



# The Current Situation of the Transportation Sector in the Greater Caribbean

Presented by

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# Organization

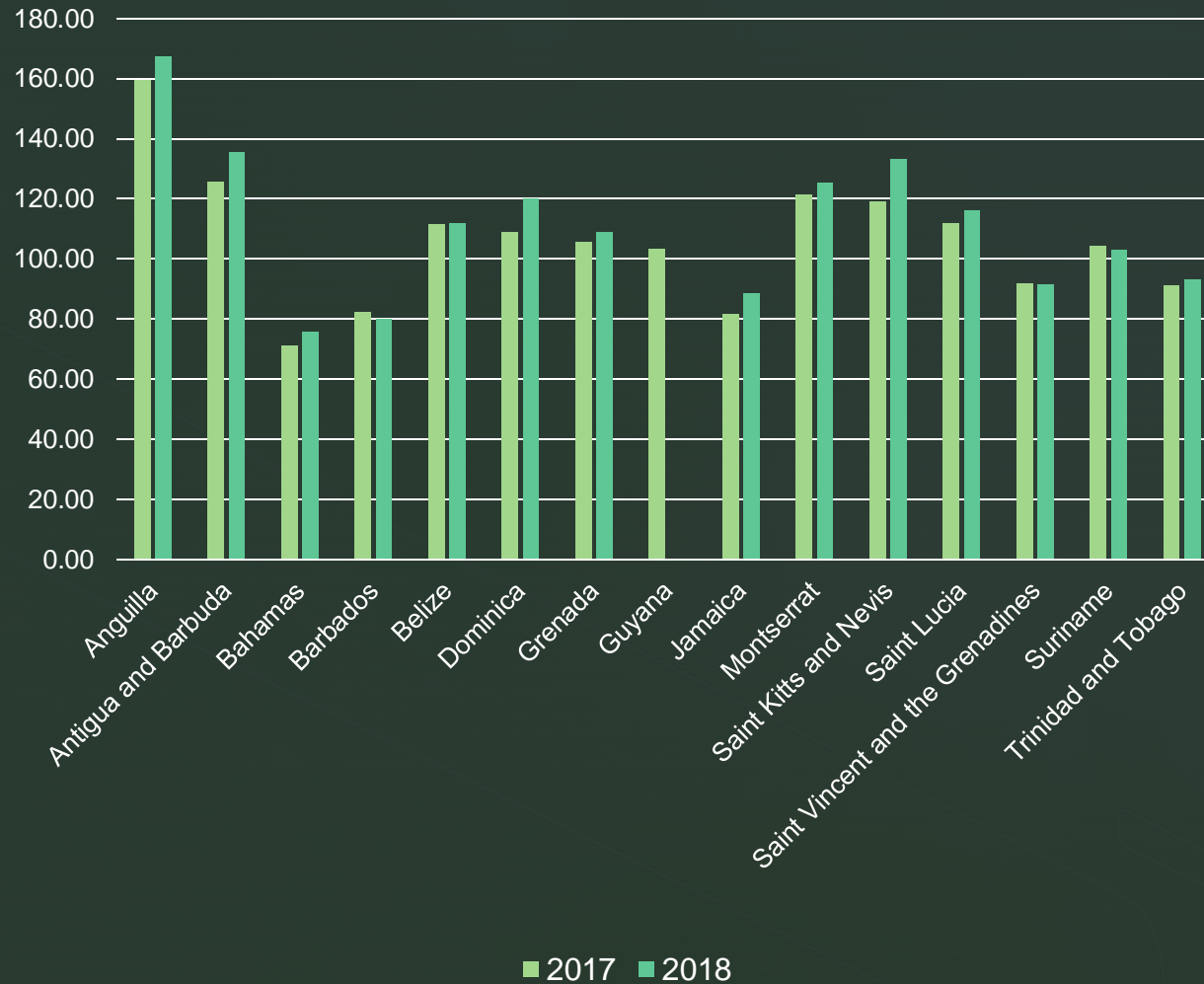
- ❑ The Role of Transportation in the Greater Caribbean
- ❑ Impacts of Covid 19
- ❑ Implications for the Future

# The Role of Transportation in the Greater Caribbean

- ❑ Support of Trade and Services – Agricultural and Mineral Exports; Passenger Services for Stayover and Cruise Tourism
- ❑ Most Transportation Services (Air, Cruise and Commercial Shipping) provided by Extra-regional providers/investors
- ❑ Many Caribbean SIDS highly tourism, and imports dependent

**High Trade  
Openness  
Implies High  
Dependence on  
International  
Transportation**

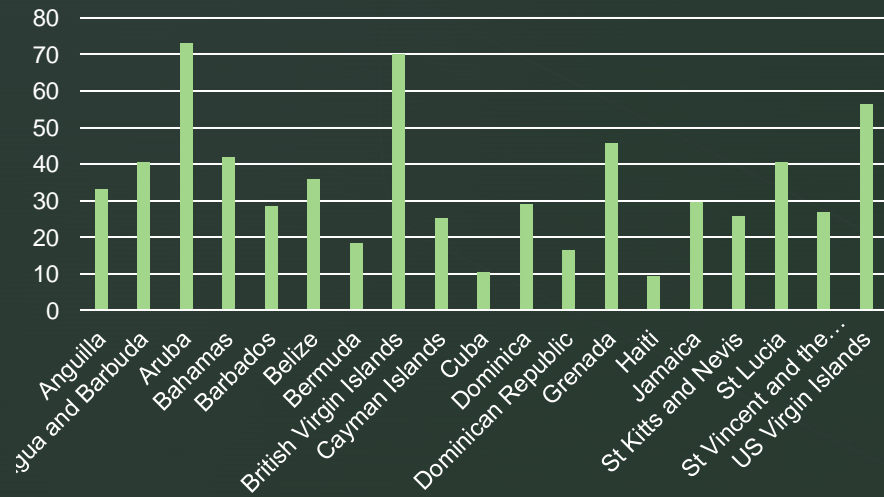
Trade Openness - Caribbean Countries: 2017  
& 2018



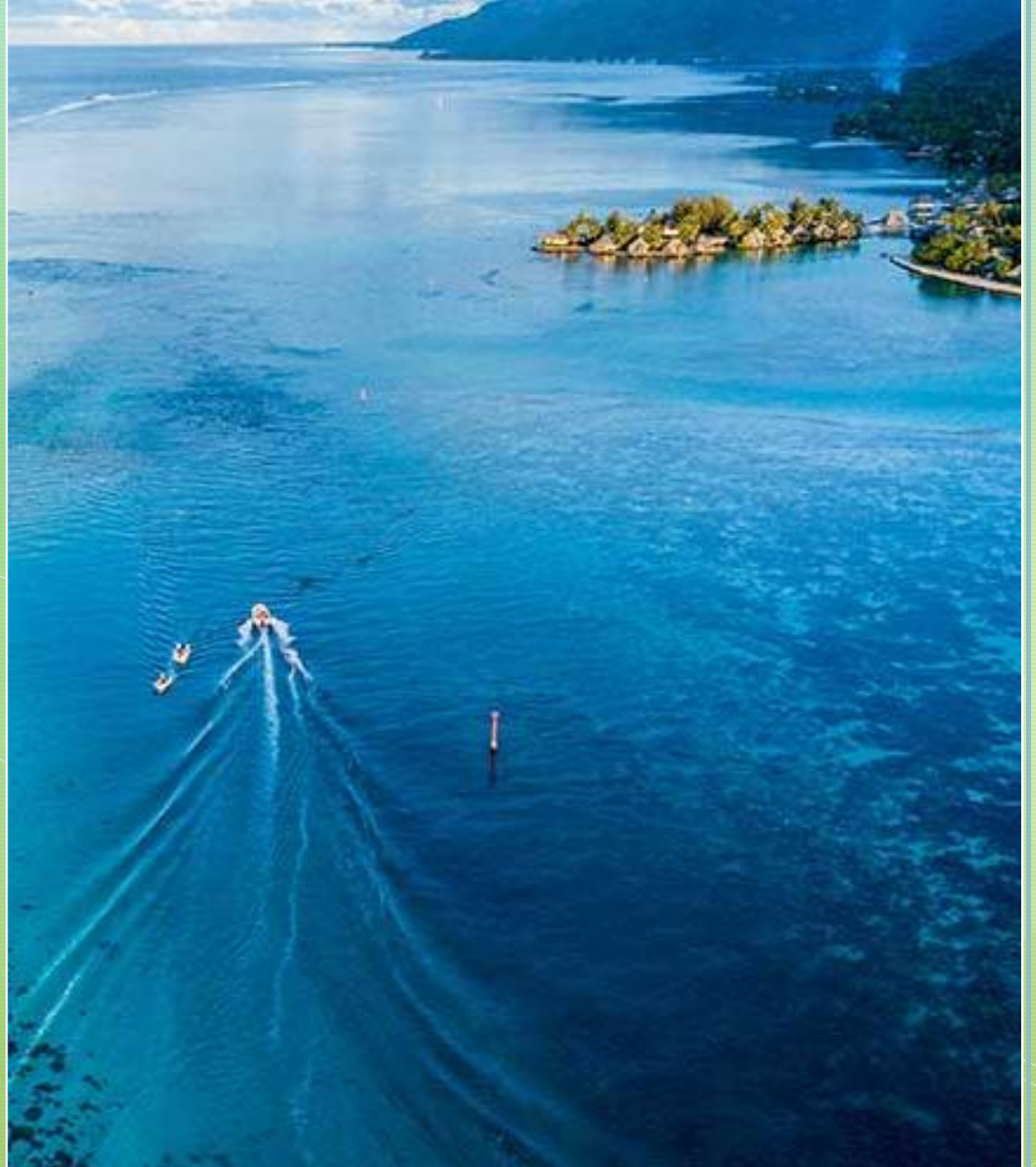


# Tourism is a Key Sector

Tourism Percentage Contribution to GDP - 2018



Source: WTTC and ECLAC's Calculations







Greater Caribbean is the largest cruise destination in the World

# Impacts of Covid 19 on Transportation in the Greater Caribbean

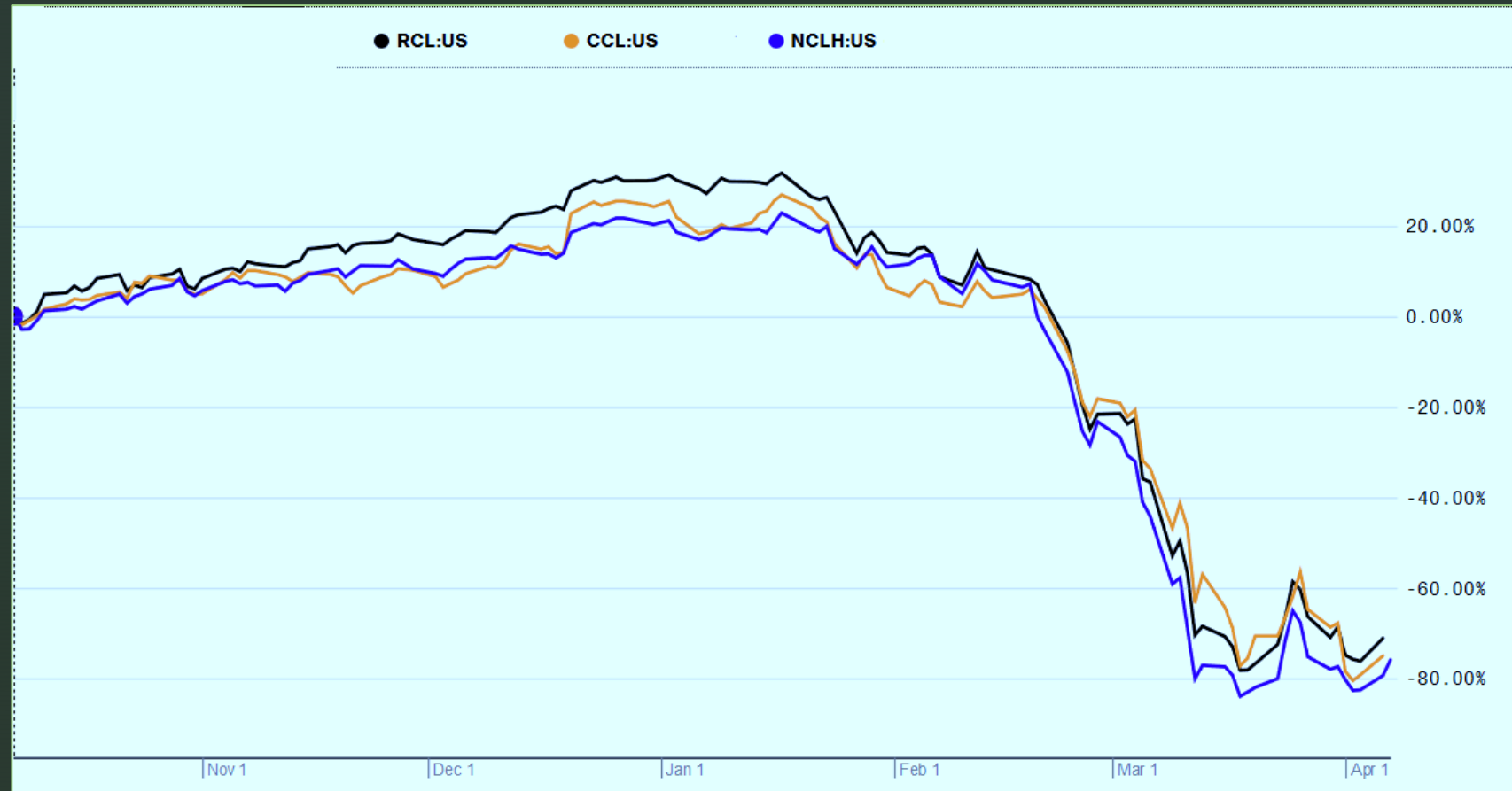
Disruption of  
Cruise lines

Closure of  
Airports and  
Disruption of  
Stayover Arrivals

Impacts on  
Freight and  
Commercial  
Shipping

# Global Impact on Cruise

Trends in Stock Values of Global Cruise Lines  
– Oct. 2019 – Apr. 2020



Source: Bloomberg Markets, 2020



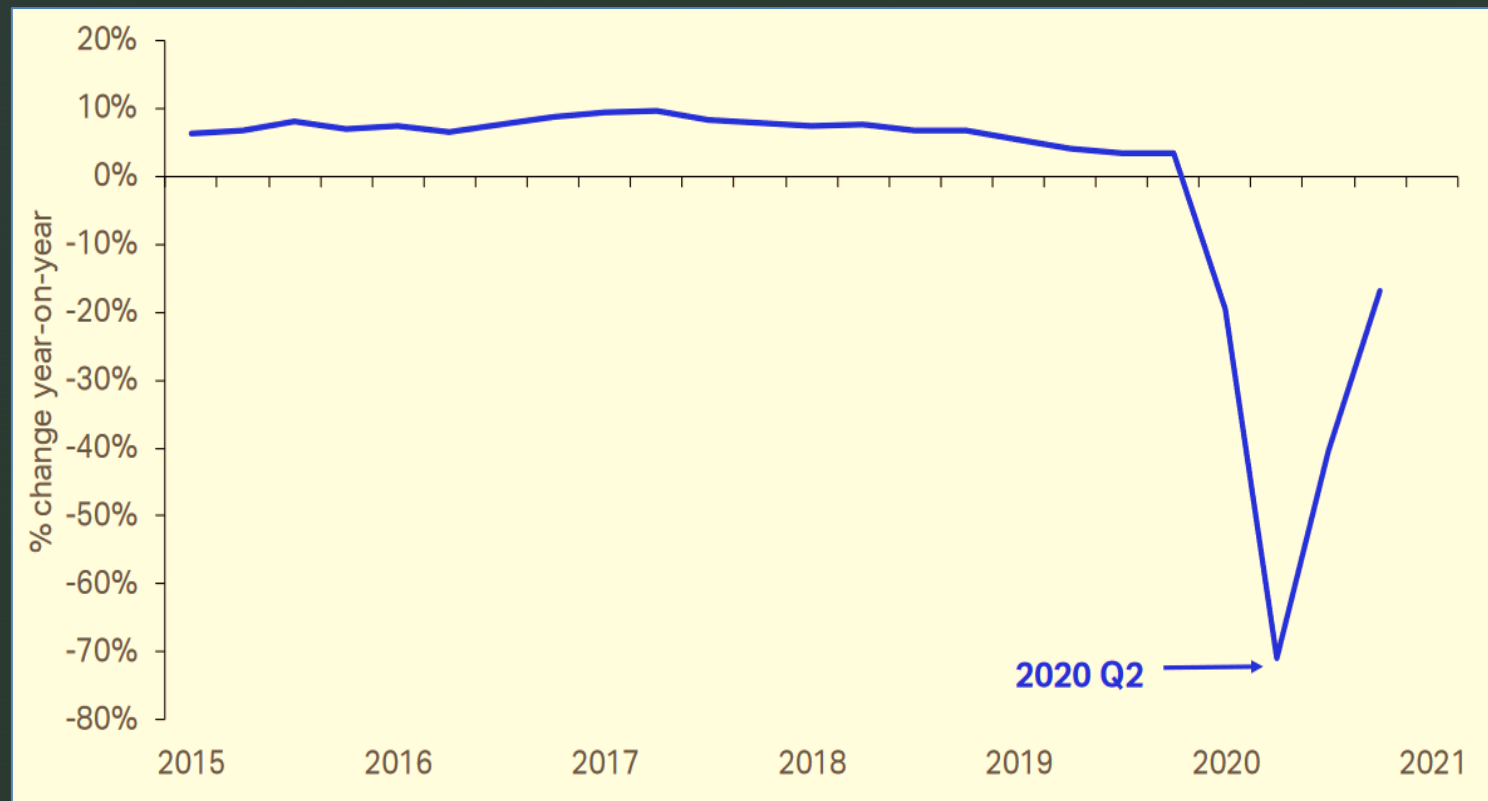
**Estimated  
Changes in  
Available Cruise  
Berths to the  
Eastern Caribbean  
– First Quarter  
2020**

CRUISE LINE	MAX. NUMBER OF BERTHS PER YEAR (ALB)	AVERAGE ANNUAL REVENUE (BERTHS ONLY)	LOSS OF BERTHS DUE TO COVID 19	ESTIMATED REVENUE LOSS DUE TO COVID 19
Carnival Corporation	2,175,336	1,197,670,440	362,556	199,611,740
Royal Caribbean	1,043,664	697,958,400	173,944	116,326,400
Norwegian Cruise Line	423,471	332,064,780	195,176	164,141,320
MSC	502,170	603,871,140	97,856	117,608,120
<b>TOTALS</b>	<b>4,144,641</b>	<b>2,831,564,760</b>	<b>829,532</b>	<b>597,687,580</b>
<b>% Loss of Berths for Period (all cruise lines): 20.01</b>				
<b>% Loss of Revenue for Period (all cruise lines): 21.11</b>				

Source: ECLAC

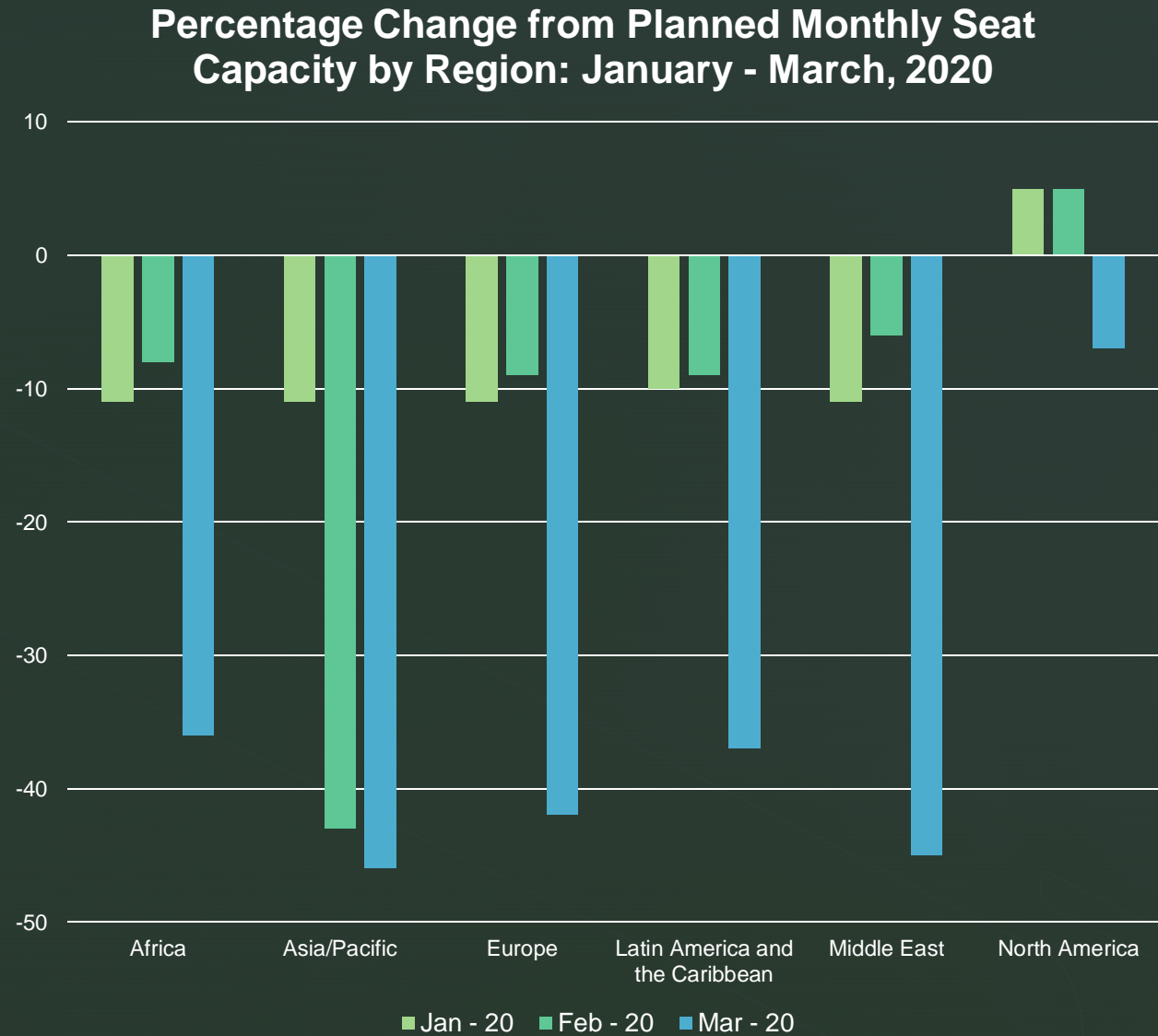
# Global Impact on Aviation

Percentage Change Global RPK - Year on Year: Q2, 2019 – Q2, 2020



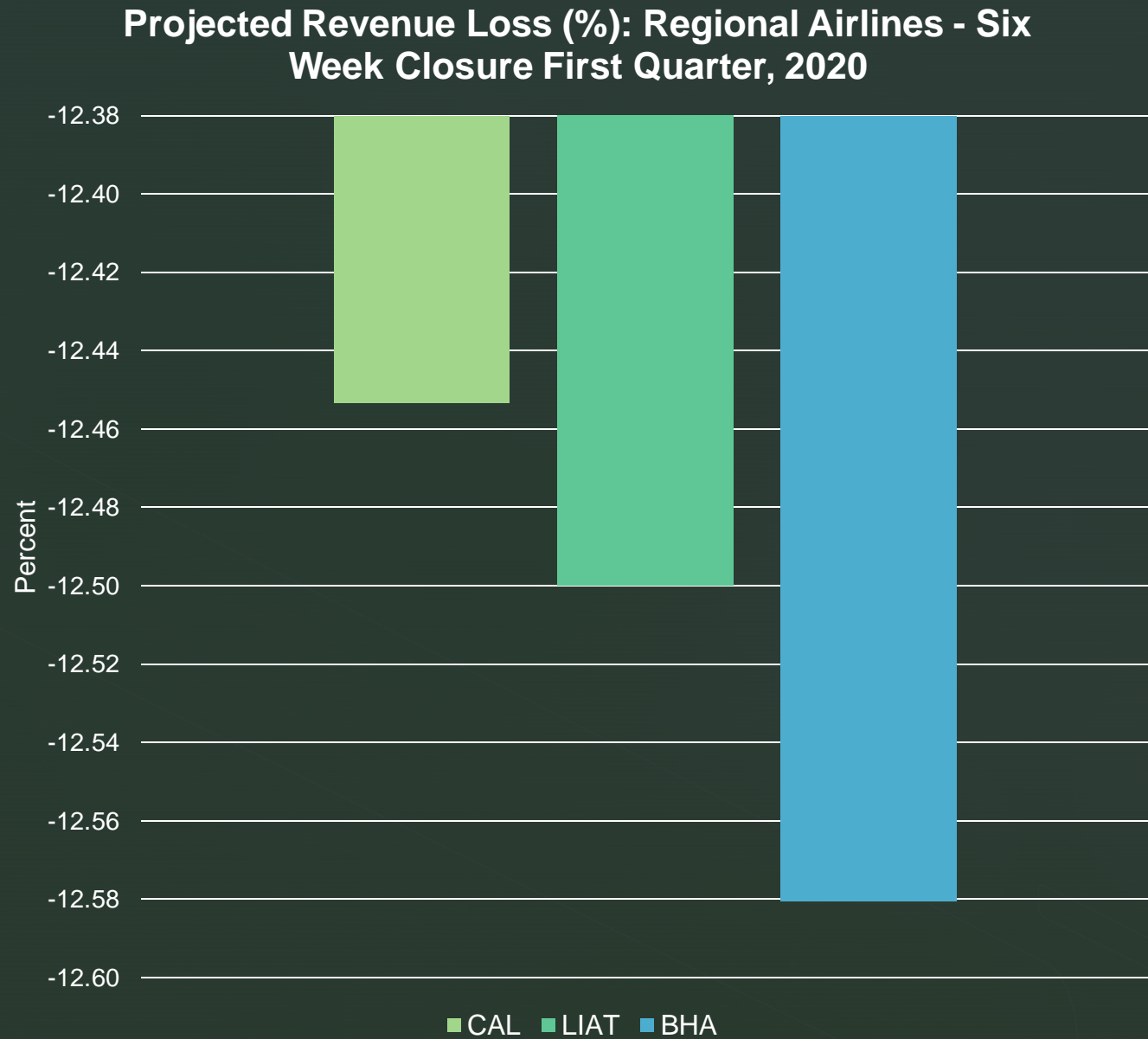
Source: IATA

# Latin America and the Caribbean Compared to the Rest of the World



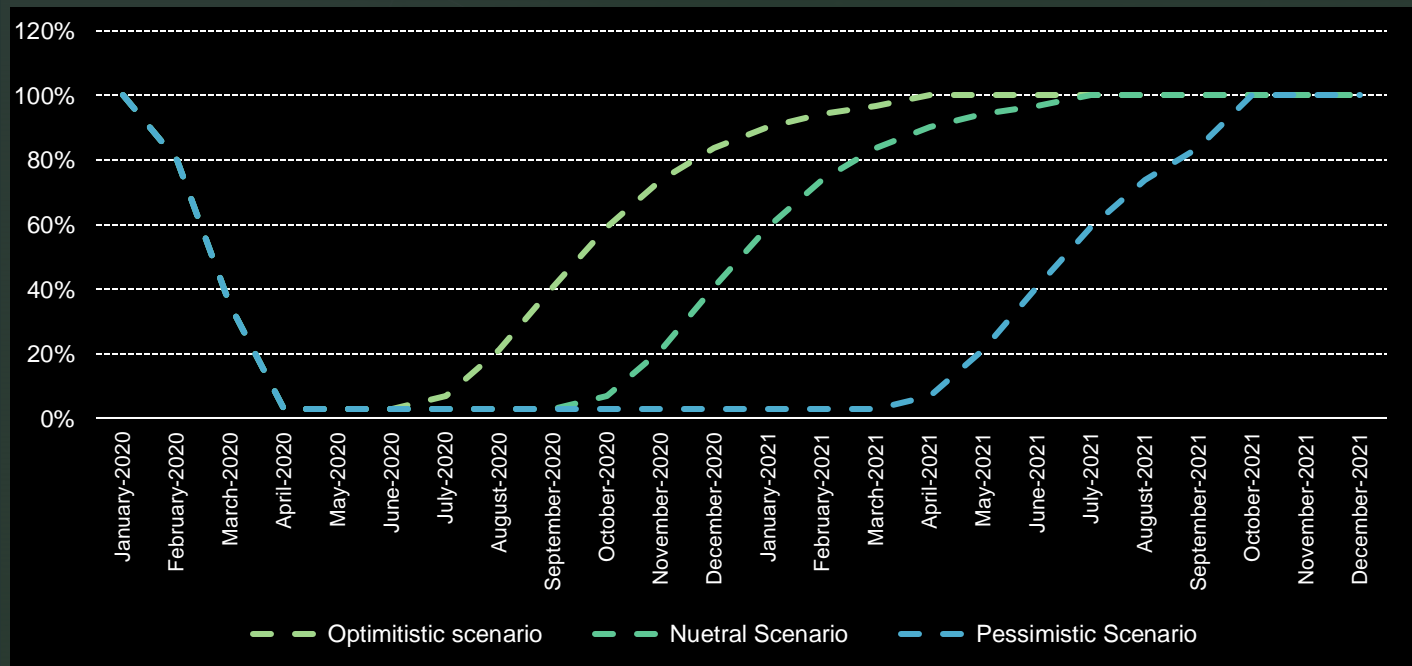


## Impacts on Regional Carriers



# Effects on Tourism

Forecasted Tourist Arrivals to the Caribbean  
(Per cent of baseline forecast)

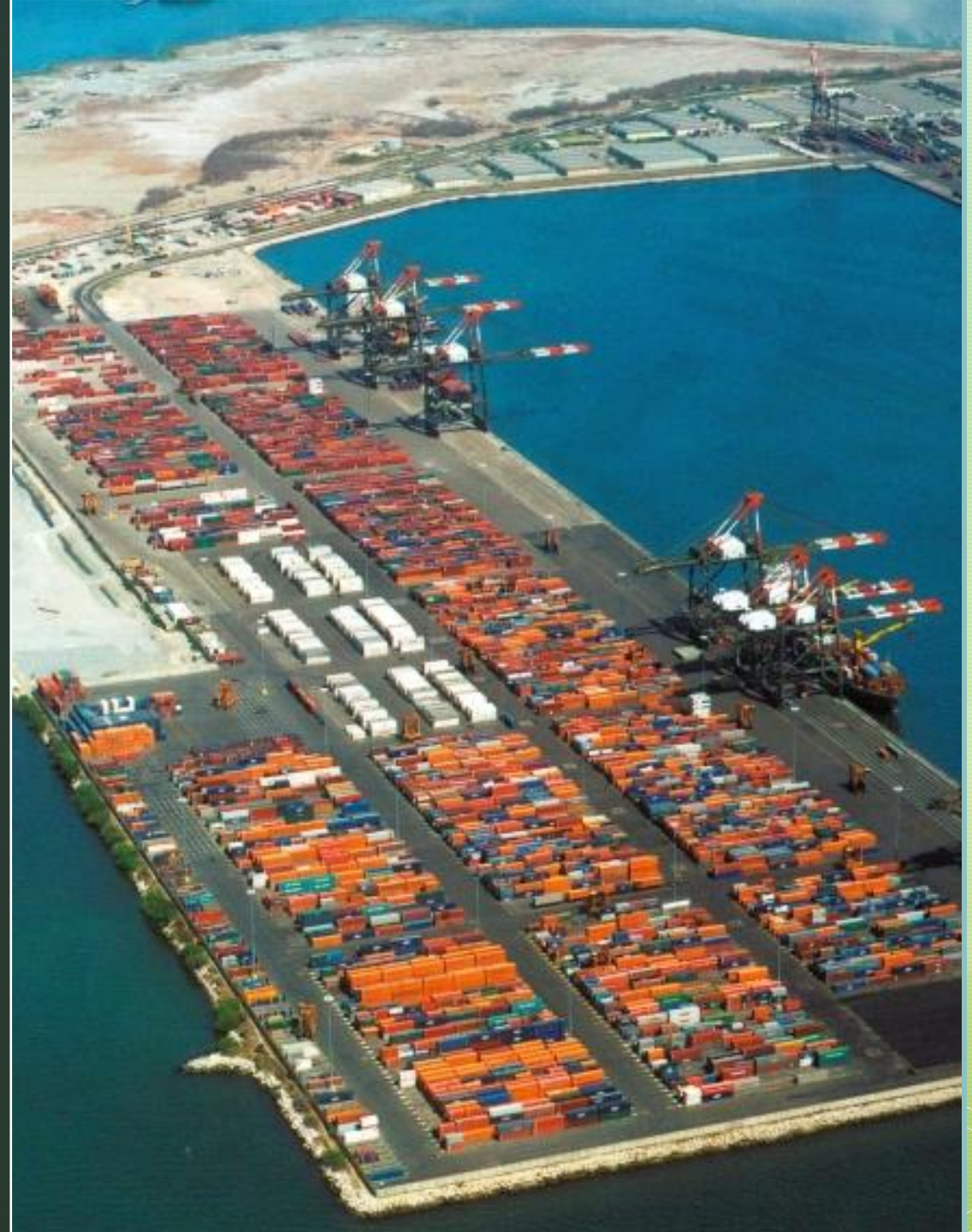


Source: ECLAC's Calculations



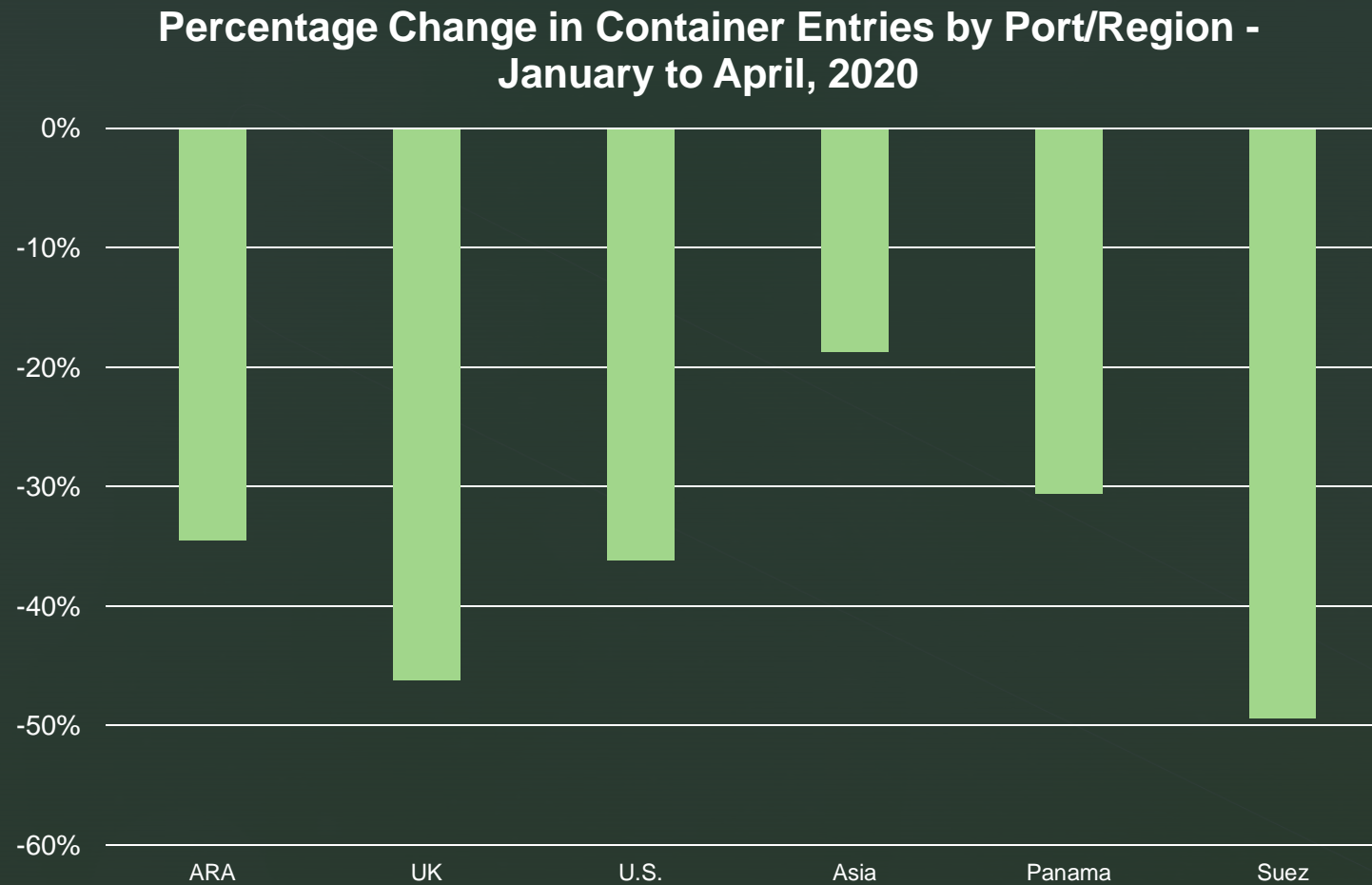
# The Commercial Shipping Sector

- ❑ Not as severely disrupted as airlines and cruise, but still significant globally
- ❑ Ripple effects felt due to supply chain and logistics disruptions
- ❑ Port labour affected due to lockdowns and Covid 19 management measures implemented in countries





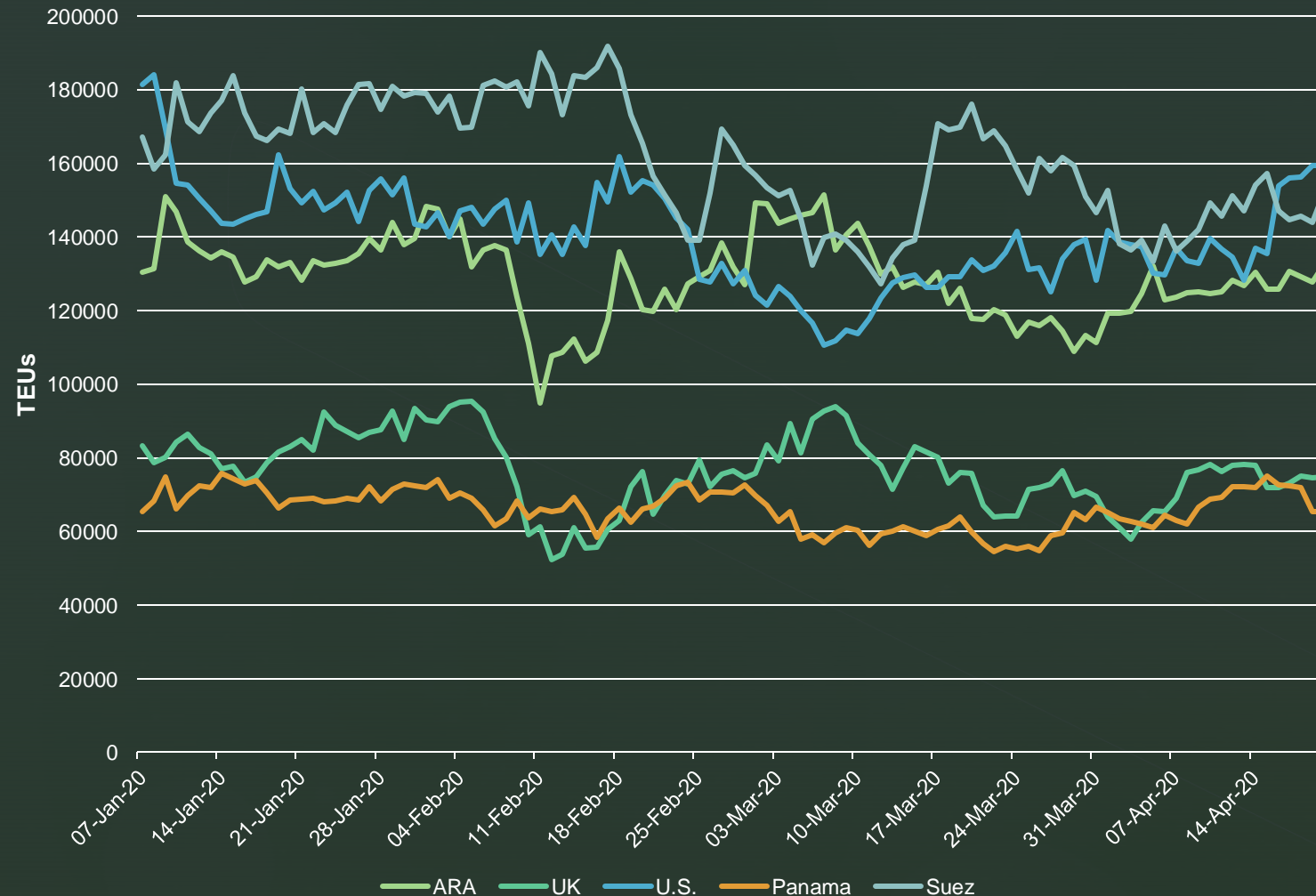
# Impacts on Global Container Movements



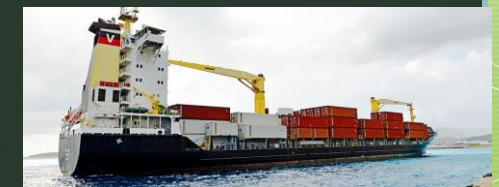
Source: Based on Data from Bloomberg, NEF, 2020

# Comparative Impacts on the LAC Region

Chart 8: Marine Trade Flows: Container Entries to Selected Ports/Regions - First Quarter, 2020

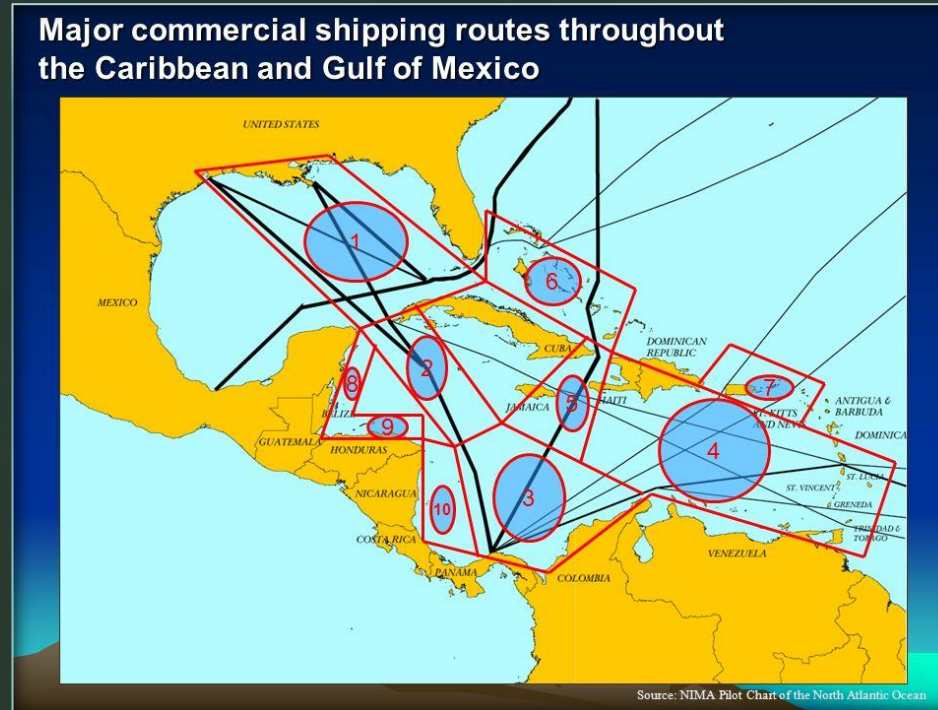


Source: Based on Data from Bloomberg, NEF, 2020



# An Important Implication for the Caribbean

Low liner connectivity indices for many Caribbean SIDS imply that reduced import capacity due to Covid 19, could possibly motivate further consolidation of short-sea commercial shipping services, with reduced shipping options for many Caribbean ports over the medium to long term.





# Towards the Future

- ❑ Biggest challenge remains the ability of both source and destination countries to ascertain the health status of travellers in a timely and efficient manner.
- ❑ Countries are likely to have to implement costly border procedures to achieve this.
- ❑ This is especially critical for the cruise sector
- ❑ Interim measures (social distancing) for commercial transportation are likely to prove expensive, and with limited efficacy.
- ❑ Regional travel will likely resume over the shorter term, but international travel will be challenged.



**Thank You!**