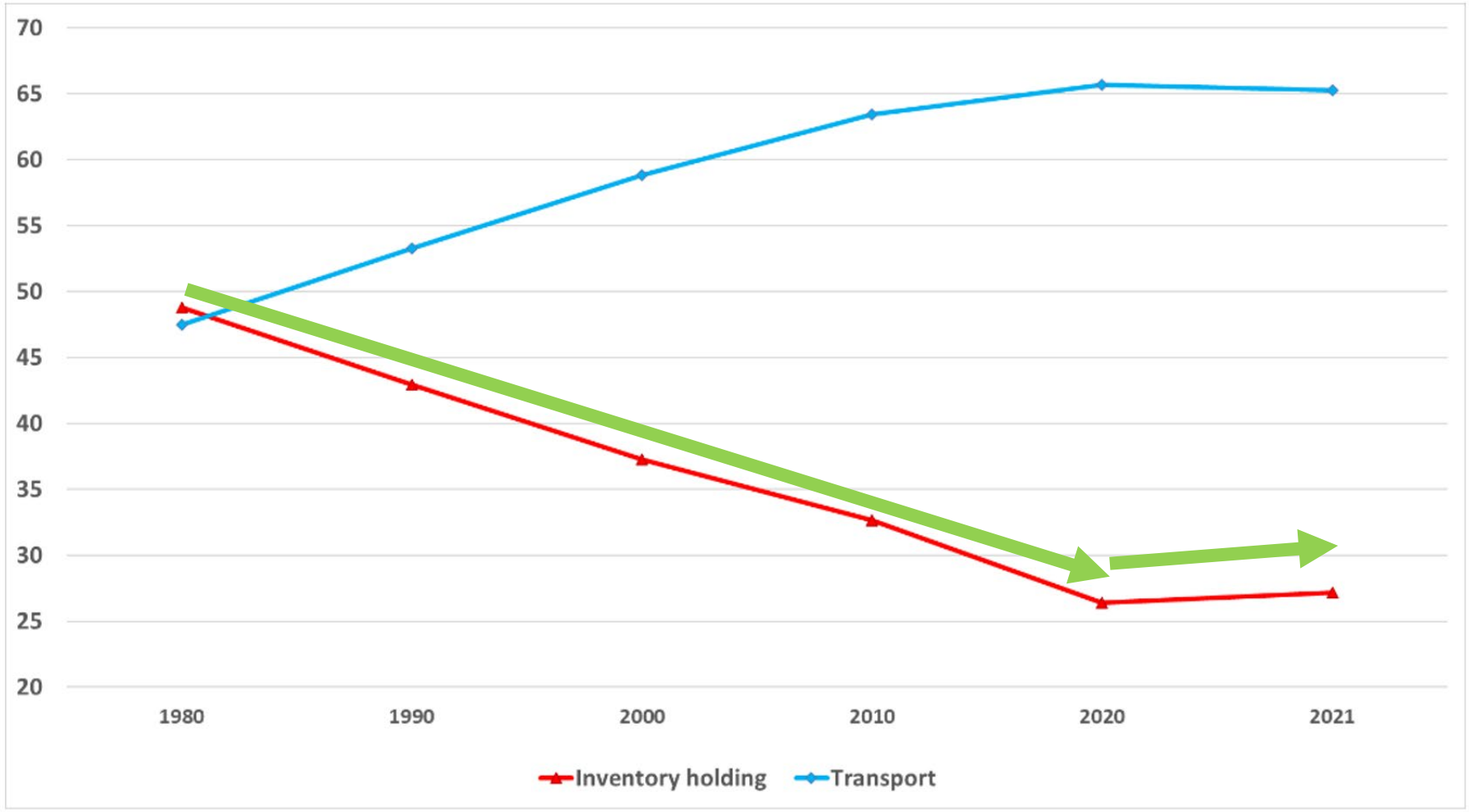
Sources: UNCTAD calculations based on the WIOD (accessed 7–8 June 2021) developed by Timmer et al., 2015, Clarksons Research, *Shipping Intelligence Network* (accessed 2 September 2021), UNCTADstat (accessed 24 June 2021), and the Centre d'Études Prospectives and d'Informations Internationales, *Gravity Database* (accessed 21 May 2021).

Note: The impacts of the container freight rate surge on prices are based on a 243 per cent increase in the CCFI between August 2020 and August 2021. The simulated impacts on price levels are long-term impacts, i.e., the simulation assumes that the current container freight rate surge and the corresponding increases in production costs are fully passed to consumers. See technical note 2 for the detail of the methodology.



Source: UNCTAD, based on data from Clarksons Shipping Intelligence Network, *up to October 2023*

Share (per cent) of transport and inventory holding expenditure within total logistics expenditure, United States, 1980 - 2021



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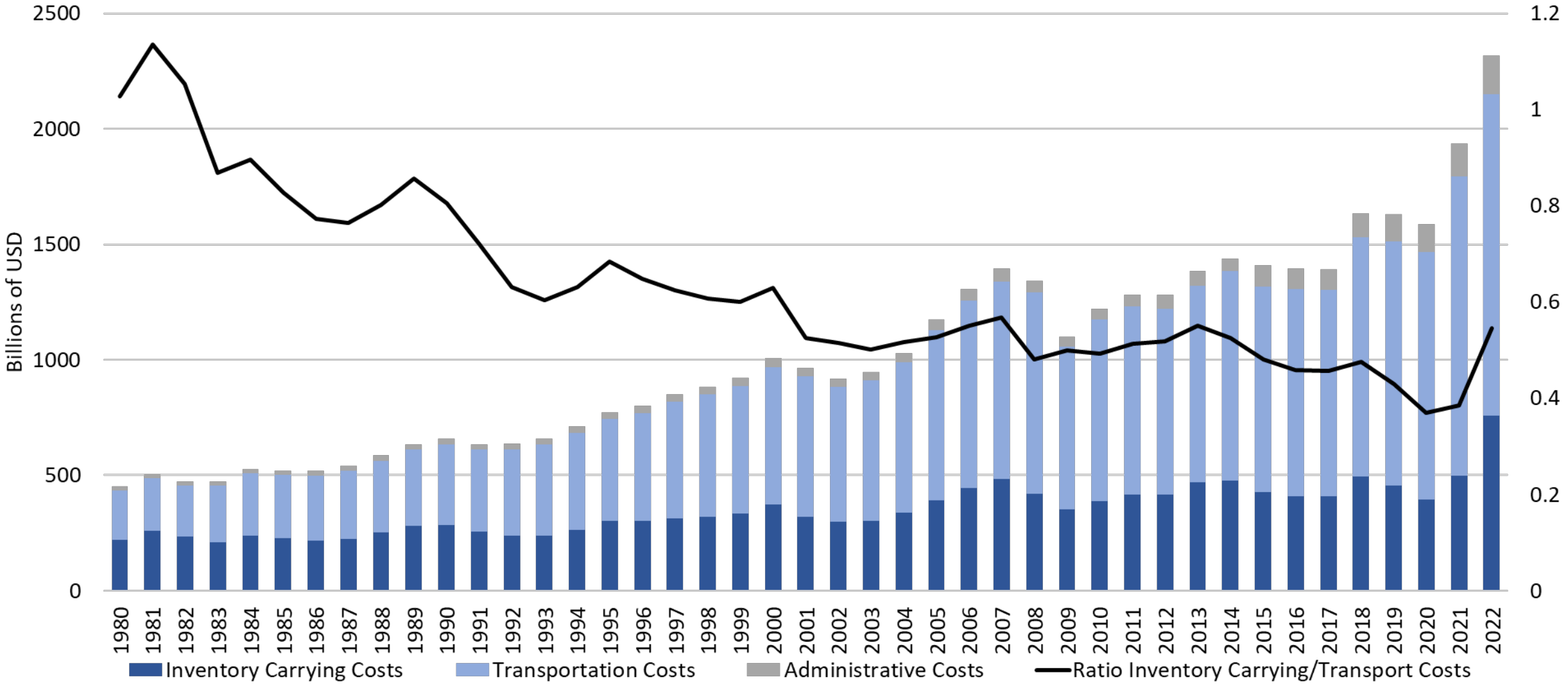
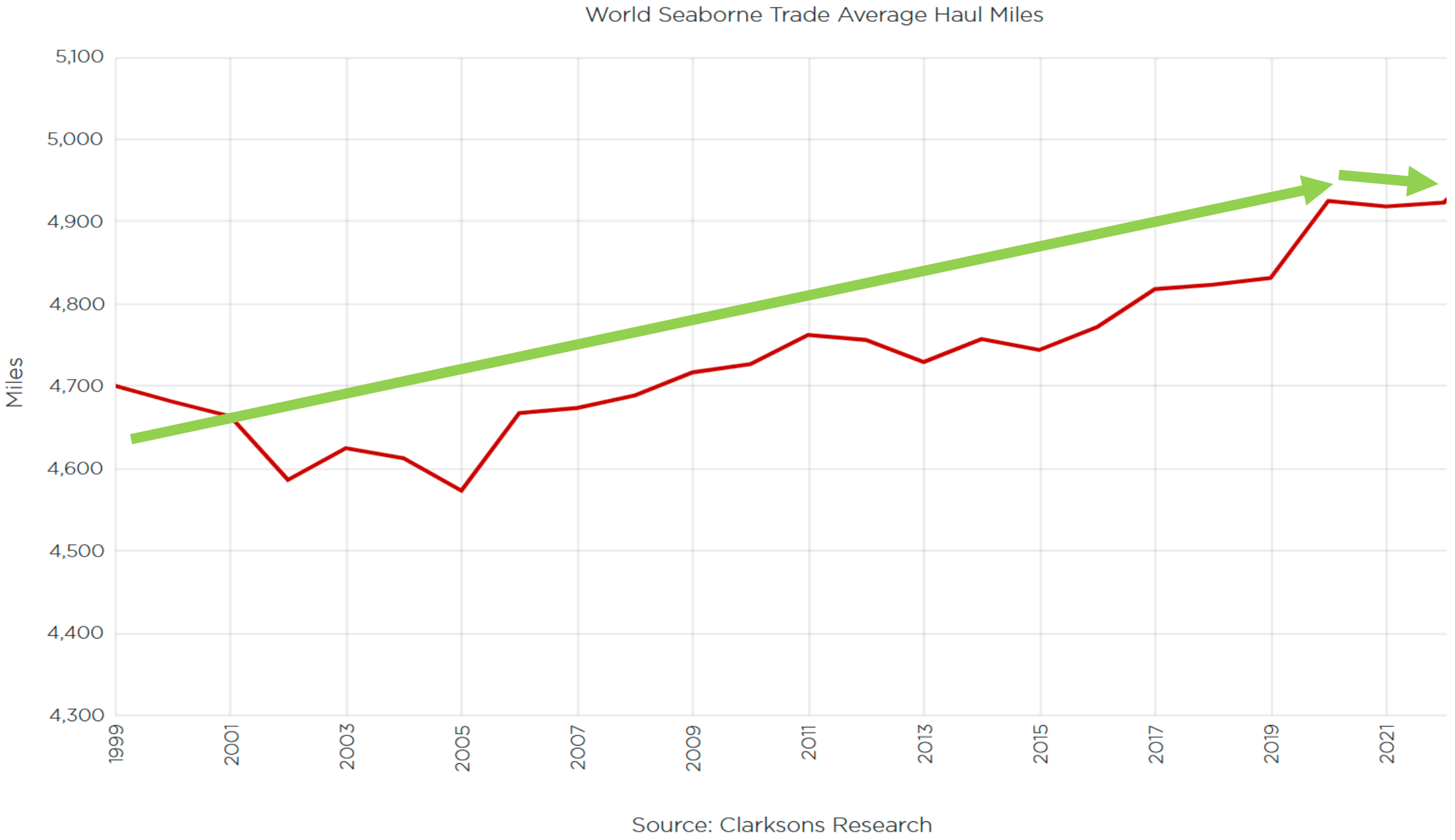


Chart prepared by JP Rodrigue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4,700
4,600
4,500
4,400
4,300
Miles
1999
2001
2003
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2013
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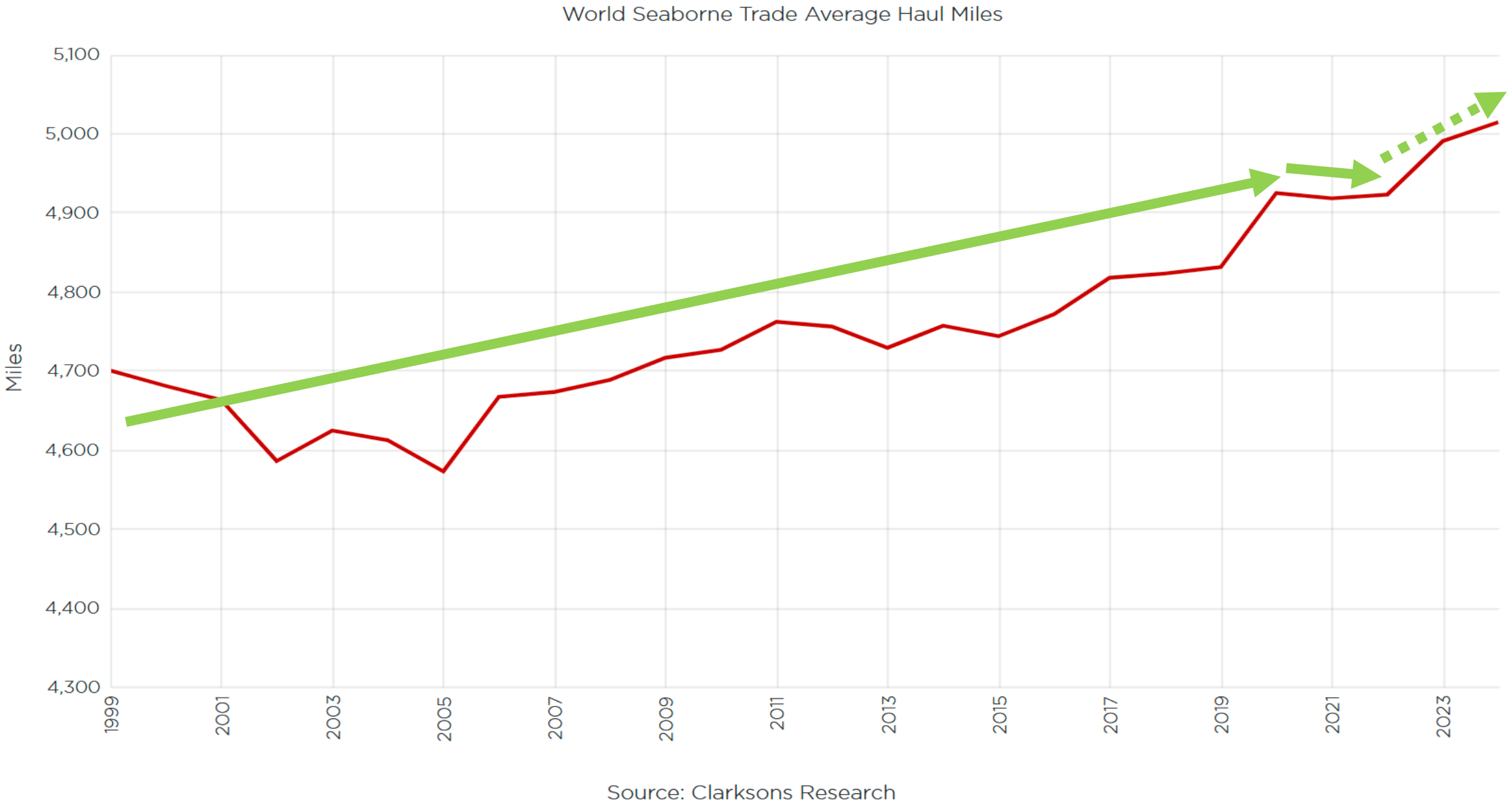
2021
Source: Clarksons Research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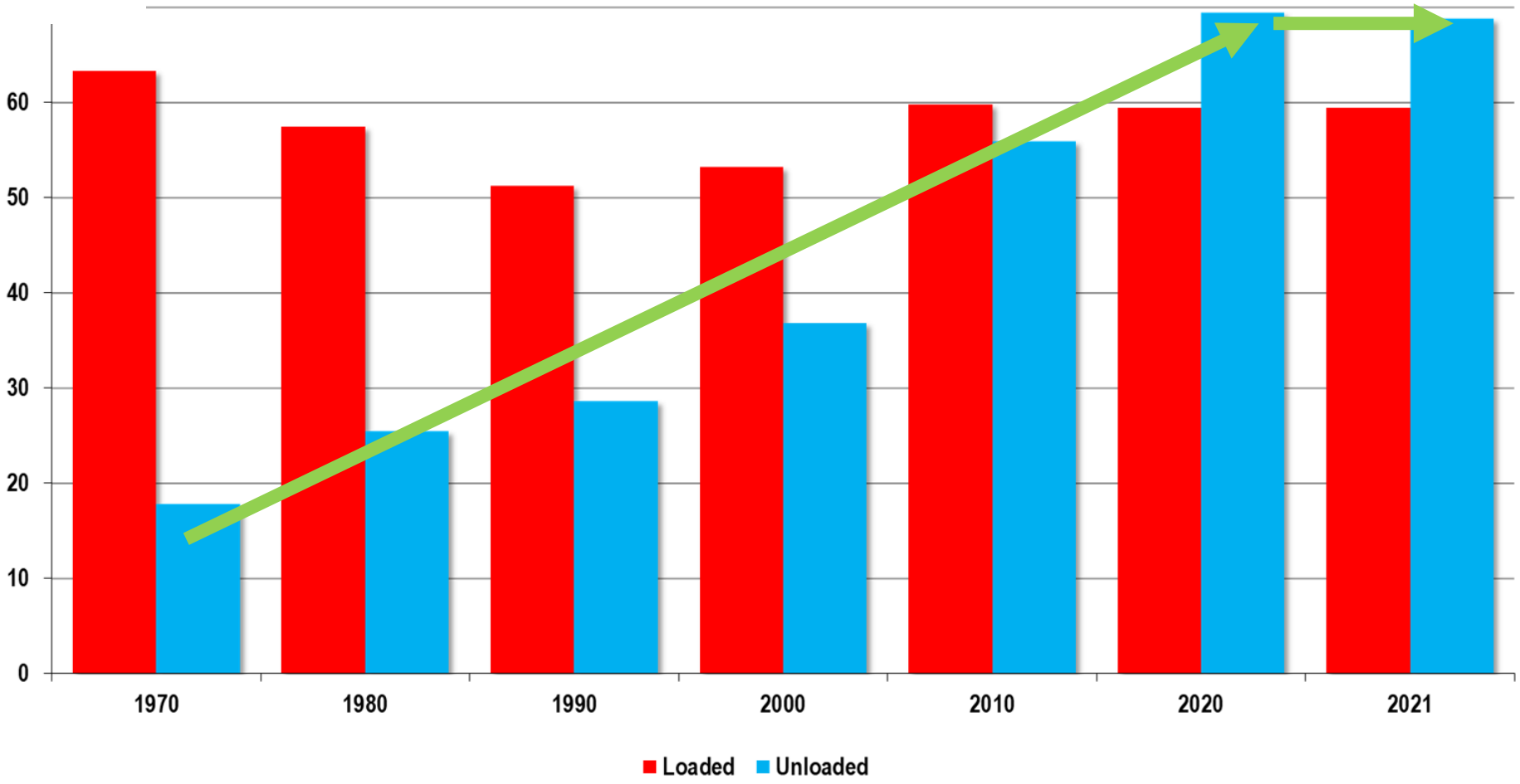
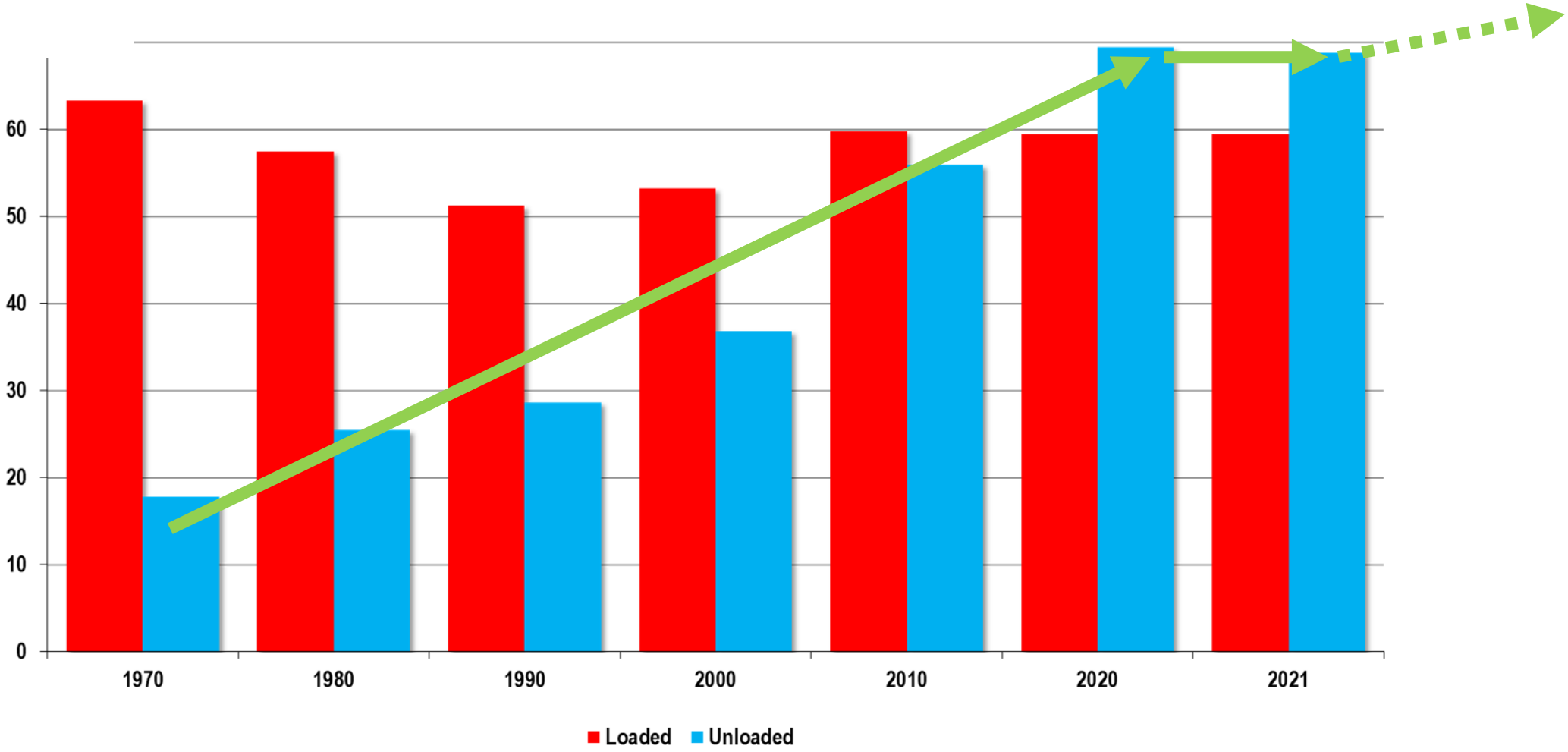
2017
2019
2021
2023
Source: Clarksons Research

Seaborne trade: share of developing countries



Seaborne trade: share of developing countries




007

Presentation of the

REVIEW OF MARITIME TRANSPORT 2023

Towards a green and just transition

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1) The Energy Transition

2) Demand, Supply, and Markets

3) Ports and Maritime Connectivity

4) Challenges – and Opportunities

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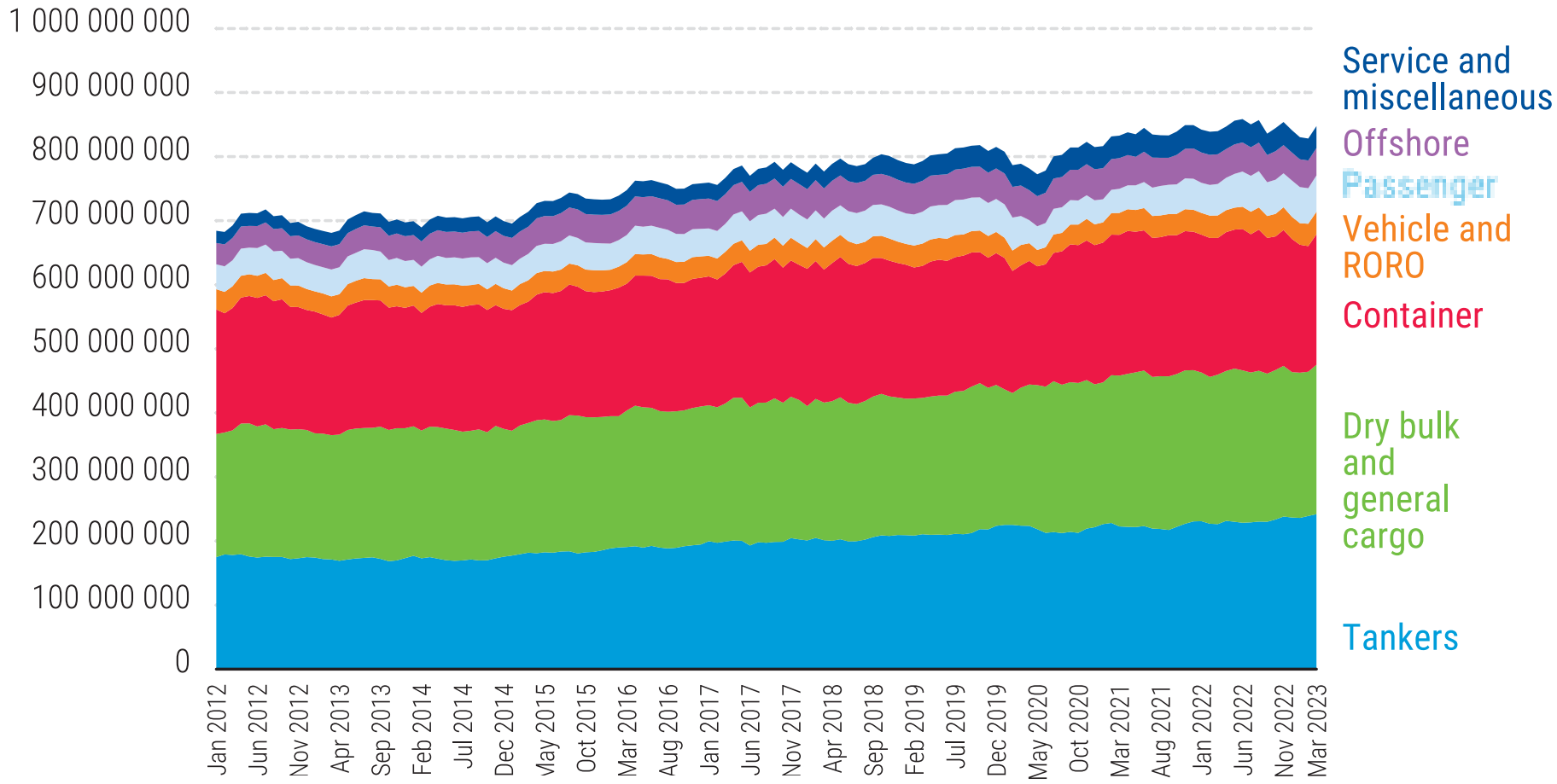
Total CO2 emissions by vessel types, tons, January 2012—March 2023



Source: UNCTAD, based on data provided by Marine Benchmark, July 2023.

Note: RORO means roll-on/roll-off vehicle carrier.

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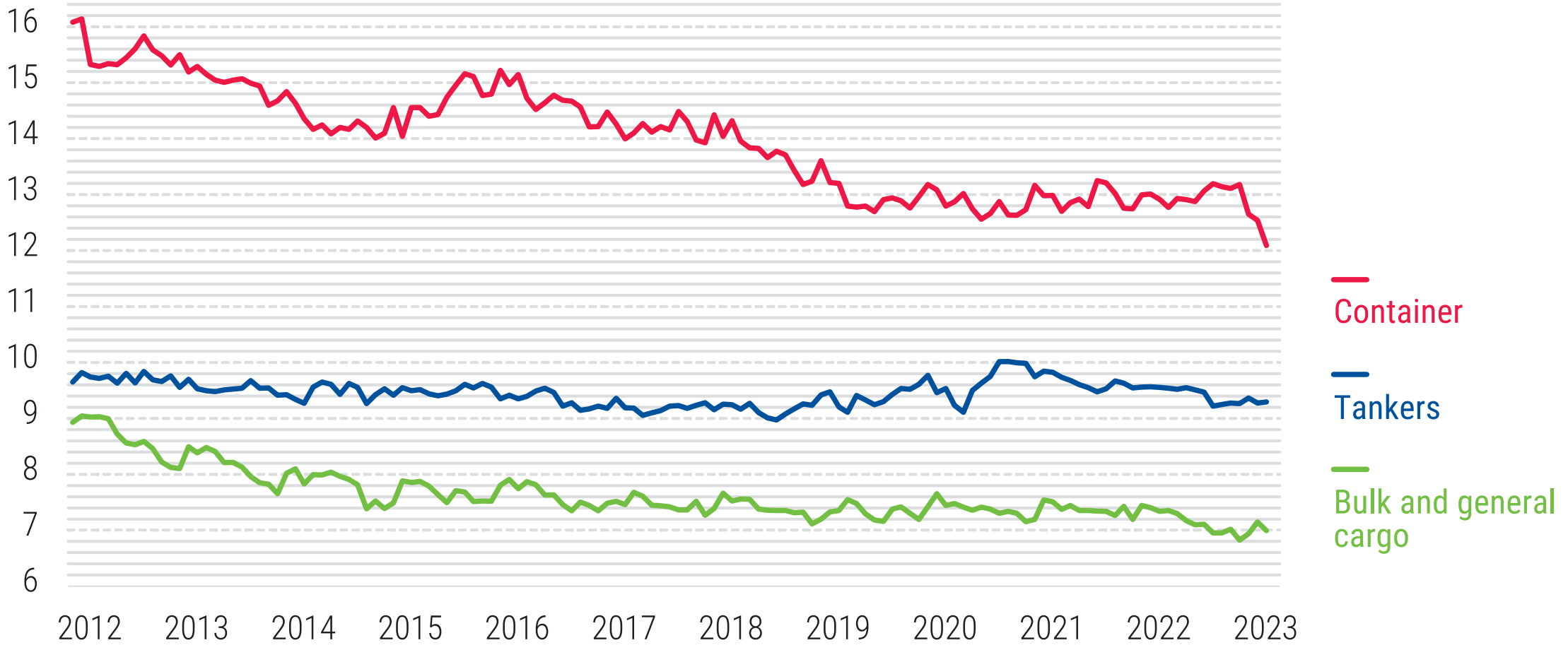
World fleet, three main vessel types, monthly CO2 emissions per ton-mile, January 2012–March 2023

(Gram/ton*nautical mile)



Source: UNCTAD, based on data provided by Marine Benchmark, July 2023.

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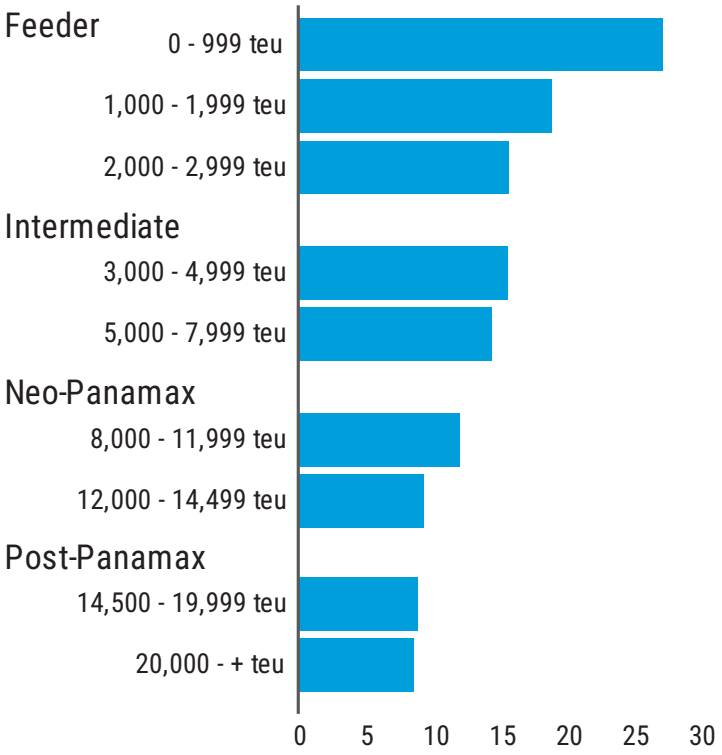
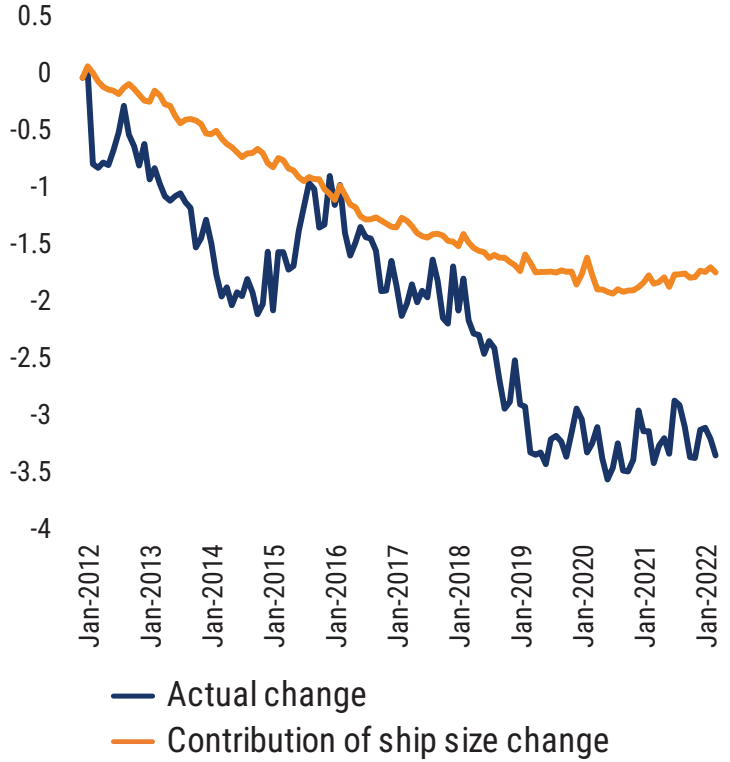
CO2 emission intensity of container ships by ship size, grams per ton-mile, 2021



Cumulative change from January 2012 in CO2 emission intensity, and contribution of ship size change of container ships, grams per ton-mile



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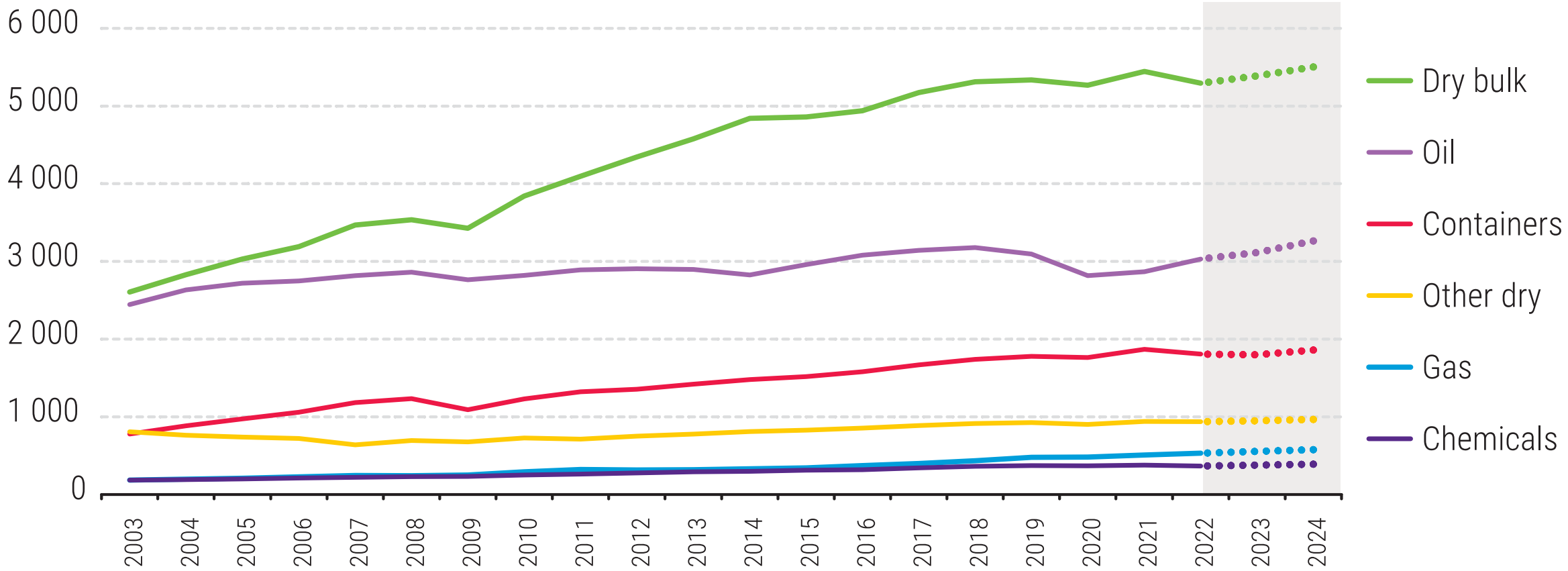
International maritime trade, 2003–2024

(Million tons loaded)



Source: UNCTAD secretariat, based on Clarksons Research, Shipping Intelligence Network time series (July 2023).

Notes: 2023 and 2024 are forecast. "Dry bulk" includes major bulks (iron ore, coal and grain) and minor bulks (metals, minerals, agribulks and softs); "Oil" encompasses crude oil and refined oil products; "Other dry" is an estimation of all other dry trade that is not included in major/minor bulks, for instance, cars and other vehicles, roro and project cargoes, as well as reefer cargoes that don't go in containers and breakbulk cargoes that are not in the minor bulk category; "gas" includes LPG, LNG and ammonia.

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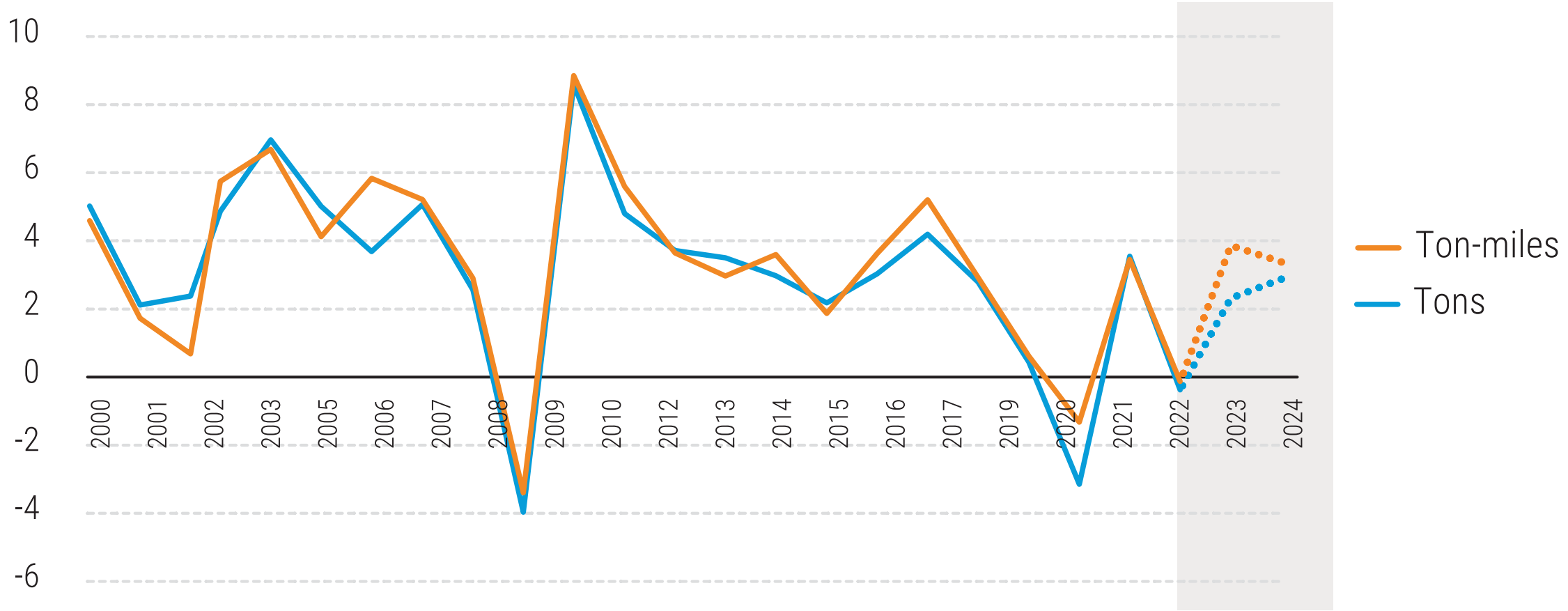
Seaborne trade growth, tons and ton-miles, 2000 – 2024

(percentage annual change)



Source: UNCTAD secretariat, based on Clarksons Research, Shipping Intelligence Network time series (July 2023).

Note: 2023 and 2024 are forecast.

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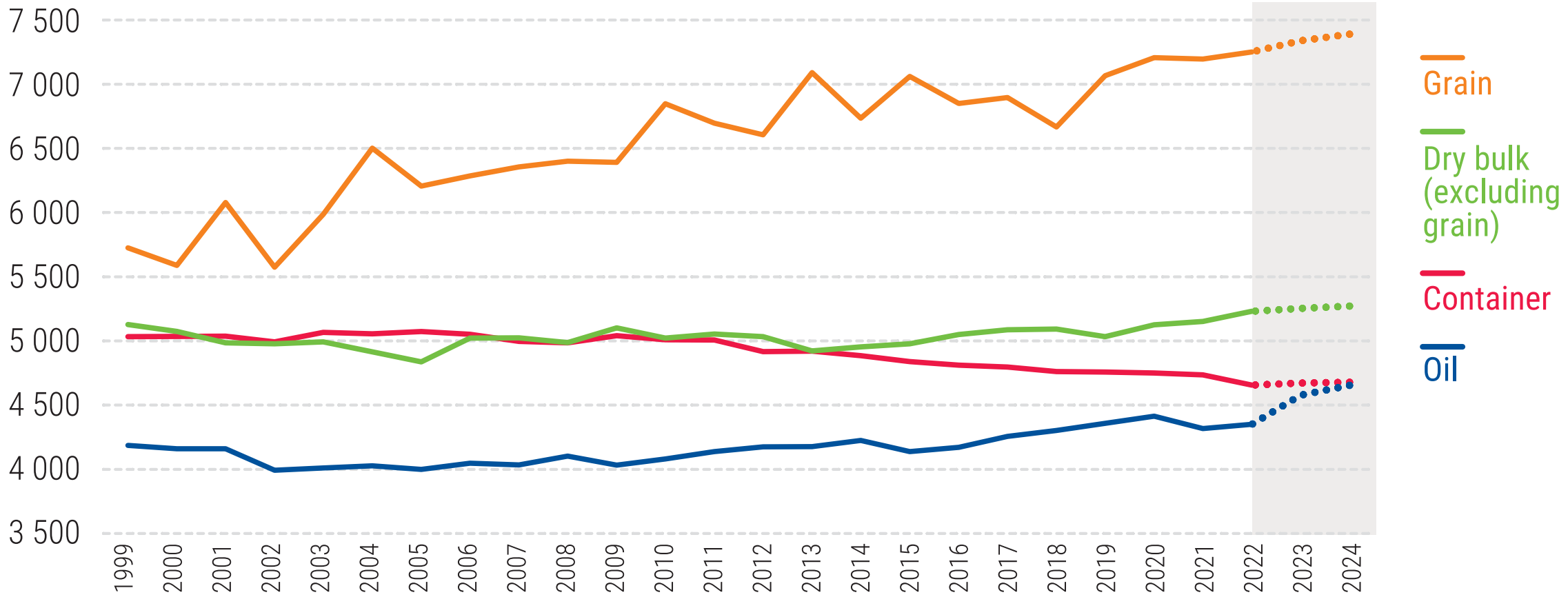
Distance travelled per ton of maritime cargo, 1999–2024

(Nautical miles)



Source: UNCTAD secretariat, based on Clarksons Research, Shipping Intelligence Network time-series (July 2023).

Notes: 2023 and 2024 are forecast. "Oil" includes crude oil and refined oil products.

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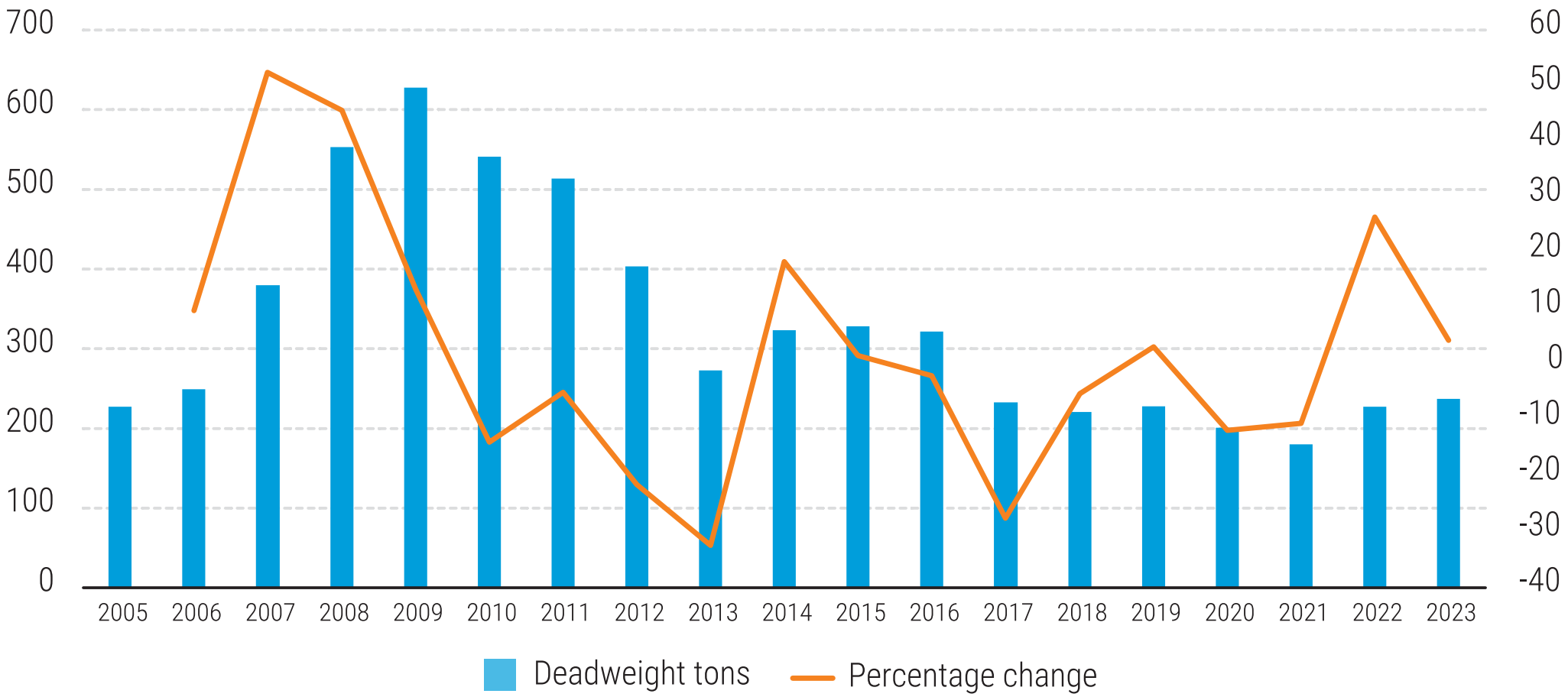
World tonnage on order, million dead weight tons and percentage change, 2005–2023



Source: UNCTAD calculations, based on data from Clarksons Research, 2023.

Notes: Propelled seagoing merchant vessels of 100 GT and above. Beginning of year figures.

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1) The Energy Transition

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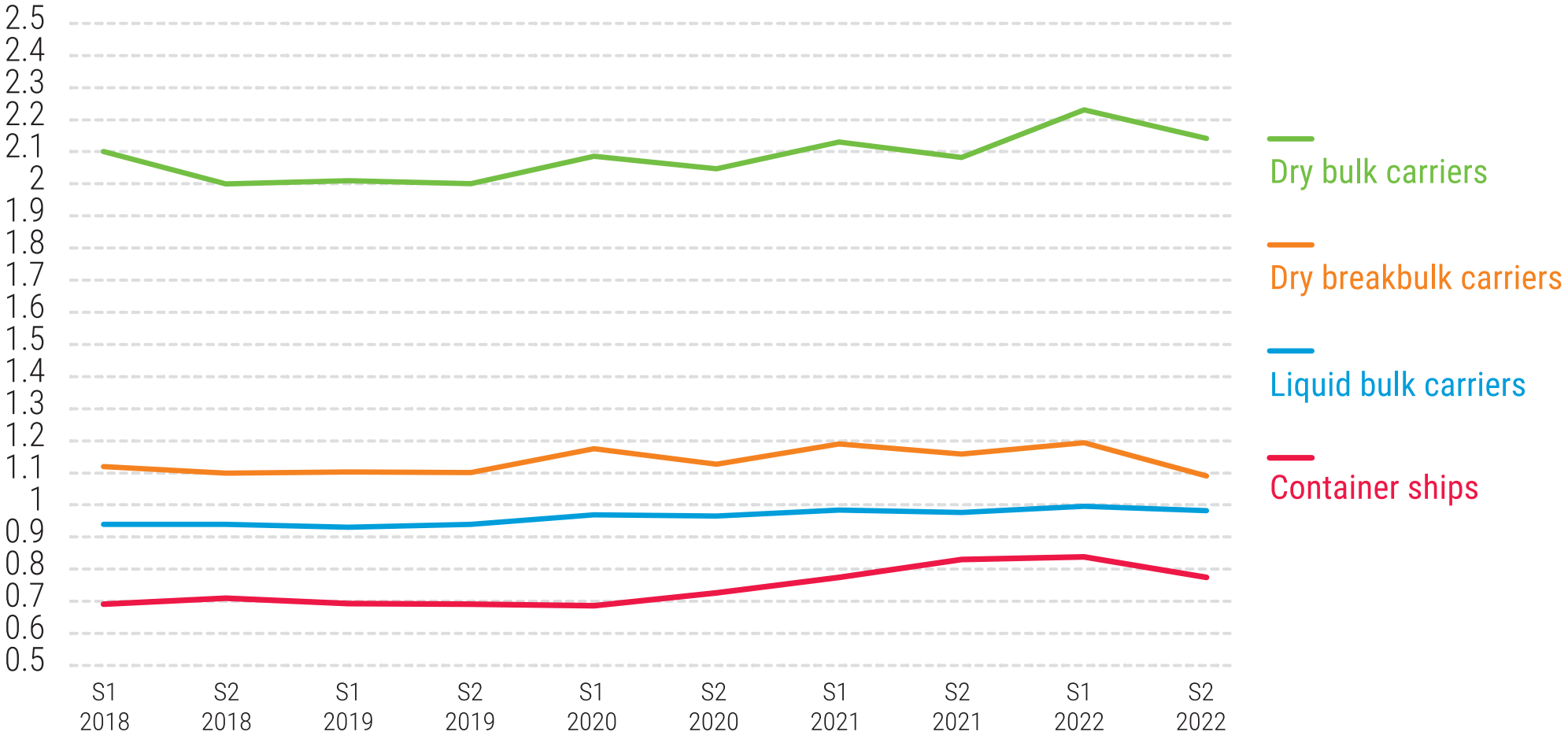
Time in port, world median, in days, 2018 S1–2022 S2



Source: UNCTAD, based on data provided by MarineTraffic.

Note: Ships of 1 000 GT and above.

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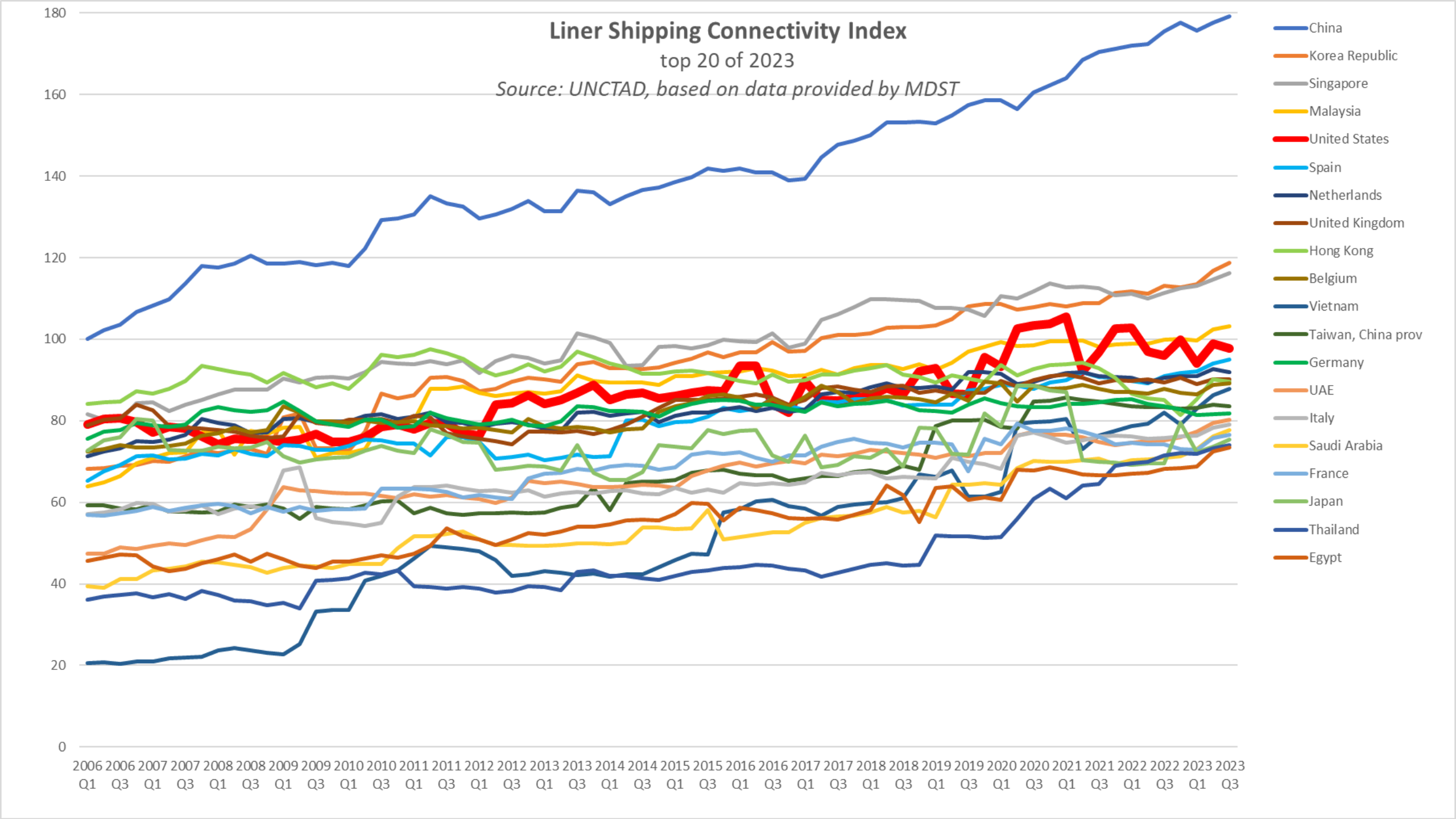
CMA CGM


Liner Shipping Connectivity Index
top 20 of 2023
Source: UNCTAD, based on data provided by MDST
180
160
140
120
100
80
60
40
20
0
2006 Q1
2006 Q3
2007 Q1
2007 Q3
2008 Q1
2008 Q3
2009 Q1
2009 Q3
2010 Q1
2010 Q3
2011 Q1
2011 Q3
2012 Q1
2012 Q3
2013 Q1
2013 Q3
2014 Q1
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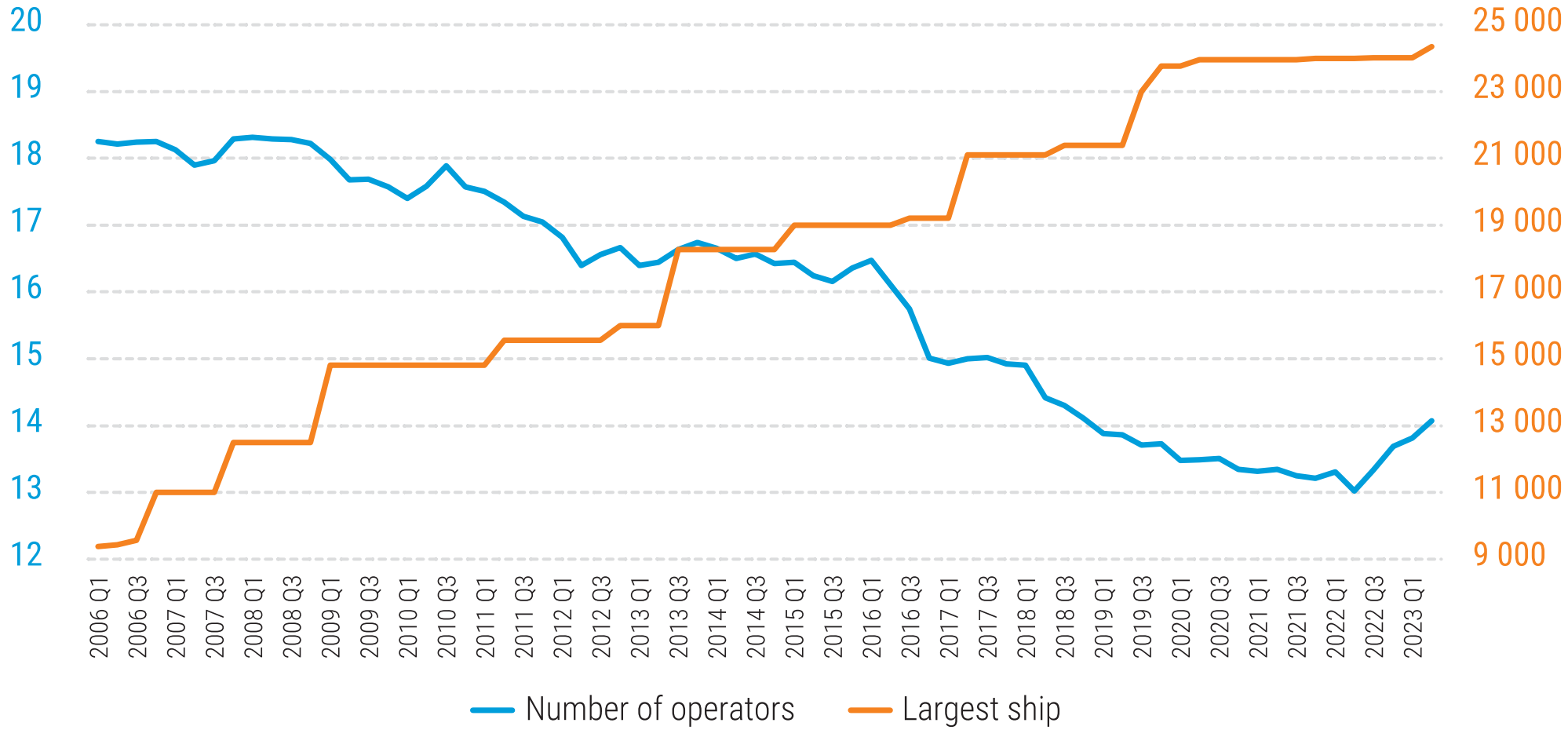
2020 Q3
2021 Q1
2021 Q3
2022 Q1
2022 Q3
2023 Q1
2023 Q3
China
Korea Republic
Singapore
Malaysia
United States
Spain
Netherlands
United Kingdom
Hong Kong
Belgium
Vietnam
Taiwan, China prov
Germany
UAE
Italy
Saudi Arabia
France
Japan
Thailand
Egypt

Number of operators and largest ships, average per country, 2006 Q1–2023 Q2



Source: UNCTAD, based on data provided by MDS Transmodal.

Note: Average number of operators is calculated from the country data. For countries with no liner shipping connections, their values are assumed to be zero. Countries with no liner shipping connections for the entire period are excluded from the averages. Largest ship reflects the largest ship being serviced globally.

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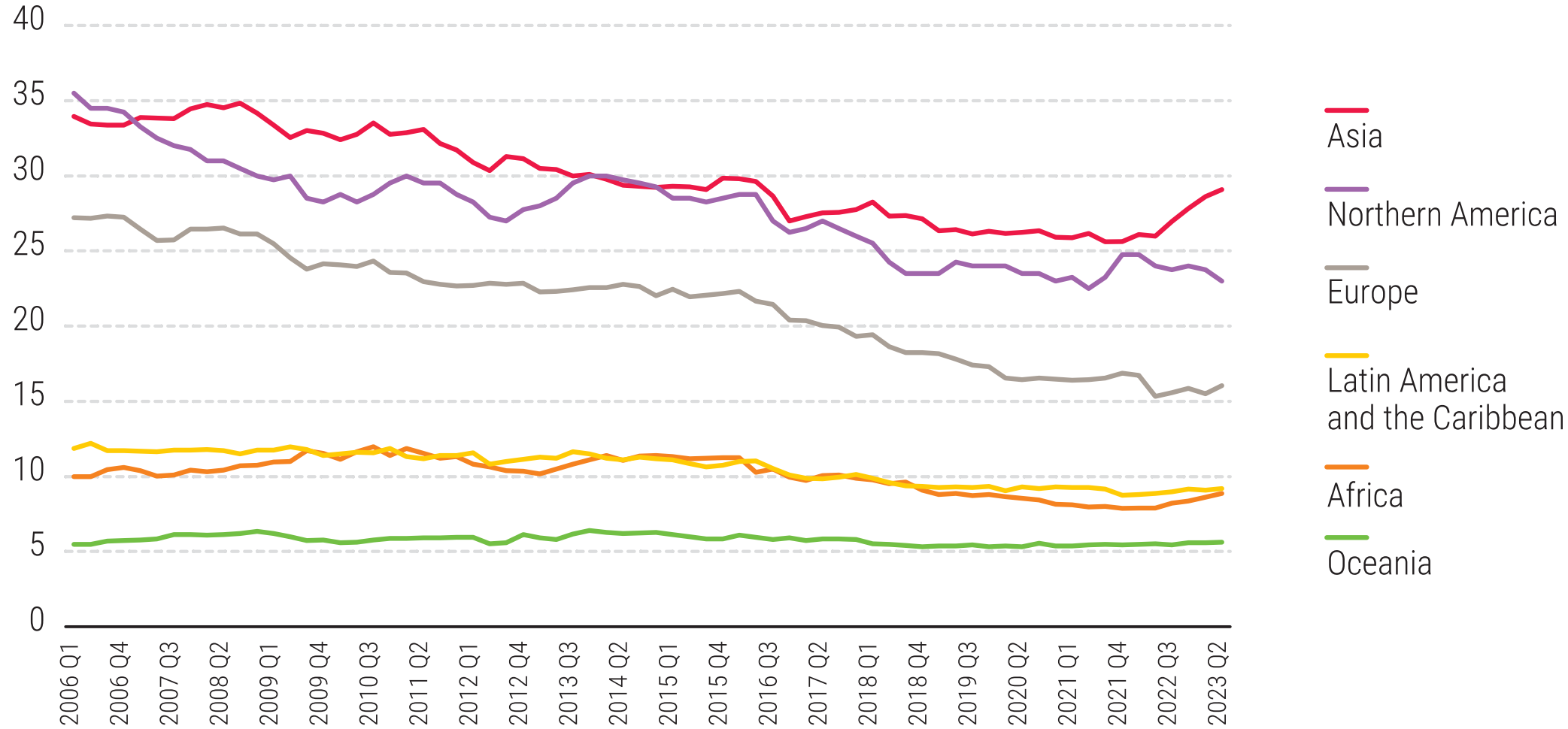
Average number of operators, regional average, 2006 Q1–2023 Q2



Source: UNCTAD, based on data provided by MDS Transmodal.

Note: Average number of operators is calculated from the country data. For countries with no liner shipping connections, their values are assumed to be zero. Countries with no liner shipping connections for the entire period are excluded from the averages.

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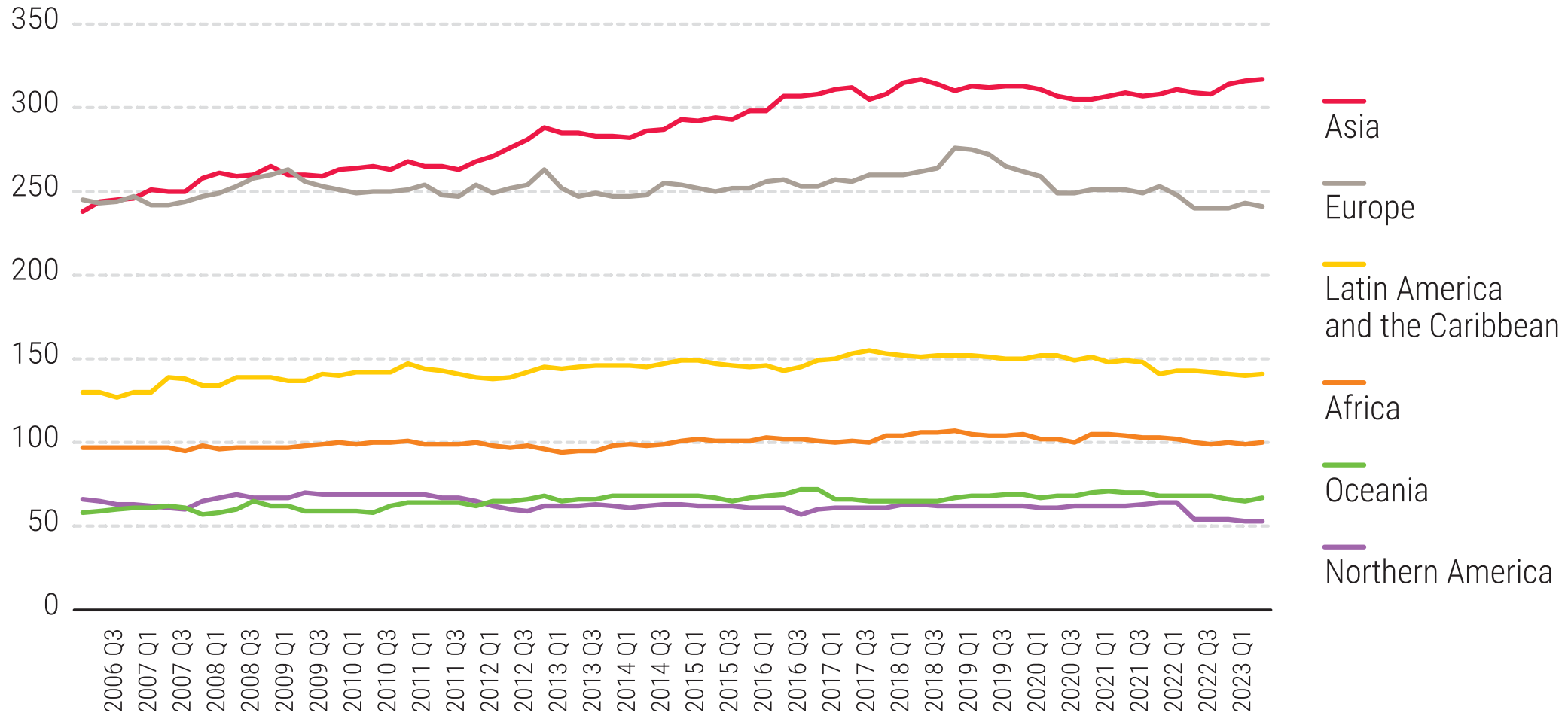
Number of active container ports, regional totals, 2006 Q1–2023 Q2



Source: UNCTAD, based on data provided by MDS Transmodal.

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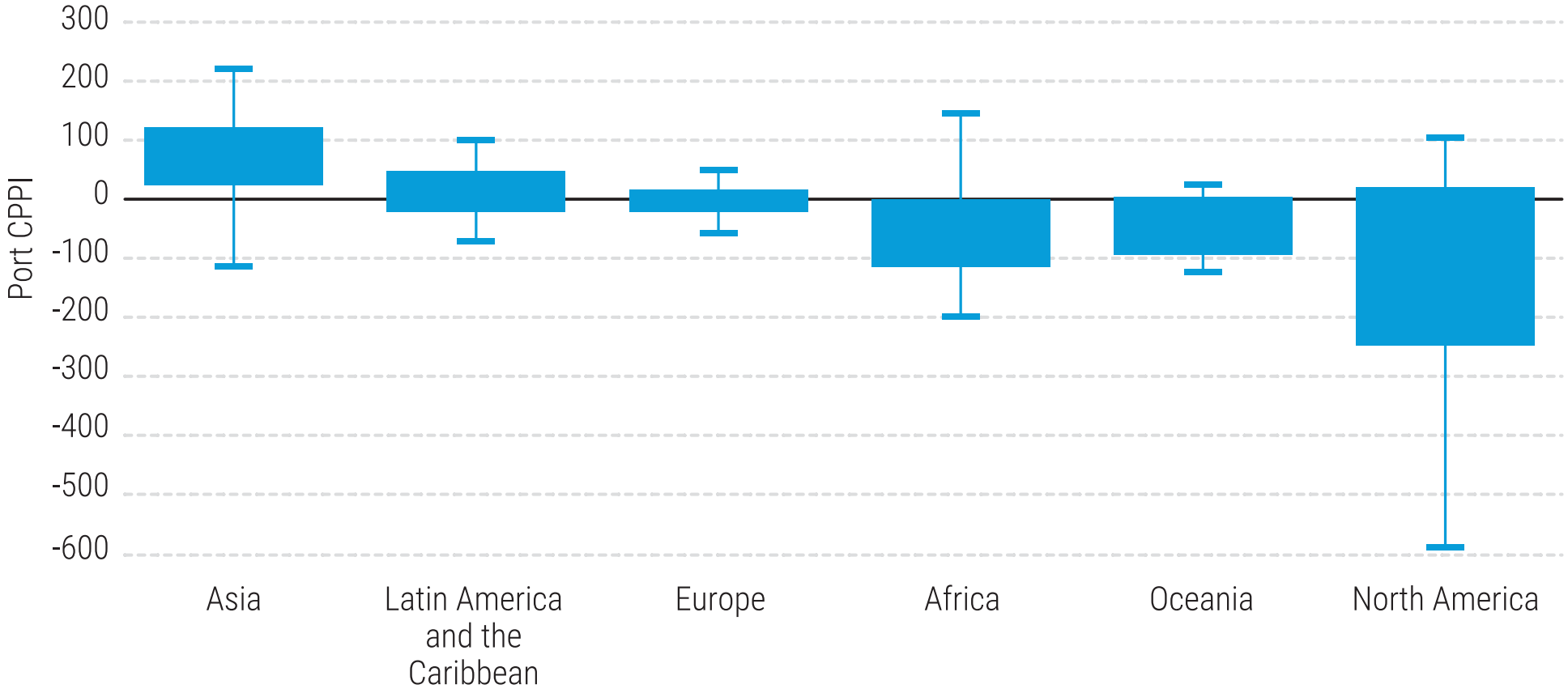
Container Port Performance Index values 2022, ports' regional distributions



Source: World Bank and S&P Global Port Performance Program.

Note: Ranked by the Administrative Approach scores. The middle line represents the median, the top and bottom lines of the boxes represent the first and third quartile, and the top and the bottom lines (the whiskers) represent the minimum and the maximum values (excluding outliers).

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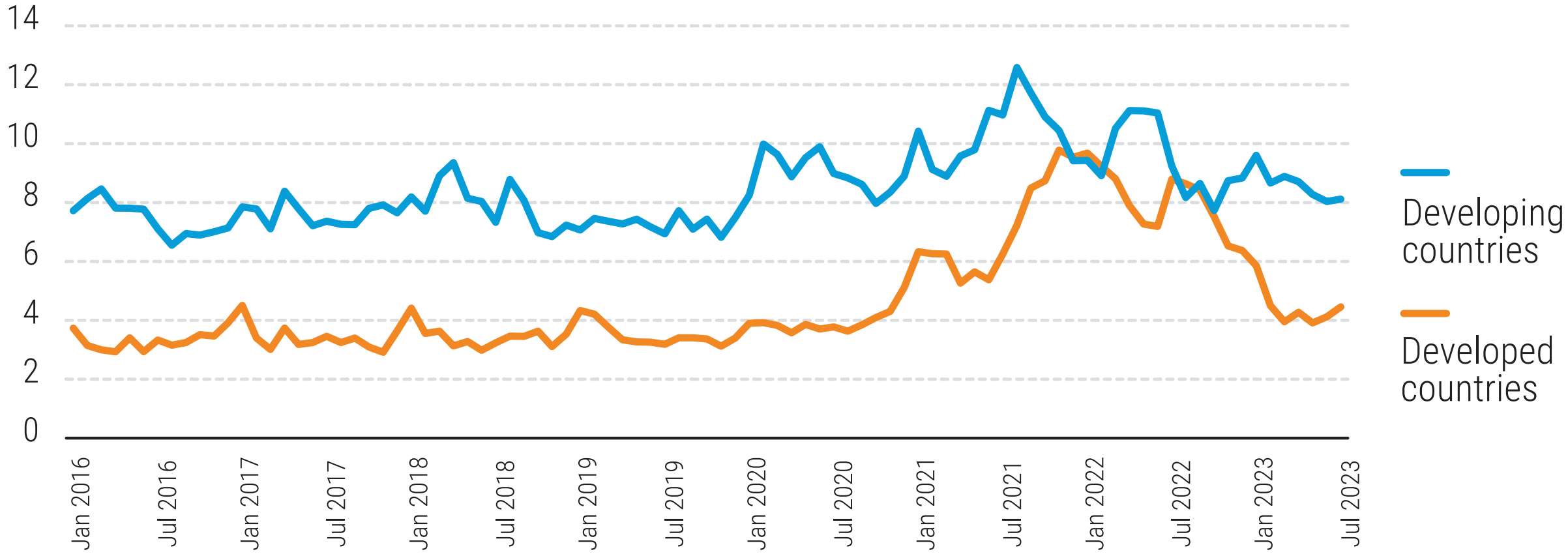
Average waiting times of container ships at port in hours, monthly, January 2016–July 2023



Source: UNCTAD, based on data provided by Clarksons Research.

Notes: Waiting time estimated based on the time between vessel first entering an anchorage associated with a port group (or port where vessel has not been seen in an anchorage shape), and first entering a berth within a port.

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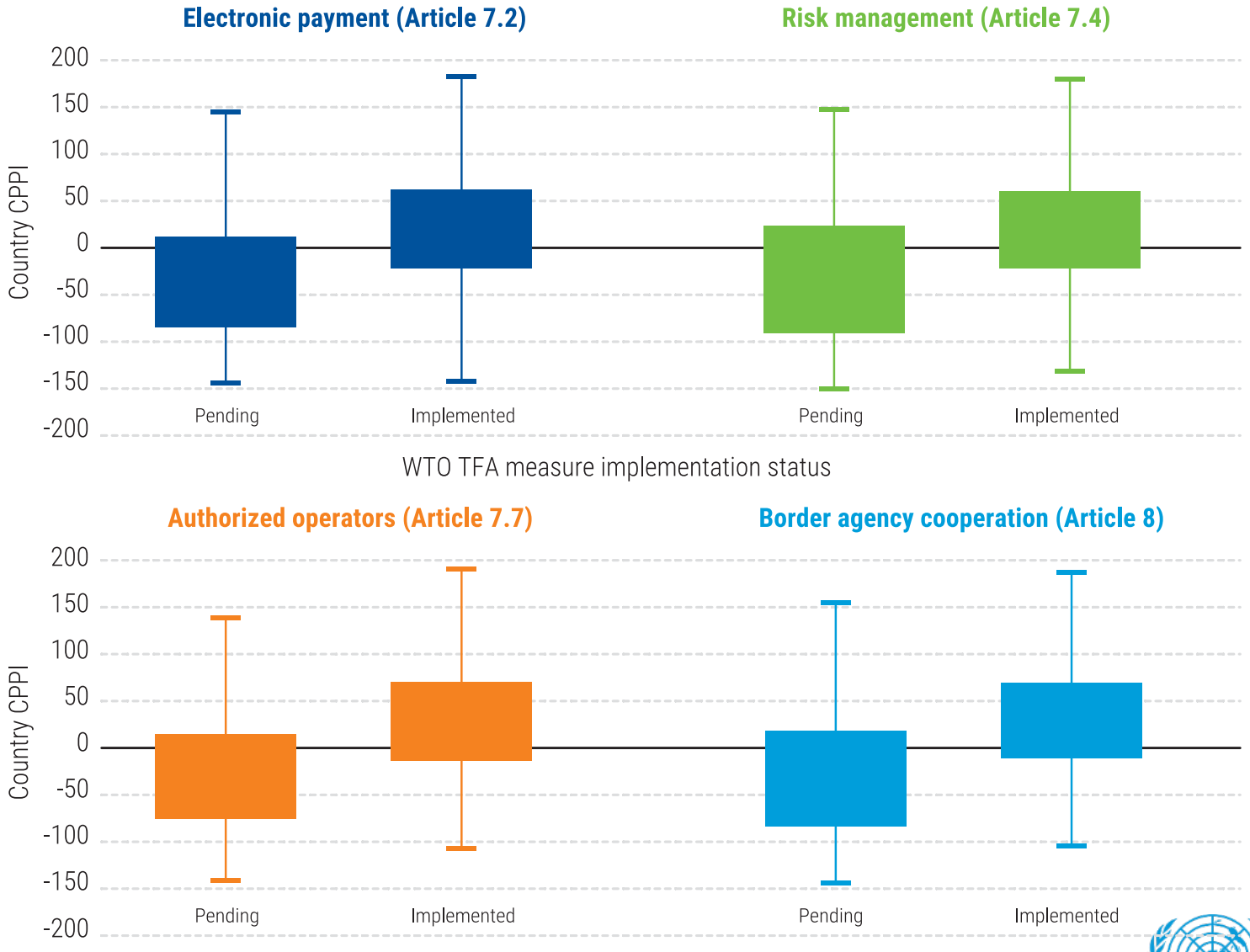
Country Container Port Performance Index values 2022 by implementation status of selected measures under the WTO Trade Facilitation Agreement



Source: UNCTAD, based on data from the Container Port Performance Index 2022 and the WTO Trade Facilitation Agreement Facility.

Note: Country grouping implementation status based on the WTO TFA articles. Distributions showing port efficiency according to the 2022 Container Port Performance Index of the World Bank and S&P Global using the Administrative Approach scores. The middle line represents the median, the top and bottom lines of the boxes represent the first and third quartile, and the top and the bottom lines (the whiskers) represent the minimum and the maximum values (excluding outliers).

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TWO KEY DEVELOMENTS

1. The 2020-2022 supply chain crisis motivated further digitalization.
2. Exponential technological progress in AI

THREE STAGES OF DIGITALIZATION

1. **Optimization**
   Maximizing efficiency and reliability in existing processes

2. **Extension**
   Moving beyond efficiency to capture new sources of value

3. **Transformation**
   Reinventing logistics, trade and business models, based on data-driven revenue streams

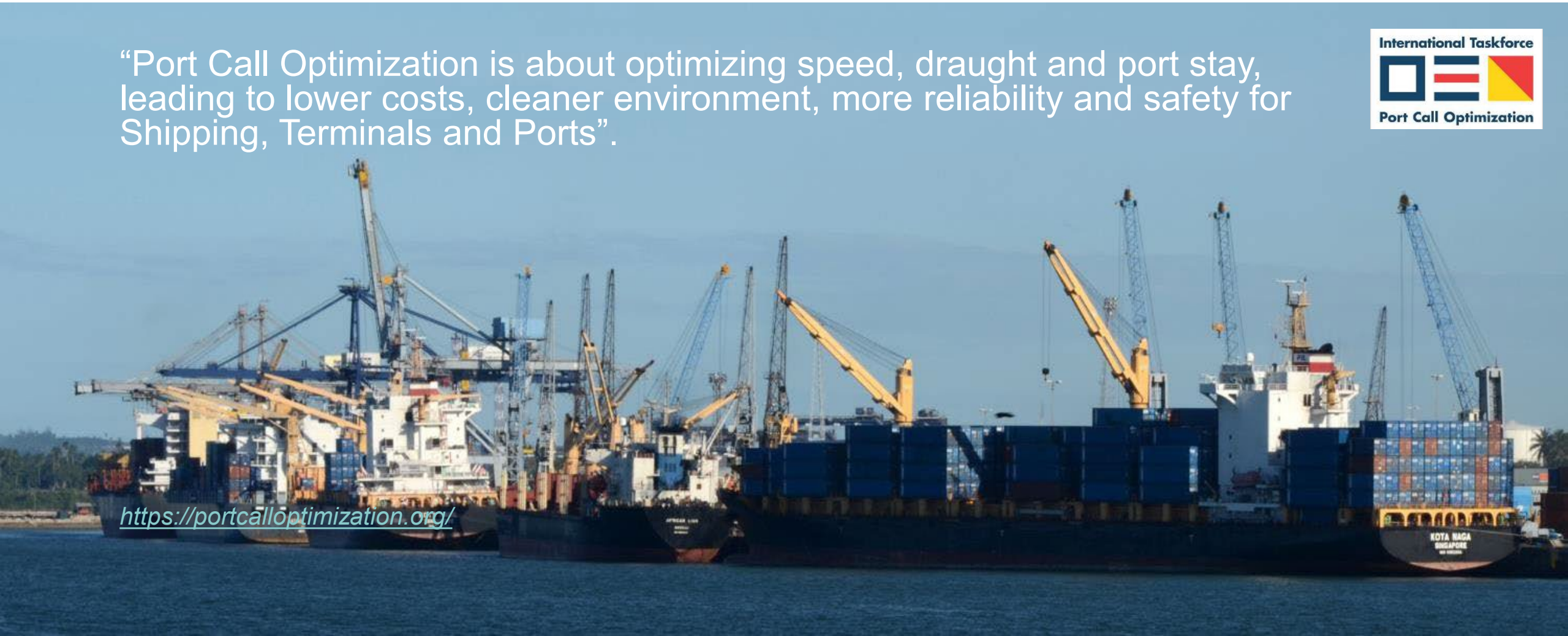
Source and further reading:
https://t.co/vbHAdYaSWf

1: OPTIMIZATION

Example: Port call optimization

“Port Call Optimization is about optimizing speed, draught and port stay, leading to lower costs, cleaner environment, more reliability and safety for Shipping, Terminals and Ports”.

International Taskforce
Port Call Optimization



https://portcalloptimization.org/

2: EXTENSION

"Action opportunities"

GLOBAL MARITIME FORUM | Unleashing the potential of the global maritime industry

DIGITAL DISRUPTION IN MARITIME

Action opportunities

25 APRIL 2018, SINGAPORE & 31 MAY 2018, HAMBURG

During 2018, the Global Maritime Forum in partnership with Rainmaking conducted workshops around opportunities arising from digital innovation. One of the ambitions was to identify concrete action opportunities to help improve the performance of the maritime industry and thus contribute to a more sustainable industry in economic, social and environmental terms.

Inspired by the presentations and discussions on collaborative approaches from other industries and startups, participants started developing ideas for the maritime industry. Some of the key ideas will be shared here in a series where we address them one by one. The action opportunities vary in their focus, complexity and purpose. Some could be taken up immediately by a few partners working together while others would require cross-sectoral and multi-stakeholder collaboration.

We invite you to engage and respond back with feedback or interest in participation.

Blockchain for cargo tracking

Challenge: Today, the tracking of cargo in cases of incorrect delivery is nearly impossible. It is also hard to identify where in the chain the issue occurred. This is due to a number of missing mechanisms, e.g. reliable record of identity, transparent and verifiable trail of ownership and up to date cargo traceability information.

Solution: Participants hypothesised Blockchain can be used to solve some of these challenges by creating an electronic immutable transparent and verifiable decentralized record around cargo documentation. Additional benefits from such a solution would include access to reliable information that can be used for risk management or financial purposes, the creation of automated smart contracts around container documentation and a reduction of human errors due to automated processes.

Barriers: Implementing an early stage technology brings a number of risks, including cyber security, resistance to adoption and the need to retrain people to work with the new technology. There are also challenges related to regulation in particular related to the legal validity of electronic documents.

Way forward: One way forward could be to build on existing blockchain initiatives and engage maritime stakeholders in developing commercial pilots focusing on specific applications for instance related to the misdelivery of cargo. Alternatively 2-3 industry partners and a venture builder could launch an explorative phase to identify problems to solve and build an initial prototype to demonstrate the value and feasibility. Afterwards the solution could be scaled commercially with multiple partners or become a non-profit infrastructure.

Smart Capacity Management Platform

Challenge: Today the capacity on board ships is not fully utilized since no mechanism exists to dynamically match cargo with unused capacity across operators. This means that more resources in the form of ships, fuel and port infrastructure etc. is required to transport the cargo than necessary, which increases operating costs and environmental impact.

Unleashing the potential of the global maritime industry | RAINMAKING INNOVATION

06/09/18

page 1

Further reading: http://globalmaritimeforum.org

GLOBAL MARITIME FORUM

3: TRANSFORMATION

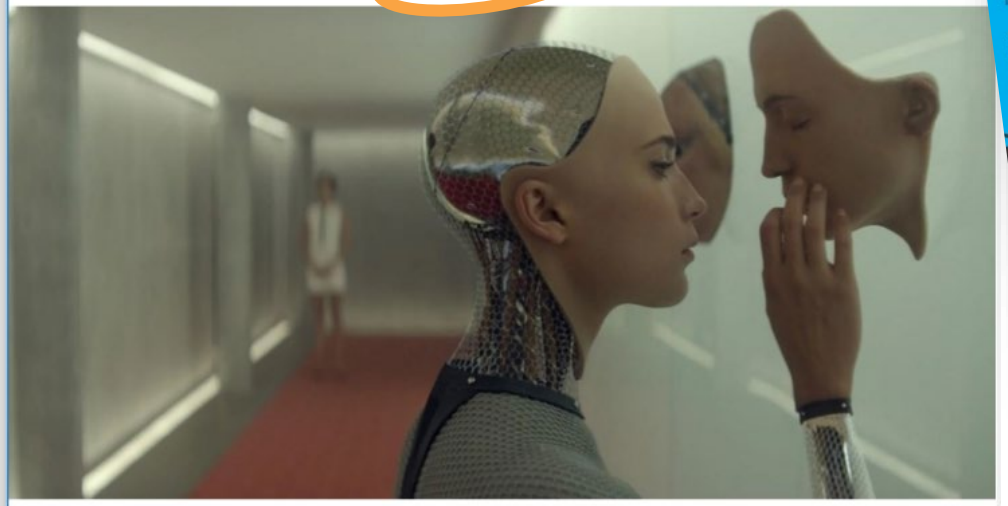
big think
Smarter Faster

DISCOVER VIDEO BIG THINK FOR BUSINESS

Human-like A.I. will emerge in 5 to 10 years, say experts

A survey conducted at the Joint Multi-Conference on Human-Level Artificial Intelligence shows that 37% of respondents believe human-like artificial intelligence will be achieved within five to 10 years.

STEPHEN JOHNSON 26 September, 2018

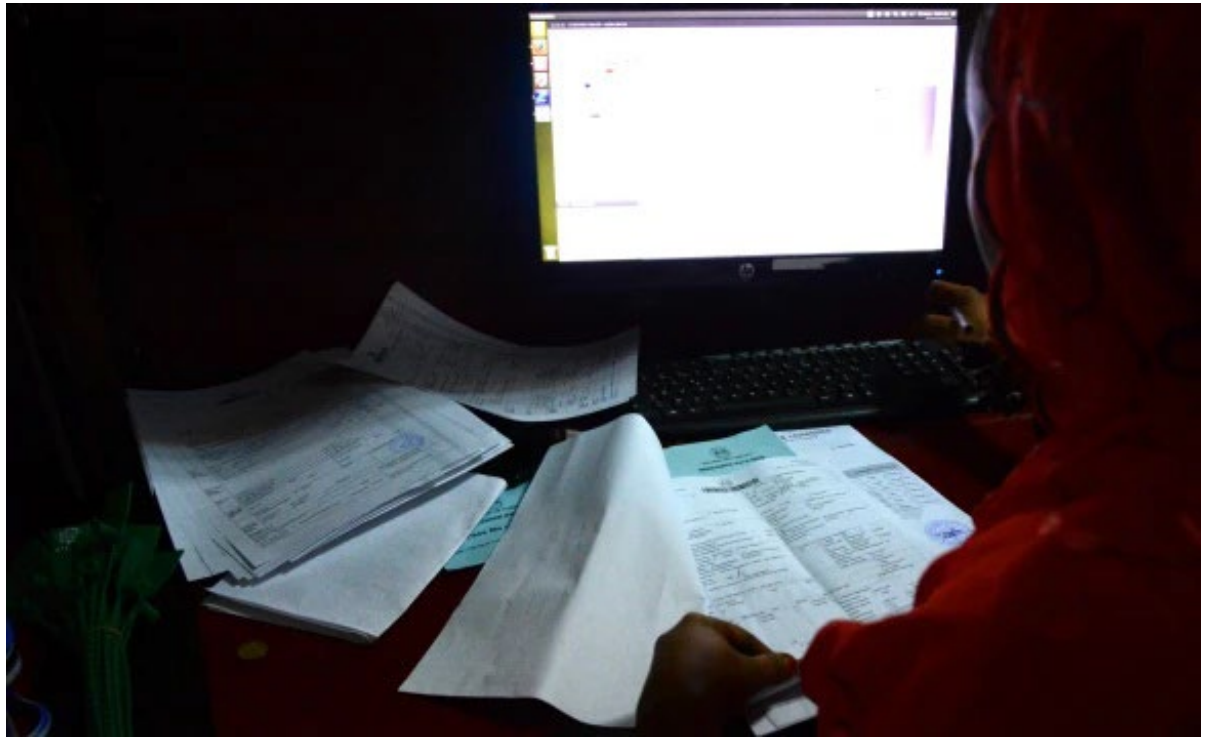


Further reading: https://www.linkedin.com/pulse/what-read-times-chatgpt-jan-hoffmann/

WHAT IS THE IMPACT OF ARTIFICIAL INTELLIGENCE (AI) ON THE FUTURE OF INTERNATIONAL TRANSPORT AND LOGISTICS?

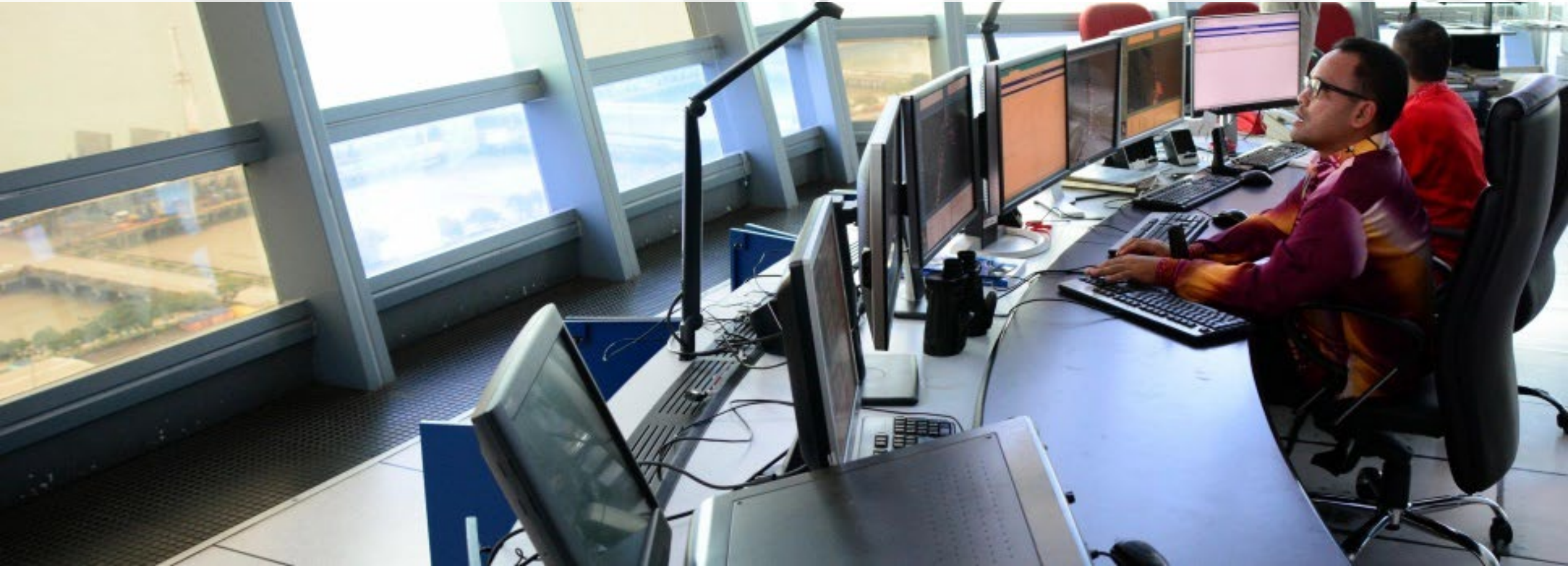
AI is expected to have a significant impact on the future of international transport and logistics in various ways.

7 key areas where AI can transform the industry



1. Optimized routes and scheduling

AI algorithms can analyze massive amounts of data to find the most efficient routes, considering factors such as fuel consumption, distance, traffic, and weather conditions. This will enable quicker, more cost-effective deliveries and reduce overall carbon emissions.



2. Autonomous vehicles and drones

Self-driving trucks, ships, and drones powered by AI will play a major role in transporting goods internationally.

Autonomous vehicles can operate 24/7 with minimal human intervention, improving productivity and reducing labor costs.

They can also lead to increased safety by reducing the likelihood of accidents caused by human error.

3. Demand forecasting and inventory management

AI-driven systems can analyze historical data, market trends, and other factors to predict demand and optimize inventory levels.

This enables businesses to reduce stockouts, overstocks, and warehousing costs, improving overall supply chain efficiency.

4. Enhanced customs clearance

AI-powered systems can facilitate faster, more accurate customs clearance by automatically classifying goods, calculating duties, and identifying potential risks or violations.

This can reduce the time spent in customs, leading to faster deliveries and reduced costs.

5. Smart ports and warehouses

AI can optimize port and warehouse operations by automating tasks such as container stacking, loading, and unloading.

Robotic systems powered by AI can perform these tasks more efficiently, reducing dwell times and improving overall throughput.

6. Improved supply chain visibility

AI can provide real-time updates on the status of shipments, allowing businesses to track their goods and make data-driven decisions.

This increased visibility can help prevent delays and improve customer satisfaction.

7. Enhanced security

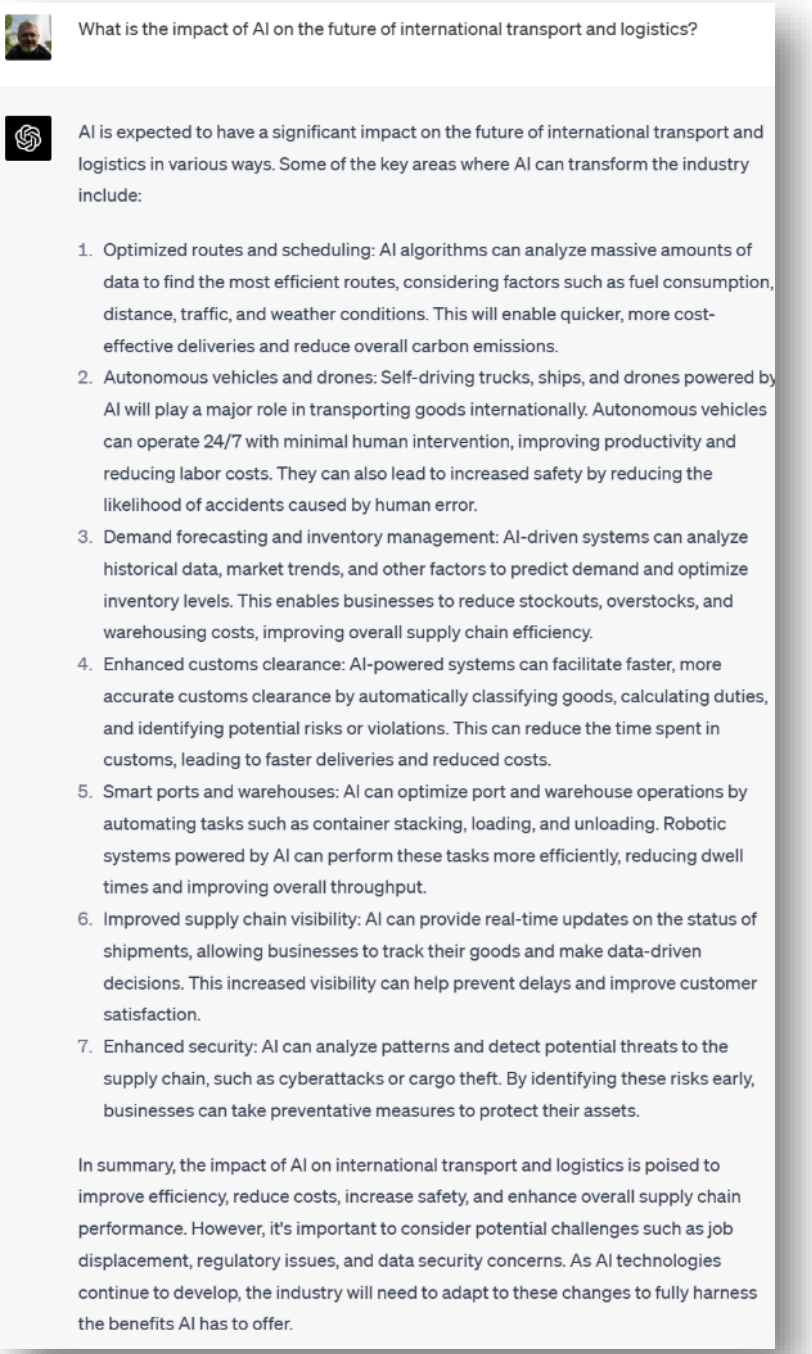
AI can analyze patterns and detect potential threats to the supply chain, such as cyberattacks or cargo theft.

By identifying these risks early, businesses can take preventative measures to protect their assets.

8. AI can also help prepare ppt presentation for the CSA ☺

Source:

https://chat.openai.com/?model=gpt-4




Der technologische Fortschritt wird nie so langsam sein wie heute
WTO OMC

WHO LEADS THE IT REFORMS IN YOUR COMPANY?

- ☐ The CEO
- ☐ The CTO
- ☐ Covid-19

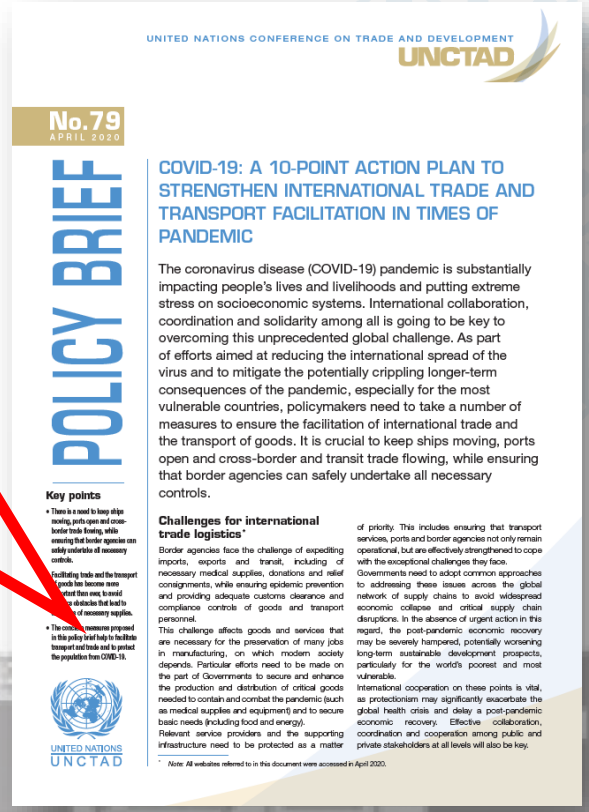
TRANSPORT IN TIMES OF COVID19

A 10-point action plan

https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=2713

IS THERE A TRADE-OFF BETWEEN CONTROLS AND TRADE FACILITATION?

The concrete measures proposed in this policy brief help to facilitate transport and trade and to protect the population from COVID-19.



UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
UNCTAD

No.79
APRIL 2020

POLICY BRIEF

COVID-19: A 10-POINT ACTION PLAN TO STRENGTHEN INTERNATIONAL TRADE AND TRANSPORT FACILITATION IN TIMES OF PANDEMIC

The coronavirus disease (COVID-19) pandemic is substantially impacting people's lives and livelihoods and putting extreme stress on socioeconomic systems. International collaboration, coordination and solidarity among all is going to be key to overcoming this unprecedented global challenge. As part of efforts aimed at reducing the international spread of the virus and to mitigate the potentially crippling longer-term consequences of the pandemic, especially for the most vulnerable countries, policymakers need to take a number of measures to ensure the facilitation of international trade and the transport of goods. It is crucial to keep ships moving, ports open and cross-border and transit trade flowing, while ensuring that border agencies can safely undertake all necessary controls.

Key points

- There is a need to keep ships moving, ports open and cross-border trade flowing, while ensuring that border agencies can safely undertake all necessary controls.
- Facilitating trade and the transport of goods has become more important than ever, to avoid [illegible] obstacles that lead to [illegible] of necessary supplies.
- The concrete measures proposed in this policy brief help to facilitate transport and trade and to protect the population from COVID-19.

Challenges for international trade logistics*

Border agencies face the challenge of expediting imports, exports and transit, including of necessary medical supplies, donations and relief consignments, while ensuring epidemic prevention and providing adequate customs clearance and compliance controls of goods and transport personnel.

This challenge affects goods and services that are necessary for the preservation of many jobs in manufacturing, on which modern society depends. Particular efforts need to be made on the part of Governments to secure and enhance the production and distribution of critical goods needed to contain and combat the pandemic (such as medical supplies and equipment) and to secure basic needs (including food and energy).

Relevant service providers and the supporting infrastructure need to be protected as a matter of priority. This includes ensuring that transport services, ports and border agencies not only remain operational, but are effectively strengthened to cope with the exceptional challenges they face.

Governments need to adopt common approaches to addressing these issues across the global network of supply chains to avoid widespread economic collapse and critical supply chain disruptions. In the absence of urgent action in this regard, the post-pandemic economic recovery may be severely hampered, potentially worsening long-term sustainable development prospects, particularly for the world's poorest and most vulnerable.

International cooperation on these points is vital, as protectionism may significantly exacerbate the global health crisis and delay a post-pandemic economic recovery. Effective collaboration, coordination and cooperation among public and private stakeholders at all levels will also be key.

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* Note: All websites referred to in this document were accessed in April 2020.

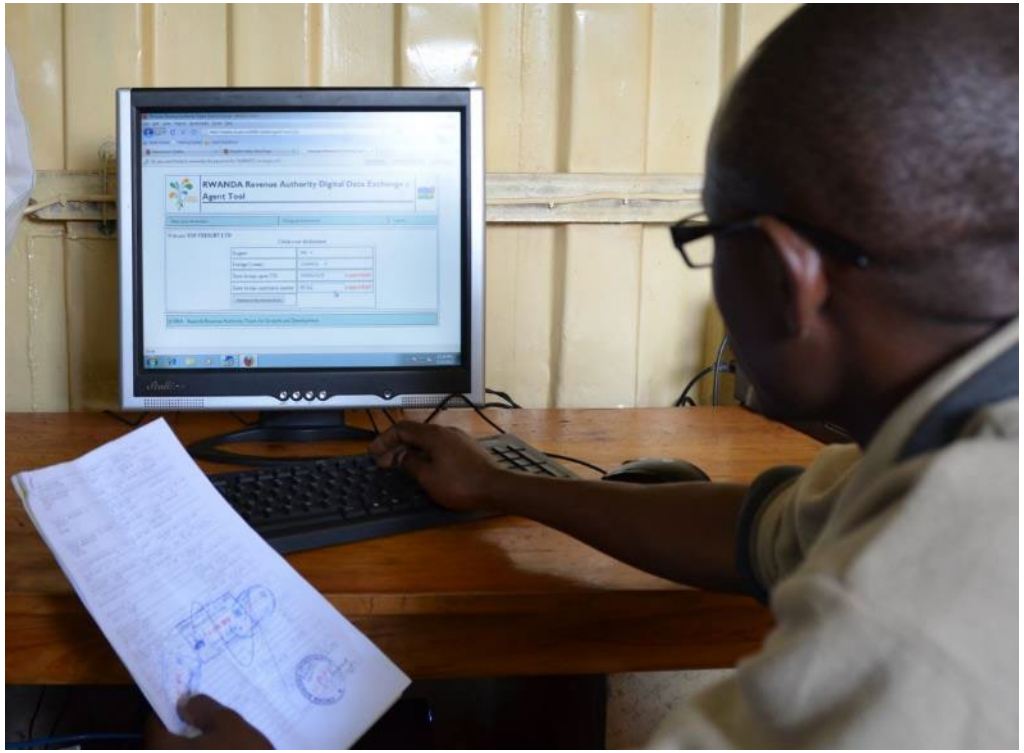





- The negotiation, ratification and implementation of conventions take time
- Need to commit to whatever is the best [future] technological solution

OUT OF DATE ALREADY?

- In the future the concept of “copies” versus “originals” as per Article 10.2 TFA will become obsolete as processes focus on data rather than on documents.



A DYNAMIC DIMENSION IN THE TFA

- In the long term, Article 10.1 will gain in importance, it does not prescribe any specific technological solution.

A DYNAMIC DIMENSION IN THE TFA

- In the long term, Article 10.1 will gain in importance, it does not prescribe any specific technological solution.
- Progressively, various provisions will become antiquated or obsolete and we will just want to *minimize* “the incidence and complexity of import, export, and transit formalities”; continuously “*review*” requirements; keep “*reducing* the time and cost of compliance for traders and operators”; and always choose “the *least* trade restrictive measure” (10.1 TFA)

1) The Energy Transition

2) Demand, Supply, and Markets

3) Ports and Maritime Connectivity

4) Challenges – and Opportunities

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UNCTAD

Climate Change

Who pays today?

- Coastal populations in Bangladesh whose lands are flooded
- Investors in the Bahamas whose properties are devastated by more frequent hurricanes
- Farmers in Mali whose crops fail after another dry season
- Families on Pacific islands whose homes are disappearing
- Swiss ski resorts left without snow

The polluter should pay.

And the polluter should be given three options:

1. **Don’t pollute / pollute less:**
   Go slower, use clean fuel, near-source
2. **Clean up and help adapt:**
   Filter, build flood walls, invest in ports, construct hurricane resilient cranes, …
3. **Compensate:**
   Help those who are negatively affected

“MARKET BASED MEASURES” = “ECONOMIC MEASURES”

Called “MBMs”: Measures that place a price on greenhouse gas (GHG) emissions. This can, for example, be a levy, or a market price under a carbon trading scheme.

https://www.imo.org/en/OurWork/Environment/Pages/Market-Based-Measures.aspx

INTERNATIONAL MARITIME ORGANIZATION

IMO

TC 41/7(c)
12 April 1995
Original: ENGLISH

TECHNICAL CO-OPERATION COMMITTEE
41st session
Agenda item 7(c)

12 One possible source of autonomous sustainable financing is th "internalisation of costs". That means wherever it is administratively feasible it should be made sure that the "polluter" pays either for the prevention, clean-up or compensation for costs that are caused by his economic activity. *If* this can be assured the potential "polluter" will usually choose the cheapest mix of prevention, clean-up and/or compensation. Whenever others (e.g. individuals, donors, countries, companies) pay for the prevention, clean-up or compensation, then the potential polluter will rely on this "payment" as much as possible. If, for example, the public pays for "compensation" companies can free ride and will have less incentives to invest in "prevention" or "clean-up"; or if the public arranges the "clean-up" companies will need to pay fewer insurance premiums to cover potential "compensation". It must be stressed that the *total* costs will usually be minimised if each company had to choose the cheapest mix of mechanisms herself.

A LEVY ON CO2 ?


A proposal for an IMO-led global shipping industry decarbonisation programm
BHP
DNB
DNV·GL
Marshall Islands demands $100 tax on shipping emissions
A levy on greenhouse gas emissions would be the first market-based measure ever imposed on the shipping industry
11 Mar 2021 | NEWS
Lloyd's List
The Marshall Islands and Solomon Islands have made a landmark proposal to the International Maritime Organization to charge by 2025 shipping companies $100 per tonne of CO2 equivalent their vessels emit
TRAFIGURA
CARBON LEVY EVALUATION
Could a carbon levy in shipping be an effective way to help reach the IMO greenhouse gas reduction goals?
October 2019
International Chamber of Shipping
Shaping the future of shipping
NEWS KEY ISSUES SUBMISSIONS FREE RESOURCES PUBLICATIONS ABOUT IC
Home // Shipping sector proposes USD 5 billion R&D board to cut emissions
Shipping sector proposes USD 5 billion R&D board to cut emissions
Dec 18, 2019
The global maritime transport industry has submitted a proposal to form the world's fi
collaborative shipping R&D programme to help eliminate CO2 emissions from
international shipping. The proposal
World Shipping Council
Global Carbon Price
A global price on carbon combined with dependable and broad-based "buy down" programmes that effectively level the playing field among newer low and zero GHG ships and the tens of thousands of ships that will still be burning conventional fuels.
This will play a large role in making it possible for companies to put zero GHG ships on the water and to operate them competitively.
by international shipping.
The industry-wide move to accelerate R&D is necessary to ensure the ambitio
reduction targets agreed to by IMO Member States in 2018 are met.
These ambitious IMO targets include an absolute cut in the sector's total green
emissions of at least 50 percent by 2050, regardless of trade growth, with full
decarbonisation shortly after. The 2050 target will require a carbon efficiency in
of up to 90 percent, which is incompatible with a continued long-term use of fos
commercial shipping.
Meeting the IMO GHG reduction goals will require the deployment of new zero-
technologies and propulsion systems, such as green hydrogen and ammonia, fu
batteries and synthetic fuels produced from renewable energy sources. These do not yet
exist in a form or scale that can be applied to large commercial ships, especially those
SHIP TECHNOLOGY
Dr Kostas Gkonis, secretary general of the International Association of Dry Cargo Shipowners (INTERCARGO) believes that closer investigation of the environmental impact of slow steaming is also necessary. "When it comes to GHG emissions, one would need to factor in the extra emissions from the shipbuilding activity for constructing these ships. More emissions would also result from steel production, but also mining and transporting coal for the shipbuilding purposes," he says.
"Imposing a tax on fuel would be a better way to encourage "environmentally friendly and efficient slow steaming"."
It's the idea of imposing speed limits with which he doesn't agree. "The absence of 'speed limits' allows a ship to speed up during boom market periods. This is desirable, otherwise the market would necessitate extra shipping capacity by building more ships in a wasteful and inefficient way," he says.
the first time, the International Chamber of Shipping (ICS) and Intercargo
tly proposed a levy based on mandatory contributions for each tonne of CO2
tted from ships exceeding 5,000 gross tonnes and trading globally.
REUTERS®
The money collected would go into a climate fund that would be used to deploy
bunkering infrastructure in ports around the world to supply cleaner fuels such
as hydrogen and ammonia, according to the proposal.
"What shipping needs is a truly global market-based measure like this that will
reduce the price gap between zero-carbon fuels and conventional fuels," ICS
Secretary General Guy Platten said.

A LEVY ON CO2 ?

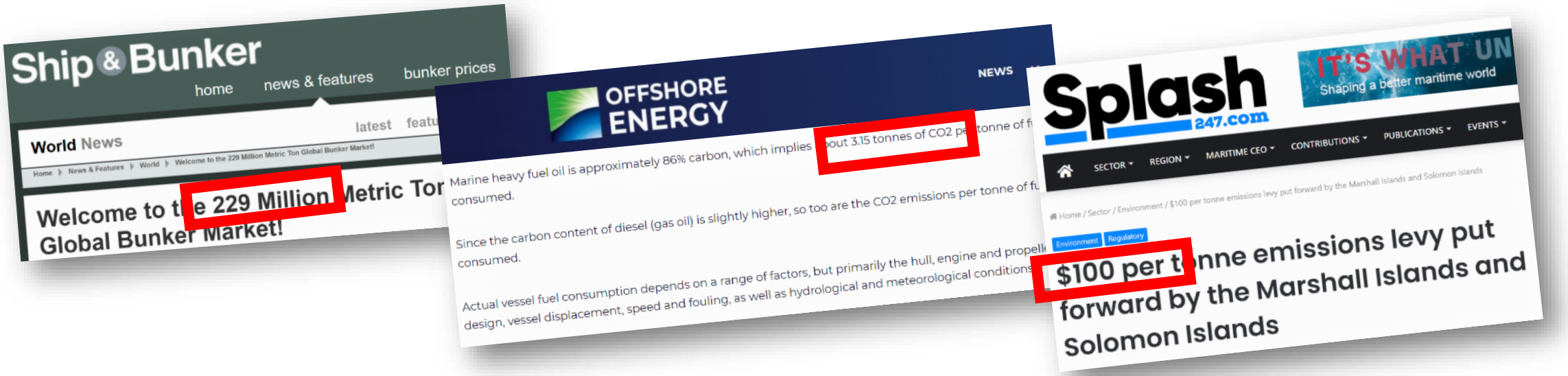
CVF | CLIMATE VULNERABLE FORUM

DHAKA-GLASGOW DECLARATION OF THE CVF

7. Maritime Emissions: We recognize the critical importance of shipping to our states and to prioritize and support all efforts to advocate for this sector. We call upon further urgent discussion, study and work of the IMO for establishing a mandatory GHG levy on international shipping to ensure that IMO emission measures are fully aligned with a 1.5ºC pathway following IPCC AR6. We recognize the need for the shipping transition to next generation vessels and fuels to be equitable and benefit all states. We support that the majority of the levy's revenues be employed as additional financial support for urgent climate actions, particularly by the vulnerable developing countries. We urge members to consider adopting ambitious targets in domestic maritime emissions for a transition to zero emissions that leaves no one behind.

Afghanistan, Bangladesh, Barbados, Benin, Bhutan, Burkina Faso, Cambodia, Colombia, Comoros, Costa Rica, Democratic Republic of the Congo, Dominican Republic, Eswatini, Ethiopia, Fiji, the Gambia, Ghana, Grenada, Guatemala, Guinea, Guyana, Haiti, Honduras, Kenya, Kiribati, Lebanon, Liberia, Madagascar, Malawi, Maldives, Marshall Islands, Mongolia, Morocco, Nepal, Nicaragua, Niger, Palau, Palestine, Papua New Guinea, Philippines, Rwanda, Samoa, Saint Lucia, Senegal, South Sudan, Sri Lanka, Sudan, Tanzania, Timor-Leste, Tunisia, Tuvalu, Uganda, Vanuatu, Viet Nam, Yemen.

HOW MUCH IS IT?



229 000 000 * 3.15 * 100 = 72 135 000 000 $ per year total carbon levy


Technological progress will never be as slow as today


UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
UNCTAD
The decarbonization of maritime transport:
Delaying the transition is more costly than the transition

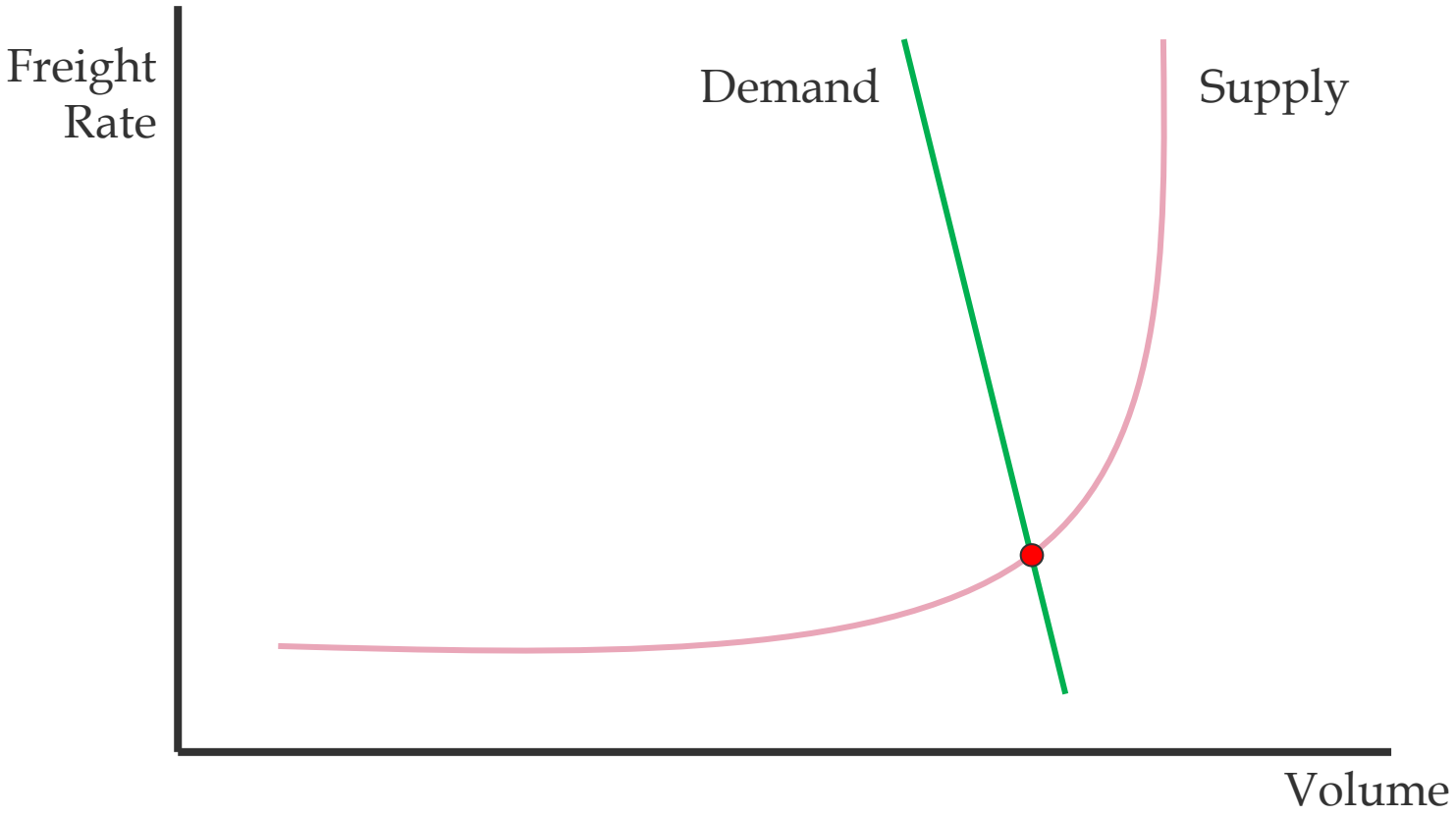
1) The Energy Transition

2) Demand, Supply, and Markets

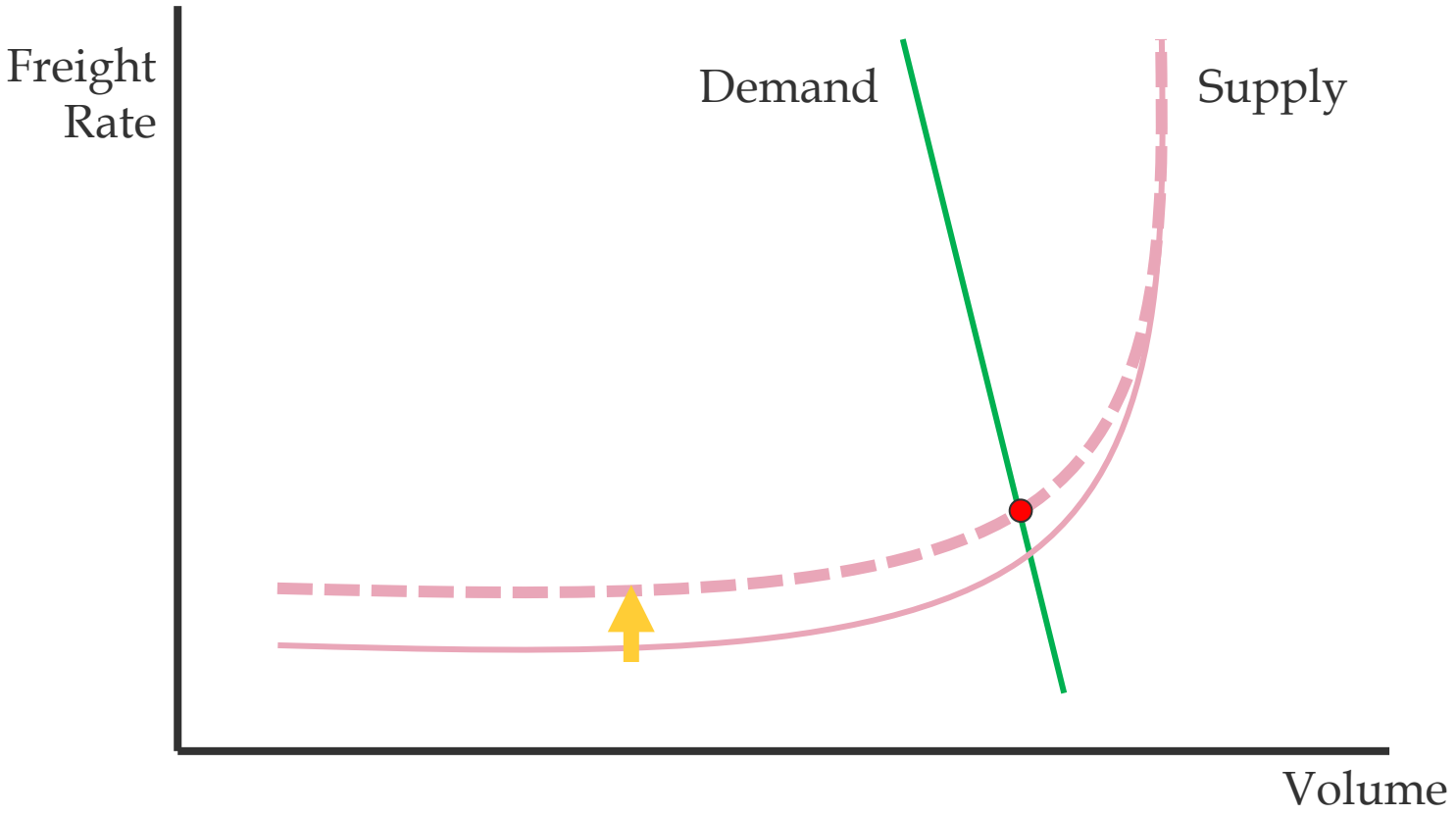
3) Ports and Maritime Connectivity

4) Challenges – and Opportunities

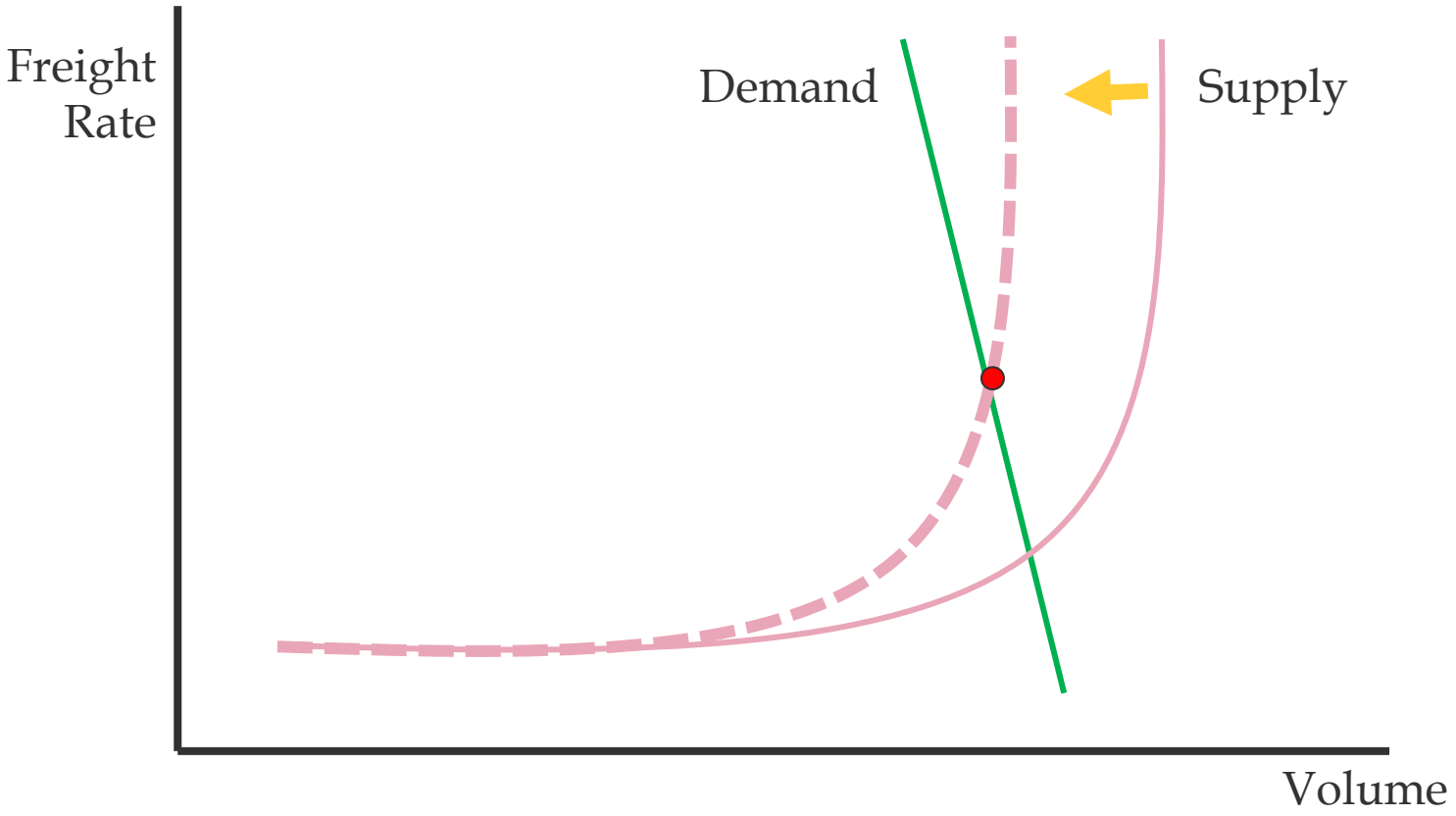
The starting point



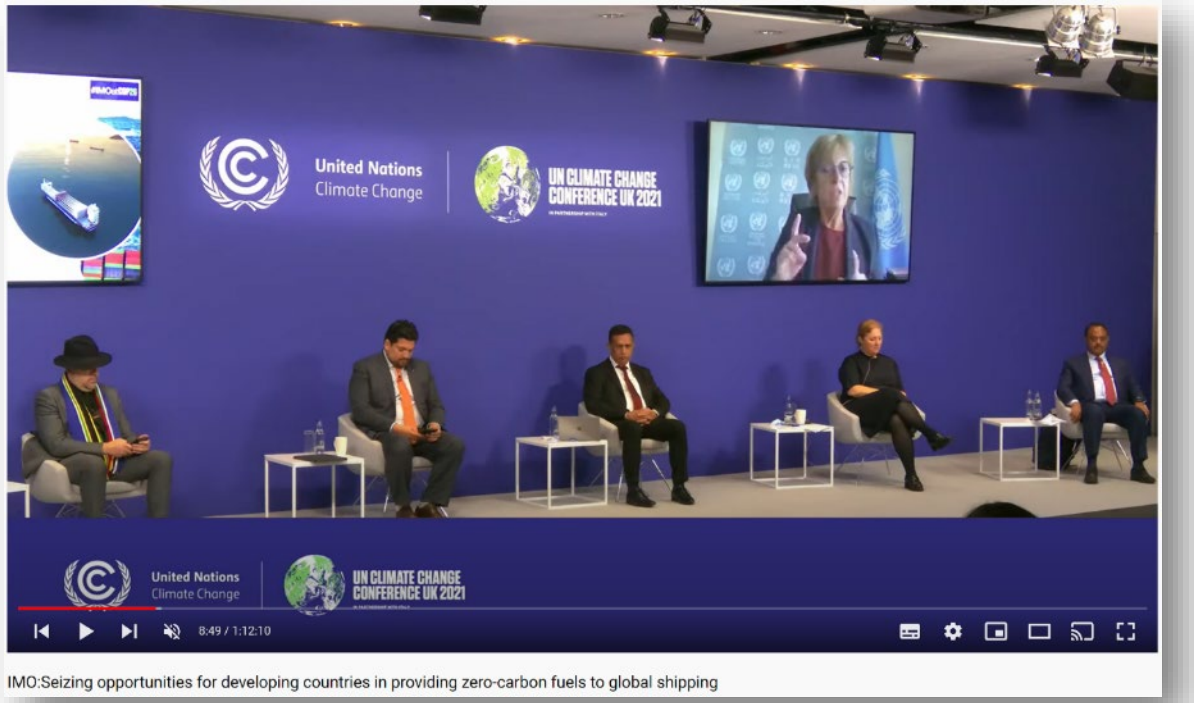
Decarbonization leads to a slightly higher supply curve



Uncertainty leads to a shift of the supply curve to the left



Opportunity 1:
Developing countries as providers of alternative fuels



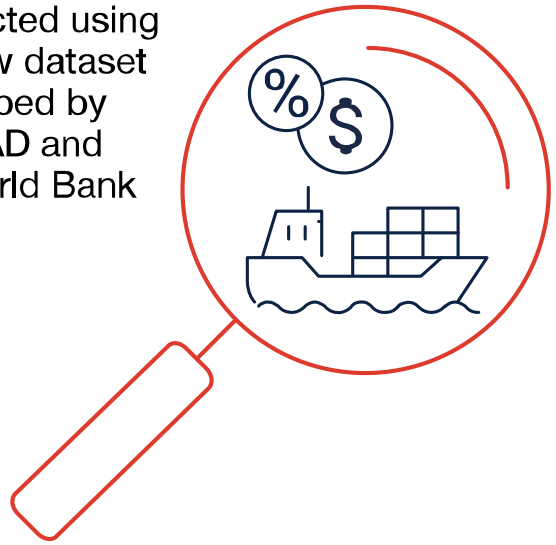
"… here is an opportunity. Zero-carbon shipping represents a business and development opportunity for several developing countries. In the past, the bunker fuel market was a very non-inclusive market: countries with large oil reserves could participate, others could not." (UNCTAD DSG Isabelle Durant)

https://unctad.org/osgstatement/cop26-side-event-seizing-opportunities-developing-countries-providing-zero-carbon

Opportunity 2:
With the generated funding, invest in improved trade logistics

SIMULATED IMPACT OF IMPROVING MARITIME TRANSPORT COST DETERMINANTS

Simulation is conducted using the new dataset developed by UNCTAD and the World Bank



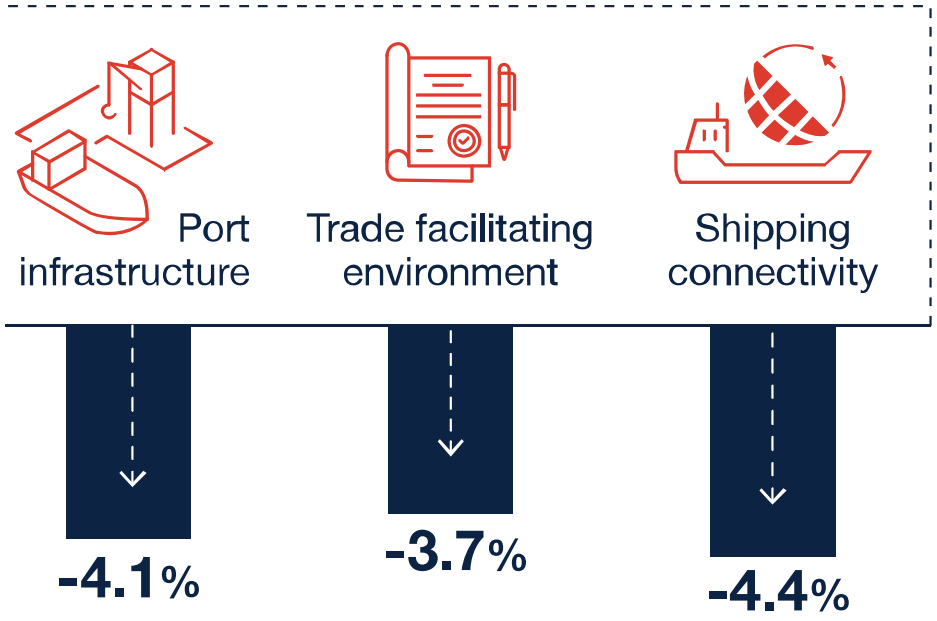
https://unctad.org/RMT

Simulation assumption:

Improving structural determinants

Simulation results:

Reduction in maritime import transport costs



Opportunity 3: Decarbonize shipping

The maritime industry has the historical opportunity to be ahead of the curve, as it can shape one global multilateral framework; other industries need to implement many national frameworks, where there is the risk of free riders and no global enforcement

Presentation of the

REVIEW OF MARITIME TRANSPORT 2023

Towards a green and just transition

UNITED NATIONS
UNCTAD

ACKNOWLEDGEMENTS

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The report benefitted from substantive contributions by officials from the regional commissions of the United Nations (ECA, ECE, ECLAC, ESCAP, and ESCWA), the TrainForTrade Port Management Programme partners (Port of Antwerp-Bruges, Port of Las Palmas, Port Authority of Valencia) and other partners. Input was provided by Adel Alghaberi, Eliana Barleta, Frida Basok, Juan Manuel Díez Orejas, Mohamad Fakhreddin, Alejandro Garcia Macias, Nadia Hasham, Azhar Jaimurzina Ducrest, Sooyeob Kim, Robert Tama Lisinge, Magec Montesdeoca, Miryam Saade Hazin, Antonella Teodoro, Joachim Verheyen and Lukasz Wyrowski.

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THANK YOU!

- http://unctad.org/rmt
- http://stats.unctad.org/Maritime

Contact:
rmt@unctad.org

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