ECLA/POS 75/2
Distribution: General
Date: 30 January 1975

ECONOMIC COMMISSION FOR LATIN AMERICA
Office for the Caribbean

OCEAN TRANSPORT IN THE CARIBBEAN COMMUNITY

Prepared by

Mr. Jules Dekock
Consultant

C O R R I G E N D A

TO

OCEAN TRANSPORT IN THE CARIBBEAN COMMUNITY

ECLA/POS 75/2

Page 44 (Para. 86), 6th line: substitute "carrying" for "carriage".

Page 48 (Footnote 46): should read "See Chapter V - Section 2, below."

Page 59 (Para. 114), 5th line: substitute "served" for "serves".

Page 63 (Para. 124), last line: substitute "The lines" for "Three lines".

Page 93 - Note (i) to Table: should read "Total cost now estimated at approximately EC$12 million".

Page (iii) of Statistical Appendix - last line: substitute "(In G.R.T. and D.W.T.)" for "(In 1,000 metric tons)".

TABLE OF CONTENTS

OCEAN TRANSPORT IN THE CARIBBEAN COMMUNITY

I. INTRODUCTION

1. This report constitutes an attempt towards a broad review and analysis of the main problems and developments, related to ocean transport in the Caribbean Community. In the late sixties and early seventies, various countries in the region received substantial technical assistance in this field, through U.N. Regional Advisers in Shipping and Ports, attached to the ECLA Office for the Caribbean, and through a number of experts under the auspices of other multilateral and, in particular, bilateral arrangements for technical co-operation. Many of the reports of these experts contain valuable background information, as well as recommendations and proposals related to specific, pressing or immediate problems in the various countries concerned. However, apart from their inevitably incomplete and dispersed character, these reports have also been frequently overtaken by the accelerated pace of developments in the field of ocean shipping, in the last year or two, in the world and in the region itself.

2. Ocean shipping has also been the subject of increasing attention by the Caribbean Community and its Secretariat. Moreover, since 1972-1973, the Caribbean Development Bank and other regional and international credit institutions - the Inter-American Development Bank and the World Bank (I.B.R.D.) - have granted, or presently contemplate granting, substantial loans for the development of several ports in the region.

3. Technological developments in world shipping will have, in the next few years, an increasing impact on the traditional structure and practices of ocean shipping in the Caribbean. In addition, the Caribbean Community and its member countries will be confronted with complex problems and decisions related to the implementation of the objectives of the international development strategy in the Second Development Decade of the United Nations, in the matter of ocean transport. Recently, in August/September 1974, a joint UNDP/UNCTAD/IMCO mission visited the region, with a view to the elaboration of an overall and co-ordinated project of technical

co-operation in intra- and extra-regional ocean transport. There is thus a growing consciousness of the importance and urgency of sea transport problems in the region, as a basic element of the policies of the countries concerned, for the strengthening and deepening of the process of regional integration and development.

4. Limitations of both space and time and the lack in many cases of the necessary data for the preparation of this report, have prevented the presentation of an analysis in desirable depth of all the problems involved. This report should thus be considered as a starting point for further and more elaborate studies. Jointly with the contemplated UNDP/UNCTAD/IMCO project, it would seem in particular desirable to strengthen the work and resources of the ECLA Office for the Caribbean, and its co-operation with the Secretariat of the Caribbean Community, in the field of transport.

5. For the reasons indicated above, it was likewise not possible to enter into an analysis of the air transport problems of the Community and its member countries. This in no way implies an under-estimate of the importance of these problems. To the contrary, apart from its potential importance with regard to air cargo transport, civil aviation is for all too obvious reasons practically the only passenger transport link of the region, both between the member countries of the Community and with the outside world. Air transport is in addition a vital part of the tourist sector of the economies of the countries concerned. The problems of regional co-ordination and co-operation in the field of air transport have until now received less attention than those related to sea transport, in particular intra-regional shipping. Yet, these problems are in some respects even more complex than those of sea transport. It is hoped therefore that in the near future air transport be given the necessary attention by the responsible bodies of the Caribbean Community and in the Work Programme of the ECLA Office for the Caribbean.

6. Lack of time finally also prevented an adequate examination of institutional and legal problems related to transport, both within the framework of the Caribbean Community and in its member

countries. However, an important step forward in these fields have been recent decisions of the inaugural Meeting of the Conference of Heads of Government of the Expanded Caribbean Community (July 1974), and of the Regional Shipping Council (December 1974). Following a proposal submitted by the Secretariat, the Conference of Heads of Government decided the establishment of a Regional Transport Council, as an institution of the Community and properly designated as the Standing Committee of Ministers responsible for Transportation. A Working Party of officials of member states was entrusted with the preparation of the terms of reference of the Committee. At its meeting, in December 1974, the Regional Shipping Council endorsed the terms of reference recommended by the Working Party in the matter of ocean transport.

7. The Standing Committee in question will have overall responsibility for all matters in regional transport policy, and for the establishment and supervision of other regional agencies, entrusted with the operation, control or development of regional transport. It will also replace the existing Regional Shipping Council, and deal furthermore with air transport. Its terms of reference in this latter field will be further examined by the Working Party referred to above.

8. The Regional Shipping Council had been established in 1962, after the dissolution of the West Indies Federation, and entrusted with the functions and powers formerly exercised by the Federal Government, in relation to the West Indies Shipping Corporation (WISCO). Further reference will be made to WISCO in a following chapter of this report. Apart from its original powers and functions, as the overall authority in the matter of the administration and operation of WISCO, the Regional Shipping Council - composed of appropriate Ministers of the Governments participating in WISCO - gradually came to give increasing attention to other ocean shipping problems, regional and intra-regional, of the members of CARIFTA, and its successor the Caribbean Community.

II. THE IMPORTANCE OF MARITIME TRANSPORT FOR THE CARIBBEAN COMMUNITY

9. A recent report of a panel of experts, on the problems of developing countries, convened by UNCTAD, in March 1973, rightly stressed the fact that "Ports, inter-island shipping, and overseas shipping ..... are of much greater importance to the welfare and progress of developing island economies than to mainland countries." 1/ Indeed, little reflection is needed to grasp the almost complete dependence - with the exception of air transport - of the Caribbean Community and its members on shipping, for their trade and integrated development. The thirteen members of the Community, including eleven island countries - with some of them comprising other smaller islands - and two mainland countries - Belize and Guyana - on the American Continent, embrace an approximately two thousand miles long arch of ocean space. This same ocean space is further interspersed with other often larger islands, with a different historical and cultural tradition, and which are still in some cases non-sovereign or dependent territories of overseas metropolis. While this ocean space is of continental size, the total land area of the islands members of the Community hardly reaches some 31 thousand km^2 2/, while Belize and Guyana cover land areas of 23 thousand and 215 thousand km^2 respectively. 3/ A population of some 5 million is scattered over this wide area, in small and very small, yet extremely dense and sometimes widely different nuclei. While distances - an important ingredient of transport systems - are small between most of the islands, they are large in the case of transport between islands and countries located at the extremes of

---

1/ Developing island countries - Report of the Panel of Experts - (Doc. TD/B/443/Rev.1 - UN Publication No. E.74 II.D.6 - New York, 1974); Chapter III - Transport (paras.57 ff.).

2/ Of this total, approximately 90% corresponds to the Bahamas, Jamaica and Trinidad & Tobago.

3/ Guyana and in particular Belize (with Mexico) have some international trade by land.

the ocean space, in particular when such distances are compared with prevailing inland transport distances in mainland or continental countries.

10. These spatial obstacles must be overcome by the establishment and development of an adequate and efficient network of ocean and air transport services, if the efforts towards regional integration and increasing regional trade are to bear fruition. Efficient ocean and air transport services, including seaports and airports, are of equal importance with regard to the overseas external trade and communications of the Caribbean Community. In view of their "lumpiness", investments in infrastructure - seaport and airport - facilities, together with the cost of operation of these facilities, are bound to constitute a heavy burden on the economy of a Community, composed in the main of numerous islands. The considerable importance of ocean transport for the economy of the Community likewise raises forthwith the problem of steps and measures to be taken in order to increase the participation of the Community's members in this sector of economic activity. With the exception of intra-regional shipping and to a more limited extent of air transport, this participation is at present non-existent. The geographical isolation of the Community's members has been further strengthened and crystalised by the secular structure, composition and direction of their foreign trade. This trade is almost wholly carried, on the one hand by foreign shipping companies, members of liner conferences, and on the other hand, by bulk carriers - owned, chartered or otherwise controlled - by the corporations or interests controlling the main natural resources of the Community's members. The above, and other circumstances, have also led, as stated in a recent report of the ECLA Office for the Caribbean,[4/] to a situation where "there have been few established communication links and no tradition of travel between the countries, so that the stock of everyday knowledge which populations usually have about neighbouring countries barely exists" in the Caribbean region.

4/ Widening of the Caribbean Integration Process - Note on some Institutional Procedures and Aspects - (Doc. E/CN.12/976 - 20 May 1974 - para. 2).

11. Although it cannot be the purpose of this report to analyse the transport system of the Community as a whole, and its manifold implications for integration and economic development, the above general considerations may be completed with some references to other basic characteristics of the regional transport system. The importance of transport problems in the Caribbean area is indeed further enhanced by at least two other factors. On the one hand, transport costs, even under optimal conditions, are bound to be relatively high, as sea transport cannot offer a direct transport service, from origin to destination, as is the case with inland transport, in particular road transport, in mainland or continental countries. On the other hand, shipping also cannot normally offer a transport service with a quality of service comparable to that of inland transport.

12. With regard to transport costs, inter-island transport inevitably includes, apart from the sea-voyage, inland transport operations in the countries of origin and destination, and cargo-handling in the ports of origin and destination, as well as at the points of origin and final destination in the countries concerned. Ancillary transport costs such as packing and stowage, documents and administrative costs, costs of customs formalities, etc. are also bound to be higher than in the case of inland transport, in particular road transport, where door-to-door service in one vehicle can be supplied. These disadvantages are to some extent compensated by the fact that sea transport is normally cheaper than inland transport. However, even this advantage is largely dependent on the size of the units of shipment or consignment and on the larger distances of sea transport, and may be further curtailed by certain intrinsic characteristics of the quality of sea transport services.

13. Indeed, as a result of its technical and operational characteristics, sea transport cannot normally offer a quality of service equal to that of inland transport, in particular road transport, with regard to reliability, dependability, safety, convenience, flexibility, and especially frequency and speed. With

roughly equal distances, a shipment may easily reach destination in one day, when carried e.g. by road, while the same transport operation, when including a sea-voyage, may take several days. Time spent in transit, by commodities, materials, intermediate goods, equipments, etc., is unproductive time. The resulting real economic cost of interest, for the economy as a whole, can be quite considerable. Inventories and working capital required for a number of economic activities will likewise be relatively larger.

14. These intrinsic disadvantages of inter-island transport emphasize the need for utmost attention to potential reductions in the cost of transport and improvements in the quality of the service. Of paramount importance in this connexion are all measures which may reduce total transit time. Port operators and administrators, including port labour, may thus be considered as having a special responsibility in promoting regional integration and trade. Within limits, time can certainly also be saved or gained by increasing the velocity in navigation, but this increase is for technical reasons bound to be costly. Moreover, this potential saving in time will be small, in particular in short-sea operations, in comparison with potential savings in time deriving from improvements in cargo-handling operations, especially in ports.

15. Although an adequate analysis of these matters would go well beyond the limits of this report, attention should also be drawn to the importance of transport costs, and in particular of the quality and adequacy of transport services, as factors for the location of economic activities in the various countries, embracing the economic space of the Community. Other things being equal, a number of economic activities will tend to be located, or to reach a higher rate of development, at preferential points in the transport system. These preferential points, the formation of which is to some extent inevitable in any transport system and network, will offer better access than other locations to both market and supply areas, thanks to their relatively lower transport costs and a higher quality of transport services. These preferential points will likewise offer greater opportunities for the reduction of production and distribution

costs, as a result of larger-scale operations, and of the availability of various external cost advantages, deriving from the agglomeration of economic activities. Concentration of investments in these preferential points will finally also enlarge markets in the same areas.

16. These and other factors all underscore the great importance of regional transport policy and development, in the process of economic integration and development, all the more so, considering the present unequal degree or rate of development of the Community's members. The improvement of transport conditions and services, to and from the less developed countries, would thus seem to be of particular importance, in counteracting or neutralising tendencies towards an excessive polarization or concentration of economic activities in certain parts of the Community. The lowest possible transport costs and the highest possible quality of service, over the whole area, would consequently be an important factor in any policy for the rational and equitable distribution or dispersal of economic activities throughout the area of the Community.

III. INTRA-REGIONAL AND EXTRA-REGIONAL OCEAN CARGO FLOWS: STATISTICAL SURVEY AND MAIN CHARACTERISTICS

1. Collection and Processing of Regional Shipping Statistics

17. A basic prerequisite of any studies, measures and action in the field of shipping - regional and extra-regional - is the availability of adequate and up-to-date statistical and other information concerning ocean traffic and its conditions of operation. It should be emphasized from the outset that great difficulties were encountered in obtaining the necessary, and in particular up-to-date information for the present report.

18. The ECLA Regional Advisers in Shipping and Ports gave considerable attention to this matter. Particular mention must be made of the valuable statistical report on "Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean", published by ECLA in February 1974.[5] The report contains detailed statistical data on ocean cargo movements - intra-regional and extra-regional - inwards to and outwards from the Eastern Commonwealth Caribbean countries [6] in 1971. According to the report "every effort was made to include the quantities of all cargoes other than petroleum" for each of the countries concerned. However, "the lack of an effective system for the collection of regional shipping statistics and the necessary dependence upon fragmented sources of data have precluded assembling the data with complete assurance that all traffic has been included". Notwith-

---

5/ Doc. ECLA/POS 74/2 - The statistical data for this report, which exclude petroleum and petroleum products, were assembled by the Regional Adviser in Ports and Harbours, continuing the work previously undertaken on the matter by the Regional Shipping Adviser.

6/ Trinidad & Tobago, Barbados, Guyana and the seven Windward and Leeward Islands.

standing this reservation the data "are believed to be fair representations of the shipping situation in 1971". 7/

19. The ECLA Office and its Regional Advisers in Shipping and Ports also made considerable efforts towards the establishment in the region of a system for the regular reporting and submission by member countries to the CARIFTA (now CARICOM) Secretariat, of ports and shipping statistics. 8/ However, a review of the results achieved in this connexion in the latter part of 1973, showed that the response from governments had been most inadequate, and that the data supplied did not provide a basis for the analysis of shipping and/or port operations.

20. Improvements in this field are thus an urgent matter, deserving high priority. Mention should also be made in this connexion of a "Manual on Port Statistics" 9/, prepared by the UNCTAD Secretariat, with the co-operation of a Group of Experts, convened by UNCTAD in September 1970. The Group of Experts strongly emphasized the fact

---

7/ It should also be noted that the data are expressed in "freight tons" or "revenue tons". In shipping terminology a "freight ton" is either a "weight ton" or a "measurement ton" (of 40 cubic feet in the Caribbean area), freight tons being thus the sum of weight tons and measurement tons. In simple language, freight rates are quoted W/M (weight or measurement); voluminous, bulky or "light" commodities pay the freight on the basis of "space units" (40 cubic feet, weighing less than a ton). It may be assumed that in the Caribbean area one "weight ton" of general cargo is approximately equal to 1.5/1.6 "measurement tons".

8/ See in particular, Doc. ECLA/POS 74/4 - 10 May 1974.- A Proposed Procedure for the Collection and Processing of Regional Ports and Shipping Statistics.

9/ Port Statistics - Selection, collection and presentation of port information and statistics - (Doc. TD/B/C.4/79/Rev.1 - UN Publication - Sales number E.72, II.D.1). This publication also includes the report of the Expert Group on Port Statistics. The "UNCTAD Manual" was taken into account in the proposals formulated by the ECLA Regional Adviser on Ports, to which reference is made above.

that the collection of the data recommended in the Manual would provide an appropriate basis for adequate planning of port development and for the improvement of port operations, management and administration. It is hoped therefore, that port authorities in the Caribbean will use the UNCTAD Manual as a guide for the improvement of their port statistics and information systems, which would simultaneously supply much of the information required for adequate studies on ocean shipping by regional bodies, and by the governments themselves.

21. An important step forward in connexion with the foregoing will be a decision of the Regional Shipping Council at its meeting in December 1974. The Council decided to establish a Pilot Project for the collection of shipping statistics, broadly along the lines of the proposals formulated by the ECLA Regional Adviser. The Council accepted an offer by Trinidad & Tobago that its port, Port of Spain, be used for the pilot project.

2. Statistical Survey and Main Characteristics of intra- and extra-regional ocean cargo flows

22. The Statistical Appendix to this report includes a number of statistical tables on the volume, structure and direction of ocean cargo flows in the foreign trade of the countries of the Caribbean Community. They are, with few exceptions, based on the statistical data published by the United Nations, in its "Statistical Yearbook" and "Monthly Bulletin of Statistics", and on the data collected by ECLA and its Regional Advisers in Shipping and Ports, to which reference was made above. A number of the statistical tables in the Appendix are in the main a re-arrangement of the latter data, bringing out more clearly the structure and direction of the traffic flows. The following paragraphs contain a brief description of the various statistical tables, with some comments regarding the main characteristics of the cargo flows. Limitations of space and time have prevented a more detailed analysis of the data, which, it is hoped, will in many cases speak for themselves.

23. Practically all the data in the various tables refer to the year 1971. This is certainly an inevitable drawback, which made it e.g. impossible to examine any developmental tendencies in the traffic. It is however, highly probable that there have been no major changes in the volume, structure and direction of the traffic, except perhaps in the case of intra-regional traffic. This latter traffic is generally estimated or supposed to have increased at an annual rate of approximately 7 or 8 per cent. However, more important than the annual overall rate of increase would be adequate data regarding possible changes in the composition and direction of the trade.

Table I - Caribbean Community - Goods loaded and unloaded in international sea-borne shipping - 1971

24. This table presents data on the volume of goods loaded and unloaded in international ocean transport (intra- and extra-regional), in the countries of the Community, segregated between petroleum and petroleum products and dry cargo. As will be seen, the traffic is, for understandable reasons, heavily concentrated in three or four member countries. Its two other main characteristics are, on the one hand, the great importance of petroleum and petroleum products in the traffic, and, on the other hand, the considerable disequilibrium in the volume of dry cargo loaded (exported) and unloaded (imported). The significance of this disequilibrium, deriving from the predominance of bulk cargo exports, will appear more clearly below, in the light of other statistical tables.

Table II - Caribbean Region - International sea-borne shipping 1950-1972

25. This table shows the development of the total traffic over approximately the last quarter of a century for the island countries of the Caribbean Community and other island countries in the Caribbean Sea, including Cuba, the Dominican Republic and Haiti, and a number of other non-independent or non-sovereign islands. It will be seen that while in general the volume of traffic, both tanker and

dry cargo, increased substantially in the fifties and sixties, it has remained relatively static during the last years.

Table III - Caribbean Basin - Goods loaded and unloaded in International sea-borne shipping - 1971

26. In view of the increasing emphasis which, it is expected, will be placed in the near future on the extension of integration efforts to all the countries in the Caribbean Basin, it was felt useful to prepare a statistical table, including ocean cargo movements of all the countries involved. Apart from the members of the Caribbean Community, these countries include (i) the other island countries in the Caribbean Sea; (ii) Central America and Mexico; and (iii) Colombia, Venezuela and Surinam in Northern South America. A major characteristic of the ocean transport flows of the Caribbean Basin countries is the enormous importance of petroleum and petroleum products. The proportion of the Caribbean Basin international sea-borne trade in world sea-borne trade, was as follows, in 1971:

i. goods loaded - 11.7%; of which petroleum and petroleum products: 15.6%; and dry cargo: 6.6%;

ii. goods unloaded - 5.4%; of which petroleum and petroleum products: 7.6%; and dry cargo: 2.3%.

Whatever the qualifications such global data would call for in a more elaborate analysis, they show in any case the considerable importance of the sea-borne trade of the Caribbean Basin countries in the world sea-borne traffic.

Tables IV-A; IV-B; IV-C; and IV-D - Structure of intra-regional ocean cargo flows - Eastern Caribbean countries and Jamaica (excluding petroleum and petroleum products) - 1971

27. These statistical tables are based on the data included in the ECLA publication (ECLA/POS 74/2): "Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean", referred to above. They contain the most complete and detailed data available until now, on intra-regional traffic between the member countries of the Caribbean Community, with the exception of the Bahamas and Belize.

28. Table IV-A, presents the data on the total intra-regional traffic of the countries concerned, excluding the traffic in petroleum and petroleum products. Measured in freight tons, the intra-regional traffic of the Eastern Caribbean countries represented a sizeable proportion of the total sea-borne traffic of these countries. 10/ The intra-regional traffic was about 20% of the total sea-borne traffic (in freight tons) inwards to the Eastern Caribbean and almost 9% of the traffic outwards from these countries. It will be seen in table IV-A, that the intra-regional traffic is heavily concentrated in and between four countries: Trinidad & Tobago, Guyana, Jamaica and Barbados. There is also a sizeable volume of traffic, in particular from Trinidad, to the Windward Islands. Shipments, i.e. regional exports, from the smaller islands are however, of very limited importance, so that there is in general a considerable disequilibrium in the traffic to and from the Windward and Leeward Islands. The importance of this aspect for the economy of the services involved is obvious enough. Traffic between the smaller islands is of minimal importance.

29. Tables IV-B and IV-C, present the data for intra-regional traffic of general cargo (break-bulk cargo) and bulk cargoes respectively. Break-bulk cargo movements represent by far the greater proportion of the traffic, which is concentrated even more heavily in Trinidad & Tobago than in the case of total traffic, at least in so far as shipments originating in the various countries are concerned. In appreciating the small volumes of the traffic originating in the Windward and Leeward Islands, it should be stressed that the data are total figures for the year 1971. On the basis of an approximately weekly or fortnightly frequency in the shipping services (regular and irregular), these traffic volumes obviously reflect a precarious foundation for the operation of shipping services on an economical basis. As for shipments of bulk cargoes (See Table IV-C), such shipments are primarily made up of shipments of bulk molasses.

10/ Excluding Jamaica, for which only data on intra-regional traffic were available in the ECLA publication referred to.

30. Table IV D contains the data for general cargo, excluding the very sizeable shipments of cement and fertilizers. These shipments represented a considerable proportion of the total intra-regional dry cargo traffic, in particular of the shipments originating in Trinidad and destined for the Windward Islands. Although carried as break-bulk cargo, according to the statistics, these shipments may be considered as corresponding in fact, at least partly, to bulk cargo shipments. Their statistical segregation in any analysis of regional shipping services is important from another point of view. A considerable proportion of these shipments is indeed carried by small motor vessels and schooners, operating irregular services, to which further reference will be made in the next chapter of this report.

Tables V-A and V-B - Structure of intra-regional ocean cargo flows between Eastern Caribbean and other Caribbean Basin countries - 1971

31. In paragraph 26 above, reference was made to the extension of economic integration efforts towards other countries in the Caribbean Basin as a whole. It was therefore considered useful to present in Tables V-A and V-B the ocean cargo movements, excluding petroleum and petroleum products, between, on the one hand, the ten Eastern Caribbean countries, and, on the other hand, a number of Caribbean Basin countries and territories, including Surinam, Curacao and Aruba, the Virgin Islands, Guadeloupe and Martinique, and Puerto Rico; the Dominican Republic, Central America, in particular Honduras; and Venezuela, Colombia and Panama. 11/

32. It will be seen that the traffic originating in other Caribbean Basin countries, in particular Venezuela, Honduras and Puerto Rico is relatively important, approximately 193 thousand freight tons. The volume of cargo in the opposite direction is much smaller, about 55 thousand freight tons. Cargo movements originating in the Eastern

11/ For the purpose of Tables V-A and V-B, no data were available on the corresponding trade of Jamaica.

Caribbean are heavily concentrated in Trinidad and Guyana, and destined mainly to Puerto Rico, Guadeloupe and Martinique, and Venezuela and Colombia. The statistical data indicate a much smaller traffic to Central America, the Dominican Republic and Surinam. With regard to the cargo movements originating in other Caribbean Basin countries, their destinations are somewhat more evenly divided among the various Eastern Caribbean countries, although the major traffic flows are towards Guyana (from Venezuela), Antigua (from Puerto Rico), Trinidad (from Venezuela and Honduras) and Barbados (also from Venezuela and Honduras).

33. The nature of the main cargo movements involved is indicated in footnotes to Tables V-A and V-B. Most of these rather heterogenous cargo flows consist of cement and fertilizers, in both directions, timber (from Honduras) and sulphur (from Colombia). A variety of shipping enterprises participate in this traffic: trans-ocean regular shipping lines, mostly foreign; regional shipping companies, operating small motor vessels; and miscellaneous small ships, including small motor vessels and schooners. In view of the interest of the countries in expanding Caribbean Basin trade, it would be of the greatest interest to bring the information concerning these cargo movements up-to-date, and to examine more closely the vessels and services involved, in order to study what measures should be taken to improve the existing services and promote the development of more regular and frequent services on the routes in question.

Tables VI-A and VI-B - Structure of Ocean Cargo Movement Flows between the Eastern Caribbean and South America - 1971

34. For the purposes of this report it was obviously also appropriate to examine the ocean cargo movements between the Eastern Caribbean Commonwealth countries and the Pacific and Atlantic coasts of South America. As will be seen in Tables VI-A and VI-B, this traffic was of very minor importance. Outward from the Caribbean it was limited to some 22 thousand tons of bauxite from Guyana and some 7.5 thousand tons of general cargo, mostly transhipments in

Port of Spain, from Trinidad to Brazil; on the inward side there was a traffic of some 13 thousand tons of general cargo, primarily animal feeds from Argentina and Brazil.

Tables VII-A and VII-B - Structure of Ocean Cargo Movements between the Eastern Caribbean and other parts of the world

35. By far the most important shipping routes in the foreign trade of the Eastern Commonwealth Caribbean countries are for obvious reasons, the routes to and from the East Coast of Northern America (U.S. and Canada) and to and from the U.K. and the European continent. The relevant statistical data, always excluding petroleum and petroleum products, are included in Tables VII-A and VII-B. Although of secondary importance, compared to the routes to and from North America and Europe, including U.K., it will be seen that there is also a fairly important traffic outwards to and in particular inwards from Japan, Australia and New Zealand. Shipments to or from India and Africa were of very minor importance. The structure and direction of the overseas export and import traffic are further analyzed in the following paragraphs.

Table VIII - Main extra-regional Export Cargo Flows of Eastern Caribbean countries - 1971

36. The dominant characteristic of overseas export cargo flows is that of the overwhelming importance in this traffic of six commodities, primarily bulk cargoes (bauxite, fertilizers, molasses, sugar) and specialized cargoes (anhydrous ammonia and bananas). In terms of freight tons, 12/ these six commodities represent 86% of the total export traffic (excluding petroleum and petroleum products) of the countries concerned and 96% of the total of their extra-Caribbean exports (See Table VIII).

12/ In the case of these commodities, except bananas, freight tons practically coincide with weight tons.

37. Table VIII presents the data concerning the volume, origin and destination of the six commodities in question in the year 1971. Bauxite is by far the most important of these commodities, with a volume of some 3.1 million tons, followed by sugar (646 thousand tons), anhydrous ammonia (364 thousand), molasses (178 thousand), bananas (125 thousand) and fertilizers (37 thousand). The bulk of these shipments are carried by bulk or specialized carriers, owned or otherwise controlled or chartered, by foreign corporations or interests, controlling directly or indirectly the production and export of the commodities in question. Although in some cases these bulk and other specialized carriers (e.g. in the case of bananas) carry some general cargo on the return voyage, inwards to the Caribbean, the great bulk of imports, i.e. of general cargo, are transported by conference cargo liners. Hence, a second major characteristic of the structure of extra-regional ocean cargo movements, that of the imbalance of general cargo movements, and of the importance in this traffic of conference cargo liners.

<u>Table IX - Structure of Overseas Ocean Cargo Flows of Jamaica - 1973</u>

38. The foregoing tables did not include the data on extra-regional cargo movements to and from Jamaica. In view of the importance of Jamaica in the Caribbean Community, it was considered appropriate to present the data for this country in a separate table (Table IX). The structure and direction of ocean cargo movements of Jamaica are very similar to those of the Eastern Caribbean countries. On the export side, bauxite and alumina shipments are of overwhelming importance, followed by gypsum, sugar and bananas. General export cargo shipments, for which no breakdown was available, represent 1.4% of total exports, in terms of tons (weight). On the import side, only partial data were available, for dry general cargo. Owing partly to its geographic location, Jamaica has a larger proportion of general cargo imports, originating in the U.S.A. and Canada, than is the case with the Eastern Caribbean countries.

Tables X and XI - Participation of regional and extra-regional shipping companies in the carriage of the ocean traffic

39. In view of the obvious importance of this particular aspect for the countries of the Caribbean Community, detailed data on the participation of regional and extra-regional shipping companies in the carriage of the foreign trade (intra- and extra-regional) have been included in Tables X and XI.

40. Table X-A, B, and C, presents the relevant data for the intra-regional traffic, including traffic to and from the Caribbean Basin countries.13/ The data concerning the intra-regional traffic of the Eastern Caribbean countries and Jamaica show that approximately 80% of this traffic was carried by the West Indies Shipping Corporation and by other regional shipping companies, operating mainly small motor vessels registered in the Caribbean, and by miscellaneous small ships, including other small motor vessels and schooners. With regard to cargo movements to and from other Caribbean Basin countries, most of the traffic, although a smaller proportion thereof, was likewise carried by regional companies and vessels. The participation of extra-regional shipping services was however more important than in the case of the intra-Eastern Caribbean and Jamaica traffic.

41. Table XI-A, B, C and D, includes the data regarding the participation of the various carriers in the transportation of extra-regional traffic. It will be seen that, with the insignificant exception of very minor shipments to and from North America, the entire foreign overseas trade of the Eastern Caribbean countries was carried by foreign shipping services; (i) bulk carriers, in the outward trade of bulk cargoes, and also, although in much smaller volume, on the inward or import side; (ii) specialized carriers (anhydrous ammonia and bananas) in the outward trade; 14/

13/ These data will be further analyzed in the following chapter related to intra-regional shipping.

14/ Jamaica however participates in the carriage of bananas and some general cargo imports through the Jamaica Banana Producers' Steamship Company.

and (iii) regular shipping lines, the great majority of them members of conferences, in the inward trade of general cargo. The data in Table XI clearly show the directional imbalance in the general cargo traffic flows on the main ocean routes. However, the data call for some qualification, in the sense mainly that some, though limited, part of the bulk cargoes referred to in Table VIII are also carried by regular cargo liners, outwards from the Caribbean.

42. It will further be seen from Table XI that the general cargo originating in the United Kingdom and Europe was more than double the same cargo originating in North America (U.S.A. and Canada). In the case of Jamaica, as shown in Table IX, general cargo inwards, originating in the U.S.A. and Canada, was more important, in terms of volume, than the same cargo originating in the U.K. and Europe. There is, in addition, a sizeable volume of general cargo from Japan, Australia and New Zealand to the Eastern Caribbean, and this is probably also the case with Jamaica, although no precise data are available thereon. The traffic with other parts of the world, Africa and Asia (except Japan in the latter case), is of insignificant proportions.

Table XII - Trinidad-International sea-borne shipping of petroleum and petroleum products - 1972

43. As the data in the ECLA report on ocean cargo movements of the Eastern Caribbean excluded petroleum and petroleum products, the foregoing analysis was concerned in the main with dry cargo flows. Data concerning tanker cargo loaded and unloaded in the region have however been included in Tables I, II and III. In view of the considerable importance of this traffic, both from the regional and extra-regional points of view, data on the petroleum traffic to and from Trinidad have been presented in Table XII. Having regard to the insignificant tanker tonnage (see Table XIII, further below) of the countries of the Caribbean Community, practically the whole of this traffic, with the probable exception of Venezuelan tankers in the regional traffic, is carried by tankers owned directly or indirectly (through affiliated companies) or

chartered or otherwise controlled, by the oil corporations concerned. It will be noted from Table XII, that, apart from the overseas traffic, there is a sizeable intra-Caribbean traffic of petroleum products. In addition to the traffic to and from Trinidad, mention must also be made of the substantial tanker cargo imports of Jamaica from Venezuela.

3. The Merchant fleets of the Caribbean Countries

Tables XII and XIV - The merchant fleets of the countries of the Caribbean Community and of the Caribbean Basin

44. The foregoing statistical analysis of the ocean cargo movements of the countries of the Caribbean region may be completed with a brief statistical survey of their merchant marines. This aspect is likewise of great importance, as a substantial and increasing participation of developing countries in the carriage of maritime cargoes, in particular of their own trade, constitutes one of the main objectives of the international development strategy for the Second United Nations Development Decade.

45. Table XIII presents the data concerning the tonnage of the ships registered in the countries of the Caribbean Community. As will be seen, the tonnage of the merchant fleets of these countries - tankers and dry cargo vessels - is of very minor importance, although the bulk of the Community's intra-regional trade, and even of the intra-Caribbean Basin trade, is carried by these regional vessels. This may be due to the fact that because of the fairly short distances involved, the cargo carried annually, per ton, G.R.T. or D.W.T., is relatively large. 15/ In addition, it should be stressed that the data in the table only refer to vessels included in the Lloyd's Register of Shipping. A number of regional vessels, including practically all the schooner vessels, are not included in

15/ In 1972, the cargo carried per ton D.W.T. in the world fleet (including tankers and dry cargo vessels) amounted to 7.08 tons.

the Lloyd's Register, for reasons that will be set forth in the following chapter. Moreover, some of the regional vessels are registered, and included in the Lloyd's Register, in countries outside the Caribbean Community or even outside the Caribbean Basin. In any case, the lack of adequate information on the number, tonnage and other relevant characteristics of the vessels, engaged in the intra-Caribbean trade, has been another difficulty in the preparation of this report. The collection of adequate data on the merchant vessels engaged in the regional trade should be given high priority in the near future, for a fuller understanding of the shipping problems of the Caribbean Community.

46. In line with some previous statistical tables, embracing the Caribbean Basin as a whole, data concerning the merchant fleets of the Caribbean Basin countries have been included in Table XIV. As will be seen, the great bulk of the tonnage of these countries is located in four countries, in order of importance: Venezuela, Mexico, Cuba and Colombia. 16/ About 40% of the tonnage (in D.W.T.) corresponds to tanker tonnage, but only in the case of Mexico does Table XIV include a modest tonnage corresponding to bulk carriers. The overall share of the countries of the Caribbean Basin in World ships' tonnage was as follows, as at 1 July 1973: total tonnage (G.R.T.): 0.6%; of which, tankers: 0.5%; general cargo: 1.2%, and other ships: 1.0%. For Latin America and the Caribbean as a whole, shares of world tonnage were as follows, on the same date: all ships: 2.3%; tankers: 1.9%; bulk carriers: 1.0%; general cargo (including liners and tramps): 4.6%; and other ships: 2.4%. For other main developing areas in the world, the corresponding percentages of total world tonnage were: 0.4 for Africa, and 3.2 for Asia. There cannot be any doubt that the shares of the Caribbean Basin countries in world shipping tonnage are strikingly small, all the more so when they are compared with their participation in world sea-borne trade. (See para.26 above.)

16/ Venezuela, Mexico and Cuba were among the 13 developing countries in the world, who had merchant fleets exceeding 500 thousand D.W.T.

IV. INTRA-REGIONAL SHIPPING: MAIN PROBLEMS AND DEVELOPMENTS

47. Considering the great importance of regional sea transport for the Caribbean Community, it is surprising that, with the exceptions indicated below, relatively little attention has been given to the systematic study of the problems of intra-regional shipping. These exceptions are, on the one hand, the studies undertaken in 1970-1972 by the ECLA Regional Adviser in Shipping and more recently by the Secretariat of the Community, concerning the West Indies Shipping Corporation (WISCO), and, on the other hand, the studies undertaken by the ECLA Office for the Caribbean, in 1969-70, on the motor vessel and schooner fleet and traffic. In addition, the work undertaken by the ECLA Regional Advisers in Shipping and Ports made it possible to obtain, for the first time, a detailed statistical picture of the intra-regional traffic. 17/ Unfortunately, these data are limited to the year 1971, and only global estimates, always open to doubt, are available for other, previous or following years. The special attention given to WISCO, the regional shipping instrument of the Community's member countries, is understandable. However, in spite of its intrinsic importance, WISCO carries in fact only a relatively small share, in physical terms, of the growing intra-regional traffic.

1. Intra-regional shipping services

48. Intra-regional shipping may be divided into the following sub-sectors, which are in varying degrees competitive and complementary, i.e. carrying similar or different categories of cargo:

(i) The West Indies Shipping Corporation (WISCO);

(ii) Sea-Land Inc., Mini Container Line and Carib Shipping Service;

17/ Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean - (Doc. ECLA/POS 74/2 - February 1974 - U.N. Economic Commission for Latin America - Office for the Caribbean.)

(iii) Bookers CARIFTA Shipping Service;

(iv) Motor vessels and schooners, operated by a number of small shipping companies or partnerships, and, individual owner-operators, in particular in the case of schooners; and

(v) Various trans-ocean shipping companies, members of shipping conferences in particular of W.I.T.A.S.S., carrying small volumes of intra-regional cargo as a marginal addition to their overseas services, calling at various ports in the region.

49. W.I.S.C.O. operates two regional services: (i) a trunk route service, linking Guyana, Trinidad, Barbados and Jamaica, and (ii) a through or shuttle route service, with the following calls: Kingston (Jamaica), Basseterre (St. Kitts), St. John's (Antigua), Plymouth (Montserrat), Roseau (Dominica), Castries (St. Lucia), Bridgetown (Barbados), Kingstown (St. Vincent), St. George's (Grenada) and Port of Spain (Trinidad). 18/

50. An outstanding characteristic of W.I.S.C.O.'s services is their low frequency. In 1973 W.I.S.C.O. operated 17 round voyages on its trunk route and 11 round voyages on the through or shuttle route. In 1974, up to August/September, both the trunk and the through routes were operated on a monthly service basis. This low frequency was subsequently improved to a fortnightly service on the trunk route, following the chartering of an additional freighter. In spite of this improvement, such a low frequency is clearly inadequate, considering W.I.S.C.O.'s intended role for the promotion of regional trade and integration. A low frequency is indeed a major handicap in the securing of regular custom and traffic by any shipping or transport enterprise, and for the development of increasingly close and continuous trade flows. 19/

18/ This pattern of operation was introduced in implementing recommendations made in document ECLA/POS 70/1 "Report on Feasibility Studies for Inter-Island and Feeder Shipping Services in the CARIFTA Area", prepared at the request of Heads of Government.

19/ Belize is indirectly served by W.I.S.C.O., through a transhipment arrangement in Kingston (Jamaica).

51. The services of W.I.S.C.O.'s main competitors, apart from the regional motor vessels, may be summarised as follows:

(i) Sea-Land Service Inc., a major container (roll-on/roll-off) operator in many other parts of the world, operates a weekly and fully-containerized service, between Port of Spain, Kingston and San Juan, Puerto Rico, carrying both intra- and extra-regional traffic, the latter being transhipped in San Juan, Puerto Rico;

(ii) Mini Container Line, a small U.S. Container Line, operated until recently an irregular service between the U.S. Gulf port of Galveston and Kingston, Bridgetown, Port of Spain and Georgetown, but is reported to have ceased operating to the Caribbean area;

(iii) Carib Shipping Service, a small Trinidad-located Company, presently operating on irregular mixed container break-bulk cargo service, with one or two small vessels on W.I.S.C.O.'s trunk route; these vessels are reported to be registered in St. Vincent and fly the U.K. flag;

(iv) Booker's CARIFTA Shipping has a monthly break-bulk service with a freighter (950 tons D.W.T.), between Georgetown, Port of Spain, Bridgetown, and the smaller ports in the Windward Islands;

(v) The intra-regional traffic carried by overseas conference cargo liners, is of marginal importance, and in fact of little interest to the lines concerned, in view of the high cost of carrying the small traffic volumes involved.

52. Of major importance, especially in the Eastern Caribbean area, between Georgetown, Port of Spain, Bridgetown and the Windward and Leeward Islands, are the numerous small motor vessels and schooners. Although they are believed to carry mainly cargoes that do not compete with W.I.S.C.O. or other carriers referred to above, they nevertheless carry by far the greater share of the intra-regional dry cargo traffic. According to available statistical information, they also carry a sizeable volume of general cargo, properly speaking, although not of high-value or perishable cargo, for which they do not offer the necessary facilities.

53. To complete this broad picture of intra-regional services, mention must be made of the important traffic of small tankers, carrying petroleum products, mainly from Trinidad to the Windward and Leeward Islands. No adequate information could be collected on this important traffic, in the time available for the preparation of this report. 20/ The tanker vessels involved are owned and operated by the petroleum corporations and very few of them are registered in the Eastern Caribbean. 21/

2. Regional Traffic: Volume, growth and distribution

54. No precise statistical data are available on the growth of the physical volume of intra-regional trade over the last decade, but there is no doubt that this growth has been considerable. In a recent report, prepared for the purposes of a five-year investment programme for W.I.S.C.O., the Secretariat of the Community presented data and estimates on the growth of intra-regional trade since 1965. The data and the estimates refer to the regional exports of the four more developed countries: Barbados, Guyana, Jamaica and Trinidad & Tobago. The total physical volume of regional exports of these four countries increased as follows, in the period from 1965 to 1974:

20/ See however Table XII in the Statistical Appendix - Trinidad-International sea-borne shipping of petroleum and petroleum products. In 1972 2.600 thousand tons of petroleum products were shipped from Trinidad to countries in the Caribbean Basin as a whole.

21/ As at 1 July 1974, only two small tankers and one small liquified gas carrier were registered in Trinidad. Three small oil tankers were registered in Guyana.

Regional Exports of General Cargo
(More developed countries)

Year	Tons (long) (Weight)	Freight Tons
	in 1,000	
1965	109	163
1970	156	234
1972	172	258
1973	184	276
1974	197 22/	295

% increase : 81%

The estimates may be considered as representative of the growth of the regional trade of the Community as a whole, as the exports of the four countries are about 90 to 95% of the total regional exports of all the member countries. The estimates were based on the data available for different five-year periods (between 1966 and 1972) in the four countries in question. For commodities, where data concerning weight were not available, conversion factors were used. In addition, to determine the volume of general cargo, a number of commodities, such as cement, lime, fertilizers, molasses, sand and gravel, asphalt etc. and naturally also petroleum and petroleum products, were excluded. The estimates for recent years were based on a rate of growth of approximately 7%. 23/ A conversion factor of 1.5 was adopted to arrive at the equivalent in freight tons of the traffic (weight tons) in question.

55. No data or estimates are available on the distribution of this traffic, and in particular of its considerable increase, between the various carriers in intra-regional trade. However, precise data are available on the traffic carried by W.I.S.C.O., and it is evident

---

22/ Of this total, approximately 17, 23, 72 and 86 thousand corresponded to Barbados, Jamaica, Trinidad & Tobago and Guyana respectively. The estimate for Guyana includes rice.

23/ Over the period 1967-1971 total regional trade approximately doubled in terms of current values.

therefrom that, largely as a result of its insufficient carrying capacity, W.I.S.C.O. captured only a relatively small share of this increase in the traffic of general cargo, as will be seen from the following table:

W.I.S.C.O. Traffic
in 1,000 freight tons

1965	47.3
1970	49.9
1972	53.1
1973	59.2
1974	67.9

As total traffic of general cargo increased by some 130 thousand freight tons over the period in question, 85% of the increase in the traffic was captured by W.I.S.C.O.'s competitors, including the various services described in paragraph 51 above and the increasing number of motor vessels, and perhaps also by the schooners. This percentage is in fact even somewhat higher, as W.I.S.C.O.'s traffic includes some share of the exports of the less developed countries as well. Total intra-regional exports (in freight tons) are probably some 5 to 10% higher than the total for the MDC's only.

56. It must furthermore be stressed that general cargo, as defined in the report referred to above, is only a part of the total intra-regional traffic. Unfortunately, data thereon are available for one year only, the year 1971. 24/ The compilation of these data was the result of a pains-taking effort of the ECLA Regional Advisers in Shipping and Ports. According to these data, total intra-regional ocean cargo movements amounted in 1971 to 538.5 thousand freight tons. 25/ Of this total, about 78 thousand freight tons corresponded

24/ See "Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean". (Doc. ECLA/POS 74/2 - United Nations Economic Commission for Latin America, Office for the Caribbean - February 1974), and Tables IV-A, B, C and D in the Statistical Appendix.

25/ As will be seen from the tables in question, there are very slight discrepancies between the data registered in the ports of origin and destination.

to shipments in bulk, mainly molasses (69.3 thousand tons) from Guyana to Trinidad. This latter traffic corresponded in fact to transhipments in overseas trade, and not to intra-regional trade. As will be seen from Table IV-C there were also some intra-regional bulk shipments of molasses and natural asphalt, carried by regional shipping companies.

57. Total intra-regional break-bulk ocean cargo movements, excluding petroleum and petroleum products, thus amounted to approximately 460 thousand freight tons (see Table IV-B). 26/ As certain types of cargoes, such as cement and fertilizers, are known to be carried predominantly by the motor vessels and the schooners, the data for general cargo movements, excluding these two traffic items, were presented in Table IV-D. The traffic of cement and fertilizers amounted to 212 thousand freight tons, the great bulk of which originated in Trinidad and was destined for Guyana, Barbados and the Windward Islands.

58. As will be seen from Table IV-B, by far the greater part of intra-regional break-bulk cargo movements (about 430 thousand freight tons, i.e. 93%) originated in the more developed countries. 27/ As a result, mainly of the disequilibrium in the traffic outward from and inward to Trinidad, the destination of the traffic was however more evenly spread over the various member countries. About 60% was destined to the four more developed countries, 32% to the Windward Islands and about 8% to the Leeward Islands. A slightly different picture emerges when cargo movements, excluding cement and fertilizers, are considered. The origin of the traffic is somewhat less concentrated

---

26/ In fact only about 450 thousand in intra-regional trade, if transhipments from Trinidad to the Windward and Leeward Islands are excluded.

27/ Trinidad: 55%; Guyana: 21%; Jamaica: 9.5% and Barbados: 7.5%. About 82% of shipments from Trinidad (excluding transhipments) corresponded to cement and fertilizers. Although W.I.S.C.O. apparently carries little of this traffic, its tariff nevertheless quotes rates for fertilizers (in bags) and cement; for cement in lots of over 200 tons, the rate is not fixed, but "open", i.e. negotiable in each case.

in the more developed countries (89%). 28/ With regard to destination, about 68% of the traffic went to the more developed countries and some 21% to the Windward Islands.

59. The data in the ECLA publication on "Ocean Cargo Movements" also permitted preparation of Tables X-A, B, C, which present the participation of the various carriers in the transportation of the intra-regional traffic. In 1971, 92% of the traffic 29/ was carried by regional shipping companies, operating mainly small ships registered in Caribbean countries and by miscellaneous small ships. However, it will be seen that a discrepancy exists between the data elaborated on the basis of ports of origin and those of destination. While in the latter case, the total share of the traffic carried by regional shipping companies and miscellaneous small ships is still about 90%, the distribution of the traffic between regional shipping companies and miscellaneous small ships differed substantially in both cases. This discrepancy illustrates the great difficulty encountered in compiling the data. The discrepancy is due to the fact that a substantial volume of shipments of cement and fertilizers from Trinidad, were classified, in the port of origin, as carried by "regional companies", and, in the port of destination, as carried by "miscellaneous small ships".

60. The above data clearly show in any case the considerable importance of the traffic carried by motor vessels and schooners in intra-regional shipping. Indeed, W.I.S.C.O.'s total traffic in the year 1971 amounted to only 56.9 thousand freight tons, i.e. about 12% of the total traffic, excluding bulk cargoes carried by foreign bulk carriers. 30/ Foreign trans-ocean regular shipping lines and other trans-ocean lines carried approximately 8-9% of the traffic.

28/ Guyana: 39% (probably mostly rice); Trinidad: 23% (including transhipments); Jamaica: 18% and Barbados 9%.

29/ Excluding molasses shipped in bulk from Guyana and transhipped in Trinidad.

30/ In interpreting these data it should also be borne in mind that the operations of motor vessels and schooners are mainly concentrated in the Eastern Caribbean, excluding the routes to and from Jamaica. In 1971 W.I.S.C.O. carried about 40% of its traffic on its through or shuttle route.

61. The importance of motor vessels and schooners is further illustrated by the data in Tables X-B and C, showing the traffic between the Eastern Caribbean countries and other countries in the Caribbean Basin as a whole. The regional shipping companies and miscellaneous small ships carried indeed 84% of this traffic outward from the Eastern Caribbean and 61% of the inward traffic (excluding bulk carriers). Foreign trans-ocean regular lines participated to a substantial extent in this traffic, in particular in the traffic from Caribbean Basin countries (mainly from Venezuela) to the Eastern Caribbean area. (See also Tables V-A and B, in the Statistical Appendix.)

62. In paragraph 49 above, it was indicated that the West Indies Shipping Corporation operated two regional services: (i) the trunk route, serving the more developed countries; and (ii) the through route, an inter-island service, serving the Windward and Leeward Islands and linking them with Trinidad, Barbados and Jamaica. These two routes are undoubtedly the two basic intra-regional shipping lanes for all traffic. It is therefore also of interest to examine the distribution of the intra-regional traffic between these two routes.

63. According to the ECLA data on ocean cargo movements in 1971, approximately 325 thousand freight tons, i.e. 60% of the total traffic moved between the ports of the four more developed countries. Excluding bulk cargoes, but including transhipments from Trinidad to the Windwards and Leewards, the share of the trunk shipping route (258 thousand freight tons) amounted to 56%. Excluding further cement and fertilizers (see paragraph 57 above), the traffic over the route serving the more developed countries amounted to approximately 145 thousand freight tons, i.e. again about 60% of the total traffic. On the reasonable assumption that this share has remained approximately the same, the general cargo traffic, in the strict sense of the term, would amount to some 180 thousand freight tons in 1974, of which 41.3 thousand, i.e. 23% were carried by W.I.S.C.O.

64. In regional shipping circles it is estimated that some 40% of the general cargo over the trunk route is presently containerised, and the share of containerised cargo may be expected to reach 70-80% in the relatively near future. Apart from W.I.S.C.O., the major carrier on the route is Sea-Land Service, Inc., which operates a weekly fully-containerised service between Port of Spain, Kingston and San Juan, Puerto Rico (see paragraph 51 above). W.I.S.C.O. itself, started a part-container service on the route in 1972, and a fully containerised service in 1973, operating successively various vessels on a time-charter basis. In the second part of 1974, a chartered and fully containerised vessel (1250 dwt ~~tnet.~~) operated a monthly service on W.I.S.C.O.'s trunk route. (See para. 50 above.)

65. Whatever the qualifications the above analysis and the data collected and tabulated by the ECLA Regional Advisers on Shipping and Ports may call for, they have made it possible to present for the first time a complete picture of ocean cargo movements in the Caribbean area. It is to be hoped that similar efforts will be undertaken periodically in the near future. In view of the statistical effort and expenditure involved, and as conditions change only gradually, such statistical data could be collected from time to time, for a particular year, or more frequently on the basis of adequate statistical sampling techniques. Availability of such data would be an invaluable tool for the study of shipping problems in the area.

3. Motor Vessels and Schooners

66. The lack of sufficiently precise and up-to-date data made it impossible to prepare an adequate analysis of the present state, composition and conditions of operation, of the regional small vessel fleet, including motor vessels and schooners. The importance of this fleet in the carriage of the growing intra-regional trade and of its potential contribution to regional integration in future years, make it therefore all the more necessary that an adequate study of this vital sector of regional shipping be undertaken, as soon as possible.

67. A first preliminary study in the matter was undertaken in 1969-1970 by the ECLA Office for the Caribbean. 31/ This study was based partly on data, corresponding to the year 1968, collected for the purposes of an enquiry into schooner shipping, conducted by a special Committee of the Eastern Caribbean Common Market. Although the data in this study are now in various respects out-of-date, they may still be briefly summarized.

68. At the end of 1968, 135 small vessels were found to be in operation on inter-island routes in the Eastern Caribbean. 32/ The following table presents the composition and tonnage of the fleet in question, at the end of 1968:

Eastern Commonwealth Caribbean
Active Small Vessel Fleet, 1968

Type of ship	Total		Motor Vessels (ii)		Vessels with auxiliary engines (iii)	
	Units	Tonnage (i)	Units	Tonnage (i)	Units	Tonnage (i)
All ships	135	10,237	56	6,992	79	3,245
Up to 30 tons	29	539	5	69	24	470
Over 30 and up to 50 tons	43	1,727	7	309	36	1,418
Over 50 and up to 100 tons	32	2,343	13	986	19	1,357
Over 100 and up to 350 tons	30	5,147	30	5,147	-	-
Over 350 tons	1	481	1	481	-	-

Source: Doc. ECLA/POS 70/6 - 3 March 1970.

(i) Net Register Tonnage (1 N.R.T. = $2.83 m^3$) - Port dues for small vessels are assessed on that basis, which made the N.R.T. data more readily accessible.

(ii) The motor vessels (diesel engines), reported in 1968, were mostly steel hull vessels, although there were also a number of wooden hull motor vessels.

(iii) These vessels, also called "auxiliaries", correspond to the schooners properly speaking, which are wooden hull ships. The gasoline engine of these vessels is used full-time, frequently in combination with sails. The operational speed varies from 5 to 8 knots.

69. According to data for a more recent year (1971), for motor vessels and schooners calling at the port of Castries (St. Lucia), the average length of schooners was in the range of 50 to 100 feet, and their maximum draft, 12 to 15 feet. As for motor vessels, their average length was stated to vary from 100 to 200 feet and their maximum draft was 18 feet. Although much of this fleet was reputed, in 1968, to be fairly or even very old, no complete data were in fact available on the age composition of the vessels. The year of construction of about half the motor vessels and schooners was reported as not known. With regard to registration of these vessels, practically all the schooners were registered in the Eastern Caribbean area, in particular in the Windward Islands. As for motor vessels, about half were reported to be registered in the area and the rest in countries outside the (then) CARIFTA area.

70. The first motor vessels appeared in the regional traffic in 1964. Since then the total tonnage, if not the number, of the motor vessels, has continuously increased. A number of former schooner or small and old motor vessel-owners, have in recent years replaced their vessels with more modern and larger motor vessels. Most of the existing motor vessels have been acquired second-hand, in the Netherlands or in the United Kingdom. At present, according to reliable but unprecise information in regional shipping circles, there are about 50-55 motor vessels in operation in the Eastern Caribbean. These vessels have a carrying capacity, extending approximately from 200 to 500 tons (D.W.T.), and even to 750 tons. The number of schooners is believed to be substantially smaller than in 1968. Schooners, still actively participating in the traffic, are estimated to number about 40 to 50, with a carrying capacity of 60 to 125 tons (weight) each. Of the 50-55 motor vessels, about 10 are considered to be obsolete, although still operating. Lack

---

31/ Draft - Small Vessel Shipping in the Eastern Caribbean (Doc. ECLA/POS 70/6 - 3 March 1970).

32/ Excluding some 20 small schooners operating on local or secondary inter-island routes in the Windward and Leeward Islands.

of adequate maintenance is however a serious problem of the motor vessels. As the average tonnage of the motor vessels has increased in recent years, their share in the total tonnage of the small vessel fleet is now possibly about 80%, as against 70% in 1968. Schooners are generally believed to be on the way out, but their eventual elimination will be a slow process. Although schooner building skills are disappearing, there are still a few cases of new schooners built in recent years in the Grenadines.

71. With regard to registration of the vessels, the schooners continue to be registered in the Eastern Caribbean area, mainly in the Windward Islands. As for the motor vessels, probably more than half are now registered in the Eastern Caribbean, as would appear from the table below, based on the data included in the "Statistical Tables - Lloyd's Register of Shipping", as at 1 July 1974. Excluding the vessels registered in Belize and the Jamaica banana vessels, 56 cargo vessels (including passenger/cargo vessels) are now registered in the Eastern Caribbean area. However, account must be taken of the fact that the 28 vessels registered in Guyana, include a number of vessels primarily or exclusively engaged in river navigation. Hence, although no reliable information is available thereon, a substantial number of motor vessels in the regional trade continue to be registered in countries outside the Eastern Caribbean, such as the Bahamas, Bermuda, Cayman Islands and even Panama. In any case, with the data available in the Lloyd's Register, and the co-operation of the governments, motor vessel owners, port authorities and shipping agencies in the regional traffic, it should be a fairly simple, though time-consuming task, to obtain full information on the relevant technical characteristics of the motor vessel fleet. The number of vessels and of their owners, and of the shipping agencies concerned, is at any rate relatively small. It should be noted however that the schooners are not included in the Lloyd's Register, as most of them have a tonnage of less than 100 G.R.T.

Cargo Vessels registered in Caribbean Community Countries (i)

Country	Number of Vessels	Tonnage (in G.R.T.) (iv)
Belize	3	620
Grenada	2	226
Guyana	28 (ii)	10,027
Jamaica	2 (iii)	6,094
Montserrat	2	949
St. Lucia	2	904
St. Vincent	12 (v)	4,721
Trinidad & Tobago	10	7,195

Source: Statistical Tables - Lloyd's Register of Shipping - 1974.

(i) Ships of 100 G.R.T. and upwards - Cargo vessels include mixed passenger/cargo vessels. The vessels registered in the Bahamas are not included in the Table. The bulk of these vessels correspond to the so-called "convenience-flag" type. As at July 1974, 129 vessels (including 79 general cargo vessels) were registered in the Bahamas.

(ii) Includes a number of river transport vessels.

(iii) Banana ships of the Jamaica Banana Producers Steamship Company.

(iv) As will be seen from Table XIII in the Statistical Appendix, the total ships' tonnage registered in the area, at 1 July 1973, was substantially greater. Apart from a very few tankers, the difference corresponds to fishing vessels, ferries, tugs, dredgers, etc.

(v) Including one container ship, with a tonnage of 1019 G.R.T.

72. The shipping services in question are of an irregular, although not of a charter or tramp character. They operate without pre-fixed schedules, on fairly regular routes, serving mostly the same ports, depending on the fluctuations of the demand for traffic. Motor vessels and schooners occasionally carry full ship-loads, e.g. of cement. Their break-bulk cargoes are however of a quite varied character, including, apart from cement, fertilizers, rice, etc., other general cargo in intra-regional trade, in particular in the

case of the better motor vessels. A major drawback in the quality of the small vessel services is that they do not carry perishable commodities, including agricultural commodities of this type. At any rate, the service which even the motor vessels offer for this type of traffic is of poor quality. This is of particular significance for the less developed islands, in view of their potential for the production and exports of such commodities. According to recent information, only two motor vessels, operating mainly from St. Lucia to other countries northwards, have elementary refrigerated cargo facilities.

73. According to the ECLA study, referred to above, and this is still the case at present, the highest density routes link the ports of Port of Spain, Bridgetown and Georgetown, or radiate from these ports. Motor vessels now predominate on most of these routes, although the schooners still carry a fairly important share of the traffic to and from the Windward Islands. The longer the route 33/ or the denser the traffic, the more motor vessels tend to predominate. Already in 1968, the motor vessels were reported to represent almost 70% of the total tonnage of the small vessel fleet. As a result of their greater operating efficiency, their share in the total small vessel traffic was probably even larger. At present, as indicated above (para. 70), this share has increased further. A basic problem for both the motor vessels and schooners remains, however, the directional imbalance in the traffic, i.e. the lack of sufficient back or return loads from the smaller to the larger islands, in particular to Trinidad.

74. Although the operational organization of the small vessel fleet has improved in recent years, individual ownership and operation continues to be one of its main characteristics. This is understandable enough in the case of the schooners. Even in the

---

33/ There are practically no schooners in the traffic to and from Caribbean Basin countries. In the case of motor vessels, the development of Caribbean Basin traffic, e.g. to other islands (Haiti, Dominican Republic), is however hampered by the fact that the availability of return cargo is generally insecure.

case of motor vessels, the number of companies or rather partnerships, owning and operating two or three vessels, is still very small, perhaps 5 or 6, although no reliable information is available thereon. Hence, the administrative and commercial organization of the small vessel services is of a simple character, comparable in many ways to that of truckers in road transport. The general practice is that cargo is obtained through a small number of shipping agencies in the various ports, each agency working with a group of schooner and small vessel owners and operators. A Schooner Owners' Association, established many years ago, is located in Bridgetown, Barbados, and acts at present as a shipping agency for its members. The question may well be asked, and would deserve further investigation, whether the economic and business dependency of many small vessel owners on the shipping agencies is not excessive or detrimental to their legitimate interests.

75. The ownership and operating conditions of the small vessel fleet also largely explain the tariff and rate practices. Competition is keen and - with the important qualification indicated below - the rates for many commodities are "open", i.e. negotiable in the case of each shipment. These rates, varying within a relatively stable range, are negotiated through shipping agencies, acting as intermediaries between the motor vessel and schooner operators and the shippers of the cargo. Fixed rates are, however, quoted from time to time by shipping agencies, in the case of certain commodities. A recent schedule of fixed rates of an important shipping agency included such commodities as citrus juices, milk, beef, matches, toilet paper, electric bulbs and biscuits, in cartons; refrigerators, gas stoves, radios, television and radiograms; soap and other domestic products etc. A fixed "general cargo" rate is applied to a wide variety of commodities. Hence, it would seem that "open" rates are applied mainly in the case of the larger shipments of cement, fertilizers, building materials, rice and other agricultural commodities. As a rule, both fixed and "open" rates are also broadly related to the fixed and published rates of the West Indies Shipping Corporation (W.I.S.C.O.), the rates of the motor vessels and schooners being negotiated or fixed at levels lower, in varying degrees, than the

rates of W.I.S.C.O. Cost of operation of the small vessels is understandably lower than that of W.I.S.C.O.'s regular services, operated during many years by inadequate mixed passenger/cargo vessels, as is still the case on W.I.S.C.O.'s through or shuttle route. Additional factors explaining the lower costs of the small vessel fleet are: the simpler organizational, administrative and operational practices of the small vessel services; the importance of low-value and semi-bulk cargoes carried (cement, etc.), which do not require costly handling; the low overhead expenses; the lower cost of crews and port labour 34/ and the inferior quality, in many cases, of the small vessel service. However, motor vessels also provide in some cases a more direct, faster or more frequent service that that of W.I.S.C.O.'s through route, including in particular a better cargo delivery time.

76. A major problem affecting the operations of small vessels is on the other hand that of port facilities and conditions. Practically all ports in the Eastern Caribbean, with the understandable exception of lighterage ports, have special schooner and motor vessel wharves. These wharves offer only open berthing and storage facilities, and no transit-sheds, even of a rudimentary type. Loading and unloading operations consist in general in the direct transfer of the cargo from and to motor trucks on the wharf. Several of the existing schooner and motor vessel wharves are at present in a poor condition. This is for example in particular the case in Port of Spain. Congestion in this and other ports is frequent, with motor vessels and schooners waiting sometimes for several days, in rows of 2 or 3, alongside the wharves, before loading or unloading operations can be started. Plans for the necessary improvements are at present under active consideration in Port of Spain. Of particular importance in this connexion are the loans granted recently by the

---

34/ Schooners are reported to use non-unionized crews; although information on the matter is conflicting, and varies according to the port concerned, port workers on schooner and motor vessel wharves are frequently "casuals", though "unionized", and their wages are lower than those of the stevedores of the deep-water wharves.

Caribbean Development Bank for the financing of port modernization and improvement projects in the Windward and Leeward Islands. These projects provide for substantial improvements in the port facilities and wharves for the small vessel and schooner traffic. 35/ The implementation of these projects will greatly accelerate the turn-round of the small vessels and also increase their cargo-carrying capacity.

77. A common complaint continues to be the low quality of the service of the small vessels, in particular of the schooners and of the older motor vessels. As a result of the loading and unloading conditions described above, many cargoes are subject to damage from rain and other factors. Perishables, already seriously affected by the lack of cooled space, may suffer in addition from irregularity in the sailings and from delays in unloading the cargo on arrival. Improper stowage is also frequent on the schooners and older motor vessels, as is damage to cargo while at sea, through seepage, etc. Hence, the further common complaint of high rates for the insurance of the cargoes.

78. Finally, as already emphasized in the ECLA study referred to above, adequate navigation and safety-at-sea equipment on board of many vessels is often lacking or kept to bare essentials. This was understandably in particular the case with the schooners and the older or smaller motor vessels. Although no adequate information thereon could be collected in the time available, there is no doubt that conditions in this respect have been improved in recent years, in particular in the case of the larger motor vessels. These technical aspects of small vessel navigation would certainly call for a special investigation. On the other hand, while measures should undoubtedly be taken to improve the technical conditions and requirements of the small vessel fleet, these deficiencies should not be exaggerated, as the present composition of the fleet is quite heterogeneous. In any case, measures for improving these conditions

---

35/ See further in this connexion Chapter VI of this Report, on Port development and problems.

should duly take into account the real requirements of the regional short-sea cargo traffic and its economic and operational characteristics. Extensive governmental measures for these vessels, directed towards the improvement of minimum safety and other technical requirements and the protection of cargo, could be unduly burdensome and result in making their operations more expensive and less competitive, than is reasonably required.

79. The above admittedly constitutes only a tentative analysis of the main problems of the regional small vessel fleet. Apart from the necessary and urgent overall study of the matter, some final suggestions may be offered, that might be instrumental in improving the operating conditions of the small vessels and strengthen their contribution to regional integration:

(i) In the first place, there does not at present exist an organization or association, including all or most of the small vessel owners. The possibility of establishing, or promoting the establishment of such an organization, under the auspices of the Caribbean Community, might be well worth investigating. A representative Association of regional vessel owners could be invited to participate, in a consultative capacity, in the deliberations of the Standing Committee of Ministers responsible for Transportation or of its subordinate bodies, on matters related to regional shipping. One of the main purposes of the Association would also be that of the improvement of the entrepreneurial and commercial organization of its members;

(ii) In the second place, in view of the necessity of improvements in the technical requirements and conditions of the fleet, consideration might be given, in the light of an adequate study of the small vessel fleet problems, to the elaboration of a rationalization and modernization scheme of the fleet, under the auspices of and with the financial assistance of the Caribbean Development Bank; and

(iii) Finally, within the framework of the investment and development programme for W.I.S.C.O. and the improvement of the regional shipping service over the next five-year period 36/, consideration

---

36/ See in this connexion the following section on the West Indies Shipping Corporation.

> might be given to the possibility of establishing joint and co-operative operating arrangements, between W.I.S.C.O. and a number of motor vessel operators, e.g. to provide feeder, complementary and on-carrying services, or to expand regional services to other countries and islands in the Caribbean archipelago and in the Caribbean Basin.

4. The West Indies Shipping Corporation (W.I.S.C.O.)

80. The problems of W.I.S.C.O., the regional shipping instrument of the Community's member countries, have been the subject of several detailed studies by the ECLA Regional Adviser in Shipping, in the years 1970-1972, and more recently by the Secretariat of the Caribbean Community. The present section will be concerned in the main with an analysis of recent developments and perspectives for the future.

81. W.I.S.C.O. was established in 1961 by an Act of the Federation of the West Indies. After the dissolution of the Federation, the Act was kept legally in force in relation to the member countries of the former Federation. The legal instruments involved are to be replaced by new legal instruments, aimed at establishing both the Regional Shipping Council and W.I.S.C.O. on a firm and permanent legal basis, and which have been under consideration in recent years. As indicated in paragraphs 6-8 in the Introduction to this report, the Regional Shipping Council is to be replaced by a Standing Committee of Ministers responsible for Transportation in the Community's member countries. A new regional "Agreement establishing a West Indies Shipping Corporation" is also at present under active consideration by the responsible bodies of the Community, and may be expected to be finalized in the relatively near future.

82. Overall authority of W.I.S.C.O. had been vested in the Regional Shipping Council, consisting of appropriate Ministers of the participating Governments. The Council's powers included appointment of a Board of Management, and approval of the annual budget as well as of the routes, frequencies, fares and charges of W.I.S.C.O.'s shipping services. The functions of W.I.S.C.O. include the establishment and operation of shipping services for transport

of goods, passengers and mail between ports of the participating Governments, and also between ports outside the countries of member Governments.

83. Until the early seventies W.I.S.C.O.'s services were operated by two mixed passenger/cargo vessels, donated by the Government of Canada. These vessels were the "Federal Palm" and the "Federal Maple". The "Federal Palm" was however sold in October 1972 and the "Federal Maple" is to be sold in the very near future. 37/ Although these vessels made it possible to acquire experience and to perform a vital service for the area, it was recognized since several years and stressed, in particular in the reports of the ECLA Regional Adviser in Shipping, that these vessels were in various respects unsuitable for the operation of efficient and economical cargo services. As mixed passenger/cargo vessels, their operating cost was relatively high, and they were in particular not adaptable to efficient cargo-handling methods.

84. Recent developments concerning the services operated and the traffic carried by W.I.S.C.O. have been described in Sections 1 and 2 above. In this connexion, stress was laid on the major deficiency of W.I.S.C.O.'s services, their low frequency. The shortage of general cargo shipping space, together with the recent deterioration of some of the other intra-regional services and the growing requirements of intra-regional trade, in particular to and from Jamaica, made it increasingly urgent that measures be taken for an expansion of the capacity and frequency of W.I.S.C.O.'s services.

85. At its meeting, in March 1974, the Regional Shipping Council decided that the Secretariat of the Community "should be requested to prepare a Programme for the improvement of shipping in the region, including the acquisition of additional vessels, over the next five-year period, for consideration by the Regional Transport Council." 38/ At a meeting, in December 1974, the Regional Shipping Council examined

---

37/ The "Federal Maple" is still in operation on W.I.S.C.O.'s through route.

38/ The then proposed Council was subsequently renamed, the Standing Committee of Ministers responsible for Transportation.

and endorsed, with some amendments, an extensive report of the Secretariat on a "Five Year Investment Programme for the Improvement of the Regional Shipping Service".

86. The W.I.S.C.O. development programme provides for the acquisition, within the next five years, of two feeder-type and fully containerized vessels for the trunk route and of two multiple-purpose (mixed container and break-bulk cargo) vessels for the through route. The acquisition of these vessels would approximately double W.I.S.C.O.'s present carriage capacity, 39/ and substantially improve the frequency of its services. With the four vessels in question, it is planned to operate a 9-day service frequency on the trunk route and a fortnightly frequency service on the through or shuttle route. In addition, the vessels would introduce refrigerated container capacity on the trunk route and double the present refrigerated cargo capacity on the through route. Apart from the reduction in operating costs, in particular of cargo-handling costs, resulting from containerization, the quality and adequacy of W.I.S.C.O's services would be considerably improved. This is of particular importance for the less developed countries, in view of their potential for exports of perishables.

87. In accordance with the traffic projections of the Secretariat of the Caribbean Community, W.I.S.C.O.'s traffic would increase from approximately 68 thousand freight tons in 1974, to 125 or 142 thousand freight tons in 1980. Simultaneously, W.I.S.C.O.'s participation in the intra-regional general cargo traffic, 40/ as projected, would increase from 22% in 1974 to 27% or 30% in 1980. Of the total projected traffic, 89 thousand freight tons would correspond to the trunk route. In the case of the through route, two alternative projections were adopted, the lower of which might well be considered as somewhat pessimistic. However, in spite of its apparently ambitious character, the programme may still be considered as relatively modest. Indeed, in the light of the reasonable traffic

---

39/ Including owned and chartered vessels.

40/ General cargo in the strict sense (see para. 54 above).

and trade projections adopted, W.I.S.C.O.'s share in the increasing intra-regional general cargo traffic would first rise to 30% or 33%, and then drop to 27% or 30%, according to the higher or lower traffic projection for the through route.

88. As a first step towards the implementation of this Programme, the Caribbean Development Bank had already approved, in June 1974, a loan of approximately 4.5 million EC$ for the acquisition of a new container vessel by W.I.S.C.O., 41/ for its trunk route service. Steps are presently underway for the purchase of this vessel, whose total cost is estimated at EC$5.5 million.

89. The capital expenditure for the acquisition of the four vessels, including a number of containers, as approved by the Regional Shipping Council, was estimated at EC$22.5 million. Other arrangements for the financing of the Programme included the raising of loans of about EC$18.5 million, over the next five years, an issue of shares by W.I.S.C.O. to its members, 42/ and the provision by the Corporation of a replacement reserve in respect of the vessels of not less than 30% of their initial cost.

90. The precise technical specifications (size, type, speed, etc.) of the four vessels to be acquired are still under examination. The trunk route vessels would have a capacity of at least 84 and possibly up to 108 containers (20 feet), while the through route vessels would have a tonnage of 1000/1500 tons D.W.T. The complex problems raised by the selection of the optimum vessels required for the regional services involved are by no means unexpected or exceptional. In a recent report of an UNCTAD Panel of Experts on developing island countries, 43/ it was stated in this connexion,

---

41/ The acquisition of this vessel had already been approved by the Regional Shipping Council, after the sale of the "Federal Palm" in 1972.

42/ Originally the member countries did not contribute any of the capital, as the vessels operated had been donated by the Government of Canada.

43/ Developing Island Countries - Report of the Panel of Experts - UNCTAD (March 1973) - (Doc. TD/B/443/Rev.1) - (UN Publication - E.74.II.D.6) - (para. 66).

that - "Although the shipping companies are carrying out development of the new shipping technologies, very few parallel efforts are known to be undertaken by private initiative on feeder vessels. We suggest that there should be collaboration of the respective Governments in the investigation of this matter in the various island regions, so that the type of feeder vessel most adapted to the shipping conditions in the region may be developed. Technical assistance from international agencies will be required in this work." These considerations underline the urgency of the problem, and high priority should be given to this matter by W.I.S.C.O. and the regional bodies concerned, with the co-operation, it is hoped, of the proposed UNDP/UNCTAD/IMCO project in the area.

91. Some of the most important aspects of the W.I.S.C.O. development programme are its implications with regard to the operating deficit of the Corporation. Since its inception in 1961 until 1974, W.I.S.C.O. had a total operating deficit of approximately EC$16 million (total of annual deficits in current values). In 1974 the annual operating deficit was approximately EC$2 million. It is significant that this total of annual deficits is probably larger, in terms of real value, than the investment assigned to the programme referred to above. The real deficit is even larger, if account is taken of the indirect subsidies deriving from fiscal advantages of W.I.S.C.O. and of the fact that no provision was made for depreciation of the vessels in operating costs.

92. While the bulk of the deficit has been covered by contributions from the more developed countries, it is nevertheless a heavy burden for the countries concerned. A substantial part of these deficits is certainly due to the inadequate technical characteristics and operating conditions of the mixed cargo/passenger vessels of W.I.S.C.O.'s fleet, and also to the rate policy of the Regional Shipping Council. Rates were often for protracted periods held deliberately low or their readjustment to cost increases delayed. From another point of view, it may however be argued that this rate policy constituted, to an extent difficult to estimate, an incentive to the promotion of regional trade, as well as a restraint on rate increases by W.I.S.C.O.'s

competitors. Although no precise data or estimates are available thereon, a good part of the deficit is also imputable to the through or shuttle route, in view of its intrinsically unfavourable traffic and operating characteristics. Moreover, this route is still served by the remaining "Federal" vessel. 44/

93. However, the managerial and administrative organization of W.I.S.C.O. has also been the subject of much criticism, and part of the deficit is widely believed to derive from these deficiencies. While the situation has probably improved in more recent years, the problem is still apparently far from solved. The loan of the Caribbean Development Bank, referred to above, provided for an examination by appropriate experts of the organization, financial viability and managerial autonomy of the Corporation.

94. In accordance with the estimates of the Secretariat of the Caribbean Community, the implementation of the Programme referred to above would eliminate the operating deficit, excluding capital charges and depreciation. While the trunk route would make a substantial operating profit, the overall operating profit would be considerably reduced by the projected operating loss on the through route. 45/ In estimating the total financial deficit, account was taken of the capital and interest charges corresponding to the loans required for the investment programme, and of a replacement reserve provision for the four vessels contemplated. This replacement reserve amounted to only 30% of the initial cost of the vessels. On the basis thereof, the overall financial deficit would be in the neighbourhood of EC$1.4 to EC$1.6 million, during the repayment years of the loans contemplated.

95. For reasons indicated below, it would seem possible to further reduce this financial deficit. Even so, its reduction to the level

---

44/ At its meeting in March 1974, the Regional Shipping Council agreed that the necessary steps should be taken by W.I.S.C.O. to operate the trunk route on a commercial basis.

45/ This operating loss was however estimated on the basis of a possibly somewhat pessimistic traffic projection.

projected would constitute a major achievement. Indeed, the financial deficit would not only cover the capital and interest charges on the loans contemplated and a 30% provision for depreciation of the vessels, but it would also correspond to a considerably enlarged scale of operations of W.I.S.C.O. and a doubling of the traffic. Under the circumstances, the selection of the optimum vessels for the traffic and the necessary measures for the improvement of the organization and management become of major importance for a further reduction of the financial deficit.

96. It must also be stated that, perhaps deliberately, fairly pessimistic assumptions were adopted with regard to the operation of the through route, in particular a relatively low loading coefficient (40%) of the vessels involved. In this connexion mention must be made of the substantial increase in regional container feeder traffic that will result from the large-scale introduction of container traffic in trans-atlantic operations in 1976/1977. 46/ If a substantial part of this feeder traffic can be captured, which is a more than reasonable assumption, there is little doubt that the through route could become at least a break-even operation. This matter certainly requires urgent investigation. It has in any case been reported that the extra-regional lines involved have been examining this possibility with W.I.S.C.O. It is not unrealistic to surmise that the vessels presently contemplated for the trunk and through route, might well not be able to cope with both the intra-regional traffic and the potential extra-regional feeder traffic involved. Consideration might well be given in this connexion to the adoption of joint operating arrangements between W.I.S.C.O. and the extra-regional lines involved. 47/

97. Of great importance in this connexion are also the various port development projects in the Windward and Leeward Islands,

---

46/ See Chapter V - Section 3, below.

47/ In a different context, it was also suggested (in para. 79 above) that joint operating arrangements should be considered between W.I.S.C.O. and regional motor vessel operators.

financed by a number of recent loans of the Caribbean Development Bank. The implementation of these projects in the next few years, may likewise be conducive to a reduction in the cost of operation of the through route service. In the elaboration of the W.I.S.C.O. investment programme, certain assumptions were adopted, perhaps deliberately, with regard to total time spent by the vessels in ports and in cargo-handling. There is little doubt that these conditions could be substantially improved, which would contribute further to reducing the deficit. In addition, an acceleration in the turn-round of the vessels will increase their annual cargo-carrying and earning capacity.

98. The introduction of containerization in recent years has already reduced cargo-handling costs, a major part of W.I.S.C.O.'s operating costs. With the increasing containerization of the traffic and the expected port improvements, a further reduction in these costs should be a matter of high priority. Data on cargo-handling costs per ton, in W.I.S.C.O.'s traffic, in the various ports for the year 1973 would seem to bear out this contention. These costs varied widely, as shown in the following table based on W.I.S.C.O.'s annual report for the year 1973: 48/

Cargo-handing costs per ton in EC$ - 1973

Antigua (St. John's)	21.49
Trinidad (Port of Spain)	19.27
St. Kitts (Basseterre)	16.03
St. Lucia (Castries)	15.48
Jamaica (Kingston)	14.69
Montserrat (Plymouth)	12.52
Grenada (St. George's)	11.69
Dominica (Roseau)	10.64
Barbados (Bridgetown)	10.01
St. Vincent (Kingstown)	7.14
Guyana (Georgetown)	3.61

48/ Cargo-handling costs of the "Federal Maple" on the through route were more than double of those of the chartered container vessel on the trunk route.

It is difficult to interpret these widely different figures, without an extensive investigation. The overall average for all ports fell by 6% from 1972 to 1973, in spite of increased labour and other costs.

99. Finally, as was already recommended by the ECLA Regional Adviser in Shipping, it would seem appropriate to undertake as soon as possible a revision and re-evaluation of the rate structure in W.I.S.C.O.'s tariff. This would in any case be indispensable, with the considerable change in operating methods resulting from the implementation of the five-year investment programme.

100. A major characteristic of W.I.S.C.O.'s rates was, until early in 1974, their uniformity. Although the rates obviously differed between the various commodities, 49/ they were the same, irrespective of distance, between all the ports served. However, following a decision of the Regional Shipping Council early in 1974, the rates between the four developed countries were increased by 50%, as were the rates on all transhipment cargo, while rates to and from the less developed countries and between these countries were increased by 25% only. 50/ According to the freight tariff, effective 1 February 1974, a large number of rates are within the range of 52 (43) and 77 (65) EC$ approximately (weight or measurement). Rates on some commodities, in particular refrigerated cargo, were very much higher. 51/ Some degree of differentiation is however

---

49/ W.I.S.C.O.'s freight tariff does not include class rates, i.e. rates for groups of similar commodities.

50/ In the case of Montserrat, transhipment cargo rates were increased by 25% only. Simultaneously, the Council authorized W.I.S.C.O. to raise freight rates by 15% in any one year (i.e. between Annual General Meetings of the Council), without prior approval of the Council.

51/ For example, fruit and vegetables: 94.50 (78.75); eggs: 153.00 (127.50) EC$. A few rates are "open"; this is the case for lumber, cement (in lots over 200 tons), bricks, manure, rice (in bags), etc. The rates for the less developed countries are indicated in brackets. In December 1974 the average freight rate was stated to be at EC$57.00; a new increase in freight rates, of 15%, became effective early in 1975.

introduced by the fact that landing charges must be added to all rates. These charges vary from EC$9.00 per ton (weight or measurement) in Bridgetown (Barbados) to 19.57 in Basseterre (St. Kitts). Rates are further subject to a bunker or fuel surcharge of EC$6.00 per ton and a stevedoring surcharge in Port of Spain (EC$2.80 per ton). Additionals for heavy lift cargo are applied on a differential basis between the more and the less developed countries.

101. In spite of the differential rate increase, early in 1974, there is still a large degree of rate equalization between the various ports. This situation is obviously favourable to the more distant countries. 52/ As a result, competition from other carriers is bound to be especially effective on the shorter W.I.S.C.O. routes. This is probably in particular the case with the regional motor vessels on the Windward Islands route. However, in view of the relatively short sea distances, even in the region as a whole, a substantially higher proportion of total operating costs, than is normally the case in sea transport, is independent of distance. 53/ This characteristic of operating costs substantially reduces the differentiation in the rates between the ports concerned, when rates are related to costs. It may also be argued that, in this particular case, rate equalization, on the basis of two different groups of countries, offers to all countries an equitable access to supply and market areas in the region. The question arises however, whether this rate practice may not be conducive to distortions in the optimum location of some agricultural or industrial activities in the region.

102. A major argument against averaging or equalization of rates remains nevertheless that, in the words of an UNCTAD study, "it

---

52/ It must be stated in this connexion that some of the islands, in particular the Leewards, are "distant countries" with respect to the main markets or supply areas in the region.

53/ Costs of loading and unloading and other port costs and dues; and cost of ships' time while in ports, are independent of distance.

destroys any incentive for an inefficient port to improve itself, because an improvement does not secure any reduction in rates. As a result, the benefits of any improvements made are scarcely noticeable, since they are small in relation to the total costs incurred over the whole range (of ports)". 54/ This practice in ocean shipping has been the subject of considerable controversy and the report referred to, even concluded that the practice should be stopped as soon as possible. In the particular case of the Caribbean region, the rate equalization in question does not however constitute "an arbitrary system of cross-subsidising determined by a group of shipowners", 55/ but a system of cross-subsidising deliberately adopted by a regional group of countries. Nevertheless, the potential disadvantages of this system, as stressed above, should not be overlooked, even admitting that the rate equalization is to some extent modified by the application of relatively high and different landing charges in the various ports.

103. One other and very important aspect in any revision or reform of W.I.S.C.O.'s rate structure should be emphasized. It is doubtful, as was stressed already by the ECLA Regional Adviser in Shipping, whether the rates for the various commodities, i.e. their inter-dependent structure, are adequately related, on the one hand, to the costs of transport, and on the other hand, to the conditions of demand, i.e. the elasticity of the demand for traffic of the various commodities. In other words, for cargo less sensitive to the rates, usually commodities of comparatively high value, a higher freight rate can be quoted than for other cargo. A revision of the rates along these criteria might well make it possible to increase total revenue, without changing the general level of the rates. 56/

54/ Shipping in the Seventies - Report of the Secretariat of UNCTAD (Doc. TD/177 - UN Publication E.72.II.D.15) - See para. 64.

55/ Shipping in the Seventies - See para. 65.

56/ While some rates would be increased, others would be maintained or lowered, the overall result being an increase in total revenue.

104. W.I.S.C.O.'s rate policy is also related in another sense to the problems of the deficit and of the subsidy. In view of the well-known disadvantages of so-called "across-the-board" or blanket subsidies, it was already suggested by the ECLA Regional Adviser in Shipping, and more recently by the Secretariat of the Community, that the "across-the-board" subsidy should be replaced by specific subsidies for a number of commodities - e.g. where the promotion of the trade in such commodities is of particular importance for balanced regional development and integration. This suggestion should undoubtedly be further investigated. A serious objection is however that the implementation of such a "specific commodity" subsidy policy is fraught with great practical difficulties. A full analysis of this problem would go beyond the possible limits of this report. However, in view of the favourable outlook for a further and substantial reduction in W.I.S.C.O.'s financial deficit, it may well be more appropriate to examine the possibility of introducing promotional rates instead of subsidy rates, for certain commodities, along the lines of the criteria proposed in this connexion, although in a different context, by the Secretariat at UNCTAD. 57/

105. The matter would seem to be of particular importance with regard to the promotion of production and regional trade of some manufactured products, and especially for the development of production and trade of many agricultural commodities. One of the above-mentioned UNCTAD reports (Doc. TD/B/C.4/38/Rev.1) defined a promotional rate as follows: "In essence a promotional freight rate is a rate which is set at a level low enough to enable a product to penetrate a new market and is maintained at that level until the product is established in the market. Its two features are the low rate and the limitation of the period for which the rate applies." Hence, a list of such commodities, of special

---

57/ See "Freight markets and the level and structure of freight rates" - Chap. IX (Doc. TD/B/C.4/38/Rev.1 and Corr.1 - UN Publication No. 69.II.D.14) and "Promotional freight rates on non-traditional exports of developing countries" (Doc. TD/105 and Supp. 1).

interest to regional development and integration could be prepared by the ECLA Office for the Caribbean and the Caribbean Community, in consultation with governments, agricultural and industrial organizations, and shippers. In the light of adequate analysis, these commodities would be those encountering difficulties in successfully penetrating regional markets, as a result of high transport costs. In this connexion special attention should be given to those factors in the production and trade of the commodities concerned, that would lead to a reduction in costs of production in the future, so as to make it possible for the commodities to bear a higher rate, if necessary. Promotional rates would thus be subject to review from time to time. It is suggested therefore that criteria and procedures for the introduction and periodic review of promotional rates be instituted as soon as possible by the Caribbean Community, in consultation with W.I.S.C.O. and other bodies and organizations concerned.

V. EXTRA-REGIONAL SHIPPING: MAIN PROBLEMS AND DEVELOPMENTS

1. Bulk cargo trades and Liner Conferences

106. In Chapter III it was shown that the extra-regional foreign trade of the countries of the Caribbean Community is, with one minor exception, 58/ carried in its entirety by foreign ships and shipping companies. Thus, with the exception indicated, these countries do not participate in an economic activity, which is of vital importance to their trade and economic development. As is the case in many other developing areas in the world, the shipping activities in question can be divided into four distinct sectors:

(i) tankers and the transport of petroleum and petroleum products;

(ii) bulk carriers and the transport of bulk cargoes, primarily bauxite and alumina, and also sugar and molasses;

(iii) specialized carriers, including the transport of such commodities as anhydrous ammonia and bananas, operating partly within the framework of shipping conferences; and

(iv) cargo liners, operated within the framework of liner conferences, and engaged mainly in the carriage of general cargo imports, while general cargo exports still remain of limited importance in the foreign trade of the Community.

Although there is some overlapping between some of these sectors, 59/ the overwhelming importance of bulk carriers in the outward trade and of cargo liners in the inward trade may well be considered as the distinguishing feature of the shipping activities in the Caribbean Community, as compared with many other developing areas in the world.

58/ That of the Jamaica Banana Producers' Steamship Company, which participates in the carriage of the banana trade of Jamaica.

59/ Banana ships and bulk carriers carry some general cargo on the return voyage, and conference cargo liners lift some lots of bulk cargoes in the export trade.

A. Bulk Cargo trades

107. It has been frequently emphasized, e.g. in various UNCTAD studies and reports, that the continuous though slow decline of the share of developing countries in world shipping tonnage is due mainly to the fact that, in the last ten or fifteen years, growth in this tonnage has been concentrated primarily in the tanker and dry bulk carrier fleets. This observation is of particular relevance for the countries of the Caribbean Community. If, in compliance with the objectives of the International Development Strategy of the United Nations, they are to have a substantial participation in the carriage of their maritime cargoes, special attention will have to be given to the tanker and bulk cargo trades.

108. Limitations of time in the preparation of this report have prevented even a preliminary analysis of the present conditions of operation, types of carriers, etc. in the petroleum and bulk cargo trades of the Caribbean Community. With regard to the transport of bauxite and alumina, any study thereof should also take into account that future transport requirements would undergo significant changes, if steps towards more advanced processing of this raw material bear fruition in the near future. Participation of the countries of the Community in the carriage of tanker and dry bulk cargoes, will therefore have to be examined within the framework of overall policies regarding the effective control of the exploitation of the natural resources involved. Some joint industrial development projects, presently under consideration, may involve a considerable volume of intra-regional transport of bauxite and/or alumina. Bulk carriers required for this short-sea transport would be of a type that would differ from the bulk carriers in overseas ocean transport. With regard to the latter, consideration should also be given, at least during a first or transitional phase, to the operation of bulk carriers under joint operating agreements or arrangements between governments or government-owned mining corporations and foreign shipowners.

109. Of great significance in this connexion is the announcement made, while this report was being prepared (December 1974), that the government-owned Guyana Bauxite Company (GUYBAU) had entered into a partnership with a Norwegian shipping company, to form a new company, Guybulk Shipping Ltd. The Guyana Bauxite Company and the Norweigian shipping firm (Bulkhandling A/S - Osle) will each contribute 50% to the share capital (US$1 million) of Guybulk Shipping Ltd. According to available information, the new company has been incorporated in Bermuda. It will start operations early in 1975, with two bulk carriers of 16 thousand tons D.W.T., each fitted with their own cranes for self-loading and discharging. In addition, it is expected that two or more vessels would be operated on a time-charter basis, according to the needs. The Norwegian company in question has been shipping a large proportion of Guybau's bauxite (calcined and alumina) since 1971. Available information further indicates that the crew of the new company's vessels will be Guyanese. The officers will initially be Norwegian; but, in compliance with an agreed training programme, there will in due course be a full complement of Guyanese officers, as well as crew.

110. It was also recently announced by official spokesmen of the Government of Jamaica, that plans were under active consideration for the development of a national merchant marine. No precise information is as yet available thereon, but the proposed merchant marine would be engaged in particular with the carriage of a part of the bulk trade of Jamaica in bauxite and alumina.

111. In line with the studies undertaken by the Secretariat of UNCTAD on the ocean transport of some bulk and other commodities of strategic importance in the foreign trade of developing areas, it would seem desirable in any case that high priority be given, both by the regional bodies concerned and within the framework of the proposed joint UNDP/UNCTAD/IMCO project in shipping, to a study of the transportation of bauxite and alumina, and of the optimum ships, shipping techniques and port installations required on the relevant regional and extra-regional shipping routes. With regard to the transportation of bananas, it may be added that a study thereon is expected to be completed in the near future by the UNCTAD Secretariat.

B. Liner Conferences

112. According to information available for this report, there are at present four major conferences of cargo liners in the foreign trade of the Caribbean Community: (i) the Association of West India Trans-Atlantic Steam Ship Lines (WITASS); (ii) the Leeward and Windward Islands and Guianas Conference (Eastern Caribbean - U.S.A. Atlantic and Gulf ports); (iii) the conference operating on the route between these same ports and Northern Caribbean islands, including Jamaica; and (iv) the Japan - Latin American Eastbound Freight Conference. There are at present no conferences on the ocean route between the countries of the Community and Canada. Limitations of time did not permit a review of all the conferences operating in the Caribbean Basin as a whole. Several of the latter conferences, based in the U.S.A., operate on the various routes between the Atlantic, Gulf and Pacific coasts of the U.S.A., and the Caribbean and Pacific coasts of Mexico, Central America, and Northern South America, including Panama.

(i) W.I.T.A.S.S.

113. The most important of the conferences operating in the area is undoubtedly W.I.T.A.S.S. This conference, whose head office is in Farnham, Surrey (U.K.), embraces the entire Caribbean Basin, including the Pacific coasts of Mexico, Central America and Panama. It is divided into four sections, with different routes and freight tariffs: (i) the General Section; (ii) the Islands Section; (iii) the Mexican Section; and (iv) the Cuban Section. This last section was described as "dormant" in the annual report of W.I.T.A.S.S. for the year 1973.

114. On the European side, the various sections include all important ports in the U.K., Ireland, Northern and Western Europe, and the Mediterranean, as a combined European trading sphere. On the Caribbean Basin side: (i) the General Section comprises the Dominican Republic, Haiti, Jamaica, Venezuela, Colombia, Central America and Panama (Caribbean and Pacific coasts); and Mexico (Pacific coast);

(ii) the Islands Section comprises the Windward and Leeward Islands, Barbados, Trinidad & Tobago and Guyana, and also Guadeloupe and Martinique, Surinam and French Guiana; (iii) the Mexican Section covers the Mexican Gulf coast; and (iv) the "dormant" Cuban Section serves the Cuban ports.

115. W.I.T.A.S.S. presently comprises 29 full Member Lines and three Affiliated/Associated members. In addition, according to the annual report for 1973, W.I.T.A.S.S. has working arrangements, the precise nature of which was not described, with a number of other Lines - not directly Affiliated or Associated - under which those Lines participate in the trade in certain specific areas covered by W.I.T.A.S.S.

116. The list of participating carriers is as follows, with the indication of their nationality and sectional membership: 60/

Name	Nationality	Sectional Membership
a) Full Member Lines		
Armement Deppe S.A.	Belgian	M,C.
Atlantic Gulf Service A.B.	Swedish	M,C.
Booker Line Ltd.	British	I.
Cobelfranline	Belgian	G.
Compagnie Générale Transatlantique	French	G,I,M,C.
Compania Anonima Venezolana de Navegación	Venezuelan	G.
Compania Transatlantica Espanola S.A.	Spanish	G,I,M,C.
Atks. Det Oestasiatiske Kompagni	Danish	I.

60/ Explanation of abbreviations:

G = General Section; I = Islands Section;
M = Mexican Section; C = Cuban Section.

Name	Nationality	Sectional Membership
Flota Mercante Grancolombiana S.A.	Colombian	G.
Fyffes Group Ltd.	British	G.
The Geest Line	British	I.
Hapag-Lloyd A.G.	German	G,I,M,C.
Thos. & Jas. Harrison Ltd.	British	G,I,M.
Holland-Amerika Lijn	Dutch	G,M,C.
Horn-Linie	German	G,I.
"Italia" Societa per Azioni di Navigazione	Italian	G.
Jamaica Banana Producers' Steamship Co. Ltd.	Jamaican	G.
Rederiaktiebolaget Nordstjernan (Johnson Line)	Swedish	G.
Koninklijke Nederlandsche Stoomboot-Maatschappij B.V.	Dutch	G,I,C.
Marina Mercante Nicaraguense S.A. (Mamenic Line)	Nicaraguan	G.
Fred. Olsen & Co.	Norwegian	G.
Ozean/Stinnes Linien	German	M,C.
Royal Mail Lines Ltd.	British	G,I.
The Pacific Steam Navigation Company	British	C.
Saguenay Shipping Ltd.	Canadian	I.
Sea-Land Service Inc.	United States	G,I.
Seatrain Lines Inc.	United States	G.
Transportacion Maritima Mexicana, S.A.	Mexican	G,M.
Vaasa Line Oy	Finnish	G.

b) Affiliates/Associates

(Full members in specific Sections
Affiliates/Associates in other sections)

Name	Nationality	Sectional Affiliation/ Association
Compania Anonima Venezolana de Navegacion	Venezuelan	I.
Akts. Det Oestasiatiske Kompagni	Danish	G.
Flota Mercante Grancolombiana S.A.	Colombian	I.
Rederiaktiebolaget Nordstjernan (Johnson Line)	Swedish	I.
Saguenay Shipping Ltd.	Canadian	G,C.

c) Affiliates/Associates of the Association

Polish Ocean Lines	Polish	G.
Scheepvaart Maatschappij Suriname N.V.	Surinam	I.
United Fruit Co.	United States	G,C.

117. It will be seen that the General Section, the most important of the Sections, comprises 21 full members and four Affiliated or Associated Lines. The Jamaica Banana Producers' Steamship Co. Ltd., and four shipping companies of Latin American countries (Venezuela, Colombia, Mexico and Nicaragua) are full members of the General Section. The Islands Section comprises 12 full members, which are all extra-regional. The Venezuelan and Colombian companies, and also the Surinam Shipping Company, are Affiliate/Associate members of the Islands Section.

118. Among the most important recent developments regarding the membership of W.I.T.A.S.S., the following should be mentioned. Two American Container Lines (Sea-Land Service Inc. and Seatrain Lines, Inc.), carrying cargo to and from W.I.T.A.S.S. destinations, via

their home ports in the U.S.A., became full members of the General Section in 1973, and also of the Islands Section, in the case of the first of these two Lines. Although Seatrain's rights included Jamaica, Haiti and the Dominican Republic, this company has restricted its services to the Dominican Republic. Early in 1974, the Geest Line, whose services are of particular importance to the Windward Islands, became a full member of W.I.T.A.S.S., after having been for several years an Associated Member. It should be stressed that not all the full members, of either the General or Islands Sections, operate services to all the main ports in the relevant areas. The ports served by the various Member Lines are the subject of detailed arrangements and agreements within the conference.

(ii) Conferences on the Caribbean-U.S.A. Atlantic and Gulf ports routes

119. The Leeward and Windward Islands and Guianas Conference, based in the U.S.A., operates services on the route in question, from and to the Islands referred to (excluding the U.S. Virgin Islands), Trinidad, Barbados, Guyana, Surinam and French Guiana.

120. The participating carriers of this conference are the following:

Atlantic Lines Limited (Bahamas)
Booth Steamship Company Limited (UK) and Lamport and Holt Line Limited (UK) } Booth/Lamport joint service as one member only.
Linea Amazonica (Iquitos, Peru)
Pan American Mail Line Inc. (Panama)
Royal Netherlands Steamship Company (Antilles) (Curacao)
Sea-Land Service Inc. (USA)

It will be noted that only one of the member carriers is a U.S. flag carrier. Of interest in this connexion is further the fact that two of the Lines involved (Linea Amazonica and Booth also serve Brazil and Peru, with services to and from Amazonic ports, as far as Iquitos in Peru. However, these latter services are probably the subject of another conference or tariff.

121. A conference, similar to the foregoing, operates the services on the route between the U.S.A. - Atlantic and Gulf coast - and the Islands of the Northern Caribbean, including Jamaica. No full information could be obtained, in the time available, on the membership of this conference.

(iii) Japan - Latin American East-bound Freight Conference

122. This conference, based in Tokyo, Japan, operates services between base ports in Japan and Korea, and Mexico, Central America, Panama, West Indies and other Caribbean islands, and the East and West coasts of South America. However, only some of the participating carriers operate regular services to and from ports in countries of the Caribbean Community.

123. The participating carriers are the following:

Japan Line Limited (Japan)
Kawasaki Kisen Kaisha Limited (Japan)
Mitsui O.S.K. Lines Limited (Japan)
Nippon Yusen Kaisha (Japan)
Yamashita - Shinnihon Steamship Co. Ltd. (Japan)
Transportación Maritima Mexicana, S.A. (Mexico)
Flota Mercante Grancolombiana S.A. (Colombia)) Joint Far East service
Compania Anonima Venezolana de Navigacion (Venezuela))
Blue Star Line Limited (UK)
Royal Interocean Lines (Netherlands)
Barber Steamship Lines (U.S.A.)

It will be noted that three Latin American companies are members of this conference.

(iv) Australia and New Zealand route

124. As shown in Chapter III, there is a sizeable traffic between the countries of the Caribbean Community and Australia and New Zealand. However, according to available information, there is at present no conference on the route in question. Three lines

operating this route - the Royal Netherlands Lloyd and the "K" Line (Japan) to Australia, and the Shaw Savill Line (U.K.) and occasionally the Royal Netherlands Lloyd - to New Zealand - apparently operate within the terms of a so-called "gentlemen's agreement", the Lines charging the same freight rates.

2. Technological developments in shipping

125. It would not be possible within the limits of this report to enter into a full analysis of recent technological developments in shipping, which are particularly relevant to the future pattern of the development of shipping in the Caribbean area. Of these technological developments, containerization is by far the most important. Mention has already been made in the previous chapter of developments in this connexion in the intra-regional traffic.

126. With regard to extra-regional ocean services, containerization has been increasing rapidly in recent years, especially on the routes to and from the U.S.A. The data 61/ collected by the ECLA Regional Adviser in Ports for the year 1973, are of particular significance. It will be seen that, in the year in question, 14% and 22% of total general cargo traffic in Trinidad (Port of Spain) and in Jamaica (Kingston) respectively, was containerized traffic. Containerized cargo has further increased in 1974.

61/ The data include both intra- and extra-regional ocean traffic.

CONTAINERIZED CARGO TRAFFIC

CARIBBEAN REGION - 1973
(In Tons)

Country/Port	Containerized Cargo			Total Break Bulk & Container Cargo
	Inbound	Outbound	Total	
Guyana			78	609,000 E
Trinidad/ Port of Spain	83,514	41,695	125,209	875,587
Barbados	-	-	22,754	344,758
Grenada	n.a.	n.a.	n.a.	n.a.
St. Vincent/ Kingstown	n.a.	n.a.	n.a.	n.a.
St. Lucia/ (Vieux Fort)	387	-	387	47,300 E
Dominica (Roseau)	n.a.	n.a.	n.a.	n.a.
Montserrat	-	-	105	9,545
St. Kitts (Basseterre)	n.a.	n.a.	n.a.	n.a.
Antigua (St. John's)	-	-	4,941	76,596 E
Jamaica (Kingston)	224,940	55,592	280,532	1,256,864

E = Estimate

127. A development of major significance is the recent announcement concerning the formation of a Container Consortium by four Member Lines of W.I.T.A.S.S.: Thos. & Jas. Harrison Ltd. (U.K.), Hapag-Lloyd (Germany), Royal Netherlands Steamship Company (K.N.S.M.), and Compagnie Générale Transatlantique (France). The Consortium will operate fully containerized services on the trans-atlantic routes starting from mid-1976. 62/ According to present plans, six cellular vessels will be in operation by the end of 1977, the first vessel entering into service by mid-1976. Representatives of the Lines involved have recently visited various ports in the Caribbean Basin, to examine whether the necessary container port facilities would be available in due course. According to available information, no final decision has as yet been taken regarding the ports to be served by the Consortium. However, depending on the available inward and outward traffic, these ports will probably include the following, with varying service frequencies: one port in the Dominican Republic and in the French Antilles; Kingston (Jamaica), Port of Spain (Trinidad) and possibly Bridgetown (Barbados), in the Caribbean Community; and two or three ports in Central America (Caribbean and Pacific coasts): Puerto Cortes (Honduras) and/or Matías Galvez (Guatemala) and Corinto (Nicaragua).

128. The container vessels of the Consortium will have a very large capacity; a deadweight tonnage of 19 thousand tons, carrying each approximately 1200 containers (20 ft.), 63/ with a speed of 21 knots and a draught of 30 ft. The introduction of these vessels is bound to have a considerable impact on the traditional route and service pattern of shipping in the Caribbean, even though this impact may in some respects make itself felt only gradually. A number of conventional cargo vessels of the Liner Members of the Consortium, and of other W.I.T.A.S.S. members, will continue to operate for a few years according to the traditional service pattern until they

---

62/ The Consortium would operate under the trade name of CAROL (Caribbean Overseas Lines).

63/ It is also possible that the vessels will carry a number of 40 ft. containers.

are finally eliminated. In other cases, e.g. the banana ships of the Geest Line to the Windward Islands, the ships involved will continue to carry some palletized cargo, and probably also an increasing volume of containerized cargo, on the inward route.

129. Other recent and important developments related to container shipping are the projects for the establishment of modern container port facilities in Kingston (Jamaica) and in Port of Spain (Trinidad). Of these projects, the most important is that of the port of Kingston, which may have far-reaching implications for the Caribbean area, from the point of view of regional and extra-regional shipping. The port of Kingston project provides for the construction of four modern and high-capacity container berths. In conjunction with this project, it is planned to develop the port of Kingston as a major transhipment and redistribution centre for containerized cargo in the Caribbean Basin, and also on the longer container shipping routes linking Europe, the Atlantic and in particular the Pacific coast of North and South America, and the Far East, through the Panama Canal. Simultaneously the project provides for the establishment of a free zone industrial complex, with a view to the promotion of re-exports to the Caribbean Community and Basin countries and the wider areas referred to above.

130. Of particular significance in this connexion is also the fact that Sea-Land Service, Inc., one of the most important container operators on the trans-atlantic and Pacific routes, will transfer, early in 1975, its transhipment base and operations, for the services to and from Caribbean Community countries, from San Juan, Puerto Rico, to Kingston (Jamaica). As indicated above, Sea-Land Service became in 1973 a full member of the General and Islands Sections of W.I.T.A.S.S. Sea-Land may therefore also be expected to use Kingston as a transhipment base for its services between Europe and the United Kingdom and the various Caribbean Community countries. Sea-Land already operates a weekly container service between Port of Spain, Kingston and San Juan, Puerto Rico, carrying intra- and extra-regional cargo, the latter being transhipped at San Juan. This service will probably also be expanded to Georgetown (Guyana).

131. The most important consequence of these various developments will certainly be the concentration of the services of the container vessels in a few base ports in the Caribbean area, with regional feeder services operating to and from the secondary ports. The various implications of increased container operations in the overseas shipping services of the countries of the Caribbean Community require urgent analysis and evaluation by the regional bodies concerned, including the ECLA Office for the Caribbean. Some of the main problems calling for urgent attention and studies would be the following:

(i) The organization of efficient feeder services to and from base ports. The Consortium of the four W.I.T.A.S.S. Lines will undoubtedly wish to restrict its services to a very few, probably two or three, main transhipment ports. They have already, in contacts with W.I.S.C.O., indicated their hope that the latter company may be able to establish in due course the necessary and adequate feeder services;

(ii) The formulation of a regional policy for port development and investment, in consonance with the new pattern of shipping. Port problems will be further referred to in Chapter VI of this report. Without regional co-ordination of port development in the Caribbean Community, and even in the Caribbean Basin as a whole, some countries may be led to make substantial, though uneconomic and hence wasteful, investments in costly container port facilities. They may be induced to do so, in order to preserve what they may believe to be the advantage of direct access to or from their foreign market or supply areas. They may also act under some pressure from Container Lines, that may be prepared to operate services to a particular country or port, provided the necessary port facilities are made available, even though these facilities may remain under-utilized, and hence entail a heavy burden for the country concerned;

(iii) In the absence of the necessary detailed data and without an extensive investigation, it is difficult to anticipate with precision the nature of the impact of large-scale container shipping on the traditional route and service pattern of shipping in the Caribbean. In many other parts of the world, the structural pattern which large-scale shipping by container vessels will take is by no means clearly or finally established. In any case, it must be borne in mind that, given optimal port facilities, containers can be transhipped at a relatively low cost, and thus be transferred economically between trunk, secondary and feeder routes. This will of course ultimately entail important changes in the traditional conference practice of confining operations to well-defined shipping lanes or routes;

(iv) The revision of traditional and time-consuming customs procedures and practices, to adjust them to the requirements of container shipping and handling; and the elimination of restrictive port labour practices, whereby a substantial part of the intrinsic advantages of the container technique are lost;

(v) The carriage of the greater part of import and export general cargo by a single Container Consortium may considerably increase its potential monopolistic power, as compared with that of the traditional conferences, although this does not necessarily mean that this increased potential power will or can be used. In any case, conferences always leave some room for competition between their member Lines, with regard to certain characteristics of the quality and adequacy of the services. These are generally not the subject of direct regulation by the conference, as is the case with freight rates and some other conditions of transport. In the words of a recent UNCTAD report, "when there is a single consortium, then that consortium is the only cargo-booking agency, and it determines the quality, size and speed of the ships provided. The possibilities of monopolistic action covering all aspects of shipping are therefore very large". 64/ Under the circumstances, the matters referred to in a following section on machinery for consultation and negotiation with conferences become all the more urgent and important;

(vi) The accelerated development of container services will further require a re-examination, in a different light, of the problems involved in the eventual establishment of a trans-ocean shipping

---

64/ See "Shipping in the Seventies" (para. 54) - Report by the Secretariat of UNCTAD (Doc. TD/177 - UN Publication - E.72.II.D.15 - 1972).

line by the countries of the Caribbean Community. As will be seen in the following section, this matter has been the subject, in recent years, of some preliminary studies by the Secretariat of the Caribbean Community in conjunction with the ECLA Regional Adviser in Shipping;

(vii) The Community and its member governments will have to examine very carefully the bearing and implications for the Caribbean of the proposed new Convention on International Intermodal Transport. Following a resolution of the Economic and Social Council (ECOSOC), the Trade and Development Board of UNCTAD established an "Inter-governmental preparatory Group" for the elaboration of a preliminary draft of the convention in question.65/ Jamaica is a member of this Inter-governmental Preparatory Group. The Secretariat of ECLA has given considerable attention to the matter. In the course of 1974 a number of seminars and working groups on the problems involved were convened under its auspices, in the ECLA area; 66/

(viii) At its meeting, in December 1974, the Regional Shipping Council had before it a paper of the Secretariat of the Caribbean Community, summarising developments related to the proposed Convention on Intermodal Transport, including a meeting of Latin American countries in Buenos Aires, in September 1974, with a view to the adoption of a hemispheric position for the meeting of the "Inter-governmental Preparatory Group" in Geneva. The Regional Shipping Council decided that the report of the Buenos Aires meeting be circulated to all member Governments of the Community for study.67/

65/ The Group in question was scheduled to hold three sessions. The second of these sessions was held in Geneva in October/November 1974; a third and final session is scheduled for Summer or Autumn of 1975.

66/ See also Doc. E/CN.12/L.103 - 3 December 1973 - Economic Commission for Latin America - International Intermodal Transport - Statement of the immediate problem for Latin America and Action Programme for affected Institutions.

67/ It may also be mentioned that the problems of containerization were the subject of a symposium, organized by the Caribbean Shipping Association, during its fourth annual general meeting in Port of Spain (24-26 October 1974).

3. Establishment of a Regional Merchant Marine

132. One of the most important instruments of bargaining or countervailing power, available to developing countries in their relations with shipping conferences, is that of the establishment of a national or regional merchant marine. In addition, there are of course many other, equally or even more important, factors justifying such a step by developing countries. 68/ The International Development Strategy for the Second Development Decade of the United Nations stated in this connexion that "the principle that the shipping lines of developing countries should have an increasing and substantial participation in the carriage of cargoes generated by their foreign trade should be implemented in the Decade"....... Furthermore, the Strategy called upon developed countries to extend "directly or through international institutions, financial and technical assistance, including training, to developing countries to establish and expand their national and multi-national merchant marines, including tanker and bulk carrier fleets". 69/

133. It may be reiterated here 70/ that the extra-regional trade of the countries of the Caribbean Community is almost wholly the preserve of foreign ships and shipping companies. The very small shipping tonnage of the Community's members is entirely engaged in the carriage of the intra-regional trade and in the carriage of part of the small intra-Caribbean Basin trade. Even in the case of the Caribbean Basin countries as a whole, their share in world shipping tonnage is strikingly small, in comparison with their participation in world sea-borne trade. In the first section of this Chapter attention was further drawn to some of the problems related to the objective of a substantial participation of the

---

68/ See in this connexion the UNCTAD Secretariat Report on the Establishment or Expansion of Merchant Marines in developing countries (Doc. TD/26/Rev.1: UN Publication E.69.II.D.1 - 1968).

69/ International Development Strategy - para. 53(a) and (f). (Doc.69/'/ECA/139 - UN Publication - E.71.II.A.2).
(Do

70/ See also Chapter III and paras. 1 ff, of this Chapter.

countries of the Caribbean Community in the carriage of their bulk cargo exports. These exports will continue to represent for some time to come the greater part of the ocean cargo exports of the Community. The observations set forth above in this connexion should naturally be borne in mind, in any examination of the problem of the establishment of a regional merchant marine.

134. Under the circumstances, it is not surprising that over the past years the responsible bodies of CARIFTA, and its successor, the Caribbean Community, have been repeatedly concerned with the objective of the possible establishment of a regional transocean merchant marine. Considering that a regional approach was considered indispensable in the matter of intra-regional shipping and the development of the West Indies Shipping Corporation, the point hardly needs elaboration that a regional approach is even more necessary in the case of a transocean merchant fleet. [71]

135. Following decisions to the effect - as far back as 1970 and reiterated in 1972 - by the responsible bodies of CARIFTA, the predecessor of the Caribbean Community, some feasibility studies of a very preliminary character were undertaken by the Secretariat of the Community on the matter. For understandable reasons, in particular the magnitude and complexity of the project and the fact that priority had to be given, in the first stage, to the strengthening of the West Indies Shipping Corporation, no decision was taken on the matter. It was referred to governments for further comments or observations. More recently, in March 1974, the Regional Shipping Council again referred the matter for further study to the proposed Regional Transport Council of the Community. In December 1974, the Working Party of government officials,

---

71/ With regard to the benefits of multi-national shipping enterprises, see also the UNCTAD Secretariat Report on "Multi-national shipping Enterprises" (Doc. TD/108/Supp.1/Rev.1 - UN Publication E.72.II.D.72), 1972. Reference may also be made to a Resolution of the Trade and Development Board of UNCTAD (Resolution 101(XIII) - September 1973) on island developing countries and dealing in particular with the establishment of regional shipping lines by these countries.

referred to in the Introduction to this report, [72] recommended that the Secretariat of the Community, in co-operation with the Caribbean Development Bank and the West Indies Shipping Corporation, be requested to undertake studies for the establishment of a Caribbean Shipping Corporation. It may therefore be expected that the matter will remain high on the agenda of the Community in the near future.

136. Even a preliminary analysis of the problems involved in appraising the feasibility of Caribbean regional merchant marine would extend far beyond the limits of the present report. Some of the data and information required for the purpose are not even available at present. This was for example the case with the balance of payments aspects of the project, on which no adequate data could be found for this report. In many other cases, only aggregate and global data are available, which would require considerable elaboration and refinement for the purposes of even a preliminary feasibility study.

137. Among the matters that will require data-collection, investigation and analysis, the following may be mentioned:

(i) Present volume, composition, direction and other characteristics of ocean cargo movements, on the various trans-ocean routes of the Caribbean Community; with projections of the probable or possible volume and structure of these ocean cargo movements in the future;

(ii) The routes to be operated; in Chapter III a broad statistical survey was presented of the main trans-ocean routes of the region (to and from the East Coast of North America; the U.K. and Europe, including the Mediterranean; Japan and the Far East; and Oceania.) For the purposes of a feasibility study, some of these routes have to be further divided, as is e.g. at present the case with the "Islands Section" and the "General Section" of W.I.T.A.S.S.;

(iii) Understandably, the preliminary studies referred to above did not reach any firm conclusion regarding the routes to be operated by a regional merchant marine. While, at first sight, the route or routes to and from Europe and the U.K.

---

[72] See Chapter I - Introduction - para. 6.

might well deserve priority, this is in fact a doubtful proposition, considering the importance of the route to and from the East Coast of North America, in particular for the northern area of the Caribbean. It would on the other hand be uneconomical to consider or visualize the operation by a regional merchant marine of a "combined route", including both the East Coast of North America, and the U.K. and Western Europe. For each route the optimum number of ports to be served would have to be selected, a particularly difficult problem with regard to the ports to be served in the Caribbean countries themselves. An additional problem would be the alternative of entry into one or more of the traditional routes, or to have the regional merchant marine open up a new non-traditional route or routes;

(iv) The type of ships to be used on the trading route or routes selected; this aspect is of course closely related to the relative priority to be given to entry into the bulk trades, including petroleum, and the liner trades; in this connexion, it should also be emphasized that, only in fairly exceptional cases would it be possible to foresee the carriage, on the same ships or services, of some of the traditional bulk or specialized export cargoes of the Community and of the other general, import and export, cargoes;

(v) The implications of current and probable future technological developments are of particular importance in any feasibility study on a regional merchant marine. The existing technological conditions of operation of the bulk trades on certain routes of the Community may well not be the optimal ones, even under the present circumstances, let alone in the future. With regard to entry into the Liner trades, the risks of technological and economic obsolescence are even greater. Here the implications of the advent of the container revolution will have to be faced, in particular with the forthcoming introduction of large-scale full container services on the route to and from Europe and the U.K., in 1976-1977. Under the circumstances, entry into the Liner trades may well require the acquisition, in a first phase, of one or two container vessels and possibly also the adoption of joint operating arrangements with the Consortium of some of the W.I.T.A.S.S. Lines. Another possibility in this connexion might be the purchase of one or two second-hand "first-generation" container vessels, if they can be purchased on favourable terms;

(vi) The capital requirements, as well as the organizational and administrative problems, and the requirements regarding training of technical and other personnel, will all vary according to the various possible alternatives;

(vii) A similar observation applies to the prospective rate of return 73/ on the investments required for entry, simultaneously or successively, into one or more of the shipping sub-sectors referred to; special attention will also have to be given to the implications of the various possible alternatives from the point of view of the balance of payments of the countries of the Community;

(viii) Finally, there is the problem of the comparative priority and rate of return, private and social, of investments in a merchant marine and in other economic sectors;

(ix) This already rather impressive list of problems could be further lengthened with the addition of problems related to the policy of the enterprise, the Governments and the Community, regarding the participation of the proposed merchant marine in the shipping conferences concerned, and to the adoption of legislation or other measures so as to ensure an adequate and substantial share of the traffic of the Community for the regional merchant fleet. 74/ This objective may also be implemented through pooling agreements between the regional and foreign lines. In addition, the possibility of joint operating arrangements with shipping companies of the Caribbean Basin countries should be borne in mind.

73/ From the point of view of the enterprise, whether public or privately owned and/or operated, or mixed, and that of the national or regional economy.

74/ The United Nations Convention on a Code of Conduct for Liner Conferences stipulates in this connexion that national shipping lines of the countries concerned shall have equal rights to participate in the traffic generated by their mutual foreign trade carried by the conference. Third-country shipping lines, if any, shall have the right to acquire a significant part, such as 20%, of the traffic in question. (See also the Section of this Chapter, related to the Convention in question.)

138. The foregoing should be considered only as merely broad indications of the magnitude and complexity of the problems involved in any feasibility study concerning the possible or desirable establishment of a regional merchant marine. Whatever the conclusions or decisions that may ultimately be reached in the matter, it is of considerable importance to the Caribbean Community, and the necessary feasibility studies should be undertaken as soon as possible.

4. Consultation and Negotiation Machinery with Liner Conferences

139. The Caribbean area is a classical example of the difficulties encountered in the establishment, in developing countries, of effective machinery for consultation and negotiation between shippers' organizations and liner conferences. As is well-known, this matter has been the subject of various resolutions of the UNCTAD Conferences and of UNCTAD's Committee on Shipping. It also stands out among the measures required for the achievement of the objectives of the Second Development Decade of the United Nations in the field of ocean transport. More recently, the General Assembly, in its resolution concerning the "Programme of Action on the Establishment of a New International Economic Order", 75/ emphasized *inter alia* that all efforts should be made "to arrest and reduce the ever-increasing freight rates in order to reduce the costs of imports to, and exports from, the developing countries, and to ensure the early implementation of the code of conduct for liner conferences". The Convention on a Code of Conduct for Liner Conferences, to which further reference is made below, contains, among other things, a number of provisions destined to ensure effective and meaningful consultation between conferences and shippers' organizations.

75/ Resolution 3202 (S-VI) - General Assembly, Sixth Special Session - April/May 1974.

140. In a recent report, 76/ the UNCTAD Secretariat aptly summed up the experience regarding conferences and consultation, in words which in many respects reflect the situation in the Caribbean. The report emphasized that, to make consultation machinery fully effective in developing countries, two changes appear to be needed, both of which have so far been strongly resisted by the shipping conferences. "The first is proper representation of the interests of small shippers - of exporters on f.o.b. terms and importers on c.i.f. terms - neither of whom have any direct contractual relationship with shipping lines - and of consumers. Only the government can represent these interests..... The second change which appears to be needed is a much increased capacity for negotiation within the consultation machinery, so that solutions to problems can be determined by mutual agreement."

141. The report further referred to the continued reluctance of liner conferences to publish or make available adequate information about their costs, an aspect which is especially relevant for the Caribbean experience. This secrecy is further aggravated by the fact that "persons outside the shipping industry generally know little about the actual composition of total costs, particularly of depreciation charges and the methods of their computation. They lack information about manning scales, including both the size of crews and the structure of skills used on board ship. It is known that practically identical ships in different ownerships, even within the same country, carry crews which differ in size and skill composition. Differences between national regulations lead to even greater differences in these respects. Nothing is known about the way in which overhead costs are distributed - a matter of particular importance in integrated enterprises". 77/ These and other considerations are of particular significance, in view of the

---

76/ Shipping in the Seventies - Doc. TD/177 (See in particular, Part One - Perspectives and problems in world shipping - para. 31 and paras. 46 ff.).

77/ Shipping in the Seventies, para. 31.

large number and heterogeneity of liner companies, members of conferences, in particular of W.I.T.A.S.S., operating to and from the Caribbean. Uncontrovertible cost determination is fraught with great difficulties in the case of conferences with many member lines, each having different costs. The difficulty is enhanced when ships are frequently switched from one route or section of the conference to another.

142. Among the factors to be taken into account in the establishment of appropriate machinery in the Caribbean, the following should be stressed, which all emphasize the need for government action and participation:

(i) Exports of the countries concerned are mainly bulk cargoes and other commodities transported by bulk carriers and specialized carriers, operating outside the purview of liner conferences; general export cargo, transported by liners, is of relatively minor importance, with the possible though still limited exception of Jamaica; although general export cargo will or should increase in the future, the countries have, for the time being, been primarily concerned with freight rates on imports;

(ii) The predominant foreign trade practice remains that of f.o.b. sales for exports and c.i.f. purchases for imports - so that decisions on transport are in fact made overseas. In addition, many producers' and trading interests are foreign-owned or directed from overseas, which also hinders the establishment of shippers' councils in the appropriate sense of the term;

(iii) Imports still include a wide range of consumer goods, including foodstuffs, so that freight rates on imports may in some cases, in particular in the smaller countries, substantially affect the cost of living;

(iv) Finally, and this point hardly needs elaboration, the machinery for consultation needs to be established on a regional basis, within the framework or under the auspices of the Caribbean Community. Individually, member countries are too weak economically in matching the economic power of the shipping conferences. There is also a considerable degree of inter-dependence between the level and structure of freight rates on the various sections or routes of the conferences.

143. Following repeated unilateral decisions in the matter of freight rates by W.I.T.A.S.S. (the Association of West Indies Transatlantic Steamship Lines), 78/ and the initiative of the ECLA Regional Adviser in Shipping, the Regional Shipping Council of CARIFTA 79/ decided, in April 1970, to establish a Freight Investigation Committee for consultations and negotiations with the "Islands Section" of W.I.T.A.S.S. The Committee was subsequently re-named "Eastern Caribbean Consultative Committee". It was composed of representatives of Trinidad & Tobago, Barbados, Guyana and the Associated States (Windward and Leeward Islands). The Committee held only two meetings with representatives of W.I.T.A.S.S. in December 1970 and in April 1972.

144. Both meetings ended in a stalemate, as W.I.T.A.S.S. appeared unwilling to supply the cost and other data, which the Committee felt were indispensable for an adequate appraisal and justification of the successive increases in freight rates. According to available information, subsequent contacts with the conference were limited in the main to correspondence between the Secretariat of the conference and the Secretary-General of the Caribbean Community, related to additional increases in freight rates and a proposal of W.I.T.A.S.S., to which reference is made further below. The ECLA Regional Adviser in Shipping had worked out proposals, which were substantially accepted by the Committee, for the submission by W.I.T.A.S.S. of cost and revenue data, based on voyage accounts, and including in particular the relative importance of the various cost items in terms of total costs, as a basis for negotiations. While the conference was unwilling to supply data on absolute cost levels, it was willing to, and did in fact supply some data on percentage increases of important cost items, over certain relevant periods,

---

78/ These decisions were followed by several other increases in freight rates in the last years.

79/ Caribbean Free Trade Association, the predecessor of the Caribbean Community.

without however indicating the relative importance of said cost items in total costs. 80/

145. In November 1972 the conference submitted to the Secretary-General of CARIFTA a final proposal for the submission by W.I.T.A.S.S. of a certificate, stating the overall return on capital earned by the member lines. This certificate, which was to serve as a basis for discussions with the Eastern Caribbean Consultative Committee, would be prepared by a United Kingdom-based firm of chartered accountants, selected solely by the conference. The certificate would be prepared by the accountants' firm on the basis of the data 81/ supplied to it by the member lines of the conference, but these data would not be annexed to the proposed certificate, and would therefore not be available to the Consultative Committee. In essence the certificate would have shown that, over a stated period, the agglomerated return on capital employed by the lines in the Eastern Caribbean East-bound and West-bound trades had not exceeded a certain percentage.

146. At a meeting in December 1972 the Regional Shipping Council rejected the proposal of the conference and adopted a resolution recommending the examination and adoption by governments of legislation for the regulation of shipping conference practices, including in particular the prior approval by a regional body, possibly the Eastern Caribbean Consultative Committee, of conference decisions on liner freight rates. This matter is still under study by the governments and the Secretariat of the Caribbean Community. Apart from the substantive problems involved, to which some reference

---

80/ This situation is by no means exceptional. The UNCTAD study referred to above stated in this connexion that "they (the conferences) will freely quote percentages of increases in different cost items, for example, port costs, cargo handling costs, wage rates, fuel prices. From time to time they also indicate the percentage of their total costs made up of such items". (Shipping in the Seventies - para. 31). W.I.T.A.S.S. was not even prepared to supply the latter data.

81/ Data on voyage income and expenditure, depreciation and capital employed.

is made further below, [82] the adoption of such legislation raises special legal difficulties for some countries, in view of their constitutional status, as Associated States. Matters related to defence and foreign policy, including for example international transport policy and regulation, still remain within the competence of the United Kingdom.

147. Reference was made above to the necessity of a regional approach in the establishment of consultation and negotiation machinery. However, as a result of the route or sectional structure of W.I.T.A.S.S. in the region, Jamaica is not served by the "Islands Section" of the conference, and consequently did not become a member of the Eastern Consultative Committee. According to available information, Jamaica has its own rather ad hoc consultative arrangements. The Ministry of Trade, either on its own initiative or in co-operation with, or upon the request of, shippers and commercial organizations, negotiates from time to time freight rates and other conditions of transport with the conferences, in particular the "General Section" of W.I.T.A.S.S. Such negotiations are concerned with export and import commodities, considered as of special significance for the export trade, the cost of living or the economic development of the country. Freight rates on imported manufactured consumer goods tend to be considered as an element of protection of the relevant domestic sectors. This apparently more satisfactory relationship between Jamaica and the conference may also be due to the fact that the Jamaica Banana Producers' Steamship Company is a full member of W.I.T.A.S.S.

148. To complete this outline of developments related to consultation machinery, it may be added that until now no consultation or negotiations took place with other conferences operating to and from the Eastern Caribbean. This is for example the case with the conferences operating between the area and the U.S.A. As will be seen in the relevant tables in the Statistical

---

82/ See the Section of this Chapter, related to the U.N. Convention on a Code of Conduct for Liner Conferences.

Appendix, a very substantial porportion of general cargo imports of the region is carried on these routes. Freight rates on these routes were substantially higher than on the trans-atlantic route, due probably to the higher cost of operation of the ships and the higher port and cargo-handling costs in the U.S.A., although distances are shorter.

5. Convention on a Code of Conduct for Liner Conferences

149. It would not be possible, within the limits of this report, to enter into an analysis of the various possible forms or methods of public regulation, national and international, of shipping conferences. The only example of comprehensive national regulation is that of the U.S.A., but certain practices of conferences have become in recent years the subject of national regulation in an increasing number of countries. 83/ National legislation and its implementation are bound to cause many difficulties, legal and other, in view of the fact that conferences operate internationally and their member lines belong to many different nationalities. However, if, as stated in the report referred to, "efforts to establish an international system of regulation fail, countries concerned may consider following the example of the U.S.A. by imposing national regulations". 84/

150. Meanwhile, action within the framework of UNCTAD, primarily by the developing countries, has led to the adoption, in April 1974, of a Convention on a Code of Conduct for Liner Conferences, 85/ which

---

83/ For further details, see the report of the UNCTAD Secretariat on "The regulation of liner conferences (a code of conduct for the liner conference system)" - Doc. TD/104/Rev.1 - U.N. Publication E.72.II, D.13-1972.

84/ See the UNCTAD report, referred to: footnote to para. 97.

85/ The Convention was adopted at a United Nations Conference of Plenipotentaries on a Code of Conduct for Liner Conferences, held in Geneva, in November/December 1973 and March/April 1974. For the full text of the Convention, see Doc. TD/CODE/11/Rev.1 and Corr. 1 - 9 May and 5 June 1974.

provides for a comprehensive regulation of conferences on an international and world-wide basis. The Convention remained open for signature as from 1 July 1974 until 30 June 1975, and will thereafter remain open for accession. It will enter into force after its ratification or accession by not less than 24 States, the combined tonnage of which amounts to at least 25 per cent of world tonnage in 1973. 86/ Jamaica and Trinidad & Tobago participated in the U.N. Conference in question. The early ratification of, or accession to, the Convention by the countries of the Caribbean Community, as well as by Latin American and other developing countries, is undoubtedly a matter of high priority. 87/ Its entry into force would open the way towards an adequate regulation of conference practices on a firm international legal basis. If entry into force of the Convention were to be abnormally delayed, or if particular difficulties continued to be encountered in its implementation in a country or region - even after its entry into force - consideration should certainly be given to the adoption of national legislation on conferences or on certain of their practices. Such legislation could in fact be based on the Convention itself, or on those of its provisions considered to be particularly relevant.

86/ The tonnage in question is not the total world shipping tonnage, but that of general cargo (including passenger/cargo vessels) and container (fully cellular) vessels, exclusive of the United States reserve fleet and the American and Canadian Great Lakes fleets.

87/ According to Article 47 of the Convention, "Each Contracting Party shall take such legislation or other measures as may be necessary to implement the present Convention".

6. Further developments on consultation and negotiation machinery, freight rates and shipping practices

151. At the present juncture, it would seem, that, after a prolonged stalemate, the establishment in the Caribbean of adequate machinery for consultation and negotiation stands in need of urgent re-evaluation and re-activation. Understandably, the attention has been focussed, in a first stage, on the pressing problems of the successive general freight rate increases by W.I.T.A.S.S., the most important conference in the Eastern Caribbean. According to the provisions of the Convention on a Code of Conduct of Liner Conferences, related to general freight-rate increases, conferences would have to submit to the participating parties in the consultation machinery "a report from independent accountants of repute, including an aggregated analysis of data regarding relevant costs and revenues which in the opinion of the conference necessitate an increase in freight rates." 88/ The governments of the Caribbean Community should thus continue to press for the submission of adequate cost and revenue data by the conferences. In the light of the Convention, they are on solid legal ground in demanding that such data be supplied and that the report thereon be entrusted to independent accountants, selected jointly by the parties concerned.

152. It must be stressed however that there are many other important matters that should be tackled through the machinery in question, even if it is not possible to reach forthwith a satisfactory agreement on the foregoing. Study of these matters should figure high in the programme of work of the regional bodies concerned, including the ECLA Office for the Caribbean. The proposed joint UNDP/UNCTAD/IMCO project will, it is hoped, also be instrumental in the achievement of these purposes.

153. Among these matters the following - by no means an exhaustive list - may be mentioned:

88/ Article 14(3) of the Convention.

(i) Structure of freight rates and level of particular rates. An analysis thereof should preferably be concerned with a number of selected rates in the import and export trades, that are considered to be of strategic importance from the point of view of the regional economic development and integration process of the countries of the Caribbean. A stabilisation or possibly a reduction of such rates would be of far greater importance than an increase in rates for commodities, that would not be considered as of vital importance with regard to the development and integration objectives of the Community;

(ii) The institution by the conferences of promotional freight rates for non-traditional exports of the countries of the Community;

(iii) The examination, by the consultation and negotiation machinery, of the adquacy and economy of the shipping services, with a view in particular to the reduction of transport costs and the rationalization of the sailing schedules.89/ Some of the problems involved here would require an analysis of the present structure of and practices in the foreign trade of the countries of the Community. Ocean transport costs vary considerably according to the size of the unit of shipment or consignment. With the obvious exception of the bulk cargoes, properly speaking, much of the trade is probably at present of a small-scale character. The possibility of consolidating export and import shipments in larger units, so as to reduce transport costs, would naturally require joint investigation by the governments, the trading interests and the conference. In addition, the requirements concerning shipping or cargo-handling documents, and also certain banking and financial practices in the foreign trade, should be examined. These requirements and practices may indeed entail additional costs, or they may be the cause (or

---

89/ It may be recalled in this connexion that, in 1970 and 1971, the ECLA Regional Adviser in Shipping was instrumental in bringing several member lines of W.I.T.A.S.S. to introduce joint or combined service arrangements, thereby rationalising and reducing the number of sailings. Too many ships were often carrying too little cargo, which was the source of both higher costs and freight rates and congestion in some ports.

one of the causes) of inadequate sailing schedules of the vessels and even of congestion in ports at certain times. Where this is the case these practices should be amended or eliminated; 90/

(iv) The consultation and negotiation machinery, in particular the shippers' councils, could be instrumental in modifying the predominance of the traditional f.o.b. terms for exports and c.i.f. terms for imports, where there is no contractual relationship between Caribbean exporters or importers and the shipping lines. This does of course not preclude direct government initiative and action for the purpose, in particular where certain sectors of the export and/or import trade are directly or indirectly regulated or otherwise controlled by governments;

(v) In addition to the foregoing, there is in the conference tariffs, a wide variety of provisions concerning conditions of transport, other than the freight rates.

154. A prerequisite of progress in these and other fields is the study and analysis of the problems involved by a shipping and freight rate study unit, within the Secretariat of the Community or within the consultation and negotiation machinery. Such a "study unit" would moreover co-operate, where appropriate, with similar "units" in the responsible departments of member governments.

155. The Working Party of government officials, referred to in the Introduction of this report, 91/ included in its recommendations concerning the terms of reference of the Standing Committee of Ministers responsible for Transportation, a provision related to the establishment of shippers' councils in the region. 92/ The Regional Shipping Council, which at its meeting in December 1974 endorsed the recommendations of the Working Party, also noted that

---

90/ For further details thereon, see Doc. TD/B/C.4/102 - 10 November 1972 - Trade practices and shipping - Prepared by the UNCTAD Secretariat.

91/ See Chapter I - Introduction - para. 6.

92/ The provision is worded as follows: "to examine and advise on the establishing of shippers' councils in the Region".

the proposed Council or Councils to be established could set up a research unit, to investigate future extra-regional freight rate increases. With due regard to the considerations set forth in this Section and in Section 4 above, the establishment of appropriate consultation and negotiation machinery should figure high on the agenda and future work programme of the Secretariat of the Community and of the ECLA Office for the Caribbean. It is to be hoped that the proposed joint UNDP/UNCTAD/IMCO project in the matter of shipping, will also be instrumental in the implementation of this objective.

156. The establishment of adequate consultation and negotiation machinery will inevitably be a complex and time-consuming task. Although conditions vary considerably between the countries, members of the Community, the prevailing situation is that of the lack or weakness, or of the dispersed and heterogenous character of shippers' organizations. Also, as pointed out above, many producers and trading interests are partly or predominantly foreign-owned or directed from overseas. The Caribbean Shipping Association, which has played an important role in the study of shipping problems in the area, is primarily an association of shipowners and shipping agencies, acting as agents of shipping lines or as forwarding agents. As a first step, it would in any case be necessary to examine the existing situation in the various countries. It may well be necessary, in several cases, for the governments themselves and the Caribbean Community, to take the initiative in establishing or promoting the establishment of Shippers' Councils. This would be even more necessary for the purpose of establishing a Regional Shippers' Council. It should also be borne in mind that there are in several countries, governmental or public bodies, corporations or marketing boards, entrusted with the control or regulation, directly or indirectly, of certain sectors of the import or export trades. Frequently such bodies will themselves be shippers or consignees. In line with the resolutions of UNCTAD, many of these bodies, and possibly also port authorities, should participate in the proposed machinery. It would therefore be equally necessary,

as a first step, to examine the functions and activities of the bodies in question. Of fundamental importance remains however, the overall and indispensable participation of governments themselves and of the Community, in order to ensure an effective capacity for negotiation in the proposed machinery. 93/

93/ Recent developments regarding consultation and negotiation machinery will be the subject of a report of the UNCTAD Secretariat to the forthcoming seventh session, in 1975, of the UNCTAD Committee on Shipping. See also the following UNCTAD reports: (i) Consultation in Shipping - Establishment of national and regional shippers' bodies, consultation and negotiation between shippers and shipowners. (Doc. TD/B/C.4/20 Rev.1 - U.N. Publication No. 68.II.D.1 - 1967); and (ii) Consultation in Shipping (Doc. TD/B/C.4/78 - December 1970).

VI. PORT DEVELOPMENT AND PROBLEMS

1. Technical Co-operation in the Matter of Ports

157. In view of the geographical location and characteristics of the member countries of the Caribbean Community, the technical and operational conditions of sea-ports undoubtedly constitute one of the most important factors in the development of regional integration and extra-regional trade. Some basic considerations related thereto were set forth in Chapter II of this report, and they need not be repeated here. It is therefore not surprising that port development and operation have been in recent years one of the most important features of bilateral and multilateral technical co-operation in the area. A Regional Adviser in Ports was attached for two years, until early 1974, to the ECLA Office for the Caribbean. The expert supplied advice to governments and port administrations in the region on port development projects, several of which were the subject of loan requests to the Caribbean Development Bank. For reasons, which will appear below, these projects underwent several revisions and readjustments, in which the expert actively collaborated. In addition, the expert devoted considerable attention to the improvement of port statistics, and the elaboration of criteria for the measurement of port productivity and efficiency and the preparation of port development programmes. Reference has already been made in Chapter III, Section 1, of this report to the matter of port statistics and the work of the expert in this field.

158. Other technical assistance was provided during several months in the years 1970-1972, by three experts from the Netherlands, following an agreement of the Government of that country with ECLA. This assistance was concerned in particular with short-term problems concerning ports and harbours development in the smaller Eastern Caribbean islands, 94/ port administration and operation in

---

94/ Grenada, St. Vincent, St. Lucia, Dominica, St. Kitts and Montserrat. The ports in the Windwards are essentially banana export ports, and those in the Leewards essentially sugar export ports. On the import side general cargo predominates.

St. Vincent, St. Lucia and Dominica, and port lay-out problems in St. Kitts. Several of the conclusions and recommendations of these experts were incorporated in the final port projects that were subsequently elaborated.

159. Simultaneously, studies were undertaken by private consultants' firms on port development projects in several of these same countries. Most of these studies were contracted within the framework of bilateral technical assistance programmes of the United Kingdom (British Development Division) and of Canada (CIDA - Canadian International Development Agency).

160. In addition, a study on existing port facilities and development projects was undertaken in 1971, for the (then recently established) Caribbean Development Bank, by an expert of the International Bank for Reconstruction and Development (IBRD). The report of this expert was concerned in particular with the study of port facilities in St. Lucia, Dominica, St. Kitts and Montserrat, and with a preliminary evaluation of some projects for the construction of deep-water ports in the less developed countries of the Caribbean Community, for which loan applications had been submitted to the Bank.

161. The concern of the Caribbean Development Bank, with the multiplicity of these projects and their apparently ambitious character, was expressed in a statement of the Bank's President, at the First Annual Meeting of the Board of Governors of the CDB in April 1971. In the words of that statement "What has flooded the soft window (of the CDB) is the demand for deep-water ports..... In each case we have received a thick report produced by consulting engineers and supported by economic studies. We have looked at each of these volumes from every angle - engineering, financial returns, social aspects, etc. In nearly every case so far we have concluded that the essential job could be done for much less money". The statement further referred to certain technological developments in shipping, in particular containerization, that would affect port conditions and operations in the near future and that would need to be taken into account in an integrated or co-ordinated port development policy.

162. Limitations of time and space have prevented a survey and analysis of the existing conditions, towards the close of 1974, in the various ports. These were in any case set forth at great length in the reports of the technical co-operation experts referred to above, and few substantial changes probably occurred in the remainder of the year 1974. On the other hand, the present situation of the ports will undergo considerable changes in the very near future, following recent developments, to which particular reference is made below.

163. Some basic considerations in the experts' reports deserve however reiteration at the present juncture. The report of one of the experts from the Netherlands underscored the fact that, through their relative geographical location, the islands form to a large extent the transport chain itself. Hence, in the words of his report, 95/ "any improvements leading to efficient and cost-reducing sea transport can only be achieved by an integrated and synchronized approach. Operational improvement in any single port hardly affects ship's time spent in all other ports together, and benefits derived from investment in one of these ports alone are therefore limited, when viewed from the integration aspect". Furthermore, "the beneficial effects of competition from one port over another, cannot play a role, since every port serves an island state, and this defines geographically its own hinterland, unless a system of main transhipment ports is introduced". 96/

164. The same report further emphasized the importance in intra-regional services of ship's time in port. In Chapter II above, in this report, the reduction of total transit including waiting time

---

95/ Report of Mission on Ports and Harbours Development and Planning in East Caribbean Countries (Doc. ECLA/POS 71/2 - January 1971) - Paras. 14-15.

96/ The expert felt, at that time, that though attractive in respect of incoming cargo, this system should not be advocated in the case of agricultural export commodities.

of cargoes was likewise stressed as one of the most important objectives of any transport policy in the region. In this particular connexion, the expert drew attention to two basic operational aspects. It was recommended that, whenever required, a 24-hour pilotage service be provided, so as to bring in ships at all times. In view of the relatively short sailing time and the problems associated with cargo-handling, considerable time would be saved by a continuous pilotage service. In addition it was recommended that port labour conditions should permit at least 16 hours per day loading/unloading operations, with adequate provision for possible Saturday/Sunday work. Total voyage time in the Caribbean could thereby be substantially reduced. 97/

2. Recent Developments in Caribbean Ports

165. These and other recommendations of the various experts' reports are also of particular importance in the light of recent developments in the Caribbean. These developments are related on the one hand, to the port projects in the Less Developed Countries, financed by the Caribbean Development Bank, and, on the other hand to the large-scale projects, under consideration or in course of implementation, in the More Developed Countries, Barbados, Jamaica and Trinidad & Tobago. A brief survey and analysis of these recent developments is given below.

3. Port Projects in the Less Developed Countries, financed by the Caribbean Development Bank

166. The following table summarises the loans granted in recent years by the Caribbean Development Bank for the financing of seven port projects in the Caribbean region:

97/ See Doc. ECLA/POS 71/2, referred to above - paras. 88 to 90.

Port Development Projects Financed by the Caribbean Development Bank

Country	Total Cost (in EC$)	CDB Loans (in EC$)
St. Lucia	12,000,000 (i)	5,120,000 (ii) 5,670,000 (iii)
St. Vincent	900,000	720,000 (iv)
Cayman Islands	2,952,720	2,340,000 (v)
Dominica	10,200,000	8,640,000 (vi)
Belize	12,720,000	11,871,520 (vii)
St. Kitts	7,000,000 (viii)	4,170,000 (ix)
Montserrat	1,143,000	574,490 (x)
Total	46,915,720 (xi)	39,106,010 (xii)

(i) Total cost now probably exceeds EC$12 million.

(ii) August 1972.

(iii) Additional Loan - December 1974.

(iv) November 1972.

(v) September 1973.

(vi) June 1974 (revision and increase of previous loan in June 1972).

(vii) July 1974.

(viii) Total cost now estimated at EC$7 million

(ix) September 1974.

(x) September 1974.

(xi) Total cost including revised estimates for St. Lucia and St. Kitts.

(xii) Total loan approvals, for all sectors, at mid-December 1974: EC$167,152,516; total loans for ports and shipping are about EC$44 million, including the loan granted in June 1974 for the acquisition of a container vessel by the West Indies Shipping Corporation (W.I.S.C.O.)

167. Six of the Bank's loans are for countries and territories, members of the Caribbean Community, and five are for ports in the Windward and Leeward Islands. One loan is for a port in the Cayman Islands, a U.K. possession. No precise and up-to-date information was available concerning progress achieved in the implementation of these projects at the end of 1974. Disbursements effected in connexion with these loans, as at the end of 1973, were still of minimal importance. However, most of the loans were in fact granted only in the course of 1974, if account is taken of the fact that in some cases previous loans had to be revised upwards, following considerable increases in costs. Furthermore, much time is inevitably required for the detailed preparation of the projects. It may, however, be safely assumed that within the next two or three years the projects will be fully implemented, which will lead to a considerable improvement in port conditions in the countries concerned.

168. As will appear from the description below, the projects will provide each of the countries with a minimum basic port facility, including in general a berthing capacity for two ocean vessels. In this connexion account was taken in several cases of the requirements related to the berthing of cruise vessels, which are of great importance to the tourist sector of the islands. Provision is also made in most cases for roll-on/roll-off facilities and for improvements in the facilities for motor vessels and schooners in the intra-regional trade. No provision was however made for facilities related to petroleum and certain bulk commodities, wich would continue to use the existing specialised installations. In several cases the necessary dredging and land reclamation absorbs a sizeable part of the total cost of the projects.

169. Another important feature of the various projects is the establishment in each case of a Port Authority, with the necessary managerial, administrative and financial autonomy. Where such bodies already exist, their statutes will be revised or amended, in the light of the criteria defined by the Bank. Of great importance in this connexion will also be the adoption of a

rational port pricing policy, for the remuneration of the services supplied by the port. The adoption of such a policy is a significant factor in the effectiveness with which a port's assets are utilized. Limitations of space make it impossible to enter into this aspect. 98/ The greatest possible share of the benefits deriving from the port improvements should naturally accrue to the national economy and the users and shippers of the various islands, and not to the shipping lines, in particular the foreign shipping lines. This aspect would require particular attention in connexion with the machinery for consultation and negotiation concerning freight rates with shipping conferences, which has been dealt with in Chapter V, Sections 4 and 6, of this report.

170. Among the main benefits expected to be derived from the implementation of the projects outlined below, the following may be mentioned: savings from the avoidance of lighterage in several cases; reduction in ships' turn-round time; improvements in cargo-handling efficiency; reductions in damage to cargoes and in pilferage; reduction in insurance premiums; increased income from tourist cruise ship operations; and improvements in the facilities for container operations, in particular roll-on/roll-off.

171. As will be seen from the above table, summarizing the Bank's loans, the port of Castries (St. Lucia) has been the subject of two loans, amounting to a total of EC$10,790,000. As a result of substantial cost increases since 1972, when the first loan was granted, the total cost of the project is now estimated at approximately EC$12 million.

172. Port facilities at Castries consisted in the main, of one deep-water wharf, built almost a century ago, with a length of 650 feet and a depth of 27 feet, and of a shallow draft schooner wharf, 530 feet long, adjacent to the deep-water wharf. Extreme congestion has been frequent, due to the lack of berthing space

---

98/ See however in this connexion a report of the UNCTAD Secretariat on "Port Pricing" (Doc. TD/B/C.4/110 - 7 August 1973).

and in particular of transit-shed space, the inadequate road access and the proximity of the existing port facilities to the built-up town. The project provides for the construction, largely upon reclaimed land, of two deep-water marginal wharves; one of them a 500 ft. extension (32 ft. draft) of the original wharf and the other a new 530 ft. wharf (35 ft. draft). The latter wharf, although mainly destined for the banana traffic, will also include a facility for roll-on/roll-off operations. In addition, provision is made for the construction of two modern transit-sheds, one of them a combined banana and general cargo transit-shed.

173. The project in the port of Kingstown in St. Vincent is of a much smaller size. The existing deep-water wharf, 900 feet long, with a depth ranging from 28 to 31 feet and built in 1962, is reported to be in a reasonably good condition. Its main drawback is, however, its insufficient length and narrow apron. The project therefore provides for an extension of 90 feet of the existing wharf, together with a detached mooring dolphin, so as to increase the berthing capacity of the wharf; and for a transit-shed extension and the acquisition of cargo handling equipment. Provision is also made for an extension and improvement of the small vessel and schooner berth.

174. The loan regarding the project for the port of Roseau (Dominica) had also to be increased substantially, following the increase in costs since the first loan request. The island of Dominica has at present no deep-water port, and ocean cargo has to be loaded and unloaded by lighterage. There are two ports in the island: Roseau and Portsmouth. The latter is however of secondary importance. The existing jetty in Roseau is capable of handling only small motor vessels and schooners, apart from the lighters related to the ocean vessel traffic. The project provides for the construction of one deep-water wharf, with a length of 600 feet, and, in addition, for an extension of the wharf, through a 400 feet long wharf wall with breasting dolphins. This would ensure a berthing capacity for two vessels, one of which would frequently be a cruise vessel. Further provision was made for adequate shore

facilities. The design of the port is also intended to provide for improved container handling. In connexion with this project, as finally approved, particular account was taken of the probable increase in transhipment and feeder traffic in the region.

175. The loan granted in the case of Montserrat is the smallest of the various port loans of the Bank. Account must however be taken of the fact that part of the project involved will be financed through the British Development Division. The existing port of Plymouth is a lighterage port, with a depth of water alongside of 9 feet, so that only small motor vessels and schooners can be accommodated. In addition, the existing small jetty reached in 1973 a critical condition, requiring emergency repairs. The project provides for the construction of a berth of a length of 180 feet with a minimum depth of 24 feet, and of an approach trestle, the construction of which will be financed by the British Development Division. The latter will also finance a roll-on/roll-off facility. A transit-shed is expected to be financed through the Canadian International Development Agency. The Bank's part would be concerned in the main with the financing of the required land reclamation and the shore facilities, including a new warehouse, container space and cargo-handling equipment.

176. The port of Basseterre in St. Kitts is at present a lighterage port. Two small and obsolete piers had to be replaced in 1973, by a timber jetty, as a transitional facility, financed by the British Development Division. Depth alongside this timber jetty is 12 feet, so that, apart from lighters, only small motor vessels and schooners can be accommodated. The project provides for the construction of a 400 feet wharf, with a depth alongside of 30 feet, and including a roll-on/roll-on facility. An adjacent mooring post would provide for an increase of the berthing capacity of the wharf. The project only covers requirements related to general and containerized cargo. Cement, molasses and sugar would continue to be handled at existing specialized piers and facilities. The project will however require extensive dredging of the approach channel and reclamation of the necessary land area; these would be financed through arrangements made directly by the Government of St. Kitts-Nevis-Anguilla.

177. Belize is also at present a lighterage port reported to be in very poor condition, in spite of some emergency and temporary repairs. Depth alongside existing wharves is only 4 to 6 feet. Shore facilities are in an equally poor condition, and congestion is prevalent. There are some additional port facilities, in locations outside Belize, for the handling of petroleum products, sugar and molasses, and citrus products. The project provides for the construction of two 400 feet general cargo berths, with a minimum depth of 28 feet; one roll-on/roll-off berth, with a depth of 16 feet; and a 600 ft. small vessel berth, with a minimum depth of 10 feet. In addition provision is made for the necessary transit-shed capacity and land reclamation works. Sugar and molasses, as well as petroleum products, would continue to be handled at the existing facilities.

178. The above may be completed with a description of the port project in Grand Cayman, Cayman Islands, although this island, still a British colony, does not form part of the Caribbean Community. Existing facilities at the port of George Town, Grand Cayman, are of a very simple character, with a depth of about 10 feet, although they include a small and private roll-on/roll-off berth. The project provides for the construction of five small general cargo berths, of a length varying between 200 and 300 feet, and a minimum depth varying from 10 to 21 feet. These five berths include two roll-on/roll-off berths, with a minimum depth of 19 and 21 feet. Provision is made in addition for transit-shed and warehousing facilities and the necessary land reclamation work.

179. Apart from Belize, the above port projects cover all the ports in the Windward and Leeward Islands, with the exception of the ports of St. John's in Antigua and St. George's in Grenada.

180. The port of St. George's has an 800 feet long wharf with two deep water berths, a depth alongside of some 30 feet and two transit-sheds, a customs warehouse, and a banana shed for the specialized traffic in question. Congestion is reported to be fairly frequent, as a result of insufficient cargo-handling

equipment, and also when cruise vessels must be accommodated. It is probably the small vessel and schooner facilities which stand most in need of improvements.

181. The port of St. John's in Antigua was considered until recently as one of the best ports in the Leewards and Windwards. Construction of this port, had been completed in 1968. Existing port facilities include one deep-water wharf, of a total length of 1,200 feet, providing two berths and a depth alongside of 35 feet, one main transit-shed and two smaller customs sheds. The existing facility for small vessels is however reported to be quite inadequate.

182. The port suffered extensive damage from the earthquake in October 1974. According to an engineering report, the damages are mainly related to shifts, depressions and cracks in the wharf structure, and damages to transit-sheds and buildings. However, the same report emphasised that, with the necessary caution, the port would for the time being continue to operate. The Port Authority envisaged that the turn-round of vessels might be slowed, although it was hoped that this would not be sufficient to cause shipping lines to divert the traffic or to introduce a surcharge. The preliminary cost of repairs to the deep-water harbour was estimated at EC$3.0 million. 99/

4. Port Projects in the More Developed Countries

183. The most important projects are however, understandably, those contemplated or already underway in the more developed countries. These relate to the ports of Bridgetown in Barbados, Port of Spain in Trinidad & Tobago, and Kingston in Jamaica. No up-to-date information could be obtained, in the time available, on port development projects in Guyana.

184. The project related to the port of Bridgetown was the subject of a loan granted, towards the end of November 1974, by the Inter-

---

99/ Report on the damage caused in Antigua and Barbuda by the earthquake of 8 October 1974 and its repercussions (Doc. ECLA/POS 74/15, 20 December 1974; page 6).

American Development Bank. The total cost of the project is estimated at US$12 million, of which $9.1 million will be covered by the loan of the Bank and the remainder by the Government of Barbados. The project consists in the main of an improvement and extension of the existing deep-water port, and of the construction of modern facilities for the motor vessels and schooners (shallow draft facility). For the deep-water port, provision is made for a 600 feet extension of the wharves, and a considerable improvement and expansion of shore facilities, in particular of the transit-sheds. The shallow draft facility involves the construction of a 513 feet long wharf and of the corresponding shore facilities. In addition, the Inter-American Development Bank will finance technical co-operation for the establishment of an autonomous Port Authority, and the improvement of the accounting, information and tariffs systems of the port. The existing deep-water port was opened in 1961. Its facilities include, in the main, a 1,200 feet wharf for ocean cargo vessels. Passenger ships use the outer arm of a breakwater, 1,700 feet long, and mechanical loading of sugar and molasses is done along the inner arm of this breakwater. The existing facilities for motor vessels and schooners are wholly inadequate.

185. Development projects at present under consideration in the port of Port of Spain are of considerable importance. Engineering studies, undertaken for the Port Authority have tentatively estimated the total cost of these projects at some 108 million dollars (TT). The projects have been divided into two parts or stages, the first of which includes the construction of (i) shallow draught wharves; (ii) one container berth; and (iii) a general cargo berth and a passenger terminal. The second part provides for an additional container berth and for the improvement and extension of the main dock or port service road. It is contemplated that the World Bank (I.B.R.D.) may grant a loan for the financing of a part of these projects.

186. In Chapter IV, Section 3 above, related to motor vessels and schooners, attention was drawn to the poor condition of the present facilities in the port for regional motor vessels and schooners,

and to the urgency of their improvement. The proposed new and re-located facilities would include two finger piers, with a draught of 15 feet, and be capable of easy extension, when necessary. In view of the operating characteristics of the vessels concerned, only open storage would be provided. However, the area for storage and the movement of trucks will be considerably enlarged. The capacity of the new facilities is expected to double that of the existing shallow draft wharf. This increase is based on the assumption that traffic over the small vessel wharves would progressively quadruple in the next twenty years. There would however be an increasing imbalance in the intra-regional traffic outwards from and inwards to Trinidad. These projections may well require revision and readjustment in the light of the probable future development in intra-regional trade, with particular regard to the imbalance referred to.

187. The most important feature of the proposed projects is however related to the construction of two modern container berths, with a minimum depth alongside of 32 feet, and including all the necessary facilities and equipment, at a total estimated cost of some 75 million dollars (TT). The construction of the two container berths is based upon a forecast of a considerable increase in containerized cargo traffic over the next 20 years, as well as on recent developments related to container services, in particular those of the Consortium of four W.I.T.A.S.S. Lines (Caribbean Overseas Lines - CAROL), to which reference was made in Chapter V, Section 2 above. The container berths would also provide for roll-on/roll-off facilities.

188. Total general cargo in the port (imports, exports and transhipments) is projected to increase, in the next 20 years, from a present level of approximately 540 thousand tons to slightly over 2 million tons. Of this total, about 80% would ultimately be containerized. Transhipments of containerized cargo are however projected at a surprisingly low figure, hardly 2% of the total. There would also be a considerable and increasing imbalance between the volume of container cargo inwards and outwards, the implications

of which are obviously of great importance with regard to the economics of the contemplated container operations. These admittedly tentative forecasts may well also stand in need of re-evaluation, in particular with regard to the low growth estimates for container cargo exports, and for container cargo transhipments in regional feeder traffic. At any rate, in the light of these traffic forecasts, one of the proposed container berths would reach its full capacity by the end of the seventies, so that a second container berth would be required. [100]

189. Finally, the projects include the construction of a general cargo berth and of a passenger terminal, and the extension and improvement of the main dock road. Congestion and excessive waiting time for the berthing of ships have been frequent at the existing general cargo berths. The construction of these facilities would also directly connect the two main existing deep-water wharves. There are at present no adequate passenger facilities in the port, and the proposed passenger terminal is intended essentially to accommodate cruise ships.

190. The most important project in the region is undoubtedly that of the port of Kingston (Jamaica). The project was first announced in 1972, and its official implementation started in 1973. The project is of a two-fold character, including (i) the construction of a container handling and transhipment port; and (ii) the establishment of a free zone. The container port project will provide for 2,400 feet container vessel berthing space, served by four gantry cranes, and with a depth alongside of 40 feet, so that the facilities would be accessible to the largest container

---

100/ Pending the completion of the container berths, temporary facilities would continue to be provided or improved for the increasing Sea-Land service operations, and for the new CAROL services, which are expected to start at mid-year 1976. At present, Sea-Land's 35 feet container-trailer operations are located at an interim facility, and container-trailer transfers are effected by a crawler mounted crane, with a low operating speed.

vessels. Early in 1975, the first 600 feet of berthing space were practically completed, and an additional 600 feet would become available later in the year. As for the second part of the project, the free zone, initial programmes for the construction of three warehouses and two factories were expected, in January 1975, to be approved by the Government in the very near future.

191. The major factor in launching this project was Jamaica's favourable geographical location in relation to the Caribbean region, and to other parts of the American Continent - North and South - and to the shipping routes, converging through the Panama Canal, between the Pacific and the Far East and the Atlantic and Europe. Apart from serving the foreign trade of Jamaica, the container port would serve as a major base port for the transhipment of containers on the main shipping routes involved. The objectives of the free zone, as a companion-project of the container port, are (i) the establishment of a centre for the commercial handling and redistribution of goods to the Caribbean region and to other parts of the American Continent; and, in particular, (ii) the establishment of an industrial complex. In line with the industrial development policy of the Government, the free zone industrial complex would include the development of a number of export-oriented industries, making the fullest possible use of Jamaican labour, raw materials and other inputs. Total public investments required for these projects have been stated to amount to J$45 million; a loan of J$16 million from Japanese banks will finance the first phase of the projects.

192. The Jamaican Government has launched a vigorous public relations compaign for the promotion of these important projects. To this effect official missions were sent to various parts of the world, in particular to Europe (including the U.K.) and Japan. Representatives of several important container shipping lines likewise visited the port of Kingston for the same purpose. As stated above, in paras. 127 and 130 (Section 2 of Chapter V), several of these lines have already confirmed their intention of using the port of Kingston as a transhipment port and taken positive steps in

this direction. In view of their important and multifarious implications for the Caribbean region, both from the point of view of shipping and of trade, the Kingston projects would certainly deserve further study and analysis by the regional bodies concerned, including the ECLA Office for the Caribbean.

5. Concluding observations concerning port development projects

193. It is clear from the foregoing outline of the port projects, in the less and in the more developed countries, that port and shipping conditions of the Caribbean Community will undergo a radical change in the next few years. In this connexion, a number of considerations and suggestions were submitted in Section 2, Chapter V above, regarding technological developments in shipping, in particular the development of container services and the foreseeable new pattern of trunk and feeder shipping services.

194. It would seem at this stage that an overall and co-ordinated economic analysis of the various port projects would be highly desirable. Such an analysis might be concerned in the main with an appraisal of the projects in the light of expected and planned developments in regional integration and trade, and in extra-regional trade, taking into account that the implementation of the projects may itself be an important factor in promoting new trade flows. It may well be, e.g. that in several cases, the basic and generally global trade projections, supporting the projects, are not fully and mutually consistent. A study of the sort suggested, possibly by the ECLA Office for the Caribbean, might constitute a useful guide for the member countries of the Community, in ensuring adequate regional co-ordination in the implementation and operation of the various subjects.

195. In view of the considerable investments involved, operational and administrative measures required for the efficient utilization of the ports become all the more important. It is in this connexion that many of the recommendations, submitted by technical co-operation experts in recent years, would still deserve the closest attention.

The establishment in all ports of port authorities, as independent statutory bodies, along criteria such as those defined by the Caribbean Development Bank, or the improvement or reorganization of these bodies, where they already exist, should be an important contribution towards the achievement of the above objectives.

196. The port and shipping developments outlined in this and other chapters of this report will also have far-reaching implications with regard to the traditional port management and port labour methods and practices, prevailing with conventional break-bulk cargo operations. The change-over, in the next years, from traditional port operation and administration methods to the new methods, imposed in particular by container services, will require extensive measures for the re-training and reassignment of both management and labour. 101/ Reassignment and reallocation of labour should include, among other things, measures for a greater flexibility and inter-changeability in the use of all port labour, in particular the elimination of the traditional distinction between stevedores, i.e. work on-board ship, and on-shore or transit-shed port labour. This separation, a heritage of conventional break-bulk cargo operations, loses its validity where container operations prevail.

197. Redundancy of traditional port labour skills is an inevitable consequence of the development of container operations, and it may be further aggravated by technical progress in bulk-cargo handling operations. For well-known reasons, the problem is especially serious in the Caribbean countries. Re-training to the new skills in container handling may also be difficult, where a sizeable part of port labour is relatively old. However, adequate and timely measures for the re-training and reallocation of port labour, together with the growth of traffic, and the creation of new employment opportunities - as is for example the case with the

---

101/ These and other problems were the subject of a report on containerisation in the Caribbean, submitted to a Symposium on Containerisation, convened by the Caribbean Shipping Association, during its fourth annual meeting in Port of Spain, in October 1974.

Kingston (Jamaica) project - may well go a long way towards solving the problem in question. Furthermore, the change-over will be less sudden than is sometimes believed. As indicated in Chapter V, Section 2, above (para. 128), a number of conventional cargo liners will continue to operate, for some years, until phased out, with improvements in cargo-handling, such as palletization. Even in the long run, not all general cargo will be containerised. General statements or global forecasts that, e.g., up to 80% of general cargo in the foreign trade of the Community, or of some of its member countries, would ultimately and economically be containerised, may be plausible, but would nevertheless deserve further investigation.

198. The growth of roll-on/roll-off and container traffic will also require that attention be given to road transport conditions in the Caribbean countries. The report, referred to above, submitted to the Symposium on Containerisation of the Caribbean Shipping Association, stated in this connexion that, as many of the Caribbean islands are mountainous, "the roads tend to be steep, narrow and winding in a great many places, and it would be too big a financial undertaking to make all of them suitable for the transport of containers. It would probably be wise to concentrate on one or two main routes, upgrading them to satisfactorily cope with the anticipated container traffic". It is probable in any case that, in some countries, inland transport of excessively large containers or trailers, would require road investments, that would not be economically justified.

199. The above and other considerations and suggestions, submitted in this report, underscore the magnitude and diversity of the problems facing the Caribbean Community and its member countries in the fields of ocean shipping and ports. It is hoped that they may also assist in the development of the work programmes of the ECLA Office for the Caribbean in the near future. With regard to the Caribbean Community, it might well be advisable for the recently established Standing Committee of Ministers responsible for Transportation, to examine the possibility of entrusting a Working Party of Experts, with the study of those problems and measures,

which, in view of the Committee, would deserve highest priority. It might also be appropriate to examine the possibility of establishing a regional association of port authorities of the Community. This association would provide a forum for the examination on a co-ordinated basis of the numerous measures required, within the framework of the new and emerging pattern of port and related shipping operations.

VII. SUMMARY OF RECOMMENDATIONS

200. Throughout this report numerous conclusions, suggestions and recommendations were submitted, with a view to further possible or desirable measures, work and/or studies in the field of shipping and ports, in the area of the Caribbean Community. It may be useful at the close of the report, to present a brief summary thereof.

201. Perhaps the most important of these suggestions and basic to practically all other recommendations, is the urgency of strengthening the resources and the programmes of work of the ECLA Office for the Caribbean in the matter of shipping and ports. There can be no doubt, in the light of the above report, that the Caribbean Community is and will continue to be faced with numerous urgent and increasingly complex problems in these fields. Hence, shipping and ports will also be one of the most important fields of any close co-operation between the ECLA Office for the Caribbean and the Secretary of the Caribbean Community. Mention has been made on several occasions in this report of the potential contribution of a proposed joint UNDP/UNCTAD/IMCO project to the study and solution of a number of problems. However, in spite of the importance of such a contribution, technical co-operation experts and missions are, by their very nature, no substitute for continuous attention to and study of many problems by a regional office, such as the ECLA Office for the Caribbean.

202. This report has been limited to the analysis of shipping and port problems; but even in these fields, it was for various reasons, indicated in the Introduction, impossible to present an analysis in depth of all the main problems involved. As further stated in the Introduction, it was not possible to deal adequately with a number of institutional problems related to transport in the area. In addition, lack of time and of the necessary data also made it impossible to enter into an analysis of the problems of air transport of the Community. Yet, while work proceeded on this report concerning ocean transport, it became evident that certain problems

of regional air transport had become equally, if not more pressing than those of shipping. It was therefore recommended that air transport be given the necessary attention by the Community and by the ECLA Office for the Caribbean, with a view in particular to a closer co-ordination and co-operation between the members of the Community and the various airlines in the region, and to the elaboration and implementation of a regional air transport policy.

203. There is likewise a need for an overall study of the problems and of the needs of the Community in the matter of communications, including telecommunications and postal services. Improvements in the quality and efficiency of these services are another indispensable prerequisite, if efforts towards closer integration and trade relations are to bear full fruition.

204. In addition, as indicated in paras. 15-16 in Chapter II, there is a need for an overall study of the transport system of the Community as a whole, and its manifold implications for integration and economic development, including for example the development and location of agricultural and industrial activities in the economic space of the Community. Such a study might take the form of an inter-disciplinary study, calling for the co-operation of an industrial, an agricultural and a transport economist.

205. With regard to specific recommendations in the other chapters, the first to be stressed again is that related to the improvement of statistics in the fields of shipping and ports. Deficiencies in this respect were found to be a major handicap in the elaboration of this report. While a recent decision of the Regional Shipping Council, referred to in para. 21 of Chapter III, constitutes an important step forward in this connexion, steps should also be taken to enable the ECLA Office for the Caribbean to continue the work undertaken in past years by its Regional Advisers in Shipping and Ports. In this respect, the considerations set forth in para. 65 of Chapter IV, Section 2, might be taken into account.

206. In the analysis, in Chapter III, paras. 31-33, of the regional traffic between the Community and other countries in the Caribbean Basin, attention was drawn to the importance and urgency of updating information on the traffic in question, as a prerequisite for a study of the improvement and expansion of these services. This would in fact be only a first step towards the necessary preparation of an overall study of transport problems, ocean transport and air transport, in the Caribbean Basin as a whole.

207. In Chapter IV, Section 3, motor vessels and schooners, attention was drawn to the great importance in intra-regional traffic of these vessels. No really adequate study has as yet been undertaken on this vital sector of regional shipping, the volume and characteristics of its traffic, the technical and commercial conditions of operation of the vessels, etc. Such a study should be undertaken as soon as possible by the ECLA Office for the Caribbean. Its purpose would be in particular to examine ways and means of strengthening the contribution of these vessels to regional integration and trade.

208. Further, in connexion with the regional motor vessels and schooners, suggestions were formulated in para. 79 of Chapter IV, with a view to: (i) the possibility of the establishment of a regional association of owners and operators of these vessels; (ii) the elaboration of a scheme for the rationalisation or modernisation of the existing fleet; and (iii) the establishment of joint operating arrangements between the West Indies Shipping Corporation and motor vessels, for the improvement or expansion of intra-regional services, in the Caribbean archipelago and in the Caribbean Basin.

209. The analysis of the problems and perspectives of the West Indies Shipping Corporation led to the formulation of a number of suggestions concerning: (i) a revision and re-evaluation of the tariff and freight rate structure of the Corporation; this suggestion was formulated, among other reasons, with an eye to the possibility of increasing the total revenue of the Corporation, without necessarily changing the general freight rate level; and

(iii) the adoption by the Community, in consultation with W.I.S.C.O. and other interested bodies, of criteria and procedures for the introduction of promotional freight rates, instead of so-called subsidy freight rates. Such promotional freight rates would be applicable to a number of agricultural and industrial commodities, which the Community would consider of special importance for regional development, integration and trade. In addition, attention was drawn to the possibility of technical assistance from competent international agencies, in the selection of the optimum types of vessels, within the framework of W.I.S.C.O.'s recently approved five-year development programme. Finally, it was recommended that attention be given to the study of the problems related to the operation by W.I.S.C.O., in the near future, of regional feeder container services, possibly within the framework of joint operating arrangements with trunk container shipping services.

210. With regard to extra-regional or overseas shipping, recommendations concerning further work and studies related to the following: (i) the study of the transportation of bauxite and alumina, including that of the optimum vessels and port installations required in the transportation of these bulk cargoes; (ii) the study of the implications and consequences for the Community and its member countries, of the large-scale introduction or expansion of container operations in the shipping services to and from the Community's countries; some of the main problems related thereto were described in para. 131 of Chapter V; (iii) the elaboration of a feasibility study, concerning the establishment of a regional merchant marine by the countries of the Community, (see in this connexion, in particular para. 137 of Chapter V); and (iv) the re-activation of the efforts towards the establishment in the region of effective machinery for consultation and negotiation with shipping conferences. In connexion with this last matter, a number of suggestions were presented in paras. 151-156 of Chapter V. Furthermore, it was recommended that governments members of the Community should ratify as soon as possible the United Nations Convention on a Code of Conduct for Liner Conferences. In view of the magnitude

of the tasks involved, implementation of these recommendations would call for the closest co-operation and pooling of resources between the ECLA Office for the Caribbean and the Secretariat of the Community.

211. In the matter of ports, particular attention was given to the numerous and important port development projects, at present under consideration or already underway. It was suggested that the ECLA Office for the Caribbean might undertake an appraisal of the projects in question, with particular regard to their overall and mutual consistency with expected or planned growth of regional and extra-regional trade. It was also suggested that a study be made of the project concerning a container transhipment port and a free zone in the port of Kingston (Jamaica), in view of its potential importance for the region as a whole. Attention was further drawn to certain labour problems that are bound to arise in connexion with the rapid growth of container shipping services. These problems might well call for the co-operation of the International Labour Office. Finally, it may be appropriate that the ECLA Office for the Caribbean, undertake in due course, in co-operation with the governments concerned, a study of the implications of the growth of container services, with regard to the required improvements in roads and road transport in certain countries of the Community.

A P P E N D I X

STATISTICAL TABLES

APPENDIX - STATISTICAL TABLES

Table I — Caribbean Community

Goods loaded and unloaded in international sea-borne shipping - 1971 - in 1,000 metric tons.

Table II — Caribbean Region

International sea-borne shipping (in million metric tons) - 1950-1972

Table III — Caribbean Basin

Goods loaded and unloaded in international sea-borne shipping - 1971 - in 1,000 metric tons.

Tables IV-A; IV-B; IV-C; and IV-D

(i) IV-A: Structure of total intra-regional Ocean Cargo flows - Eastern Commonwealth Caribbean countries and Jamaica - 1971 - in freight tons (excluding petroleum and petroleum products).

(ii) IV-B Structure of intra-regional general cargo (Break-bulk) flows - Eastern Commonwealth Caribbean countries and Jamaica - 1971 - in freight tons.

(iii) IV-C Structure of intra-regional bulk cargo flows - Eastern Commonwealth Caribbean countries and Jamaica - 1971 - in freight tons.

(iv) IV-D Structure of intra-regional general cargo flows - Eastern Commonwealth Caribbean countries and Jamaica - 1971 - in freight tons (excluding cement and fertilizers).

TABLE I

CARIBBEAN COMMUNITY

Goods loaded and unloaded

in international sea-borne shipping - 1971

in 1,000 metric tons

Country	Total	Goods loaded			Total	Goods loaded		
		Crude Petroleum	Petroleum products	Dry Cargo		Crude Petroleum	Petroleum products	Dry Cargo
Antigua	195	-	190	5	745	700	10	35
Bahamas	12,395	-	10,195	2,200	13,134	10,800	1,584	750
Barbados	210	-	15	195	704	130	334	240
Belize	110	-	-	110	155	-	62	93
Dominica	45	-	-	45	30	-	8	22
Grenada	24	-	-	24	115	-	21	94
Jamaica	11,319	-	181	11,138	4,478	1,528	450	2,500
Montserrat	4	-	-	4	7	-	3	4
St. Kitts-Nevis-Anguilla	36	-	-	36	46	-	20	26
St. Lucia	80	-	-	80	95	-	22	73
St. Vincent	48	-	-	48	75	-	10	65
Trinidad & Tobago	19,720	2,594	15,940	1,186	15,664	14,634	43	987
Guyana	3,650	-	-	3,650	890	-	490	400
Total	47,836	2,594	26,521	18,721	36,138	27,792	3,057	5,289

Note: For some countries the data are provisional or estimates.

Source: Statistical Yearbook - United Nations - 1973.

TABLE II

CARIBBEAN REGION 1/

International Sea-Borne Shipping
(in Million Metric Tons)

1950 - 1972

Year	Loaded: Total	Loaded: Tanker Cargo	Loaded: Dry Cargo	Unloaded: Total	Unloaded: Tanker Cargo 2/	Unloaded: Dry Cargo
1950	52	40	12	55	48	7
1959	59	42	17	58	53	5
1965	76	53	23	74	65	9
1970	95	63	32	102	89	13
1971	92	64	28	113	100	13
1972	91	61	30	112	99	13

1/ The Caribbean region in this table includes the 11 island countries members of the Caribbean Community, and in addition: Cayman Islands, Cuba, Dominican Republic, Guadeloupe, Haiti, Martinique, Netherlands Antilles, Turks & Caicos Islands, and the UK and US Virgin Islands.

2/ Crude petroleum imports into the Netherlands Antilles, and Trinidad & Tobago from Venezuela for refining and re-export, amounted to: 1950 - 46; 1959 - 44; 1965 - 47; 1970 - 49; 1971 - 37; and 1972 - 37 million metric tons.

Source: Monthly Bulletin of Statistics - United Nations - January 1974.

TABLE III

CARIBBEAN BASIN

Goods loaded and unloaded in international sea-borne shipping
1971 - in 1,000 metric tons

	Goods Loaded				Goods Unloaded			
	Total	Crude Petroleum	Petroleum Products	Dry Cargo	Total	Crude Petroleum	Petroleum Products	Dry Cargo
1. Caribbean Community	47,836	2,594	26,521	18,721	36,138	27,792	3,057	5,289
2. Other Caribbean Islands								
Cayman Islands	-	-	-	-	23	-	16	7
Cuba	6,350	-	-	6,350	11,360	4,600	1,860	4,900
Dominican Republic	3,033	-	-	3,033	1,650	-	901	749
Guadeloupe	270	-	-	270	517	-	91	426
Haiti	678	-	-	678	293	-	125	168
Martinique	367	-	67	300	768	392	32	344
Netherlands Antilles	36,630	500	33,630	2,500	43,690	41,000	1,740	950
Turks & Caicos Islands	4	-	-	4	10	-	2	8
Virgin Islands (UK)	1	-	-	1	31	-	7	24
Virgin Islands (US)	310	-	47	263	19,255	18,600	267	388
Sub-total	47,643	500	33,744	13,399	77,597	64,592	5,041	7,964

TABLE III (Cont'd)

	Goods Loaded				Goods Unloaded			
	Total	Crude Petroleum	Petroleum Products	Dry Cargo	Total	Crude Petroleum	Petroleum Products	Dry Cargo
3. Central America and Mexico								
Costa Rica	1,259	-	-	1,259	1,120	387	103	630
El Salvador	320	-	-	320	1,091	530	7	554
Guatemala	550	-	-	550	1,411	800	111	500
Honduras	1,759	-	212	1,547	1,072	670	54	348
Nicaragua	430	-	-	430	900	560	40	300
Panama	1,670	-	871	799	4,563	3,904	31	628
Canal Zone	100	-	70	30	4,835	-	4,110	725
Mexico	9,388	-	1,122	8,266	4,818	59	1,897	2,862
Sub-total	15,476	-	2,275	13,201	19,810	6,910	6,353	6,547
4. Northern South America								
Colombia	6,949	3,512	1,608	1,829	1,951	-	10	1,941
Surinam	4,850	-	-	4,850	1,100	-	503	597
Venezuela	193,398	121,024	47,189	25,185	4,255	-	20	4,235
Sub-total	205,197	124,536	48,797	31,864	7,306	-	533	6,773

TABLE III (Cont'd)

	Goods Loaded				Goods Unloaded			
	Total	Crude Petroleum	Petroleum Products	Dry Cargo	Total	Crude Petroleum	Petroleum Products	Dry Cargo
5. Summary								
1. Caribbean Community	47,836	2,594	26,521	18,721	36,138	27,792	3,057	5,289
2. Other Caribbean Islands	47,643	500	33,744	13,399	77,597	64,592	5,041	7,964
3. Central America and Mexico	15,476	-	2,275	13,201	19,810	6,910	6,353	6,547
4. Northern South America	205,197	124,536	48,797	31,864	7,306	-	533	6,773
Grand Total	316,152	127,630	111,337	77,185	140,851	99,294	14,984	26,573

Notes: 1. For some countries the data are provisional or estimates.

2. The data for the Virgin Islands (US) exclude shipments to and from the United States and Puerto Rico.

3. Goods loaded and unloaded in Puerto Rico are included, in the U.N. Statistical Yearbook, in the data for the United States. However, the Yearbook also publishes statistical data corresponding to the main ports. According to these data, the international traffic of the three main ports of Puerto Rico was as follows in 1971 (in 1,000 metric tons):- Goods loaded: 3,640; Goods unloaded: 16,153. Puerto Rico has in addition a sizeable coastwise cabotage traffic with the United States. No breakdown is available on the composition of the international traffic. However, the total international traffic of the two primary petroleum ports was as follows:- Goods loaded: 2,678; Goods unloaded: 9,787.

Source: Statistical Yearbook, United Nations, 1973.

TABLE IV-A

STRUCTURE OF TOTAL INTRA-REGIONAL OCEAN CARGO FLOWS - EASTERN COMMONWEALTH CARIBBEAN COUNTRIES AND JAMAICA - 1971
in freight tons (excluding petroleum and petroleum products)

Origin \ Destination	Guyana	Trinidad & Tobago	Barbados	Grenada	St. Vincent	St. Lucia	Domin-ica	Windward Islands	Mont-serrat	St. Kitts	Antigua	Leeward Islands	Jamaica	Total
Guyana	-	115,793	16,630	3,051	1,727	5,333	1,991	-	411	1,340	2,175	-	17,715	166,166
Trinidad-Tobago	64,366	-	54,291	33,047	34,283	37,469	7,537	-	1,569	1,760	6,086	-	17,885	258,293
Barbados	6,658	8,184	-	2,980	2,149	3,291	2,699	-	787	2,150	2,137	-	2,087	33,122
Grenada	9	4,169	647	-	-	-	-	-	-	-	-	4	328	5,157
St. Vincent	26	3,567	1,080	-	-	-	-	187	-	-	-	45	100	5,005
St. Lucia	871	2,754	2,194	-	-	-	-	96	-	-	-	25	211	6,151
Dominica	154	998	4,128	-	-	-	-	1,075	-	-	-	2,352	170	8,877
Montserrat	-	128	21	-	-	-	-	15	-	-	-	123	23	310
St. Kitts	-	6,645	56	-	-	-	-	1,663	-	-	-	350	32	8,746
Antigua	-	549	350	-	-	-	-	772	-	-	-	25	129	1,825
Jamaica	5,940	7,445	8,571	2,000	2,200	1,904	7,004	-	711	3,275	4,766	-	-	43,816
Windward Islands	-	-	-	-	156	101	40	-	297	201	1,928	-	-	-
Leeward Islands	-	-	-	-	1,584	194	672	-	1,109	232	2,342	-	-	-
Total	78,024	150,232	87,968	41,078	42,099	48,292	19,943	-	4,884	8,958	19,434	-	38,680	539,529/ 537,468

TABLE IV-B

STRUCTURE OF INTRA-REGIONAL GENERAL CARGO (BREAK-BULK) FLOWS - EASTERN CARIBBEAN COMMONWEALTH COUNTRIES AND JAMAICA - 1971

(in freight tons)

Origin \ Destination	Guyana	Trinidad & Tobago	Barbados	Grenada	St. Vincent	St. Lucia	Dominica	Windward Islands	Mont-serrat	St. Kitts	Antigua	Leeward Islands	Jamaica	Total
Guyana	-	48,493	16,630	3,051	1,727	3,370	1,991	-	411	1,340	2,175	-	17,715	96,903
Trinidad-Tobago	64,366	-	54,291	33,047	34,283	37,469	7,537	-	1,569	1,760	6,086	-	17,063	257,471 1/
Barbados	6,658	8,184	-	2,980	2,149	3,291	2,699	-	787	2,150	2,137	-	2,087	33,122
Grenada	9	4,169	647	-	-	-	-	-	-	-	-	4	328	5,157
St. Vincent	26	3,567	1,080	-	-	-	-	187	-	-	-	45	100	5,005
St. Lucia	871	2,754	2,194	-	-	-	-	96	-	-	-	25	211	6,151
Dominica	154	998	4,128	-	-	-	-	1,075	-	-	-	2,352	170	8,877
Montserrat	-	128	21	-	-	-	-	15	-	-	-	123	23	310
St. Kitts	-	282	56	-	-	-	-	174	-	-	-	350	32	894
Antigua	-	549	350	-	-	-	-	772	-	-	-	25	129	1,825
Jamaica	5,940	7,445	8,571	2,000	2,200	1,904	7,004	-	711	3,275	4,766	-	-	43,816
Windward Islands	-	-	-	-	156	101	40	-	297	201	1,928	-	-	-
Leeward Islands	-	-	-	-	95	194	672	-	1,109	232	2,342	-	-	-
Total	78,024	76,569	87,968	41,078	40,610	46,329	19,943	-	4,884	8,958	19,434	-	37,858	461,655/ 459,551

1/ Includes 11,857 tons of trans-shipments from Trinidad, destined mainly to the Windward and Leeward Islands.

TABLE IV-C

STRUCTURE OF INTRA-REGIONAL BULK CARGO FLOWS - EASTERN COMMONWEALTH CARIBBEAN COUNTRIES AND JAMAICA - 1971
(in freight tons)

Origin \ Destination	Guyana	Trinidad & Tobago	Barbados	Grenada	St. Vincent	St. Lucia	Dominica	Windward Islands	Mont-serrat	St. Kitts	Antigua	Leeward Islands	Jamaica	Total
Guyana	-	67,300 [1/]	-	-	-	1,963 [1/]	-	-	-	-	-	-	-	69,263 [1/]
Trinidad & Tobago	(58,507) [2/]		(47,945) [2/]	(28,297) [2/]	(31,512) [2/]	(30,676) [2/]	-	-	(32) [2/]	(269) [2/]	(1,640) [2/]	-	822 [3/] (2,441) [2/]	(201,319) [2/] 822 [3/]
Barbados	-	(1,867) [2/]	-	(168) [2/]	(221) [2/]	(1,527) [2/]	(1,438) [2/]	-	(635) [2/]	(1,678) [2/]	(1,155) [2/]	-	(2,057) [2/]	(10,746) [2/]
Grenada	-	-	-	-	-	-	-	-	-	-	-	-	-	-
St. Vincent	-	-	-	-	-	-	-	-	-	-	-	-	-	-
St. Lucia	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dominica	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Montserrat	-	-	-	-	-	-	-	-	-	-	-	-	-	-
St. Kitts	-	6,363 [4/]	-	-	-	-	-	1,489 [4/]	-	-	-	-	-	7,852
Antigua	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jamaica	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Windward Is.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leeward Is.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	- (58,507)	73,663 (1,867)	- (47,945)	- (28,465)	- (31,733)	1,963 [1/] (32,203)	- (1,438)	1,489 [4/] -	- (667)	- (1,947)	- (2,795)	- -	822 [3/] (44,987)	77,957 (212,065)

1/ Shipments of bulk molasses (bulk carriers).

2/ Data in brackets indicate shipments of cement and/or fertilizers carried as break-bulk cargo by regional shipping companies and miscellaneous small ships, amounting to a total of 212,065 tons.

3/ Natural asphalt carried by regional shipping companies.

4/ Shipments of bulk molasses by regional shipping companies.

TABLE IV-D

STRUCTURE OF INTRA REGIONAL GENERAL CARGO FLOWS - EASTERN COMMONWEALTH CARIBBEAN COUNTRIES AND JAMAICA - 1971

in freight tons (excluding cement and fertilizers)

Origin \ Destination	Guyana	Trinidad & Tobago	Barbados	Grenada	St. Vincent	St. Lucia	Dominica	Windward Islands	Mont-serrat	St. Kitts	Antigua	Leeward Islands	Jamaica	Total
Guyana	-	48,493	16,630	3,051	1,727	3,370	1,991	-	411	1,340	2,175	-	17,715	96,903
Trinidad-Tobago	5,859	-	6,356	4,750	2,771	6,793	7,535	-	1,537	1,491	4,446	-	14,622	56,160 1/
Barbados	6,658	6,317	-	2,812	1,928	1,764	1,261	-	152	472	982	-	30	22,376
Grenada	9	4,169	647	-	-	-	-	-	-	-	-	4	328	5,157
St. Vincent	26	3,567	1,080	-	-	-	-	187	-	-	-	45	100	5,005
St. Lucia	871	2,754	2,194	-	-	-	-	96	-	-	-	25	211	6,151
Dominica	154	998	4,128	-	-	-	-	1,075	-	-	-	2,352	170	8,877
Montserrat	-	128	21	-	-	-	-	15	-	-	-	123	23	310
St. Kitts	-	282	56	-	-	-	-	174	-	-	-	350	32	894
Antigua	-	549	350	-	-	-	-	772	-	-	-	25	129	1,825
Jamaica	5,940	7,445	8,571	2,000	2,200	1,904	7,004	-	711	3,275	4,766	-	-	43,816
Total	19,517	74,702	40,033	12,613	8,626	13,831	17,791	2,319	2,811	6,578	12,369	2,924	33,360	247,474

1/ Includes 11,857 tons of trans-shipments from Trinidad, destined mainly to the Windward and Leeward Islands.

Source: Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean (Doc. ECIA/POS 74/2) - United Nations Economic Commission for Latin America, Office for the Caribbean.

TABLE V-A

STRUCTURE OF CARIBBEAN BASIN INTRA-REGIONAL OCEAN CARGO FLOWS - FROM EASTERN CARIBBEAN TO OTHER CARIBBEAN BASIN COUNTRIES - 1971

in freight tons (excluding petroleum & petroleum products)

Origin (Loaded -from) / Destination (Unloaded - to)	Surinam	Curacao & Aruba	Virgin Is. (US & UK)	Guadeloupe & Martinique	Puerto Rico	Dominican Republic	Venezuela Colombia Panama	Honduras	Central America except Honduras	Total
Guyana (Georgetown)	2,143 1/	-	440 2/	6,556 2/	2,000 2/	-	8,425 3/	-	500 2/	20,064
Trinidad-Tobago (Port of Spain)	1,147 4/	1,697 4/	1,149	4,374	16,722 4/	3,120 9/	2,020 4/	-	2,065 4/	32,294 8/
Barbados (Bridgetown)	78 5/	107 5/	314 5/	60 5/	-	-	404 6/	-	-	963
Grenada (St.George's)	-	109 5/	-	-	-	-	-	-	-	109
St. Vincent (Kingstown)	-	-	-	-	-	-	-	-	-	-
St. Lucia (Castries)	-	-	-	-	37	-	-	-	-	107
Dominica (Roseau)	-	17 5/	603 5/	766 5/	-	-	-	-	-	1,386
Montserrat (Plymouth)	-	-	17 5/	-	3 5/	-	-	-	-	20
St. Kitts (Basseterre)	-	-	70 5/	75 2/	20 2/	-	-	-	-	165
Antigua (St. John's)	-	-	75 7/	-	-	-	-	-	-	75
Total	3,368	1,930	2,668	11,901	18,782	3,120	10,849	-	2,565	55,183

1/ Mainly bulk molasses (bulk carriers).

2/ Mostly general cargo (regional shipping companies).

3/ Includes 7,725 tons calcined bauxite to Venezuela and Colombia (bulk carriers).

4/ Mainly cement and fertilizers (regional shipping companies) and 5,137 tons of trans-shipments of general cargo to Puerto Rico (transocean regular shipping lines).

5/ Mostly general cargo (miscellaneous small ships).

6/ Includes 381 tons of cement and/or fertilizers (regional shipping companies).

7/ Mostly general cargo (transocean shipping lines).

8/ Includes 6,188 tons of trans-shipments, mainly general cargo to Puerto Rico.

9/ Cement and/or Fertilizers.

TABLE V-B

STRUCTURE OF CARIBBEAN BASIN INTRA-REGIONAL OCEAN CARGO FLOWS -
FROM CARIBBEAN BASIN COUNTRIES TO EASTERN CARIBBEAN - 1971
in freight tons (excluding petroleum & petroleum products)

Origin (Loaded from) / Destination (Unloaded - to)	Guyana (George-town)	Trinidad & Tobago (P.O.S.)	Barbados (Bridge-town)	Grenada (St. George's)	St.Vincent (Kings-town)	St.Lucia (Castries)	Dominica (Roseau)	Mont-serrat (Plymouth)	St.Kitts (Basse-terre)	Antigua St. John's)	Total
Surinam	5,500 1/	1,267 2/	625 2/	-	-	320 3/	-	- 2/&	- 2/&	-	7,712
Curacao, Aruba	-	574 2/	628 2/	11	-	-	32 3/	127 11/	300 11/	-	1,672
Virgin Is.(US & UK)	-	78	-	-	-	37 3/	93 3/	-	-	844 3/	1,052
Guadeloupe & Martinique	100	668 3/	499 3/	192 2/	-	627 2/	224 3/	99 2/	112 3/	86 3/	2,607
Puerto Rico	700 4/	-	260 3/	517 2/	805 3/	842 3/	-	513 2/	1,671 3/	23,655 5/	28,963
Dominican Republic	-	-	-	-	-	1,038 3/	113 3/	-	1,053 2/	-	2,204
Venezuela, Colombia & Panama	63,700 6/	14,076 7/	14,767 8/	-	1,692 3/	2,819 3/	-	3,974 2/	2,284 2/	-	103,312
Honduras	-	16,508 9/	9,762 10/	4,161 10/	3,022 10/	4,300 10/	1,500 10/	-	1,403 10/	4,600 10/	45,256
Central America except Honduras	-	-	-	-	-	-	-	-	-	-	-
Total	70,000	33,171	26,541	4,881	5,519	9,983	1,962	4,713	6,823	29,185	192,778

1/ Timber (transocean regular shipping lines).
2/ Mostly general cargo (regional shipping lines).
3/ Mostly general cargo (miscellaneous small ships).
4/ Asphalt (regular ocean shipping lines).
5/ Includes 23,443 tons of cement and/or fertilizers (regional shipping lines).
6/ Of which 60.4 thousand from Venezuela and 3.3 thousand from Colombia - Cement and/or fertilizers (transocean regular shipping lines).
7. Includes 12,500 tons of sulphur from Colombia (bulk carriers).
8. Includes 13,099 tons cement and/or fertilizers (regional shipping companies).
9. General cargo and wood (timber), (regional shipping companies).
10. Wood (timber) - (regional shipping companies.
11. St. Martin.

Source: Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean -(Doc.ECLA/POS 74/2 - United Nations, Economic Commission for Latin America, Office for the Caribbean - February 1974).

TABLE VI-A

Structure of Ocean Cargo flows - From Eastern Caribbean Countries to South America - 1971

in freight tons (excluding petroleum and petroleum products)

Origin (Loaded) / Destination (Unloaded)	West Coast South America (Chile & Peru)	Brazil	Argentina	Total
Guyana - Georgetown	3,838	-	17,715	21,553 1/
Trinidad & Tobago - Port of Spain	493	6,979	50	7,522 2/
Barbados - Bridgetown	-	5	-	5 3/
Grenada - St. George's	-	-	-	
St. Vincent - Kingstown	-	-	-	
St. Lucia - Castries	-	-	-	
Dominica - Roseau	-	-	-	
Montserrat - Plymouth	-	-	-	
St. Kitts - Basseterre	-	-	-	
Antigua - St. John's	-	-	-	
Total	4,331	6,984	17,765	29,080

1/ Bauxite (bulk carriers).

2/ General cargo (Trans-ocean regular shipping lines); includes 6,895 tons of trans-shipments of break-bulk cargo to Brazil.

3/ General cargo (trans-ocean regular shipping lines).

TABLE VI-B

Structure of Ocean Cargo flows - From South America to Eastern Caribbean Countries - 1971

in freight tons (excluding petroleum & petroleum products)

Origin (Loaded) / Destination (Unloaded)	Guy-ana	T & T	Bar-bados	Gren-ada	St. Vincent	St. Lucia	Dom-inica	Mont-serrat	St. Kitts	Ant-igua	TOTAL
West Coast South America	-	177	-	-	-	-	-	-	-	-	177 1/
Brazil	-	1,906	941	-	-	-	-	-	-	-	2,847 1/
Argentina	-	2,024	7,790	-	-	-	-	-	-	-	9,814 1/
Total	-	4,107	8,731	-	-	-	-	-	-	-	12,838

1/ General cargo including feeds (trans-ocean regular and other lines).

Source: Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean (Doc. ECLA/POS 74/2 - United Nations Economic Commission for Latin America - Office for the Caribbean - February 1974).

TABLE VII-A

Structure of trans-ocean cargo flows - from Eastern Caribbean countries to other parts of the world - 1971
in freight tons (excluding petroleum & petroleum products)

	NORTH AMERICA							EUROPE							ASIA-OCEANIA			AFRICA	
Origin \ Destination	Canada	Canada & US East	East Coast	Gulf Coast	Gulf Coast, Bermuda & Bahamas	West Coast	Total	Continent	Continent & UK East Coast	UK East Coast	UK West Coast	UK East & West Coast	Mediter-ranean	Total	Japan & Far East	Australia & New Zealand	India		Total
Guyana	1536900	-	1015706	19468	-	-	2572074	403976	-	4902	16573	354404	88108	867963	48416	12831	-	-	3501284
Trinidad & Tobago	294013	13495	49708	-	4692	2356	364264	107854	-	9524	12332	280965	5877	416552	1733	2929	-	17467	802945
Barbados	-	-	32339	638	-	-	32977	590	-	1232	2253	120688	2571	127334	132	75	396	-	160914
Grenada	-	-	746	-	-	-	746	-	3523	-	19493	-	-	23016	-	-	-	-	23762
St.Vincent	-	-	1711	-	-	-	1711	-	319	-	35262	-	-	35581	-	-	-	-	37292
St. Lucia	-	-	13	-	-	-	13	-	82	-	33900	-	-	33982	-	-	-	-	33995
Dominica	-	-	375	-	-	-	375	-	1092	-	36367	-	-	37459	-	-	-	-	37834
Montserrat	-	-	3	-	-	-	3	-	42	-	-	-	-	42	-	-	-	-	45
St. Kitts	-	-	2147	-	-	-	2147	-	-	-	-	26022	-	26022	-	-	-	-	28169
Antigua	-	-	316	-	-	-	316	-	99	10811	110	-	-	11020	-	-	-	-	11336
Total	1830913	13495	1103064	20016	4692	2356	2974626	512420	5157	26469	156290	782079	96556	1578971	50281	15835	396	17467	4637576

TABLE VII-B

Structure of trans-ocean cargo flows - From other parts of the world to Eastern Caribbean countries - 1971 in freight tons (excluding petroleum & petroleum products)

Destination (Unloaded) / Origin (Loaded)	Guyana	Trinidad & Tobago	Barbados	Grenada	St. Vincent	St. Lucia	Dominica	Montserrat	St. Kitts	Antigua	Total
NORTH AMERICA											
Canada	-	9,724	-	-	-	-	-	-	-	-	9,724
Canada & US East	-	113,642	-	-	-	-	-	-	-	-	113,642
East Coast	77,113	143,806	58,682	12,036	9,248	11,356	9,875	1,309	10,650	19,203	353,278
Gulf Coast (USA)	4,617	49,705	10,207	-	-	-	-	-	-	-	64,529
West Coast	-	15,232	-	-	-	-	-	-	-	-	15,232
Sub-total	81,730	332,109	68,889	12,036	9,248	11,356	9,875	1,309	10,650	19,203	556,405
EUROPE											
Continent	57,838	123,194	40,207	-	-	-	-	-	-	-	221,239
Continent & UK East Coast	-	-	-	21,119	9,082	15,134	11,657	8,911	14,345	22,558	102,806
UK East Coast	44,683	82,966	28,228	-	-	-	-	-	-	-	155,877
UK West Coast	65,256	117,212	56,305	16,181	11,840	24,260	13,312	-	4,615	7,509	316,490
Mediterranean	446	10,524	5,145	-	-	-	-	-	-	-	16,115
Sub-total	168,223	333,896	129,885	37,300	20,922	39,394	24,969	8,911	18,960	30,067	812,527
ASIA & OCEANIA											
Japan & Far East	17,112	89,180	16,605	-	-	-	-	-	-	-	122,897
India	-	-	1,040	-	-	-	-	-	-	-	1,040
Australia & New Zealand	2,961	39,385	10,844	-	-	-	-	-	-	-	53,190
Sub-total	20,073	128,565	28,489	-	-	-	-	-	-	-	177,127
Grand Total: (Extra-Caribbean)	270,026	794,570	227,263	49,336	30,170	50,750	34,844	10,220	29,610	49,270	1,546,059

Source: Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean (Doc. ECLA/POS 74/2 - United Nations Economic Commission for Latin America - Office for the Caribbean - February 1974).

TABLE VIII

Main Extra-regional export cargo flows of Eastern Caribbean Countries - 1971
in freight tons (excluding petroleum & petroleum products)

To \ From	Guyana	Trinidad & Tobago	Bar- bados	Grenada	St. Vincent	St. Lucia	Dominica	Mont- serrat	St. Kitts	Antigua	Total
A. Bauxite											
North America	2,453,568										2,453,568
U.S.	923,368										
Canada	1,530,200										
Europe	606,568										606,568
Continent	400,390										
U.K.	118,104										
Mediterranean	88,074										
Japan & Far East	46,969										46,969
Australia and New Zealand	12,731										12,731
Sub-total	3,119,836										3,119,836
B. Anhydrous Ammonia											
North America		181,089									181,089
Canada		181,089									
Europe		166,652									166,652
Continent		81,796									
U.K.		78,979									
Mediterranean		5,877									
Africa		16,559									16,559
Sub-total		364,300									364,300

TABLE VIII (Cont'd)

To \ From	Guyana	Trinidad & Tobago	Barbados	Grenada	St. Vincent	St. Lucia	Dominica	Mont-serrat	St. Kitts	Antigua	Total
C. Fertilizers											
North America		37,478									37,478
Canada		37,478									
Sub-total		37,478									37,478
D. Sugar											
North America	98,700	26,171	6,755								131,626
Canada	6,700	26,171									
U.S.	92,000	-	6,755								
Europe	233,300	125,872	120,688						23,375	10,811	514,046
U.K.	233,300	125,872	120,688						23,375	10,811	
Sub-total	332,000	152,043	127,443						23,375	10,811	645,672
E. Molasses											
North America	6,347	97,783	21,918								126,048
Canada	-	48,075	-								
U.S.	6,347	49,708	21,918								
Europe	3,000	46,546	2,571								52,117
U.K.	3,000	46,546	-								
Mediterranean	-	-	2,571								
Sub-total	9,347	144,329	24,489								178,165

TABLE VIII (Cont'd)

From / To	Guyana	Trinidad & Tobago	Barbados	Grenada	St. Vincent	St. Lucia	Dominica	Mont-serrat	St. Kitts	Antigua	Total
				F. Bananas							
North America				-	-	-					
Canada				-	-	-					
U.S.				-	-	-					
Europe				19,493	35,262	33,900	36,367				125,022
U.K.				19,493	35,262	33,900	36,367				
Sub-total				19,493	35,262	33,900	36,367				125,022
Grand-Total	3,461,183	698,150	151,932	19,493	35,262	33,900	36,367		23,375	10,811	4,470,473
				% of total export traffic (Overseas and Intra-Caribbean)							86%
				% of total Extra-Caribbean export traffic							96%

Source: Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean (Doc. ECLA/POS 74/2 - United Nations Economic Commission for Latin America - Office for the Caribbean - February 1974).

TABLE IX

JAMAICA STRUCTURE OF OVERSEAS OCEAN CARGO FLOWS - 1973
(in long tons)

A. IMPORTS (General Cargo)

Canada	67,645
U.S.A.	454,561
U.K.	225,126
Europe	242,691
Other	232,929
Total	1,222,952

Source: Caribbean Shipping Association and Port Authority of Kingston.

B. EXPORTS

NORTH AMERICA			
Canada (alumina)	219,916		
U.S.A. (bauxite)	7,273,581		
U.S.A. (alumina)	719,991		
U.S.A. (gypsum)	322,170	- 8,535,658	
EUROPE			
U.K. (alumina)	335,604		
Norway (alumina)	646,372		
Sweden (alumina)	99,940		
USSR (alumina)	81,465		
Spain (alumina)	40,870		
Poland (alumina)	37,868		
U.K. (sugar)	260,958		
U.K. (bananas)	108,000	- 1,611,077	
AFRICA			
Ghana (alumina)		- 119,945	- 10,266,680

			b/f	- 10,266,680
OTHER				
New Zealand (alumina)	23,051			
Venezuela (alumina)	18,160	- 41,211		
GENERAL CARGO				
(no breakdown available)		- 143,851	-	185,062
		Grand Total		10,451,742

Source: Foreign Trade Statistics of Jamaica; Port Authority of Kingston; and Caribbean Shipping Association.

TABLE X

Participation of carriers in the transportation of ocean cargoes in intra-Commonwealth Caribbean & intra-Caribbean Basin Traffic - 1971 (in freight tons)

	Bulk Carriers	Trans-ocean regular shipping lines	Other trans-ocean lines	Regional shipping companies, operating mainly small ships registered in Caribbean countries	Miscellaneous Small Ships	TOTAL
			A. Eastern Caribbean, including Jamaica			
Origin						
Guyana	69,263	2,959	-	60,483	33,461	166,166
Trinidad & Tobago	-	21,056	-	146,610	90,627	258,293
Barbados	-	1,224	-	10,746	21,152	33,122
Grenada	-	-	-	453	4,704	5,157
St. Vincent	-	-	-	322	4,683	5,005
St. Lucia	-	44	-	591	5,516	6,151
Dominica	-	-	-	442	8,435	8,877
Montserrat	-	-	-	143	167	310
St. Kitts	-	32	-	8,401	314	8,747
Antigua	-	-	794	-	1,031	1,825
Jamaica	-	5,251	4,766	21,308	12,671	43,966
Total:-	69,263	30,566	5,560	249,499	182,761	537,619

TABLE X (Cont'd)

	Bulk Carriers	Trans-ocean regular shipping lines	Other trans-ocean lines	Regional shipping companies, operating mainly small ships registered in Caribbean countries	Miscellaneous Small Ships	TOTAL
Destination						
Guyana	-	10,883	-	32,510	34,631	78,024
Trinidad & Tobago	73,663	1,962	-	36,877	37,750	150,252
Barbados	-	522	-	17,656	69,970	88,148
Grenada	-	1,454	-	4,648	34,976	41,078
St. Vincent	-	1,379	-	5,243	35,477	42,099
St. Lucia	-	2,425	-	9,133	36,464	48,022
Dominica	-	748	-	4,825	14,370	19,943
Montserrat	-	-	-	4,303	581	4,884
St. Kitts	-	166	-	6,578	2,214	8,958
Antigua	-	1,742	10,690	-	7,002	19,434
Jamaica	-	12,304	129	21,833	4,414	38,680
Total:-	73,663	33,585	10,819	143,606	277,849	539,522
	B. From Eastern Caribbean Countries (excluding Jamaica) to other Caribbean Basin Countries					
Origin						
Guyana	9,525	252	-	9,963	324	20,064
Trinidad & Tobago	-	7,002	-	22,544	2,748	32,294
Barbados	-	41	-	19	903	963
Grenada	-	-	-	-	109	109
St. Vincent	-	-	-	-	-	-
St. Lucia	-	-	-	-	107	107
Dominica	-	-	-	-	1,386	1,386
Montserrat	-	-	-	-	20	20
St. Kitts	-	-	-	95	70	165
Antigua	-	-	50	-	25	75
Total:-	9,525	7,295	50	32,621	5,692	55,183

TABLE X (Cont'd)

	Bulk Carriers	Trans-ocean regular shipping lines	Other trans-ocean lines	Regional Shipping companies, operating mainly small ships registered in Caribbean Countries	Miscellaneous Small Ships	TOTAL
	C. To Eastern Caribbean Countries (excluding Jamaica), from other Caribbean Basin Countries					
Origin						
Surinam	-	5,639	-	1,182	891	7,712
Curacao & Aruba	-	-	-	961	284	1,245
U.S. & British Virgin Islands	-	-	-	78	974	1,052
St. Martin	-	-	-	427	-	427
Guadeloupe & Martinique	-	100	-	841	1,666	2,607
Puerto Rico	-	700	-	25,170	3,093	28,963
Dominican Republic	-	-	-	1,053	1,151	2,204
Venezuela, Colombia & Panama	12,500	63,700	-	20,348	6,764	103,312
Honduras	-	-	-	45,256	-	45,256
Central America, less Honduras	-	-	-	-	-	-
Total:-	12,500	70,139	-	95,316	14,823	192,778

Source: Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean (Doc. ECLA/POS 74/2 - United Nations Economic Commission for Latin America - Office for the Caribbean - February 1974).

<u>TABLE XI</u>

Participation of Carriers in the transportation of Ocean Cargoes in the Extra-regional Traffic of Eastern Caribbean Countries - 1971

(in freight tons)

	Bulk Carriers	Trans-ocean regular shipping lines	Other trans-ocean lines	Regional Shipping companies, operating mainly small ships registered in Caribbean countries	Miscellaneous Small Ships	TOTAL
			A. NORTH AMERICA: (U.S. & CANADA)			
Destination						
Guyana	31,600 1/	47,479	2,651	-	-	81,730
Trinidad & Tobago	150,885 1/	161,891	19,333	-	-	332,109
Barbados	-	66,250	2,639	-	-	68,889
Grenada	-	11,781	255	-	-	12,036
St. Vincent	-	9,153	95	-	-	9,248
St. Lucia	-	11,088	-	-	268	11,356
Dominica	-	9,409	466	-	-	9,875
Montserrat	-	1,309	-	-	-	1,309
St. Kitts-N-A.	-	9,304	-	-	1,346	10,650
Antigua	-	17,318	1,885	-	-	19,203
Total	182,485	344,982	27,324	-	1,614	556,405

1/ Grain shipments.

TABLE XI (Cont'd)

	Bulk Carriers	Trans-ocean regular shipping lines	Other trans-ocean lines	Regional Shipping companies, operating mainly small ships registered in Caribbean countries	Miscellaneous Small Ships	TOTAL
Origin						
Guyana	2,558,615 1/	12,870	589	-	-	2,572,074
Trinidad & Tobago	342,521 2/	20,620 3/	1,123	-	-	364,264
Barbados	28,673 4/	3,296	1,008	-	-	32,977
Grenada	-	746	-	-	-	746
St. Vincent	-	1,711	-	-	-	1,711
St. Lucia	-	13	-	-	-	13
Dominica	-	375	-	-	-	375
Montserrat	-	3	-	-	-	3
St. Kitts-N-A.	1,060	1,060	-	-	27	2,147
Antigua	-	267	49	-	-	316
Total	2,930,869	40,961	2,769	-	27	2,974,626

1/ Includes 2,453,568 tons of bauxite and 98,700 tons of sugar.

2/ Includes 97,783 tons of molasses (of which 63,933 tons are trans-shipments); and 181,089 tons of anhydrous ammonia .

3/ Includes 4,495 tons of trans-shipments of break-bulk cargo.

4/ Includes 21,918 tons of molasses.

TABLE XI (Cont'd)

	Bulk Carriers	Trans-ocean regular shipping lines	Other trans-ocean lines	Regional Shipping companies operating mainly small ships registered in Caribbean countries	Miscellaneous Small Ships	TOTAL
B. EUROPE: (U.K. Continent, Mediterranean)						
Destination						
Guyana	-	168,223	-	-	-	168,223
Trinidad & Tobago	8,777	324,727	392	-	-	333,896
Barbados	-	129,885	-	-	-	129,885
Grenada	-	37,300	-	-	-	37,300
St. Vincent	-	20,922	-	-	-	20,922
St. Lucia	-	39,394	-	-	-	39,394
Dominica	-	24,969	-	-	-	24,969
Montserrat	-	8,911	-	-	-	8,911
St. Kitts-N-A.	-	18,960	-	-	-	18,960
Antigua	-	30,067	-	-	-	30,067
Total	8,777	803,358	392	-	-	812,627

TABLE XI (Cont'd)

	Bulk Carriers	Trans-ocean regular shipping lines	Other trans-ocean lines	Regional Shipping companies operating mainly small ships registered in Caribbean countries	Miscellaneous small ships	TOTAL
Origin						
Guyana	842,868 1/	25,095	-	-	-	867,963
Trinidad & Tobago	368,638 2/	47,898	16	-	-	416,552
Barbados	123,259 3/	4,075	-	-	-	127,334
Grenada	-	23,016 4/	-	-	-	23,016
St. Vincent	-	35,581 4/	-	-	-	35,581
St. Lucia	-	33,982 4/	-	-	-	33,982
Dominica	-	37,459 4/	-	-	-	37,459
Montserrat	-	42	-	-	-	42
St. Kitts-N-A.	26,022 5/	-	-	-	-	26,022
Antigua	10,811 5/	209	-	-	-	11,020
Total	1,371,598	207,357	16	-	-	1,578,971

1/ Includes 606,568 tons of bauxite and 233,300 tons of sugar.

2/ Includes 166,652 tons of anhydrous ammonia; 125,872 tons of sugar; 46,546 tons of molasses (of which 9,069 tons are trans-shipments; and 29,568 tons of natural asphalt.

3/ Includes 120,688 tons of sugar.

4/ The great bulk of these shipments are banana shipments.

5/ The great bulk of these shipments are sugar shipments.

TABLE XI (Cont'd)

	Bulk Carriers	Trans-ocean regular shipping lines	Other trans-ocean lines	Regional Shipping companies operating mainly small ships registered in Caribbean countries	Miscel-laneous small ships	TOTAL
			C. FAR EAST, JAPAN, OCEANIA & AFRICA			
Destination						
Guyana	-	20,073	-	-	-	20,073
Trinidad	-	128,565	-	-	-	128,565
Barbados	-	24,410	4,079	-	-	28,489
Total	-	173,048	4,079	-	-	177,127
Origin						
Guyana	59,700 1/	1,547	-	-	-	61,247
Trinidad	16,559 2/	5,570	-	-	-	22,129
Total	76,259	7,117	-	-	-	83,376

1/ Bauxite shipments.

2/ Anhydrous ammonia to Africa.

TABLE XI (Cont'd)

	Bulk Carriers	Trans-ocean regular shipping lines	Other trans-ocean lines	Regional Shipping companies operating mainly small ships registered in Caribbean countries	Miscellaneous small ships	TOTAL
			D. SOUTH AMERICA (East and West Coast)			
Destination						
Guyana	-	-	-	-	-	-
Trinidad	4,107	-	-	-	-	4,107
Barbados	2,178	6,553	-	-	-	8,731
Total	6,285	6,553	-	-	-	12,838
Origin						
Guyana	21,553 1/	-	-	-	-	21,553
Trinidad	-	7,522 2/	-	-	-	7,522
Barbados	-	5	-	-	-	5
Total	21,553	7,527	-	-	-	29,080

1/ Bauxite shipments.

2/ Includes 6,895 tons of trans-shipments to Brazil.

Source: Ocean Cargo Movements - 1971 - Eastern Commonwealth Caribbean - (Doc. ECLA/POS 74/2 - United Nations Economic Commission for Latin America - February 1974).

TABLE XII

Trinidad - International Sea-borne shipping of petroleum and petroleum products - 1972
(in 1,000 metric tons)

A. IMPORTS (Crude petroleum)

Africa		
Nigeria	944	
Spanish Africa	102	
Angola	809	
Sub-total		1,855
Middle East		
Saudi Arabia	3,502	
Iran	104	
Lebanon	246	
Libya	3,064	
Sub-total		6,916
Asia		
Indonesia	2,677	2,677
America		
Venezuela	1,866	
Colombia	38	
Ecuador	795	
Brazil	184	
Sub-total		2,883
Grand total		14,331

B. EXPORTS

(i) Crude and semi-refined petroleum

U.S. and Canada (incl. U.S. Virgin Islands)	1,960	
Puerto Rico	421	
Brazil	242	
Other	137	
Sub-total		2,760

(ii) Petroleum Products (rounded figures)

Stores and Bunkers	1,800	
U.S./Canada	9,800	
Europe	2,500	
Africa	500	
South America	100	
Caribbean Basin	2,600	
Sub-total		17,300
Grand total		20,060

Source: Foreign Trade Statistics.

TABLE XIII

CARIBBEAN COMMUNITY

Distribution of ship's tonnage by country and type of ship as at 1 July 1973
(in G.R.T. and D.W.T.) 1/

Flag of Registration	Total Tonnage	of which: Tankers	Bulk Carriers	General Cargo	Container Ships	Other Ships
Antigua	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Bahamas 2/	179,494 (255,656)	48,735 (77,786)	56,680 (87,426)	56,125	-	563
Barbados	2,958 (1,189)	-	-	696		2,262
Belize	620 (800)	-	-	620	-	-
Dominica	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Grenada	226 (340)	-	-	226	-	-
Jamaica	12,899 (11,424)	-	-	12,253	-	646
Montserrat	711 (1,000)	-	-	711	-	-
St. Kitts-Nevis-Anguilla	652 (570)	-	-	396	-	256
St. Lucia	940 (1,140)	-	-	904	-	-
St. Vincent	2,247 (3,243)	-	-	2,247	-	-
Trinidad & Tobago	15,659 (12,894)	4,713 (6,390)	-	5,555	-	5,391
Guyana	15,035 (14,551)	1,021 (1,202)	-	6,336	-	7,678
Total 3/	51,911 (47,151)	5,734 (7,592)		29,944		16,233

Footnotes to Table XIII

1/ Ships of 100 G.R.T. and over; data on D.W.T. tonnage are shown in brackets.

2/ According to UNCTAD report referred to, the location of the effective control of the tonnage registered in the Bahamas is uncertain. The bulk of this tonnage almost certainly corresponds to the so-called "flag of convenience" registration.

3/ The total excludes the tonnage registered in the Bahamas.

Source: Lloyd's Register of Shipping, Statistical Tables 1973; Review of Maritime Transport, 1973 - Report of the UNCTAD Secretariat (Doc. TD/B/C.4/114).

TABLE XIV

CARIBBEAN BASIN

Distribution of ships' tonnage, by country and type of ship, as at 1 July 1973 (in G.R.T. and D.W.T.) 1/

Flag of Registration	Total Tonnage	Tankers	Bulk Carriers	General Cargo	Container Ships	Other Ships
1. Caribbean Community	51,911	5,734	-	29,944	-	16,233
	(47,151)	(7,592)				
2. Other Caribbean Islands						
Cayman Islands (U.K.)	44,419	-	-	43,567	-	-
	(66,544)					
Cuba	416,305	51,908	-	281,549	-	82,848
	(544,363)	(77,805)				
Dominican Republic	9,381	674	-	8,470	-	237
	(12,650)	(1,609)				
Haiti	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Turks & Caicos Islands (U.K.)	1,572	-	-	1,323		249
	(2,160)					
Virgin Islands (U.K.)	876	-	-	578	-	298
	(1,025)					
Sub-total	472,553	52,582		335,487	-	83,632
	(626,742)	(79,414)				
3. Central America & Mexico 2/						
Costa Rica	9,062	-	-	7,091	-	1,971
	(8,690)					
El Salvador	443	-	-	-	-	443
	(455)					
Guatemala	8,222	-	-	7,972	-	250
	(11,022)					
Nicaragua	21,845	4,026	-	17,819	-	-
	(32,054)	(6,107)				
Mexico	453,024	247,837	32,105	100,011	-	73,071
	(630,510)	(396,318)	(50,760)			
Sub-total	492,596	251,863	32,105	132,893	-	75,735
	(682,731)	(402,425)	(50,760)			

TABLE XIV (Cont'd)

Flag of Registration	Total Tonnage	Tankers	Bulk Carriers	General Cargo	Container Ships	Other Ships
4. Northern South America						
Colombia	223,881 (290,619)	14,392 (21,865)	-	203,252	-	6,237
Venezuela	478,643 (653,565)	292,788 (448,297)	-	119,980	-	65,875
Sub-total	702,524 (944,184)	307,180 (470,162)	-	323,232	-	72,112
Summary						
1. Caribbean Community	51,911 (47,151)	5,734 (7,592)	-	29,944	-	16,233
2. Other Caribbean Islands	472,553 (662,742)	52,582 (79,414)	-	335,487	-	83,632
3. Central America & Mexico	492,596 (682,731)	251,863 (402,425)	32,105 (50,760)	132,893	-	75,735
4. Northern South America	702,524 (944,184)	307,180 (470,162)	-	323,232	-	72,112
Grand Total	1,719,584 (2,336,808)	617,359 (959,593)	32,105 (50,760)	821,556	-	247,712

1/ Ships of 100 G.R.T. and over. Data of D.W.T. tonnage are shown in brackets.

2/ Tonnage registered in Panama and Honduras has been deleted, in view of its characteristics as a "flag of convenience" registration.

Source: Lloyd's Register of Shipping, Statistical Tables 1973; Review of Maritime Transport, 1973 - Report of the UNCTAD Secretariat (Doc. TD/B/C.4/114).