

UNCTAD contribution to Part II of the Report of the Secretary-General on Oceans and the Law of the Sea 2020

I. Developments related to the implementation of General Assembly resolution 74/19

1. Conservation and sustainable use of living marine resources

UNCTAD contribution to the implementation of trade-related SDGs and building of capacities

The United Nations Conference on Trade and Development (UNCTAD), has developed a specific programme on [Oceans Economy and Fisheries](#), specifically designed to enable and accelerate the implementation of sustainable development goal 14. UNCTAD contributions directly respond to paragraphs 11, 47 and 156 of the General Assembly resolution 74/19.

In September 2019, UNCTAD organised the Third Oceans Forum on Trade related aspects of SDG 14 with a focus on the oceans economy, climate change and harmful fish subsidies as part of the first ever [United Nations Trade Forum](#). The Chair of the Forum specifically issued a series of [Conclusions in his personal capacity](#) to serve as a inputs form the trade community to the 2020 Oceans Conference. Under this context, UNCTAD has produced jointly with FAO and UNEP a state of the art report on report on [“Advancing Sustainable Development Goal 14 - Sustainable fish, seafood value chains, trade and climate \(UNCTAD/DITC/TED/2019/3\)”](#) with an emphasis on challenges and opportunities faced by developing countries, in particular the least developed countries and small island developing States.

In 2019, UNCTAD, UNEP and FAO proposed a draft Inter Agency Plan of Action [on Trade-Relates Aspects of Sustainable Development Goal 14 \(IAPOA\)](#) to help save our oceans and seas. With the IAPOA, the three agencies are seeking to help countries achieve the trade-related targets of SDG 14, building on the UNCTAD/FAO/UNEP roadmap presented at the United Nations Oceans Conference in June 2017 and in support of UN Member States’ commitment to deliver on key trade-related targets of SDG14, including SDG 14.4, 14.6, 14.7, and 14.b.¹ The 3rd Oceans Forum invited donors to support the IAPOA.

UNCTAD and DOALOS has a project supporting the implementation of the resolution through the development and implementation of [Oceans Economy and Trade Strategies \(OETS\)](#) with the support of the UN Development Account. More precisely, the OETS project seeks to supporting coastal developing countries, and particularly SIDS such as Barbados and Belize, in realizing economic benefits from the sustainable use of marine resources and understanding the legal and institutional frameworks underpinning such potential. The OETS project has already produced draft Oceans Economy and Trade

¹ The IAPOA also seeks to fast-track progress through improved trade and trade-related policies that safeguard food security and contribute to the conservation and sustainable use of oceans, living marine resources and livelihoods Planned activities include targeted technical assistance, capacity-building and international facilitation in support of sustainable fish and seafood value chains as well as trade under an ecosystem and food security approach. The draft five-year plan is based on a request made by UN Member States at the United Nations Ocean Conference in 2017 and the Oceans Forums on Trade-related aspects of SDG14 since 2016. The IAPOA was presented by UNCTAD, FAO and UNEP at the 3rd Oceans Forum as a common response to SDG 14 challenges. It seeks to improve Member States’ capacity to shift towards a bluer, integrated, resource efficient and sustainable pathway, and implement new fisheries subsidies rules.

Strategies for Barbados, Belize and Costa Rica. The strategy for Costa Rica has been recently validated and the one of Barbados and Belize are currently subject to validation process with national authorities. Support on one or two priority action identified in those strategies as well as training and capacity building on key trade and oceans regulatory frameworks are foreseen for the remaining life of the Samoa Pathway and the project. A potential angle on impacts and response trade and regulatory strategies for the COVID-19 will be added in order to respond to the pandemic.

In response to an request by the organisation of Easter Caribbean States (OECS), UNCTAD and CITES have designed a project on [Blue BioTrade](#) with the objective of empowering small-scale coastal producers from OECS member states to produce and trade queen conch products in domestic, regional and international markets under an environmental, social and economic sustainability criteria . This project will also address uncontrolled harvesting resulting in overfishing, illegal landings and a rapid deterioration of endowments of the specie in question. Currently the three agencies are securing funds to start implementation during the second semester of 2020.

2. Climate Change impacts and adaptation

UNCTAD contribution to the implementation of climate change-related aspects of GA resolution 74/19 and related SDGs

Responding to paragraphs 11, 36, 200, 202, 203, 208 288, 353 and 357 of the General Assembly resolution 74/19, UNCTAD has continued its work on improving the understanding of the impacts of climate change and extreme weather events on seaports and other critical coastal transport infrastructure and assist in the development of adaptation response measures, in particular with reference to small island developing States (SIDS); as well as on strengthening international cooperation in these areas. Relevant work, including research, technical assistance, intergovernmental consensus building and related capacity building activities, as detailed further below, also contributes to implementation of a number of Sustainable Development Goals and targets (e.g. 1.5, 9.1,² 9.a, 11.b, 13.1, 13.2 and 13.3, 14) as well as to implementation of the AAAAA, the SAMOA Pathway, and Paris Agreement; and benefits from strong support of Member States.³

To highlight pertinent substantive issues and provide recommendations regarding relevant collaborative action, UNCTAD has also provided a submission for Part I of the Report of the Secretary-General on Oceans and Law of the Sea 2020: “Sea level rise and its impacts”, notably in respect of (a) Observed and projected environmental, social and economic impacts and resulting challenges relating to sea level rise; and (b) Opportunities in responding to those challenges, including through cooperation and coordination at all levels on scientific, technical, technological, and financial aspects and capacity-building. The full [UNCTAD contribution](#) is available on the [DOALOS website](#) and, given the relevance of the topic for the implementation of related paragraphs of General Assembly resolution 74/19, should be considered in context with the information provided in this submission and by way of additional background.

² See also http://stats.unctad.org/Dgff2016/prosperity/goal9/target_9_1.html.

³ See [Maafikiano \(TD/519/Add.2\)](#), paras. 55 (f),(k),(l).

a. Capacity building

UNCTAD has been working on the [implications of climate change for maritime transport](#) for over a decade, with increasing focus on climate change adaptation and resilience-building for seaports and other key coastal transport infrastructure, in particular in SIDS. With an estimated 80 per cent of the volume of world trade carried by sea, international shipping and ports provide crucial linkages in closely interconnected global supply-chains and are essential for the ability of all countries to access global markets. Ports are likely to be affected directly and indirectly by climatic changes, such as rising sea levels, extreme weather events and rising temperatures, with broader implications for international trade and development. Associated risks, vulnerabilities and costs may be considerable, in particular for ports and other key coastal transport infrastructure in developing regions, with low adaptive capacity, such as in SIDS. Critical coastal transport infrastructure in these countries, notably ports and airports, are lifelines for external trade, food and energy security, as well as tourism, and in the context of DRR. However, these assets are projected to be at high and increasing risk of coastal flooding, from as early as in the 2030s, unless effective adaptation action is taken⁴ In the absence of timely planning and implementation of requisite adaptation measures, the projected impacts on critical transport infrastructure may have broad economic and trade-related repercussions, and may severely compromise the sustainable development prospects of these vulnerable nations.

Recent UNCTAD work in this field has included technical assistance and capacity-building with a focus on [Climate Change Impacts and Adaptation for Coastal Transport Infrastructure in Caribbean SIDS](#)⁵ which, inter alia, has resulted in the development of a methodological framework, tools and guidance, as well as peer-reviewed original research, which has informed the IPCC 2018 and IPCC 2019 Reports, highlighting substantial increases in risk to SIDS's critical coastal transportation infrastructure from climate change-induced marine inundation as early as in the 2030s, unless further climate change adaptation is undertaken⁶. Relevant substantive findings are also reflected as part of the UN report [World Economic Situation and Prospects 2019](#) and [2020](#), UNCTAD [Commodities and Development Report 2019](#), and have been presented as part of the UNFCCC SBSTA Research Dialogue 2019 and the UN-OCEANS Exhibit at the UNFCCC COP 25.

Building on this work, UNCTAD and UNEP, with the financial support of the Government of Germany, are currently implementing a project on climate resilient transport infrastructure for sustainable trade, tourism and development in SIDS. In this context, a High Level Panel discussion on "[Climate resilient transport infrastructure for sustainable trade, tourism and development in SIDS](#)", was co-organized by UNCTAD and UNEP, with the support of the OECS Commission, Commonwealth Secretariat, UNFCCC, and ISO, as a [side event](#) of the twenty-fifth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, in Madrid (COP25). In the light of the [latest scientific findings](#) that project significant increases of coastal hazards for SIDS critical transport infrastructure in the 2030s, when the 1.5 degrees warming level is likely to be reached, the side event aimed at raising awareness of the important nexus between climate resilient transport infrastructure, sustainable trade, tourism and development in SIDS. The discussion was informed by a [concept note](#) and a related [outcome document](#) has been prepared to summarize key points emerging from the discussion. All panelists highlighted the urgent need for action and expressed the commitment of their respective organizations/offices to

⁴ [Monioudi et. al, Regional Environmental Change 2018; IPCC Special Report on Impacts of 1.5 °C global warming](#) (Ch. 3); [IPCC 2019 Special Report on Ocean and Cryosphere](#) (Ch. 4 and 5).

⁵ <https://SIDSport-ClimateAdapt.unctad.org>. The project was successfully implemented (2015-2017) by UNCTAD in collaboration with a range of partners, including UNECLAC, OECS Comm. and University of the West Indies, and included a number of related capacity building workshops held in the Caribbean region.

⁶ See fn. 4, above.

continue and strengthen related support to SIDS, and to harness synergies in the context of a number of intergovernmental processes and meetings.

Sustainable and climate-resilient transport and ocean-related issues were also presented by UNCTAD at a number of other official side events during COP 25. These included a UN system side event, organized by UN-Oceans, with a focus on SDG 14 and entitled "Raising Ambition on Climate and the Ocean"; the MPGCA (non-State actors) Transport Action Day event "More ambitious climate actions for low carbon resilient and inclusive transport"; as well as a number of bilateral meetings and panel events and the UN-Oceans exhibit.

Issues related to climate change impacts and adaptation for transport across modes were also considered as part of an [ad hoc expert meeting](#) on "Climate change adaptation for international transport: preparing for the future", held in April 2019. The meeting brought together technical experts, key industry stakeholders and a number of international organizations, with the aim to help identify effective ways to support climate change adaptation action, resilience- and capacity-building across closely interlinked transport modes and global supply chains, and to develop policy recommendations to help inform the United Nations Climate Action Summit of September 2019. Key recommendations have since been integrated as part of the GCA Transport and Resilience Pathway documents (See [Resilience pathway action table](#); [Transport pathway action table](#)), which were launched at the COP 25. UNCTAD also continued its established collaboration with related industry and UN initiatives. This includes collaboration with PIANC, The World Association for Waterborne Transport Infrastructure, in the development of port industry guidance, as well as extensive collaboration with the [UNECE Group of Experts on Climate Change Adaptation for International Transport Network and Nodes](#)).

As part of its work on legal and regulatory issues, UNCTAD carries out research and analysis and provides technical legal advice, to assist in the further development of international law as well as in the understanding of the often complex international legal framework with a view to promoting wide-spread ratification of relevant international legal instruments and assist in effective implementation at national levels. Relevant publications include a dedicated chapter with a focus on [legal issues and regulatory developments](#) as part of UNCTAD's annual flagship publication [Review of Maritime Transport 2019](#), which covers main regulatory developments of relevance to maritime transport, as well as substantive analytical reports. This includes most recently a substantive UNCTAD report, published in January 2020 and entitled [Climate Change Impacts and Adaptation for Coastal Transport Infrastructure: A Compilation of Policies and Practices](#), which was prepared to assist in the development of effective adaptation policies and response measures.

Drawing on UNCTAD's related work, an intergovernmental expert meeting on '[Climate change adaptation for seaports in support of the 2030 Sustainable Development Agenda](#)'; initially scheduled to be held in April 2020 but postponed to 27-28 October 2020, due to the ongoing COVID 19 pandemic, will provide a timely opportunity for the consideration of relevant policy recommendations, also with a view to informing related discussions at the 2nd Un Global Sustainable Transport Conference (May 2020; postponed), UN Ocean Conference (June 2020; postponed), the upcoming quadrennial UNCTAD XV Conference (October 2020; postponed) and the UNFCCC COP 26 (November 2021), as well as the preparation of NDCs and Adaptation Plans.

b. Strengthening international cooperation

UNCTAD work benefits from close cooperation with a wide range of partners and with a multidisciplinary network of collaborators who work in synergy (see e.g. <https://SIDSport-ClimateAdapt.unctad.org>) In addition to specific collaborative activities mentioned above, UNCTAD also cooperates extensively with related industry and UN initiatives, including through UN-Oceans. This includes e.g. collaboration as part of a UN-Oceans side event and exhibit at the UNFCCC COP 25; contribution to the development of the GCA Transport and Resilience Pathways documents ([Resilience pathway action table](#); [Transport pathway action table](#)), prepared by the Marrakech Partnership for Global Climate Action, and to a UNFCCC WIM Excom-TEC policy brief on technologies for averting, minimizing and addressing loss and damage in coastal zones (forthcoming); as well as collaboration with PIANC, The World Association for Waterborne Transport Infrastructure, in the development of [port industry guidance](#); and extensive collaboration with the [UNECE Group of Experts on Climate Change Adaptation for International Transport Network and Nodes](#), which had been established following a joint UNCTAD-UNECE workshop on the issue. Also worth noting is ongoing collaboration with IMO, including on legal and environmental issues; a Memorandum of Understanding between UNCTAD and IMO highlighting areas of further enhanced cooperation, is in preparation.

II. Other important developments and issues with regard to ocean affairs and the law of the sea

Relevant developments in maritime transport⁷

International maritime trade lost momentum in 2018. Volumes expanded at 2.7 per cent in 2018, down from 4.1 per cent in 2017. The slowdown was broad-based and affected nearly all maritime cargo segments. It undermined global port cargo-handling activities, with growth in containerized global port throughput decelerating to 4.7 per cent, down from 6.7 per cent in 2017. Despite the setbacks, a milestone was reached in 2018, with total volumes amounting to 11 billion tons. Meanwhile, preliminary UNCTAD estimates for 2019 indicate a continued slow-down in global maritime trade.

Tariff escalation between China and the United States dominated the headlines in 2018 and early 2019. Nearly 2 per cent of world maritime trade volume is estimated to be affected by tariff hikes applied in September 2018 and May and June 2019. Exposure varies by cargo type and market segment. Grain, containerized trade and steel products stand to be affected the most, reflecting the structure of trade between China and the United States. In addition to reducing trade flows, tariffs are generating winners and losers, given product and supplier substitution and trade diversion effects. Supply chain disruptions have also been observed and could deepen if trade tensions and tariffs are prolonged. Some China-based manufacturing activity is reported to have already moved to new locations in East Asia. As the world's factory, China is a key player in dry bulk and containerized trade, accounting for nearly half of global maritime trade growth in the past decade. In 2018, maritime imports from China were estimated at one fourth of maritime trade worldwide. In this context, the outlook for such trade is highly dependent on developments in the Chinese economy.

⁷ This section draws heavily upon the RMT 2019 Executive Summary.
<https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=2563>.

On the supply side, oversupply remained a prominent characteristic of most shipping segments. In early 2019, total world fleet capacity stood at 1.97 billion dead-weight tons (dwt), equivalent to 2.61 per cent growth – the slowest growth of the decade. Meanwhile, consolidation in the container shipping segment continued with the combined market share of the top 10 container shipping lines increased from 68 per cent in 2014 to 90 per cent in 2019. In addition, deployed capacity rose during the same period from about 55 million to 96 million 20-foot equivalent units (TEUs) on the three major East–West container routes. In other markets, too, such as islands in the Caribbean Sea, the Indian Ocean and the Pacific Ocean, fewer operators were carrying higher volumes.

In addition to consolidation in shipping, several alliances and joint ventures were established between terminal operators in 2018 and 2019. Liner companies and terminal operators engaged in joint operation of berths. Vertical integration and the further expansion of shipping lines into terminal operations can affect competition and choices for shippers. Together supply and demand imbalances translate into pressure on rates and profitability for shipowners. In addition to consolidating and leveraging economies of scale and spreading costs, shipping carriers are increasingly exploring growth prospects associated with a wider range of services, including landside operations. Ports and shipping interests are focusing attention on inland logistics with additional revenue-generation potential. Carriers are increasingly aiming to become freight integrators.

Countries and ports shipping connectivity levels are also impacted by supply and demand developments. According to the liner shipping connectivity index developed by UNCTAD, 5 of the top 10 most connected economies are in Asia, 4 are in Europe and 1 is in North America. Since 2006, the most connected country – China – has improved its index by 51 per cent. The average index has gone up by 24 per cent, and the lowest index of 2019 was below the lowest index of 2006. A comparison of the most and least connected countries shows a growing connectivity divide. In 2006, the least connected countries, which included several small island developing States, saw very little improvement during the period.

Looking forward, a range of downside risks that had intensified in 2018, 2019 and early 2020 are contributing to the slowdown in maritime trade growth. Trade tensions and protectionism topped the list in 2018 and remain a concern despite some progress achieved in late 2019 regarding the United States-China tariff escalation. Other risks include the decision by the United Kingdom of Great Britain and Northern Ireland to leave the European Union (“Brexit”); geopolitical turmoil (e.g. sanctions affecting the Islamic Republic of Iran and the Bolivarian Republic of Venezuela); and supply-side disruptions (e.g. those in the oil sector, cuts to iron-ore trade caused by Cyclone Veronica in Australia and the severe repercussions of the Vale dam incident in Brazil). Country-specific developments, including recessions in some emerging economies, weakness in industrial sectors across many regions, a slowdown in China and weaker import demand in both developed and developing countries, are all weighing down on growth in shipping and maritime trade.

In mid-2020, uncertainty remains an overriding theme in the maritime transport environment, with risks being tilted to the downside. In addition to above wide-ranging factors noted above, the COVID-19 pandemic that erupted in the first quarter of 2020 and the associated far-reaching disruptions that brought the world economy and the underlying supply chains and transport networks to a halt is emerging as a major game-changer with direct implications for shipping and maritime trade. The COVID-19 disruptions to global supply chains deeply integrated with China underscored the high-dependency on China manufacturing and import demand for raw materials and exposed the vulnerability of supply chains and the need for diversification of suppliers and markets as one among other resilience-building strategies.

Capacity building and consensus building activities

As part of its technical assistance programme on “Building Capacities of Developing Countries to Shift Towards Sustainable Freight Transport”, UNCTAD/TLB aims at strengthening the capacity of key stakeholders (policy makers, transport operators, financial institutions, etc.) to design, develop and implement sustainable freight transport solutions and finance strategies. Achieving sustainable transportation entails the ability of the sector to promote greater market access and connectivity, affordability as measured by transport costs, social inclusiveness, environmental protection and human well-being (pollution, contamination, noise, congestion), energy efficiency and conservation, as well as green/low-carbon transport systems.⁸

In this respect, a regional capacity-building workshop on sustainable freight transport and finance with emphasis on sustainable shipping and ports for CARICOM Member States, was held in July 2018 in Barbados.⁹ As follow up to the workshop, UNCTAD has been collaborating with the Caribbean Development Bank and the Port Management Association of the Caribbean towards developing “Caribbean Sustainable Freight Transport (SFT) Strategy” and a Regional Sustainable Maritime and Logistics Observatory in the Caribbean Region (for ports and shipping). The Observatory will enable informed and evidence-based maritime transport policy making in the region as well as sound resource allocation and priority setting.

In the current time of COVID pandemic and its impact on the global economy, ensuring the integrity and sustainable transport systems and value chains, and building responsiveness to disruptions (in facing pandemics, climate change and other global challenges) is critical for all economies, in particular SIDS and LDCs. In this context, UNCTAD has worked together with other UN agencies to respond quickly by developing a joint-UNDA project to help developing countries better address transport and trade issues, including maritime and port.¹⁰

In terms of data and analysis. In addition to the Review of Maritime Transport, which is one UNCTAD flagship publication, published annually since 1968, UNCTAD published online maritime country profiles which includes selection of key economic and maritime statistics and information by country that are regularly updated.¹¹

In terms of consensus-building activities, including intergovernmental meetings and conferences. Relevant examples include the Multiyear Expert Meeting on “Sustainable freight transport in support of the 2030 Agenda for Sustainable Development”, in Nov 2018 with a dedicated session on the SIDS.¹²

Coordination and cooperation

UNCTAD is committed to cooperating with a wide range of IGOs, NGOs, academia and civil society with a view to building synergies and promote sustainable transport and logistics. In this regards and as part of

⁸For further information on UNCTAD work on sustainable freight transport and finance, see: <https://unctad.org/en/Pages/DTL/TTL/Infrastructure-and-Services/Sustainable-Transport.aspx>.

⁹ <https://unctadsftportal.org/sustainable-freight-transport-and-finance-workshop-caribbean/>.

¹⁰ See:

https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2386&Sitemap_x0020_Taxonomy=Technical%20Cooperation

¹¹ See: UNCTAD country profile available at: <https://unctadstat.unctad.org/CountryProfile/en-GB/index.html> and UNCTAD maritime statistics available online at <http://unctadstat.unctad.org/wds/ReportFolders/reportFolders.aspx4>.

¹² See: <https://unctad.org/en/pages/MeetingDetails.aspx?meetingid=1696>.

its three pillar of work, including research and analysis, technical assistance and capacity building activities, UNCTAD has been collaborating with various organizations and institutions, including the International Maritime Organization (IMO), UN regional commissions, UNEP, UNDP, International Transport Forum, Development Banks (Islamic Development Bank, African Development Bank, Asia Development Bank, and Caribbean Development Bank), as well as the World Bank, including through the SuM4All Initiative and project on decarbonizing maritime transport, the Global Maritime Forum, SLOCAT, the International Association of Maritime Economists (IAME), the International Association of Ports and Harbors (IAPH, University of Antwerp, and World Maritime University.

At the regional level, in collaboration with Micronesia Center for Sustainable Transport/University of the South Pacific, UNCTAD has been supporting Pacific SIDS in their effort to promote suitable shipping including through regional initiatives such as the Pacific Blue Shipping Partnership.

Recent international developments related to climate change adaptation and resilience building for seaports and other coastal transport infrastructure

While climate change adaptation and resilience building for seaports and related coastal transport infrastructure, services, and operations is a matter of strategic economic importance and increasing urgency, much more needs to be done. In addition to some recent developments already highlighted above, there have been a number of developments in 2019, which are of relevance to adaptation and resilience building for seaports and related coastal transport infrastructure and are worth noting.

The importance of climate-resilient transport infrastructure has been highlighted in a resolution adopted by the UN Environment Assembly 2019 (UNEA-4, 11-15 March 2019, Kenya) on sustainable infrastructure¹³ as well as by the report of the Global Commission on Adaptation (September 2019),¹⁴ providing specific insights and recommendations in relation to resilient infrastructure and disaster risk management. Also worth noting is that the European Parliament has recently voted to declare a Climate Emergency¹⁵.

The Climate Action Summit¹⁶ convened in September 2019 by the Secretary-General of the United Nations aimed to galvanize action in nine key areas, including ‘resilience and adaptation’, ‘nature-based solutions’ and ‘cities infrastructure and local action’. Results of the Summit with regards to resilience and climate change adaptation include the following:¹⁷ i) climate finance pledges of both governments and the private sector; ii) ‘Unlocking the potential of nature in climate action’ comprising new initiatives offering solutions to increase resilience and adaptation; iii) ‘A Call for Action: Raising Ambition for Climate Change Resilience and Adaptation’, whereby more than 110 countries and 85 international organisations and private sector entities, including maritime industry associations PIANC and ICS, committed to enhanced action on resilience and adaptation; iv) New measures to support SIDS and LDCs; v) New initiatives with a view to preventing disasters; vi) Announcements to develop sustainable transport systems and to scale up access to finance sustainable urban infrastructure projects. In addition, over 80 stakeholders from across the

¹³ Resolution adopted by the United Nations Environment Assembly on 15 March 2019 on Sustainable Infrastructure, UNEP/EA.4/Res.5. <http://wedocs.unep.org/bitstream/handle/20.500.11822/28470/English.pdf?sequence=3&isAllowed=y>

¹⁴ Adapt now: A Global call for leadership on climate resilience. <https://gca.org/global-commission-on-adaptation/report>

¹⁵ The concept of a climate emergency has been recently defined as a function of: the probability of a damaging event, the severity of the impacts and the urgency to respond, i.e. the ratio between the time needed to respond effectively over the time available. See, Lenton, T., et al., 2019. Climate tipping points — too risky to bet against, *Nature*, 2019.

¹⁶ For further information, see <https://www.un.org/en/climatechange/un-climate-summit-2019.shtml>

¹⁷ [Report of the Secretary-General on the 2019 Climate Action Summit and the Way Forward in 2020](#)

shipping value chain, 'Getting to Zero Coalition'¹⁸, launched an initiative to decarbonize the shipping sector, committing to commercially viable zero emission vessels operating along deep-sea trade routes by 2030.

Building on the outcomes of the Climate Action Summit, thematic and cross-sectoral 'Climate Action Pathway' documents were prepared by the Marrakech Partnerships for Global Climate Action and were launched in December 2019 at the UNFCCC COP 25 in Madrid.¹⁹ Worth noting in the context of climate change adaptation and resilience building for seaports, is that the 'Transport Pathway Action Table' includes two distinct action areas with a focus on adaptation for transport systems and transport infrastructure, respectively, as well as related milestones for 2020, 2030 and 2050. Relevant key actions and milestones for transport have also been integrated into the cross-sectoral 'Resilience Pathway Action Table', which focuses on key actions and milestones for climate resilience building. Importantly, key milestones include that by 2030 "All critical transport assets, and systems [are] made climate resilient to at least 2050" and by 2050 "All critical transport assets, and systems [are] made climate resilient to at least 2100". While this represents an important and timely ambition, major acceleration of efforts will be required to put relevant measures in place.

As already noted in the context of implementation of GA resolution 74/19, above, UNCTAD actively contributed to the preparation of the Transport and Resilience Pathway documents, drawing in particular on some of the key recommendations of technical experts, key industry stakeholders and a number of international organizations participating in the UNCTAD Ad Hoc Expert Meeting on "[Climate change adaptation for international transport: preparing for the future](#)", held in April 2019. Also launched at the COP 25, by the World Association for Waterborne Transport Infrastructure (PIANC) was the '[PIANC Declaration on Climate Change](#)'. The declaration highlights a number of priority actions to strengthen adaptation and resilience building, including, among others, inspection and maintenance; monitoring systems and effective data management; risk assessments, contingency plans and warning systems; as well as a focus on flexible and adaptive infrastructure, systems and operations and engineered redundancy to improve resilience.

An upcoming UNCTAD [Expert Meeting on "Climate change adaptation for seaports in support of the 2030 Sustainable Development Agenda"](#), on 27-28 October provides an opportunity for the consideration of policy recommendations, also with a view to informing related discussions at the 2nd UN Global Sustainable Transport Conference (May 2020; postponed); UN Ocean Conference (June 2020; postponed), the upcoming quadrennial UNCTAD XV Conference (October 2020; postponed) and the UNFCCC COP 26 (November 2021), as well as the preparation of NDCs and Adaptation Plans.

III. Implications of the COVID-19 pandemic

An unprecedented scenario over a sustainable oceans economy

An unprecedented situation in recent times, the COVID-19 pandemic, will have significant effects on the implementation of all SDGs but also SDG 14. Impacts can be very significant in all economies depending

¹⁸ For further information, see <https://www.globalmaritimeforum.org/getting-to-zero-coalition/members>

¹⁹ See [Resilience pathway – vision and summary](#); [Resilience pathway action table](#); [Climate resilience narrative](#); [Infographic on resilience](#) which is part of the [2019 UNFCCC Global Climate Action Year book](#). [Transport pathway action table](#)

on the evolution cycle of the disease (arrival, spread and control) and on the type of prevention and remedial measures taken or not by affected countries. Given the first-in-a-kind nature of disruptions, countries are implementing policy responses and trade measures with different philosophies, time or level of deepness. Some oceans economy sectors are suffering more than others. Today, travel, tourism, maritime transport, fisheries and seafood production are all heavily affected in terms of disruption of supply side capacity and transport routes, falling demand, and increased number of sanitary and regulatory measures. While some blue economic sectors may be running at half or less of their existing capacity (e.g. coastal and marine tourism), others continue to deliver essential goods with difficulties (e.g. fish production) and services (transport and logistics), as the latter are indispensable for the population. Coastal zones will heavily suffer confinement measures in these sectors as their livelihoods depend on a limited set of marine based activities.

There is a clear unprecedented need of recovery and resilience measures. Some of recommended actions that could be deployed to enable a faster and [sustainable oceans economic recovery in a post COVID-19 phase](#) include the following:

- Apply the least possible trade-restrictive sanitary measures to all goods and services sectors including blue economic ones;
- Exercise due restraint in scaling up “hidden” sanitary protectionism and closely monitor trade-related response measures;
- Introduce sanitary and social safety readiness and adaptation plans for most vulnerable key blue economic workers in tourism, maritime transport, fisheries and seafood processing;
- Monitor developments in shipping and address bottlenecks hampering trade in critical goods and materials. Key factors to monitor are the time ships spend in port and the reliability of schedules;
- Minimize unnecessary controls and burdensome procedures associated with goods (including of marine origin) clearance to ensure that trade facilitation gains achieved over the years are not eroded;
- Keep the fight against illegal fishing in all shores and rely as much as possible on electronic monitoring and surveillance systems complemented with targeted inspections and interventions at sea and port;
- Extend fishing seasons, when below total allowable catch, according scientific evidence and without disturbing reproduction periods, so fishers can compensate lack of activity during confinement periods;
- Support fresh production shifts to seafood processing when feasible, as well as new product development and effective logistic support;
- Enhance coordination between fish and seafood suppliers with transport, warehousing and logistical services in order to avoid loss of produce and food waste;
- Design and implement rescue policy packages for vulnerable populations in blue economy sectors and actors;
- Phase out unsustainable public expenditure including fish and fuel subsidies, diverting resources to alternative biodiversity enhancing policies;
- Expedite public and private debt forgiveness, total or partially, particularly for SIDS and LDCs.

Towards a sustainable blue recovery

Under this complex context there is a need to devise a global and sustainable blue recovery and technical support mechanism to temporarily sustain SIDS and LDCs economies. Income from tourism and fisheries

activities may easily fall by one third in SIDS and LDCs in 2020. Most of the planet's population lives by the coast and most of the activities sustaining their livelihoods are heavily and unevenly affected by the pandemic and specially tourism, fisheries and maritime transport. Recent bankruptcy declarations by some national and regional airlines, car rental, hotel chains and thousands of small businesses by the coast of all countries regardless of their level of development are a clear evidence of this.

A blue recovery should be guided by SDG 14 implementation and more particularly target 7: "By 2030, increase the economic benefits to Small Island developing States and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism". In this regard, UNCTAD is shifting its attention in assessing the impact of the pandemic on key blue economic sectors and in identifying potential for recovery and resilience within them in social, economic and environmental terms. The blue economy will certainly play a crucial role in global recovery once demand raises again, hopefully within the next months.

Recently UNCTAD, FAO, UNITAR and IOI organised an Online Conference [titled "The Blue Economy and COVID-19 Pandemic: New challenges, recovery measures and resilience"](#) on 4 June 2020, in preparation for the World Oceans Day. The online conference sought to provide an outlook on the challenges brought by the COVID-19 pandemic and explore [opportunities and prospects for recovery](#) and resilience in coastal and island developing countries. The conference gathered about 600 participants and was a good opportunity to identify action that partners take to adjust the research, technical cooperation and capacity building trade-related response to the pandemic.

Securing global supply-chains and facilitating international trade and transport will be critical

As countries adopt radical measures to bring the coronavirus pandemic under control, international trade and transport systems are under tremendous stress. According to UNCTAD statistics, around 80 per cent of global trade is transported by commercial shipping, which moves the world's food, energy and raw materials, as well as manufactured goods and components. This includes vital medical supplies - sorely needed during COVID-19 pandemic - and items necessary for the preservation of many jobs in manufacturing – without which modern society cannot function. Border agencies face the challenge of expediting imports, exports and transit, including of necessary medical supplies, donations and relief consignments, while ensuring epidemic prevention and providing adequate customs clearance and compliance controls of goods and transport personnel. In this time of global crisis, it is more important than ever to keep supply chains open and to allow maritime trade and cross-border transport to continue. It is crucial to keep ships moving, ports open and cross-border and transit trade flowing, while ensuring that border agencies could safely undertake all necessary controls. In addition, seafarers and port operators need to be supported. Many port States imposed local regulations, travel and quarantine restrictions, precluding free access to seafarers. Some operators suspended crew changes aboard ships to lessen their social interactions. While observing necessary health protocols, ports should treat seafarers as key workers and afford them flexibilities in boarding and leaving ships, as over 100,000 shipping crew members need to change shift every month. Port operators also need to be ready given the potential risks to public health and the economy, as their key role in the transit of goods has been affected by the spread of the virus.

Particular efforts need to be made on the part of Governments to secure and enhance the production and distribution of critical goods needed to contain and combat the pandemic (such as medical supplies and equipment) and to secure basic needs (including food and energy). Relevant service providers and the

supporting infrastructure need to be protected as a matter of priority. This includes ensuring that transport services, ports and border agencies not only remain operational, but are effectively strengthened to cope with the exceptional challenges they face. Governments need to adopt common approaches to addressing these issues across the global network of supply chains to avoid widespread economic collapse and critical supply chain disruptions. In the absence of urgent action in this regard, the post-pandemic economic recovery may be severely hampered, potentially worsening long-term sustainable development prospects, particularly for the world's poorest and most vulnerable. International cooperation on these points is vital, as protectionism may significantly exacerbate the global health crisis and delay a post-pandemic economic recovery. Effective collaboration, coordination and cooperation among public and private stakeholders at all levels will also be key.

A new [UNCTAD policy brief](#) highlights some of the related key challenges and outlines a [ten-point action plan](#) to help industries involved in the movement of goods keep free-flowing trade afloat during the COVID-19 crisis and its aftermath. Recommendations include the following:

- Ensure uninterrupted shipping;
- Maintain ports open;
- Protect international trade of critical goods and speed up customs clearance and trade facilitation;
- Facilitate cross-border transport;
- Ensure the right of transit;
- Safeguard transparency and up-to-date information;
- Go paperless;
- Address early on legal implications for commercial parties;
- Protect shippers and transport service providers alike; and
- Prioritize technical assistance.

Among the issues highlighted is the need to address early on the legal implications for commercial parties. The unprecedented disruptions associated with the pandemic and its massive socioeconomic consequences are giving rise to a plethora of legal issues affecting traders across the globe (for example, delays and performance failure, liability for breach of contract, frustration and force majeure). The effects of such issues may lead to business losses and bankruptcies and overwhelm courts and legal systems. Industry and traders need to be encouraged to waive some of their legal rights and agree on moratoriums for payments, performance and the like where appropriate and governments should consider where intervention or financial assistance may be required.

In addition to issuing a [Call for Action](#), UNCTAD has recently issued a [joint statement with IMO](#) in support of keeping ships moving, ports open and cross-border trade flowing during the COVID-19 pandemic. UNCTAD also compiled in its website, a [non-exhaustive list](#) of links to available online resources from international organizations and industry groups that provided up-to date information about the ongoing developments in various countries and also an overview of the multitude of COVID-19 measures and responses, particularly those related to trade facilitation and cross-border movement of goods and persons. Building further on the Policy Brief: 10-point action plan, UNCTAD is preparing a special chapter on COVID-19 related issues for maritime transport, which will be included in the Review of Maritime Transport 2020. In addition, in May 2020, UNCTAD and the five UN regional commissions for Africa (ECA), Europe (ECE), Latin America and the Caribbean (ECLAC), Asia and the Pacific (ESCAP), and Western Asia (ESCWA), with funding managed by the UN Department of Economic and Social Affairs, launched a [project](#) that seeks to enable governments in developing and least developed countries to adapt to new post-

COVID-19 conditions by tapping into UN expertise, standards, tools and guidance, while considering their specific and local conditions.

Coastal transport infrastructure adaptation and resilience building in SIDS

In the context of the COVID-19 pandemic, SIDS have been identified as one of the groups that are being and will continue to be disproportionately affected by the evolving economic crisis. This has been attributed to these countries' high vulnerability to economic and environmental, remoteness, dependence on a few advanced markets for imports and exports, high dependence on trade, narrow production base and high levels of indebtedness. SIDS continue to merit special consideration owing to the unique circumstances confronting them not least of which is the impact of external shocks on their economies. The evolving global economic crisis caused by the COVID-19 pandemic is but one example of such shocks.

While the extensive socio-economic impacts of the COVID-19 pandemic give rise to new priorities that may challenge climate-resilience building and adaptation efforts, the pandemic may also be considered a cautionary tale, underlining the critical importance of preparedness, risk assessment and resiliency building. Lessons learnt should provide renewed impetus for timely climate risk/vulnerability assessments and foster long term planning, essential to enhancing resiliency (see further [UNCTAD contribution](#) to Part I of the SG Report on Oceans and the Law of the Sea (2020), "Sea level rise and its impacts"). Changing circumstances arising from the impacts of the COVID pandemic (e.g. the need for health and safety measures at ports of entry; changes to tourism markets/patterns; greater reliance on local/national resources/supplies) will need to be taken into account as part of any strategy for infrastructure adaptation and resilience building. Upscaling capacity building for energy efficiency and renewable energy generation will be important for continued energy security and may bring major co-benefits, in terms of reduced dependency on energy imports and related expenditure. This is particularly critical for SIDS that are facing longer term supply-chain disruptions and a reduction in earnings potential as a result of the impacts of the pandemic on major economic sectors, such as tourism.

While recent [guidance for investors on physical climate risks](#) launched by the [Institutional Investors Group on Climate Change \(IIGCC\)](#) is welcome, it will be important to ensure that those at greatest risk of climate change impacts will not see their funding prospects compromised and that relevant PPPs take into account the legitimate interests and capacity needs of vulnerable developing countries, such as SIDS.