

Coopération régionale pour une Plateforme cohésive visant à renforcer la Connectivité des Transports

Par: Port Management Association of the Caribbean (PMAAC)

ASSOCIATION DES ÉTATS DE LA CARAÏBE (AEC)
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Background

- Transportation (including the movement of agricultural goods) has long been an issue of importance to CARICOM.
- A Study aimed at improving Transport and Logistics for Intra Regional Agri-Food Trade (Business Facilitation Mechanisms) was undertaken and responded to a direct COTED mandate.
- The Inter-American Development Bank also commissioned a study on Short Sea Shipping Network for the Caribbean
- **With the 25% by 2025 mandate, the transportation issue is increasingly one that requires urgent attention if we are to enhance intra-regional trade and address food security concerns**

Situational Analysis

Increasing volumes and efficiency to ensure there can be trade...



Situational Analysis

- Maritime transport



Maritime Transport

- We are part of a Global Supply chain (traditional supply now being shifted to Asia and other emerging source markets)
- South Florida provides most of our food and shipping and logistics are efficient and effective
- Current shipping options do not focus on regional trade
(consider the schooners? How many are still in existence? – The Business Facilitation study revealed that they have an important role in the movement of perishable items in the region)
- Regional trade plagued by production challenges - climate, transport, infrastructure etc.

Maritime Transport

- Regional trade plagued by production challenges - climate, transport, infrastructure etc.
- Recent global and regional trends point to the reality that the status quo creates an existential threat to our region.
- Why are so many shipping lines leaving the Caribbean? (*data on the numbers over 3 to 5-year period*)
- Ninety percent (90%) of containers leave the region empty

Regional container Shipping Lines

Caribbean Feeder Services – Jamaica

King Ocean – Curacao

Seaboard Marine – Port of Miami, Florida

Tropical Shipping – West Palm Beach, Florida

CMA CGM – France

Geest Line - UK

Cargo Flow

Cargo flow is unidirectional

- Full containers North to South
- Empty containers in opposite direction

Imports feed the service industry

The region exports services

Investment and Institutional Reform Issues



Maritime

Factors to be considered:

- Status of the Global supply chain.
- South Florida Model
- Economy of Scale
- Financial challenges, including currency issues.
- The role of regional hubs and the reality of Kingston and Port of Spain.
- Do we need a transport option, or do we need to identify our Miami?

Laser Focused Approach

- Our overall objective has to be food security and not transport! (As outlined earlier, a holistic approach is required looking at NTB, NTM'S and the various impediments to trade. **Transportation is just one component**)
- We need to identify the *staples* required to be produced.
 - Refrigerated cargo and bulk grain etc.
- Establish production zones (The study on “Business Facilitation Mechanisms” identified the food items produced in countries (which are then exported intra and extra regionally) as well as items which are imported. This data can be useful in identifying production zones).)
- Suggested criteria for production Zones:
 - scale
 - climate resilience
 - availability of existing transport options



The Truth of our Transport Reality

- We have excess Transport options (Judging from the vast numbers of empty shipping containers leaving our ports weekly).
- These carriers are unregulated and are not focused on the specific need for efficient interisland connectivity.
- Containerization must be our focus.
- We need to form third party logistics clusters in each island.
- A hub(s) is required to efficiently establish consolidation and distribution.
- Current regional lines should be consulted (In addition shipping cos/owners of vessels in the region which are unaware of the quantity of the demand for shipment of produce)

The Way Forward

- We need a real feasibility assessment for production and export
 - Identify regions for production- Identify existing and potential production zones to enhance trade
 - Inventory existing transport options and build hub around them
 - Transport primary products to hub for value added and distribution.
 - Identify logistics providers at the national level to facilitate exporters (Including small players).
 - Engage current shipping lines to secure their support.

Conclusions

- This is just the start...
- Collaboration with the private sector is key (CPSO, CABA, CSA, Exporters, Regional air carriers etc)
- Operationalisation of the Regional Transport Commission- Issues presented should form the basis of their work re agri-food food security and trade
- Consider recommendations presented regarding increasing volumes and efficiency to enhance trade
- Revisit the recommendations from the Business Facilitation Mechanisms Study and others...

Thank You

