UNCTAD Homework

Introduction:

* Global maritime trade to plunge by 4,1% due to disastrous effects of the Covid-19 pandemic.
* Such a decline has impact on the world’s economy (80% of goods are moved around through maritime trade).
* Maritime trade: 83% of volume of all goods traded (2019: 11 billion tonnes of seaborne trade)
* Transport of raw materials but also finished products
* 2 million sea farers.

Impacts of the pandemic (described by Yan Hoffman):

* Next year: rebound of 4.8/4.9%
* Impact of consumption (less demand to ship), but not as bad as other economic crises
* Direct impact on operation of ships and ports (still kept running and moving goods, but need to protect workers)
* Ongoing crewing crisis (many seafarers stuck on ships, not aloud to go back to their families, or the opposite).
* Members of the UN, led by Indonesia, are trying to find a solution (seafarers as key workers)
* Reforms: people should show a balance (tradeoff of facilitating trade or protecting the popultation of illicit trade)
* Positive impact: risk management, transparency, accountability are achieved and are being developped and improved
* More local procurement, more diversification of suppliers
* Protecting only your population: not as beneficial => need for information and solution exchange (makes industry more prepared for the upcoming revival of the economy)
* Key trends: wealth of data, continuing regular updates on fleet and port traffic (number of novel indicators and port management programs provide raw data and interesting insights, available to all)
  + Analyse of data: tradeoff = bigger ships and performance positively correlated, but fewer companies and less frequency => smaller countries are not benefitting from ship sizes and other trends (stuck in vicious circle, ships do not hold a desired volume and don’t come to often, makes countries less competitive in terms of exports and imports)
  + Other data set shows the issue of decarbonisation (associate carbon emissions to countries) = what can be done to reduce these emissions?