



BULLETIN

FAL

FACILITATION OF TRANSPORT AND TRADE IN LATIN AMERICA AND THE CARIBBEAN

# New maritime transport scenarios

## Part I: current context of maritime trade

This *FAL Bulletin* is part of a series on ports and maritime trade in the region. It is closely related to Issue No. 337 - Number 1 / 2015, which sets out the need for a new port governance in the region to address the new circumstances that have arisen in the maritime market. As such, and given the need for contextual information, this Bulletin is divided into two sections, the first devoted to the current status of world maritime trade (with special focus on container trade), and the second detailing the situation of the shipping industry.

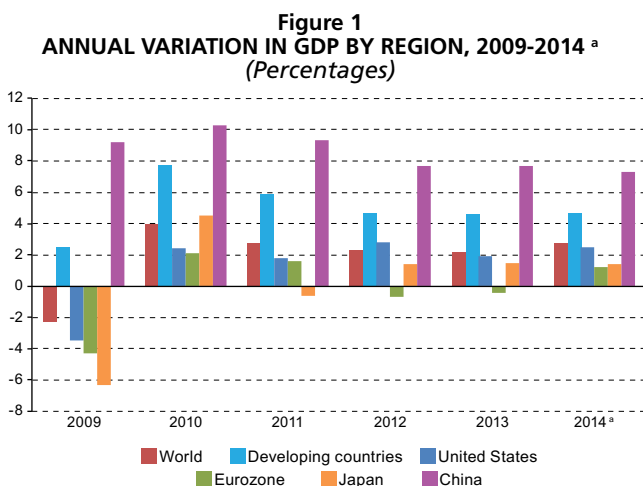
This issue was produced by Ricardo J. Sánchez, Officer in Charge of the ECLAC Natural Resources and Infrastructure Division, and Francisca Pinto, a consultant with the ECLAC Infrastructure Services Unit.

For more information, please contact: [ricardo.sanchez@cepal.org](mailto:ricardo.sanchez@cepal.org).

The views expressed in this document are those of the authors and do not necessarily reflect the opinions of the Organization.

### I. The world economy and international trade

In the wake of the financial crisis that commenced in 2008 and the sharp fall in gross domestic product (GDP) in 2009, the global economy has embarked on a slow recovery. In 2010, something of an economic spring provided the world's major economies with a breathing space; however, GDP growth has slowed since then and has not returned pre-2008 levels. Figure 1 shows GDP fluctuations between 2009 and 2014 (preliminary figures).



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Economic Survey of Latin America and the Caribbean*, 2014.

<sup>a</sup> Data for 2014 are projections.



I. The world economy and international trade



II. International maritime trade



III. Conclusions

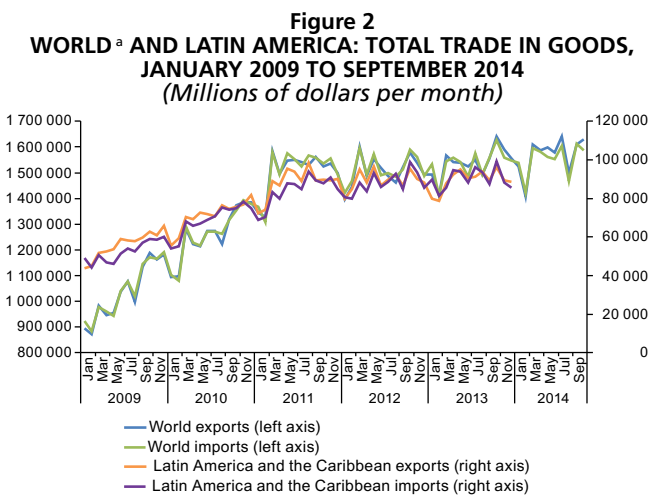


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Developing countries, including those of Latin America and the Caribbean, have continued to post positive GDP figures, surpassing the global average growth rate. However, as with other countries and regions, this rate (about 4.6%) has remained more or less unchanged in recent years. The largest trade partner of Latin America and the Caribbean, China, saw its GDP growth slip from 10.3% in 2010 to 7.7% in 2013; a slowdown that could have major repercussions for economies that trade with the Asian giant.

Since the 2010 recovery, goods trade volumes have outperformed the figures posted prior to the 2008 crisis. Figure 2 illustrates the monthly fluctuations in total trade between January 2009 and September 2014. It may be observed that while seasonal falls have been recorded at the beginning of each year, exports have continued to trend upward and, as mentioned above, posted figures higher than those of 2008.



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), Natural Resources and Infrastructure Division on the basis of data from International Monetary Fund (IMF), International Financial Statistics and ECLAC International Trade and Integration Division, 2014.

<sup>a</sup> World figures refer to the sum of 192 countries.

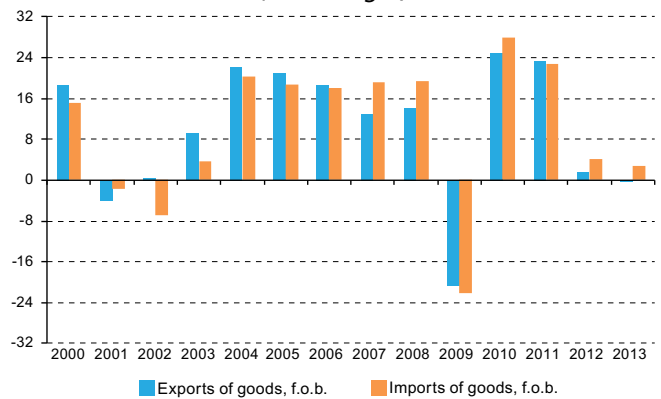
In 2009, China displaced Germany as the world's leading goods exporter, with exports worth US\$ 2.21 trillion in 2013, while Latin America's goods exports totalled US\$ 1.08 trillion. The leading importer during the study period was the United States, whose goods imports amounted to US\$ 2.33 trillion in 2013. The second-largest importer, China, which is on course to overtake the United States, had total imports worth US\$ 1.95 trillion, compared with imports to Latin America valued at US\$ 1.10 trillion.

Figure 2 also shows that trade in goods in Latin America and the Caribbean has gradually recovered from the low reached in the first quarter of 2009. In line with the global trend after 2009, the region's goods trade maintained a

sustained increase in volume, with seasonal falls at the beginning of each year. It may also be observed that the volume of imports outstripped that of exports in some periods since mid-2012, perpetuating trade deficits, while on other occasions a 1:1 import-export ratio sent a warning signal to the region.

Figure 3 further explores the data provided in figure 2, and shows the annual variation in foreign trade in Latin America and the Caribbean between 2000 and 2013, expressed as the percentage change in the value of imports and exports at free on board (f.o.b.) prices.

**Figure 3**  
**LATIN AMERICA AND THE CARIBBEAN: ANNUAL VARIATION**  
**IN FOREIGN TRADE, 2000-2013**  
*(Percentages)*



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), Economic Development Division, 2014.

Growth in foreign trade slowed steadily between 2010 and 2013. In that year, imports of goods f.o.b. grew faster than exports, following the pattern that has been observed since 2010.

From figures 2 and 3 it may be noted that trade has grown more slowly in value terms since 2010.

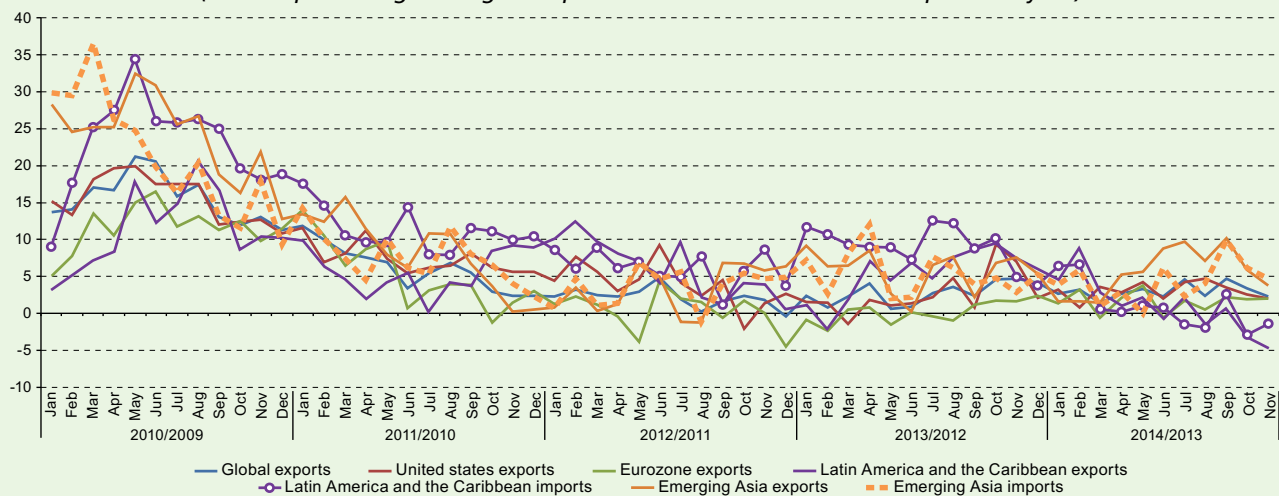
For a more comprehensive picture of the persistent low growth of world trade since 2009, year-on-year trends in global trade volumes are shown below. Particularly relevant are the imports and exports of emerging Asian countries, whose trade flows are mainly influenced by China, Latin America, and exports from the eurozone and the United States.

In light of the above figure, the following observations were made:

- The slowdown observed in the preceding figures is also apparent in figure 4, with rates of both import and export growth declining between 2009 and 2014, with a slight uptick in 2014.

- Latin American and Caribbean export growth generally remained below the world average, except in certain periods during 2013 and 2014, years in which it matched and even surpassed the global average.
- The year-on-year variations posted in 2014 demonstrated that there have been no major shifts in the world economy during recent years. Export growth has remained even, with year-on-year variations of about 1%.
- Since 2011, a general shift has been observed in emerging Asian economies, which have dramatically reduced their export and import growth rates, in keeping with global trends. This pattern could be detrimental to Latin American trade.
- Both in percentage variation and in the trend calculated by the moving average, eurozone export growth is almost always below the world average.

**Figure 4**  
**YEAR-ON-YEAR VARIATION IN VOLUME OF GOODS TRADED GLOBALLY, BY REGION, 2010-2014**  
*(Annual percentage change compared with the same month the previous year)*



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), Natural Resources and Infrastructure Division on the basis of information from the Netherlands Bureau for Economic Policy Analysis (CBP).

**Note:** Data for Emerging Asia are included mainly to observe trends for China, which contributes the greater part of that region's figures.

The slowdown since the 2009 crisis remains a present reality. While economic growth rates have stabilized since 2012, they remain close to zero, raising a question mark over near-term expectations. These expectations will be related to the capacity of economies to deal with new scenarios, in which China's growth is weaker than in previous years.

## II. International maritime trade

Between 2000 and 2014, the volume of waterborne trade increased by 63%, with an average annual growth rate of 4.1%. The cargo with the fastest growth during that time was steam coal, which soared 168%, while container trade jumped 144% in the study period. Table 1 shows the volume of seaborne trade between 2000 and 2014.

As table 2 shows, bauxite and aluminium were the product with the sharpest increase in seaborne tonnage between 2000 and 2013, with an average annual variation

of 9.9%. Container trade was also remarkable for its robust performance, with traffic of twenty-foot equivalent units (TEUs) up by 7.4%.

While table 2 shows the average annual variation in cargo volumes between 2000 and 2013, it does not show deviations from one year to the next, which often responded to economic fluctuations during the period. To analyse the behaviour of maritime transport in greater detail, figure 5 illustrates trends for the types of cargo transported. Projections were unavailable for oil and gas in 2014, and are not represented for that year.

Figure 5 also shows the rapid expansion of container shipping between 1985 and 2014, although growth slowed somewhat in the last three years of that period owing to a sluggish market. Between 2001 and 2013, oil and gas cargoes declined significantly as a proportion of total maritime transport. In 2001, these cargoes accounted for 39% of seaborne transport, while main bulk cargoes accounted

for 35%, other dry cargo 15% and containers the remaining 11%. By 2005, the proportion of oil and gas had declined by two percentage points, while that of the main bulk cargoes had risen to 38% and that of containers remained at 14%. This trend continued to 2009 and 2013 as the percentages of

containers and main bulk cargoes increased at the expense of oil and gas and other dry cargo. There was a 10-percentage-point increase in the share of main bulk cargoes between 2001 and 2013. The share of oil and gas dropped to 29%, while that of containers increased to 16%.

**Table 1**  
**INTERNATIONAL MARITIME TRANSPORT, BY TYPE OF CARGO, 2000-2014<sup>a</sup>**  
(Millions of metric tons)

Year	Iron	Coal			Grain	Bauxite/ aluminium	Phosphate	Total commodities
		Coking	Steam	Total				
2000	447	174	342	516	264	54	30	1 311
2001	450	169	381	550	260	52	31	1 343
2002	479	171	402	573	269	55	30	1 406
2003	517	166	435	601	272	60	29	1 479
2004	594	171	470	641	272	65	31	1 603
2005	662	180	493	673	274	70	31	1 710
2006	713	176	534	710	292	78	30	1 823
2007	777	194	574	768	306	93	31	1 975
2008	841	200	593	793	319	97	31	2 081
2009	898	191	616	807	321	74	20	2 120
2010	991	236	694	930	343	96	23	2 383
2011	1 053	224	776	1 000	345	113	29	2 540
2012	1 110	234	889	1 123	374	107	30	2 744
2013	1 189	264	915	1 179	387	139	28	2 922
2014 <sup>b</sup>	1 337	268	940	1 208	407	107	29	3 088

Year	Minor bulk cargo	Containers	Other dry cargo	Total dry cargo <sup>c</sup>	Petroleum		Gas	
					Crude	Products	LPG	LNG
2000	749	628	931	3 619	1 656	518	39	104
2001	767	647	910	3 667	1 684	544	36	107
2002	779	709	954	3 848	1 667	543	36	113
2003	906	788	938	4 111	1 770	582	36	125
2004	973	917	897	4 390	1 850	636	38	131
2005	1 084	1 019	859	4 672	1 885	691	38	142
2006	1 163	1 135	821	4 942	1 933	754	40	160
2007	1 243	1 263	741	5 222	1 984	780	39	171
2008	1 231	1 321	780	5 413	1 964	796	42	173
2009	1 097	1 191	753	5 161	1 892	767	38	183
2010	1 221	1 342	823	5 769	1 953	805	39	221
2011	1 301	1 439	847	6 127	2 025	832	40	237
2012	1 355	1 480	884	6 463	1 823	749	40	201
2013	1 408	1 553	932	6 815	1 859	764	37	198
2014 <sup>b</sup>	1 436	1 646	991	7 161	n.a.	n.a.	19	89

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), Natural Resources and Infrastructure Division on the basis of Clarkson Research Services, *World Fleet Monitor*, various issues.

**Note:** n.a.: not available.

<sup>a</sup> Data for containers and other dry cargo between 2002 and 2014 are estimates. Container transport was estimated to have grown by 6.0% in 2014, according to Clarkson Research Services, *Container Intelligence Monthly*. Estimated data for petroleum transport in 2014 were unavailable. Data for gas since 2012 were taken from those published by Drewry, 2014.

<sup>b</sup> Data for 2014 are projections.

<sup>c</sup> Refers to the sum of total commodities, minor bulk cargo and other dry cargo.

**Table 2**  
**AVERAGE ANNUAL VARIATION IN INTERNATIONAL MARITIME TRANSPORT, BY TYPE OF CARGO, 2000-2013<sup>a</sup>**  
(Percentages)

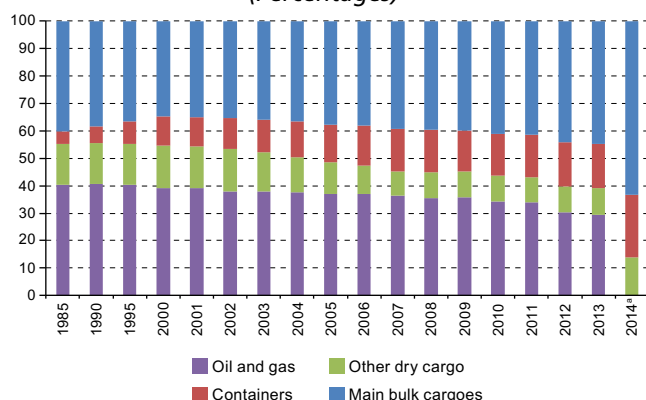
Type of cargo	Average annual variation
Bauxite and aluminium	9.9
Iron	8.6
Steam coal	7.8
Containers <sup>b</sup>	7.4
Main mineral and agricultural bulk cargo	6.9
<b>Total maritime transport volume</b>	<b>6.5</b>
LNG	5.6
Coking coal	4.3
Agricultural commodities	3.4
Petroleum products	3.3
Oil	1.1
Phosphates	0.6
Liquefied Petroleum Gas	0.4
Other dry cargo	(0.1)

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), Natural Resources and Infrastructure Division on the basis of Clarkson Research Services, *World Fleet Monitor*, various issues.

<sup>a</sup> Cargoes shaded in green are those whose average annual variation exceeded that of total maritime transport.

<sup>b</sup> Variation in container transport refers to number of twenty-foot equivalent units (TEUs).

**Figure 5**  
**BREAKDOWN OF INTERNATIONAL MARITIME TRADE, BY TYPE OF CARGO, 1985-2014**  
(Percentages)



**Source:** Natural Resources and Infrastructure Division, Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of figures in table 1.

<sup>a</sup> Projected data. Projections were unavailable for oil and gas in 2014. That they are not represented does not imply that there was zero traffic in this category.

## A. Global container traffic

Table 3 illustrates global container traffic in greater detail, broken down by the principal shipping routes.

**Table 3**  
**CONTAINERIZED INTERNATIONAL MARITIME TRADE, BY SHIPPING ROUTE, 2013**  
(Thousands of twenty-foot equivalent units)

Exporting region	Importing region	
Far East	Far East	26 732
Far East	Indian subcontinent/ Middle East	5 777
Far East	Latin America and the Caribbean	3 524
Far East	North America	852 800
Far East	Europe	14 029
Far East	Australasia	2 115
Far East	Africa	2 416
Indian subcontinent/ Middle East	Far East	2 551
Indian subcontinent/ Middle East	Indian subcontinent/ Middle East	649
Indian subcontinent/ Middle East	Europe	2 189
Indian subcontinent/ Middle East	North America	688
Latin America and the Caribbean	Far East	1 328
Latin America and the Caribbean	Latin America and the Caribbean	1 422
Latin America and the Caribbean	Europe	1 606
Latin America and the Caribbean	North America	1 917
Europe	Far East	6 769
Europe	Indian subcontinent/ Middle East	3 030
Europe	Latin America	1 624
Europe	Europe	4 758
Europe	North America	3 567
Europe	Australasia	530
Europe	Africa	1 396
North America	Far East	12 245
North America	Indian subcontinent/ Middle East	1 057
North America	Latin America and the Caribbean	2 646
North America	Europe	2 684
North America	North America	538
North America	Africa	411
Australasia	Far East	1 405
Africa	Europe	590
Africa	Far East	595
Rest of the world		1 406
<b>All main destinations</b>		<b>111 640</b>
<b>Total</b>		<b>113 046</b>

**Source:** Dynamar, *DynaLiners Weekly Review*, 2014.



## B. Container traffic in Latin America

Despite Latin America's generally positive economic growth rates, some countries posted a significant fall-off in container traffic which drove down the region's overall average. Container movements declined sharpest in the Bolivarian Republic of Venezuela and Colombia, by 8.2% and 6.9% respectively, while Uruguay reported a 9.7% surge (see table 5).

**Table 4**  
LATIN AMERICA AND THE CARIBBEAN: CONTAINER TRAFFIC, 2011-2013 AND ANNUAL VARIATION, 2012-2013, BY ROUTE  
(Twenty-foot equivalent units and percentages)

Route	2011	2012	2013	'13/'12
Europe-Latin America and the Caribbean, imports	1 474 500	1 557 200	1 623 700	4
Europe-Latin America and the Caribbean, exports	1 654 500	1 583 500	1 606 000	1
Europe-Latin America and the Caribbean, total trade	3 129 000	3 140 700	3 229 700	3
Far East-Latin America and the Caribbean, imports	3 959 000	3 507 800	3 523 800	0
Far East-Latin America and the Caribbean, exports	1 365 000	1 261 200	1 327 800	5
Far East-Latin America and the Caribbean, total trade	5 324 000	4 769 000	4 581 600	-4
North America-Latin America and the Caribbean, imports	2 609 400	2 633 300	2 645 900	0
North America-Latin America and the Caribbean, exports	1 786 000	1 851 400	1 917 300	4
North America-Latin America and the Caribbean, total trade	4 395 400	4 484 700	4 563 200	2

Source: Dynamar, *DynaLiners Trades Review*, 2014.

**Table 5**  
LATIN AMERICA AND THE CARIBBEAN: YEAR-ON-YEAR VARIATION IN CONTAINER TRAFFIC IN 2012-2013, BY COUNTRY  
(Twenty-foot equivalent units and percentages)

	2012	2013	Variation
Brazil	8 177 374	8 683 379	6.2
Panama	6 857 724	6 561 396	-4.3
Mexico	4 878 097	4 892 881	0.3
Chile	3 604 885	3 821 999	6.0
Central America (excluding Panama)	3 320 837	3 408 647	2.6
Colombia	3 357 788	3 124 903	-6.9
Peru	2 008 005	2 043 073	1.7
Ecuador	1 591 052	1 596 314	0.3
Venezuela (Bolivarian Republic of)	1 569 841	1 441 673	-8.2
Argentina	1 945 310	2 055 489	5.7
Uruguay	753 889	826 962	9.7
Latin America and the Caribbean			-0.44

Source: Economic Commission for Latin America and the Caribbean (ECLAC), Maritime and Logistics Profile of Latin America and the Caribbean, 2014.

Of the 44,914,832<sup>1</sup> TEUs shipped in the region in 2013, Brazil accounted for the largest share, with 19.33%, followed by Panama with 14.61% and Mexico with 10.89%.

Table 6 shows the year-on-year variation in the 30 largest Latin American and Caribbean ports between 2012 and 2013.

Container traffic in the region has experienced a general slowdown since 2010, with solid growth between 2010 and 2012 subsequently pegged back by a contraction of 0.44% between 2012 and 2013. There has been a remarkable convergence between the growth rates of container traffic, trade and GDP, with the trend of the early 2010s differing greatly from that of the 2000s. Previously, the ratio of GDP growth to that of container throughput stood at almost 1:3, in other words, 3% of growth in container traffic for each 1% increase in GDP. However, since 2010, convergence has reduced this ratio to almost 1:1.

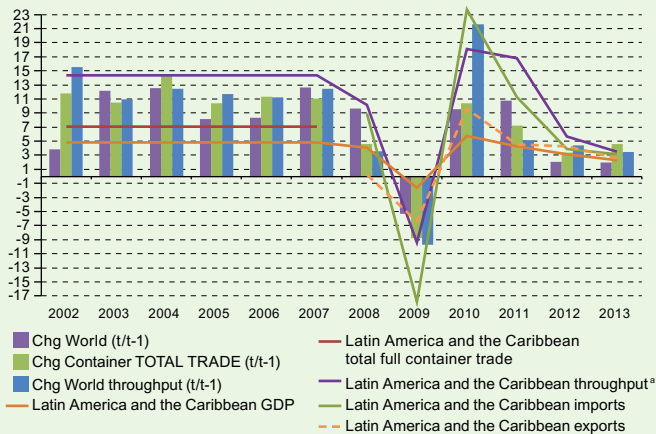
<sup>1</sup> Approximate amount: refers to at least 95% of the total for Latin America and the Caribbean.

**Table 6**  
**LATIN AMERICA AND THE CARIBBEAN: YEAR-ON-YEAR VARIATION**  
**IN CONTAINER TRAFFIC IN 2012-2013, BY PORT**  
*(Twenty-foot equivalent units and percentages)*

Rank	Port	Country	2012	2013	Variation
1	Colón	Panama	3 518 672	3 356 060	-4.6
2	Santos	Brazil	2 961 426	3 221 348	8.8
3	Balboa	Panama	3 304 599	3 187 387	-3.5
4	Manzanillo	Mexico	1 992 176	2 136 157	7.2
5	Cartagena	Colombia	2 205 948	1 987 864	-9.9
6	Callao	Peru	1 817 663	1 856 020	2.1
7	Buenos Aires	Argentina	1 656 428	1 784 800	7.7
8	Kingston	Jamaica	1 855 425	1 703 949	-8.2
9	Guayaquil	Ecuador	1 448 687	1 517 910	4.8
10	Freeport	The Bahamas	1 202 000	1 500 000	24.8
11	San Juan	Puerto Rico	1 423 192	1 269 902	-10.8
12	San Antonio	Chile	1 069 271	1 196 844	11.9
13	Caucedo	Dominican Republic	1 153 787	1 083 208	-6.1
14	Limón-Moin	Costa Rica	1 045 215	1 053 734	0.8
15	Lázaro Cárdenas	Mexico	1 242 777	1 051 183	-15.4
16	Valparaíso	Chile	942 647	910 780	-3.4
17	Veracruz	Mexico	806 047	866 966	7.6
18	Buenaventura	Colombia	850 385	851 101	0.1
19	Montevideo	Uruguay	753 889	826 962	9.7
20	Puerto Cabello	Venezuela (Bolivarian Republic of)	845 917	766 813	-9.4
21	Paranaguá	Brazil	743 830	730 723	-1.8
22	Navegantes	Brazil	618 434	673 139	8.8
23	Rio Grande	Brazil	611 133	626 095	2.4
24	Altamira	Mexico	578 685	597 760	3.3
25	Puerto Cortes	Honduras	573 322	571 408	-0.3
26	Manaus	Brazil	460 982	559 052	21.3
27	La Guaira	Venezuela (Bolivarian Republic of)	542 710	502 418	-7.4
28	Santo Tomás de Castilla	Guatemala	468 734	499 761	6.6
29	Itapoá	Brazil	270 415	465 323	72.1
30	San Vicente	Chile	585 280	453 174	-22.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC), Maritime and Logistics Profile of Latin America and the Caribbean, 2014.

**Figure 6**  
**WORLD AND LATIN AMERICA AND THE CARIBBEAN:**  
**ANNUAL VARIATION IN PORT TRAFFIC,**  
**CONTAINER TRADE, GDP, IMPORTS**  
**AND EXPORTS, 2002-2013**  
*(Percentages)*



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), Natural Resources and Infrastructure Division, on the basis of information from World Bank, Clarkson Research Services, Organization for Economic Cooperation and Development (OECD) and United Nations Conference on Trade and Development (UNCTAD).

\* Data for 2002 to 2007 refer to the average for the period. Data for 2008 and forward refer to real data.

### III. Conclusions

The trends described in this document reveal a broad picture of the context in which Latin America finds itself in respect of global trade and its effects on maritime traffic and container trade in particular.

The figures provided throughout this document illustrate that world's major economies have posted slower rates of GDP growth since 2011, a trend that has weighed on imports and exports. Latin America is not exempt from this pattern, and has also experienced lower import and export growth, compounded by a deceleration in container traffic. This in turn had an adverse impact on the correlation between GDP growth and that of container throughput, which fell from a ratio of 1:3 in the years preceding the 2009 financial crisis to 1:16 in 2013, as the region's trade performance suffered a marked decline.

There are many factors that have a bearing on port performance. Macroeconomic factors and their effects on the region's container traffic have been discussed in this *Bulletin*, yet there is also a need for a more detailed vision of maritime trade, the movements of shipping companies, and the evolution of goods transport in recent years, all of which exert major influence on the decisions taken by ports, port authorities and governments in respect of potential contingencies. The following *FAL Bulletin* in this series therefore describes the evolution of maritime transport.