International Shipping
Lifeblood of World Trade

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What is the International Chamber of Shipping?

- Principal international trade association for shipowners and operators
- Members are national shipowners associations from 40 nations, 80% of world fleet, covering all sectors and trades
ICS represents shipowners at the International Maritime Organization.

IMO in session in London.
ICS also represents the industry (inter alia) at:

- International Labour Organization (though ISF)
- United Nations (New York)
- WCO, UNCITRAL, OECD, WTO
- Consultative Shipping Group (CSG) of maritime governments
ICS also represents industry with

- National governments (via national shipowner associations)
- Regional bodies that impact on shipping e.g. European Commission
Our objective today is to explain...

- Shipping is the servant of world trade - efficiency dependent on open markets
- Global industry requiring global regulation (same rules must apply at both ends of voyage)
- Industry supports global regime to reduce maritime CO$_2$, to be led by IMO (under umbrella of UNFCC)
Basic economic facts

- 2008, global shipping freight rates generated some 1 trillion US dollars
- Shipping transports 90% of world trade
- Without shipping, inter-continental trade of food, energy and raw material not possible
For 20 years shipping has enjoyed free and open markets
But shipping is out of sight and out of mind............
Shipping and the world economy: From this...
To this…

Baltic Dry Cargo Index

Source: Baltic Exchange

- Baltic Dry Index
- 20 day average
- 200 day average

0 | 1,160 | 1,660 | 2,320 | 4,680 | 5,800 | 6,960 | 8,120 | 9,280 | 10,440 | 11,600 | 12,760
And this...

Decline in Container Traffic: Europe - America Westbound
Q4 2008 (Dry & Reefer) Source: ELAA

October

November

December

TEU

300,000

250,000

200,000

150,000

100,000

50,000

0
WTO Predictions

- Global trade to contract by 10% in 2009
- 17 of G20 nations have introduced new protectionist measures
Shipping policy priorities

- Discourage protectionism using downturn as pretext
- Avoid return to national cargo reservation
- Discourage impediments to trade: unilateral rules, draconian security measures (e.g. 100% scanning)
Lets see the film.............
Thank you