



UNITED NATIONS
CONFERENCE ON
TRADE AND
DEVELOPMENT

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AGENDA: Deliberating upon the Security of Trade Routes with Special Emphasis on the Impact of Global Food Crisis

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LETTER FROM THE EXECUTIVE BOARD

Dear Delegates,

It is with great pleasure and anticipation that we welcome you to the United Nations Conference for Trade and Development (UNCTAD) at the 12th Edition of Jaipuria Model United Nations. As members of the Executive Board, we are delighted to provide you with the background guide that will serve as a foundational resource throughout your preparation and participation in the committee.

The conference of Trade and Development plays a focal role to form a framework of the global trade network, and addresses some of the most crucial challenges that the global trade and traders face. In the committee setup, our committee will deliberate upon the loopholes of the trade routes and affairs concerning their security. The committee will also emphasise on the global food crisis affecting particularly severe in regions with high levels of poverty, limited access to resources, and vulnerable agricultural systems.

Our committee shall centre on discussing the major trade routes, choke points of the trajectory of world trade, legal frameworks guiding the global trade etcetera, and finding solutions to the loopholes in it. As delegates, your role will involve critical analysis, innovative thinking, and collaborative efforts to develop solutions that address these complex economic and financial challenges. We look forward to your active participation and insightful contributions in shaping the future of global economic policy.

Regards, The Executive Board.

Chokepoints of global trade

1	The Suez Canal		
2	The Strait of Hormuz		
3	The Strait of Malacca		
4	The Strait of Taiwan		
5	The Panama Canal		

About the Agenda

Security of Trade Routes: The transportation of goods and commodities between nations and regions is facilitated by a wide network of air, land, and ocean channels known as global commerce routes. Because they facilitate international trade, link producers and consumers, and foster economic progress, these trade routes are vital to the world economy. The Straits of Malacca, the Panama Canal, and the Suez Canal are a few important international commerce routes. These trade routes are always changing as a result of breakthroughs in technology, geopolitical events, and changes in the dynamics of the world economy. They play a vital role in sustaining international trade by influencing the movement of capital, ideas, and goods across borders. How, one could ask, is such a significant and vital component of the world's money and economy protected and gatekept? Well, attempts to improveCollaboration between governments, international organizations, maritime firms, and other stakeholders is necessary to ensure the security of global commerce routes. The international community may contribute to the protection on trade routes and the stability of the world economy by addressing security concerns and making investments in preventive measures. However, there are many gaps and challenges in this process, such as cyber threats, terrorism, military conflicts, geopolitical tensions, and piracy. The security measures that member nations and organizations can implement to safeguard trade channels will be discussed by our committee.

Global Food Crisis: A large section of the world's population lacks access to enough food that is safe, nourishing, and sufficient, a condition known as the "global food crisis." A number of elements that contribute to global food insecurity are present in this crisis. In order to address the root causes of the global food crisis and give those in need urgent relief, a comprehensive strategy is needed. To achieve food security for all, this may entail making investments in sustainable agriculture, social safety nets, infrastructure development, conflict resolution techniques, poverty reduction plans, and international

cooperation. The UN's 2030 goal to end world hunger makes it imperative that its member states engage in responsible dialogue and ascertain solutions to it.

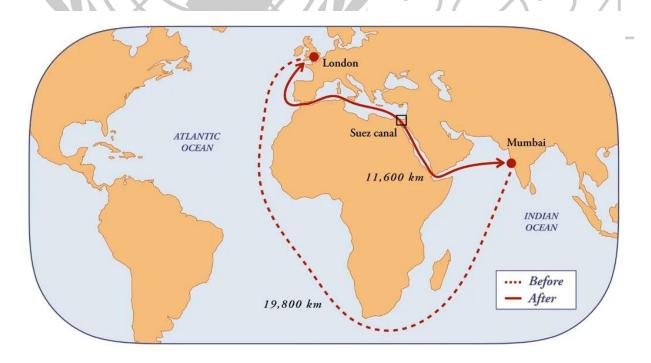


The Chokepoints of Global Trade

Trade chokepoints are key places along important trade routes, especially marine ones, where goods movement can be heavily influenced or regulated for security, political, or topographical reasons. These chokepoints are essential to international trade because they link important trading hubs and make it easier for goods to travel between continents. The global economy depends on these trade chokepoints, and any alterations or closures might have a big impact on shipping, energy, and international trade. Keeping these chokepoints secure and stable while reducing risks is crucial to preserving the efficient flow of products and promoting global economic expansion.

1. The Suez Canal:

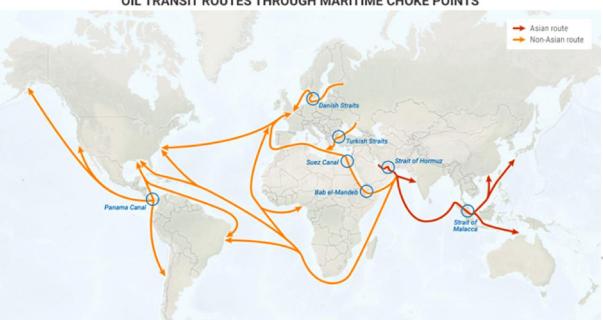
The Suez Canal is a man-made waterway located in Egypt, connecting the Mediterranean Sea to the Red Sea. It serves as a vital shortcut for maritime trade, allowing ships to avoid the lengthy and hazardous journey around the southern tip of Africa, known as the Cape of Good Hope. The Suez Canal is one of the most important waterways in the world, serving as a vital artery for global trade. It provides a direct route for ships travelling between Europe and Asia, significantly reducing transit times and costs for maritime commerce. The canal handles a significant portion of global trade, including oil, natural gas, containerized goods, and other commodities. Approximately 12% of global trade passes through the Suez Canal annually, making it one of the busiest maritime routes in the world. Over the years, the Suez Canal has undergone several expansions and upgrades to accommodate larger vessels and increase its capacity. The Egyptian government takes measures to ensure the security and safety of ships transiting through the canal, including naval patrols and surveillance.



2. The Strait of Hormuz

The Strait of Hormuz is a narrow waterway located between the Persian Gulf and the Gulf of Oman, connecting the Middle East with the Arabian Sea and the Indian Ocean. It is a vital artery for global energy trade, serving as the primary route for oil exports from the oil-rich countries of the Persian Gulf, including Saudi Arabia, Iran, Iraq, Kuwait, and the United Arab Emirates. Nearly one-fifth of the world's oil supply passes through the Strait of Hormuz, making it the most critical chokepoint for global oil trade. This includes crude oil, liquefied natural gas (LNG), and petroleum products destined for markets in Asia, Europe, and North America. The strategic importance of the Strait of Hormuz has made it a focal point of geopolitical tensions and rivalries in the Middle East.

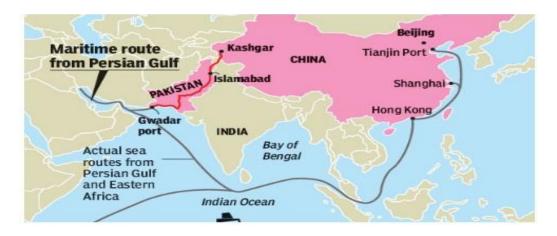
The strait is vulnerable to security threats, including piracy, maritime terrorism, and military tensions between regional powers. The presence of naval forces from multiple countries, including the United States, Iran, and Gulf Cooperation Council (GCC) states, underscores the importance of maintaining security and stability in the region.



OIL TRANSIT ROUTES THROUGH MARITIME CHOKE POINTS

3. Strait of Malacca:

The Strait of Malacca is a narrow waterway between the Malay Peninsula and the Indonesian island of Sumatra. It connects the Indian Ocean to the South China Sea, serving as a critical chokepoint for maritime trade between the Middle East, South Asia, East Asia, and the Pacific Rim countries. The Strait of Malacca is one of the busiest and most important shipping lanes in the world. It serves as a major route for international trade, with millions of barrels of oil and vast amounts of goods passing through it each day. It is particularly crucial for energy trade, as it is a primary route for oil shipments from the Middle East to East Asia. The strategic importance of the Strait of Malacca has raised security concerns, including piracy, maritime terrorism, and environmental risks. Efforts to ensure the security and safety of ships transiting through the strait involve cooperation among littoral states, international maritime organisations, and naval patrols.



4. Strait of Taiwan

Taiwan, officially known as the Republic of China (ROC), is an island nation located off the southeastern coast of China. It has a complex geopolitical status, with its government claiming to be the legitimate government of all of China, while the People's Republic of China (PRC) claims sovereignty over Taiwan. The security dynamics surrounding Taiwan are complex, with concerns about military tensions, territorial disputes, and the potential for conflict. The United States, as a key ally of Taiwan, plays a significant role in maintaining peace and stability in the region through its commitments to Taiwan's defence and security.

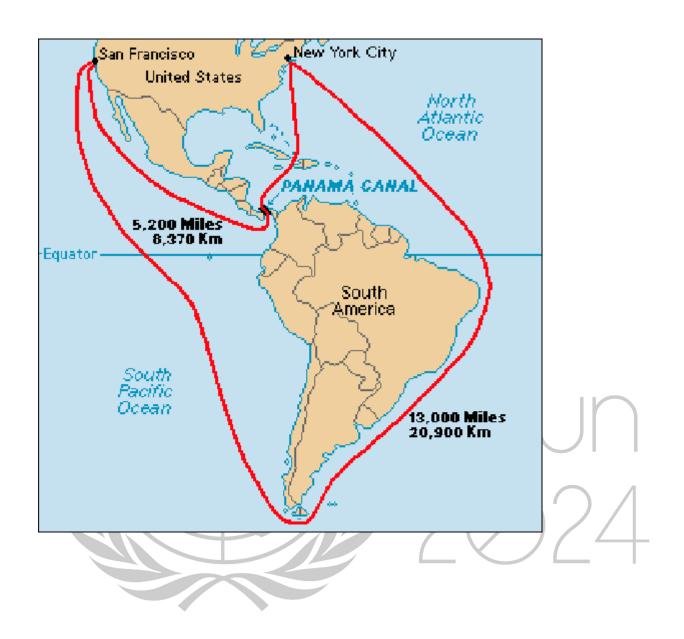


5. The Panama Canal

The Panama Canal is a vital waterway located in Panama, connecting the Atlantic Ocean to the Pacific Ocean. The Panama Canal traverses the Isthmus of Panama, a narrow strip of land that separates North and South America. It stretches approximately 50 miles (80 kilometres) from the Atlantic entrance at the Caribbean Sea to the Pacific entrance at the Gulf of Panama. The Panama Canal is one of the most critical maritime routes in the world, serving as a major shortcut for ships travelling between the Atlantic and Pacific Oceans. It provides a vital link for international trade, allowing vessels to bypass the lengthy and hazardous journey around the southern tip of South America, known as Cape Horn. The Panama Canal expansion has had a significant impact on global shipping patterns, trade routes, and port infrastructure. It has facilitated the growth of container shipping, particularly between Asia and the East Coast of the Americas, as larger vessels can now access East Coast ports more easily. The operation of the Panama Canal can have environmental impacts, including habitat destruction, water pollution, and disruption of ecosystems. Efforts to mitigate these impacts include environmental monitoring, conservation initiatives, and sustainable management practices.

Overall, the Panama Canal plays a crucial role in global maritime trade and transportation, providing a vital link between the Atlantic and Pacific Oceans and supporting economic development and connectivity in the Americas and beyond.





UNCLOS

UNCLOS stands for the <u>United Nations Convention on the Law of the Sea</u>. It is an international treaty that establishes a comprehensive legal framework governing all aspects of ocean affairs and maritime activities.

- UNCLOS is often referred to as the "constitution for the oceans" because it sets out the rights and responsibilities of nations concerning the use of the world's oceans and resources. It provides a legal framework for the peaceful use and exploitation of marine resources while promoting conservation and environmental protection.
- One of the key features of UNCLOS is the delineation of maritime zones, including territorial waters, contiguous zones, exclusive economic zones (EEZs), and the continental shelf. These zones define the extent of a coastal state's jurisdiction over adjacent waters and resources.
- UNCLOS has been ratified by the vast majority of the world's nations and is widely recognized as the primary legal instrument governing maritime affairs. However, there are ongoing debates and disputes over its interpretation and implementation, particularly regarding issues such as freedom of navigation, resource exploitation, and maritime boundaries.

It is responsible for settling disputes like:

- the International Tribunal for the Law of the Sea (ITLOS) in Hamburg, Germany;
- the International Court of Justice in The Hague, The Netherlands;
- ad hoc arbitration (in accordance with Annex VII of UNCLOS); or
- a "special arbitral tribunal" constituted for certain categories of disputes (established under Annex VIII of UNCLOS).

UNCLOS has loopholes or areas where interpretation and implementation can be contentious. Some of these potential loopholes or areas of debate include:

- **Ambiguities in definitions**: UNCLOS contains numerous definitions and provisions that may be subject to interpretation. For example, defining what constitutes a "rock" or an "island" can have significant implications for maritime boundaries and resource rights.
- **Freedom of navigation**: While UNCLOS establishes the principle of freedom of navigation in international waters, there are debates over its application in certain areas, particularly in regions where territorial disputes exist. Some argue that coastal states may attempt to restrict freedom of navigation through excessive claims or regulations.
- Exclusive Economic Zones (EEZs): UNCLOS grants coastal states sovereign rights over the exploration and exploitation of natural resources within their EEZs. However, there may be disputes over the extent of these rights, particularly regarding the exploitation of resources that straddle EEZ boundaries or the outer limits of the continental shelf.
- **Maritime boundaries**: UNCLOS provides guidelines for the delimitation of maritime boundaries between neighbouring states. However, disputes over

maritime boundaries are common, especially in regions with overlapping claims or where historical boundaries are contested.

- Protection of the marine environment: While UNCLOS includes provisions
 for the protection and preservation of the marine environment, enforcement
 mechanisms may be limited. Compliance with environmental regulations and
 addressing pollution incidents can be challenging, particularly in remote or poorly
 regulated areas.
- **Settlement of disputes**: UNCLOS provides various mechanisms for the settlement of disputes between states, including negotiation, arbitration, and adjudication. However, states may opt out of certain dispute settlement procedures or refuse to comply with rulings, leading to ongoing tensions and unresolved disputes.

Since UNCLOS is bustled with fissures, we, in the committee shall be Addressing these challenges which will require diplomatic efforts, legal interpretation, and cooperation among states to ensure the effective management and sustainable use of the world's oceans and resources.



Case Studies

Somali Piracy (2000s - Present): A prominent example of a maritime security breach is Somali piracy in the Indian Ocean and the Gulf of Aden. Commercial vessels, such as container ships, tankers, and bulk carriers, have been targeted by pirates operating out of Somalia's lawless regions. This has resulted in hijackings, ransom payments, and interruptions to international shipping routes. International naval patrols and the deployment of private security guards on board ships were driven by the increase in piracy incidents as a means of reducing the threat.

Suez Canal Blockage (Ever Given Incident, 2021): One of the biggest cargo ships in the world, the Ever Given, grounded in the Suez Canal in March 2021, obstructing one of the busiest trade channels for about a week. The event shattered international supply chains, delaying the delivery of commodities and drawing attention to how susceptible important marine chokepoints are to mishaps and operational hiccups.

Strait of Hormuz Tensions (2019): In 2019 there were several attacks on oil tankers and the seizure of vessels by Iranian troops, which led to an increase in tensions in the Strait of Hormuz, a vital maritime chokepoint between the Gulf of Oman and the Persian Gulf. These episodes triggered requests for greater naval patrols and diplomatic measures to de-escalate tensions and highlighted questions about the security of crucial energy transport routes.

Malacca Strait Piracy (2000s - Present): The Indonesian island of Sumatra and the Malay Peninsula are connected by the narrow Malacca Strait. It has been the scene of frequent piracy episodes targeting commercial boats, especially bulk carriers and oil tankers. The threat still exists, despite the fact that piracy rates in the Malacca Strait have decreased recently as a result of improved security measures and international cooperation. This emphasizes the significance of ongoing vigilance and cooperation among regional players.

Red Sea Bab-el-Mandeb Strait (Recent Years): Security issues at the Bab-el-Mandeb Strait, which links the Red Sea with the Gulf of Aden, have included threats from maritime terrorism and attacks on commercial vessels by Houthi rebels in Yemen. These occurrences have sparked initiatives to strengthen security measures, such as naval patrols and the adoption of Best Management Practices (BMP) by shipping corporations, and they have raised questions about the safety of important maritime commerce routes.

These case studies highlight the wide spectrum of security risks that marine commerce routes face, from armed conflict and piracy to mishaps and disruptions to operations. To address these issues and improve marine security, stability, and international trade, collaboration between governments, international organisations, and the private sector is necessary.

How does UNCTAD Impact Developing Countries

Research and Analysis: UNCTAD conducts research and analysis on key issues affecting developing countries in the areas of trade, investment, finance, technology, and sustainable development. Its reports provide valuable insights into the challenges and opportunities facing developing countries in the global economy, helping policymakers make informed decisions.

Policy Advice: UNCTAD provides policy advice and recommendations to developing countries on a wide range of economic and trade-related issues. This advice is aimed at helping countries formulate and implement policies that promote inclusive and sustainable development, enhance their participation in the global economy, and address structural barriers to growth and development.

Capacity Building: UNCTAD conducts capacity-building activities to strengthen the technical and institutional capabilities of developing countries in areas such as trade negotiation, investment promotion, competition policy, and trade facilitation. These capacity-building efforts help countries build the skills and expertise needed to effectively engage in international trade and investment and to implement trade-related policies and reforms.

Advocacy for Development: UNCTAD advocates for the interests of developing countries in international fora, including the World Trade Organization (WTO) and the United Nations. It promotes policies and measures that take into account the specific needs and circumstances of developing countries, such as special and differential treatment, market access for their products, and support for their integration into the global economy on fair and equitable terms.

Debt and Financial Issues: UNCTAD addresses debt and financial issues affecting developing countries, including debt sustainability, debt relief, and financial crises. It provides analysis and policy recommendations to help countries manage their debt burdens, access international financial markets, and safeguard financial stability.

South-South Cooperation: UNCTAD promotes South-South cooperation among developing countries, facilitating the exchange of knowledge, experiences, and best practices in areas such as trade, investment, and technology transfer. This cooperation helps countries learn from each other's successes and challenges and fosters solidarity and mutual support among developing countries.

How does UNCTAD Impact Developed Countries

While the primary focus of the UNCTAD is on supporting the economic development of developing countries, its work also has implications for developed countries in several ways:

Global Economic Stability: UNCTAD's research and analysis on global economic trends, trade flows, and investment patterns provide valuable insights for policymakers in developed countries. By understanding the dynamics of the global economy, developed countries can better anticipate and respond to economic challenges and opportunities, promoting overall global economic stability.

Trade and Investment Policies: UNCTAD's policy analysis and recommendations on trade and investment issues can also benefit developed countries. For example, UNCTAD's research on trade facilitation measures or investment promotion strategies can inform policy decisions in developed countries aiming to enhance their competitiveness and attract foreign investment.

Market Access and Trade Negotiations: UNCTAD's advocacy for fair and inclusive trade policies can influence trade negotiations and agreements, which may have implications for developed countries. By promoting measures that address the concerns and priorities of developing countries, UNCTAD contributes to creating a more balanced and equitable global trading system, which can benefit all countries, including developed ones.

Innovation and Technology Transfer: UNCTAD's work on technology transfer and innovation policies can facilitate knowledge sharing and collaboration between developed and developing countries. Developed countries can benefit from partnerships with developing countries in areas such as renewable energy, digital technology, and sustainable agriculture, fostering innovation and addressing global challenges.

Sustainable Development Goals (SDGs): UNCTAD's efforts to promote sustainable development, including its work on trade and environment, investment for sustainable development, and financing for development, have implications for all countries, including developed ones. By advancing progress towards the SDGs, UNCTAD contributes to creating a more prosperous, inclusive, and sustainable world for everyone.

POSITION PAPER GUIDELINES

A position paper is a piece of paperwork submitted by delegates prior to the conference.

It is used by the Executive Board to ratify a delegate's research, stance, and solutions before the conference.

A few pointers to keep in mind while making your Position Paper-

- Mail your Position Paper to us at [email] with the subject line reading as "Position Paper of the Delegate of XYZ".
- The document should be in PDF format with the font being Times New Roman and the font size 12.
- The Position Paper should not exceed a limit of 2 pages and in case of an extreme surge of passion, not more than another 250 words.
- All Position Papers must reach us by the 11th of July, 2024.
- It is a request to refrain from using any watermarks.
- Please mention all your credentials in the mail body as well.

Remember to focus on solutions more than giving an extensive introduction in your document. It is never necessary to cover the entire agenda and its longevity in a document as small as a Position Paper. Focus on the aspect that speaks the most to you and that which is most important from your portfolio's perspective. That's all there is to it. Can't wait to read what you have in store for us!

Format for Position Papers

Committee: Your committee **Agenda**: The decided agenda

Country: Your country **Delegate:** Your Name

Make sure you include-

- An introduction to the agenda
- Your country's stance and/or policy
- Proposed solutions to the issue
- Conclusion

Following is a sample position paper which is meant FOR REFERENCE ONLY and should not be copied in any way.

SAMPLE POSITION PAPER

COMMITTEE: UNITED NATIONS CONFERENCE FOR TRADE AND DEVELOPMENT

AGENDA: "Deliberating upon the security of trade routes with special emphasis on the impact of the global food crisis."

COUNTRY: Switzerland

INTRODUCTORY BACKGROUND

Carrying more than 80% of all commerce volume worldwide, maritime trade routes are vital to the global economy and must be kept secure. To keep the flow of necessities, such as food, consumer goods, energy supplies, raw materials, and finished items, steady, it is imperative that these routes remain safe and secure. Due to supply chain bottlenecks, pricing volatility, and financial losses, the disruption of marine trade routes by terrorists, pirates, geopolitical unrest, or natural disasters can have a serious negative economic impact.

Furthermore, trade acts as a buffer against food shortages by reducing the effects of regional crop failures, seasonal changes, and other disruptions. Trade helps to reduce poverty by promoting economic growth and development, which makes it possible for more people to acquire enough food that is both sufficient and nutrient-rich. In order to achieve food security for all, trade is therefore essential to the global food distribution network.

COUNTRY'S STANCE

Switzerland's highly integrated economy means that even while it is landlocked and not directly dependent on marine trade routes, it places a great deal of weight on the security of global trade routes. Switzerland's economic health is strongly linked to the stability and security of trade routes that enable the flow of commodities, raw materials, and services because the country is a significant hub for global trade and banking. The nation backs global initiatives aimed at improving trade route security through partnerships and multilateral collaboration. Switzerland is a strong supporter of laws and policies that guarantee safe and secure international trade, and it actively participates in organisations like the International Maritime Organisation (IMO) and the World Trade Organisation (WTO).

Furthermore, Switzerland makes investments in cutting-edge logistics and transportation infrastructure, guaranteeing the safe and effective passage of commodities across its borders—a necessity for landlocked areas that depend on foreign ports. Switzerland contributes to the protection of international supply chains by fostering safe trade routes, which in turn helps sustain and expand its own economy.

Switzerland has been a proactive supporter of international efforts to improve maritime security, particularly during the Red Sea crisis, which has been marked by growing piracy, political instability, and wars impacting the security of this maritime route. The nation has supported

international organisations working to stabilise the region, including the United Nations and the International Maritime Organisation (IMO), and has made contributions to anti-piracy campaigns.

Capacity-building elements that assist nations in improving their infrastructure for maritime security are frequently included in Swiss aid programmes. This covers providing financing for monitoring gear, training coast guards locally, and backing legislative changes aimed at stopping maritime crimes.

SOLUTIONS

- Putting strong cybersecurity measures in place to safeguard the digital networks supporting international trade, such as ports, shipping lines, and customs offices.
- Establishing and upholding international guidelines for maritime security, such as those pertaining to crew training and ship security plans.
- Offering technical assistance to developing countries to enhance their maritime security capabilities.
- Investing in sustainable development projects that promote economic stability and reduce the likelihood of conflict and crime.
- Strengthening and enforcing laws against piracy and other maritime crimes, and ensuring that offenders are prosecuted.
- Strengthening global accords and treaties and amend its loopholes, like the United Nations Convention on the Law of the Sea (UNCLOS), to provide precise regulations and standards for the use and defence of trade routes.
- Being prepared with substitute trade routes, in case the primary route gets clogged due to any reason.

CONCLUSION

In the world we live in, trade is essential to every human being, organisation, and nation. Protecting the trade routes, like our national heritage, becomes our moral obligation. Not just for our personal financial benefit but also for the global need for humanitarian aid, we must ethically direct marine commerce routes. Countries and international organisations can guarantee the efficient and safe transportation of commodities around the globe by resolving the security breach of the trade routes.

For any doubts and queries mail at: unctadjmun24@gmail.com