Sub–Saharan Africa Transport Policy Program
The World Bank and Economic Commission for Africa
SSATP Working Paper N° 16

Maritime Transport Serving West and Central African Countries : Trends and Issues

Michel Audigé

August 1995

AFRICA REGION
The World Bank

FOREWORD

The decline of Africa's role in world trade over the last 20 years has been traced to an erosion of its competitiveness. One important reason for this is that the cost and quality of transport services available to African shippers have not followed worldwide trends towards cheaper, more rapid, and customized services. The logistic revolution in maritime policies begun in the late 1980s, which sparked the rapid expansion of world trade, has yet to reach Africa's producers and shippers.

In June 1992, MINCONMAR (Ministerial Conference of Western and Central Africa) and the Bank organized the Cotonou Conference to review the situation and identify options for reform. The Conference brought together a large number of experts and interested parties who recognized the need to lessen public sector involvement in shipping policies and to deal with them in a regional rather than national framework. The Cotonou Conference also pointed out the importance of developing a better understanding of the factors influencing maritime transport services. The resulting program of studies and capacity building was launched in 1994 as a partnership between MINCONMAR and the SSATP (Sub-Saharan Africa Transport Program).

Since then, as the need for reform has become more pressing, several countries have adopted more liberal policies. This movement for reform is likely to pick up as countries realize that their ability to maintain and expand their participation in world trade depends on whether shippers have access to the least expensive and most effective maritime transport services.

This paper provides an overview of current trends and issues in maritime transport for West and Central Africa. It is largely based on the proceedings of the Cotonou Conference published in 1993. It should be of use to policy makers and sector managers who need a basic familiarity with the subject in view of its growing importance in the sub-region.

The Sub-Saharan Africa Transport Program (SSATP) was launched jointly by the UN Economic Commission for Africa (UNECA), the World Bank and bilateral development agencies to improve the response to key policy issues in transport and to build up related capacities in the region. The program has provided a flexible collaborative framework to support analytical work and consensus building. The prospective evaluation now reaching completion will provide a basis to define the program's future.

Jean H. Doyen
Environmental Sustainable Development Division
Technical Department
Africa Region

ACKNOWLEDGMENT

This report was prepared by Michel Audigé, Senior Port Operation Specialist (Africa Technical Department) and Task Manager for the Trade & Transport Project of the Sub-Saharan Africa Transport Policy Program (SSATP). The report was prepared under the overall direction of Jean H. Doyen (Division Chief) and Snorri Hallgrimsson (Infrastructure Adviser), Environmentally Sustainable Development Division. The report is based on work carried out under the Trade & Transport Project, which is a regional capacity-building initiative working to develop a sound maritime transport policy strategy for the West and Central African States. The Trade & Transport Project is financed by the governments of Canada, France and Belgium, and by the EEC and World Bank. Substantive inputs to the report were made by Pr. Iheduru Ockechukwu (consultant), Susanne Holste and Hans Peters (TWUTD). A number of other people also made important contributions to the report, including Lawrence Pufong (MINCONMAR), Michel Le Brishoual, Augustin Karanga (Project Unit), Peter Faust (UNCTAD), Brendan Horton (AF3C1), Jean-Noel Guillossou, Alain Ballereau (AF3IN), and Brigitta Mitchell (AF4IN). The report was edited by Anna Gueye, Annie Kihara, and Leita Jones.

TABLE OF CONTENTS

Tables

Figures

Boxes

ABBREVIATION

ACP	African, Caribbean, and Pacific States
ANSL	Association of National Shipping Lines
AWAFC	America-West Africa Freight Conference
CEWAL	Central Europe-West Africa Lines
CFB	Central Freight Bureau
CIDA	Canadian International Development Agency
CIF	Cost, Insurance, and Freight
CMB	Compagnie Maritime Belge
COWAC	Continent-West Africa Conference
CPCS	Canadian Pacific Consulting Services
DWT	Deadweight Tonnage
EU	European Union
EDI	Electronic Data Interchange
EWAC	Europe-West Africa Conference
FAC	Fonds d'aide et de coopération (France)
FEWAC	Far East-West Africa Conference
FOB	Free on Board
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
IMO	International Maritime Organization
MEWAC	Mediterranean Europe-West Africa Conference
MINCONMAR	Ministerial Conference of the West and Central African States on Maritime Transport
OECD	Organization for Economic Cooperation and Development
PMAWCA	Ports Management Association of West and Central Africa
Ro-Ro	Roll on-Roll off
SSA	Sub-Saharan Africa
SSATP	Sub-Saharan Africa Transport Policy Program
SCAC	Société Commerciale d'Affrêtement et de Combustibles
SDV	SCAC-Delmas Vieljeux
SNCDV	Société Navale et Commerciale Delmas-Vieljeux
TEU	Twenty-foot Equivalent Unit
UASC	Union of African Shippers' Councils
UKWAL	United Kingdom-West Africa Lines
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Program
UNECA	United Nations Economic Commission for Africa
UNTACDA II	Second United Nations Transport and Communications Decade in Africa

GLOSSARY

Bulk Carriers/Bulker/Dry Bulk Ships/Dry Bulkers - These references denote vessels that range in size from small coastal craft to ships of over 150,000 deadweight capacity which are designed for the carriage of bulk commodities, like grain, ores or fertilizers.

Conferences - Organizations whereby a number of shipowners, often of different nationality, offer their services on given sea routes on conditions agreed by the members.

Container Ships - Vessels designed to carry full loads of containers in fixed cell guides. Containers are frequently carried on deck where they require to be lashed and secured. The carrying capacity of these ships is specified in TEU, and may range from 300 to 500 TEU for feederships to 4,500 TEU for the most modern deep-sea linehaul units.

Cross Trade - A shipping service operated between two seaboard countries by an ocean carrier whose fleet does not fly either of the national flags and therefore is a foreign or third party operator.

Deadweight Tonnage (dwt) - The weight of cargo, water, bunkers, and constant-weights (a fixed allowance for stores, spare parts, and the crew's effects) that may be carried when a vessel is down to its load-line mark. Since the load-line varies, depending whether the ship is in a winter, summer, or tropical zone, it is important to specify to which condition the figure applies, although it is normal practice to utilize summer deadweight when describing deadweight tonnage.

General Cargo Ships - Most vessels under this category in today's market are tweendeckers, i.e. ships with two or more decks because of the number of ports served and the range of products carried. With the main engine located in the aft and thus avoiding the necessity of a shaft tunnel, the cargo spaces tend to be box-shaped to facilitate the stowing of containers, boxed and palletized cargo, whilst on deck most designs allow for storage of containers. This vessel category is the most versatile in the merchant fleet as individual units can also carry bulk cargo.

Gross Registered Tons/Tonnage (grt/gt) - The total of all the enclosed spaces within a ship, expressed in tons, each basis unit of which equals 100 cubic feet (2.831 cu.m). The term grt is progressively being replaced by 'gross tonnage (gt)', as defined by the 1969 Convention on Tonnage Measurement of Ships which came into force in 1982.

Ro-Ro Vessels - Unit-load vessels where the cargo is moved on and off using trailers normally carrying containers. A common characteristic of these vessels is their intermodal capability, which means that their cargo can go directly into the highway system.

Twenty-foot Equivalent Unit (TEU) - The basic unit for expressing the capacity to carry containers on cellular, part-container, or Ro-Ro vessels. The purpose of this unit is to have a common denominator for ships designed to move containers of 20, 35, or 40 feet in length, with a standard width and height of eight feet. Capacity is also expressed in FEU (forty-foot equivalent units).

INTRODUCTION

OBJECTIVE OF THE REPORT

1. This report is intended for key stakeholders in the maritime transport sector in West and Central Africa (West Africa) and provides an overview of the issues and problems highlighted during The *Round Table on Shipping Services in West and Central African States* sponsored jointly by the World Bank and the Ministerial Conference of West and Central African States on Maritime Transport (MINCONMAR) was held in Cotonou, Benin on June 23-26, 1992. Furthermore, information is given about ongoing activities under the Trade and Transport Project, and an update of maritime developments in the region since 1992 is given. Data has been drawn from a large number of sources including Lloyd's Shipping Economist, Containerization International, Journal of Commerce, Maritime Policy and Management, and UNCTAD. A glossary of maritime terms is given at the end of the report.

2. The Cotonou Round Table brought together more than 150 representatives from African and European governments, international and intergovernmental organizations, ocean carriers, shippers' councils, shippers, ports, and related industries. The Round Table was sponsored by the Republic of Benin, Canada, the Economic Commission of the European Communities (EC), and France.

Figure 1. MINCONMAR Member Countries

Maritime Nations		Landlocked Countries
Angola	Guinea Bissau	Chad
Benin	Guinea Conakry	Central African Republic
Cameroon	Liberia	Burkina Faso
Cap Verde	Mauritania	Mali
Congo	Nigeria	Niger
Côte d'Ivoire	Sao Tome & Principe	
Equatorial Guinea	Senegal	
Gabon	Sierra Leone	
Gambia	Togo	
Ghana	Zaire	

3. The Round Table was organized as part of the Trade and Transport Project, a component of the Sub-Saharan Africa Transport Policy Program (SSATP) through which the World Bank, in close coordination with Economic Commission for Africa (ECA), numerous donors, and specialized African institutions, assists regional governments with transport policy reform. Specifically, the SSATP seeks to enhance the international competitiveness of Sub-Saharan economies through improved efficiency in transport, increased cooperation, and regional economic integration.

4. MINCONMAR was founded in 1975 and includes 20 coastal and five landlocked countries, ranging from Mauritania to Angola (see Figure 1). Its objective is to develop cooperation between member states in all aspects of maritime transport, taking into account the interests of all involved parties, such as shipping companies, shippers, ports, ancillary services, and shipyards. To serve the varied needs of its members, MINCONMAR has three specialized agencies: the Union of African Shippers' Councils (UASC), the Association of National Shipping Lines (ANSL), and the Ports Management Association of West and Central Africa (PMAWCA). MINCONMAR is also involved in regional maritime training.

THE ROUND TABLE OF COTONOU[1]

5. The objectives of the Round Table were three-fold:

(i) to gain a better understanding of maritime transport serving the West and Central African nations in order to identify problems and options for remedial measures;

(ii) to define studies and consultations to be undertaken in order to develop such options and to evaluate the impacts and details of their implementation; and

(iii) to recommend the most appropriate framework(s) to pursue revised shipping policies.

6. To achieve these objectives three topics were addressed by discussion groups and related findings were presented to the panel: (i) the current shipping situation of the MINCONMAR countries, (ii) structural evolution of shipping in the World and in West Africa, and (iii) shipping policy options in the framework of regional cooperation. The following steps for policy reforms in the maritime sector were recommended:

(i) to determine how deregulation can be a means of solving shipping problems in West Africa;

(ii) to prepare a harmonized statutory framework to simplify the movement of goods in the countries of the subregion;

---

1 The proceedings of the Cotonou Round Table have been published in two working papers: *Shipping Services in Western and Central Africa*. SSATP Working Papers 2 and 9. 1993. MINCONMAR and Environmentally Sustainable Development Division, Technical Department for Africa, World Bank, Washington, D.C. This synthesis is based on the papers presented at Cotonou.

(iii) to define, by means of unified guidelines, the roles and responsibilities of the various operators intervening in the transport chain; and

(iv) to establish an institutional framework to settle disputes between the transport chain operators.

7. Following intense deliberations, participants of the Round Table agreed that the present system of maritime transport and the regional policy framework are ineffectual and interfere with the region's potential for economic development and trade. To gain a better understanding of the underlying problems and to make progress towards a comprehensive new policy framework, a series of in-depth studies was recommended, this is further discussed in Annex I. The discussions and exchanges during the Cotonou meetings stressed the need to work towards a regional approach to ensure the development of competitive transport markets.

WEST AFRICA'S INTERNATIONAL TRADE AND MARITIME TRANSPORT

SOCIO-ECONOMIC PROFILE

8. The population in Sub-Saharan Africa (SSA) rose from 389 million in 1980 to 534 million in 1990. Average population growth was approximately 3.2 percent per year, whereas world population increased by 1.8 percent annually over the same decade. SSA's share in world population stood at over 10 percent in 1990. During the same period, the Gross Domestic Product (GDP) of West and Central African states increased only about 2.1 percent annually, while the rest of the world averaged 3.2 percent per year. Contrary to its demographic evolution, Africa's contribution to world production is regressing, and the average income per capita is falling. The structure of the region's economies has remained largely unchanged over the last decades. In 1987 sectoral shares were: agriculture 32 percent (down from 42 percent in 1965), manufacturing 11 percent, other industries 17 percent, and services 40 percent. Trade diversification has been slow; exports continue to be dominated by primary products. The decline in agricultural growth was partly due to recurring droughts and has led to increases of food imports.

INTERNATIONAL TRADE

9. SSA's share in international trade is falling. Exports declined from 3.3 percent of world exports in 1950 to 2.5 percent in 1970, and to 1.0 percent in 1989. The development of imports followed the same pattern. Between 1980 and 1989, SSA exports decreased 5 percent per annum, while exports from developing countries as a group increased by 1.4 percent. Imports declined by 3.6 percent for SSA between 1980 and 1989, compared to 1.6 percent for all developing countries. The value of SSA's exports was US$30.9 billion in 1989 and that of imports US$31.8 billion. The region's dependency on primary products which have been subject to price fluctuations, with a downward trend, is reflected in exports purchasing power which declined 40 percent between 1980 and 1990, while that of industrial countries rose by 70 percent during the same period.

10. Trade of the MINCONMAR group is dominated by countries endowed with natural resources. Primary products contributed 86 percent of the value of all exported goods while manufactured products accounted for only 14 percent. In 1989, four countries provided more than two-thirds of the region's total exports: Nigeria alone accounted for 43 percent, followed by Côte d'Ivoire with 14 percent, Angola with 6 percent, and Gabon with 5 percent, highlighting the importance of oil exports. Table 1 illustrates the export profile for a selected group of countries. For all its exports, SSA faces strong competition in world markets.

Table 1: Key Exports of Selected SSA Countries, 1992

Nigeria		**Côte d'Ivoire**		**Angola**	
total exports	$11,886m	total exports	$6,220m	total exports	na
crude oil	94%	cocoa	34%	crude oil	91%
cocoa	3%	coffee	18%		
		timber	12%		
Gabon		**Togo**		**Niger**	
total exports	$2,303m	total exports	$207m	total exports	271m
crude oil	64%	phosphates	48%	uranium	86%
timber	15%	cotton	15%	crude oil	4%
		cocoa	11%		

Sources: (1) Lharbi in World Bank. 1993. *Shipping Services in Western and Central Africa*. SSATP Working Papers 2 and 9. MINCONMAR and Environmentally Sustainable Development Division, Technical Department, Africa Region. (2) World Bank. 1994. *World Tables 1994*. World Bank, Washington, D.C.

11. Imports by MINCONMAR members are more evenly distributed, with concentration on oil-producing countries because they have more resources for purchases abroad. The three leading importers in 1989 were Nigeria (22 percent of all regional imports), Côte d'Ivoire (15 percent), and Cameroon (8 percent). Manufactured goods represent 70 to 75 percent of the value of imports. Food products accounted for only 14 percent. It is, however, important to note that food imports have risen rapidly in certain countries, such as Senegal, Togo, and Congo. Oil imports have increased substantially in the case of Benin, Côte d'Ivoire, and Ghana.

12. An important economic decision was taken in January 1994, when the fourteen member countries of the CFAF zone adopted a new comprehensive adjustment strategy (Clement, 1994).[2] The common currency, which was freely convertible, was pegged to the French franc at a fixed rate. Until the mid-1980s the countries had benefited from a long period of stability with low inflation rates and sustained economic growth. In 1985, the economic and financial situation began to worsen, essentially as a consequence of two shocks: a sharp drop in world prices for the leading African export commodities (cocoa, coffee, cotton, and oil) and a weakening of the competitiveness due to the nominal appreciation of the French franc against the currencies of the zone's main trade partners. Between 1985 and 1993, the countries of the zone experienced no growth, compared to an average 2.5 percent of other Sub-Saharan African countries, and per capita income declined by some 3 percent. To counter the deterioration of the economic situation of the zone countries, the members decided that a substantial devaluation was the best way to respond to the growing difficulties. The new parity rate was set at CFAF100 for 1 French franc,

[2] The franc zone member countries are: Benin, Burkina Faso, Cameroon, the Central African Republic, Chad, Congo, Côte d'Ivoire, Equatorial Guinea, Gabon, Mali, Niger, Senegal, and Togo. Comoros has a parity rate of CFA75 for 1 French franc, compared to CFAF 100 for the other members.

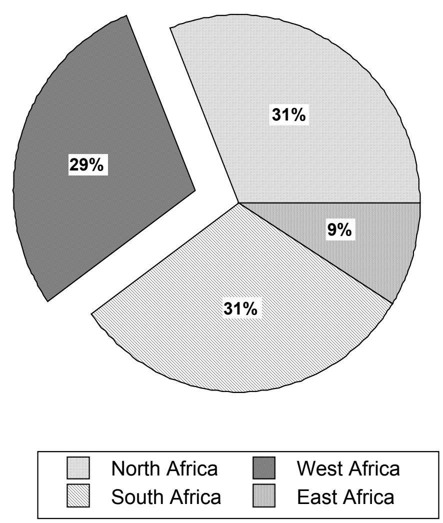
representing a 50 percent devaluation. It is expected that this realignment will particularly benefit the agricultural sector, the largest employer in the region.

13. An analysis of trade partners shows the predominance of industrial countries, and in the case of francophone Africa of its former colonial power. For most MINCONMAR countries such trade accounts for more than 70 percent in recent years, in some cases up to 95 percent. For example, Cameroon shipped 67 percent of its exports to Western Europe and 4.6 percent to other African countries; Nigeria exported 69 percent of its goods to Western Europe and 8 percent to Japan. Some trade redistribution is taking place and Japan and other East Asian countries are gradually gaining in importance. No clear consolidation of trade within Africa can be observed, which is contrary to the situation in other trading areas; for example, over 60 percent of Southeast Asia's imports and exports are traded among the members countries of the Association of Southeast Asian Nations.

SSA'S SEABORNE TRADE

14. Between 1970 and 1992 Africa averaged about 9 percent of total goods loaded and unloaded in the world's seaports (Table 2). This represented over 85 percent by volume (roughly the same share when expressed in value) of the continent's trade and demonstrates the importance of maritime transport for Africa. A breakdown by region shows that in 1992 West African countries accounted for about 30 percent of all goods handled in African ports, 30 percent of crude oil and oil products, and 29 percent of dry goods (Figure 2). North, West and Southern Africa have comparable shares of the region's total dry cargo, about 30 percent each. Access to competitive transport services for dry cargo is therefore of equal importance to all three regions. The dominance of crude oil and oil products in the West African trades and its implication on maritime transport need to be analyzed separately from deliberations on liner shipping.

Figure 2. Total Dry Cargo by Region, 1992



Source: UNCTAD. 1994. *Maritime Transport Review 1993.*

TRANSPORT COST

15. Cargo generation is an important factor (although not the only one) in determining whether a country or, in the case of cooperation, a region is likely to be able to sustain a merchant fleet and what their market strength is to attract transport services. As SSA contributes barely 3 percent of global goods loaded and unloaded and Africa 9 percent, the region does not have a strong cargo base, and may not be able to support viable national fleets, unless they are efficient in competing as cross traders. At this point no data is available to illustrate the specific case of the MINCONMAR members but this will become possible once the Trade & Transport Project studies are available.

Table 2 World Seaborne Trade by Geographic Area, 1980/92
(millions of tons)

Area	Year	Goods Loaded				Goods Unloaded			
		Oil		Dry Cargo	Total	Oil		Dry Cargo	Total
		Crude	Products			Crude	Products		
World	1980	1,527	34	1,833	3,704	1,530	325	1,823	3,678
	1992	1,394	466	2,360	4,220	1,414	451	2,480	4,345
Africa	1980	291	6	172	469	75	11	96	182
	1992	316	35	180	531	100	10	111	221
North Africa	1980	188	3	30	221	50	2	45	97
	1992	184	31	32	247	66	4	58	128
West Africa	1980	103	2	67	172	4	6	31	41
	1992	132	3	56	191	4	3	28	35
East Africa	1980	-	1	6	7	6	2	10	18
	1992	-	1	9	10	7	3	16	26
South Africa	1980	-	-	69	69	15	1	10	26
	1992	-	-	83	83	23	-	9	32
percent share:									
West Africa/Africa	1980	35%	50%	39%	37%	5%	55%	32%	23%
	1992	42%	9%	31%	36%	4%	30%	25%	16%
Africa/World	1980	19%	2%	9%	13%	5%	3%	5%	5%
	1992	23%	8%	8%	13%	7%	2%	4%	5%
West Africa/World	1980	7%	1%	4%	5%	0.3%	2%	2%	1%
	1992	9%	1%	2%	5%	0.2%	1%	1%	1%

Source: UNCTAD. 1994 *Review of Maritime Transport 1993*. New York: United Nations.

16. Against this trade profile a two-fold question arises: (i) does SSA have adequate access to shipping services, despite its limited importance in world trade, and (ii) given the region's marginal position would this position in and of itself give rise to higher freight rates than those faced by its competitors? To answer these queries detailed knowledge of sailing schedules and cargo rates by trade will be necessary. Since this information is not yet available, global data estimated from cif/fob figures, (UNCTAD, 1992) are used to provide a rough indication.

17. In 1991 (see Figure 3), the share of freight costs as percentage of import value was considerably higher for developing countries (8.5 percent) than for developed market economies (4.4 percent). Among developing countries the following distribution applied: Africa 11.1 percent, Asia 8.1 percent, America 8.1 percent, Europe 9 percent, and Oceania 12.3 percent. When compared with industrialized countries and other developing regions, Africa clearly incurs higher freight costs. But a number of factors need to be considered:

(i) the composition and unit value of imports as for a *given* freight rate, its share of import value will be higher the lower the value of the imported goods. Thus, regions which import large amounts of expensive capital goods and computers, such as Asia Pacific, will tend to have a lower freight rate incidence than countries importing relatively more foodstuffs and consumer goods. This is true even though high value goods generally pay *higher* freight per ton;

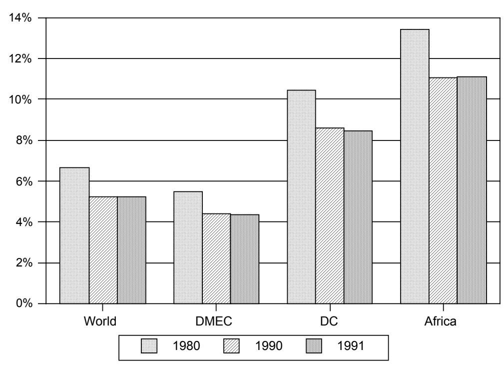
(ii) slow ship turn-around time in ports and a high number of port calls on a given voyage significantly increase costs and therefore freight rates; and

(iii) because of strong competition, pressure on freight rates are very high in other regions, thus forcing rates to a low level.

18. In order to reach a meaningful conclusion about the level of freight rates, the factors which determine their level, and their effects on national economies, detailed knowledge is needed on costs of transport chains and state of the industry. The Cotonou Round Table identified these problems and suggested that two in-depth studies) be carried out gain a better understanding about freight costs.

19. A study which was recently completed by the World Bank (Biggs, 1994), analyzed Africa's competitiveness for exports of garments and home products. Table 3 presents a comparison of selected African and Asian exports.

Figure 3: Freight as Percentage of CIF Import Values



Note: DMEC: Developed Market-Economy Countries.
DC: Developing Countries.

Source: UNCTAD. 1994*Maritime Transport Review 1993.*

Table 3 Shipping Costs from Selected Ports to New York/Newark for a 40-Foot Container Filled with Garments

Country	Zimbabwe	Kenya	Côte d'Ivoire	Senegal	Ghana	Sri Lanka	Bangladesh
Port	Durban	Mombassa	Abidjan	Dakar	Accra	Colombo	Chittagong
Costs (US$)							
·ocean freight	3,360	4,600	4,380	4,330	4,580	5,190	5,210
·port charges	2,060	2,044	1,580	1,411	578	276	333
Total	5,420	6,644	5,960	5,741	5,158	5,466	5,543
Time (days)							
sailing	38	35	15	17	20	32	37
overland	5-10	1-2	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Tyler Briggs et al. 1994. Op.cit.

In specific cases, the cost of ocean transport is lower from the African ports and the composite of five companies in Africa and Asia indicates that land transport accounts for about 1 percent of total product cost. With the relatively modest share of transport in total cost, the duration of transport may be more important than its cost. It is important to note that no information is provided on delays in ports, which reportedly are of great concern in SSA.

20. This small example indicates that actual provision of transport services and their costs do not necessarily place MINCONMAR countries at an undue disadvantage in terms of absolute freight rates. It is evident that the weak and incomplete data which are available do not permit a meaningful analysis. One of the Cotonou recommendations is therefore to establish a process for detailed data collection and evaluation (*National and Subregional Transport Monitoring Units*).

21. MINCONMAR member countries are conscious of their limited ability to influence international transport markets, which are generally characterized by unrestricted competition. The governments therefore chose to become contracting parties to the *United Nations Convention on a Code of Conduct for Liner Conferences* with the intention to promote regional carriers. However, the UNCTAD Code, which will be discussed in the next section, covers only liner cargo, whereas principal interests of West Africa are in bulk cargo.

THE ORGANIZATION OF LINER SHIPPING AND INTERNATIONAL CONVENTIONS

22. The claim that "trade follows the flag", often used in the past to justify support for national fleets, has become primarily an argument of special interest groups seeking support for maritime sector enterprises. It is agreed that *access* to efficient maritime transport is a key variable in economic development. This does not necessarily imply fleet ownership or government control. Following consultations between key industry stakeholders and government, Canada, for example, made the deliberate decision not to establish a national flag carrier, and yet the country is a leading exporter, is well served by maritime carriers and has competitive ancillary maritime industries (Sletmo, 1985). Many of the traditional maritime countries, such as Germany and Great Britain, have been forced to accept substantial declines of their national flag fleets. Ship-owning interests, however, remain substantial in several countries, such as the United States, Great Britain, and Germany which own significant tonnage under open registries (UNCTAD, 1992). A decline of national-flag shipping or the absence of a national merchant marine does not imply that these countries had to surrender participation in maritime policy matters. Their presence in international fora, such as IMO, OECD, and UNCTAD, and national maritime legislation, play an important role in ensuring competitive market conditions.

23. The market structure of liner shipping has changed fundamentally over the last decade. Three developments have occurred in parallel: (i) an increasing global integration of production and distribution processes; (ii) a diversification of industry participants; and (iii) the decline of market power of the liner conferences. The old hegemony of OECD shipping has been challenged by the New Maritime Countries (NMCs) of Asia and the Pacific which controlled 16 percent of container ship deadweight tonnage (dwt) in 1991. Six Asian developing countries ranked among the top 20 most important maritime countries measured in deadweight tonnage, and ten among the 35 leading nations.

CHANGING STRUCTURE OF LINER TRADES

24. The transport of liner cargo (i.e., general cargo, usually containerized, transported by fixed-schedule vessels) has been altered by the globalization of production and marketing of products. Hand-in-hand with important technological developments in maritime transport (e.g. containerization and electronic data interchange), this set the stage for the expansion of world trade based on an ever increasing international division of labor. The simultaneous expansion of low-cost liner shipping capacity and world trade is a case of positive synergy, making it difficult to separate cause and effect. The key point is that trade requires cost-effective transport systems. Box 2 illustrates regional experiences with containerization.

25. Reduction in bulk shipping costs based on economies of scale related to vessel size has helped to open up geographically distant markets and thus reduce the location linkages between production and processing of raw materials. What started as a simple delinking of the mining and collection of raw materials and their downstream processing, has turned into a global development in the production and marketing of manufactured products.

Box 1: Different Routes to Containerization - Competitive Strategies

Control of the container fleet is spread somewhat patchily across the globe. U.S., European, and Japanese shipowners led the first wave of containership acquisition; they were later joined by a number of largely nontraditional carriers. Thus today, outside the OECD members and the countries of the former East bloc, Taiwan, China, South Korea, Singapore, Hong Kong, plus arguably Malaysia and the Arab Gulf oil-exporting countries have to be considered full-fledged members of the container elite. This leaves Central and South America, certain Asian nations, and pretty much the whole of Africa for the third wave. It is interesting to observe the different routes to containerization in these regions. Conditions in the principal Europe-South America trades are highly favorable to the joint ventures. Until the early 1990s, widespread cargo allocation schemes meant that the non-conference sector is small, leaving carriers enmeshed in complex webs of loading and discharge rights. But the situation has changed dramatically since; almost all regional governments have adopted 'open sea' policies permitting unrestrained competition among all carriers in the market. Some regional operators have followed the traditional evolutionary route by acquiring tonnage and operating it as a joint venture in association with the fleets of their more developed trading partners. The first consortium appeared on the West Coast run in the shape of Eurosal, combining Bolivian, Chilean, and Ecuadorian carriers with Dutch and German partners. Containerization of the East Coast has been a more gradual affair with Dutch, German, and French carriers taking the lead, and some joint scheduling with private Brazilian operators. This accumulation of container carrying power has left the national lines of Argentina, Brazil, and Uruguay somewhat out in the cold. All three countries, however, are developing intra-American services via their national flag carriers. While Brazil has opted to go cellular, using partially converted vessels, Argentina and Uruguay lines basically continue to operate multipurpose carriers with a strong conventional emphasis. There is some reliance on the charter market, but overall, South American liner companies have become more involved in container vessel ownership than, for instance, their counterparts in South Asia.

The countries of the Indian subcontinent face a special array of obstacles to the development of their container fleets. The principal cargo generators in the region - India and Pakistan - are relatively unrestricted markets. Sri Lanka and Bangladesh, however, maintain cargo allocation schemes. Geographical factors have contributed to foreign competition for the region's cargo. The proximity of Pakistan and West India to the Arab Gulf makes the institution of regional feeders a viable option. International carriers transship to feeders in the region. Since the advent of containerization in this region in the early 1980s, the Indian shipping industry has complained about foreign container lines 'creaming' the expensive freight and leaving only low-value cargo for the domestic carriers. The three principal Indian carriers have pursued different strategies. Copying the successful foreign carrier service arrangements, they have set up a transshipment operation through Spain. They rely heavily on the tramp containership market for suitable vessels to upgrade their liner services. Indeed, the tramp fleet's existence enabled emerging operators to deploy modern, high-quality tonnage without committing scarce investment resources. This arrangement promises to be more effective than whole sheaves of well-intended international conventions which support policies aimed at promoting costly fleets of national flag carriers. Sri Lanka's national line was among the pioneers of containerization in the region. Although the company owns a number of relatively small container ships, its deep-sea commitments have increasingly been met by chartered tonnage. The Pakistan National Shipping Corporation has also turned to the charter market for containerized tonnage. In Southeast Asia, Indonesia has failed to follow up its initial ventures into containerization. Geography and, indeed, financial logic insist on feedering its far-flung ports through Singapore, the central point of the main East-West liner trade axis. The Indonesian government tried to prevent this through tight controls over cargo allocations, aided by the presence of a strong conference set-up. This system now appears to be on the verge of breakdown, following more recent liberalization of foreign trade. The challenge for Indonesian container operators is to develop purpose-built tonnage and to introduce effective arrangements for feedering. Elsewhere, development in the deep-sea sector is mixed. Philippine flag carriers continue to operate conventional multi-purpose tonnage.

The comparatively more developed states of West Africa also remain determinedly multi-purpose in philosophy—the inevitable consequence of a strong conventional element in their export trade. But the container-carrying capacities of the combination tonnage deployed is rising. Cameroon, Gabon, Côte d'Ivoire, Nigeria, and Togo have taken steps to equip their new multi-purpose tonnage with significant container uptakes. Moreover, new national carriers are still emerging, like the Liberian Providence Shipping Corporation that works on a charter basis with European conference partners. A combination of commercial pressures and national maritime aspirations will undoubtedly force many of the developing country lines along the all-cellular route sooner or later. The continuing presence of a significant fleet of modern, container vessels available for charter may well enable some to follow a relatively low-risk route into the fully cellular business. This, in turn, could work against the more traditional joint venture approach to international container shipping.

The aim of globalization is to systematically take advantage of labor costs and productivity differentials in different parts of the world. This is made possible because of developments in transport technology and organizations that are reflected in the concepts of physical distribution and logistics, which aim at optimizing transport flows and distribution processes and reducing inventories. To be able to provide such services, transport operators must work closely with shippers and must maintain control over the various components of the global distribution system. Box 3 gives an account of the changing competitive conditions in transport networks and highlights in particular the need for strategic alliances.

26 The technological requirements of the ocean- and the land side aspects of integrated transport networks pose difficulties for developing countries which are faced with substantial investment requirements for modern vessel and port equipment. This is compounded by the need to provide efficient inland transportation services and communication facilities to integrate the economies of developing countries into global export networks.Participation of Developing Countries in Maritime Transport

27. UNCTAD has been at the forefront of promoting the participation of developing countries in global trade. This was expressed in the goals of the Second and Third Development Decades which set specific goals for maritime transport. The quantitative targets were reached for developing countries as a whole (i.e., 10 percent of world tonnage by 1980 and 20 percent by 1990) but there are significant regional and structural imbalances. In 1992, developing countries in Asia accounted for 14 percent of global dwt, while Africa made up only 1 percent. Problems of fleet structure are particularly apparent in the general cargo sector. Developing countries increased their share of world tonnage from 18 percent in 1980 to 26 percent in 1990, representing an increase from 21 million dwt to 27 million dwt. At the same time industrial market economies reduced their engagement in conventional (non-containerized) general cargo fleets from 50 million dwt to 23 million dwt. Given the relatively low productivity of general cargo vessels, there is considerable prima facie evidence that developing countries to a large extent have invested in obsolete tonnage and have equally failed to modernize their fleets. The lack of adaptation to new technology has considerable repercussions on present and future competitiveness of the fleets of most developing countries.

Box 2. Restructuring the Shipping Industry – Causes and Effects

The 1966 debut of the U.S carrier Sea-Land on the Atlantic route suddenly forced European carriers to begin shipping general cargo in containers. The substantial investment required in container ships, containers and terminals demanded that the old, established operators form joint ventures, joint consortia and even merge with other firms to achieve the scale economies afforded by the new order. During the build-up of container capacity in the late 1960s and earlt 1970s, the degree of risk was limited by the traditional approach to organization. Vessel pooling and trade sharing between lines in consortioral alignment, combined with the conference system for price fixing and cargo reservation, preserved the status quo.

In the mid-1970s, the traditional liner shipping industry was distorted by the entry of independent newcomers, mainly from the Far East, in response to the ready availability of cheap financing that enabled them to build modern, efficient fleets. The impact was immediate. Their arrival coincided with problems in the newbuilding yards, left idle because of a drop in orders. With loads of domestically generated cargo, the new operators could undercut the established carriers where it hurts the most: on the high-paying freight that the conference systems'commodity-based tariffs perpetuated. The long and bitter arguments about reliability and level of service proved difficult to sustain when the independents were operating newer, more efficient ships on competitive – if not frequent – schedules. By the early 1980s, with container penetration reaching average levels of 75 percent and a perceived maximum near 95 percent on mainstream routes, capacity increases far exceeding the growth in traffic volume. Rates came under great pressure and the old established lines were unable to compete. Many were saddled with inefficient steam-powered tonnage less than 10 years old and with outstanding debt. Further rationalization was therefore inescapable and often painful. Re-engining and jumboization were two strategies designed to restore competitive advantage, but still the pressures were excessive.

The move towards ever-greater scale economies was heightened during the 1980s and early 1990s. The pressure to maintain fixed schedules has forced resource pooling among smaller operators and outlays for large fleets by the independents. Clearly, the pressure on rates is not going to ease in the foreseeable future. It is by no means certain that there is a lower limit at which rates stabilize. Experience suggests that operators will continue to be willing to offer capacity below cost for a time to secure market share and the effects of direct and indirect state interests, and subsidies is not grounds for encouragement. With virtually no leeway at sea, most of the major operators are looking inland at the total distribution chain in an attempt to regain their competitive advantage. With the cost of the deep-sea leg of most major routes below 35 percent of the total, inland distribution, terminal and container-handling costs make up the lion's share of the overall door-to-door through transport bill. Since the concentration of sea-borne capacity is an inescapable result of the restructuring process, the costs of providing inland infrastructure – on a scale remotely economic – will further concentrate the distribution function in a few hands.

As traditional shippers seek to expand inland with road and rail services, American President Lines (APL), a U.S. carrier, serves as a role model. Based on considerable domestic volumes, daily coast-to-coast services (double-stacked to add to the economies) give the mainly Pacific-based operator an enviable position in terms of service and cost. The addition of own-account road haulage capacity completes the picture. With higher paying, time-sensitive freights a sales target, APL markets swift, reliable transit times backed by computerized documentation and cargo-tracking facilities. APL is progressively expanding is "full coverage" services virtually to all the countries along Asia's Pacific rim. The carrier's full service operation, known as physical distribution management (PDM), streamlines the entire functions of production scheduling, warehousing and delivery. PDM aims at the best possible tradeoff between time and money in the distribution of goods. In this context, it is interesting that combined sea-air services on long-haul routes are becoming more important. These services offer faster transit times and lower cost than the all air-option. For example, the rates from North Europe to Australia via Singapore are 30 to 40 percent below air freight rates on a 25-day transit. The sea only route would imply about 40 days transit.

Despite the increasing concentration of capacity into the hands of a few, there will certainly remain a niche for smaller independent operators especially on secondary and tertiary routes. Even on the mainstream routes, service based on minimum cost port-to-port operations will continue for some time, mostly in the case of developing countries'trades.

UNCTAD CODE OF CONDUCT

28. A key instrument in promoting the maritime involvement of developing countries has been the United Nations Code of Conduct for Liner Conferences which was formulated during the 1970s and reflects the structure of conference-dominated liner shipping that *prevailed at that time*. However, the code came into force only in 1983, at a time when liner fleets had undergone major changes, most notably the wide-spread use of containerization. The Code mirrors the policies and aspirations of developing countries with regard to national merchant fleet development and the problems encountered by these countries both in terms of cargo protection and national fleet promotion. According to UNCTAD *Review of Maritime Transport 1993,* eighteen of the 25 MINCONMAR countries are contracting parties to the Code and have made the provisions of the Code a foundation of their maritime policies. The liner cargo sharing provision of 40/40/20, the right to adhere to conferences serving the West African trade and freight rate negotiations to be conducted by shippers' councils are regarded by many regional countries as key elements for establishing and maintaining national fleets and accessing cargo markets.

29 The cornerstone of the Code is the conference system which has been significantly altered since the Code was conceived. For more than one hundred years, liner conferences had provided the organizational framework within which liner shipping developed as a largely self-regulating industry. Despite shortcomings, conferences were generally recognized as being beneficial to trade, by providing scheduled, fixed-rate services. Regulatory action taken at national, regional, and international levels did not necessarily question the existence of conferences, but was directed at avoiding abuses that the system might lend itself to. However, the market power of conferences has been weakened considerably during the last two decades as independent carriers and more flexible commercial arrangements, such as joint ventures and stabilization agreements, have emerged. In addition, the extensive use of flags of convenience and regional economic integration have rendered the principle of national cargo sharing largely obsolete.

30. Shippers' councils are another integral part of the Code and UNCTAD identified two main purposes for such councils: (i) to unite shippers and to give them the necessary bargaining strength to obtain adequate and efficient services at minimum cost; and (ii) to provide shipowners, government agencies, and port authorities with a means of communicating with shippers, and of obtaining an authoritative shipper viewpoint (UNCTAD, 1975). In the African context, councils have primarily served the first objective, whereas European shippers' councils are consultative bodies and do not engage in freight rate negotiations (Sletmo and Holste, 1994). There appears to be an inherent problem of the mandate of shippers' councils and UNCTAD observed that "it does seem that serious conflicts of interest may arise from involving bodies charged with protecting the shippers' interests in the controversies and difficulties which are liable to emerge in the mechanisms of cargo sharing" (UNCTAD, 1975). The Cotonou study R5 *Mission and Role of Shippers' Councils* will analyze the situation of shippers' councils in the West African context.

31. The weakening of the conference rate structure and the use of door-to-door rates has eroded the ability of the councils to negotiate on behalf of the shippers. Large shippers can benefit from direct negotiations with carriers, particularly when there is a surplus of tonnage and rates are depressed. Medium- and small-sized shippers may be at a relative disadvantage because of their weaker bargaining position and their lack of market knowledge necessary to organize the transport of their goods or to judge the soundness of services offered by ocean carriers or freight forwarders. It has been argued that for these

shippers, councils can perform essential services, such as negotiations with shipping companies, information for shippers on costs and conditions of transport, monitoring of market developments, and representation of the interests of the trading community vis-à-vis governments in their formulation and implementation of shipping and transport policy measures. Such services, however, can arguably also be provided on a commercial basis by freight forwarders.

32 The problem of the small shipper is not much different from that of small firms in general. For example, small firms may have greater difficulties obtaining bank loans at favorable rates than large competitors. Often, the solution for the small firms lies in identifying appropriate middlemen or niche providers capable of efficiently supplying the service needed. In the case of liner shipping, these providers exist in the form of freight forwarders and consolidators who operate on a commercial basis.

UNCTAD'S CURRENT POSITION ON LINER SHIPPING

33. UNCTAD's promotion of the Code of Conduct in the 1970s and 1980s was based on market conditions and development objectives which prevailed at that time. More recently, most industrialized and a number of developing countries have adopted strategies to re-orient their economies toward a more competitive and export-oriented system and closer regional integration. These developments are particularly strong in Europe, the Americas, and Asia, and go hand-in-hand with a gradual reduction of government intervention and a liberalization of markets for goods and services (including shipping). It is nevertheless realized that some developed and many developing countries hesitate to liberalize their shipping industries. Many countries attach great importance to maintaining national fleets in the belief that it is essential to the national economy. Liberalization may therefore require a gradual, carefully phased approach. To make progress in the area, UNCTAD is promoting greater transparency, for example through the creation of a database on measures affecting service trade, and services trade statistics.

34. In the past UNCTAD concentrated its efforts on policies designed to expand the national fleets of developing countries, particularly through the redistribution of international fleet ownership (Behnam, 1994). Governments were usually the targets of the actions, and the strategies pursued reflected the then existing environment of East/West ideological conflicts and the North/South divide. In 1992, UNCTAD defined new terms of reference for its Committee on Fostering Competitive Services and called upon an ad hoc group of experts to assist in formulating the new work program. The agenda which was consequently adopted stressed that commercial criteria should be the basis for developing countries expanding their participation in world shipping, and that the objective of transportation services should be to facilitate trade. An essential element for developing countries would be the ability to have commercial control over transport services, rather than fleet ownership. Future shipping policies would have to be based on progressive liberalization and the principles of free and fair competition.

35 UNCTAD now follows the premise that maritime transport should be treated as a service to trade and not taken as an industry in its own right, and that the development of national infrastructure, national policy frameworks and national capacities to deal with shipping in a liberal commercial framework, are of utmost importance. In this context, it is vital that developing countries become efficient consumers of shipping services through improved organization and functioning of collective shippers' organizations and introduction of efficient trading and transport systems and practices.

NATIONAL MARITIME POLICIES

36. West African governments remain firmly committed to the principles of cargo reservation as laid out in the UNCTAD Code. No data is readily available on the costs of national flag shipping to the economies of West Africa but several of the in-depth studies to be undertaken in 1995 will provide information on this question. Evidence from other countries may, however, shed some light on the complexity of the economics of preferential cargo treatment. The U.S. Congressional Government Accounting Office issued a report in December 1994, which documents findings into the costs of flag protection and cargo reservations in the U.S. This concept is applied inter alia to aid cargo (e.g. grain shipments), moving of strategic oil reserves, military equipment, and coastal trades. Over the past five years this policy is found to have more than doubled transport costs payable by the U.S. government, and has amounted to an additional US$3.5 billion. A study carried out in the late 1980s confirms the concern among economists that cargo reservation schemes are a costly and ineffective way of obtaining the desired objectives of the UNCTAD Code (Yeats, 1990). For a sample of countries, total losses from the cargo reservation schemes are more than ten times the accompanying gains. The study found that the higher freight rates were needed to keep less-efficient African national lines operating, while offering the performing European carriers important gains. What emerges from these examples is the need to analyze in detail West African conditions and to identify the cost versus benefits of reservation schemes based on the UNCTAD Code.

37. MINCONMAR members continue to pursue national maritime policies based on the principles of the UNCTAD Code. The provisions of the Code are, however, of less relevance today than at the time of its creation. Cargo reservation based on "nationality" of either cargo or flag is an outdated concept and in conflict with the competition rules of the European Union. The EC extend nationality application to all member countries. This has contributed to a discord between the European Union and MINCONMAR over maritime policies.

38. Since maritime transport is considered a strategic industry by most West African countries, they have placed ownership of the shipping companies with the state. Consequently, commercial considerations often take second place. Even though public ownership does not need to present a problem as such, experience in a number of countries has revealed shortcomings at the managerial level as well as in the attitude of the single shareholder concerning the financial performance of national carriers. A program of commercialization might help to install controlling mechanisms for the effective implementation of sound financial and management practices. A number of developing countries have formulated and implemented new shipping policies, thus responding to tendencies of greater liberalization prevailing at the multilateral level. For example, the majority of South American countries have followed that path.

39. A basic question which arises from the UNCTAD Code is whether it indeed enables African countries to better control their import costs and the competitiveness of their exports, or whether it provides the countries with a shield to maintain a maritime transport industry at the expense of shippers.

LINER SHIPPING IN WEST AFRICA

40. Following the adoption of the UNCTAD Code, West African nations rapidly expanded their fleets, hoping to be in a position to take full advantage of the cargo sharing formula. The Code is limited in its application to liner conferences and conference cargo, and does not extend to outsiders, slot chartering or bulk trade. West African governments have realized that this coverage limits the usefulness of the Code for their trades and have lobbied to amend the Code to include all categories of cargo. For instance, this would mean applying the 40-40-20 rule to bulk shipments of oil, wheat, and other commodities which today are frequently carried under charter contracts at very competitive rates. Given the general trend towards more liberalization in services, and the difficulty involved in applying cargo sharing to charter traffic, it is unlikely that this effort will meet with success.

41. It should be pointed out that the issue of cargo reservation evolves around commercial control of vessels and not the country of registry. Liberia, which is a member of MINCONMAR, is the country of registry of the world's largest merchant fleet by dwt, but not a single African country is among the top 35 maritime countries by domicile of owner (UNCTAD, 1992). Practically all the "Liberian" tonnage in fact belongs to shipowners domiciled in industrialized countries, but who find it convenient to use the Liberian flag for a number of reasons, including tax considerations and labor rules. During the late 1970s and early 1980s, Africans purchased enough ships (general cargo vessels) to ensure the shipping of their liner cargo under the UNCTAD Code. Declining revenues and traffic volumes, compounded with the relatively low productivity of general cargo vessels, brought these vessels rapidly to a point where they were no longer commercially viable. Table 4 gives an overview of selected national fleets of West Africa. West African tonnage is concentrated on general cargo carriers (2.2 percent of world tonnage in 1991) and fleet size is rapidly shrinking. If the apparent development of reduction of tonnage registered and used continues, most West African national shipping lines might find themselves without ships in the near future.

Table 4: Merchant Fleets of Selected West African Countries

(general cargo tonnage in DWT '000)

Country	1989	1990	1991	1992	1993
Ghana	114	100	133	132	107
Nigeria	737	727	726	752	749
Côte d'Ivoire	100	100	99	100	142
Cameroon	39	39	40	40	40
Togo	65	78	34	21	21

Source: UNCTAD. *Review of Maritime Transport 1991, 1992, 1993, 1994*.

As mentioned in the previous section, West African countries have invested in tonnage which is already growing obsolete by not being adaptable to technological requirements of container transport. In 1990, these nations owned cellular container tonnage with a carrying capacity of 1,810 TEUs, which is considerably less than the capacity of a single third generation containership. In 1992, this had declined to 585 TEUs.

42. At the end of 1990, 66 containerships were on order in the world but none were West African carriers (UNCTAD, 1993). The trend among West African shipping lines has been to reduce their fleets, for example Ghana's Black Star Line and Nigeria's National Shipping Lines owned and operated a total of 45 multipurpose vessels in 1985. In the early 1990s, they owned and operated less than 20 vessels, having sold part of their fleet without replacement. The financial constraints of the companies preclude in most cases the acquisition of new tonnage, given the cost (end 1994): US$21 million for a 15,000 dwt general cargo ship, US$42 million for a 1,200 TEU RO-RO vessel, and US$40 million for a 2,500 TEU container ship.

43. Most shipping lines in West Africa are on the verge of collapse; some are virtually bankrupt. A number of factors have contributed to this situation. These include the absence of cost-effective institutional and human resource development strategies. There is an apparent lack of competent managerial staff, resulting in a lack of planning and business management. Some of the governments involved seem to consider shipping as an ancillary service promoting foreign trade, rather than as a commercial business enterprise operating in a highly competitive industry. The national carriers have suffered from severe under-capitalization preventing fleet renewal and modernization because governments, which are the sole shareholders, have not provided new capital. The insistence by governments that national fleets are vital for their economy is not reflected in appropriate shipping policies which should provide enabling environments conducive to effective commercial management of the lines. A number of cases have been observed where national shipping lines "sell" their cargo shares to other carriers.

THE LINER SHIPPING MARKET

44. The MINCONMAR region has a small cargo base--it contributed 1.2 percent of total exports to OECD countries and 1.3 percent of imports from the same region. The proportion of general cargo is insignificant when compared with the total trade volume of OECD countries. The conclusion can thus be drawn that maritime transport of general cargo to and from West Africa is affected by the international shipping markets, but that the region has no significant impact on this environment.

45. Carriers from the European Union, operating largely under flags of convenience, have an important share (82 percent) of this narrow market. Within the conference trade, African shipping lines operated 16 percent of capacity and European shipping lines 84 percent, which indicates that West African vessels carry far less than the cargo shares allocated to them by the UNCTAD Code. At the time of the Cotonou Round Table, the subregion was served by five major conferences, whose share of total traffic varied from 60 to 100 percent within their respective operating ranges: South and North COWAC (Continent West Africa Conference) with a conference share of 60 and 80 percent respectively, MEWAC (Mediterranean Europe-West Africa Conference): 80 percent, UKWAL (United Kingdom-West Africa Joint Service): 60 percent, CEWAL (Central and West Africa Line): 75 percent, AWAFC (American-West African Freight Conference): 100 percent, and FEWAC (Far East-West Africa Conference): 85 percent. There were some 40 African and European shipping lines operating in these conferences, with the already indicated dominance by Europeans. In addition to conference carriers, there are a number of independent operators, such as Maersk and O.T. Africa Line. As in all other trades, independent shipping lines are gaining in importance and are providing an added measure of competition.

46. Just prior to the Cotonou Round Table, the European Commission (DG IV) ruled that cargo arrangements between conference members and West African countries were contrary to competition rules and imposed fines on the operators. SDV carriers consequently withdrew from the COWAC, MEWAC, and UKWAL conferences, which called the whole structure of West African liner trades into question. SDV's withdrawal was part of an agreement reached with the EU in order to reduce the fines levied against the group. Following the weakening of COWAC and MEWAC in the aftermath of the 1992 Brussels fines, those two conferences closed down in February 1994. In their place EWAC (Europe-West Africa Conference) was created for the remaining African and European conference carriers. Market developments since the Cotonou Round Table will be briefly reviewed in Section 6 of this synthesis.

47. The European carriers, which until April 1992 were conference members, can be divided into two main groups: (i) the French-based SCAC-Delmas Vieljeux (SDV) Group, and (ii) the CMB, EAC, WAS, DAFRA LINE, and WOERMANN LINE Group, which represents Belgian, Danish and German interests. These players have established market arrangements which gain maximum efficiency from capacity sharing and joint service marketing, effectively providing fully integrated door-to-door services from freight originator to client. The carriers have the financial and human resources to provide shippers with reliable services based on modern transport and communications technologies. As members of conferences they had a cargo base that was sufficiently large (from 40/40/20 rights and participation in free sectors) to have commercially sound operations. However, to fulfill their conference obligations they have to call at numerous ports, which because of infrastructure limitations (shallow drafts, cargo handling equipment, etc.) add to operating costs and sailing times. African conference members operate small-or medium-tonnage multipurpose ships (12,000 to 17,000 dwt) which are less efficient than those of the European operators. These carriers usually focus on national ports but time thus saved is offset by poor ship productivity. The independent European carriers serve special niches, such as between busy ports (Antwerp-Lagos, UK-Lagos) or ports which are poorly served by other lines, and where there are no national carriers (Gambia, Liberia). These carriers operate outside the conference environment and have established their market position through service quality and low-cost operations.

48. In addition to European and West African carriers, South African companies have made important inroads into the market. The South African shipping scene is largely dominated by two companies: Safmarine and Unicorn Lines. In 1991, Unicorn Lines began to operate a scheduled service to West Africa in cooperation with CMB Transport. Unicorn Lines and SDV have also formed a joint venture under the name of Unicorn-Delmas, reaffirming SDV's market position and extending its reach to the southern part of the continent. Also in 1991, Safmarine acquired a 49 percent share in CMB Transport. The rapid integration of South African operators into existing networks underlines the dynamics of the market which far outrun government initiatives. An important development on the port side has been, for example, the increasing use of Abidjan as a hub port. An agreement between the American Lykes Bros. Line and Safmarine established a service between the US and West, Central and Southern Africa via Abidjan. CMB Transport and members of the South African-Europe Container Service (SAC) are also using Abidjan for a hub-and-spoke system. Maersk uses Algeciras (Spain) as a transshipment port for West Africa, indicating that a hub-and-spoke system can make use of a geographic area transcending continental boundaries.

PHYSICAL RESTRICTIONS

49. The small cargo base in West Africa restricts the number of regional carriers that can be sustained and limits market entry by commercially-oriented carriers. In addition to these market-based characteristics, there are a number of factors that negatively impact transport performance in the region. The most important one are: access restrictions which limit the ship size and port capacity. North-South trade is very scattered, often requiring over 15 calls per voyage to ensure a full load. Only a few ports have operational gantry cranes (Abidjan and Lagos) and container vessels have to be equipped with their own lifting and handling gear. On average West African ports are among the least productive in the world, significantly adding to time spent in ports and affecting trip duration; and port charges are very high. The use of containers has become an integral part of door-to-door delivery systems since containers can seamlessly be transferred between the different modes. This, however, requires an infrastructure, otherwise benefits of containerization are foregone, for example when containers have to be stripped in port to comply with customs regulations integrated with its regulatory environment.

50. Table 5 shows the exceedingly low level of container transport moving through West African ports when compared to that of leading developing countries. The combined port container traffic of the selected African countries (523,311 TEUs) was less than the TEUs that passed through Durban, South Africa in 1992 (569,730 TEUs).

Table 5 Container Port Traffic of Selected Developing Countries, 1991 and 1980

Country/Territory	1992		TEUs 1988
	Rank	TEUs	
Hong Kong	1	7,972,236	1,464,961
Singapore	2	7,580,000	917,000
South Korea	3	2,751,006	687,904
United Arabs Emirates	4	2,506,422	339,982
Indonesia	5	1,329,365	75,464
Côte d'Ivoire	24	188,728	133,858
Nigeria	27	169,435	238,926
Ghana	39	83,000	na
Cameroon	40	82,148	na
World Total		*100,734,472*	*36,510,087*

Sources: 1992 data from UNCTAD. 1994. *Review of Maritime Transport 1993*. New York: United Nations. 1980 data from *Containerization International Yearbook 1982*. London: The National Magazine Company Ltd.

51. It is nevertheless interesting to observe that despite the relatively low containerized cargo levels, West African ports were served by a considerable number of carriers. For example, 31 carriers had direct-call liner services into Douala (including CMB, Cosco, K-Line, and Zim) and 36 lines served Abidjan (including Lykes, Maersk, MOL, and Wilhelmsen), and Freetown counted eleven carriers (including DSS, Maersk, and NL).

52. Since maritime transport can no longer be considered in isolation from the transport chain, infrastructure beyond the port is also of significance. Poor road conditions which hinder transport between places of production and the ports, add to overland travel time. Insufficient communication links, e.g. phone and fax reliability, satellite coverage and computer network, interfere with--or make impossible--electronic data interchange (EDI) which has become a vital component in modern logistics chains. Cumbersome customs procedures add to the time cargo has to spend in ports, often also requiring additional payments.

Box 3. Trade & transport Facilitation Program

One possible way to improve the competitiveness of the international trade of any country, is to increase the quality of international transport while minimizing associated costs. In addition, it is essential to reduce any possible transaction cost in adapting commercial practices to international standards and to remove any unnecessary trade barriers, within the economical, social, and political context of that country.

The coherent implementation of these ways and means constitutes a *Trade & Transport Facilitation Program* which covers the systematic rationalization of all procedures related to trade and transport in a country. Facilitation means removing barriers through, simplification, standardization and harmonization of procedures, information flows, and documentation. Effective improvement of international transport operations can only be achieved through efficient multimodal transport operations resulting from reduced physical barriers and institutions' interference.

However, this is not sufficient. There is a need, equally important, for overall structural changes covering new trade and transport practices, particularly in the field of Customs procedures and in the use of modern trade and transport-related technology. Governments and commercial parties must become aware of the benefits that can be derived from the implementation of facilitation measures and adopt an appropriate positive attitude towards them.

The interaction between transport infrastructure, international trade, and transport operations is such that investments in infrastructure facilities and equipment will not reduce commercial transaction costs unless operations related to foreign trade are free from institutional or physical interference. In other words, transport infrastructure investments may add to a country's debt burden without contributing to improve the competitiveness of its international trade.

The Role of the Economic Commission of the European Communities

The Economic Commission and the UNCTAD Code

53. European Economic Cooperation moved to a new stage of economic and political integration when the European Union came into effect January 1, 1994. Maritime transport carries over 90 percent by volume of the EU's trade with non-member countries and about 40 percent of trade is estimated to be carried on EU-flag vessels. The EU's maritime objectives reflect the need for access to competitive transport and the market economy approach of the community. Among the stated objectives and directly relevant to maritime relations with West Africa are: free access to a world market without distortions of competition; competitive operating conditions for the community fleet, and promotion of safety and environmental protection (Clough and Randolph, 1991).

Box 4. The EU and Maritime Transport

The four key institutions of the EU are: the Commission of the European Communities, the Council of Ministers, the European Parliament, and the Court of Justice. All four are relevant to maritime transport but their actual or potential involvement varies considerably. Progress towards a common EU policy on maritime transport has been slow, at least partially reflecting the low priority assigned to maritime matters, compared with other sectors of the economy. Of most immediate relevance for this synthesis is the mandate of the EU Commission, which is divided into 23 Directorates-General (DG) of which three are involved in maritime matters and competition policy. DG VIII deals with development policy and touches upon the Lomé Convention and the UNCTAD Code. DG IV deals with competition and Directorate D is responsible for transport (in addition to steel, coal, and cars). DG VII is concerned with transport and is divided into three directorates: (A) Maritime Transport, (B) Inland Transport, and (C) Air Transport.

54. The *Treaty of Rome* calls for the development of a common transport policy, including liner shipping, respecting the above mentioned objectives. The UNCTAD code is basically incompatible with certain provisions of the *Treaty of Rome*, in particular the principle of non-discrimination on grounds of nationality. Through the *Brussels Package* (1977) the community found the means to resolve these incompatibilities and to preserve competition on a commercial basis while offering national lines of developing countries particular opportunities to participate in liner conferences and the trade carried by them.

55. The *Brussels Package (Council Regulation 954/77)* enables member states to ratify or accede to the UNCTAD Code by stipulating that the reservations set out in Annex 1 of the *Package* be included in any such ratification. A key point of the reservations is that the 40-40-20 cargo sharing provisions of the Code do not apply to intra-Community trade nor to OECD countries with whom reciprocal agreements exist. Under the terms of the reservations, the shipping lines of developing countries were to be allocated 40 percent of cargo traded with the Community, while the rest would be redistributed according to commercial criteria to all EU shipping lines participating in the trade. This is often referred to as "the 60-40" cargo sharing formula as opposed to the 40-40-20 principle. One qualification of this agreement is that there would be a redistribution of shares among national lines of the EU, taking account of the volume of cargo carried by the conferences and generated by the member state whose trade is served by it and the needs of the shipper whose cargoes are carried by the conferences.

Box 5: EU Competition Rules

Regulation 4055/86 "applies the principle of freedom to provide services to maritime transport between member States and between Member States and third countries," existing restrictions for Community shipowners, either unilateral measures or bilateral cargo sharing agreements, had to be phased out progressively or appropriately modified, by December 31, 1992. It prohibits cargo sharing agreements in future agreements with third countries. Regulation 4056/86" lays down detailed rules for the application of Articles 85 and 86 of the Treaty of Rome to maritime transport"; this regulation deals with the EU competition rules and their application to liner conferences. Regulation 4056/86 provides block exemption for liner conferences, subject to conditions and obligations. The regulation acknowledges that "...liner conferences have a stabilizing effect, assuring shippers of reliable services;...contributing generally to providing adequate efficient schedules maritime transport services..." In circumstances where competition in a given trade is precluded by preventing the operation of non-conference lines as a result of, inter alia, action by a third state, a fundamental requirement is no longer met and the group exemption will be withdrawn. Regulation 4057/86 "on unfair pricing practices in maritime transport"; it provides for the imposition of a regressive duty on foreign shipowners enjoying non-commercial advantages granted by a third state and persistently charging freight rates which are too low to be sustainable by companies operating on a commercial basis. Regulation 4058/86 "concerns coordinated action to safeguard free access to cargoes in ocean trades"; it provides for consultation and eventually measures to be taken to counter restrictions imposed by third countries.
1

56. The foundations of community shipping policy are defined in the *1986 Legislation* which has the aim of ensuring free and non-discriminatory access to cargoes for community shipowners and to secure fair competition on a commercial basis in the trades to, from and within the EU, with due respect for the interests of shippers and ports.

57. The cooperation between community members and West African countries is set out in the *Lomé IV Convention* which explicitly deals with shipping, liner conferences, the UNCTAD Code, and the eligibility of shipping services to benefit from development aid (*Articles 126-131*, *Article 134*, and *Annexes XVI-XIX*). *Annex XVI* and *XVII* explain the different approaches of the Community and the 69 participating African, Caribbean, and Pacific (ACP) countries. The objective of the cooperation entered into "shall be the harmonious development of efficient and reliable shipping services on economically satisfactory terms by facilitating the active participation of all parties according to the principles of unrestricted access to the trade on a commercial basis" (Article 126). The community members also acknowledged in this Convention the aspirations of the ACP States for greater participation in bulk cargo shipping" (Article 128).

THE COMMISSION'S POSITION ON WEST AFRICAN SHIPPING POLICIES

58. The divergence over the interpretation of the UNCTAD Code between the European Union and West Africa has made maritime relations conflictual over the last decade. In the late 1980s, several multilateral negotiations were held between the Community and West African governments in an attempt to resolve differences in the maritime policies of the two regions but the efforts did not meet with much success. In particular, there has been disagreement over how to achieve the 60-40 cargo sharing. In principle, this should happen within the conference, based on commercial considerations. In fact, some

countries went beyond this principle, pressuring shippers to use African tonnage. Thus, a particularly contentious point has been the Central Freight Bureaus (CFBs) which were based in European capitals and through which West African countries were enforcing their cargo sharing regulations. The EU considered the CFBs to operate in violation of competition principles.

LINER COMPANIES' SERVICES IN WEST AFRICA

59. The declining power of conferences and the poor performance of national lines serving West African trades provided an incentive for the two groups to cooperate. One of the strategies adopted to restrict further market penetration by independent carriers was the introduction of cargo notification forms (known as Form C in Nigeria) which were also used as a document of entitlement to carry cargo. Since cargo sharing was done almost exclusively through the conferences, the Form Cs (which were obtainable only at the European offices of the conferences) became priced commodities. The conferences, led by UKWAL in early 1989, also tried to influence importers and exporters in Europe by implying that unless they used conference vessels, they might encounter delays in West Africa.

60. The independents led by Maersk Line of Denmark, eventually lodged a formal complaint with the European Union against restrictive trade practices. In April 1992 the Commission adopted a *Decision on the French-West African Shipowners Committees Case*. The Commission found that their arrangements were contrary to the EU competition rules. In particular the arrangements permitted the foreclosure of certain EU national markets to competition from other EU member states' shipping lines, which is contrary to the very objective of creating a single, unified market. The Commission also found that the practices of the committees led to higher transport costs for goods moving between France and West Africa, to the detriment of EU and West African shippers. For these reasons, the Commission prohibited French-West African shipowners committees and imposed fines on their members. A fine of US$18.8 million was imposed on SCAC-Delmas Vieljeux (SDV) which was accused of colluding with West African governments and state shipping companies to create price-fixing cartels between 1981 and 1991. Through its numerous joint ventures, acquisitions, and trade agreements, SDV allegedly controlled 66 percent of the trade between France and West Africa, and 24 percent between Europe and the African continent. In April 1993, the Commission also imposed a fine of US$11.5 million on CMB-Transport, while Nedlloyd Lines of Holland was fined US$120,000 for allegedly engaging in anti-competitive practices in the northern Europe/Central African (CEWAL) trade.

61. SDV paid its fine and withdrew from the conferences. CMB-Transport appealed against the Commission's actions and Nedlloyd Lines sued the Commission at the European Union's Court of First Instance in Luxembourg on March 19, 1993. Although there were over sixteen indigenous and foreign shipping lines involved in the alleged price-fixing cartels the fines so far have been imposed only against shipping lines of the European Union which participated in the West African conferences.

THE FUTURE OF EUROPEAN-WEST AFRICAN MARITIME TRADE RELATIONS

62. Following the withdrawal of the European members of the shipping conferences in West Africa, a new market structure appears to be emerging in the region. The conferences continue to lose market share and consist largely of inefficient national carriers, some of whom no longer operate vessels. Former conference members, such as SDV, operate as outsiders with fully integrated transport networks. They maximize operating efficiency through modern vessel technology and cargo sharing arrangements. In addition, there is a number of tramp operators whose share of the trade is small.

63. Maritime policy frameworks need to be redefined to respond to changing conditions and structures in shipping markets. The European Commission continues to review or modify its legislation to keep up with changing industry realities. Other major users of shipping services, such as Canada and the U.S. share this endeavor. Among the new industry arrangements which are not captured by the EU *1986 Legislation*, the US *1984 Shipping Act* or Canada's *Shipping Conferences Exemption Act* are maritime consortia and stabilization agreements. The approval of the so-called "enabling regulation of consortia" by the European Union's Council of Home Affairs Ministers on February 25, 1992 was one attempt to accommodate market arrangements within the existing legislation. Subsequently, the European Commission issued an implementation regulation which grants to consortia in the European liner trades a group exemption from the Union's competition laws.

64. The question of maritime consortia poses particular difficulties in West Africa. Because of limited market size, consortia operating in the region's trades invariably control large market shares. Therefore the premise that they will provide shippers with better services and competitive freight rates needs to be closely monitored. EU competition rules require that shippers or other market participants file complaints against abusive practices with the Commission. It may also initiate an investigation on its own initiative. Additionally, the need for monitoring strengthens the case for shippers' councils or regional monitoring units equipped to closely observe market developments and which have the mandate to carry complaints forward.

POST-SCRIPT

65. Transport markets in West Africa, like in all other regions, continue to evolve at a rapid pace. One of the characteristics of a footloose industry, such as liner shipping, is that performing companies rapidly adjust to changing market conditions, while less efficient competitors face losses and eventually withdraw from the market or, in the case of state-owned carriers, require ever increasing subsidies from the government. A difficulty in assessing maritime transport markets in West Africa is the absence of reliable statistical data and market information. This update of events since the Cotonou Round Table can therefore be only a cursory overview, while more detailed study analyses will become available during the course of 1995.

66. A few months prior to the Cotonou Round Table, the European Commission ruled that certain European conference members, particularly SDV, CMB Transport, and Nedlloyd, had abused their dominant position and were seeking to regulate the market through bilateral committees set up with African partners (paragraph 51). SDV responded by withdrawing from the conferences which led to temporary uncertainty about the future of West African liner trades which had been defined by strong conferences. In fact, the markets show dynamic moves by European, and to a lesser extent African, participants which follow the objective of rationalizing operations. In November 1994, OT Africa Line announced a weekly service between the Far East and West Africa by way of transshipment over northern Europe. The main advantage for shippers is that they will have to deal with only one carrier and that cargo will move on one bill of lading. OT Africa's move is a reaction to an increasing diversification of West African imports, 20-25 percent of which now originate in the Far East. In the fall of 1994, CMB Transport and DSR-Senator Lines merged their multipurpose Europe/West Africa services and deployed three ships of around 20,000 dwt/800 TEU, instead of a total fleet of seven to eight ships previously. CMB introduced a dedicated Europe/Angola/Zaire link to serve the minor south/western Africa ports no longer covered by the main multipurpose service.

67. Some of the West African shipping lines have undertaken cautious efforts to remain in the market. SITRAM, Côte d'Ivoire's national carrier, carried out a redundancy program (releasing 50 percent of its shore staff) and the sale of a number of ageing vessels, and acquired to reasonably modern ro-ro/containerships from SDV. The government, however, remains firmly committed to the UNCTAD Code. Nigerian National Shipping Line and Ghana's Black Star Line have made changes to their management teams and are considering renewal of their fleets. Serious under-capitalization may interfere with those plans.

68. The creation of African Liner Services may be the long overdue response of West African shipping companies to rationalization efforts, so vigorously pursued by the European competitors. Under the lead of Senegal's Cosenam, several countries (Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, and Togo) are trying to offer a coordinated service, but this effort might remain restricted to a cargo-slot arrangement. This nascent regional effort might, however, set the region's maritime industry on the track towards cooperation.

ANNEX I

THE TRADE AND TRANSPORT PROJECT

1. The Sub-Saharan Africa Transport Policy Program (SSATP) is implemented through several subcomponents (including road maintenance, rural transport, and maritime transport), each being financed by one or more donors. The program has proceeded along the principles laid down at the second meeting of the International Advisory Committee, in Oslo, Norway, in November 1988.

2. The main objective of the Trade and Transport Project is to improve maritime transport efficiency in order to strengthen the international competitiveness of Sub-Saharan Africa countries. To reach this objective, project work is centered on formulating a maritime transport development strategy and the preparation of an action plan to be implemented during the Second United Nations Transport and Communications Decade in Africa (UNTACDA II). Jointly managed by MINCONMAR and the World Bank, with the financial support of EC (DGVII-Transport, and DGVIII-Development), France, Canada, and the Netherlands, the project is guided by a Steering Committee, an Executive Committee, and an Implementation and Coordinating Unit.

3. The definition and monitoring of the studies is carried out under the guidance of the Executive Committee (see Box 1 for study objectives), assisted by the Implementation and Coordinating Unit established in Abidjan, at the MINCONMAR General Secretariat. The Unit is staffed with a transport economist from Burkina Faso and a transport engineer from France.

4. The studies will establish a basis for common market responsive regional maritime policy, to be discussed and agreed during a final Round Table in 1996. The Coordinating Unit in Abidjan, in consultation with the Executive Committee and the technical committee at the World Bank, will evaluate and monitor progress reports. Close coordination will be necessary to ensure a comprehensive and coherent conduct of the studies.

5. The implementation of the studies is as follows: R1 *Development of a New Maritime Transport Policy* was awarded in February 1995, and the inception report has been received; the closely linked study R6 *Agencies Involved in Regional Maritime Cooperation* was also launched in February and the interim report is in preparation; the studies financed by DG VIII will be launched in May, they are: R2 *Agencies Involved in Regional Maritime Cooperation*, R4 *National and Subregional Transport Monitoring Units*, and R5 *Mission and Role of Shippers' Councils*. The French sponsored study R3 *Comparative Analysis of Costs of the Transport Chain* and R4 *National and Subregional Transport Monitoring Units* is ongoing (part 1 on bananas is available, part 2 on cacao is in preparation). The studies R7 *Evaluation of Transport Facilitation Plans* and R8 *Human Resource Management* are on stand-by.

6. The third Executive Committee meeting was held in Brussels, in January 1995, to update the implementation schedule and to finalize discussion on the terms of reference of the UNDP proposed study. The next meetings are planned for the third quarter of 1995 and two workshops are tentatively scheduled for the fall.

Box 6: Recommendations for Studies

Study	Contents	Sponsor
R1	***Development of a New Maritime Transport Policy*** Objectives: (i) determine the potential supply and demand for maritime transport services assuming a regional services approach; (ii) evaluate new technological and organizational opportunities for regional maritime transport that would reduce costs in the transport chain; (iii) identify potential strategies available to companies in the region; and (iv) identify the administrative, legal, and tax reforms necessary for implementing these new regional organizations and strategies.	CIDA
R2	***Agencies Involved in Regional Maritime Cooperation*** Objective: assess the structural objectives and the means of action of subregional organizations charged with interstate cooperation in the areas of maritime transport and port services.	EC-DG VIII
R3	***Comparative Analysis of Costs of the Transport Chain*** Objectives: (i) evaluate the significance of global transport costs and service quality for the competitiveness of the principal African export products, as well as the impact of the transport chains on the cost of factors of production imported by West and Central Africa; and (ii) explain variations in price and service quality by costs paid by transport companies and by the organization of the transport market.	FAC
R4	***National and Subregional Transport Monitoring Units*** Objectives: (i) supply national and subregional authorities with detailed information and relevant indicators for carrying out their maritime policies; and (ii) develop a coherent framework defining the necessary indicators and data, which would be comparable between countries and suitable for aggregation at the subregional level.	FAC and EC-DG VIII
R5	***Mission and Role of Shippers' Councils*** Objectives: (i) to review the activities of the shippers' councils since their creation; and (ii) to adapt the shippers' councils to the new economic and maritime environment.	EC-DG VIII
R6	***National Shipping Lines and their Feasibility in a Regional Framework*** Objectives: (i) propose new strategies for African shipowners; and (ii) evaluate the resources needed and propose financing plans.	EC-DG VII
R7	***Evaluation of Transport Facilitation Plans*** Objective: examine the status of transport facilitation and preparation of plans of actions in coordination with UNCTAD subregional programs.	UNDP
R8	***Human Resource Management*** Objectives: (i) to obtain, by means, of appropriate activities, closer correspondence between training and jobs, both in terms of quantity and quality; and (ii) to better motivate persons employed in the maritime transport sector.	to be identified

REFERENCES

Behnam, A. 1994. "Future of the Shipping Dialogue in UNCTAD. *Maritime Policy and Management*. Vol. 21. No. 1.

Biggs, Tyler et al. 1994. *Africa Can Compete! Export Opportunities and Challenges for Garments and Home Products in the U.S. Market.* World Bank Discussion Paper 242, Africa Technical Department Series. World Bank, Washington, D.C.

Clement, Jean A.P. "Striving for Stability: CFA Franc Realignment." *Finance and Development*. June 1994.

Clough, Mark and Fergus Randolph. 1991. *Shipping and EC Competition Law*. London: Butterworths.

Peters, Hans. 1993. *The Maritime Transport Crisis*. World Bank Discussion Paper 220. World Bank, Washington, D.C.

Sletmo, Gunnar K. and Susanne Holste. 1994. "Shippers' Councils: Role and Responsibility-A Western View. *Maritime Policy and Management*. Vol. 21. No. 4.

Sletmo, Gunnar K. (Chairman). 1985. *Task Force on Deep-Sea Shipping. Report to the Minister of Transport*. Ottawa: Transport Canada, TP 6347E.

UNCTAD. Annual publication. *Review of Maritime Transport*. New York: United Nations.

UNCTAD. 1975. *Protection of Shipper Interests: Shippers' Councils*. TD/B/C.4/127/Supp. 2.

---. *Guidelines Toward Application of the Convention on a Code of Conduct for Maritime Conferences*. ST/SHIP/1.

United States General Accounting Office. 1994. *Cargo Preference Laws-Estimated Costs and Effects*. GAO/RCED-95-34.

World Bank. 1993. *Shipping Services in Western and Central Africa*. SSATP Working Papers 2 and 9. MINCONMAR and Environmentally Sustainable Development Division, Technical Department for Africa.

World Bank. 1994. *Adjustment in Africa*. Washington, D.C.

Yeats, Alexander. "Maritime Transport," in Patrick A. Messerlin and Karl P. Sauvant. 1990. *The Uruguay Round--Services in the World Economy*. World Bank and United Nations Centre on Transnational Corporations. World Bank, Washington, D.C.