## UNCTAD's Contribution to concept note for the partnership dialogue on "Addressing Marine pollution" (Theme 1)

## **Status and Trends**

Maritime transport is a key enabler of trade as well as the productivity of other economic sectors including fisheries. With over 80 per cent of world merchandise trade by volume and more than 70 per cent by value estimated to be carried by sea, maritime transport is the backbone of globalization that support international trade and global interconnectedness. While the industry continues to grow with the world ship carrying capacity reaching 1.8 billion deadweight tons in 2015 and seaborne shipments exceeding 10 billion tons during the same year, developing countries are emerging as important players both as drivers of demand and suppliers of maritime transport services. In 2015, 60 per cent and 62 per cent of global goods loaded and unloaded, respectively were handled by seaports in developing countries. In addition, significant shares of shipbuilding, seafaring, ship scrapping, ship registration as well terminal cargo handling and global port operation activities were accounted for by developing countries.

## Challenges and partnerships

However, maritime sector and shipping also generate impacts for the health and wealth of the Ocean. These include, marine pollution (from oil and ballast water)<sup>1</sup>, resource depletion (from energy consumption - shipping being heavily dependent on oil for propulsion), CO2 emissions<sup>2</sup>, air pollution<sup>3</sup>, and climate change, as well as other damages resulting from operations, accidents, noise, etc. Enabling sustainable maritime transport sector that is economically viable, socially inclusive and environmentally friendly is therefore crucial for building the sustainability and resilience of the Oceans and achieving SDGs. In this respect, relevant actions may include (1) addressing the technical, operational and environmental aspects of the sector; (2) supporting countries to implement and enforce environmental treaties and standards; (3) switching to sustainable and low carbon shipping, i.e. 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' ballast water or hulls); (4) improving sustainability of ports; and (5) promoting collaboration and partnerships among various stakeholders (public, private, academia research institution, financiers, international and regional organizations, UN agencies, etc.).

<sup>1</sup> Invasive aquatic species present a major threat to the marine ecosystems, and shipping has been identified as a major pathway for introducing species to new environments. When discharged without treatment, ballast water introduces harmful aquatic organisms and pathogens to new environments. The effects of the introduction of new species have in many areas of the world been devastating. 10 billion tonnes of ballast water are transferred globally each year. Ballast water and ships' hull fouling, are estimated to cost around \$100 billion per year. http://globallast.imo.org/wp-content/uploads/2015/01/Monograph 18 web.pdf and

http://www.imo.org/en/About/Conventions/ListOfConventions/Pages/International-Convention-for-the-Control-and-Management-of-Ships'-Ballast-Water-and-Sediments-(BWM).aspx.

<sup>&</sup>lt;sup>2</sup> Global CO2 emissions from international shipping are projected at 2.2% in 2012 and are set to grow five-fold by 2050. 3<sup>rd</sup> IMO GHG Study (2014).

<sup>&</sup>lt;sup>3</sup> International ship emissions of nitrogen oxide - NOx - & sulphur oxide – SOx - represent about 13% and 12% of global NOx and SOx) for period 2007-2012.  $3^{rd}$  IMO GHG Study (2014).

## Existing partnerships

UNCTAD technical assistance programme on Sustainable freight transport which focuses on building capacities and providing advisory services to developing countries to enable a reorientation towards sustainable freight transport through sound transport policy measures and financing mechanisms. Deliverables under the programme include a training toolkit on sustainable freight transport and its financing (modules, handbooks, best practices, visual material, simulation models and presentations); 2) a web platform and portal (http://unctadsftportal.org/) which includes on-line toolkit, reports, case studies, programmes and sustainable freight transport initiatives; 3) a Reference Framework on Sustainable Freight Transport that provides guidance and a step-by-step methodology on how to design and implement sustainable freight transport strategies and plans as well as sustainable freight rating scheme for use by all interested parties and countries; and, 4) capacity building activities (workshops, training, advisory services, etc.).<sup>4</sup>

The initiative taken by the University of the South Pacific to promote energy efficiency and sustainable shipping via various research and pilot projects in collaboration with a network of stakeholders and knowledge partners including UNCTAD since 2012 to advance this agenda through a vast programme of research and technical assistance programmes.<sup>5</sup>

Additional link

Transitioning to Low Carbon Shipping Module – Sustainable Sea Transport Solutions for SIDS: Pacific Island Countries Case Studies. This module has been prepared in collaboration with the Pacific Centre for Environment and Sustainable Development, the University of the South Pacific.

<u>http://unctadsftportal.org/sftftoolkit/transitioningtolowcarbonshippingmodule/</u>, or <u>http://unctadsftportal.org/themencode-pdf-viewer-sc/?file=http://unctadsftportal.org/wpcontent/uploads/2016/07/Full-Module-Transitioning-to-Low-Carbon-</u> <u>Shipping.pdf&settings=111111118lang=en-US#page=&zoom=auto&pagemode</u>

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<sup>4</sup> Additional information about UNCTAD's work in the field of transport and trade logistics, including sustainable and freight transport is available at: <u>http://unctad.org/en/Pages/DTL/TTL/Infrastructure-and-Services.aspx</u>.

<sup>5</sup> Closing the Distance: Partnerships for Sustainable and Resilient Transport Systems in SIDS, UNCTAD (2014). (<u>http://unctad.org/en/PublicationsLibrary/dtltlb2014d2\_en.pdf</u>), based on Alison Newell, Peter Nuttall, Elisabeth Holland, Joeli Veitayaki and Biman Prasad (2014). Turning the Tide: the need for sustainable sea transport in the Pacific. (<u>http://www.lowcarbonshipping.co.uk/files/ucl\_admin/SCC/Turning-the-tide--the-need-for-sustainable-sea-transport-in-the-</u>Pacific.pdf).