



'OVERVIEW OF SHIPPING – GLOBAL TRENDS, INDIA'S CONTRIBUTION AND ROLE OF STAKE HOLDERS'

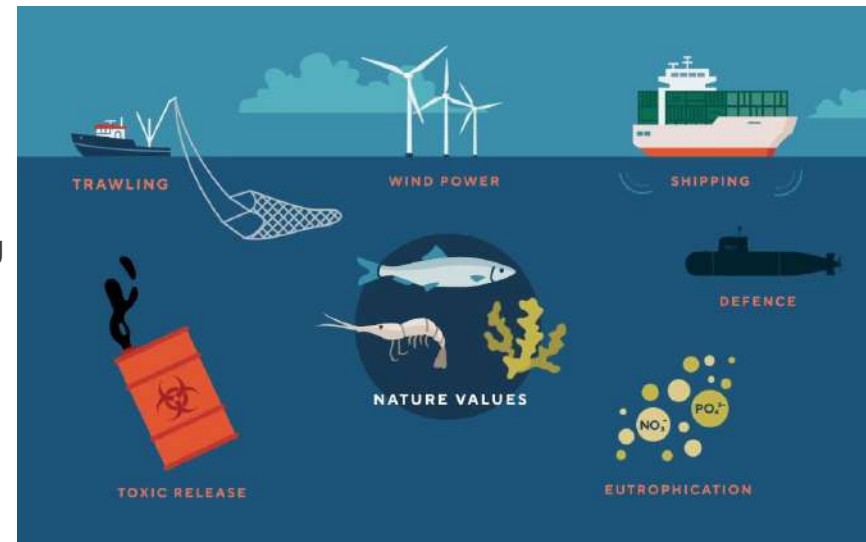
ORIENTATION TRAINING PROGRAMME ON PORTS AND SHIPPING
BY THE INDIAN MARITIME UNIVERSITY, CHENNAI CAMPUS FOR THE
MINISTRY OF PORTS, SHIPPING AND WATERWAYS (MoPSW) OFFICIALS

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By CAPT. JOHN PRASAD MENEZES
LLM.FNI.FICS.FCMS.FICA
Chairman – Institute of Chartered Shipbrokers,
East India branch, Chennai

BLUE ECONOMY (BE) AND MARINE SPATIAL PLANNING (MSP)

- ▶ Concept of Blue Economy
- ▶ IORA and SAGAR
- ▶ Global Ocean and MSP Interests
 - Maritime Conservation and Sustainable use
 - Fishing of all types and aquaculture
 - Shipping, including commercial goods and passengers
 - Offshore, Oil and Gas exploration and exploitation
 - Aggregate extraction (Sand and Gravel) and mining for minerals
 - Seabed cables and pipelines
 - Military activities
 - Marine renewable energy, wind, wave and tidal
 - Tourism and recreation, coastal tourism and water sport
 - Cultural assets, including underwater, archeology and seascape.



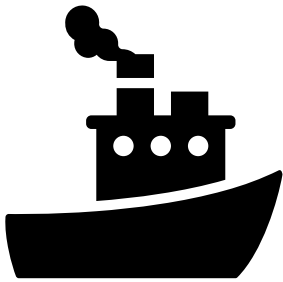
SHIPPING INDUSTRY – THE LARGEST EMPLOYER (PART I)

- ▶ Building Stage - Naval Architects, Class, Ship Owners
- ▶ Shipping Market - Ship Brokers, Ship yards, Banks, Investors
- ▶ Ship Yards - Steel Makers, OEM (Deck and Engine), Saloon, Paint, Furniture and Fittings
- ▶ Ships - Manning, Education, Training, Recruitment
- ▶ On Delivery - Flag State Administration, Agents, Pilots, Bunker Suppliers, Tugs, ECDIS (Charts), Ship Managers, Risk Managers (H&M, P & I etc.)
- ▶ During operation - Port Authorities, Custom, Immigration, PSC, PHO, Coast Guard, Major and Minor Ports, Lighterages, Supply Chain, Security

SHIPPING INDUSTRY – THE LARGEST EMPLOYER (PART II)

- ▶ Infrastructure - Locks, Canals, Seaways, Fairways, Light Houses, Buoys, Dredgers, Cranes, Cargo Equipment, Unitization, Barges, Dry Docks, Workshops, Pollution Prevention
- ▶ Recycling stage - Demolition Market – Labour Employed
- ▶ Service to Society - Moves Trade Economically Oil, Ore, Grain, Coal, Gas, Steel, Containers, Passengers, Fertilizers, Offshore (FPSO)
- ▶ Regulatory Bodies - IMO, ILO, WHO, FAO, IHO, WTO, WCO, ITU, IMSO (UNCLOS ISA BBNJ, ITLOS)
- ▶ Institutions (Eg.) - ICS, BIMCO, WMU, IAPH, IALA, WSC, ITF, CMI, INTERTANKO, INTERCARGO, IMCA, CLIA, OCIMF.
- ▶ ADR - ICC, LCIA, LMAA, SMA-NY, SCMA, AIAC, ICA etc. (Financial services in Commercial, Banking and Insurance)

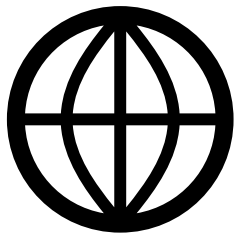
SHIPPING AND GLOBAL TRADE



Demand for Shipping

- ▶ The level of World Economic activity
- ▶ Volume of Seaborne Trade generated and its Major commodities
- ▶ The distance over which cargo is hauled
- ▶ External factors and events

International Trade and Shipping



- ▶ Growth and Pattern of World Trade -(Entry of China to WTO)
- ▶ Trade and Economic Growth -(World GDP)
- ▶ Absolute Advantage/Comparative Advantage
- ▶ Transport Costs – (BRIC 11% India – 13% ?)
- ▶ Balance of Payments and Exchange Rates
- ▶ Exchange Rates and Shipping

GLOBAL SCENARIO AS PER UNCTAD

▶ GDP Global	-	\$. 103.86 Trillion(2022)/\$.112.6 Trillion (2023)
▶ Global Inflation	-	8%
▶ Global Growth Projection	-	3.2% in 2023 and 2.9% in 2024
▶ International Seaborne Trade MMT from 2021	-	Contracted by 0.4% in 2022. 12027 MMT down from 12072
▶ Maritime Trade Growth	-	2.4% in 2023 (2.1% next 4 years)
▶ Global Fleet Growth	-	3.2% in 2022
▶ Containerized Trade	-	1.2% in 2023 (3% 2024-2028)
▶ Oil and Gas	-	6% and 4% in 2022
▶ Total Vessels in 2023	-	105493 Vessels of 100 GT +, 85% of total cargo
▶ Age profile of Fleet	-	22.2 years of Age (2 years older from 2013). Half the fleet is over 15 years of age.
▶ New Building	-	55.6 Million GT (2022) 60 Million GT (2021) Down 8.6%
▶ Ships Recycled	-	7.53 Million GT (2022)

INDIAN SHIPPING PERSPECTIVE

- ▶ World Fleet by Thousand Dead Weight Tons - 2272772 in 2023 (Increase by 3.2%)

INDIA'S POSITION :

- ▶ 1859 Number of Vessels
- ▶ 18133 DWT in Thousand (Increase by 7.1%)
- ▶ 1.8% Share of World Vessel total /0.8% by DWT
- ▶ 19th Position – Flags of Registration
- ▶ 18th Position – Carrying capacity
- ▶ 27th Position Flag of Registration by value
- ▶ Indian Ownership Foreign Flag as a percentage
- ▶ 15th Position in Ship Building at 0.12% share of total 43.2% (914 National / 227 Foreign)
- ▶ 2nd Position in Recycling at 32.2% after Bangladesh 37.2%



LOGISTICS AND SUPPLY CHAIN (PART I)

- ▶ Logistics - Right thing at the right place and at the right time
- ▶ Supply Chain - Linking of all events from the point of production to where and when wanted, just in time to meet the customer's requirement
- ▶ India's Ranking - As per World Bank Logistics Performance Index, India placed at 38 from 139 Countries
- ▶ CRUDE - Total Import of Crude: 232.7 MMT
Total Import of Products : 44.6 MMT
Only 23.64% of Crude Cargo transported on Indian Vessels
- ▶ Containers - All India 2023 - 6619582 Imports / 6633897 Exports
Total : 13253479 TEUS
13.253 Million TEUS (All Laden)
No significant Container Line from India

LOGISTICS AND SUPPLY CHAIN (PART II)

▶ BULK DRY CARGO (Jan. to Dec. 2023)

IMPORTS - 352 MMT - ABT 7550 SHIP PORT CALLS
EXPORTS - 84 MMT - ABT 2650 SHIP PORT CALLS
COASTAL LOAD - 84 MMT - ABT 1850 SHIP/PORT CALLS
TOTAL = 520 MMT / ABT 12,000 SHIP/ PORT CALLS

▶ TOTAL CARGO SHIPPED BY INDIAN FLAG VESSELS

IMPORTS - 11 MMT/ 260 SHIP/PORT CALLS (3.1%)
EXPORTS - 1.1 MMT / 30 SHIP /PORT CALLS (1.3%)
COASTAL LOAD - 35 MMT / 1080 SHIP/ PORT CALLS (41%)
TOTAL CARGO CARRIED BY INDIAN FLAG VSLS - 47 MMT – ABT 9% BY INDIAN FLAG VSLS AND ABT 91% BY FOREIGN FLAG VESSELS. SHARE OF INDIAN FLAG VESSELS IN DRY CARGO EXIM TRADE: 2.8%

▶ MAJOR COMMODITIES- IMPORT/ EXPORT/ COASTAL IN INDIAN PORTS

IRON ORE- EXPORTS - 43 MMT/ 0.5 MMT INDIAN FLAG
COASTAL LOAD – 28 MMT / INDIAN FLAG 5.8 MMT
COAL- IMPORTS - 250 MMT / 3.3 MMT INDIAN FLAG
COASTAL LOAD - 51 MMT / 28 MMT INDIAN FLAG
FERTILISER AND PRODUCTS IMPORTS - 20 MMT / INDIAN FLAG - 1 MMT

CHALLENGES TO OVERCOME



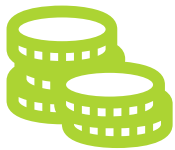
De Carbonizing Shipping
Greener Future -
Alternative Fuels



Administrative Burden -
(MARPOL, SDG 2030 - SDG
7,9,13,14 AND 17)



Marine Litter and
Plastics, Ballast Water
Management



Financial Instability



Political Instability



Cyber attacks

WAY AHEAD

- ▶ IMU
Preparing skilled professionals for Commercial, Insurance Sectors of Shipping Industry
- ▶ Crude / Products Import Bulk Dry Cargo Trade Container Line
Maximize Carriage on Indian Tonnage
Need for exponential growth in Indian Ship owning.
A short/medium/long term policy to carry Indian cargo on Indian vessels need of the hour.
- ▶ Shipyards
Hon'ble Prime Minister in Oct. 2023 stated that India will be 5th largest Ship Building Nation in a decade.
Long way off. Need for Automated Technology
- ▶ Silver Lining
Talent pool of Indians available in India and other shipping centers of the world.
- ▶ Key Takeaway
If an investment for 1000 airliners order can happen in 2023, why not for Indian ships ?



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