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UNITED NATIONS UNCTAD | The Commonwealth | IOI International Ocean Institute

Oceans economy and trade:
Sustainable fisheries, transport and tourism

Session 4:
Sustainable maritime transport: enabler of a productive and sustainable Oceans Economy

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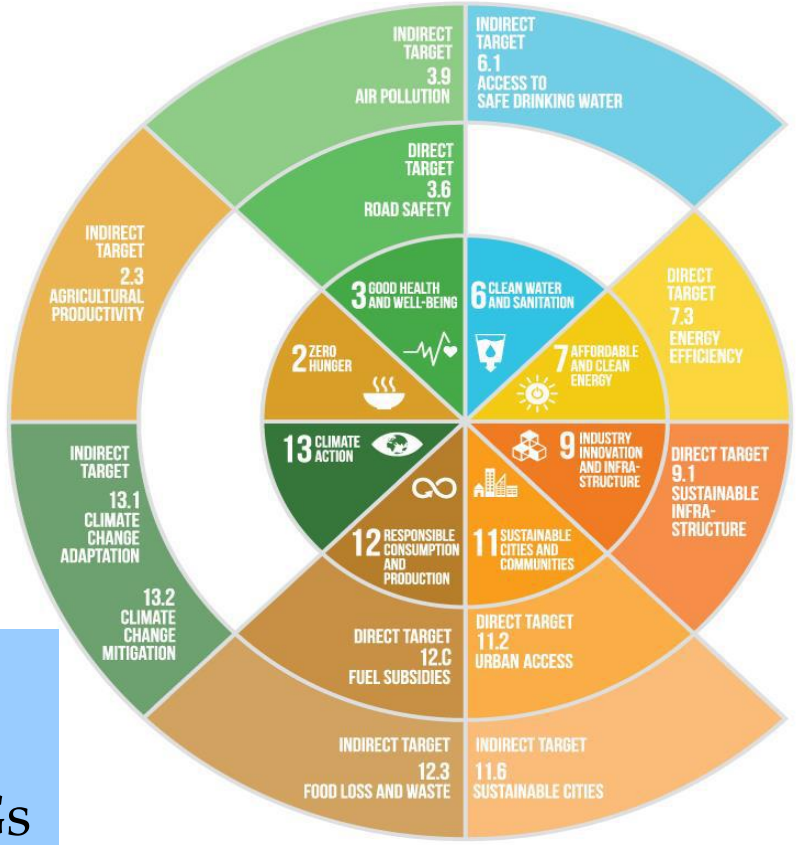
Introductionary remarks: 2 main issues

- **I. Strategic importance of maritime sector**
- **II. Interface between sustainability of maritime transport and resilience of the ocean.**

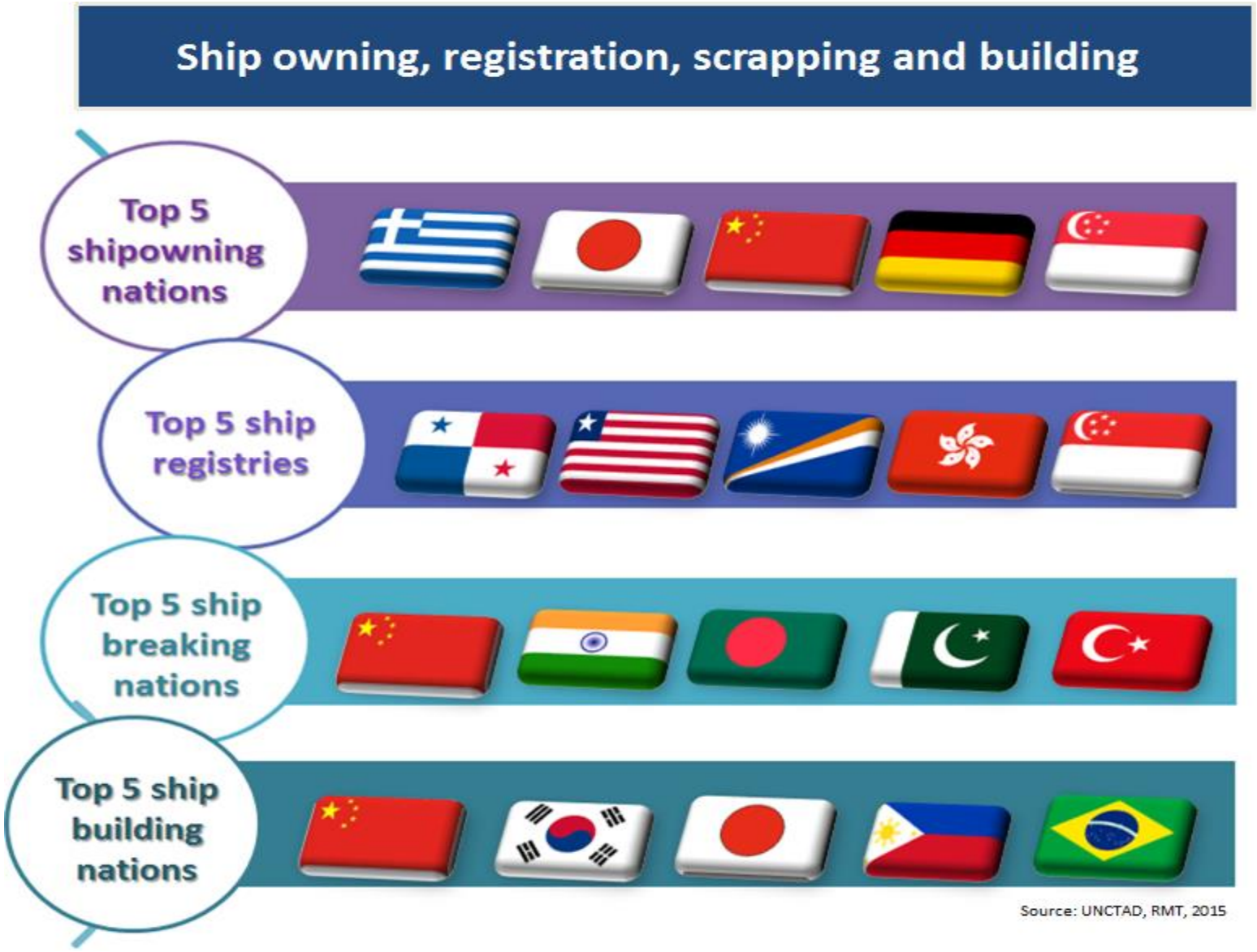
UN Sustainable Development Goals (SDGs)

- Adopted in September 2015
- 17 SDGs and 169 targets
- Transport plays key role in 8 SDGs
- 5 direct targets and 6 indirect targets

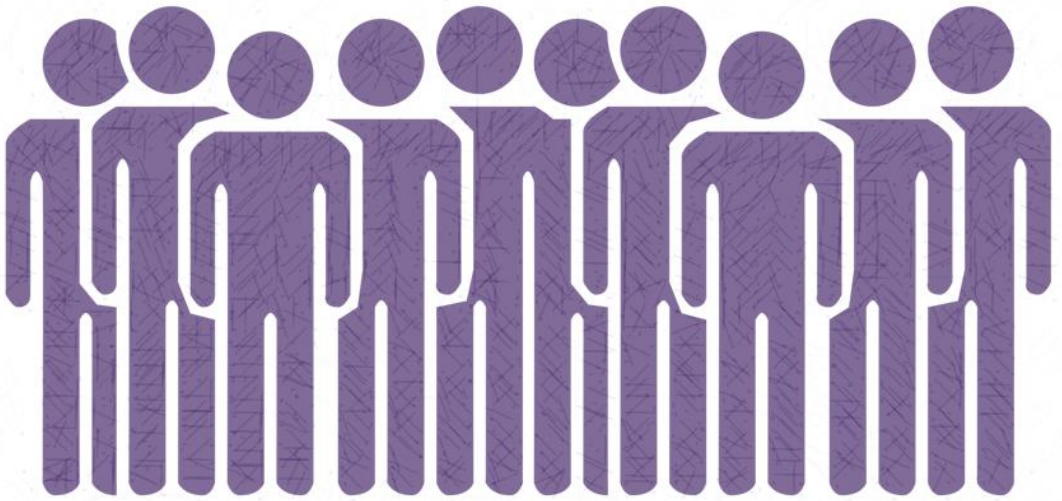


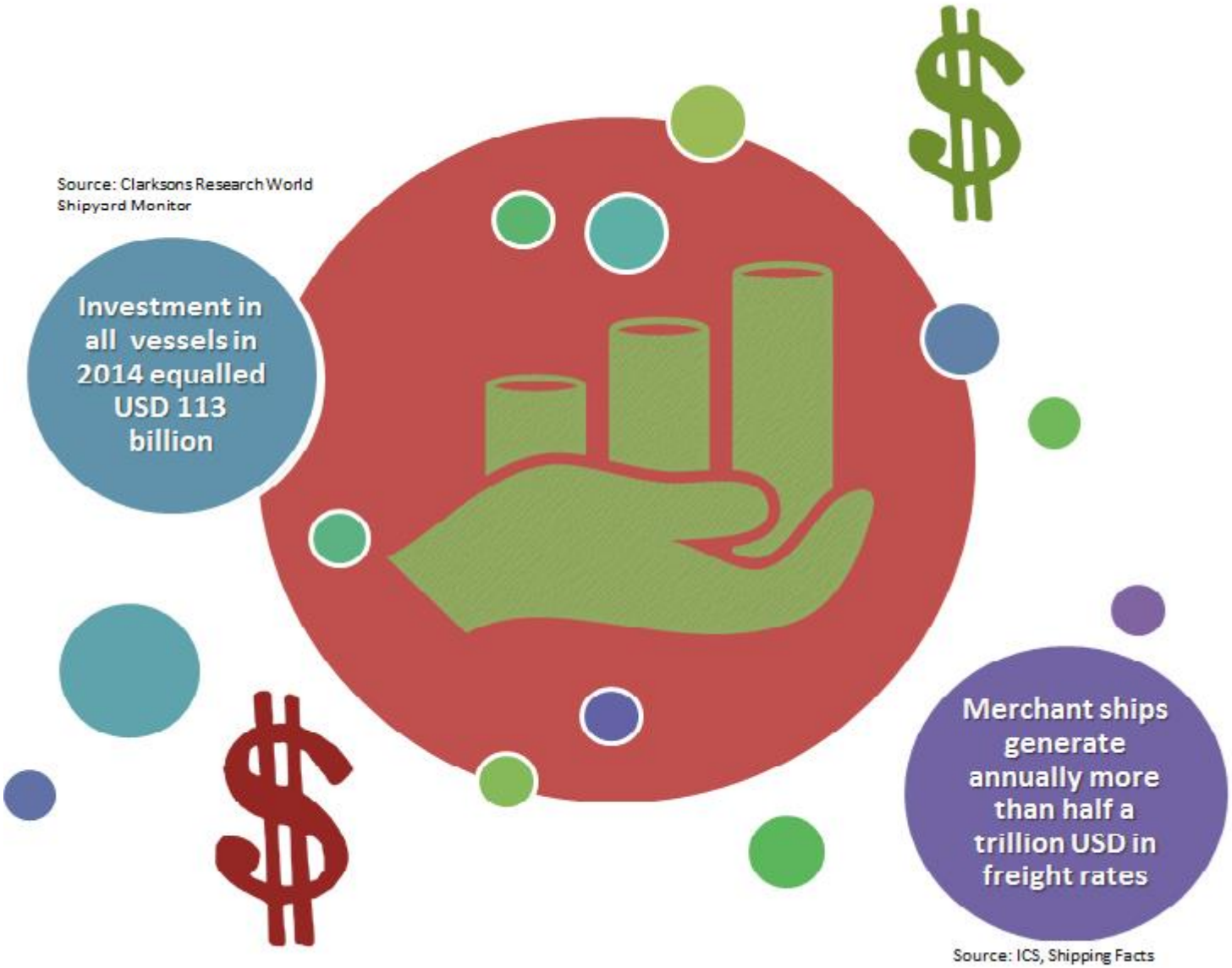
Source: SloCat (2015)

Maritime transport is well established ocean-based economic sector

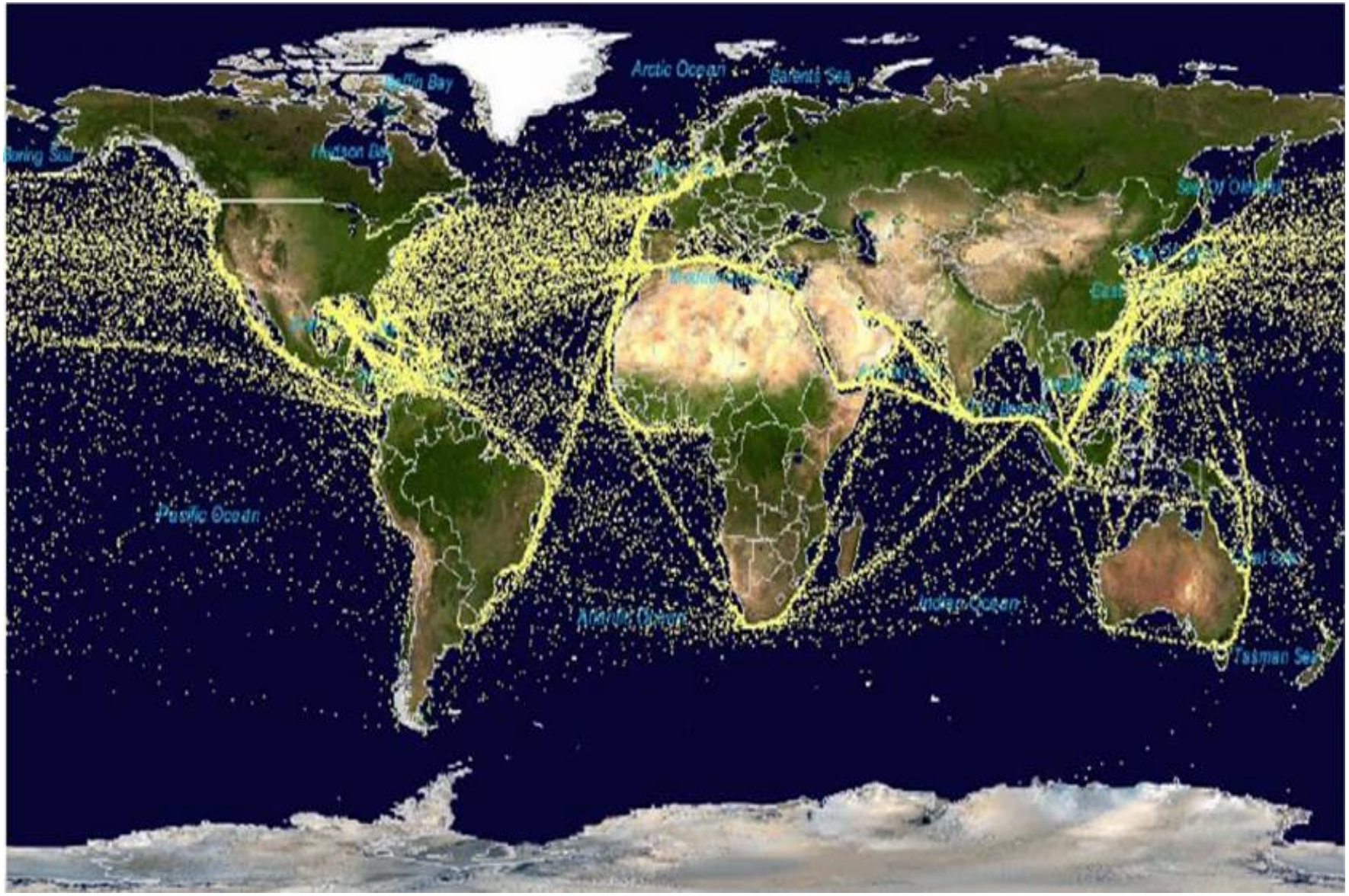


Over 1,000,000 seafarers of various nationalities are employed on board ships that are trading internationally

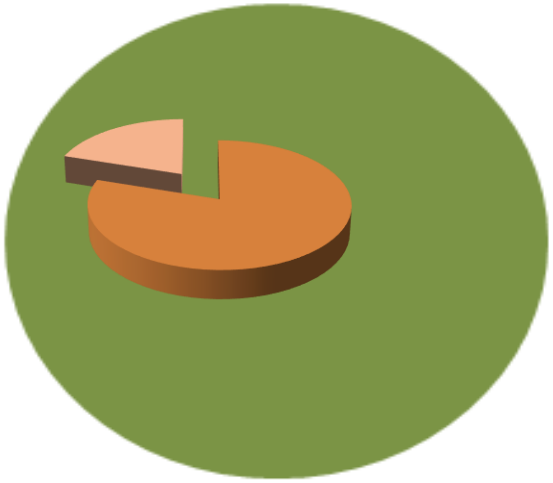



Source: Clarksons Research World Shipyard Monitor
Investment in all vessels in 2014 equalled USD 113 billion
Merchant ships generate annually more than half a trillion USD in freight rates
Source: ICS, Shipping Facts

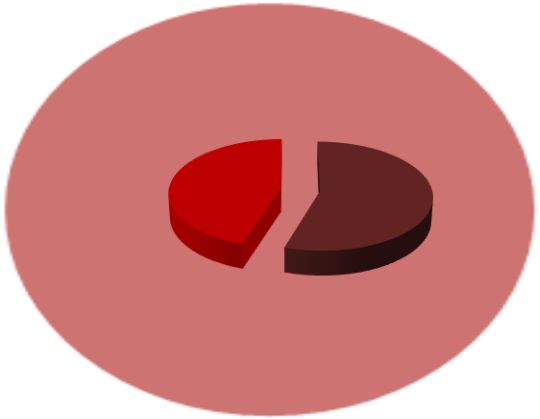
Shipping is the lifeblood of world trade



Source: Simon Bennett, ICS, presentation at UNCTAD Ad Hoc Expert Meeting 2011



80% of world trade by volume is seaborne

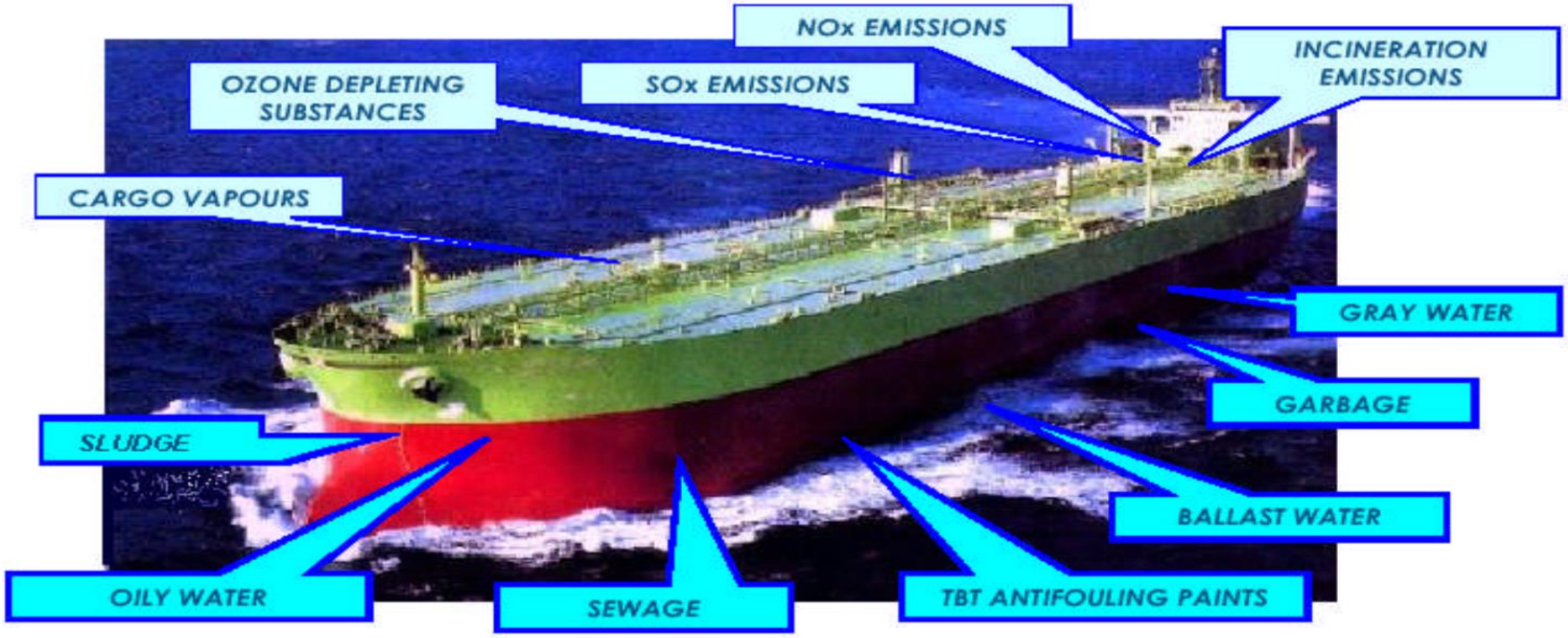


55% of world trade by value is seaborne

But shipping also generates environmental costs

- A total of 89,464 vessels worldwide, with a total tonnage of 1.75 billion dwt (RMT 2015 data)

  - **Potential implications for the health and wealth of the Ocean includes: marine pollution (oil and ballast water), resource depletion (energy consumption) , air pollution (NOx, SOx, PM) , CO2 emissions and climate change, damages resulting from operations, accidents, etc.**



SOME KEY DATA

- Shipping is **heavily dependent on oil for propulsion** . High carbon intensity.
- **Expected growth** in shipping demand (Intl freight, including maritime projected to + than quadruple by 2050) (ITF 2015)

At the same time …

- International shipping was estimated about **2.2% of the global emissions of CO2** in 2012. (3rd IMO GHG Study, 2014) and these emissions from international shipping are rising up to **five-fold** by 2050 (3rd IMO GHG Study 2014).
- International ship emissions of **nitrogen oxide (NOx) & sulphur oxide (SOx) = about 13% and 12% of global NOx and SOx** total respectively (2007-2012) [IMO GHG Study 2014].
- Some 10 billion tonnes of ballast water (BW) are transferred p/y globally. When discharged without treatment, introduces harmful aquatic organisms & pathogens to new environments. Can have serious consequences. BW and ships' hull fouling, are estimated to cost around USD 100 billion per year.

- Enabling sustainable maritime transport sector that is energy efficient, clean, low carbon and environmentally-friendly is therefore crucial for building the resilience of the Oceans.

- Many advances have been made possible as a result of IMO's regulations, industry initiatives and technological developments.

- Shipping is subject to the first ever global and legally binding CO2 regulations for an entire economic or industrial sector. Annex VI to the MARPOL Convention was adopted to regulate the emission of air pollutants from ships, and amended in July 2011 to include regulations on energy efficiency for ships.

- Further Greening of the sector is required and could be achieved, inter alia, by supporting countries to implement and enforce environmental treaties and standards; switching to sustainable shipping and vessels that are energy efficient, that use clean sources of energy, and are environmentally-sound (e.g. control the transfer of invasive aquatic species transported via ships' BW or hulls); improving environmental sustainability of ports, promoting collaboration and partnerships among various stakeholders (public, private, academia research institution, financiers, international and regional organizations, UN agencies, etc.).

UNCTAD activities

- **Focal point** within the UN system for dealing with **trade and development** related issues in an integrated manner

- **Mandate broad** in transport and trade logistics and pioneered in recognizing the importance of sustainability in trade and transport.

- Since 2008, **greater integration of sustainability, environmental protection and climate change considerations** into work on transportation.

- **Three pillars of work:** Research & Analysis; Meetings/intergovernmental machinery; Technical Assistance & Capacity-building
  - Trade and Logistics Branch annual flagship report : Review of Maritime Transport

Some relevant recent work: TA and CB

Technical Assistance:

Building capacities of developing countries to **shift towards sustainable freight transport** (2014-2017); UNDA-funded project.

Key activities training toolkit, capacity building workshops, advisory services, and web platform

- An important aspect of this project is to build a platform that take stock of existing programmes/initiatives and develop partnerships with relevant institutions in their respective areas of expertise.

Transport Toolkit

Transport infrastructure and services, including shipping, ports, roads and railways are essential for global merchandise trade and related supply chains.

In accordance with its mandate, UNCTAD is carrying out work to help developing countries improve their transport systems and ensure better access to worldwide markets. In its intervention, UNCTAD is increasingly adopting a wider and multifaceted perspective that crosses modes and dimensions to better reflect the new realities and trends that are currently reshaping the transport sector landscape including growth in multimodal transport, extended supply chains and the growing importance of environmental sustainability objectives.

Sustainable Transport Toolkit

The following toolkit aims to outline the principles of sustainable transport and the type of investments needed to develop the required infrastructure

It also provides guidance on possible financing mechanisms such as Public Private Partnerships.

Areas of Work
- Transport Infrastructure and Services
- Policy and Legislation
- Trade Facilitation
- Customs Automation - ASYCUDA

Studies and Reports
- Review of Maritime Transport (Series)
- Trade Facilitation - Technical Notes
- Transport, Trade Facilitation and Logistics
- UNCTAD Monographs on Port Management

Newsletters
- Transport and Trade Facilitation Newsletter
- ASYCUDA Newsletter

Data on Transport & Trade Logistics
- Trade Facilitation Bodies around the world
- Liner Shipping Connectivity Index
- World Merchant Fleet Statistics
- World Seaborne Trade

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UNCTAD Sustainable Freight Transport and Finance Toolkit

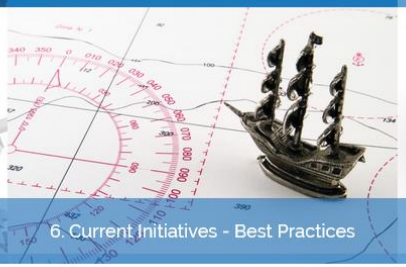
The following toolkit features the principles of sustainable transport and the type of investments needed to develop the required infrastructure. It also provides guidance on possible financing mechanisms such as Public Private Partnerships. To access the toolkit, click on the modules below.

Sustainable Freight Transport

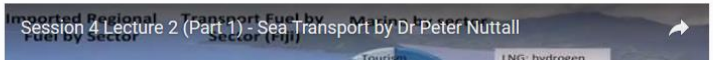
Sustainable Sea Transport Solutions for SIDS (Pacific Island Countries Case Studies): Transitioning to Low Carbon Shipping

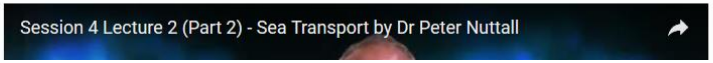
Public Private Partnerships

Sustainable Sea Transport Solutions for SIDS (Pacific Island Countries Case Studies): Transitioning to Low Carbon Shipping



Watch two videos about Sea Transport in SIDS by Dr Peter Nutall below:





Thank you for your attention

Transport Section

Trade Logistics Branch

Division on Technology and Logistics

www.unctad.org/tlb

http://unctad.org/TTL/SFTF-Toolkit

www.unctad.org/RMT