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Review of maritime transport, 1974

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Review of maritime transport, 1974

(Review of current and long-term aspects of maritime transport)

Report by the secretariat of UNCTAD

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NOTE

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References to dollars ($) are to United State dollars unless otherwise stated.

References to tons are to metric tons, unless otherwise specified.

The term "billion" signifies 1,000 million.

Use of a hyphen between years, e.g., 1965-1966, signifies the full period involved, including the beginning and end years.

An oblique stroke (/) between years, e.g., 1965/66, signifies a season or crop year.

Details and percentages in tables do not necessarily add up to totals, because of rounding.

* * *

The following symbols have been used in the tables in this *Review;*

A full stop (.) is used to indicate decimals.
Two dots (..) signify that data are not available or are not separately reported.
A dash (—) signifies that the amount is nil, or less than half the unit used.

* * *

The description and classification of countries and territories in this document and the arrangement of material, should not be considered as implying any judgement by the Secretariat of the United Nations regarding the legal status of any country or territory or in respect of the delineation of its boundaries, or regarding its economic system or degree of development. Inclusion of a particular country or territory in any economic or geographical grouping (or its exclusion) has been dictated by economic and statistical considerations.

ABBREVIATIONS

Names of organizations

ASEAN	Association of South East Asian Nations
CAJEA	Council of All-Japan Exporters Association
EEC	European Economic Community
FAO	Food and Agriculture Organization of the United Nations
FEFC	Far Eastern Freight Conference
FMC	Federal Maritime Commission (United States)
IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
OAPEC	Organization of Arab Petroleum Exporting Countries
OECD	Organisation for Economic Co-operation and Development
OPEC	Organization of Petroleum Exporting Countries
UNCTAD	United Nations Conference on Trade and Development

Other abbreviations

BACAT	Barge aboard catamaran
CAF	Currency adjustment factor
c.i.f.	Cost, insurance, freight
dwt	Deadweight tons
f.i.o.	Free in and out of ship
f.o.b.	Free on board
grt	Gross registered tons
Intascale	International Tanker Nominal Scale
LASH	Lighter aboard ship
LNG	Liquefied natural gas
LPG	Liquefied petroleum gas
n.e.s.	Not elsewhere specified
OBO	Ore/bulk/oil
pwc	Pakistan white cuttings (jute)
Ro/Ro	Roll-on, roll-off
RSS	Ribbed smoked sheet (rubber)
shp	Shaft horse-power
TEU	Twenty-foot equivalent unit
ULCC	Ultra large crude carrier
VLCC	Very large crude carrier

INTRODUCTION

1. As in previous years, this review has been prepared by the secretariat of UNCTAD in accordance with item V of the programme of work of the Committee on Shipping.[1]

2. Statistical evidence and other information with regard to the development of international maritime transport is presented and discussed in the review with a view to relating year-to-year developments to relatively longer-term trends in world shipping. Particular attention is given to factors and developments affecting the trade and shipping of developing countries. In order to keep the size of the tables within manageable limits, in most cases data for the most recent years only have been included. Data for earlier years can be found in the review for 1972 and 1973.[2]

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[1] *Official Records of the Trade and Development Board, Fifth Session, Supplement No. 2* (TD/B/116/Rev.1), annex II.

[2] *Review of maritime transport, 1972-1973: report by the secretariat of UNCTAD* (United Nations publication, Sales No. E.75.II.D.3).

Chapter I

THE DEVELOPMENT OF INTERNATIONAL SEABORNE TRADE

A. General development

3. Trade data for a complete review of trade developments in 1974 are not yet available. Nevertheless the scattered information which is available at the time of the preparation of this review confirms that the effects on world trade of the important developments which occurred at the very end of 1973 with regard to the supply, and in particular to the rise in prices, of oil have been apparent throughout 1974.

4. Over the long term international seaborne trade has followed a rising trend, but its short-term development has been subject to fluctuations. Although there is a wide range of factors that may affect the course of world trade as a whole, it appears that a few industrial countries exert a dominant influence on world trade and consequently on seaborne trade. For example, the relatively high rates of growth in these countries in 1972, and particularly in 1973, were accompanied by high rates of growth in the volume of international seaborne trade. Conversely, the repercussions of the sharp increase in oil prices on the economies of the main industrial countries in Western Europe and North America have altered the whole international trade picture, particularly as regards the trade in oil, for which demand has slackened.

5. The statistical information relating to international seaborne trade in selected years between 1965 and 1973 is found in table 1. Since trade data for 1974 are not yet available, only limited reference is made in this chapter to the particular changes in international seaborne trade which occurred in 1974 and this is done on the basis of the general information available.

6. Although over the long term the volume of international seaborne trade, as part of world trade, has followed a rising trend, the annual growth rate has varied considerably. Even when the growth rates are averaged over three-year periods fluctuations in the rate of growth remain. The figures are:

3-year period	*Average annual rate of growth*
1962-1964	9.7 per cent
1965-1967	8.3 per cent
1968-1970	11.0 per cent
1971-1973	7.0 per cent

TABLE 1

Development of international seaborne trade [a] 1965-1973

(Goods loaded)

Year	*Tanker cargo*		*Dry cargo*				*Total (all goods)*	
			Total		*Of which: main bulk commodities* [b]			
	Millions of tons	*Percentage increase/ decrease over previous year*	*Millions of tons*	*Percentage increase/ decrease over previous year*	*Millions of tons*	*Percentage increase/ decrease over previous year*	*Millions of tons*	*Percentage increase/ decrease over previous year*
1965	862	9	812	13	327	6	1,674	11
1966	950	10	820	1	340	4	1,770	6
1967	1,023	8	887	8	352	4	1,910	8
1968	1,141	12	966	9	384	9	2,107	10
1969	1,276	12	1,036	7	419	9	2,312	10
1970	1,440	13	1,165	13	488	16	2,605	13
1971	1,526 [c]	6	1,173 [c]	1	490	—	2,699 [c]	4
1972	1,645 [c]	7	1,271 [c]	5	505	3	2,866 [c]	6
1973	1,841	12	1,349	10	599	19	3,190	11

Source: For tanker cargo, total dry cargo and all goods: United Nations, *Monthly Bulletin of Statistics*, January issues; for main bulk commodities: Fearnley and Egers Chartering Co. Ltd., *World Bulk Trades, 1973* (Oslo, 1974).

[a] Including international cargoes loaded at ports of the Great Lakes and St. Lawrence system for unloading at ports of the same system, but excluding many bulk commodities. Including petroleum imports into Netherlands Antilles and Trinidad for refining and re-export.

[b] Data on iron ore, grain, coal, bauxite/alumina and phosphate.

[c] Revised on the basis of revised trade data included in United Nations, *Monthly Bulletin of Statistics*, vol. XXIX, No. 1 (January 1975), special table D.

TABLE 2

World seaborne trade [a] in 1965, 1971, 1972 and 1973, [b] by types of cargo and shares of groups of countries [c]

(Percentages of world total)

Groups of countries	1965				1971 [d]				1972				1973
	Crude petroleum	*Petroleum products*	*Dry cargo*	*Total all goods*	*Crude petroleum*	*Petroleum products*	*Dry cargo*	*Total all goods*	*Crude petroleum*	*Petroleum products*	*Dry cargo*	*Total all goods*	*Total all goods*
A. GOODS LOADED													
(Millions of tons)													
World total	622.0	242.3	768.6	1,632.9	1,208.7	317.0	1,173.3	2,699.0	1,321.7	322.5	1,221.3	2,865.5	3,190.0
Percentage share of each category of goods in the total	(38.1)	(14.8)	(47.1)	(100.0)	(44.8)	(11.7)	(43.5)	(100.0)	(46.1)	(11.3)	(42.6)	(100.0)	(100.0)
(Percentages)													
World total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Developed market-economy countries (excluding Southern Europe)	0.1	23.0	53.5	28.6	1.7	25.7	58.1	28.9	2.0	28.5	59.1	29.3	30.5
Southern Europe	—	0.3	2.4	1.2	—	1.5	2.4	1.2	—	1.7	2.5	1.3	
Socialist countries of Eastern Europe and Asia	4.6	8.9	8.2	6.9	3.6	8.7	7.6	6.0	3.1	8.5	7.5	5.6	5.2
Developing countries — total	95.3	67.8	35.9	63.3	94.7	64.1	31.9	63.9	94.9	61.3	30.9	63.8	64.3
Of which:													
In Africa	16.0	1.7	10.6	11.3	21.5	2.6	8.8	13.8	19.7	3.3	8.5	13.1	12.4
In Asia	58.4	23.3	9.2	30.0	62.6	26.4	8.3	34.7	66.0	25.7	9.0	37.1	38.4
In Latin America and the Caribbean	20.9	42.8	15.4	21.6	10.6	35.0	14.0	15.0	9.2	32.2	12.8	13.3	13.1
In Oceania	—	—	0.7	0.4	—	0.1	0.8	0.4	—	0.1	0.6	0.3	0.4

TABLE 2 *(continued)*

World seaborne trade [a] in 1965, 1971, 1972 and 1973, [b] by types of cargo and shares of groups of countries [c]

(Percentages of world total)

Groups of countries	1965				1971 [d]				1972				1973
	Crude petroleum	Petroleum products	Dry cargo	Total all goods	Crude petroleum	Petroleum products	Dry cargo	Total all goods	Crude petroleum	Petroleum products	Dry cargo	Total all goods	Total all goods
B. GOODS UNLOADED													
(Millions of tons)													
World total	622.0	221.7	793.5	1,637.2	1,203.2	302.4	1,143.8	2,649.4	1,316.2	317.5	1,218.6	2,852.3	3,182.0
Percentage share of each category of goods in the total	(38.0)	(13.5)	(48.5)	(100.0)	(45.4)	(11.4)	(43.2)	(100.0)	(45.9)	(11.1)	(43.0)	(100.0)	(100.0)
(Percentages)													
World total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Developed market-economy countries (excluding Southern Europe)	76.4	77.0	72.3	74.5	75.3	77.4	74.2	75.1	76.0	78.4	73.3	75.1	79.1
Southern Europe	2.5	2.0	4.2	3.2	3.9	3.0	4.2	3.9	4.1	3.1	4.3	4.1	
Socialist countries of Eastern Europe and Asia	0.4	1.0	5.9	3.2	1.6	1.0	5.0	3.0	1.8	0.9	5.7	3.4	3.4
Developing countries — total	20.7	20.0	17.6	19.1	19.2	18.6	16.6	18.0	18.1	17.6	16.7	17.4	17.5
Of which:													
In Africa	2.5	5.1	4.1	3.7	1.8	3.5	4.0	2.9	1.7	3.4	3.7	2.7	2.5
In Asia	5.5	8.5	9.0	7.6	6.7	8.0	8.0	7.4	7.7	7.7	8.6	8.1	7.7
In Latin America and the Caribbean	12.7	6.0	4.3	7.7	10.6	6.5	4.4	7.5	8.6	5.8	4.2	6.4	7.1
In Oceania	—	0.4	0.2	0.1	0.1	0.6	0.2	0.2	0.1	0.7	0.2	0.2	0.2

Source: Annex II below and United Nations, *Monthly Bulletin of Statistics*, vol. XXIX, No. 1 (January 1975). The world totals recorded in this table do not correspond exactly to the rounded totals in table 1.

[a] See note *a* to table 1. Great Lakes and St. Lawrence Seaway trade (in dry cargo) amounted to 37 million tons in 1965, 37 million tons in 1971, 39 million tons in 1972 and 43 million tons in 1973.

[b] Preliminary figures for 1973: breakdown by type of cargo for 1973 not yet available. 1973 figures estimated from data in United Nations, *Monthly Bulletin of Statistics*, vol. XXIX, No. 1 (January 1975).

[c] See annex I below for the composition of these groups.

[d] Revised data, which as such may not be identical with the corresponding data in *Review of maritime transport, 1972-1973 (op. cit.)*, table 3.

7. The rate of growth of international seaborne trade, which was less than 4 per cent in 1971 and 6 per cent in 1972, rose to 11 per cent in 1973, which was a year of strong economic activity and trade prosperity despite the continuing monetary instability and the restrictions in the supplies of oil applied during the last quarter of the year. Preliminary estimates, however, point to a new slackening in the rate of growth of international seaborne trade, particularly in trade in oil in 1974. [3]

8. Such differing and fluctuating rates of growth of international seaborne trade have direct short-term effects on freight markets and also, to some extent, on developments in the supply of tonnage, as will be discussed in chapter II below.

B. Developments by types of commodities

9. Table 1 also shows the volume of international trade by major types of cargo. In 1973 tanker cargo continued to increase faster than total cargo traded despite the setback in production and trade which has occurred since October 1973. Tanker cargo grew at a rate of 12 per cent to reach a level of 1,841 million tons, while dry cargo increased by 10 per cent to 1,349 million tons. As a result of this higher growth rate, tanker cargo accounted for 57.7 per cent of the total tonnage of cargo loadings in 1973 as compared with 57.2 per cent in 1972 and 50 per cent in 1960. The preliminary information available suggests that in 1974, however, tanker cargo increased at a much lower rate (1.6 per cent) as against an increase of about 8.3 per cent in dry cargo trade. [4] Thus the share of tanker cargo in total trade is likely to be substantially lower in 1974 than in 1973.

10. It can be seen from table 2 that the major portion of tanker cargo consists of crude petroleum, the remainder being various petroleum products. In 1972 petroleum products accounted for 19.6 per cent of total tanker cargo as compared with 20.9 per cent in 1971 and 28 per cent in 1965. It has been observed from additional information [5] that the share of petroleum products declined further in 1973 and 1974, although at a slower rate. The tendency to expand refining capacity in oil producing countries at a faster rate than in past years may help to check or possibly reverse the declining trend in the share of oil products in the coming years.

11. There are no data showing the changes in international seaborne trade by all types of cargo separately. However, the development of world seaborne trade in the five main dry bulk commodities, i.e., iron ore, grain, coal, bauxite/alumina and phosphate rock, is indicated in table 1. In the period 1968 to 1973 trade in the main bulk commodities grew at an accelerated rate compared with earlier years and it appears that in 1974 shipments of these commodities have further increased. Their share in world seaborne dry cargo trade was 44.4 per cent in 1973 as compared with 41.3 per cent in 1972.

12. The remaining 55.6 per cent of the dry cargoes carried by sea in 1973 consisted of a great variety of heterogeneous products. Most were " general cargo ", which is transported by liner vessels, including container and other vessels carrying unitized cargo, and also by tramps and specialized carriers which in many trades compete with liners; the rest consisted of a number of " minor " bulk commodities, which increasingly tend to be transported in bulk and full ship loads. Although complete data illustrating the exact dimensions of the trade in these " minor " commodities are not available, some indication is provided by the data showing the volume of " minor " bulk commodities lifted by bulk carriers of over 18,000 dwt. [6] In 1973, 134 million tons were lifted, as against 125 million tons in 1972 and 94 million tons in 1971. Timber, sugar, salt, soya beans, fertilizers, cement, gypsum, sulphur, pyrites, ilmenite, manganese and chrome ores, petroleum coke, scrap iron, pig iron and steel products are included in this group of commodities.

13. Table 3 gives data reflecting world shipping performance in terms of ton/miles. Distances, which have played a significant role in the rapid expansion of demand for shipping services in previous years, do not seem to have increased substantially in 1974. The increases in shipping performance were mainly due to increases in tonnage carried.

C. Developments by groups of countries

14. The percentage shares of various groups of countries in the volume of international seaborne loadings and unloadings of cargoes by categories of goods in 1965, 1971 and 1972 are shown in table 2. This table also shows the shares of various groups of countries in total loadings and unloadings in 1973. Certain changes in the long-term pattern of world seaborne trade can be observed y following the changes which have taken place in the shares of goods loaded and unloaded in the foreign trade of different groups of countries.

15. The combined share of developed market-economy countries and countries of southern Europe decreased slightly from 30.6 per cent in 1972 to 30.5 per cent in 1973. The share of socialist countries of eastern Europe and Asia declined over the same period from 5.6 to 5.2 per cent, while the share of developing countries increased from 63.8 to 64.3 per cent.

16. In terms of goods unloaded the share of developing countries showed a slight increase from 17.4 per cent in 1972 to 17.5 per cent in 1973, while the combined share of the developed market-economy countries and countries of southern Europe decreased slightly from 79.2 per cent to 79.1 per cent over the same period. The share of the socialist countries of Eastern Europe and Asia remained constant at 3.4 per cent.

17. Table 2 also gives an indication of the development of the shares of different groups of countries in the

[3] Fearnley and Egers Chartering Co. Ltd., *Review, 1974* (Oslo, 1974).

[4] *Ibid.*

[5] *Ibid.*

[6] Fearnley and Egers Chartering Co. Ltd., *World Bulk Trades, 1973* (Oslo, 1973), table 30.

TABLE 3

World seaborne trade, 1965-1974

(In 1,000 million ton-miles)

Year	Crude oil	Oil products	Iron ore	Coal	Grain	Other cargo	Total trade
1965	2,480	640	527	216	386	1,600	5,849
1966	2,629	700	575	226	408	1,700	6,238
1967	3,400	730	651	269	380	1,800	7,230
1968	4,197	750	775	310	340	2,000	8,372
1969	4,853	760	919	385	307	2,150	9,374
1970	5,597	890	1,093	481	393	2,200	10,654
1971	6,554	900	1,185	434	406	2,250	11,729
1972	7,719	930	1,156	442	454	2,400	13,101
1973	9,171	1,010	1,398	467	622	2,700	15,368
1974 (estimated)	9,350	1,015	1,500	500	580	3,050	16,000

Source: As estimated by Fearnley and Egers Chartering Co. Ltd., *Review, 1974* (Oslo, 1974) (Revised figures for 1972 and 1973).

various types of goods loaded and unloaded from 1971 to 1972. The share of developing countries in loadings of crude petroleum and dry cargoes changed only slightly while their share of petroleum products loaded declined from 64.1 per cent to 61.3 per cent. In terms of goods unloaded the share of developing countries decreased significantly with respect to crude petroleum and petroleum products, while their share in the unloadings of dry cargo showed an increase. The shares of developed market-economy countries and countries of southern Europe taken together increased for all three types of commodities in terms of goods loaded, while in terms of goods unloaded their share increased with respect to crude petroleum and petroleum products and decreased with respect to dry cargo from 78.4 per cent in 1971 to 77.6 per cent in 1972. The shares of the socialist countries of Eastern Europe and Asia decreased with regard to all three types of goods loaded; while their share in unloadings increased slightly with regard to crude petroleum and significantly with respect to dry cargo, and decreased slightly, with respect to petroleum products.

Chapter II

THE DEVELOPMENT OF THE WORLD MERCHANT FLEET

A. Changes in the world fleet

18. Between mid-1973 and mid-1974 the world active sea-going merchant fleet increased by 7.7 per cent in grt or by 9.5 per cent in terms of dwt, as compared with an increase of 9 per cent in grt and 10 per cent in dwt in 1972-1973, and 9.1 per cent and 10.7 per cent, respectively, in 1971-1972 (see table 4).

19. Tanker tonnage grew more rapidly than that of non-tankers in 1973-1974. Tankers registered a rate of growth of 13.8 per cent in terms of dwt as against an increase of 11.6 per cent in 1972-1973 and 10.9 per cent in 1971-1972. The growth of non-tanker tonnage slowed down to a rate of 5.7 per cent in 1973-1974 as compared with 8.6 per cent and 10.4 per cent in the two preceding years. However, within this group, bulk carrier (including combined carrier) tonnage recorded a relatively high rate of increase (10.3 per cent). This, however, represents a considerable slow-down in the growth rate from the figures of 16.1 per cent in 1972-1973 and 21 per cent in 1971-1972.

20. In 1973-1974, as in previous years, "other ships" showed relatively small increases. Nevertheless, the number and tonnage capacity of certain types of vessels included in this category, e.g., small-size and specialized vessels, are increasing rapidly, although the relevant developments are not reflected in the aggregate tonnage figures discussed here. Certain developments are discussed further in section C below.

21. The tendency for the dwt/grt ratio to increase has persisted during 1974. This is shown below, where the ratios in selected years are compared with those of 1974:

Estimated dwt/grt ratios for tankers and bulk carriers

Year	*Tankers*	*Bulk carriers*
1965	1.58	1.53
1972	1.79	1.69
1973	1.82	1.70
1974	1.84	1.71

Since the grt is calculated on the basis of the cubic space of vessels and, hence, is related to vessel dimensions, and dwt refers to the carrying capacity of vessels, the increased dwt/grt ratio implies rising productivity of tankers and bulk carriers.

TABLE 4

World shipping tonnage,[a] 1965-1974 [b]

(Mid-year figures)

Year	*Tankers*		*Bulk carriers [c]*		*Other ships*		*Total*	
	Million grt	*Million dwt*	*Million grt*	*Million dwt*	*Million grt*	*Million dwt*	*Million grt*	*Million dwt*
1965	54.4	86.1	16.3	24.9	76.1	93.5	146.8	204.5
1966	59.8	94.4	20.7	31.2	78.5	95.5	159.0	221.1
1967	63.9	102.5	26.4	40.6	80.8	97.8	171.1	240.9
1968	68.9	112.6	32.2	52.0	82.9	97.5	184.0	262.1
1969	77.1	127.0	39.0	62.0	85.9	99.3	202.0	288.3
1970	85.8	148.0	43.9	72.1	88.2	106.0	217.9	326.1
1971	95.8	169.0	51.0	84.6	92.2	111.6	239.0	365.2
1972	104.6	187.5	60.6	102.4	95.6	114.3	260.8	404.2
1973	115.0	209.2	69.8	118.9	99.4	116.5	284.2	444.6
1974	129.2	238.0	76.7	131.2	100.2	117.7	306.1	486.9

Sources: Lloyd's Register of Shipping: Statistical Tables (London), 1965-1974, and supplementary data regarding the United States Reserve fleet and the Great Lakes fleets of the United States and Canada published by the United States Department of Commerce. Maritime Administration. Figures in dwt up to and including 1969 figures in dwt are based, regarding tankers, on data from the Institute of Shipping Economics, *Shipping Statistics* (Bremen), and regarding bulk carriers on data published in Fearnley and Egers Chartering Co. Ltd., *Review, 1973* (Oslo).

[a] Excluding the United States Reserve fleet and the Great Lakes fleets of the United States of America and Canada (see table 5, note *a*, for various estimates of these fleets).

[b] Up to and including 1969, figures in grt are not strictly comparable with those in dwt, as the grt series refers to all commercial vessels (including e.g. fishing and research ships) of 100 grt and above, while the dwt series includes only sea-going cargo and/or passenger-carrying vessels and tonnage for commercial purposes of 300 grt and over.

[c] Up to and including 1969 figures in dwt are not strictly comparable with those in grt, as the dwt figures refer to bulk carriers of 10,000 dwt and above whereas the grt figures refer to bulk carriers of 6,000 grt and above.

TABLE 5

Distribution of world tonnage (grt) [a] by groups of countries of registration, 1965 and 1970-1974

(Mid-year figures)

Flags of registration in groups of countries [b]	*Tonnage (million grt)*						*Shares of world tonnage (percentage)*						*Increase in tonnage*				
													1965-1974			*1972-1974*	
	1965	*1970* [c]	*1971* [d]	*1972* [e]	*1973* [f]	*1974* [g]	*1965*	*1970* [h]	*1971* [i]	*1972* [j]	*1973* [k]	*1974* [l]	*Million grt*	*Percentage share*	*Index 1973 (1965 = 100)*	*Million grt*	*Percentage share*
World total	146.8	217.9	239.0	260.8	284.2	306.1	100.0	100.0	100.0	100.0	100.0	100.0	159.3	100.0	209	21.9	100.0
Developed market — economy countries (excluding southern Europe)	90.6	124.2	133.5	141.9	148.2	155.6	61.8	57.0	55.9	54.4	52.2	50.9	65.0	40.8	172	7.4	33.8
Open registry countries:																	
Liberia, Panama, Cyprus, Singapore, Somalia [m]	22.1	40.9	47.5	56.0	66.0	74.5	15.0	18.7	19.9	21.4	23.2	24.3	52.4	32.9	337	8.5	38.8
Southern Europe (excluding Cyprus)	11.8	17.6	20.2	22.9	27.9	30.8	8.0	8.1	8.4	8.8	9.8	10.1	19.0	11.9	261	2.9	13.2
Socialist countries of Eastern Europe and Asia	10.9	19.5	21.3	22.6	23.7	25.3	7.4	8.9	8.9	8.7	8.3	8.3	14.4	9.0	232	1.6	7.3
Developing countries [n] total	10.7	14.5	15.2	15.9	16.9	18.5	7.3	6.7	6.4	6.1	6.0	6.0	7.8	4.9	173	1.6	7.3
— in Africa	0.6	0.8	1.0	1.1	1.2	1.5	0.4	0.4	0.4	0.4	0.4	0.5	0.9	0.6	267	0.3	1.8
— in Asia	5.5	8.0	8.1	8.6	9.1	9.9	3.8	3.7	3.4	3.3	3.2	3.2	4.4	2.8	178	0.8	3.3
— in Latin America and the Caribbean	4.6	5.7	6.9	6.2	6.6	7.0	3.1	2.6	2.6	2.4	2.4	2.3	2.4	1.4	152	0.4	1.8
— Oceania	—	—	—	—	—	0.1	—	—	—	—	—	—	0.1	0.1	—	0.1	0.4
Other, unallocated	0.7	1.2	1.3	1.5	1.5	1.4	0.5	0.6	0.5	0.6	0.5	0.4	0.7	0.5	200	−0.1	−0.4

Source: Compiled from *Lloyd's Register of Shipping: Statistical Tables* (London) and supplementary data.

[a] Excluding, respectively, in 1965, 1970, 1971, 1972, 1973 and 1974:
(i) United States Reserve fleet of about 10.4, 6.3, 5, 4.3, 2.5 and 2 million grt.
(ii) United States Great Lakes fleet of about 2, 1.7, 1.7, 1.8, 1.7 and 1.7 million grt.
(iii) Canadian Great Lakes fleet of about 1.2, 1.5, 1.5, 1.5, 1.5 and 1.5 million grt.

[b] Tonnage by individual countries and by type of ship as at 1 July 1974 is shown in annex III below.

[c] In million dwt, this column reads, from top to bottom: 326.1, 186.4, 70.3, 25.6, 21.7, 20.4, 1.1, 11.7, 7.6, 0.0, 1.7.

[d] In million dwt, this column reads, from top to bottom: 365.2, 204.9, 82.7, 30.7, 23.6, 21.3, 1.2, 12.0, 8.1, 0.0, 2.0.

[e] In million dwt, this column reads, from top to bottom: 404.2, 220.3, 99.0, 35.3, 25.6, 22.3, 1.4, 12.5, 8.4, 0.0, 1.7.

[f] In million dwt, this column reads, from top to bottom: 444.6, 231.1, 117.2, 43.7, 26.5, 23.9, 1.6, 13.2, 9.0, 0.1, 2.2.

[g] In million dwt, this column reads, from top to bottom: 486.9, 246.7, 133.5, 49.2, 28.9, 26.5, 2.0, 14.7, 9.7, 0.1, 2.1.

[h] Based on dwt, this column reads, from top to bottom: 100.0, 57.2, 21.6, 7.8, 6.7, 6.2, 0.3, 3.6, 2.3, 0.5.

[i] Based on dwt, this column reads, from top to bottom: 100.0, 56.1, 22.7, 8.4, 6.5, 5.8, 0.3, 3.3, 2.2, 0.5.

[j] Based on dwt, this column reads, from top to bottom: 100.0, 54.5, 24.6, 8.7, 6.3, 5.5, 0.3, 3.1, 2.1, 0.4.

[k] Based on dwt, this column reads, from top to bottom: 100.0, 52.0, 26.4, 9.8, 6.0, 5.3, 0.3, 3.0, 2.0, 0.5.

[l] Based on dwt, this column reads, from top to bottom: 100.0, 50.7, 27.4, 10.1, 6.0, 5.4, 0.4, 3.0, 2.0, 0.0, 0.4.

[m] Tonnage under these flags is shown separately, since it is believed that most of it is effectively controlled by interests outside these countries.

[n] Excluding Liberia, Panama, Singapore and Somalia.

B. Tonnage distribution by groups of countries with particular reference to developing countries

22. Annex III below gives the distribution of world tonnage by flags of registration and by type of vessel. The distribution of world tonnage by groups of countries is summarized in table 5 while table 6 gives information concerning the distribution by groups of countries for different types of vessels in selected years. Countries are classified in accordance with the classification given in annex I.

1. *Changes in total shares of groups of countries* [7]

23. The particular tonnage changes from 1973 to 1974 were similar to those observed in previous years. The share of tonnage generally regarded as being beneficially owned in developed market-economy countries, including southern Europe, increased from 84.6 per cent in 1972 to 85.2 per cent in 1973 and 85.3 per cent in 1974.

[7] Whenever particular country data are used in this discussion, they are derived from *Lloyd's Register of Shipping: Statistical Tables* (London), various issues.

TABLE 6

Percentage share of world tonnage by type of vessel as at 1 July, 1965, 1973 and 1974 [a]

(In terms of grt)

Groups of countries	*Year*	*All ships* [b]	*Tankers*	*Ore and bulk* [c] *carriers including combined carriers*	*General cargo* [d]	*Container ships*	*Barge carrying vessels*	*Other ships*
		Index of tonnage increase: 1965 = 100						
World total	1974	100.0	42.2	25.1	21.9	2.1	0.2	8.5
	1973	100.0	40.5	24.5	23.8	2.1	0.2	8.9
	1965	100.0	37.1	11.1			51.8	
Of which:								
Developed market economy countries (excluding southern Europe)	1974	50.9	53.2	53.7	38.6	91.5	100.0	51.3
	1973	52.2	53.8	56.0	41.7	94.9	100.0	50.6
	1965	61.8	62.9	69.0			64.6	
Southern Europe, excluding Cyprus	1974	10.1	8.5	11.5	13.6	1.6	1.0	6.9
	1973	9.8	8.3	10.3	13.6	—	—	7.5
	1965	8.0	4.9	6.2			9.3	
Open registry countries	1974	24.3	30.9	27.1	18.2	4.5	—	4.9
	1973	23.2	30.3	26.9	16.4	3.4	—	4.8
	1965	15.0	23.8	20.3			6.7	
Socialist countries of Eastern Europe and Asia	1974	8.3	3.6	2.9	15.7	0.8	—	30.0
	1973	8.3	3.7	2.5	14.5	—	—	30.5
	1965	7.4	4.5	1.3			9.5	
Developing countries, excluding Liberia, Panama, Singapore, Somalia	1974	6.0	3.6	4.3	13.0	1.6	—	6.5
	1973	6.0	3.6	3.7	12.8	1.7	—	6.0
	1965	7.3	3.8	3.2			9.2	
Of which:								
in Africa	1974	0.5	0.2	—	1.2	—	—	0.8
	1973	0.4	0.2	—	1.2	—	—	0.8
	1965	0.4	0.1	—			0.5	
in Asia	1974	3.2	1.5	3.1	7.3	1.6	—	2.7
	1973	3.2	1.5	2.7	7.0	1.7	—	2.8
	1965	3.8	0.7	2.9			5.4	
in Latin America and the Caribbean	1974	2.3	1.9	1.2	4.5	—	—	3.0
	1973	2.3	1.9	1.0	4.6	—	—	2.4
	1965	3.1	3.0	0.3			3.3	
Other—unallocated	1974	0.4	0.2	0.5	0.9	—	—	0.4
	1973	0.5	0.3	0.6	1.0	—	—	0.4
	1965	0.5	0.1	—			0.7	

Source: Compiled from *Lloyd's Register of Shipping: Statistical Tables* (London), 1965, 1973 and 1974, and supplementary information on the United States Reserve fleet and the United States and Canadian fleets.

[a] Excluding, respectively, in 1965, 1973 and 1974:
(i) United States Reserve fleet of about 10.4, 2.5 and 2.0 million grt.
(ii) United States Great Lakes fleet of about 2.0, 1.7 and 1.7 million grt.
(iii) Canadian Great Lakes fleet of about 1.2, 1.5 and 1.5 million grt.

[b] Vessels of 100 grt and over.

[c] Ore and bulk carriers of 6,000 grt and more, including combined ore/oil and ore/bulk/oil carriers; combined carriers amounted in:
1974 to *380* ships with a total tonnage of 22,034,582 grt;
1973 to *349* ships with a total tonnage of 19,538,746 grt;
1965 to *90* ships with a total tonnage of 2,015,000 grt (UNCTAD secretariat's estimate).

[d] This category includes passenger/cargo vessels (both liner and tramp).

Although the share of the group was constant between 1973 and 1974, within it the share of tonnage under the flags of open registry countries increased from 23.2 per cent in 1973 to 24.3 per cent in 1974.

24. The popularity of flags of open registry countries has continued to grow. [8] At mid-1974 a total of 74.5 million grt was registered under these flags; this shows an increase of 12.9 per cent over the previous year. Trade unions are becoming increasingly reluctant to accept this move towards flags of open registry countries.[9]

25. Within the group of open registry countries, the share of Liberia declined further from 75.6 per cent in 1973 to 74.2 per cent in 1974, but at a much slower pace than from when it was 79.3 per cent, to 1972, 1973, while the share of the flag of Singapore increased from 1.5 per cent in 1972 to 3 per cent in 1973 and 3.9 per cent in 1974.

26. The share of world tonnage under the flags of the socialist countries of Eastern Europe and Asia remained unchanged from 1973 to 1974.

27. The share of flags of developing countries also remained unchanged in terms of grt during the same period, although a very slight increase (0.1 per cent) has been recorded in their share in terms of dwt. The percentage share of developing countries in the world fleet in terms of dwt was: [10]

	1970	*1971*	*1972*	*1973*	*1974*
			(Percentages)		
Asia	4.0	3.3	3.1	3.0	3.0
Africa	0.3	0.3	0.3	0.3	0.4
Latin America and Caribbean	2.6	2.2	2.1	2.0	2.0
Total developing countries	6.9	5.8	5.5	5.3	5.4

In 1974, for the first time since 1970, the share of developing countries did not decline. The years to come will show whether this declining trend has been checked. However, during the first four years of the Second United Nations Development Decade, not only have developing countries been unable to increase their share in world merchant fleet tonnage but their share as a group has declined from 6.9 per cent in 1970 to 5.4 per cent in 1974. Similarly, in respect of tonnage according to types of vessel no significant changes have occurred in the position of developing countries, as can be seen from sub-section 2 below.

[8] It is reported that Japanese shipowners are increasingly starting operations under the flags of open registry countries. They are, for example, increasingly making use of the possibility of transferring or registering tonnage under such flags and of chartering back the ships. According to a survey of the Japanese Ministry of Transport a total of 1,145,000 grt was operated under such conditions at the end of March 1974 (*Japan Maritime Gazette* (Tokyo), June 1974.)

It is also reported that about 200 vessels aggregating 1.2 million tons are currently registered by shipowners in the Federal Republic of Germany under flags of open registry countries. These ships are mainly in the size range of 6,000 to 7,000 tons and are especially labour-intensive (*Shipping and Trade News* (Tokyo), 12 August 1974).

[9] It has been reported that, in an attempt to improve relations with the trade unions and to improve the negative image of the Cyprus fleet, a Cyprus Shipowners' Association has been founded. (*Lloyd's List* (London), 15 June 1974, and *Shipping and Trade News* (Tokyo), 19 June 1974.)

[10] Derived from *Lloyd's Register of Shipping: Statistical Tables* (London), various issues.

2. *Changes by types of vessel and groups of countries*

28. It can be seen from table 6 that from 1973 to 1974 there was a further increase in the relative importance of tankers and bulk carriers in total world tonnage, while the downward trend in the relative share of general cargo tonnage persisted. With regard to the shares of groups of countries in the different types of vessels, the trends observed between 1965 and 1973 persisted in 1974.

29. The combined share of flags of developed market-economy countries, countries of southern Europe and open registry countries, in world tanker tonnage increased slightly from 1973 to 1974 while their share in bulk carrier tonnage declined by 0.9 per cent. As at 1 July 1974, 92.6 per cent of tanker tonnage and 92.3 per cent of ore and bulk carrier tonnage (including combined carriers) was registered under the flags of these three groups of countries.

30. On the other hand, their combined share in general cargo vessels declined by 1.3 per cent from 1973 to 1974, and their share in container tonnage decreased from 98.3 per cent in 1973 to 97.6 per cent in 1974 to the benefit of socialist countries whose share in container tonnage, although still very small, increased from 0.1 per cent in 1972 to 0.8 per cent in 1974. All barge-carrying vessels and virtually all vehicle carriers continued to be registered under the flags of developed market-economy countries.

31. Apart from their increased participation in container tonnage, [11] some other significant changes have been recorded in the percentage shares of flags of socialist countries of Eastern Europe and Asia in the world fleet by type of vessel between 1973 and 1974 and in earlier years. The percentage shares by type of vessel were as follows: [12]

	Oil tankers	*Ore/bulk carriers*	*General cargo*	*Contalner ships*	*Other vessels*	*Share of total world fleet*
			(Percentages)			
1971	4.4	2.3	13.5	—	30.9	8.9
1972	4.2	2.4	13.9	0.1	30.7	8.7
1973	3.7	2.5	14.5	—	30.5	8.3
1974	3.6	2.9	15.7	0.8	30.0	8.3

The tendency to increase activities in the field of bulk carriers can again be observed.

32. Table 7 shows the share of developing countries by type of vessel, container ships and general cargo tonnage, also the relative shares of the various regions within the group of developing countries by type of vessel in 1974, as compared with selected earliers years. It can be observed from the table that the trends noticed in earlier years persisted in 1974.

33. For instance, the share of developing countries in general cargo tonnage continued to increase during 1974, although in absolute terms general cargo tonnage under the flags of developing countries remained constant

[11] Container tonnage under the flag of the USSR increased from 7 vessels of 35,200 grt in 1973 to 9 vessels of 48,156 in 1974 (*Lloyd's Register of Shipping: Statistical Tables* (London), 1973 and 1974).

[12] Data derived from table 6, except for 1972 and 1971 data which are derived from *Review of maritime transport, 1972-1973 (op. cit.)*, table 7.

TABLE 7

Percentage share of developing countries in the world fleet by type of vessel, 1965 and 1971-1974

(In grt)

Type of ship	Countries	1965	1971	1972	1973	1974
		(Percentages)				
Tankers	Total developing countries	3.8	3.8	3.6	3.6	3.6
	Of which:					
	in Africa	0.1	0.2	0.2	0.2	0.2
	in Asia	0.7	1.6	1.5	1.5	1.5
	in Latin America	3.0	2.0	1.9	1.9	1.9
Ore and bulk carriers, including combined carriers	Total developing countries	3.2	4.3	3.8	3.7	4.3
	Of which:					
	in Africa	—	—	0.1	—	—[a]
	in Asia	2.9	3.2	2.7	2.7	3.1
	in Latin America	0.3	1.1	1.0	1.0	1.2
Container ships	Total developing countries	—	—	2.0	1.7	1.6
	Of which:					
	in Africa	—	—	—	—	—
	in Asia	—	—	2.0	1.7	1.6
	in Latin America	—	—	—	—	—
General cargo ships	Total developing countries	9.2[b]	12.0	12.3	12.8	13.0
	Of which:					
	in Africa	0.5[b]	0.9	1.0	1.2	1.2
	in Asia	5.4[b]	6.9	6.8	7.0	7.3
	in Latin America	3.3[b]	4.2	4.5	4.6	4.5
Other ships	Total developing countries	[c]	6.2	5.7	6.0	6.5
	Of which:					
	in Africa		0.9	0.8	0.8	0.8
	in Asia		2.4	2.4	2.8	2.7
	in Latin America		2.9	2.5	2.4	3.0

Source: Table 6, except for the years 1971 and 1972, the data for which were derived from *Review of maritime transport, 1972-1973 (op. cit.)*, table 8.

[a] Less than 0.05 per cent.

[b] Refers to "general cargo ships" and "other ships".

[c] See figures for "general cargo ships".

at 8.7 million grt.[13] Therefore, the increase in their share is due to the contraction in world general cargo tonnage. On the other hand, although liner shipping has in recent years been undergoing a process of change which has led to domination of many of the major liner trades by unit load vessels, the participation of developing countries in this new type of tonnage is still negligible. Therefore the increase in the developing countries' share in the world tonnage of general cargo vessels does not mean their increased participation in liner shipping.

34. The participation of this group of countries in tanker tonnage remained unchanged in 1974, but their share of bulk carrier tonnage returned to the 1971 level of 4.3 per cent after having fallen in 1972 and 1973. Although this is an encouraging sign, the share of developing countries in the world tonnage of tankers and dry bulk carriers remains substantially below their total share of world tonnage, and this shows that to date they have not been able to adapt their fleets to world trends in seaborne trade, which favoured oil and dry bulk cargoes more than any other cargoes.

35. While the share of tanker tonnage owned by developing countries as a group has remained unchanged over the last three years and has actually declined since 1965 and the share of bulk carrier tonnage has done no more than return to its 1971 level, there have been improvements in the relative position of individual countries. It can be seen from table 7, however, that the comments made in the preceding paragraphs on the participation of developing countries in world tonnage are also generally valid with regard to the regional groups of developing countries.

36. Some indications of possible future improvements in the type composition of the fleets of developing countries are discussed in chapter III below. However, it remains to be seen whether these developments will increase the share of developing countries in world tonnage by type of vessels.

[13] *Lloyd's Register of Shipping: Statistical Tables* (London), 1974.

C. Trends in types, size and age distribution

1. *Trends in types*

37. The long-term trend towards specialization of tonnage has continued in the period 1973-1974.

38. Table 8 shows in more detail the trends in the composition of the world merchant fleet by different types of vessels from 1973 to 1974, and also in the period 1970-1974. It can be seen from the table that there continues to be diversification of world tonnage in response to a growing demand for specialized tonnage in world trade, and also in response to the necessity for carriers to seek versatility and/or efficiency through specialization and adoption of technological advances.

39. It can also be seen from the table that higher rates of expansion have been recorded in 1974 for vehicle carriers, barge carriers, chemical carriers, combined carriers, oil tankers, and ore and bulk carriers, in that order. Surprisingly enough, the increase in liquefied gas carrier tonnage has been moderate (6.1 per cent), while container ship tonnage increased by only 6.6 per cent as against a corresponding increase of 36.9 per cent in 1973. The continuing decline in the world tonnage of general cargo, miscellaneous cargo and passenger vessels is significant. The decline in passenger tonnage is likely to continue as vessels are retired because their operation is uneconomic at current bunker prices.

2. *Trends in size* [14]

40. The average size of different types of existing ships and the average size of vessels on order for 1974 as compared with 1973 and 1972 are shown in table 9. It can be seen that the tendency for the size of vessels—particularly of tankers and of bulk carriers—to increase in recent years persisted in 1974. Nevertheless, the data on the average size of vessels on order in 1974 suggest that in the next few years the tendency to build even larger tankers and bulk carriers is likely to slow down.

41. The data on the average size of vessels in service do not fully reflect the rapid and continuing changes in the actual size of vessels built, particularly with regard to the distribution of tonnage by size groups of vessels. For example, in 1974 about 52.3 per cent of tanker tonnage was in the size group of 80,000 dwt and above, as compared with 47.2 per cent in 1973 and only 4 per cent in 1965. The share of tanker tonnage of 200,000 dwt and above increased from 30.6 per cent in 1973 to 36.1 per cent in 1974. Similar trends have been observed with regard to the size of bulk carrier tonnage. In mid-1974 9.6 per cent of the ore and bulk carrier tonnage and 74.2 per cent of the combined carrier tonnage in service were in the size group of 80,000 dwt and over as compared with 8.6 per cent and 71.3 per cent, respectively, in 1973.

[14] The discussion is based on data derived from *Lloyd's Register of Shipping: Statistical Tables* (London), corresponding issues unless otherwise stated.

TABLE 8

Analysis [a] of world fleets by principal types in the period 1970-1974

(In 1,000 grt)

	1970	*1971*	*1972*	*1973*	*1974*	*Percentage change 1973/1974*
Oil tankers	86,140	96,141	105,129	115,365	129,491	12.2
Liquefied gas carriers [b]	1,350	1,622	1,887	2,276	2,415	6.1
Chemical carriers	451	557	551	652	748	14.7
Miscellaneous tankers			126	115	122	6.1
Bulk/oil carriers	8,317	10,673	15,073	19,539	22,035	12.8
Ore and bulk carriers	38,334	43,124	48,415	53,110	57,403	8.1
General cargo (including passenger cargo)	72,396	71,931	70,591	69,506	68,674	− 1.2
Miscellaneous cargo ships			547	574	381	−33.6
Container ships (fully cellular)	1,908	2,781	4,310	5,899	6,291	6.6
Barge-carrying vessels			484	565	666	17.8
Vehicle carriers			488	359	469	30.6
Fishing factories and carriers Fishing (including trawlers)	7,804	9,037	9,620	10,275	10,683	4.0
Passenger liners	2,991	3,002	3,052	3,301	2,851	−13.6
Ferries and other passenger vessels			3,787	4,189	4,341	3.6
All other vessels [c]	7,799	8,335	4,281	4,502	4,750	5.5

Source: Lloyd's Register of Shipping: Statistical Tables (London), 1970-1974.

[a] The data presented in this table are not comparable with the data in tables 4 and 5, because the United States Reserve fleet and the United States and Canadian Great Lakes fleets are included in the data in this table.

[b] The term "liquefied gas carriers" refers to ships capable of transporting liquid natural gas (LNG) or liquid petroleum gas (LPG) or other similar hydrocarbon and chemical products which are all carried at pressures greater than atmosphere or at sub-ambient temperature or a combination of both.

[c] Including livestock carriers, supply ships and tenders, tugs, cable ships, dredgers, icebreakers, research ships and others.

TABLE 9

Trends in average size of world fleet by selected types of vessels, 1972-1974

	1972	*1973*	*1974*
Oil tankers of 100 grt and above in grt	16,270	17,460	19,085
Equivalent average size in dwt	29,016	31,740	35,136
Ore/bulk carriers of 6,000 grt and above (including bulk/oil carriers) in grt	20,830	21,990	22,755
Equivalent average size in dwt	35,203	37,330	38,852
Container ships of 100 grt and above in grt	13,810	14,970	15,270
Liquefied gas carriers in grt	5,370	6,090	6,052
All other ships of 100 grt and above in grt	1,980	1,920	1,870

ESTIMATED AVERAGE SIZES OF VESSELS ON ORDER

Estimates of:	*At end of 1972*	*At end of 1973*	*At end of 1974*
Tankers of 10,000 dwt and above in dwt	163,720	170,570	162,414
Ore/bulk carriers of 10,000 dwt and above in dwt	65,020	55,850	53,209
Container ships in dwt (vessels of capacity of 300 or more containers)	18,580	17,090	18,783
Liquefied gas carriers in dwt (vessels of 12,000 dwt and over)	26,350	51,620	53,123
All other ships of 1,000 grt and above in dwt	9,670	9,820	10,497

Sources: Existing fleet: estimated by the UNCTAD secretariat on the basis of data published in *Lloyd's Register of Shipping: Statistical Tables* (London), 1972-1974.

New Orders: estimated by the UNCTAD secretariat from data given in Fearnley and Egers Chartering Co. Ltd., *Review, 1974* (Oslo, 1974), for oil tankers, bulk carriers and other ships; size estimates of container ships and liquefied gas carriers were based on data given in *World Ships on Order*, supplement to *Fairplay International Shipping Journal*, November issues of years 1972-1974.

TABLE 10

Age distribution of world merchant fleet by type of vessel as at 1 July 1974

(Percentage of total tonnage (grt) of each group)

	Type of vessel	*Total*	*0-4 years*	*5-9 years*	*10-14 years*	*15 years and over*
World total	All vessels	100	38	25	15	22
	Tankers	100	43	24	14	19
	Bulk carriers	100	47	33	11	9
Developed market-economy countries (excluding southern Europe)	All vessels	100	45	28	13	14
	Tankers	100	47	27	14	12
	Bulk carriers	100	53	34	8	5
Southern Europe	All vessels	100	31	23	15	31
	Tankers	100	30	27	14	29
	Bulk carriers	100	45	31	17	7
Open registry countries	All vessels	100	37	20	13	30
	Tankers	100	43	16	14	27
	Bulk carriers	100	42	33	12	13
Total of all three groups	All vessels	100	41	25	13	21
	Tankers	100	44	24	14	18
	Bulk carriers	100	49	33	11	7
Socialist countries of Eastern Europe and Asia	All vessels	100	23	33	23	21
	Tankers	100	13	34	33	20
	Bulk carriers	100	28	36	26	10
Developing countries *	All vessels	100	30	23	17	30
	Tankers	100	36	19	17	28
	Bulk carriers	100	44	34	14	8

Source: Lloyd's Register of Shipping: Statistical Tables (London), 1974, and supplementary information provided to the secretariat of UNCTAD by Lloyd's Register of Shipping.

* The data for the age distribution of developing countries refer to all developing countries and hence are not comparable with the data presented in *Review of maritime transport, 1972-1973 (op. cit.)*, table 11.

3. *Trends in age distribution*

42. The age distribution of the world merchant fleet in mid-1974 by groups of countries and by type of vessel is shown in table 10. It can be observed that the relatively younger fleets are to be found in developed market-economy countries.

43. In the period 1973-1974 the age composition of the world fleet remained fairly constant. Of total world tonnage, in 1974 38 per cent was less than five years old as against 39 per cent in 1973.[15] The share of tonnage in the age bracket of 15 years and over increased slightly from 21 per cent in 1973 to 22 per cent in 1974.

44. In 1974, as in previous years, the tonnage registered under the flags of developed market-economy countries had the largest proportion of vessels less than five years old. As in 1973, 45 per cent of the fleets of these countries were in this age bracket. At the other end of the scale, i.e., vessels of 15 years or older, 14 per cent in 1974 (15 per cent in 1973) of the tonnage under the flags of developed market-economy countries was in this age bracket. It can also be seen, however, that the age composition of the fleets of developed market-economy countries differs significantly from the age composition of fleets of southern European countries and of those sailing under the flags of open registry countries. Only 31 per cent of the fleets of southern European countries and 37 per cent of the fleets of open registry countries were less than five years old. On the other hand, 31 per cent of the tonnage under flags of countries of southern Europe and 20 per cent of tonnage under flags of open registry countries were 15 years or older. It appears that the reason for the significant differences in the age composition of the tonnage registered in developed market-economy countries on the one hand and in the countries of southern Europe and of open registry countries on the other may be due to the fact that the latter countries have comparably lower labour costs, thus enabling owners to maintain under these flags older vessels—which are labour intensive—in operation.

45. In 1974, only 23 per cent of the fleets of socialist countries of Eastern Europe and Asia were below five years of age as compared with 27 per cent in 1973 and 38 per cent of the world average. On the other hand, 21 per cent of the tonnage of this group of countries were 15 years or older as against 18 per cent in 1973.

46. Finally, 30 per cent of the fleets of developing countries were less than five years old, which is substantially smaller than the world average (38 per cent), while 30 per cent of their tonnage belonged to the bracket of 15 years and over, which again was much less favourable than the world average (22 per cent).

47. With regard to the age composition of different types of vessels it can be seen that 47 per cent of bulk carrier tonnage is under five years of age (48 per cent in 1973) while the percentage for tankers in this age bracket was 43 per cent in 1974 (42 per cent in 1973). On the other hand, the share of bulk carriers and tankers of 15 years or older on the corresponding total fleets was 9 and 19 per cent, respectively, the figures for 1973 being 9 and 18 per cent.

48. Comparing the age distribution for tankers of the various groups of countries, it can be seen that the tankers of developed market-economy countries and of open registry countries tend to be much younger than those of any other group of countries. The main reason for this can be found in the composition of sizes of tankers operated under the flag of countries of these groups. While developed market-economy countries and countries of open registry operate a large fleet of ULCCs and VLCCs, which tend to be relatively new, the participation of the other groups of countries in these types of vessels is relatively small, especially in the case of the socialist countries of Eastern Europe and Asia, where only 13 per cent of the tanker fleet is less than five years old.

49. The point made regarding tankers is to a large extent also valid for bulk carriers. The newest and largest vessels are owned mainly by developed market-economy countries, thus explaining the exceptionally high share of 53 per cent for bulk carriers in the age bracket of under five years owned by those countries. The share of bulk carriers in this age group is 45 per cent in southern European countries, 42 per cent in open registry countries, 44 per cent in developing countries and 28 per cent in socialist countries of Eastern Europe and Asia. Owing to the comparatively late emergence of specialized bulk carriers, only very small proportions of bulk carriers are in the age group of 15 years or over.

50. Comparing the age distribution of the fleets of developing countries with that of the total world fleet, it can be seen that the developing countries' fleets are substantially older. This occurs in spite of the very favourable age composition of their bulk carrier tonnage and the relatively good age composition of their tanker tonnage. Obviously it is the age composition of other than bulk carrier and tanker tonnage, in which general cargo tonnage is included, which creates this unfavourable picture.

D. The productivity of shipping space

51. The development of productivity of tankers of 10,000 dwt and above and of bulk carriers of 18,000 dwt and above measured by the number of ton-miles of cargo carried per year per deadweight ton of the existing active fleet is given in tables 11 and 12.

52. There was a tendency for tanker productivity to increase in 1973, when it rose by 4 points relative to 1972, while bulk carriers productivity remained unchanged. This tendency is unlikely to persist in 1974, in view of the corrective action taken by tanker operators in response to the reduced demand for tanker tonnage resulting from the new energy situation. [16]

53. It is not possible to compute productivity figures for the total world fleet similar to those for oil tankers and bulk carriers. Table 13, however, gives an index based on the number of tons of cargo carried per dwt of the total world fleet. After having dropped in 1972 to the

[15] For 1973 figures used throughout the discussion in this subsection, see *Review of maritime transport, 1972-1973 (op. cit.)*, table 11.

[16] See para. 137 below.

TABLE 11

Estimated ton-miles of oil shipments per dwt, in 1962-1973, by oil tankers [a] of 10,000 dwt and above [b]

Year	Oil shipments (million tons)	Grain shipments (million tons)	Total oil/grain shipments (million tons)	Estimated ton-miles of oil/grain shipments (thousand million ton-miles)	Total fleet (million dwt)	Total active fleet (million dwt)	Ton-miles per active dwt (in thousands)	Index of active fleet productivity (1962=100)
1962	536	4.7	540.7	2,320	65.1	63.0	36.8	100
1963	582	4.3	586.3	2,468	69.5	68.7	35.9	98
1964	652	7.1	659.1	2,800	76.3	75.8	36.9	100
1965	722	11.8	733.8	3,146	84.7	84.3	37.2	101
1966	791	9.2	800.2	3,314	94.1	93.7	35.4	96
1967	836	4.7	840.7	3,991	102.5	102.2	39.1	106
1968	921	2.9	923.9	4,604	114.3	114.1	40.4	110
1969	1,021	2.1	1,023.1	5,224	129.3	129.1	40.5	110
1970	1,179	2.0	1,181.0	6,032	148.7	148.5	40.6	110
1971	1,218	1.5	1,219.5	6,748	168.4	167.2	40.4	110
1972 [c]	1,313	3.0	1,316.0	7,654	186.0	184.8	41.4	112
1973	1,467	5.5	1,472.5	9,058	212.4	211.9	42.7	116

Source: Compiled on the basis of Fearnley and Egers Chartering Co. Ltd., *Review, 1974* and *World Bulk Trades, 1973* (Oslo, 1974).

[a] Estimated grain shipments in ton-miles have been included.

[b] Since oil and grain shipments of oil tankers—e.g. excluding combined carriers—only are taken into consideration, the figures are not directly comparable to those recorded in *Review of maritime transport, 1972-1973 (op. cit.)*, table 12, although the trend did not change.

[c] Revised figures.

TABLE 12

Estimated ton-miles of bulk commodities carried per dwt,[a] between 1967 and 1973 by bulk carriers, including bulk/oil carriers of 18,000 dwt and above

Year	Bulk cargo (million tons)	Oil cargo (million tons)	Total bulk cargo, including oil (million tons)	Estimated ton-miles of bulk cargo carried, including oil (thousand million ton-miles)	Total fleet (million dwt) [b]	Total active fleet (million dwt) [c]	Ton-miles per active dwt (in thousands)	Index of active fleet productivity (1960=100)
1967	258	29	287	1,330	33.2	33.2	40.1	119
1968	326	54	380	1,903	44.0	44.0	43.3	128
1969	374	59	433	2,225	53.3	53.3	41.7	123
1970	439	61	500	2,636	62.2	62.2	42.4	125
1971	458	97	555	3,043	72.8	72.5	42.0	124
1972	526	132	658	3,632 [d]	87.9	86.6	42.0	124
1973	613	166	779	4,411	106.1	105.4	41.9	124

Sources: Compiled on the basis of Fearnley and Egers Chartering Co. Ltd., *Trades of World Bulk Carriers*, 1969 and 1970; and *World Bulk Trades, 1973* (Oslo, 1974), also on information communicated by the source to the UNCTAD secretariat.

[a] Including oil cargoes in combined carriers. [b] Mid-year figures. [c] Estimated by the UNCTAD secretariat. [d] Revised figure.

lowest level recorded since 1961, the index recovered slightly and rose in 1973 to 105 points.

TABLE 13

Cargo carried per dwt of world fleet, 1967-1973

Year	World fleet [a] (million dwt)	Total carried cargo [b] (million metric tons)	Cargo carried per dwt (metric tons)	Index (1960=100)
1967	240.9	1,910	7.92	116
1968	262.1	2,107	8.04	117
1969	288.3	2,312	8.02	117
1970	326.1	2,605	8.00	117
1971	365.2	2,697	7.38	108
1972	404.2	2,866 [c]	7.08	103
1973	444.6	3,190	7.17	105

[a] Taken from table 4. [b] Taken from table 1. [c] Revised figure.

E. Tonnage on order

1. *General*

54. During the 12-month period ending on 31 October 1974, world tonnage on order increased by 2.3 million dwt or by 0.9 per cent as compared with an increase of 87.4 million dwt or 51.3 per cent in the corresponding period ending on 31 October 1973. The changes in tonnage on order between 31 October 1973 and 31 October 1974 are given below: [17]

[17] Compiled on the basis of *World Ships on Order*, supplement to *Fairplay International Shipping Journal* (London), various issues.

Tonnage on order as at:	*All ships*	*Change (per cent)*	*Tankers*	*Change (per cent)*	*Bulk carriers (including combined carriers)*	*Change (per cent)*	*Other ships*	*Change (per cent)*
31 October 1973 . .	257.9		208.6		38.9		10.4	
		+4.1		+5.1		−1.3		+2.9
31 January 1974 . .	268.4		219.9		38.4		10.7	
		+1.7		+2.0		—		+1.9
30 April 1974 . . .	273.0		223.7		38.4		10.9	
		−2.6		−2.5		−5.2		+4.6
31 July 1974. . . .	265.8		218.0		36.4		11.4	
		−2.1		−2.8		−0.3		+6.1
31 October 1974 . .	260.2		211.8		36.3		12.1	

55. It can be seen from the data above that the overall increase in total tonnage on order between October 1973 and October 1974 did not follow a steady pattern. During the quarter ending on 31 January 1974 there was an increase of 10.5 million dwt (4.1 per cent), but in the following quarter there was a distinct slowing down in the rate of increase which declined to 1.7 per cent. This declining trend persisted during the next two quarters, ending on 31 July and 31 October 1974 respectively, during which total tonnage on order also declined in absolute terms.

56. The volume of tonnage ordered in the third quarter of 1974 declined to the lowest level recorded since the quarter ending in September 1972. Moreover, the volume of tonnage delivered exceeded new orders in the second and third quarters of 1974. This points to a distinct slowing down in future shipbuilding activities. [18]

57. The absolute decline in tonnage on order that has been observed since the quarter ending in July 1974 was caused by a decline in the order books for both tankers and bulk carriers (including combined carriers). By further differentiating between various sizes and types of vessels it may be observed that in the case of tankers there was a decline in the size group of 150,000 dwt and over, while the tonnage in the size group under 150,000 dwt showed a steady increase. However, this increase was not strong enough to offset the decrease in orders for larger-sized tankers. In the case of bulk carriers (including combined carriers), the decline was due to decreasing orders for combined carriers. [19]

2. *Distribution of tonnage by groups of countries*

58. It can be seen from table 14 that the flags of developed market economy countries, countries of southern Europe and open registry countries taken as a group accounted for 85 per cent of tonnage on order on 31 October 1974, as compared with 84.2 per cent in 1973 and 83 per cent in 1972. The percentage on order recorded under "flags not yet known" for each of the corresponding years was 4.1 per cent, 6.7 per cent and 7.3 per cent respectively. Assuming that the tonnage recorded under "flags not yet known" is for owners in the above groups of countries, the share of the flags of the three groups combined would amount to 89.1 per cent for 1974, 90.9 in 1973 and 90.3 per cent in 1972.

59. Table 14 also shows that, in relation to the distribution of tonnage on order by vessel type, there have been some changes for the combined group of flags of developed market economy countries, countries of southern Europe, open registry countries and "flag not yet known". While the share of this combined group for tankers over 150,000 dwt showed a slight decrease from 97.2 per cent in 1973 to 94.2 per cent in 1974, their share of tankers in the size group under 150,000 dwt increased further to 85.6 per cent in 1974 as compared with 84.6 per cent in 1973. Their share in ore/oil and ore/bulk/oil carriers decreased further to 80.2 per cent as compared with 82.3 per cent in 1973.

60. The decline in the combined share of the three groups of countries in container tonnage in 1973 was reversed in 1974, when this group of countries accounted for 82.6 per cent as compared with 74.3 per cent in 1973.

61. The share of the socialist countries of Eastern Europe and Asia in tonnage on order was 3.6 per cent in 1974 as compared with 4.2 per cent in 1973 and 4.8 per cent in 1972. However, there is an uneven distribution according to types of vessel. While part container ships ordered by these countries accounted for 25.9 per cent of total world tonnage on order of this type, tankers of over 150,000 dwt and bulk carriers accounted for only 0.9 and 4 per cent respectively of the respective total world tonnage on order. The corresponding figures for 1973 were 33.7, 0.8 and 8 per cent.

62. There were some noticeable changes the share of developing countries in tonnage on order in 1974. The developments within the different types of vessels are given below:

	1971	*1972*	*1973*	*1974*
Oil tankers above 150,000 dwt	0.8	0.5	1.8	4.8
Oil tankers under 150,000 dwt	7.2	9.4	5.1	6.9
Ore/oil and ore/bulk/oil carriers	4.3	6.7	15.4	16.4
Other bulk carriers	6.5	9.2	10.4	9.9
Full container ships	1.5	1.5	1.5	1.0
Part container ships	11.1	8.4	12.4	22.2
Other dry cargo ships.	12.7	19.0	17.7	19.8

It can be seen from these data that some significant changes occurred in the shares of developing countries by types of vessels on order. Their continuing preference for liner type vessels is noticeable, but the increase

[18] *Lloyd's Register of Shipping: Merchant Shipbuilding Return* (London), several issues.

[19] For further discussion of these points, see chap. IV below.

TABLE 14

World tonnage on order at at 31 October, 1970-1974

Groups of countries	*Year*	*All ships*	*Tankers 150,000 dwt and over*	*Tankers under 150,000 dwt*	*Ore/oil and ore/bulk/oil carriers*	*Other bulk carriers*	*Full container ships*	*Part container ships*	*Other dry cargo ships* [a]
				(In million dwt)					
World total	1970	132.0	65.5	11.7	20.0	20.9	3.8 [b]		10.1 [b]
	1971	171.6	87.0	16.4	26.2	28.0	2.7	4.4	6.9
	1972	170.5	93.7	25.2	19.5	21.2	1.8	5.6	3.5
	1973	257.9	155.9	52.7	13.8	25.1	1.3	3.5	5.6
	1974	260.2	149.2	62.6	9.3	27.0	1.8	4.0	6.3
				(In percentage share by type of vessel)					
World total	1970	100	49.6	8.9	15.1	15.8	2.9 [b]		7.7 [b]
	1971	100	50.7	9.6	15.3	16.3	1.6	2.5	4.0
	1972	100	55.0	14.8	11.4	12.4	1.1	3.3	2.0
	1973	100	60.5	20.4	5.4	9.7	0.5	1.3	2.2
	1974	100	57.3	24.1	3.6	10.4	0.7	1.5	2.4
				(Percentage share of world tonnage by groups of countries)					
Developed market-economy countries (excluding southern Europe)	1972	56.9	58.1	52.3	69.0	52.6	78.5	32.4	39.7
	1973	47.6	48.3	43.9	58.4	50.6	62.6	22.0	32.8
	1974	44.8	46.1	39.2	53.8	52.5	68.2	24.0	32.2
Open registry countries: Liberia, Panama, Cyprus, Somalia, Singapore	1972	20.6	25.3	13.3	15.2	22.2	3.0	4.8	6.0
	1973	27.9	31.7	25.6	15.7	22.1	11.7	5.6	17.7
	1974	32.6	36.2	34.4	13.0	24.2	13.2	3.0	20.5
Southern Europe	1972	5.5	4.0	8.8	4.6	7.5	—	17.8	4.6
	1973	8.7	8.4	10.6	4.4	8.0	—	26.3	5.8
	1974	7.6	7.2	8.1	8.3	6.7	1.2	25.6	6.5
Socialist countries of Eastern Europe and Asia	1972	4.8	1.3	8.0	1.6	6.9	14.2	33.1	29.9
	1973	4.2	0.8	9.2	2.3	5.9	24.2	33.7	23.8
	1974	3.6	0.9	6.8	3.4	4.0	16.4	25.2	18.3
Developing countries—total	1972	4.4	0.5	9.4	6.7	9.2	1.5	8.4	19.0
	1973	4.5	1.8	5.1	15.4	10.4	1.5	12.4	17.7
	1974	6.9	4.8	6.9	16.4	9.9	1.0	22.2	19.8
Of which:									
in Africa	1972	0.3	—	1.1	—	—	—	0.5	5.0
	1973	0.3	—	1.0	—	—	—	2.4	4.6
	1974	0.6	0.3	1.3	—	—	—	2.8	3.4
in Asia	1972	2.2	0.5	4.5	2.0	5.8	1.5	3.6	6.2
	1973	2.5	1.5	2.4	3.7	7.2	1.5	4.4	7.5
	1974	4.4	3.6	4.2	7.7	7.7	1.0	5.3	6.0
in Latin America and the Caribbean	1972	1.9	—	3.8	4.7	3.4	—	4.3	7.8
	1973	1.7	0.3	1.7	11.7	3.1	—	5.6	5.6
	1974	1.9	0.9	1.4	8.7	2.9	—	14.1	10.4
Flag not yet known	1972	7.3	10.8	5.4	2.9	0.5	2.8	3.5	0.5
	1973	6.7	8.8	4.5	3.8	2.1	—	—	2.2
	1974	4.1	4.7	3.9	5.1	2.2	—	—	2.7
Other—unallocated	1972	0.5	—	2.8	—	1.1	—	—	0.3
	1973	0.4	0.2	1.1	—	0.9	—	—	—
	1974	0.4	0.1	0.7	—	0.5	—	—	—

Source: Compiled from *World Ships on Order*, supplement to *Fairplay International Shipping Journal* (London), November issues of 1970-1974.

[a] Including general cargo vessels, barge carrying vessels, Ro/Ro vessels, vehicle carriers, pallet ships and others.

[b] Including part container ships.

in their share of part container ships on order (22.2 per cent in 1974 as compared with 12.4 per cent in 1973) is indicative of a move towards more modern types of vessels. With regard to the combined (ore/oil and ore/bulk/oil) carrier tonnage on order, the share of developing countries has increased to 16.4 per cent in 1974 as compared with 15.4 per cent in 1973. Further information available [20] shows that India and Brazil accounted for slightly more than 90 per cent of this tonnage. The trade of both countries appears to offer good chances for combined operations which could help them to reduce their transport costs, particularly for products such as iron ore.

63. An important increase has been recorded in the share of developing countries in oil tankers of 150,000 dwt and above, while their share in oil tanker tonnage under 150,000 dwt has also increased but at a much slower rate. These developments give evidence of the efforts of oil producing countries to expand their activities in the carriage of the oil trade which they generate themselves. Indeed, Kuwait accounts for about 40 per cent of the developing countries' share of tankers of more than 150,000 dwt on order, and for about 27 per cent of all tankers on order for developing countries (11.4 million dwt), while Iraq accounts for 14.6 per cent, the Libyan Arab Republic for 6.6 per cent and Iran for 4 per cent.[21]

[20] *World Ships on Order: Fairplay International Shipping Journal* (London), No. 41 (November 1974).

[21] *Ibid.*

Chapter III

WORLD SHIP PRICES AND THE FLEETS OF DEVELOPING COUNTRIES

A. Changes in prices of new vessels

64. Shipbuilding prices rose further in 1974 but the rates of increase differed widely for different classes and sizes of vessels. Table 15 gives the development of prices from 1967 to 1974 for tankers and bulk carriers (including combined carriers), based on actual contracts.

65. It can be seen from table 15 that prices in United States dollars for all except the very large crude carriers rose further in 1974, but at a much slower pace than in 1973, while prices in United States dollars for VLCCs declined by slightly more than 10 per cent. As contracts are usually made in the currency of the country of build nowadays, the expression of the contract prices in United States dollars makes it very difficult to know the extent to which the price changes shown are due to changing costs or to changes in exchange rates.

66. The high rates of inflation in most shipbuilding countries have undoubtedly had their impact on the evolution of shipbuilding prices in recent years. In addition to inflationary pressures, the boom in the demand for ships exerted pressure on steel prices and thus contributed to rising costs. However, the sharp increases in shipbuilding prices in the last few years should not be seen solely in the light of world-wide inflation and rising costs, but should also be considered in conjunction with the fact that since 1969 shipyards have been fully booked for a number of years ahead, thus enabling shipbuilders to take advantage of a very tight supply situation. The very strong freight market conditions in 1973, which continued during the first half of 1974, with regard to various types of tonnage created a sharp demand for new buildings. Under such conditions it is not surprising that shipbuilding prices were pushed to the levels they reached in 1973, also in 1974, particularly for the types of vessels most in demand.

67. Additional evidence regarding the course of shipbuilding prices in the first half of 1974 as compared with December 1973 for vessels scheduled for delivery in 1976 [22] can be found below:

Vessel type	*Size (dwt)*	*December 1973*	*June 1974*	*Percentage change*
		(thousands of pounds sterling)		
Dry cargo	16,000	3,000	4,200	40.0
Bulk carrier	16,000	2,500	3,000	20.0
Bulk carrier	28,000	4,000	4,500	12.5
Bulk carrier	100,000	11,000	12,000	9.0
Ore/bulk/oil . . .	170,000	18,000	20,000	11.1
Ore/oil	120,000	14,000	16,000	14.3
Tanker	250,000	18,000	22,000	22.2
Container ship (30% reefer container) .	25,000	13,500	20,000	48.1

68. Attention should be drawn to the fact that prices for different types of vessels developed differently. Prices increased much faster for dry cargo and container ships than for bulk carriers and tankers, and the difference in price movements within the last two categories of vessels cannot easily be explained on the basis of construction costs alone.

69. Table 16 shows the evolution of new building prices for liner-type vessels [23] from 1967 to 1974. It is significant that from 1973 to 1974, when there was a very

[22] Extracted from *Fairplay International Shipping Weekly* (London), vol. 252, No. 4714 (4 July 1974).

[23] The *Fairplay* data refer to a hypothetical closed/open shelter-decker of 11,000/15,000 dwt, propelled by a 7,000 b.h.p. diesel engine giving a speed of 15 knots. The ship is for delivery within the year and the quoted price does not include interest on loans.

TABLE 15

Representative new building prices for bulk carriers and tankers, 1967-1974 *

(Prices in millions of dollars at year end)

	1967	*1968*	*1969*	*1970*	*1971*	*1972*	*1973*	*1974*
18,000 dwt bulk	3.8	4.3	4.6	6.3	5.4	5.5	..	..
30,000 dwt bulk	4.9	5.4	5.7	8.7	8.1	7.5	12.0	16.5
87,000 dwt tanker	9.0	9.4	10.0	17.0	17.3	15.0	25.0	28.0
96,000 dwt OBO	10.0	11.0	12.0	23.0	23.7	21.0	29.0	33.0
210,000 dwt tanker	14.7	16.6	19.0	31.0	33.5	31.0	47.0	42.0

Source: Fearnley and Egers Chartering Co. Ltd., *Review, 1974* (Oslo, 1974).

* For the years 1963-1966, see *Review of maritime transport, 1972-1973 (op. cit.)*, table 17.

high demand for this type of vessel, the increase in prices is estimated at 55 per cent. Such a high percentage cannot be explained without including the boom in the dry cargo freight market (see table 28) as the most important causal factor. That current levels of shipbuilding prices have been strongly influenced also by market factors is further supported by the evidence (table 15) that shipbuilding prices for VLCCs dropped at the end of 1974 despite accelerating inflation pressures.

TABLE 16

Estimated prices for new and ready liner-type vessels 11,000/13,000 dwt, 1967-1974

Mid-Year	*Prices for constructing new vessels* (pounds sterling)	*Closed shelter-decker per dwt* (pounds sterling)	*Change* (percentage)
1967	1,095,500	84.25	
			6.6
1968	1,165,000	89.60	
			3.0
1969	1,200,000	92.10	
			12.5
1970	1,350,000	100.80	
			18.5
1971	1,600,000	123.00	
			18.8
1972	1,900,000	146.15	
			18.4
1973	2,250,000	165.38	
			55.4
1974	3,500,000	269.23	

Source: Fairplay International Shipping Journal (London), mid-year issue, 6 July 1972, mid-year issue, 5 July 1973 and mid-year issue, 4 July 1974.

On the other hand, cancellations of new orders of dropping of berth reservations, leaving gaps in the production programmes, particularly of medium-size yards, tend to ease demand for steel and this in its turn should influence steel prices. Generally, steelmakers felt uncertain about the industry's prospects in 1975 [24] and there appears to be little doubt that the boom in the steel industry and steel prices have reached their peak. It is for such reasons that certain observers felt that there would soon be a return to fixed prices for building berths remaining open for 1976-1977. [25]

B. Changes in prices of second-hand vessels

70. The course of prices for second-hand, tanker, bulk carrier and liner type vessels is given in tables 17, 18 and 19 respectively.

71. During 1974 the market for second-hand tonnage has been characterized by significant differences in the level of activity, depending both on the time of transaction and on the type of tonnage. Generally, there has been a relatively limited amount of tonnage for sale, particularly in the case of bulk carriers and shelter-deckers, the demand for which has remained at very high levels. [26]

72. By comparing the data given in tables 17, 18 and 19 with the data on the development of freight rates given in chapter V it can be seen that the prices of second-hand vessels are strongly influenced by movements in the levels of freight rates. [27] Prices for all types and sizes of tankers had fallen sharply by the end of 1974 as compared with 1973, whereas for bulk carriers they had remained stable and for liner type vessels had further increased. It can be observed from tables 20 and 21 that the prices for bulk carriers of 38,000 dwt and shelter-deckers of

[24] See *Metal Bulletin: World Steel and Metal News* (London), No. 5933 (18 October 1974), p. 31, where the annual meeting of the International Iron and Steel Institute is reviewed.

[25] See *Lloyd's List* (London), 5 November 1974, p. 3, where a report by the Norwegian firm P.F. Bassoe A/S is reviewed.

[26] *Shipping World and Shipbuilder* (London), vol. 167, No. 3895 (July 1974).

[27] However, in the short term this link may be somewhat less clear than it is in the long term.

TABLE 17

Tankers: second-hand prices, average values

(Prices in millions of dollars at end of year)

dwt	*Built*	*1970*	*1971*	*1972*	*1973*	*1974*
15/16,000	1951/52	0.9	0.5	0.4	1.5	0.5
18,000	1952/53	1.5	0.8	0.7	1.9	0.8
19/20,000	1959/60	3.3	2.0	2.0	4.0	2.7
25,000	1958/59	4.0	2.2	2.2	5.0	3.0
35,000	1958/59	6.0	3.5	3.5	7.5	3.5
50,000	1963/64	10.0	7.0	6.0	13.0	7.0
60,000	1964/65	12.0	8.5	7.5	16.0	8.0
80,000	1966/67	19.0	12.0	10.5	25.0	9.5
100,000	1967/68	26.0	16.0	13.5	30.0	11.0
200,000	1969/70	40-45	30.0	30.0	52.0	23.0
300,000	1971/72	—	—	42.0	78.0	36.0

Source: Fearnley and Egers Chartering Co. Ltd., *Review, 1974* (Oslo, 1974).

NOTE: The prices are market-value estimates at existing exchange rates for a charter-free tanker in good condition and with fairly prompt delivery on cash basis.

TABLE 18

Dry bulk carriers: second-hand prices, average values

(Prices in millions of dollars at end of year)

dwt	*Built*	*1968*	*1969*	*1970*	*1971*	*1972*	*1973*	*1974*
18,000	1963	2.1	2.2	2.8	2.2	2.3	4.5	4.8
25,000	1966	3.5	3.6	4.8	3.1	4.1	6.5	7.2
35,000	1965	4.0	4.2	6.0	3.7	4.9	8.0	9.0
50,000	1967	5.0	5.2	9.0	5.7	7.0	11.5	13.0
60,000	1972	—	—	11.0	8.3	9.5	17.0	17.0

Source: As for table 17.

NOTE: The prices are market-value estimates at existing exchange rates for a charter-free vessel in good condition and with fairly prompt delivery on cash basis. Bulk carriers of 50,000 dwt and over are gearless.

TABLE 19

Liner-type vessels: second-hand prices, average values

(Prices in millions of dollars at end of year)

dwt	*Built*	*1968*	*1969*	*1970*	*1971*	*1972*	*1973*	*1974*
6,600	1958	0.88	0.89	1.0	0.79	0.77	1.1	1.5
12,500	1956	1.4	1.4	1.5	0.85	0.95	1.5	2.2
13,500	1959	1.6	1.6	1.7	1.2	1.40	2.1	3.1
16,000	1963	2.4	2.8	3.0	2.3	2.50	3.4	4.5

Source: As for table 17.

NOTE: The prices are market-value estimates at existing exchange rates for a charter-free vessel in good condition and with fairly prompt delivery on cash basis.

TABLE 20

The course of the estimated freight rates * and second-hand values for a 38,000 dwt bulk carrier built in 1966 (1,650,000/1,750,000 cubic feet with cranes)

(Values in thousands of dollars)

As at end of:	*1972*		*1973*		*1974*	
	Freight rate (dollars)	*Value*	*Freight rate (dollars)*	*Value*	*Freight rate (dollars)*	*Value*
January	..	..	4.20	5,400	6.20	9,400
February	..	..	4.20	6,900	6.25	9,400
March	..	..	4.50	6,400	7.75	11,000
April	..	..	4.50	6,500	6.50	11,000
May	..	..	4.75	7,000	7.10	11,500
June	..	..	5.40	7,500	6.50	11,500
July	1.65	3,300	5.80	8,100	5.50	11,000
August	2.10	3,600	6.50	8,500	5.50	10,500
September	3.00	4,000	7.00	8,650	5.75	9,750
October	3.65	5,000	6.75	8,650	5.85	9,750
November	3.45	4,900	6.00	9,500	6.00	9,750
December	3.85	5,000	6.20	9,500	5.50	9,750

Source: Various issues of "Sale and purchase monthly report for May 1973", published by R. S. Platon A/S (Oslo)

* Estimated rate for 12-month time charter per dwt per month.

TABLE 21

Estimated developments of freight rates * and values for a good-class 10,500/12,500 dwt shelter-decker

(Values in thousands of dollars)

As at end of:	1972			1973			1974		
	Freight rate	Values for vessels built in		Freight rate	Values for vessels built in		Freight rate	Values for vessels built in	
	(dollars)	1956	1960	(dollars)	1956	1960	(dollars)	1956	1960
January	3.50	850	1,400	5.50	950	1,500	8.50	1,700	2,500
February	3.40	825	1,300/1,400	6.00	1,100	1,700	8.00	1,700	2,500
March	3.30	800	1,250	6.10	1,200	1,800	9.00	1,850	2,650
April	3.30	800	1,200	6.10	1,200	1,800	10.00	2,000	3,000
May	3.20	750	1,150	6.10	1,350	2,100	10.75	2,400	3,200
June	3.30	725	1,100	6.40	1,400	2,150	10.50	2,400	3,200
July	3.30	725	1,100	6.70	1,500	2,300	10.00	2,300	3,100
August	3.30	725	1,100	6.90	1,500	2,300	10.00	2,200	3,000
September	3.40	725	1,250	7.50	1,600	2,450	10.50	2,200	3,000
October	3.65	850	1,400	7.50	1,800	2,600	10.50	2,300	3,100
November	4.60	900	1,450	8.00	1,800	2,600	10.25	2,400	3,500
December	5.00	900	1,450	8.00	1,750	2,550	10.00	2,300	3,400

Source: As for table 20.

* Estimated rate for 12-month time charter.

10,500/12,500 dwt reached very high levels during the first half of the year when freight rates also reached their highest levels, and as the dry cargo freight markets remained firm till the late months of the year, prices of these vessels also remained firm, although at lower than the peak levels reached during the first half of the year.

73. The market for second-hand tanker tonnage developed quite differently. The weakness of the tanker freight markets, coupled with uncertainty regarding the prospects for these markets and difficulties in the international market for capital, exercised a downward pressure on demand for second-hand tankers from the early months of the year. This pressure was consequently felt in the prices paid for such vessels. It appears that the expected reopening of the Suez Canal has also caused some hesitancy among potential buyers.

74. Within each broad sector of the second-hand tonnage market (tankers, bulk carriers, etc.), particular demand conditions and different levels of prices are found, depending again on the corresponding demand conditions in the freight markets. For instance, the demand for dry cargo tonnage has been particularly concentrated on shelter-deck tonnage which could also be used in liner trades where boom conditions prevailed throughout the year, and on bulk tonnage in the Panamax 60,000 dwt [28] size range which has been considered advantageous in the light of the expected reopening of the Suez Canal. [29] In addition, demand for tankers of up to 150,000 dwt [30] has been stronger than for VLCCs, and this may also reflect the new market conditions which might be created by the reopening of the Suez Canal. Other factors affecting the demand for vessels of this size group are discussed in paragraph 110 below.

75. The extent to which interest in the different types and sizes of vessels varies is reflected in the prices for the corresponding types of tonnage. For instance, as is shown in table 17, prices for tankers of the size groups 200,000-299,000 dwt and 300,000 dwt dropped further below their 1972 levels than could be accounted for by greater age, while prices for tankers in the 50,000-100,000 dwt size groups were around their 1972 levels and those for smaller sizes remained at higher levels than in 1972. These price developments appear to be very much in line with the movements in tanker freight rates n 1974 described in chapter V below.

C. Acquisition of new and second-hand vessels by developing countries [31]

76. Information regarding the total additions of newly built and second-hand vessels to the merchant fleets of developing countries in 1973 is given in table 22. Total gross additions to these fleets amounted to 192 ships, aggregating 3 million dwt.[32]

77. Sixty-eight newly built vessels aggregating 1.9 million dwt were acquired in 1973 by developing countries, as compared with 72 vessels of 1.1 million dwt in 1972. As in previous years the new vessels were mainly acquired

[28] Maximum size of vessels which can use the Panama Canal loaded.

[29] *Shipping World and Shipbuilder* (London), vol. 167, No. 3895 July 1974.

[30] *Ibid.*

[31] The discussion in this section is based on data communicated to the UNCTAD secretariat by the United States Department of Commerce, Maritime Administration.

[32] Since information regarding the acquisition of new and second-hand vessels by developing countries in 1974 is not yet available, some scattered information which has been extracted from published sources is given in paragraphs 90-99 below.

TABLE 22

Changes in the ocean-going merchant fleets of developing countries in 1973: acquisition of new and second-hand ships by type of vessel—ocean-going ships of 1,000 grt and over

(In number of ships and 1,000 dwt)

	All ships		Of which: Tankers		Bulk carriers		Freighters		Other ships	
	Number	dwt	Number	dwt	Number	dwt	Number	dwt	Number	dwt
New buildings	68	1,879	18	916	6	326	32	328	12	309
Flag changes	104	1,062	10	265	7	149	72	561	15	87
Other additions	20	86	2	3			16	81	2	2
GROSS ADDITIONS	192	3,027	30	1,184	13	475	120	970	29	398
DEDUCTIONS	101	810	7	206	6	59	76	496	12	49
of which:										
sales	37	282	1	17	3	47	30	205	2	13
losses	18	215	3	136			12	71	3	8
scrappings	39	299	3	53	3	12	30	210	3	24
Other deductions	7	14					4	10	3	4
NET ADDITIONS	91	2,217	23	978	7	416	44	474	17	349
of which:										
in Africa	19	153	1	3	—	13	12	102	6	35
in Asia	36	1,315	10	505	8	385	11	137	7	288
in Latin America and Caribbean	36	749	12	470	(−1) *	18	21	235	4	26

Source: Compiled from data on tonnage additions and deductions which were made available to the UNCTAD secretariat by the United States Department of Commerce, Maritime Administration.

* The minus sign indicates net deductions in the number of vessels, which does not necessarily lead to a deduction in tonnage, because of the increased size of the vessels added to the fleet.

from shipyards of other than developing countries; 35 vessels of 1.4 million dwt were built in developed market-economy countries and 10 vessels of 0.1 million dwt in socialist countries of Eastern Europe and Asia. The tonnage of vessels built at shipyards in developing countries increased only marginally from 0.31 million dwt in 1972 to 0.34 million dwt in 1973; in relative terms a decrease occurred between 1972 and 1973 and the share tonnage built at own yards decreased from 27.5 per cent in 1972 to 18 per cent in 1973.

78. The second-hand tonnage acquired increased from 95 vessels of 0.76 million dwt in 1972 to 104 vessels of 1.1 million dwt in 1973. At in previous years these vessels were mainly acquired from developed market-economy countries and open registry countries (93 per cent or 1 million dwt); only 1 per cent (10,000 dwt) was acquired from socialist countries of Eastern Europe and Asia, while the balance of 6 per cent (59,000 dwt) represented flag changes within the group of developing countries.

79. After allowing for deletions, the net additions to the fleets of developing countries in 1973 were 91 ships totalling 2.2 million dwt as compared with 97 vessels of 1.2 million dwt in 1972. Of this tonnage, in 1973 developing countries in Africa acquired 19 vessels of 0.2 million dwt, in Asia 36 vessels of 1.3 million dwt and in Latin America and the Caribbean 36 ships of 0.7 million dwt. The corresponding tonnages for 1972 were 0.1, 0.6 and 0.4 million, respectively.

80. By comparing the information given in table 22 with the corresponding data for 1972 [33] it can be seen that there have been noticeable changes in the type and size composition of the net additions to the fleets of developing countries. For instance, in 1973 of tankers 1.2 million dwt and bulk carriers of 0.5 million dwt were acquired, as compared with tankers of 0.3 million dwt and bulk carriers of 0.3 million dwt in 1972. In the case of tankers the average size of the acquisitions increased from 16,600 dwt in 1972 to 39,500 dwt in 1973, and in the case of bulk carriers from 22,200 dwt in 1972 to 36,500 dwt in 1973.

81. Taken as a whole, the various data on the development of the fleets of developing countries point to the possible emergence of a new trend. This is shown by the annual percentage rates of growth over the last four years, which are:

1970-1971	4.8%
1971-1972	4.6%
1972-1973	6.3%
1973-1974	9.5%

While current orders for new tonnage are not sufficient to increase the share of developing countries in the world fleet, as table 22 shows the purchase of second-hand vessels is more important as a source of fleet expansion. Hence, despite the evidence from new orders, the increasing growth rate of the fleet of developing countries,

[33] See *Review of maritime transport, 1972-1973 (op. cit.)*, table 24.

coupled with the arrest of the decline in their share of world tonnage, may indicate that a new trend is emerging. It is clear, however, that much more would be needed —virtually more than is possible—if the objectives of the International Development Strategy for the Second United Nations Development Decade are to be attained.

82. Some individual developing countries were able to add substantial amounts of tonnage to their existing fleet in 1973 (see annex V). Furthermore, as the information given in paragraphs 91 to 99 below indicates, qualitative changes in the fleets of individual developing countries are expected. However, the general picture for developing countries as a whole remains gloomy and there appear to be only a very limited number of countries able to bring about significant improvements of their fleets.

83. One of the main obstacles preventing developing countries from significantly increasing their share in world tonnage is the fact that insufficient capital is available to them on suitable terms. As is pointed out above, developing countries acquire vessels mainly from foreign countries and thus they must have access to foreign credit on suitable terms for any significant improvements to be made in their fleet as a whole. Existing evidence, however, reveals that financing the acquisition of new vessels has become more difficult in 1974 than it was in earlier years.

84. It is for such reasons that, in the financing of new and second-hand tonnage by developing countries, attention is being focused on the role of international financial institutions as suppliers of capital for shipping investments by developing countries. Developments appear to be very slow in this direction. In 1974, the World Bank granted the Philippines a loan of $120 million for the acquisition, conversion and repairs of ships in order to improve the inter-island fleet servicing in the Philippines.

85. In July 1974 the OECD shipbuilding countries amended their export credit terms for new ships and made them considerably less attractive for shipowners than before. The amended OECD terms of credit for ships, the text of which is reproduced in annex VI, coupled with increasing prices for newly built vessels, made it even more difficult for developing countries to build up substantial and productive merchant fleets by acquiring new ships.

86. With the tightening of shipyard credits, shipowners increasingly have to turn to banks for loans, but banks have become increasingly hesitant to finance new tonnage and show a more discriminating and selective attitude towards borrowers.[34] This is particularly important when it comes to investments involving very large capital requirements, as for instance ultra-large crude carriers, liquefied natural gas carriers and large container vessels.

87. For instance, a LNG vessel of 125,000 cu m carrying capacity, if ordered in mid-1974 for delivery in mid-1977, would cost an estimated $110 million.[35] In order to appreciate the dimension of the financial requirements for future investments in LNG carriers, it is worth noting that the capacity of the world LNG fleet is expected to be between 8.2 million and 9.7 million cu m by the end of 1980 as against an existing fleet of 2.6 million cu m at the beginning of 1973.[36] At current building prices, event at the lower level, the investment requirement is roughly $5,000 million. The very high costs of building LNG carriers make it increasingly difficult to finance investments in such vessels. According to press reports, banks find it difficult to provide the capital required for such investments without additional safeguards. It is perhaps for such reasons that the financing of the supply of tonnage required to carry LNG to its destinations is increasingly becoming an integrated part of the development projects concerned and is additionally guaranteed by the whole operation.[37]

88. Doubts have been expressed in the press [38] as to whether India will be able to implement its national plan programme of expanding its merchant fleet to 8.6 million grt within the next five years, because of difficulties in raising the capital that is required to expand the merchant fleet by about 1 million grt per year, as called for in the plan.

89. Recent developments in the availability of capital in oil producing countries have eased difficulties regarding the financing of investments in shipping that previously existed also in these countries.[39] Thus a number of investments in shipping projects have been announced in 1974, while in other cases prospects for the development of natural gas resources in developing countries have also included plans for investments in the transport of natural gas. Available information regarding these and other cases of ship financing in developing countries is given below.

90. The Arab Maritime Petroleum Transport Company (AMPTC), formed in 1973 by the Governments of eight Arab States under the auspices of OAPEC, ordered its first vessels at the beginning of 1974. Two crude carriers of 275,000 dwt were ordered in France for delivery in 1977 and 1978 respectively, and two crude carriers of 313,000 dwt, and also one of 386,000 dwt, were ordered in the Federal Republic of Germany for delivery in 1976 and 1977. Total costs of these orders are reported to be $320 million.[40] In the second phase

[34] "Ship finance hit by banking problems", *Lloyd's List* (London), 28 October 1974.

[35] LNG: 1974-1990—Marine operation and market prospects for liquefied natural gas—published by the Economic Intelligence Unit; reviewed in *Fairplay International Shipping Weekly* (London), vol. 252, No. 4742 (11 July 1974), p. 6.

[36] *Ibid.*

[37] *Journal de la marine marchande et de la navigation aérienne* (Paris), 56th year, No. 2836 (25 April 1974), and *Lloyd's List* (London), 14 November 1974. See also para. 123 below.

[38] *Lloyd's List* (London), 11 June 1974, and *Shipping and Trade News* (Tokyo), 17 June 1974.

[39] According to press reports, the total tanker tonnage on order by developing oil producing countries in Asia and Africa amounted in 1974 to 5.74 million dwt including the tonnage ordered for the Arab Maritime Petroleum Transport Company; LPG/LNG and chemical carriers of 1.3 million cu m, were also on order (*Norwegian Shipping News* (Oslo), vol. 30 No. 19 (11 November 1974).

[40] *The Petroleum Economist* (London), vol. XLI, No. 8 (August 1974), and *ibid.*, No. 9 (September 1974).

of its operations, AMPTC plans to order six new tankers in the size group 40,000-150,000 dwt, and in the third phase orders for gas carriers, especially LPG vessels, are envisaged.[41]

91. The Middle East Gas and Petroleum Company, in which Kuwaiti interests hold a majority share, is reported to be planning to build up a large LPG carrier fleet. It will be assisted by its largest foreign shareholder, the Liberian-registered Multinational Gas and Petrochemical Company. The assistance offered will be in the fields of construction and design of the fleet, transport, marketing and terminal operations.[42]

92. An agreement to set up a joint tanker company between a Dutch firm and the United Arab Emirates was reported to have been reached in September 1974. It will be known as the UAET Tanker Company and it intends to build up a fleet of ULCCs. The company is not expected to become operational immediately.[43]

93. The Saudi Arabian Maritime Company (Samarco) has been set up as a joint venture of Saudi Arabian and United States interests. According to press reports, immediate acquisitions of vessels will amount to approximately 600,000 to 800,000 dwt of tanker tonnage and additional vessels will be added at a rate of 750,000 to 1 million dwt per year for several years.[44]

94. Some other developments, in specific circumstances, which have also helped to widen the sources of capital for financing and enabled developing countries to acquire ships, are noted below.

95. India and Iran are to set up a joint shipping line under the title Irano-Hind Shipping Company in which Iran will have a 51 per cent share and the Shipping Corporation of India a 49 per cent stake. The Government of Iran will provide credit for buying ships.[45]

96. In June 1974, a group of 41 international banks announced in London the signing of a loan agreement with Empresa Líneas Marítimas, S.A. (ELMA) of Argentina for $152.5 million repayable over eight years. According to press reports,[46] a total of 12 cargo vessels were being ordered but the loan is not specifically tied to the vessels, since it is guaranteed by the Banco Nacional de Desarrollo, the government-controlled development bank in Argentina.

97. National and Grindlays Bank in London has provided two loans of about $7.7 million each to the India Steamship Co. of Calcutta for the purchase of two second-hand dry cargo vessels. Prior to this loan agreement, the same bank signed a loan for $20 million to finance two new ships for an Indian shipping company.[47]

98. The Malaysian International Shipping Corporation has reached an agreement with an international consortium of banks for a loan of $600 million. The loan will be used by the Malaysian national shipping line to build up a fleet of liquefied natural gas tankers and oil tankers.[48] The current practice of treating the financing of investments for LNG carriers as an integrated part of development projects for LNG production is so widespread that surprise has been expressed in a press report that no decision has yet been reached regarding the eventual employment of the five LNG carriers, which are due for delivery in 1978.[49]

99. On the other hand, in 1974 there has been an example of domestic financing for investments in shipping in a developing country. Contracts for 45 vessels of various types and sizes worth about £250 million have been granted to the shipyards Companhia Comercio e Navegaçao (CCN) of Brazil for Brazilian owners. The delivery of vessels is to be spread over the period 1976-1980 and the financing has been secured through loans by the Brazilian Government, repayable in 15 years at 8 per cent interest.[50]

100. These examples illustrate the possibilities and also the problems that developing countries have encountered in raising the capital required for the extension of shipping activities. In the light of the increasing difficulties experienced by developing countries in financing the acquisition of vessels, the Committee on Shipping, in resolution 21 (VI) adopted at its sixth session, requested improvements in financial terms and conditions for the purchase of ships by developing countries.[51]

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[41] *Norwegian Shipping News* (Oslo), vol. 30, No. 19 (11 November 1974).

[42] *Lloyd's List* (London), 25 February 1974.

[43] *Ibid.*, 5 October 1974.

[44] *Financial Times* (London), 4 December 1974.

[45] *Ibid.*, 1 November 1974, and *Seatrade* (Colchester U.K.), vol. 4, No. 11 (November 1974).

[46] *Lloyd's List* (London), 11 June 1974.

[47] *Journal of Commerce* (Liverpool), 13 April 1974.

[48] *Financial Times* (London), 28 November 1974.

[49] *Lloyd's List* (London), 11 December 1974.

[50] *Seatrade* (Colchester U.K.), vol. 4, No. 12 (December 1974), and *Journal de la marine marchande et de la navigation aérienne* (Paris), 56th year, No. 2870 (19 December 1974) and No. 2871 (26 December 1974).

[51] For the text of resolution 21 (VI), see *Official Records of the Trade and Development Board, Fourteenth Session, Supplement No. 2* (TD/B/521), annex I.

Chapter IV

TRENDS IN SHIPBUILDING [52]

A. General developments

101. During 1974 the world's shipyards delivered 1,251 vessels with a total tonnage of about 58 million dwt, thus exceeding the deliveries of new buildings in 1973 by about 6.1 million dwt although 31 fewer vessels were delivered. Table 23 gives a survey of the number and tonnage of ships delivered in the years 1968-1974 according to types of vessels built. Because of the high volume of vessels currently on order the tendency of deliveries to remain at high levels should continue at least until 1976, unless large-scale cancellations occur as a result of freight market changes.

102. As in the preceding years tankers made up the greatest proportion of newly delivered ships in 1974 and accounted for 67.6 per cent of total deliveries in terms of tonnage. For the first time since 1969 a decline was recorded in the deliveries of combined carriers. A declining trend also in new orders suggests that there will be a further decline in new deliveries of combined tonnage in the next few years. Deliveries of bulk carriers (including ore carriers) in 1974 also decreased as compared with 1973. The share of bulk carriers in total deliveries dropped from 18.4 per cent in 1973 to 13.8 per cent in 1974.

[52] Unless otherwise stated, the discussion in this chapter is based on data given in *Lloyd's Register of Shipping: Merchant Shipbuilding Return*, various quarterly issues.

103. As in previous years, Japan dominated the shipbuilding scene. At the end of September 1974, 45.1 per cent of the total world order book was placed with Japanese yards, as compared with 43.6 per cent on 30 September 1973.[53] Sweden, the second largest shipbuilding country, accounted for only 8 per cent in 1974 and 9 per cent on 30 September 1973.

104. Of the group of developing countries, 21 countries are recorded as being currently engaged in shipbuilding activities,[54] but at the end of September 1974 the combined share of these countries in the total world order book had declined to 2.2 per cent as compared with 3.1 per cent at the end of September 1973. It is worth adding that each of the 10 major shipbuilding countries accounts for a higher share of tonnage on order than these 21 developing countries as a whole.

105. It can be observed from the preceding paragraph that shipping enterprises of developing countries

[53] However, out of only nine new orders for VLCCs and ULCCs placed throughout the world during the first nine months of 1974, none has been placed in Japan (*The Motor Ship* (London), vol. 55, No. 652 (November 1974)).

[54] *Lloyd's Register of Shipping: Merchant Shipbuilding Return*, third quarter, 1974. The countries and territories registered are: Angola, Argentina, Bangladesh, Brazil, Egypt, Fiji, Guyana, Hong Kong, India, Indonesia, Israel, Kenya, Lebanon, Malaysia, Mauritius, Mexico, Pakistan, Peru, Philippines, Republic of Korea and Singapore.

TABLE 23

Deliveries of new buildings, 1968-1974 [a]

(In thousand dwt)

Year	Tankers [b]		Combined carriers [b]		Bulk carriers [b] (including ore carriers)		Other ships [c]		Total	
	Number	dwt	Number	dwt	Number	dwt	Number	dwt	Number	dwt
1968	114	11,097	32	2,720	249	7,897	625	4,800	1,020	26,514
1969	125	16,385	23	2,028	200	5,999	716	6,000	1,064	30,412
1970	142	20,122	30	3,384	185	6,208	692	6,120	1,049	35,834
1971	138	20,397	42	5,634	214	8,154	686	5,588	1,080	39,773
1972	125	20,568	50	7,774	243	9,179	684	6,759	1,102	44,280
1973 [d]	190	28,366	54	8,255	224	9,564	814	5,723	1,282	51,908
1974	237	39,200	34	4,700	200	8,000	780	6,100	1,251	58,000

Source: Fearnley and Egers Chartering Co. Ltd., *Review, 1974* (Oslo, 1974), table 4.

[a] For data referring to earlier years, see *Review of maritime transport, 1972-1973 (op. cit.)*, table 25.

[b] Vessels over 10,000 dwt.

[c] All seagoing cargo-carrying vessels over 1,000 grt.

[d] Revised figures.

can turn to national shipyards for the construction of new tonnage only to very limited extent. For the present and also for the foreseeable future, most developing countries will have to depend entirely on foreign shipyards, and this will tend to accentuate their balance-of-payments problems. A few encouraging changes, however, have been observed in recent years. Brazilian shipyards are increasingly active in supplying tonnage for Brazilian owners and it is being suggested that in the foreseeable future they may have to turn to the international market to seek employment and thus become an export industry.[55] Another example is the foundation of the Hyundai shipyard at Mipo Bay, Republic of Korea, where in February 1974, only 21 months after construction of the yard had started, the first 259,000 dwt tanker was completed.[56]

106. The long-term prospects for the shipbuilding industry depend on the outcome of several factors which cannot yet be fully evaluated. In addition to the monetary problems that still remain unsolved, a number of other problems have arisen. The world energy situation and increased bunker costs could have an impact on future demand for tonnage, thus slackening the demand for yard capacity. In this connexion several reports predict a slowdown in the rate of increase in the demand for oil and vast surpluses of oil tanker tonnage; if this occurred, it would certainly have serious repercussions on the demand for shipyard capacity. At the same time, general economic forecasts also give a rather uncertain if not gloomy picture of the future economic situation in several of the major industrial countries, which, if realized, would affect world trade and its pace of expansion and thus the demand for tonnage. On the other hand, experience has shown that it becomes more and more difficult to forecast even short-term economic developments with a reasonable degree of reliability. It seems, however, that there are but few indications, if any, that the world shipbuilding industry is likely to know a period of prosperity in the late 1970s [57] comparable to that experienced since 1969 to date.[58]

B. Particular developments by type of vessel

1. *Bulk cargo vessels*

(a) *Tankers*

107. Since the early 1960s there has been a trend towards the domination of tankers and dry bulk carriers (including combined carriers) in the total order book, as well as in deliveries of new buildings. In 1974, for the first time in recent years the share of tankers in the total order book did not increase significantly. This was the result of cancellations of a number of contracts [59] for tanker new buildings and a net fall in the number of VLCCs on order, which was not offset by the increased orders for tankers under 150,000 dwt. In fact, between 1 November 1973 and 31 October 1974 the total order book for tankers increased by a mere 1.6 per cent [60] as compared with an increase of about 75 per cent in the corresponding period ending October 1973. However, this charge should not substantially affect deliveries of new tankers in the next few years, since the tonnage under construction had further increased to 20.4 million grt at the end of September 1974 as compared with 15 million grt at the end of September 1973.

108. The rapid increase in the number of tankers on order in the size group of 400,000 dwt and above, which was a characteristic of the order book in 1973, did not continue in 1974. After having jumped from 36 at 30 September 1973 to 66 at the end of 1973, the number of tankers on order in this size group rose slightly to 70 in the first quarter of 1974, but declined to 69 at mid-1974 and remained at 69 at the end of the third quarter of 1974.[61] Nevertheless, within the size group of 400,000 dwt and above there is still a preference for tankers of over 500,000 dwt, the number of which on order increased from 7 at the end of March 1974 to 10 at the end of September 1974.

109. The emphasis in new orders for tankers during 1974, however, was on tankers of under 150,000 dwt. A renewed interest in tankers of this category was already apparent during 1973. Indeed, between 1 November 1972 and 31 October 1973 the tonnage on order of this size of tankers doubled (25.3 million dwt in 1972 and 52.6 million dwt in 1973). In the period from 1 November 1973 to 31 October 1974 the order book for tankers under 150,000 dwt registered a further increase to 62.6 million dwt.[62]

110. There appear to be several reasons for the interest in tankers of under 150,000 dwt. One of them is the comparatively unfavourable age distribution of this fleet. While almost all the tonnage of the size group 150,000 dwt and above is less than 10 years old, about 32 per cent of tankers below 150,000 dwt were 15 years and older at mid-1974.[63] Another reason is the fact that the Suez Canal is scheduled to reopen in 1975, when it is planned to accommodate in the first stage ships of about 60,000 dwt loaded and 110,000 dwt in ballast.[64] Finally, there appears to have been a very rapid growth

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[55] *Seatrade* (Colchester U.K.), vol. 4, No. 12 (December 1974).

[56] *Lloyd's List* (London), 15 April 1974.

[57] *Lloyd's List* (London), 26 October 1974.

[58] Japanese ship exports in August 1974 were down 71.6 per cent from the corresponding month in 1973 in terms of contracts awarded. It is also interesting to note that between the beginning of the fiscal year 1974 (1 April) and August 1974, Japanese yards did not receive any orders for either VLCCs or ULCCs (*Shipping and Trade News* (Tokyo), 12 September 1974).

[59] Twenty-four contracts for tanker new buildings accounting for 4.5 million dwt were cancelled between 1 November 1973 and 31 October 1974. *World Ships on Order: Fairplay International Shipping Journal* (London), Nos. 38 to 41.

[60] *Ibid.*, No 37 (November 1973) and No. 41 (November 1974).

[61] Quite a number of orders for ULCCs of this size group refer to restricted draft vessels of about 73 feet draft for 400,000 dwt vessels (*Fairplay International Shipping Journal* (London), vol. 253, No. 4757 (24 October 1974).

[62] *World Ships on Order: Fairplay International Shipping Journal* (London), No. 37 (November 1973) and No. 41 (November 1974).

[63] *Lloyd's Register of Shipping: Statistical Tables* (London), 1974.

[64] See also paras. 201-207 below on the reopening of the Suez Canal.

of trade in petroleum products, which has led to increased orders for vessels of the appropriate type.[65] Among the major factors influencing the demand for product carriers is the planned expansion of refining capacities in oil producing developing countries.

(b) *Dry bulk carriers and combined carriers*

111. Since early 1973 there has been a considerable decrease in the tonnage of bulk carriers (including combined carriers) under construction, which dropped from 8.38 million grt at the end of the first quarter of 1973 to 5.4 million grt at the end of the third quarter of 1974. There was also a decrease in the tonnage of bulk carriers delivered. Between 1 October 1973 and 30 September 1974, 8.2 million grt were delivered as compared with 9.3 million grt in the 12-month period ending September 1973.

112. The total order book for bulk carriers and combined carriers together decreased only slightly. At the end of September 1974 the order book stood at 18 million grt as compared with 18.7 million grt on 30 September 1973. In relative terms the share of dry bulk tonnage in total tonnage on order decreased from 16.4 per cent at the end of September 1973 to 14.1 per cent at the end of September 1974.

113. Considered separately, however, the trends in bulk carriers and combined carriers diverged. The tonnage on order for combined carriers continued to decline: at the end of October 1974, 9.3 million dwt were on order, as compared with 13.8 million dwt at 31 October 1973. On the other hand, the tonnage of other bulk carriers on order increased from 25.1 million dwt at 31 October 1973 to 27 million dwt at 31 October 1974.[66]

114. With regard to the decline in orders for combined carriers, there appears to be a conflict of views as to the future demand for such vessels. Some observers felt that the boom in construction of combined carriers occurred only because of the extremely low building prices for vessels in the 1960s. This argument is not, however, supported by the available evidence. Shipbuilding prices have risen sharply since the late 1960s; nevertheless, the tonnage of combined carriers on order rose from 6.9 million dwt in 1969 to 21.6 million dwt in 1972.[67] Therefore, the decline in the tonnage of combined carriers on order since 1972 is more likely to be due to the fact that existing and foreseen demand for such vessels has been met rather than to rising building costs. The extremely rapid growth of such tonnage in the last 10 years occurred in response to the advantages of the newly adopted concept of combined operations. Surely, only part of the demand for shipping services will be of a type which could be subject to combined operations and hence future orders for such tonnage will be to satisfy new specific requirements. In this connexion, it is worth noting that beetwen 1972 and 1974 the great reduction in new orders was for ore/oil carriers of 150,000 dwt and above (16 in 1974 as compared with 52 vessels in 1972), while the order book for bulk/oil (OBO) carriers of up to 150,000 dwt declined only by six vessels in the same period (38 in 1974, as compared with 44 in 1972).[68] These data suggest that the level of new orders is well sustained for the tonnage which offers the widest flexibility of operation to the owners. The operational flexibility of this medium-sized combined tonnage is demonstrated by recent shifts of such vessels from the oil to the dry cargo market. In the meantime, the idea of a new type of combined carrier was introduced, the so-called PROBO.[69] It is proposed that this vessel should be in the size group of 96,000 to 126,000 dwt and should be able to carry products, crude oil, bulk cargoes and ore. The smallest size vessel is planned to carry 96,000 dwt on a draught of only 12.8 m, which will make it suitable for shallower waters.[70] Like other product carriers, it will be able to carry nine different kinds of products.

2. *General cargo and unit load system vessels*

115. The tendency observed in previous years for general cargo tonnage on order to decrease was reversed between September 1973 and September 1974. The data for the period end September 1972 to September 1974 for ships of more than 2,000 grt are: [71]

	Total tonnage on order (million grt)	*Percentage change*	*Under construction (million grt)*	*Percentage change*	*Delivered during preceding 12 months (million grt)*	*Percentage change*
End of:						
September 1972 .	6.5		4.0		4.3	
		−13.9		−37.5		−11.6
September 1973 .	5.6		2.5		3.8	
		+19.6		−16.0		−16.3
September 1974 .	6.7		2.1		2.8	

116. Detailed data concerning the particular changes in each type of vessel included in the group "general cargo vessels" are not available. For "unit load vessels", too, only partial information is available and is given in the following paragraphs.

117. At the end of September 1974 total container tonnage on order amounted to 1.25 million grt, repre-

[65] According to a report published by Terminal Operators Ltd. (as quoted in *Shipping and Trade News* (Tokyo), 13 June 1974), on the basis of product carriers now on order and on different rates of scrapping of existing tonnage, between 805 and 1,110 vessels of 30,000 dwt equivalent will be in service in January 1977 while demand should be between 1,300 and 1,500 vessels of 30,000 dwt equivalent based on growth rates of 7.8 and 10 per cent in the trade.

[66] *World Ships on Order: Fairplay International Shipping Journal* (London), No. 37 (November 1973), No. 40 (August 1974) and No. 41 (November 1974).

[67] Fearnley and Egers Chartering Co. Ltd., *World Bulk Carriers, January 1969* (Oslo), table 8, and *World Bulk Fleet, January 1972* (Oslo), table 10.

[68] *Ibid.*

[69] *Journal de la marine marchande et de la navigation aérienne* (Paris), 56th year, No. 2847 (11 July 1974), p. 1705, and *ibid.*, No. 2850 (1 August 1974), p. 1945.

[70] *The Motor Ship* (London), vol. 55, No. 652 (November 1974).

[71] *Lloyd's Register of Shipping: Merchant Shipbuilding Return* (London), third quarter issues for 1972, 1973 and 1974.

senting 18.8 per cent of all general cargo vessels on order. The comparable figures at the end of September 1973 were 1 million grt and 17.8 per cent, respectively. These totals were lower than a year earlier and had indicated that perhaps the container ship boom was ending.

118. The trend in recent years for the shipbuilding industry to provide more flexible and diversified unit load tonnage persisted in 1973-1974, as shown in table 24. There was an increase in the number of part container ships, full container ships, container/trailer ships, vehicle carriers and pallet ships, while the number of vessels on order of all other types of unit load systems declined.

TABLE 24

Numbers of unit load system vessels on order [a] at mid-1973 and mid-1974

Type of vessel	*1973*	*1974*
Part container ships [b]	393	409
Full container ships [c]	69	78
Container/trailer ships	58	66
Container/part refrigerated ships	44	34
Vehicle carriers	28	35
Bulk-vehicle carriers	37	26
Bulk container ships	29	23
Barge carriers	10	9
Pallet ships	1	3
Container/barge carriers	4	3

Source: Compiled from *World Ships on Order: Fairplay International Shipping Journal* (London), No. 40 (August 1974).

[a] Including contracts pending or under negotiation.

[b] Presumably some of these vessels are what are usually called multi-purpose vessels.

[c] Including 24 vessels with a container capacity of less than 300 TEU.

119. The yearly increase in size and speed of container ships on order that could be observed up to 1973 was not present in 1974. On the contrary, from July 1973 to July 1974 the average capacity of fully cellular vessels on order decreased from 1,065 TEU [72] to 1,002 TEU per vessel.[73] The largest vessel on order at mid-1974 had a carrying capacity of 2,274 TEU, as compared with 2,804 TEU for the largest vessel on order at mid-1973. In this connexion, it is worth noting that there have been warnings from British shipowner circles against the construction of very large container ships.[74] The substance of the warning was that there should be a balance between the desire for a certain frequency of service and for increasing vessel sizes, the more so since the loss of a very large container ship would have disastrous effects on the trade, which already has a tight balance between space offered and space required.

[72] TEU = Twenty-foot equivalent unit.

[73] Firm orders of lift-on lift-off full container ships of more than 300 TEU capacity are taken into consideration. Discussion based on *World Ships on Order: Fairplay International Shipping Weekly* (London), No. 36 (23 August 1973), and *ibid.*, No. 40 (22 August 1974).

[74] *Shipping and Trade News* (Tokyo), 8 April 1974.

3. *Other vessels*

(*a*) *Liquefied gas carriers*

120. Advances continued to be very rapid in 1974 with regard to the tonnage of liquefied gas carriers, the tonnage on order and the size of the vessels. An increasing number of shipyards in western Europe, the United States of America and Japan have by now orders on hand for this highly specialized and capital-intensive type of vessel. Developments and prospects regarding the rapidly increasing demand [75] for liquefied gas suggest that transport requirements for liquefied gas will further attract the interest of shipyards which have the advanced technology required.

121. During 1973, both the existing fleet of liquefied gas carriers and the tonnage on order increased considerably. In January 1974, the existing fleet had a capacity of 3.3 million cu m (see table 25), as compared with 2.6 million cu m at the beginning of 1973, while the capacity of the fleet on order rose from 3.4 million cu m to 6.2 million cu m during the same period.

122. Advances have also been very rapid with regard to the carrying capacity of LNG carriers. While, about 10 years ago, the first generation of LNG ships was in the size range of 25,000-40,000 cu m, this was followed by an increase to between 70,000 and 90,000 cu m.[76] It can be seen from table 25 that new orders are now concentrated on vessels of 100,000 cu m and above. About 90 per cent of the tonnage on order at the beginning of 1974 belongs to this size group.

123. It has been noted in chapter III that because of the volume of finance required for modern LNG carriers, their financing is increasingly becoming a part of the respective developments of gas resources rather than an independent activity. Table 26 lists a number of LNG schemes in which the financing of the carrying vessels has been integrated.

(*b*) *Push-barge vessels*

124. Interest in push-barge systems is developing slowly. In 1973 reference was made to the commission of an ocean-going push-barge vessel of 23,000 grt in France. In 1974, it has been announced that a push-barge vessel system has been successfully tried on a round trip between Japan and China. As a result two barges of 4,000 dwt each and a pusher have been ordered in Japan.[77]

(*c*) *BACAT-vessel*

125. A new type of barge-carrying vessel for short sea trades has been constructed in Denmark. The

[75] For example, by 1980 the United States of America can be expected to import between 46,000 million and 64,000 million cu m from various sources, which is more than 10 times the volume of gas moving under existing contracts. In 1980 also Japan should be receiving 24,000 million to 34,500 million cu m as against about 9,000 million cu m by 1975. Besides that, movements of LPG could reach 17.5 million tons, as compared with 7.2 million tons in 1972. (Cf. *Liquid Gas Carrier Register, 1974*, compiled by H. Clarkson and Co. Ltd, London).

[76] *Petroleum Review* (London), vol. 28, No. 331 (July 1974).

[77] *Zosen* (Tokyo), vol. XIX, No. 1 (April 1974).

TABLE 25

Liquid gas carriers—type and capacity analysis, January 1974

Cargo capacity range (cubic metres)	Pressurised		Semi-refrigerated		Refrigerated		Insulated		LPG/Oil, etc.		Total 1974		Total 1973 data	
	Number	Cubic metres	Number	Cubic metres	Number	Cubic metres	Number	Cubic metres	Number	Cubic metres	Number	Cubic metres	Number	Cubic metres
Up to 1,999	169	140,653	47	58,361	121	10,508	—	—	13	14,100	241	223,622	225	206,231
	—	—	—	—	—	—	—	—	—	—	—	—	1	15,000
2,000-19,999	15	41,953	59	253,671	25	312,018	1	3,500	9	70,682	109	681,824	103	669,859
	1	2,600	7	37,860	1	4,100	1	5,000	—	—	10	49,560	7	21,600
20,000-39,999	—	—	—	—	15	423,447	3	80,300	—	—	18	503,747	17	474,226
	—	—	—	—	6	174,500	—	—	—	—	6	174,500	6	188,195
40,000-59,999	—	—	—	—	10	487,678	7	290,190	1	47,424	18	825,292	16	721,334
	—	—	—	—	4	208,800	—	—	—	—	4	208,800	7	353,681
60,000-99,999	—	—	—	—	8	584,420	5	368,000	—	—	13	952,420	8	568,030
	—	—	—	—	16	1,184,500	5	387,600	—	—	21	1,572,100	16	1,237,980
100,000 and over . . .	—	—	—	—	1	100,200	—	—	—	—	1	100,200	—	—
	—	—	—	—	1	100,000	33	4,134,800	—	—	34	4,234,800	13	1,605,000
Total delivered	184	182,606	106	313,032	71	1,918,271	16	741,990	23	132,206	400	3,287,105	369	2,639,680
Total on order	1	2,600	7	37,860	28	1,671,900	39	4,527,400	—	—	75	6,239,760	50	3,407,956
TOTAL	185	185,206	113	349,892	99	3,590,171	55	5,269,390	23	132,206	475	9,526,865	419	6,047,636

Source: Derived from corresponding table in *Liquid Gas Carrier Register, 1974*, compiled by H. Clarkson and Co. Ltd., London.

NOTE: The second line of figures in each case refers to vessels on order.

TABLE 26

Existing and projected LNG schemes which include the building of LNG carriers

Project	*Commencement*	*Number and size of ships*	*Delivery capacity (approx. billion cu m/year)*
A. *Existing projects*			
Algeria-United Kingdom	1964	2× 27,500	1.0
Algeria-France (Arzew-Le Havre)	1965	1× 25,500	0.5
Alaska-Japan	1969	2× 71,500	1.5
Libyan Arab Republic-Spain	1971	1× 40,000	1.1
Libyan Arab Republic-Italy	1972	3× 40,000	3.0
Brunei-Japan	1972	7× 75,000	7.0
Algeria-France (Skikda-Fos)	1973	2× 40,000	3.5
B. *Projected firm schemes*			
Abu Dhabi-Japan	1976	2×125,000 1× 87,600	3.0
Algeria-United States of America	1976	9×125,000	10.0
Indonesia-Japan	1977/78	7×125,000	10.0
Algeria-Europe	1977/78	4×129,500	15.5

Source: Petroleum Review (London), vol. 28, No. 331, (July 1974).

BACAT (barge aboard catamaran) system has a number of features that make it significantly different from the established LASH and SEABEE systems. There is no hold provided and, as with the SEABEE-type vessel, there is an elevator fitted to lift the barges instead of a gantry crane employed on LASH-type ships. The twin hulls of the BACAT ship are not suitable for the carriage of cargo and the barges are carried between the hulls.[78] BACAT has been designed for the special needs of the northern United Kingdom-Continent bulk trade and the barges will mainly operate on the rivers Humber, Trent and Tees and their extensive canal spurs. Special push-tow tugs have been purpose-built for this operation.[79]

(d) Offshore drilling rigs and offshore supply vessels

126. During recent years offshore drilling activities have increased considerably. These offshore activities have been of a considerable significance for the shipbuilding industry, which has been engaged in the construction of drilling rigs and offshore supply vessels. There are three basic types of drilling rigs employed. The initial type of drilling platform produced for use in shallow waters was the jack-up design. This unit has now been joined by two other types for use in deeper water conditions: the drill ship and the semi-submersible rig. At the end of 1973 the following numbers of units were in service or on order: [80]

Type	*In service*	*On order*
Jack-up	124	37
Semi-submersible	45	70
Drill ship	55	14

127. The world supply fleet has expanded during the last few years to keep pace with the increase in offshore drilling operations. Exact statistical evidence concerning the number of vessels of this category is not available; it has been estimated, however, that as many as 655 units have been in service and about 240 are on order.[81] In the course of time vessels have become increasingly sophisticated. While they were initially only used for supply purposes, a number of new units also have facilities for handling anchors that rigs need for mooring and are capable of acting as tugs for moving the rigs from one drilling location to another, thus relieving the purpose-built salvage tugs of this task.

C. Trends in propulsion

128. In mid-1974 the world merchant fleet consisted mainly of motor ships and steam ships, the latter mostly being powered by steam turbines. A small number of

[78] *Shipping World and Shipbuilder* (London), vol. 167, No. 3892 (April 1974).

[79] *Cargo Systems (International)* (London), vol. 1, No. 5 (March 1974), p. 15.

[80] *The Marine Industries—Offshore*, a special survey by *The Motor Ship* (London), June 1974.

[81] *Ibid.*

TABLE 27

Trends in propulsion of vessels under construction and on order at 30 September, 1972-1974

grt	*Motor ships as a percentage of total number of vessels*																	
	Under construction						*Not commenced*						*Total on order*					
	1972		*1973*		*1974*		*1972*		*1973*		*1974*		*1972*		*1973*		*1974*	
	Total number	*(Per cent)*	*Total number*	*(Per cent)*	*Total number*	*(Per cent)*	*Total number*	*(Per cent)*	*Total number*	*(Per cent)*	*Total number*	*(Per cent)*	*Total number*	*(Per cent)*	*Total number*	*(Per cent)*	*Total number*	*(Per cent)*
100- 999	879	99.9	1,082	100.0	1,197	100.0	444	100.0	676	100.0	773	100.0	1,323	99.9	1,758	100.0	1,970	100.0
1,000- 3,999	336	100.0	323	100.0	361	100.0	182	100.0	286	100.0	405	100.0	518	100.0	609	100.0	766	100.0
4,000- 9,999	241	100.0	222	100.0	208	100.0	180	100.0	279	100.0	316	100.0	421	100.0	501	100.0	524	100.0
10,000-29,999	296	90.5	277	94.2	286	94.8	336	98.2	469	96.8	564	97.3	632	94.6	746	95.8	850	96.0
30,000-74,999 [a]	107	71.0	134	84.3	145	89.0	200	86.0	345	96.5	480	92.7	307	80.8	479	93.1	625	91.8
75,000-99,999 [b]	35	51.4	27	77.8	29	55.2	56	83.9	113	71.7	97	64.9	91	71.4	140	72.9	126	62.7
100,000 and over	75	16.0	92	7.6	107	11.2	245	6.9	353	8.5	336	6.3	320	9.1	445	8.3	443	7.4

Source: Lloyd's Register of Shipping: Merchant Shipbuilding Return (London), third quarter of 1972, 1973, 1974.

[a] For the years 1972 and 1973, the breakdown is 30,000-69,999.

[b] For the years 1972 and 1973, the breakdown is 70.000-99.999.

vessels are propelled by gas turbines. The number of nuclear-powered vessels in commission remains constant at three ships. The great majority of the vessels under construction at the end of September 1974, i.e. 2,194 ships out of a total 2,333, were motor ships. However, in terms of tonnage the share was 52.7 per cent for motor ships and 47.3 per cent for steam ships.[82]

129. The diesel engine remains the predominant form of motor power for ships below 100,000 grt. Of ships under construction or on order at the end of September 1974 virtually all of those under 30,000 grt were motor vessels, as can be seen from table 27. In the size group between 30,000 grt and 99,999 grt the dominance of diesel propulsion was somewhat less noticeable than in the previous two years. In the size group of 100,000 grt and above, steam turbines remain the predominant form of propulsion.[83] The prices of diesel oil and fuel oil have evolved quite differently since the end of 1973, and this may encourage the adoption of diesel engines in the size range of 100,000 grt and over either through the use of twin screws or through improved engine technology. An indication of this is given in press reports that several shipowners who had ordered steam turbine-powered ships have attempted to renegotiate their contracts to have diesel engines installed. Diesel engines of 50,000 bhp per ship have been ordered for five 23-knot container ships and it is considered that the increasing costs of operating these vessels—mainly fuel costs—in a long haul such as from Europe to Australia have influenced the shipowners' decision to install diesel propulsion.[84]

130. Since the rise in bunker prices and the new danger of cuts in supplies, interest in studies of nuclear power as an alternative to fossil fuel in ship propulsion has been revived. It has been calculated that, at early 1974 bunker prices, a nuclear-powered container ship with a capacity of 1,000 containers would break even with a fossil-fuelled vessel at 24 knots and 33,000 shp.[85] However, similar optimistic calculations were also made on several occasions in the past, but have subsequently been revised, particularly as a result of increasing costs for the construction of a nuclear-powered vessel.[86] Moreover, if nuclear-powered vessels come into operation, not only have the questions of economic superiority and of regular manning of an increased number of such vessels to be answered, but it also has to be clarified whether international and local agreements on safety standards will allow the vessels the normal use of territorial waters.[87] Another problem that arises with normal operation of nuclear-powered vessels is the question of liability in case of damage. Agreements based on the Brussels Convention on the liability of shipowners lay down that the operator is liable up to a limit of about DM350 million, regardless of whether he is at fault. For claims exceeding this limit the licensing State has to guarantee coverage. However, there is no international law regulating in a precise way the question of liability of owners and of the licensing State for calls in foreign ports, and in the meantime bilateral agreements have to suffice.[88]

131. Nevertheless, the GKSS [89] of the Federal Republic of Germany, in co-operation with shipbuilders and shipowners, is planning a nuclear-powered container ship of 80,000 shp and an operational speed of 28 knots for the North West Europe–Far East run, and is aiming to reach a decision on the construction of such a vessel by mid-1975.[90] Also, Japan is considering the construction of a second nuclear-powered vessel, either a container ship or a tanker, [91] but in the light of increasing difficulties in the operation of the "Mutsu" it is doubtful whether any concrete steps will be taken in the near future to pursue this project.

D. Automation and other technological advances

132. Further specific developments have not been reported in 1974 but additional studies have been undertaken to reduce the number of crew members by means of automation and reorganization. In this connexion, it has been claimed in a study carried out by the Hansa Shipping Company in Bremen that a crew of 12 could suffice for a container vessel serving the trade between Europe and the Far East without affecting the operation of a vessel or its security, under the assumptions that the sea/port ratio would be 94.2/5.8, frequent port calls would be of an extremely short duration, the supervision of cargo would be confined to inspecting the holds, refrigerated containers and containers loaded with dangerous cargo.[92]

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[82] *Lloyd's Register of Shipping: Merchant Shipbuilding Return* (London), third quarter of 1974.

[83] On 30 September 1974, 7.4 per cent of the number of vessels on order in the size group of 100,000 grt and above were motor ships. The corresponding share on 30 September 1973 was 8.3 per cent. (*Lloyd's Register of Shipping: Merchant Shipbuilding Return* (London), corresponding issues.)

[84] *The Motor Ship* (London), vol. 55, No. 649 (August 1974).

[85] *Fairplay International Shipping Journal* (London), No. 25 (July 1974).

[86] *Congressional Information Bureau* (Washington D.C.), vol. 78, No. 231 (29 November 1974).

[87] In this connexion, it is worth referring to the difficulties faced at sea by the Japanese nuclear-powered vessel. Because of radioactive leaks, it was refused access to ports anywhere and only after drifting six weeks in the Pacific was it allowed to enter its home port.

[88] *Fairplay International Shipping Weekly* (London), vol. 253 No. 4754 (3 October 1974).

[89] Association for the utilization of nuclear energy in shipbuilding and shipping.

[90] *Journal de la marine marchande et de la navigation aérienne* (Paris), 56th year, No. 2841 (30 May 1974), p. 1317. Also *Fairplay International Shipping Weekly* (London), vol. 253, No. 4754 (3 October 1974).

[91] *Seatrade* (Colchester U.K.), vol. 4, No. 5 (May 1974).

[92] *Journal de la marine marchande et de la navigation aérienne* (Paris), 56th year, No. 2847 (11 July 1974).

Chapter V

FREIGHT MARKETS

A. General developments

133. In the dry bulk and tanker cargo markets, the uncertainty created by the sharp rise in oil prices and imposition of restrictions on oil shipments in the last months of 1973 was felt in the early months of 1974. However, after a temporary pause the demand for dry cargo tonnage recovered and strong demand conditions characterized the market till well into the fourth quarter of 1974. The ability of the market in the first half of 1974 to sustain the impact of an almost continuous transfer of combined carriers and tankers [93] to the dry cargo trades without this having a depressing effect on the level of freight rates, was indicative of its strength.

134. The strength of the dry cargo market in the first half of 1974 was derived from a wide movement of all major bulk commodities, particularly grain, ore and coal following the upheaval created by the oil situation. Voyage and time charter rates for most classes of tonnage help up at remarkably high levels. There were, however, noticeable fluctuations in the rates during the first six months of 1974 and voyage charter rates reached their highest level since the 1960s in the first quarter of the year when the relevant freight index reached 245 points. The market was relatively weaker in the second half of the year and freight rates declined. The weakening of the market in the mid-year months is fairly normal in the case of both bulk and tanker cargoes. However, apart from seasonal factors, this weakening of demand may be partly attributed to the tonnage requirements for the transport of grains as compared with earlier in the year. Demand for tonnage for the transport of grains was reactivated in October and total voyage and consecutive voyage fixtures during this month were at almost the same levels as in the corresponding month in 1973.[94] At the beginning of the last quarter of the year there was, also, a significant reactivation of the time charter market. However, subsequent developments in the freight markets in November and December clearly demonstrated that the boom in the dry cargo market which began in the last quarter of 1972 has well passed its peak.

135. The prospects for the dry cargo market appear to be riddled with uncertainties. Much depends on how far inflation and the rise in oil prices will affect economic growth in industrial countries, consequently also their demand for imports, particularly of industrial raw materials.[95] Nevertheless, some observers [96] felt that world consumption of raw materials will begin to expand in 1975, particularly if oil prices stabilize. In addition, since the dry cargo market is substantially influenced by grain movements, the prospects for the next few months also depend on the amount of grains traded. The concern at the end of the third quarter of 1974 regarding the relatively poor crop yield in the United States and the cancellation of certain sales contracts with the USSR increased the uncertainty in the market. However, against this, reference should be made to the new contract for the sale of grains concluded in October 1974 between the United States and the USSR, and also to increased movements of grains from Argentina.

136. The situation in the tanker market differed sharply from that in the dry cargo market throughout the year. At the beginning of 1974 the tanker market was weak and these weak demand conditions persisted until towards the end of the first quarter of the year. Some improvement was observed in March 1974 after the lifting of the oil embargo, but it was short lived and the market was not effectively activated. A similar temporary recovery also occurred at the end of the third and the beginning of the fourth quarter of 1974, perhaps because of speculation that OPEC countries would decide to increase the royalty payments from oil companies from 1 October, and also because some oil supplies were made available at reduced prices by a few Gulf States in August and September 1974.[97] Added to

[93] During 1972/1973, 80 per cent of the deadweight of the combined carrier fleet was in operation in the oil trades. It dropped to 71 per cent by the end of 1973 and was at 60 per cent throughout the first half of 1974. The volume of tankers operating in the grain trade grew from 660,000 tons in December 1973 to 1.8 million tons in June 1974. (John I. Jacobs and Co. Ltd., *World Tanker Fleet Review* (London), June 1974). Also from mid-September to the end of October 1974, tankers of 561,000 dwt were chartered for the transport of grains as compared with 126,000 tons in the corresponding period of 1973 (*Westinform* (London), No. 44, 2 November 1974, and *ibid.*, No. 44, 3 November 1973).

[94] 7,922,000 tons in October 1974 as compared with 7,913,000 tons in October 1973 (*Westinform* (London), No. 44, 2 November 1974, and *ibid.*, No. 44, 3 November 1973).

[95] Fears were expressed throughout 1974 of a possible recession in the economic growth of the industrial countries as a result of higher oil prices. See *The Petroleum Economist* (London), vol. XLI, No. 1 (January 1974), *The Shipping Statistics and Economics: Six Monthly Review* (London), June 1974, published by H. P. Drewry (Shipping Consultants) Ltd., London, and *OECD Economic Outlook* (Paris), No. 15 (July 1974).

[96] Lambert Bros Shipping Ltd., *World Trade Review and Outlook*, No. 9: *A Review of Developments in World Trade and Their Effect on the Shipping Market* (London, September 1974).

[97] *Westinform* (London), No. 135, September 1974. See also *Zosen* (Tokyo), vol. XIX, No. 5 and (August 1974) *Journal of Commerce* (Liverpool), 27 September 1974.

this, winter came early in certain parts of the Northern hemisphere. At the time of writing this Review (December 1974) the oil freight market situation is gloomy, with freight rates again following a downward trend. In particular, freight rates for VLCCs reached a new low point in the world scale (32½) in December 1974.[98] The relative decline in oil consumption in most of the major consuming countries [99] caused the demand for tonnage to be relatively low during 1974; for example, only 117 time charter fixtures were reported in the first half, compared with 276 in the same period in 1973.[100] This low demand failed to match the increase in supply through substantial new deliveries, amounting to an increase of 8.6 per cent in tanker tonnage in the first six months,[101] thus leading to a weak market.

137. The situation that prevailed in the tanker freight market triggered various corrective actions from tanker operators, such as switching tankers and combination carriers to the dry cargo trades and deliberate under-utilization of tonnage through slow steaming and induced waiting.[102] It has been estimated that the whole world tanker fleet is being operated at a speed two knots lower than normal, which gives an economy in bunkers of 25 per cent; it also reduces the transport capacity of the fleet by 8 per cent.[103] Absorption of surplus tonnage through reducing productivity by slow steaming and induced waiting goes some way to explain why, in a situation with apparent over-tonnaging, there was a surprisingly low level of laid-up tonnage in 1974 (see paragraph 164 below).

138. The future prospects for the tanker markets are not very encouraging. Much depends on the level of oil consumption by industrial countries, which in the short run is dependent on the level of economic activity and in the longer run on the outcome of urgent studies which countries are making on how to diversify their sources and types of energy used. In general, however, demand for tankers is not expected to recover quickly, while at mid-1974 there were nearly 195 million dwt of tanker tonnage on order for delivery in the next few years. Assuming no substantial cancellation of orders, a surplus of 25 to 80 million tons by the end of 1975, rising to 160 million tons in the following two years, was being seriously predicted.[104]

139. The uncertainty regarding the immediate future of the tanker market is further aggravated by the likelihood of the reopening of the Suez Canal in 1975. It has been estimated that this would reduce the demand for tankers by 10 per cent.[105] It appears therefore that, unless something extraordinary happens, in the next few months major steps are likely to be taken to reduce surplus tonnage through increased laying up, scrapping, and the cancellation of orders.

140. Currency instability, which was so marked in 1973, persisted, although with less intensity, in 1974. This, coupled with high rates of inflation, raised the question of the efficacy of the long-term charter arrangements which are such a basic feature of world trade in oil and other basic commodities. A solution to world monetary and other economic problems is, of course, the most desirable way of resolving the doubts about the future of long-term chartering. Alternatively, ways might be sought of adapting chartering to the unstable monetary and economic conditions by, for example, some form of indexation of charter rates.

141. In the liner trades, a number of freight rate increases that were announced in late 1973 came into effect early in 1974, and further freight rate increases were announced during 1974. Consequently, the liner freight index jumped by 21 points in the first quarter (see table 28). Liner freight rates showed a remarkable and consistent rise for the rest of 1974. By the end of July the freight index had increased by 35 points over the end of 1973 figure (154) and stood at 189 as against 139 points for the corresponding date of 1973. The index rose further to 194 points in the third quarter of the year, and to 197 points at the end of December.

B. Changes in freight rates in 1974

1. *Dry cargo tramp market freight rates*

(a) *Voyage charter freight rates*

142. The developments in the dry cargo market discussed in section A above are reflected in the monthly freight rate indices for 1974 shown in table 28. It can be observed from the table that the monthly index for dry cargo voyage charter freight rates remained at very high levels during the first half of 1974, although at the end of June it stood at 226 points as against 241 at the end of December 1973. A further decline was registered in the third and fourth quarters of the year, but no fundamental change is in sight at the time of writing (December 1974). Although such a change cannot be excluded, because of the sharp increase in bunker costs it is difficult to envisage freight rates declining to the levels which prevailed before the upsurge in the last months of 1972, unless there were a major world economic depression. By way of comparison, selected maximum

[98] *Lloyd's List* (London), 5 December 1974.

[99] See *OECD Economic Outlook* (Paris), No. 15 (July 1974), *The Petroleum Economist* (London), vol. XLI, No 7 (July 1974), and *Fairplay International Shipping Weekly* (London), vol. 252, No. 4752 (19 September 1974).

[100] *Fairplay International Shipping Weekly* (London), vol. 252, No. 4745 (August 1974).

[101] Lambert and Bros Shipping Ltd., *World Trade Review and Outlook*, No. 9: *A Review of Developments... (op. cit.)*.

[102] *Shipping World and Shipbuider* (London), vol. 167, No. 3895 (July 1974). At the last week of November, about 2 million tons of tankers were idle in the Persian Gulf area and this tonnage increased to about 4 million dwt at the last week of December 1974. R.S. Platou, "Tanker: Weekly Tanker Market Report" (Oslo), 27 November 1974 and 22 January 1975.

[103] See *Journal de la marine marchande et de la navigation aérienne* (Paris), 56th year, No. 2856 (12 September 1974), p. 2267, where an article by Svensk Sjöfarts Tidning, organ of the Swedish Shipowners Association, is reviewed. According to another estimation, by cutting the speed of a VLCC by 25 per cent, 50 per cent of bunker consumption could be saved. (John I. Jacobs and Co. Ltd., *World Tanker Fleet Review* (London), 30 June 1974.)

[104] John I. Jacobs and Co. Ltd., *World Tanker Fleet Review* (London), 30 June 1974.

[105] *OECD Economic Outlook* (Paris), No. 15 (July 1974).

TABLE 28

Freight rate indices, 1970-1974

(Monthly and quartely figures)

	Liner freight rates [a] *(1965 = 100)*					*Dry cargo tramp time charter* [b] *(1968 = 100)*					*Dry cargo tramp voyage charter* [c] *(July 1965-June 1966 = 100)*					*Tanker trip charter* [d] *Worldscale = 100*					*Tanker freight indices from 1 January 1974* [e] *(worldscale = 100)*				
	1970	*1971*	*1972*	*1973*	*1974*	*1970*	*1971*	*1972*	*1973*	*1974*	*1970*	*1971*	*1972*	*1973*	*1974*	*1970*	*1971*	*1972*	*1973*	*1974*	(1) *	(2) *	(3) *	(4) *	(5) *
January	112	121	131	134	171						99	107	68	109	235	129	207	85	141	219	96	128	174	221	335
February	113	122	131	134	175						112	96	69	115	218	134	155	68	147	199	72	104	168	198	326
March	113	124	131	135	179	148	135	79	175	307	120	88	66	121	245	145	140	58	152	221	74	109	178	220	269
April	113	125	132	136	183						121	87	66	137	233	137	110	59	142	175	59	91	163	222	239
May	113	125	132	138	185						124	83	67	145	235	133	103	55	182	150	65	91	143	189	218
June	113	125	132	137	187	193	87	82	212	322	122	75	69	149	226	173	80	76	268	104	70	102	140	197	174
July	114	126	131	139	189						120	72	70	144	205	223	69	80	267	108	46	67	100	147	146
August	114	127	131	139	193						127	74	69	155	204	226	81	81	301	98	46	64	90	130	128
September	115	128	131	142	194	206	75	95	267	251	128	75	77	183	205	259	71	97	346	115	46	71	109	143	170
October	115	130	132	146	194						129	74	90	215	209	286	75	96	390	132	71	87	123	161	182
November	117	131	132	145	196						111	75	90	222	206	281	87	116	249	111	40	61	106	151	164
December	117	131	132	154	197	176	75	134	358	257	110	70	94	241	193	226	108	132	216	108	35	61	98	148	156
Yearly average	114	126	132	140	187	181	93	98	253	284	119	81	75	161	218	196	107	84	233	145	60	86	133	177	209

NOTE: The indices in this table have been taken to the nearest round figure.

* (1) VLCC/ULCC; (2) Medium crude carriers; (3) Small crude and product carriers; (4) Handy size dirty; (5) Handy size clean.

[a] Liner index compiled by the Ministry of Transport of the Federal Republic of Germany. Monthly weighted assessments of freight rates on cargoes loaded or discharged by liners of all flags at ports in the Antwerp/Hamburg range (rounded-up figures).

[b] As of 1970, compiled and published on a quarterly basis by the United Kingdom Chamber of Shipping.

[c] Compiled and published by *Norwegian Shipping News* (Oslo).

[d] As published by *Norwegian Shipping News* (Oslo). 1974 indices were made available to the UNCTAD secretariat by the *Norwegian Shipping News* (Oslo).

[e] New tanker freight indices 1 January 1974 as published by *Norwegian Shipping News* (Oslo).

and minimum tramp freight rates in the years 1970 to 1974 are shown in annex VII.

(b) *Time charter freight rates*

143. The time charter freight index had also declined from 358 points in the fourth quarter of 1973 to 322 points in the second quarter of 1974 and 251 in the third quarter of 1974, but it rose slightly in the fourth quarter of the year to 257 points (see table 28). However, this over-all picture of the time charter market does not accurately reflect the particular developments with regard to the main size groups of tonnage covered by the index. This is shown below:[106]

[106] Based on the time charter index numbers compiled by the United Kingdom Chamber of Shipping.

	Tonnage groups index						*Combined index*
Quarters	*9,000-16,000*	*Change (Per cent)*	*20,000-40,000*	*Change (Per cent)*	*Over 40,000*	*Change (Per cent)*	*Change*
1st 1973	138		178		186		175
		+29		+22.5		+16.1	
2nd 1973	178		218		216		212
		+11.8		+17.9		+35.2	
3rd 1973	199		261		292		267
		+26.6		+34.1		+36.3	
4th 1973	252		350		398		358
		+ 8.7		−11.4		−21.6	
1st 1974	277		310		312		307
		+ 6.9		+ 7.1		+ 0.2	
2nd 1974	296		335		317		322
		− 4.7		−15.5		−33.1	
3rd 1974	282		283		212		251
		− 3.9		+ 2.82		+ 5.2	
4th 1974	271		291		223		257

144. It can be observed from these data that the indices for the three size groups each followed quite a different course, particularly during 1974. In fact, the index for 9,000—16,000 dwt vessels reached its highest level only in the middle of 1974 and dropped only slightly during the second half of the year, whereas at the other extreme the index for bulk carriers of over 40,000 dwt lost 186 points between the fourth quarter of 1973 and the third quarter of 1974 and, although it rose slighly during the last quarter, it came back to a level only slightly higher than in the second quarter of 1973. Between the two extremes, the index for vessels of 20,000—40,000 dwt also reached its peak in the fourth quarter of 1973, but declined less sharply during the first three quarters of 1974 than the index for vessels of over 40,000 dwt and rose slightly in the fourth quarter.

145. The developments in the time charter indices described above demonstrate a relative increase in demand for small, mostly multideck, vessels, suitable for carrying general cargoes and employment in liner trades, and also for medium-sized carriers offering a wide flexibility with regard to both routes in which they can be employed and cargoes they can carry. It remains to be seen whether the developments which occurred in the freight indices during the last quarter of the year point to the beginning of a change in the pattern observed to date.

2. *Cargo liner freight rates*

146. The changes in liner rates and surcharges[107] announced in 1974 are shown in annex VIII. A summary of freight rate changes is given in table 29, together with corresponding figures for 1973 and 1972.

147. It can be seen from the above figures that the number of straight liner freight rate increases in 1974 (142) was significantly lower than in 1973 (194) but, as is shown below, the size of increases was substantially greater than in 1973.[108]

Summary of straightforward increases in freight tarriffs *

	1973		*1974*	
Size group of increase	*Number of increases*	*Percentage of total increases*	*Number of increases*	*Percentage of total increases*
Under 5%	4	(2.5)	—	—
5 and less than 7.5%	19	(12.1)	8	(6.3)
7.5 and less than 10.0%	8	(5.1)	3	(2.3)
10 and less than 12.5%	64	(40.8)	26	(20.3)
12.5 and less than 15.0%	26	(16.6)	13	(10.2)
15 and less than 20.0%	27	(17.2)	59	(46.1)
20% and over	9	(5.7)	19	(14.8)
	157	(100.0)	128	(100.0)

* Excluding announcements which (*a*) referred to a flat increase in terms of amount of money per unit of cargo (there were 13 such announcements in the year 1974 as against 11 in 1973); (*b*) did not specify the percentage increase (there was one such announcement in 1974 as compared with 26 in 1973).

It can be seen that 60.9 per cent of the total number of increases in 1974 were of 15 per cent or more, as compared with 22.9 per cent corresponding increases in 1973 and only 9.8 per cent in 1972. The modal size of increase

[107] Port congestion surcharges not being of general application in a trade are not included among the liner freight rate changes listed in annex VIII.

[108] For the corresponding data for 1972, see *Review of maritime transport 1972-1973 (op. cit.)*, para. 175.

TABLE 29

Summary of liner freight rate changes and surcharges announced during the years 1972-1974

Type of freight rate changes	Number of freight rate changes[a]		
	1972	1973	1974
General increases in freight tariffs . . .	58	194	142
General freight increases partly offset by incorporating into the tariffs part or all of pre-existing surcharges	29	11	4
Announcements of new surcharges or of increases in pre-existing surcharges[b] .	119	348	311
CAF (currency adjustment factors) .	47	166	118
Bunker	—	155	168
Bunker/CAF combined			12
Others (preshipment, emergency, handling, landing, storage, etc.)	72	27	13
Sub-total	206	553	457
Cases where pre-existing surcharges were incorporated into tariffs through corresponding increases in tariffs	17	16	16
Cases where surcharges were reduced or cancelled without being incorporated into tariffs	33	69	185
TOTAL	256	638	658

Source: Compiled on the basis of annex VIII below.

[a] The number of freight rate and surcharge changes summarized (658) is greater than the number of announcements (607) shown in annex VIII because, as in previous years, in several cases one announcement carries more than one change.

[b] In 1974 there were 12 announcements of new combined CAF and bunker surcharges or of increases in pre-existing surcharges that are not shown in the table.

in 1973 was in the size group 10 per cent and less than 12.5 per cent, whereas in 1974 it was 15 per cent and less than 20 per cent.

148. As in 1973 the changes in liner freight rates, particularly during the first quarter of 1974, were characterized by the great number of bunker surcharges imposed. In total, there were 168 announcements of new or increased bunker surcharges in 1974 as against 155 in 1973. In addition, 12 new or increased combined bunker/CAF surcharges were announced in 1974. Furthermore, the bunker and combined surcharges imposed were relatively high; for example, more than half of the announcements of bunker surcharges stated as a percentage of freight rates fell within the range of 15 per cent and over, while the combined bunker/CAF surcharges all fell within the range of 25 per cent and over. There was, however, a noticeable slowdown in the number of announcements after the first quarter of the year; there were, in addition, 88 announcements of decreased bunker surcharges and one bunker surcharge was abolished without having been incorporated in the tariff.

149. In the latter part of the year there was an evident tendency for bunker surcharges to be incorporated in the tariffs. In all, 19 bunker surcharges were incorporated, 14 of these during the last quarter of the year. Such a development indicates an acceptance that increased bunker prices can no longer be regarded as temporary. However, it may be doubted whether the bunker price situation is yet stable enough to justify this action, and the incorporation of bunker surcharges at the levels at which they existed in 1974 may well be premature.

150. Shippers in certain trades have complained that shipowners reacted much too severely in their imposition of bunker surcharges [109] and that the maintenance of these surcharges by conferences could only be explained as a means of enhancing shipowners profitability.[110] In the trades of one country at least, a specific formula has been agreed upon [111] by liner operators and shippers for the assessment of a proper level of bunker surcharges, but generally it does not appear that a solution has been found which could satisfy both sides, particularly in

[109] In *Lloyd's List* (London), 21 February 1974, it was stated that a resolution was passed by 15 shippers councils in Europe appealing to shipowners to keep bunker surcharges as low as possible as these surcharges had reached a level where they have become prohibitive to the trade on various routes. See also *International Transport Journal (Overseas Digest)* (Basel), 35th year, No. 10 (8 March 1974), p. 1051.

[110] *Japan Maritime Gazette* (Tokyo), 5 August and 20 August 1974.

[111] The Central Freight Bureau of Sri Lanka reached agreements with the Ceylon/United Kingdom and the Ceylon/Continental Conferences providing that in the future the conferences will adopt a mutually acceptable formula for calculation of bunker and CAF surcharges. Furthermore, the conferences are to furnish information and supporting data to justify such surcharges (*Seatrade* (Colchester U.K.), vol. 4, No. 7 (July 1974)), p. 78.

view of other additional corrective measures taken by liner operators to reduce the effect of the increased bunker costs.

151. Such measures as reducing speed,[112] curtailing the number of sailings and the number of calls made at ports, as well as not calling at intermediate ports, have significantly altered the effects of rising bunker prices, while they have also changed the over-all cost/revenue relationship of the liner operators concerned. Indeed, reduced speed means longer round voyage times, partly offset by the curtailing of the number of port calls. Such measures also tend to increase space utilization. A reduction in the number of sailings should also free carrying capacity for employment elsewhere, perhaps in the open market. For such reasons, while it is clearly possible to assess the position in an individual trade, it is very difficult indeed to judge the reasonableness of the levels of bunker surcharges in general. It is worth noting, however, that according to press reports liner operations have recently shown increased profitability and that, in the case of Japanese liner companies, increased profitability was stimulated by "rationalizing" their operations, by cutting down their sailings and limiting their ports of call.[113]

152. The corrective measures taken by liner operators, coupled with delays in ports and increased demand for liner services, resulted in many trades in a very tight tonnage situation. Particularly during the first and second quarters of 1974, a general shortage of tonnage developed, causing serious problems to shippers.[114] The argument advanced by shipowners to defend their position was that the scarcity of tonnage was the direct result of port congestion and slow turnround of ships at ports.[115] While there was undoubtedly some deterioration in the performance of certain ports, it is difficult to accept that this could have been sufficient to have caused a shortage of tonnage as widespread as that which existed. It appears that the previous tendency for liner operators in industrial countries to shift to containerization of their major liner trades, so that the building of conventional liner tonnage was neglected, threatened to reduce below any desirable standards the flexibility of shipping services in the liner trades.[116] However, the increased orders for general cargo and multi-purpose vessels since 1973 may alleviate this risk.

153. In 118 cases, currency adjustment surcharges were introduced or increased as a result of the weakening of the dollar vis-à-vis other currencies during 1974. This action in itself raised strong objections from shippers, who argued that the world monetary situation in the first half of 1974 had stabilized enough to allow conferences to abolish or reduce currency surcharges.[117] In fact, 87 reductions of currency adjustment factors were announced during 1974.

154. The very frequent and sharp increases in liner freight rates in the last two years have caused grave concern among shippers, particularly in developing countries, who in the last analysis are the ares that bear the brunt.[118] With liner freight rates changing at frequent intervals, shippers have increasingly found that one of the supposed advantages of the conference system, namely stability of freight rates,[119] has hardly existed. While bunker costs, combined with general inflationary trends, have undoubtedly contributed to the rise in liner freight rates, it is difficult to accept that such a consistent rise can be explained purely by these two factors. Many shippers, faced with rate increases of over 15 per cent plus surcharges, must have found their freight bills increased by as much as 25 to 30 per cent. One cannot help thinking that the rise in liner freight rates cannot be fully explained without taking into account as an important element the strong demand conditions which have generally characterized all dry cargo markets since 1973. It has been reported that shipper's councils of countries members of the Association of South-East Asian Nations (ASEAN) have asked their respective governments to conduct a probe into the activities of the Far Eastern Freight Conference (FEFC), which would not be restricted to the question of tariff increases alone,[120]

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[112] It was reported that speeds were reduced by 1 to 1½ knots and estimated that in this way a 16/17 knot cargo liner ship could cut consumption by about 20 per cent, because it is at the higher range of speeds that fuel concumption accelerates significantly (*Fairplay International Shipping Weekly* (London), vol. 250, No. 4724 (7 March 1974).

[113] *Lloyd's List* (London), 31 October 1974. See also *Japan Maritime Gazette* (Tokyo) 11 November 1974.

[114] For example, by the end of August 1974 it was estimated that there would be something like 60,000 tons or more of goods waiting for shipment from the United Kingdom to Australia and New Zealand alone. *Journal of Commerce* (Liverpool), 22 July 1974. Cf. also *ibid.*, 13 February, 19 May, 20 May, 8 July and 22 July 1974, *Lloyd's List* (London), 11 June 1974, and *Shipping and Trade News* (Tokyo), 2 August 1974.

[115] *Journal of Commerce* (Liverpool), 28 May and 17 October 1974, and *Lloyd's List* (London), 25 May and 20 July 1974.

[116] It was reported in the *Journal of Commerce* (Liverpool), 19 May 1974, that the shortage of shipping space that developed in the first half of 1974 was a worldwide problem and partly attributed to the containerization of major trade routes. The replacement of conventional tonnage had reduced the flexibility and restricted the operation of some shipowners. According to another press report, steel producers in Europe have also been complaining that, because of investment policies by shipping companies in container ships, they have been experiencing shortage of conventional tonnage space, particularly for those commodities that cannot be transported in containers (*International Ttransport Journal (Overseas Digest)* (Basel), 35th year, No. 46 (15 November 1974)), p. 5393.

[117] For example, the Freight Committee of the Council of All-Japan Exporters Association (CAJEA) demanded that the conferences reduce or abolish their currency surcharges because the value of the yen had stabilized at a lower figure than Y 300 to the dollar. *Japan Maritime Gazette* (Tokyo), 8 February 1974.

[118] According to press reports and other information, shippers organizations in several countries, including Japan (*Japan Maritime Gazette* (Tokyo), 13 and 20 August 1974), Malaysia and Singapore (*Lloyd's List* (London), 24 September 1974), Australia (*Fairplay International Shipping Weekly* (London)), vol. 251, No. 4734 (16 May 1974), Hong Kong (*Shipping and Trade News* (Tokyo), 22 July 1974), have strongly reacted to proposed liner freight rate increases in their trades.

[119] It was reported in *Lloyd's List* (London), 23 August 1974, that Indian shippers complained that conferences were impeding the export trade of India and did not effectively perform their primary functions of providing regular and frequent services to the trade at stable prices.

[120] *Japan Maritime Gazette* (Tokyo), 28 October 1974. See also *Lloyd's List* (London), 5 September 1974, where it has been reported that a common front was sought by the Shippers councils of ASEAN countries.

and also to give full support to the shippers' councils' counter-proposals to the FEFC.[121] The Governments of Malaysia, Philippines and Singapore have sent protest notes to the FEFC.[122] The FEFC postponed till 1 January 1975 the entry into force of the announced freight increases so that further consultations could be held.[123]

155. The resistance of shippers to increases in liner freight rates has been more effective in trades where relatively few large shippers are involved or where demand for their services is consolidated. Proposed freight rate increases by a number of shipping conferences [124] in the export trade of Japan have, up to the time of writing, been blocked by the strong resistance of the Japan Automobile Manufacturers' Association, which pressed to have the rate of car exports declared open. In addition, the Central Freight Bureau of Sri Lanka has stipulated that freight has to be paid locally and has been blocking more than $500,000 of freight charges as a result of disagreements on the level of bunker surcharges imposed by the Ceylon/USA Conference.[125] The Central Freight Bureau reacted strongly to a decision of the Ceylon/USA Conference that freight rates must be paid at destination rather than locally. According to press reports, the Bureau withheld cargo from operators in the conference until the operators complied with its decision.[126]

156. It has also been observed that, in trade routes where there has been a relative oversupply of liner tonnage, carriers have been competing for cargoes at rates lower than those set in the tariffs.[127] It may be that competition may also develop where shippers can consolidate their cargo shipments with the aim of making them attractive also to non-conference tonnage operators.

3. *Tanker freight rates*

157. The weakness of the tanker freight market and the fluctuations observed in 1974 in chartering activities are reflected in the tanker freight index. The index fell from 390 [128] in October 1973 to 98 in August 1974, but rose to 115 in September 1974, the last month for which information based on this index is available.[129]

158. As from January 1974 the index was replaced by separate indices for five tonnage categories:

(*a*) VLCC and ULCC (about 150,000 dwt and larger);

(*b*) Medium-size crude carriers (about 60,000 dwt to around 150,000 dwt);

(*c*) Small crude carriers and product carriers (about 30,000 dwt to 60,000 dwt);

(*d*) Handy-size dirty (up to about 30,000 dwt);

(*e*) Handy-size clean (up to about 30,000 dwt).

159. According to the source [130] several reasons made this change desirable; for instance, developments in recent years have clearly shown that VLCCs and ULCCs will increasingly dominate the tanker freight markets and it appears that the present level of freight rates for these sizes of vessels must be regarded as more "normal" than the level of rates which prevailed in the markets in the recent past. On the other hand, freight rates for the various categories of smaller size groups tend to follow different patterns and it appears likely that gaps between the rates for the various size groups may widen further in the future.

160. The new indices are shown separately in table 28. It can be seen from the table that all five indices declined during the period January-August 1974, but without all following the same pattern. In addition, the rate of over-all decline in this nine-month period varied between the indices for different size groups. In September 1974 the index for VLCC/ULCC dropped by 52.1 per cent from its end-of-January level, as compared with a decline of 49.3 per cent for handy-size clean tonnage, 44.5 per cent for medium-size crude carriers and around 38 per cent for small crude and product carriers, and handy-size dirty carriers. The increase recorded in October 1974 was only short-lived and in November all indices dropped well below their September 1974 levels.

C. Freight rate indices of selected commodities exported by developing countries

161. The Committee on Shipping of UNCTAD at its sixth session in July-August 1974, after considering a secretariat report entitled "Freight rate indices",[131] requested the secretariat to continue the work on the freight rate indices for four selected commodities exported by developing countries, i.e. cocoa, cotton, rubber and tea, and to publish them regularly in the Review of Maritime Transport.

162. The updated freight rate indices for the four selected commodities as well as the combined index through the third quarter of 1974 are contained in table 30. As can be seen from table 30 the combined index rose by 29 per cent or from 159 to 205 between the end of September 1973 and September 1974. The indices at the end of the period (base 1968 = 100) were as follows:

Cocoa	193
Cotton	224

[121] *Lloyd's List* (London), 12 October 1974.

[122] *Financial Times* (London), 29 October 1974.

[123] *Lloyd's List* (London), 19 October 1974.

[124] *Japan Maritime Gazette* (Tokyo), 13 November 1974. The Conferences involved are the Australian/New Zealand/Eastern Conference, the Japan Thailand Freight Conference and the conferences serving the trade routes Japan/Africa and Japan/Latin America.

[125] *Ceylon Observer* (Colombo), 25 October 1974.

[126] *Ibid.*, 31 October 1974.

[127] *Japan Maritime Gazette* (Tokyo), 13 November 1974.

[128] At 390 points the index had reached its highest level since the Korean war.

[129] Information compiled and communicated to the UNCTAD secretariat by *Norwegian Shipping News* (Oslo), for the purposes of the Review.

[130] Information communicated to the UNCTAD secretariat by *Norwegian Shipping News* (Oslo).

[131] TD/B/C.4/111 and Corr.1 and Add.1.

TABLE 30

Indices of freight rates of selected commodities exported by developing countries

(Indices at end of quarter. 1968=100)

Year	Quarter	Commodities				
		Cocoa	*Cotton*	*Rubber*	*Tea*	*Combined*
1968	I	99.5	100.1	99.8	99.9	99.9
	II	99.4	99.6	99.2	99.8	99.5
	III	99.4	100.1	99.5	100.0	99.8
	IV	101.8	100.1	101.5	100.3	100.9
1969	I	103.9	100.1	103.3	102.6	102.2
	II	105.2	100.1	103.7	102.6	102.6
	III	105.8	103.1	103.1	102.6	103.4
	IV	106.9	104.8	102.3	101.2	103.5
1970	I	109.8	106.4	103.4	101.1	104.8
	II	109.8	106.6	103.5	101.1	104.9
	III	114.9	107.9	104.6	105.5	107.3
	IV	116.1	110.2	105.1	105.9	108.5
1971	I	120.7	115.1	112.5	106.3	113.3
	II	120.9	116.7	113.0	111.4	115.0
	III	126.1	127.1	116.3	118.3	121.6
	IV	131.5	130.4	119.8	120.7	125.1
1972	I	135.1	135.5	132.2	129.9	133.2
	II	134.2	136.0	131.1	129.0	132.7
	III	134.4	136.7	133.6	130.7	134.1
	IV	135.5	137.3	130.6	131.1	135.5
1973	I	147.6	153.0	143.0	142.6	146.8
	II	157.7	162.4	146.1	147.1	153.2
	III	159.7	166.7	157.0	147.5	158.6
	IV	165.0	175.1	168.1*	163.9	170.0*
1974	I	187.3	203.6	188.9*	190.7	193.7*
	II	192.4	207.7	200.8*	195.4	200.7*
	III	192.5	224.1	200.4*	191.3	204.9*

Sources: Compiled on the basis of trade data and freight rates supplied to the secretariat by the Governments or trade organizations, conferences and shipping lines concerned, and on trade data from the following publications:
Annual Bulletin of Statistics, published by International Tea Committee (London), various issues;
Rubber Statistical Bulletin, published by the secretariat of the International Rubber Study Group (London), various issues;
Cocoa Statistics, published by FAO, various issues;
Cotton-World Statistics, published by the International Cotton Advisory Committee (Washington, D.C.), various issues.

* Provisional.

Rubber	200 *
Tea	191
Combined	205 *

* Provisional.

This over-all increase was particularly sharp between the end of the third quarter of 1973 and the first quarter of 1974 (22 per cent in the combined index), reflecting to a considerable extent the introduction of new or increases in pre-existing bunker surcharges in the course of these quarters, as can also be seen from annex VII.

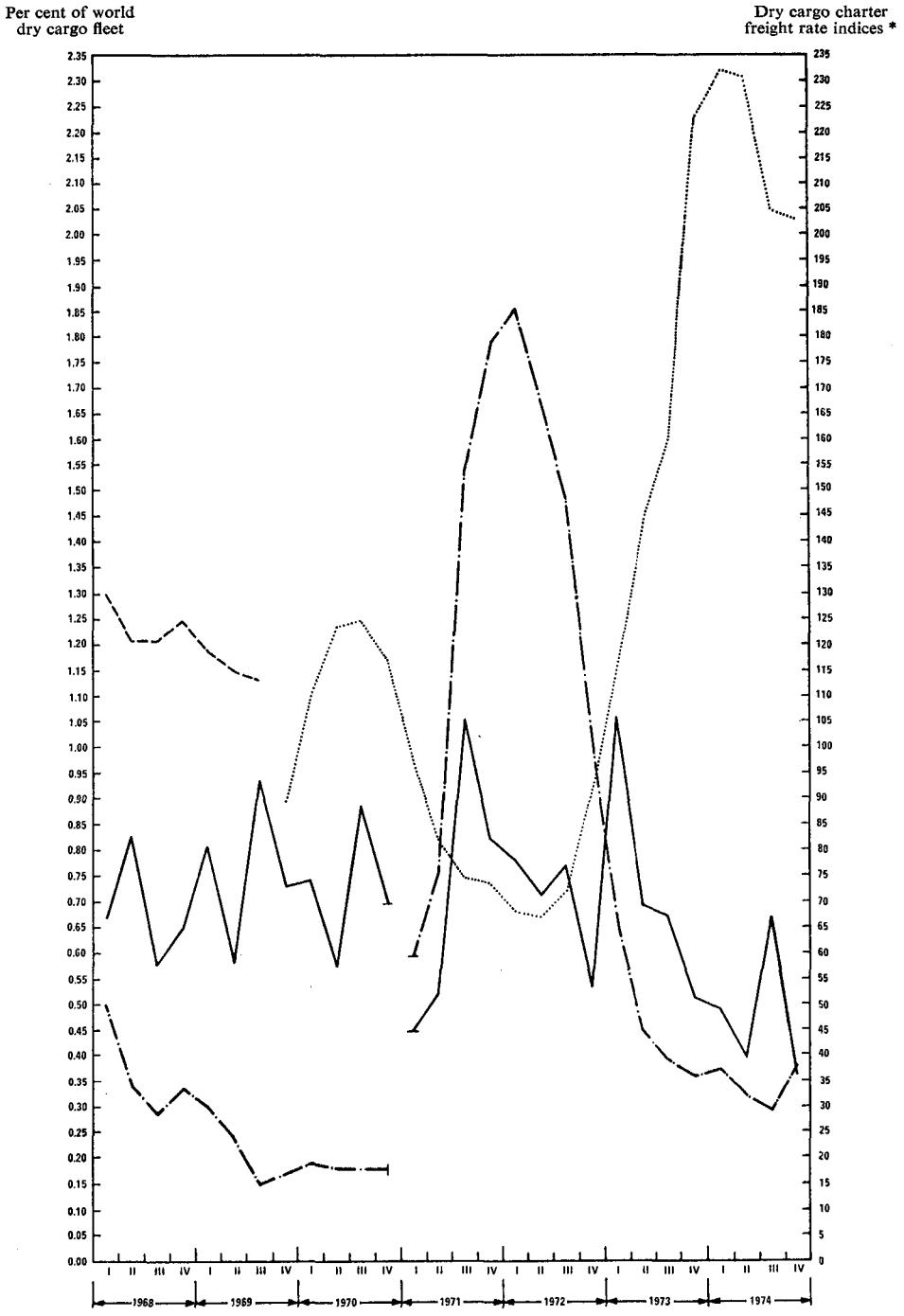
D. The level of freight rates, laying up and scrapping

163. It has been generally observed that the amount of laid-up tonnage will be low when freight rates are at a high level and vice versa. A negative relation exists between the changes in the level of freight rates and changes in the level of laid-up tonnage in the short as well as in the long term and this is illustrated in graphs 1 and 2 covering the years 1968-1973. The freight rate indices are shown on the right-hand vertical axes and the corresponding changes in laid-up and scrapped tonnage as percentages of world tonnage on the left-hand vertical axes.

164. The relationship between laid-up tonnage and freight rates in the tanker market did not conform to this usual pattern in 1974. The amount of laid-up tonnage decreased in the first and second quarters of 1974 at a time when freight rates declined substantially. At the end of the second quarter, laid-up tanker tonnage as a percentage of the world fleet stood at 0.08 per cent with the tanker freight rate index at 103, while for the corresponding period in 1973 laid-up tonnage was 0.27 per cent and the freight rates index 267. At the

GRAPH 1

The course of freight rate indices and laying-up and scrapping as percentages of world tonnage, 1968-1974
Dry cargo vessels



Norwegian Shipping News: dry cargo voyage charter freight rate index (July 1965-July 1966 = 100)

Laid-up dry cargo tonnage as a percentage of world dry cargo fleet

Chamber of Shipping of United Kingdom: dry cargo voyage charter freight rate index, discontinued since 1969 (1960 = 100)

Scrapped dry cargo tonnage as a percentage of world dry cargo fleet

* Chamber of Shipping of the United Kingdom index: (1969 = 100) Norwegian Shipping News index: (July 1965—July 1966 = 100).

Sources:

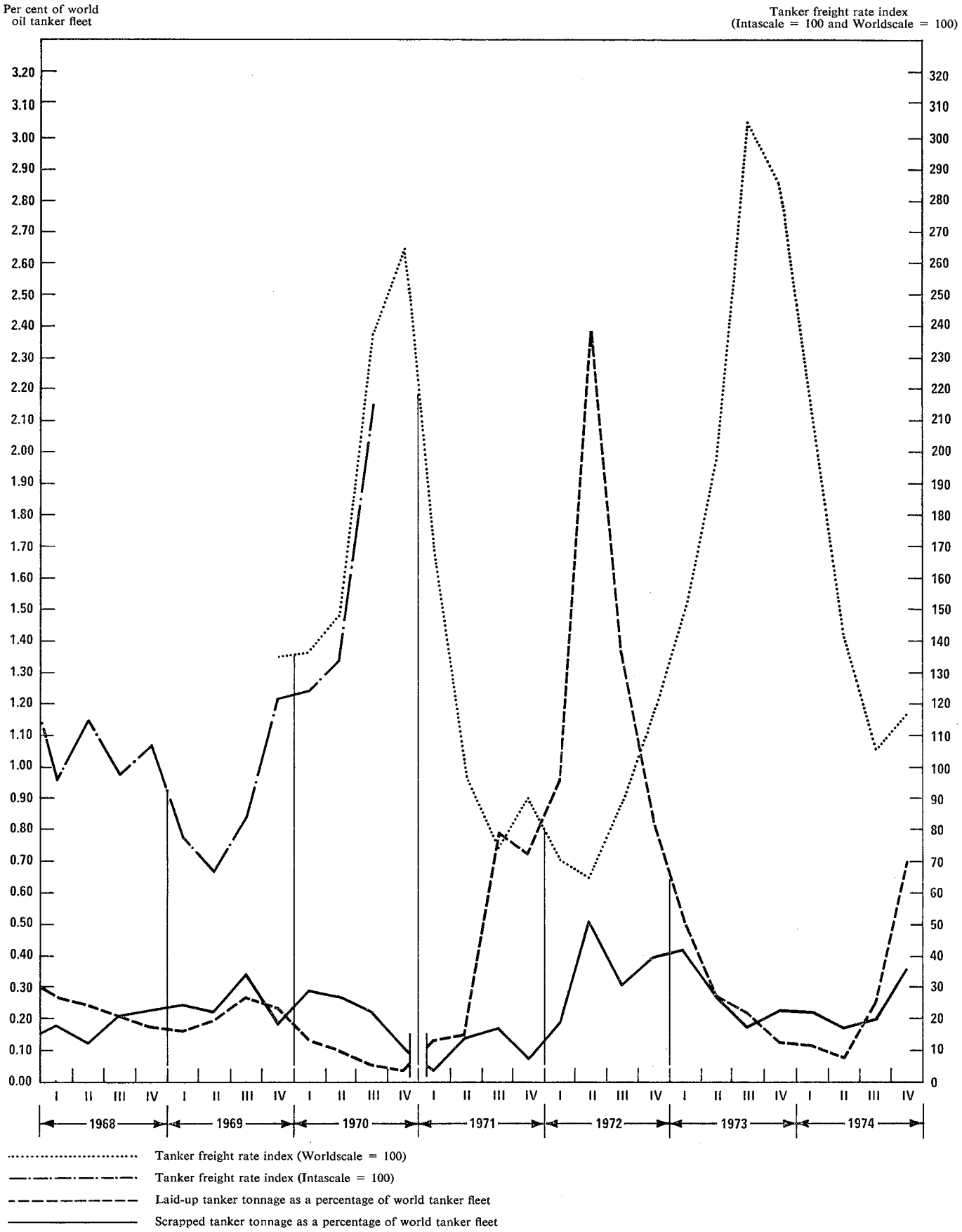
(*a*) *Freight rate indices:* Table 31.

(*b*) *Laid-up tonnage ratio:* compiled by the UNCTAD secretariat on the basis of data provided by the Chamber of Shipping of the United Kingdom regarding laid-up tonnage (given by the source as of the beginning of each month up to 1970 and as of the end of each month from 1971 onwards), and on the basis of world fleet tonnage as published in Institute of Shipping Economics, *Shipping Statistics ... (op. cit.).*

(*c*) *Scrapped tonnage ratio:* compiled by the secretariat on the basis of scrapped tonnage and world fleet tonnage as published in Institute of Shipping Economics, *Shipping Statistics ... (op. cit.).*

GRAPH 2

The course of freight rate indices and laying-up and scrapping as percentages of world tonnage, 1968-1974
Oil tankers



Sources :

(*a*) *Freight rate index :* Table 31.

(*b*) *Laid-up tonnage ratio :* compiled by the UNCTAD secretariat on the basis of data provided by the Chamber of Shipping of the United Kingdom regarding laid-up tonnage (given by the source as of the beginning of each month up to 1970, and as of the end of each month from 1971 onwards), and on the basis of world fleet tonnage as published in Institute of Shipping Economics, *Shipping Statistics ... (op. cit.).*

(*c*) *Scrapped tonnage ratio :* compiled by the secretariat on the basis of scrapped tonnage and world fleet tonnage as published in Institute of Shipping Economics, *Shipping Statistics ... (op. cit.).*

end of the year, however, the situation had changed somewhat and laid-up tonnage rose to 1.6 million dwt compared with 0.15 million dwt in June 1974. This delay in the response of the level of laid-up tonnage to declining freight rates can be attributed mainly to the measures taken by tanker operators to offset increased bunker prices; reduced operating speeds, including induced waiting, and diversion of tonnage to the dry cargo market. Another factor was that freight rates for the small-size groups of tankers remained relatively high, and thus enabled carriers to continue their operations with some margin of profit.

165. The level of laid-up dry cargo tonnage remained very low as a logical consequence of the generally high levels of freight rates for dry cargo tonnage throughout 1974.

E. Liner freight rates as a percentage of prices of selected commodities, 1964-1973

166. Table 31 gives the "freight ratios" of liner freight rates to export prices of 13 selected primary commodities exported from developing countries to Europe for the years 1964 to 1973. For one additional commodity similar data are presented up to 1970.

167. The year 1973, which has become known as the commodity price boom year, witnessed increases in prices for all but two (jute and tea) of the commodities listed in the table for which data were available. With regard to nine commodities, prices rose faster than freight rates. Hence freight ratios for these commodities declined, in some cases very substantially, but increased further for jute and tea and also for coffee in the Brazil to Europe trade.

168. The improvement observed with regard to the nine commodities should be welcome, provided it is not short-lived; however, price booms generally do not last for long, while the upward movement of liner freight rates is apparently continuous. Seen from this angle, it is useful to note that, in spite of the improvement recorded in 1973, in the long run (decade 1964-1973) a reduction in the freight/price ratio has been observed with regard to only five commodities. During 1974 commodity prices appear to have stabilized and some even declined significantly, while large freight rate increases were effected during the same year; so it is expected, therefore, that the relationship between freight rates and prices will once again deteriorate.

	Freight ratio changes between 1964 and 1973		*Freight ratio changes between 1972 and 1973*	
	Increase	*Decrease*	*Increase*	*Decrease*
Jute	+81.6%		+12.4%	
Tea	+55.4%		+23.2%	
Coffee (from Brazil)	+42.9%		+ 4.5%	
Sisal hemp	+19.0%			−44.7%
Tin	+16.7%			−12.5%
Rubber	+15.0%			−40.3%
Cocoa beans (from Ghana)	+ 0.0%			−20.5%
Palm kernels		−24.2%		−57.4%
Cocoa beans (from Brazil)		−19.8%		−35.5%
Copra		−15.5%		−57.9%
Coffee (from Colombia-Atlantic ports)		− 7.1%		− 7.1%
Coffee (from Colombia-Pacific ports)		− 4.4%		−14.0%

TABLE 31

Relationship between changes in freight rates and changes in laid-up tonnage

	Oil tankers		*Dry cargo vessels*	
End of quarter	*Tanker freight rate index (Intascale = 100 up to 15 September 1969, Worldscale from 15 September 1969* [a]	*Laid-up tanker tonnage as a percentage of world fleet* [b]	*Dry cargo voyage charter freight rate index (July 1965-June 1966 = 100)* [a]	*Laid-up dry cargo tonnage as a percentage of world dry cargo* [b]
1st quarter — 1973	152	0.51	121	0.66
2nd quarter — 1973	268	0.27	149	0.45
3rd quarter — 1973	346	0.17	183	0.39
4th quarter — 1973	216	0.22	241	0.36
1st quarter — 1974	221	0.11	245	0.37
2nd quarter — 1974	104	0.08	226	0.32
3rd quarter — 1974	115	0.25	205	0.29
4th quarter — 1974	108	0.70	193	0.38

Source:

[a] For freight indices, see table 28.

[b] Laid-up tonnage, compiled on the basis of data on laid-up tonnage for tankers and dry cargo vessels published by the Chamber of Shipping of the United Kingdom, and on world tanker and dry cargo fleets published in Institute of Shipping Economics, *Shipping Statistics: Facts and Figures about Shipping, Shipbuilding, Seaport and Sea-borne Trade* (Bremen).

TABLE 32

The ratio of liner freight rates to prices of selected commodities, 1964-1973

Commodity	Route	Freight rate as a percentage of price [a] [b]									
		1964	*1965*	*1966*	*1967*	*1968*	*1969*	*1970*	*1971*	*1972*	*1973*
Rubber	Singapore/Malaysia-Europe	8.0	7.8	8.8	11.4	10.9	8.2	10.5	14.6	15.4	9.2
Tin	Singapore/Malaysia-Europe	1.2	1.2	1.6	1.9	1.4	1.3	1.2	1.4	1.6	1.4
Copra	Philippines-Europe	11.0	9.0	13.0	9.8	10.8	12.2	14.0 [c]	16.8	22.1	9.3 [d]
Hemp	Philippines-Europe	20.7	25.4	33.2	35.3	38.3	29.5	33.2	—	—	—
Jute	Bangladesh-Europe	8.7	8.1	7.3	10.9	12.4	11.1	12.1 [c]	13.5	12.6	15.8
Sisal hemp	East Africa-Europe	8.4	13.3	14.6	17.0	19.7	18.9	19.5	21.4	18.1	10.0
Cocoa beans	Ghana-Europe	3.1	4.0	2.9	2.8	2.1	1.7	2.4 [c]	3.5	3.9	3.1
Coconut oil	Sri Lanka-Europe	8.8	7.2	8.5	8.7	7.6	8.7	8.9	10.6	14.5	...
Tea	Sri Lanka-Europe	6.5	6.3	6.9	7.7	8.8	9.6	9.5	9.2	8.2	10.1
Coffee	Brazil-Europe	4.9	4.7	5.5	6.2	6.2	6.4	5.2 [c]	7.6	6.7	7.0
Palm kernels	Nigeria-Europe	9.5	7.3	8.7	9.6	7.7	9.5	8.8 [c]	11.2	16.9	7.2
Coffee	Colombia (Atlantic ports)-Europe	4.2 [c]	4.5	4.6	5.1	5.0	5.1	4.2 [c]	4.8	4.2	3.9
Cocoa beans	Brazil-Europe	8.6	12.9	8.0	7.5	6.4	4.4	7.4 [c]	10.6	10.7	6.9
Coffee	Colombia (Pacific ports)-Europe	4.5 [c]	4.8	4.9	5.5	5.4	5.4	4.5	5.0	5.0	4.3

Source: Data supplied by the Royal Netherlands Shipowners' Association.

[a] C.i.f. prices were quoted for rubber (London-RSS), tin, copra, jute (UK-pwc grade), sisal hemp, cocoa beans (Ghana-Europe), palm kernels. For cocoa beans (Brazil-Europe trade), coffee (Colombia-Europe), coffee (Brazil-Europe), unit values of exports were quoted. Prices of the remaining commodities are quoted on f.o.b. terms.

[b] Freight rates include Suez Canal varying surcharges, when applicable. Whenever a conversion of freight rates to other currencies has been necessary for 1973, this was based on currency parities as published in United Nations, *Monthly Bulletin of Statistics*—August 1974, and valid as at the end of 1973. For earlier years see corresponding issues of the *Review*.

[c] Annual freight rates were calculated by taking a weighted average of various freight rates quoted during the year, weighted by their period of duration.

[d] Ratio of liner freight rates to price for the period from 1 January 1973 to 16 October 1973.

Chapter VI

OTHER TOPICS

A. Institutional developments in world shipping

1. *General*

169. The new situation which has been in being since the autumn of 1973 as a result of the rise in oil prices has not yet settled down. Although bunker prices may fall in the long run, it is likely that they will remain high enough to activate the search for means and methods of reducing their impact on the economies of ship operation. It is likely, too, that the increased significance of fuel costs on total costs will affect the design and size of new ships and promote the search for alternative propulsion systems. Operational methods and the organization of maritime transport in the major liner and bulk trades will also be affected. It is to be expected that the urgent need to combat inflation, in addition to pressures from the users of shipping services, will motivate the search for economies through efficiency of operation.

170. The technological change which characterized world shipping in the post-war period, and which, particularly since the late 1960s, aimed at labour cost savings and increased efficiency through faster turn-round of ships, is expected to continue in the coming years, but the search for economies in fuel consumption and costs will, perhaps, be given relative priority over other issues.

171. The trend to unitization will obviously continue for the remainder of this decade as the search widens for ways and means of reducing total operating costs. However, so long as building costs remain at their present very high levels, or if they increase in the future, additional consideration may be given to those forms of unitization which appear to be less capital-intensive than others and which provide for increased flexibility of operation.

172. Co-operation among liner operators to regulate the supply of tonnage through pooling and other devices continues to be characteristic in the containerized trades and also in the conventional liner services.[132] Shipowners in the liner trades appear to be looking increasingly for means of strengthening their power to control the market. In the bulk trades the expanding practice of creating "tonnage pools" [133] appears to have a twofold objective, namely, to increase efficiency in the employment of tonnage by cutting down on ballast voyages, and also to strengthen the position of bulk tonnage operators vis-à-vis the big industrial concerns which use their services.

173. Recent developments in containerized trades have further dispelled fears and controversy about the existence of overtonnaging on certain routes. Although the pooling arrangements which have been sought for some time by the operators concerned in certain major trades have not yet been institutionalized, tight supply or even scarcity of tonnage rather than oversupply characterized the containerized trades in 1974. This tends to confirm that possibilities for monopolistic action in highly containerized liner trades have increased rather than declined.

174. It further appears that liner operators, taking advantage of the tight tonnage supply situation and high demand conditions in the dry cargo markets in 1974, diverted conventional liner tonnage to the open market in order to take advantage of the very high level freight rates which prevailed. Shippers in some liner trades have found it difficult to secure space for their cargoes and significant delays in shipments of cargo have been observed, particularly in some trades from developing countries.[134] In some cases this has arisen because liner operators have diverted vessels from their normal liner schedules to the more profitable market.

175. As the costs of operation of liner services increase, efforts to curtail oversupply of tonnage, duplication of services or waste of vessels' time should in principle be welcome, provided that adequate services are maintained and economic savings are reflected in the level of freight rates. The resistance of shippers to increases in liner freight rates may lead liner operators to look more effectively into the question of rationalization of services and increased operating efficiency as a means of lowering or stabilizing their operating costs. Both government and private interests, particularly in developing countries, have become increasingly aware that for such pressure to become effective there is an urgent need to strengthen their negotiating power as users of liner services.

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[132] See sub-section 2, *a*, below.

[133] See *Fairplay International Shipping Weekly* (London), vol. 250, No. 4726 (21 March 1974).

[134] *Journal of Commerce* (Liverpool), 13 February, 19 May, 20 May, 28 May, 14 June, 8 July, 17 and 22 October 1974; *Lloyd's List* (London), 25 May, 11 June, 20 July and 23 August 1974; *Seatrade* (Colchester U.K.), vol. 4, No. 5 (May 1974) and *Shipping and Trade News* (Tokyo), 2 August 1974.

2. *Particular examples of institutional developments*

(a) *Consortia, pooling agreements and joint services. Opposition to new entries in trades*

(i) *Pooling schemes in liner services serving Japan and North and South America* [135]

176. A pool agreement for the Japan/Central America/Caribbean sea route was concluded in January 1974 by four Japanese lines and two other flag carriers. A similar agreement for the Japan/South American West Coast trade, including lines from Chile, Ecuador, Peru and other lines, was under consideration in June 1974. In addition, the freight conferences serving the Far East/North America trades have been studying the possibility of adopting a freight pooling system covering the entire Far East/North America trade routes. No definite decision has been announced at the time of writing this report.[136]

(ii) *Pool agreement for the Continental Europe/River Plate liner trade*

177. A pool agreement between South American and European lines in the Continent and Argentina/Uruguay trade came into force on 1 April 1974. The pool agreement is based on the principle of 50:50 cargo sharing between South American and European lines.[137]

(iii) *The North Atlantic container pooling agreement*

178. In November 1971 seven container ship companies which operated 70 per cent of the North Atlantic lines capacity petitioned the FMC to authorize the North Atlantic container pooling agreement. In 1973 the Official American Hearing Council recommended the United States Federal Maritime Commission to approve and authorize the pooling agreement.[138] In June 1974 when the approval of the FMC was considered to be imminent it was reported that the Atlantic Container Lines (ACL), a major participant in the pool agreement, had withdrawn from the proposed pool [139] because it had been carrying a greater share of the traffic than that allocated to it in the proposed agreement. It therefore expected to renegotiate the terms so as to increase its share from the 20 per cent allocated to it in the agreement to 25 per cent.[140] At the time of writing (December 1974) no decision on the pooling agreement has been announced.

(iv) *Rationalization schemes in conventional liner services from and to the Far East*

179. Japan line and Mitsui OSK lines have reached agreement on a plan for rationalization of conventional ship services on the Japan/New Zealand route for enforcement from the September 1974 sailing. The plan includes a reduction in the number of ports of discharge on the trade route and calls upon shippers to palletize their cargoes in order to reduce the time spent by ships in ports in Japan and New Zealand.[141] In addition, the Japanese lines serving trade between Japan and South Africa were expected to start discussions in mid-1974 for a freight pooling on their conventional liner services in this route. At the initial stage the pool was planned to cover outbound freight only. Reassignment of ports of call and co-ordination of sailings were points to be covered by the proposed scheme.[142] The lines serving the trade between Japan and New Guinea are also planning to proceed with rationalization plans in this trade.[143]

(v) *Joint shipping venture by Iran and Pakistan*

180. It was reported in August 1974 that Iran had proposed to Pakistan that they should set up a joint tanker company with a working capital or $42 million. This company would serve as a subsidiary of the national shipping corporation of Pakistan in joint ownership with the Government of Iran.[144] Besides carrying some of Iran's oil exports to other countries, the tankers of the proposed company could carry Pakistan's entire crude oil imports of over 4 million tons annually.

(vi) *Other information*

181. The request by "K" Line of Japan to join the Trio Group, which is engaged in container service on the Japan/Europe route, has faced strong opposition from other members of the Trio Group.[145] In October it was reported that, if the line's attempt to enter the conference fails this year, admission will be sought again next year.[146]

(b) *Maritime agreements between governments*

(i) *USSR—Argentina shipping agreement*

182. A shipping agreement between the USSR and Argentina was signed in September 1974 in Buenos Aires. The agreement provided for the equal participation of the merchant fleets of the two countries in the carriage of trade between the USSR and Argentina. It also provided for the reciprocal granting of most-favoured-

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[135] *Shipping and Trade News* (Tokyo), 22 January 1974, *Japan Maritime Gazette* (Tokyo), 6 June 1974, and *Lloyd's List* (London), 13 August 1974.

[136] It is worth noting in this connexion that according to a press report, five Japanese lines operating container services on the Japan-New-York liner trade route had decided to introduce a freight pooling system (*Lloyd's List* (London), 19 December 1974). According to another report, American container ship operators on the Japan/U.S. liner trade route have been studying the possibility of adopting a pooling system jointly with their Japanese counterparts on the U.S./Japan liner trade routes (*Japan Maritime Gazette* (Tokyo), 17 December 1974).

[137] *Journal pour le transport international* (Basel), 35th year, No. 16 (19 April 1974), p. 1769.

[138] *Ibid.*, No. 1 (4 January 1974), p. 43.

[139] *Ibid.*, No. 24 (14 June 1974), p. 2737.

[140] *Journal de la marine marchande et de la navigation aérienne* (Paris), 56th year, No. 2845, (27 June 1974), p. 1588, and *ibid.*, No. 2849 (25 July 1974), p. 1843.

[141] *Japan Maritime Gazette* (Tokyo), 10 July and 18 July, 16 August and 27 September 1974.

[142] *Ibid.*, 31 July and 21 August 1974, and *Shipping and Trade News* (Tokyo), 26 July 1974.

[143] *Japan Maritime Gazette* (Tokyo), 6 August 1974.

[144] *Lloyd's List* (London), 28 August 1974.

[145] *Japan Maritime Gazette* (Tokyo), 21 August 1974. See also *Shipping and Trade News* (Tokyo), 22 June 1974.

[146] *Japan Maritime Gazette* (Tokyo), 17 October 1974.

nation treatment and, in some cases, even of treatment as nationals in the servicing of ships and cargo handling. The agreement included a clause on the mechanism of regular bilateral consultations on questions of shipping.[147]

(ii) *Japan/China and Japan/Republic of Korea shipping agreements*

183. In conclusion of negotiations begun in Tokyo in July 1974 between the Governments of China and Japan, a shipping agreement was signed in November 1974. The agreement, which will be in force for three years and will be renewed if not abrogated, calls for the holding of governmental consultations, guarantee of remittance of revenues of shipping firms, granting of most-favoured-nation treatment and co-operation in rescue operations at sea. It was also reported that a consultative body is to be set up to decide the shipping rates and the loading shares.[148] Negotiations for a shipping agreement have also been undertaken between Japan and the Republic of Korea,[149] but the outcome is not known at the time of writing this review.

(iii) *Shipping agreement between China and Bulgaria*

184. A shipping agreement was concluded in early September 1974 between the People's Republic of China and Bulgaria.[150] The details of the shipping agreement had not been made public by the time of drafting this review.

(c) *Freight booking and shippers' councils*

185. In June 1974 the formation of an Irish Shippers' Council was announced in Dublin. Its main objectives were to co-ordinate the activities of member organizations in formulative policies on transport and ancillary services. It was reported that the need to co-ordinate the interests of all users of transport services arose mainly from the fact that services available to Irish shippers "often left much to be desired", and also from the need for a shippers' council to have a strong say on matters relating to transport costs, standards of services and port facilities.[151]

186. According to press reports,[152] the United Republic of Tanzania is to set up a freight bureau similar to the Central Freight Bureau of Sri Lanka.[153] The emphasis at the outset would probably be on reservation of cargo space, cargo allocation and rationalization of shipping services, but in due course the new freight bureau's activities will be extended to cover all those carried out by the Central Freight Bureau of Sri Lanka. When in full operation the Tanzanian Freight Bureau will serve as a central freight booking office for all cargoes exported by the country.

(d) *Actions by governments*

187. The Sultanate of Oman announced its intention of preparing a maritime law that would enable ships to be registered under its flag. This country, which has no fleet at present, intends to attract shipowning companies from outside the country which may not be required to be incorporated inside Oman but may need fulfil certain standards. Exemption would be granted from all revenue taxes; registration fees would be low, but a tonnage tax would be imposed.[154]

188. A United States court has ruled that a LASH barge is not a "ship" or a "vessel" under the provision of the Hague Rules, which are incorporated in the United States Carriage of Goods by Sea Act. Consequently, a LASH barge in transit becomes the responsibility of the mother ship.[155]

189. According to press reports [156] a national maritime company under the name of "Cameroon Shipping Lines" has been recently established under new legislation in the United Republic of Cameroon to undertake all types of activities in maritime transport, ship operations and chartering. The purpose of the legislation is to reduce the country's dependence on foreign shipping services which are beyond any direct control by the Government. It also provides for the cargo sharing formula of 40-40-20 to be applied, so that the new company will be assured of carrying 40 per cent of the country's trade.

190. The Energy Transportation Security Act of 1974,[157] an agreed version of which has been voted by the Congress, was not agreed by the President of the United States.[158] The Act would have required up to 30 per cent of oil imports into the United States to be carried on American-flag vessels.

B. Unitization

1. *Trends in unit load transport systems*

191. The acceleration of the trend towards unit load systems over the past few years has resulted in shippers presently being offered a wide range of vessel types for the carriage of unitized cargo, including full cellular and part container ships, roll-on/roll-off vessels, barge carriers, pallet carriers and multi-purpose vessels.

192. Containerization has undoubtedly fulfilled its original purpose: the speeding of cargo throughput

[147] *Journal of Commerce* (Liverpool), 10 September 1974.

[148] *Shipping and Trade News* (Tokyo), 3 August and 14 November 1974.

[149] *Japan Maritime Gazette* (Tokyo), 23 July 1974.

[150] *Lloyd's List* (London), 10 September 1974.

[151] *International Freighting Weekly* (London), No. 221 (19 June 1974).

[152] *Seatrade* (Colchester U.K.), vol. 4, No. 11 (November 1974).

[153] For information regarding the Central Freight Bureau of Sri Lanka, see "Central Freight Booking Office, Sri Lanka: report prepared for the UNCTAD secretariat by Mr. D. Soysa, Ministry of Shipping, Sri Lanka" (TD/B/C.4/108).

[154] *Seatrade* (Colchester U.K.), vol. 4, No. 5 (May 1974).

[155] *Fairplay International Shipping Weekly* (London), vol. 252, No. 4743 (18 July 1974).

[156] Article by *Cameroon Tribune* as quoted in *Marchés tropicaux et méditerranéens* (Paris), 30th year, No. 1520 (27 December 1974).

[157] *Congressional Information Bureau* (Washington D.C.), vol. 78, No. 199 (11 October 1974) and *ibid.*, No. 196 (8 October 1974).

[158] *Journal of Commerce* (Liverpool), 2 January 1975.

and ship operation and an increase in levels of productivity; but it is not necessarily the most economical method of unitization in every circumstance. It will take some time to know which particular method of unitization is the most suitable and economical for each specific trade;[159] it may be that several methods need to be used together in trades where there is a large variety of goods. It is worth noting that the repercussions of higher fuel costs on the operating costs of various types of unit load systems cannot yet be clearly seen and evaluated, particularly in view of the short time that has elapsed and of the boom conditions which prevailed in the dry cargo markets and liner shipping in 1974.

193. In the particular case of developing countries, there is growing evidence that flexible unit load systems may best serve the heterogeneous character of their trade. For example, the use of shipper—packed units can result in substantial savings in the cost of handling cargo from production point to the market. Units that may be built at producers' premises by securing the goods packed in bags, cartons or other forms of packaging to pallets may create substantial savings, without undue pressure on ports in developing countries to invest in the capital-intensive and technically sophisticated handling equipment necessary for container operations. The advantages of using shipper-packed units include the fact that they are convenient to handle and store at the producers' premises and they reduce the costs of handling, inland transport and loading, while loading and discharging times at export and import terminals are also reduced, as compared with break-bulk transport.

194. Generally speaking, international seaborne trade and the particular requirements of different countries and regions are too heterogeneous to be served by only one transport or handling system. Whatever the advantages of one or another system may be, the requirements of world trades necessitate the objective selection from among a range of unit load systems of the one best adapted to the particular circumstances. It is interesting to note in this context that in 1974 the Elder Dempster Line, a member of the United Kingdom/West Africa Liner Joint Service, put into service three multi-purpose semi-container vessels each of 410 TEU[160] that are equipped with on-board container handling facilities. Such ships do not require heavy capital outlays in complex equipment by the ports served.

195. There appears to be growing interest in vessels offering versatility of service. It has been seen from table 24 that the emphasis in new orders for unit load system vessels is on other than full container vessels. Adopting a flexible attitude in the use of unit load transport systems helps to reduce the amount of capital required for investment in infrastructure for one particular method as against others, until the stage is reached when it becomes clearer which method is the most economical and beneficial to developing countries in the light of their particular transport requirements and their socio-economic conditions.

2. *Particular developments with regard to unit load systems in liner cargo trades*

196. A large part of liner cargo in the major trades is now unitized. There is, however, no information showing the comparative position of each unit load system. Partial information on the share of containerized cargo—irrespective of the type of vessel used—in the 10 major liner trades to and from the United States[161] suggests that in 1972 (table 33) about 44 per cent of the liner cargo (11.5 million tons) moved in containers (though not necessarily on container vessels). It was also reported[162] that 52 per cent of the Europe/Far East liner trade route and 54 per cent of the Far East/Europe route moved in containers in 1973, but again not necessarily on container vessels. There is no reason to believe that the situation on the major routes to and from other developed countries is substantially different. It is worth noting however that, in other than the 10 major trades to and from the United States, the share of cargo carried in containers in 1971 was only 3.4 per cent (the source did not give the corresponding share in 1972). While unitization is important in most trade routes to and from Japan, it has been reported[163] that in 33 trade routes of Japan about 2,500 yearly sailings of conventional liner ships still occur. Also, in the Far East/Europe and Europe/Far East liner trade routes[164] in 1974 there was an average of 774 annual sailings of conventional and combination container/break-bulk (COMBO) vessels. Clearly, although the expanding use of containers on the major liner trades affects a very substantial portion of liner cargoes, other forms of unitization of cargoes and conventional methods of packaging and handling general cargo are also used for a great part of liner cargoes. Moreover, the use of containers by no means implies transport on container vessels only.

197. On the other hand, new announcements are made from time to time by groups of carriers of their decision to containerize certain trades, as for example Europe to South Africa,[165] Europe to New Zealand,[166]

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[159] According to a study covering the Liverpool/Lagos/Appapa trade carried out by the Economist Intelligence Unit, London, containerization is only 15 per cent cheaper than break-bulk transport, whereas shipper-packed unit operation can show as much as 25 per cent saving on containers. The Economist Intelligence Unit Ltd., *Container Handling and Transport Costs* (report prepared for the Unit Load Council (London, July 1973).

[160] Twenty-foot equivalent unit.

[161] *Foreign Oceanborne Trade of the United States : Containerized Cargo on Selected Trade Routes, 1971*, issued by the United States Department of Commerce, Maritime Administration (Washington, D.C., February 1973) and *Containerized Cargo Statistics, 1972*, issued by the United States Department of Commerce, Maritime Administration (Washington D.C., January 1974).

[162] *FEFC Facts and Figures*, No. 5 (January 1975).

[163] *Lloyd's List* (London), 31 October 1974.

[164] *FEFC Facts and Figures*, No. 5 (January 1975).

[165] *Containerisation International* (London), vol. 8, No. 4 (April 1974), and *Journal de la marine marchande et de la navigation aérienne* (Paris), 56th year, No. 2849 (25 July 1974).

[166] *Containerisation International* (London), vol. 8, No. 7/8 (July/August 1974), and *Seatrade* (Colchester U.K.), vol. 4, No. 8 (August 1974).

TABLE 33

Share of cargo moved in containers in the major liner trades to and from the United States of America, 1971 and 1972

(En million long tons and percentages)

Trade route	1971		1972	
	General cargo carried	*Percentage of cargo moved in containers*	*General cargo carried*	*Percentage of cargo moved in containers*
U.S. North Atlantic/Carribbean	1.47	14.6	1.53	20.5
U.S. North Atlantic/U.K. and Continent	5.3	73.6	5.2	90.4
U.S. North Atlantic/Scandinavia and Baltic	0.896	30.4	0.941	30.7
U.S. North Atlantic/Mediterranean . .	1.8	45.1	2.1	47.6
U.S. South Atlantic/U.K., Ireland, Continental Europe, North of Portugal . .	0.944	15.3	1.1	34.5
U.S. Atlantic/Far East	4.3	12.1	4.0	21.6
U.S. Atlantic and Gulf/Far East	0.958	12.2	0.877	53.6
U.S. Gulf/U.K. and Ireland, Continental Europe, North of Portugal	3.3	3.8	3.3	7.8
U.S. Pacific/U.K. and Continent	1.4	27.3	1.3	39.2
U.S. Pacific/Far East	4.9	57.1	5.5	49.1
TOTAL	25.27	36.9	25.85	44.4

Source : Compiled from *Foreign Oceanborne Trade of the United States : Containerized Cargo on Selected Trade Routes 1971 (op. cit.)*, and *Containerized Cargo Statistics, 1972 (op. cit.)*.

Japan to Hong Kong and New Zealand, also some other destinations in the Far East.[167] In addition, fully cellular container services began operation in 1974 in certain other trades from Japan as for example to the Republic of Korea and to Malacca Straits ports.[168]

198. It is interesting to note however, that, while the lines serving the Europe/New Zealand trade have opted in for full containerization of the trade, the shipping lines serving the trade between Australia, New Zealand and North America have sought increased diversification of methods of unitization and the shippers are offered a wide choice of unitized cargo systems, e.g. Ro/Ro, LASH vessels, full container ships, semi-container ships and conventional vessels,[169] although shippers in Australia earlier expressed doubts about the future prospects for conventional vessels.[170]

199. Generally speaking, fully cellular container ships appear to be subject to increasing competition from other types of unit load systems, particularly ocean-going Ro/Ro vessels. In 1974 there were 60 Ro/Ro vessels either in service or on order, the majority of which are designated to containerized trade routes. Since 1967 an increasing number of operators have been incorporating Ro/Ro vessels either as supplements or as alternatives to the cellular container-carrying system.[171] It is expected that Ro/Ro vessels will be increasingly used for carriage of dry cargo not suited to the 20 ft. or 40 ft. containers. Similarly, LASH ships, which may not be competitive in serving modern ports that have sophisticated handling facilities, will find greater employment in shallow estuaries, less developed harbours [172] and some ports of developing countries.[173] For example, LASH ships were expected to start calling at the ports of Kandla in India from July 1974. In August this year a LASH service started between the United States Gulf ports and the Singapore/Saigon/Malaysia/Indonesia/Philippines area.

200. Although palletization has proved to be an efficient and cheap method of unitization, specially constructed pallet ships have not as yet made the breakthrough that was expected when palletization was first introduced. It appears that palletization is encouraged by liner operators, particularly in trades in which no other form of unitization has been introduced.[174] It seems, however, that shippers may not be given sufficient incentive to palletize their cargo in all trades where this is commercially or technically possible. This may be assumed from a report [175] that the Japan Machinery Exporters' Association (JMEA) has requested 28 confer-

[167] *Shipping and Trade News* (Tokyo), 22 June 1974.

[168] *Shipping and Trade News* (Tokyo), 11 and 22 July 1974.

[169] *Containerisation International* (London), vol. 8, No. 8 (September 1974).

[170] *Ibid.*, No. 3 (March 1974).

[171] *Ibid.*, No. 5 (May 1974).

[172] *Ibid.*, No. 3 (March 1974).

[173] It has been claimed by the interested parties that LASH system vessels have proved particularly successful in the route between United States Gulf ports and Indian Ocean/Persian Gulf ports, mainly because these vessels can be off-loaded while at anchor and are thus not affected by the limited berthing capacity of, and the congestion conditions existing in, these Asian ports. (*Shipping and Trade News* (Tokyo), 18 October 1974.)

[174] *Japan Maritime Gazette* (Tokyo), 16 August 1974.

[175] *Ibid.*, 12 November 1974.

ences of those serving the trade from Japan to enlarge the palletized cargo allowance, which they find currently insufficient.

C. The prospects for the reopening of the Suez Canal

201. The Suez Canal was one of the most vital trade links between East and West before its closure in 1967. About 14 per cent of total world seaborne trade [176] and approximately one-third of European seaborne imports passed through the Canal.

202. In March 1974 the first stages of work in reopening the Canal began with the clearing of mines, explosives and obstacles. By the end of June 1974 a British mine-sweeper crossed the Canal. The total bill for the reconstruction of the Canal was estimated at $1,000 million.[177] Financial loans were made available to Egypt by the World Bank and by industrial countries, including Japan [178] and the United States.[179]

203. The first stage in the reopening of the Canal would include dredging up to 38 feet to allow access for vessels in the range of 60—70,000 grt, while the second stage would involve widening and deepening the Canal to allow entry to 150,000 ton vessels.[180] According to the plans, in the final stage the canal will be enlarged to accommodate VLCCs/ULCCs of over 200,000 tons in the 1980s.

204. If the programme of work is carried out as planned, by the beginning of 1975 the first stage of reconstruction should have been completed and by the beginning of March 1975 [181] the Canal would become fully operative to accommodate, as an upper limit, tankers of 70,000 dwt fully loaded and 110,000 dwt in ballast. According to press reports,[182] the amount of cargo expected to pass through the Canal in 1975 is about 50 million tons of dry cargo and 70 million tons of oil. According to another estimation, if the Canal dues are fixed at levels which make the transit an economic proposition for all dry cargo ships, which could save substantially on voyage distances and time, the demand for dry cargo shipping might be reduced by 5 per cent and the demand for oil tonnage by 10 per cent or even more.[183]

205. Any assessment of the impact of the reopening of the Suez Canal on the international shipping scene is subject to limitations because of the many unknown factors in the reopening equation that would ultimately determine the final impact, such as the scale of charges and Canal dues, political stability in the area, waiting time at the two entry gates, level of world bunker prices and capacity limitation of the Canal. Nevertheless, in terms of shorter steaming time with savings in fuel consumption and increased utilization of carrying capacity in terms of more voyages per year, the Suez route should have considerable advantages over the Cape route. The distance saving from using the Suez Canal can be seen from the following:

Route	*Colombo-Le Havre*	*Persian Gulf-Le Havre*	*Colombo-Marseilles*	*Persian Gulf-Marseilles*
Suez . .	11,000 km	12,000 km	9,000 km	10,000 km
Cape. .	20,000 km	21,000 km	20,000 km	22,000 km

Source: Norwegian Shipping News (Oslo), 3 May 1974.

206. The reopening of the Suez Canal would reduce the length of three of the principal oil transport routes by as much as 30 to over 55 per cent, as indicated in the figures below:

Route	*Persian Gulf-Mediterranean*	*Persian Gulf-Northwest Europe*	*Persian Gulf-US East Coast*
		(In nautical miles)	
Suez	4,700	6,400	8,300
Cape	10,800	11,100	12,000

Source: OECD, Maritime Transport 1973 ... (op. cit.).

207. Because of the costs of clearing and reconstruction of the Canal it is expected that the Canal dues will be substantially higher than those which prevailed in 1967. However, if the increase in Canal dues proves to be lower than the increase in fuel costs, then the economic savings of using the Canal may be of greater significance than before the closure. Thus it may become attractive for many ship operators to reorganize their ship operating arrangements, although some trade patterns established after 1967 may not change or may take time to adapt to the new situation.

D. UNCTAD training courses

1. *Third training course in port management*

208. After the port management training courses held in Gothenburg in 1972 and in Algiers in 1973,[184] UNCTAD organized a third such course which took place in Gothenburg from 8 July to 6 September 1974. The course, which was financed by the Swedish Inter-

[176] *The economic effects of the closure of the Suez Canal: study by the secretariat of UNCTAD* (United Nations publication, Sales No. E.73.II.D.13), para. 9.

[177] *Seatrade* (Colchester U.K.), vol. 4, No. 4 (April 1974).

[178] *Fairplay International Shipping Weekly* (London), vol. 251, No. 4728 (4 April 1974).

[179] *Lloyd's List* (London), 7 August 1974.

[180] In October 1974 a provisional contract was concluded between the Suez Canal Authority and a Japanese construction company to widen and deepen the Canal so as to accommodate 150,000 ton ships. It was reported that work to increase the Canal's depth from 15 to 19.5 metres and the width at the water's edge from 90 to 160 metres would start in the latter half of 1975. *Lloyd's List* (London), 16 October 1974.

[181] Suez Canal Authority, September 1974. However, according to press reports it was stated by the Egyptian Government that even if the Canal becomes physically operative its reopening to world shipping will be dependent on the political settlement in the area. *Scandinavian Shipping Gazette* (Copenhagen), vol. 58, No. 11 (November 1974).

[182] *Norwegian Shipping News* (Oslo), 3 May 1974.

[183] OECD, *Maritime Transport 1973: a study by the Maritime Transport Committee* (Paris); see also *The OECD Observer* (Paris), No. 71 (August 1974).

[184] See *Review of maritime transport, 1972-1973 (op. cit.)*, paras. 290-293.

national Development Authority, was conducted in English and was attended by 25 participants from 19 developing countries.

209. The course programme concentrated on four major subjects: port planning, port productivity, financial management and the application of modern management techniques to port operations. In addition to lectures, discussion groups and seminars, frequent use was made of business games and case studies written specifically for training courses of this nature, and visits to the port of Gothenburg, stevedoring, shipping companies and transport undertakings in the area were organized. In addition, study tours were made to the ports of Hamburg, London, Oslo and Stockholm, in order to give the participants an insight into how port problems were being tackled in different countries.

2. *Berth throughput seminars*

210. This new activity, which was started in 1973 with a view to assisting in the dissemination of the results of UNCTAD's ports research work directly to port managers in developing countries, was continued with the organization of two further seminars in Calcutta and Dar-es-Salaam in February and May 1974 respectively, which were attended by a total of 45 participants from 23 ports in 16 countries.

E. Air transport

211. Table 34 illustrates the trend in air freight volume for the period 1968-1973 and the trend in air freight operating revenues for the same period.

212. The percentage increase in freight volume during 1973 was 17.2 per cent, which was significantly higher than the 14.1 per cent recorded in 1972, or the 9.3 per cent recorded in 1971. It is worth noting that between 1968 and 1973 freight traffic, in terms of ton kilometres, increased substantially more (86.2 per cent) than passenger traffic (64.6 per cent) and many times faster than airmail (6.3 per cent).

TABLE 34

Trends in air freight volume and in air freight operating revenues, 1968-1973

(Scheduled operations of airlines of ICAO member States) [a] [b]

Year	Freight volume		Freight operating revenues		
	Ton-kilometres (million)	Percentage change	Total revenue (millions of dollars)	Per ton-kilometre (US cents)	Percentage change
1968	8,320	27.4	1,401	16.8	+2.4
1969	9,970	18.8	1,650	16.5	−1.8
1970	10,600	6.3	1,745	16.5	−0.6
1971	11,590	9.3	1,983	17.1	+3.6
1972	13,220	14.1	2,277	17.2	+0.6
1973	15,490	17.2	2,676[c]	17.3	+0.6

Source: IATA, *World Air Transport Statistics, 1973.*

[a] Domestic and international scheduled services; major exclusions, USSR and China.

[b] Figures revised by source, which do not match those in *Review of maritime transport, 1972-1973 (op. cit.)*, table 45.

[c] ICAO preliminary estimates.

213. Increased use has been made of the unit load system and in particular of containers in air cargo traffic. The ability to introduce the unit system into air freight operations has been facilitated by the advent of the new generation of wide-bodied aircrafts, such as the Boeing 747, which was the first aircraft to carry 40 ft containers. Specialists in air transport now claim that air cargo rates are competitive with surface rates. However, while they have established a firm foothold in international intermodal traffic, airline operators have not been able to agree on just how "intermodal" they should be.[185]

214. Furthermore, despite a noticeable annual increase in the volume of goods transported by air, the air cargo industry has not made the breakthrough that was foreseen in this sector a few years ago. The resistance of shipping to air competition has been much stronger than was originally forecast. Weaknesses have also been found in the organization of goods transported between airports, laborious documentation,[186] procedures and delays which sometimes offset the major benefit of air transport, i.e. the quick transit time. Moreover, in 1974 airline operators suffered a setback because of increased fuel costs, the particular impact of which was greater for air transport than for sea transport.

F. Land bridges

1. *The Siberian land bridge*

215. Interest in the use of this land bridge appears to be increasing in container traffic. According to press reports,[187] in 1974 about 4,000 containers were transported monthly to Europe via the Siberian route, as against 2,000 containers transported in August 1973. Other information [188] suggests that the costs of transport through the Siberian land bridge have been as much as 30 per cent lower than the sea link-up. However, a proposed 15 per cent rise in the Siberian land bridge (SLB) container freight rates on 1 October 1974 came under strong criticism from the Japanese Machinery Exporters Association and five major Japanese non-vessel-operating common carriers (NVOCCs),[189] who believe that the rise in rates will inhibit expansion in the utilization of the land bridge.

216. A new land-sea-land groupage service for the Far East container traffic from Europe which started in 1974 will use the Soviet land bridge. The Comprehensive Shipping Company (with the Port of London Authority holding a 75 per cent stake) was developing the service with MAT Transport (Overseas) for the Anglo-Soviet Shipping Company, the United Kingdom

[185] *Container News* (New York), vol. 9, No. 6 (June 1974), in which an account was given on discussions organized by this publication in which five airline cargo specialists participated.

[186] *Norwegian Shipping News* (Oslo), 16 May 1974.

[187] *Japanese Maritime Gazette* (Tokyo), 16 October 1974, and *Shipping and Trade News* (Tokyo), 16 November 1974.

[188] *Lloyd's List* (London), 29 May 1974.

[189] *Shipping and Trade News* (Tokyo), 2 August 1974, and *Lloyds List* (London), 14 September 1974.

operators of the Russian Trans-Siberian Container Service.[190]

2. *The United States land brige*

217. This land bridge which in the business world is known as the "mini bridge" has been developed to serve goods moving between the Altantic coast of the United States and the Far East in order to avoid the all-water route. For various reasons it has been under fire, particularly from ports on the Atlantic coast of the United States and other interests.[191] However, while the right to offer direct-link services between the East, Gulf and West coasts of the United States is being strongly contested before the Federal Maritime Commission (FMC) and the Courts, the volume of unit trains providing such service has shown a steady growth. On the United States East coast alone more than 30 United States and foreign flag operators now offer land bridge and mini bridge services connecting Europe and the Far East ports via a cross-country rail link to West coast ports.[192]

218. The disputes that arose concerning the mini bridge in 1973 remained unresolved in 1974. Of interest is the fact that in June 1974 [193] the Outboard Marine Corporation urged the FMC to overturn a recent initial decision by an administrative law judge in which it was determined that an application by the Pacific Westbound Conference to extend its exclusive patronage (dual rate) contract system to include its overland common point (OCP) territory should be approved. However, while the interested parties are putting their respective arguments to the FMC, a court ruling allows the land/mini bridge shipments to continue until the question has been settled.[194]

G. World cruise fleet

219. The development of the world cruise fleet during the period 1965-1974 is shown in table 35.[195] It can be seen from this table that over this 10-year period the world cruise fleet has shown only a modest increase from 58 vessels totalling 1.25 million grt in 1965 to 68 vessels totalling 1.35 million grt in 1973. The table shows, however, that there have been significant qualitative changes from year to year in the fleet. These changes were accounted for by the yearly deliveries of new buildings and deletions of lost and scrapped tonnage. The world cruise fleet provided 25,471 cabins and 45,529 berths for cruise passengers as of 1 January 1974.[196]

220. The flag distribution of the world cruise fleet for 1974 as compared with 1973 is given in table 36. It can be seen from the table that, in terms of tonnage, 69.5 per cent of the cruising capacity is offered by only five countries, namely the United Kingdom, Norway, Greece, Italy and Panama.

221. At the beginning of 1974, 36.4 per cent of the total tonnage belonged to the age group of 15 years and above, while only 20.5 per cent had an average age of less than 10 years, including the Norwegian tonnage, which has an average age of only two years.

222. The weak demand conditions which had been experienced by the cruise industry since 1972 persisted in 1974. During this year, particularly as a result of

[190] *Seatrade* (Colchester U.K.), vol. 4, No. 8 (August 1974).

[191] See *Review of Maritime Transport, 1972-1973 (op. cit.)*, para. 308

[192] *Fairplay International Shipping Weekly* (London), vol. 252, No. 4749 (29 August 1974).

[193] *Congressional Information Bureau* (Washington D.C.), vol. 78, No. 123 (25 June 1974), p. 10.

[194] *Fairplay International Shipping Journal* (London), vol. 252, No. 4749 (29 August 1974).

[195] For earlier years see *Review of Maritime Transport, 1972-1973 (op. cit.)*, table 47.

[196] Fearnley and Egers Chartering Co. Ltd., *World Cruise Fleet, January 1974* (Oslo).

TABLE 35

Development of the world cruise fleet,* 1965-1974

Year	*Existing fleet 1st January*		*Newbuildings delivered*		*Lost or scrapped*	
	Number	*grt*	*Number*	*grt*	*Number*	*grt*
1965	58	1,250,098	3	65,697	3	47,580
1966	58	1,268,215	4	78,835	1	12,812
1967	61	1,334,238	—	—	2	33,154
1968	59	1,301,084	1	25,022	—	—
1969	60	1,326,106	2	80,863	—	—
1970	62	1,406,969	1	18,416	1	16,923
1971	62	1,408,462	5	89,005	2	102,826
1972	65	1,394,641	4	71,921	2	57,003
1973	74	1,473,278	4	76,779	3	71,057
1974	68	1,349,425	—	—	—	—

Source: Fearnley and Egers Chartering Co. Ltd., *World Cruise Fleet, January 1974* (Oslo).

* Fearnley and Egers define a cruise ship as an ocean-going passenger vessel of over 5,000 grt with insignificant cargo space and suitable to cater for holiday-making passengers spending more than two days on board. Ferries, pilgrim ships, troop carriers and passenger vessels built before 1945 are excluded unless the latter have been extensively refitted since 1960. Passenger vessels registered in socialist countries of Eastern Europe are also excluded.

TABLE 36

Flag distribution of the world cruise fleet, 1973 and 1974

Country	Number of vessels		grt		Number of berths		Potential annual passenger days *		Average age per vessel	
	1973	1974	1973	1974	1973	1974	1973	1974	1973	1974
United Kingdom	16	12 (−4)	411,547	316,277	14,966	11,730	4,938,780	3,870,900	13	11
Norway	9	12 (+3)	173,926	241,852	5,719	7,359	1,887,270	2,428,470	2	2
Greece	10	10	142,127	138,927	5,846	5,846	1,929,180	1,929,180	19	19
Italy	7	7	135,518	135,518	4,583	4,583	1,512,390	1,512,390	17	18
Panama	4	4	98,137	104,894	3,575	3,636	1,179,750	1,199,880	23	16
Netherlands	4	5 (+1)	92,077	100,777	3,168	3,568	1,045,440	1,777,440	14	12
France	4	3 (−1)	110,615	91,876	2,765	2,273	912,450	750,090	12	12
Liberia	5	4 (−1)	73,594	66,950	2,778	2,548	916,740	840,840	21	22
Sweden	2	2	49,235	49,235	871	871	287,430	287,430	11	12
Federal Republic of Germany	5	3 (−2)	87,977	37,655	2,509	1,157	827,970	381,810	9	11
United States of America	5	2 (−3)	81,502	29,611	2,355	590	777,150	194,700	19	21
Singapore	—	1 (+1)	—	18,739	—	492	—	162,360	—	17
Yugoslavia	2	2	11,302	11,302	628	628	207,240	207,240	8	9
Canada	1	1	5,812	5,812	248	248	81,840	81,840	24	25
TOTAL	74	68 (−6)	1,473,369	1,349,125	50,011	45,529	16,503,630	15,024,570	14	13

Source: Fearnley and Egers Chartering Co. Ltd., *World Cruise Fleet, January 1973* (Oslo), and *World Cruise Fleet, January 1974.*

* Potential annual passenger days is number of berths multiplied by 330 days in operation.

sharply increased bunker costs, several of the older well-known ships in the cruise market were withdrawn from service. It appears that the tendency in the industry is for building relatively smaller purpose-built cruise ships which carry an increased number of passengers per ton and which are consequently more economical to operate. Generally, it appears that the cruise market has been hit by severe financial troubles and that bankers have shown increasing reluctance to finance this type of tonnage. The revival of the cruise market depends largely on the international economic situation, but with high rates of inflation becoming world-wide and with the fluctuating monetary situation the prospects do not look particularly encouraging.

ANNEXES

ANNEX I

Classification of countries and territories [a]

Notes

Note 1

This classification is designed to be applied to statistics on seaborne trade and merchant fleets. Seaborne trade is recorded at ports of loading and unloading. The trade of the ports of a country or territory may therefore include goods originating in or destined for another country or territory, such as a neighbouring land-locked country or territory. The trade of land-locked countries or territories cannot be identified in seaborne trade statistics, and these countries or territories are not explicitly included in the trade classification. However, when the classification is applied to registered merchant fleets, land-locked countries or territories possessing merchant fleets are included in the appropriate geographical groups of countries or territories.

Note 2

The groups of countries or territories used for presenting statistics in this review are made up as follows:

Developed market-economy countries, excluding Southern Europe: Codes 1, 2, 3, 4 and 10.4.

Southern Europe: Code 5.

Socialist countries of Eastern Europe and Asia: Codes 6, 7 and 8.

Developing countries, total: Codes 9, 10 (excluding 10.4), 11 and 12.

Of which:

in Africa: Codes 10.1, 10.2 and 10.3.
in Asia: Codes 9.1 and 9.2.
in Latin America and the Caribbean: Codes 11.1, 11.2, 11.3, 11.4, 11.5.
in Oceania: Code 12.

Note 3

In annexes and tables showing statistics of shipping tonnage by groups of countries, however, Cyprus (included in 5), Liberia (included in 10.2), Panama (included in 11.2), Singapore (included in 9.2) and Somalia (included in 10.3) have been excluded from the appropriate groups and shown in a separate group, for reasons explained in paragraph 40 of the *Review of maritime transport, 1972-1973.* [b]

Classification of countries and territories [c]

Code 1—North America

Bermuda
Canada
Greenland
St. Pierre et Miquelon
United States of America

Code 2—Japan

Code 3—Australia and New Zealand

Code 4—Northern and Western Europe

(Austria)
Belgium
Denmark
Faeroe Islands
Finland
France
Germany, Federal Republic of
Iceland
Ireland
Italy
Monaco
Netherlands
Norway
Sweden
(Switzerland)
United Kingdom of Great Britain and Northen Ireland

Code 5—Southern Europe

Cyprus
Gibraltar
Greece
Malta
Portugal
Spain
Turkey
Yugoslavia

Code 6—Central and Eastern Europe (excluding Union of Soviet Socialist Republics)

Albania
Bulgaria
(Czechoslovakia)
German Democratic Republic
(Hungary)
Poland
Romania

Code 7—Union of Soviet Socialist Republics

Code 8—China, Democratic People's Republic of Korea, Democratic Republic of Viet-Nam

Code 9—Asia, n.e.s.

9.1 Western Asia

Bahrain
Democratic Yemen
Iran
Iraq
Israel
Jordan
Kuwait
Lebanon
Oman
Qatar
Saudi Arabia
Syrian Arab Republic
United Arab Emirates
Yemen

9.2 Southern and Eastern Asia

Bangladesh
Bhutan
Brunei
Burma
Hong Kong
India
Indonesia
Khmer Republic
Macao
Malaysia
Maldives
Pakistan
Philippines
Portuguese Timor
Republic of Korea
Republic of Viet-Nam
Ryukyu Islands
Singapore
Sri Lanka
Thailand

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[a] The classification of countries in this annex is intended for statistical convenience and does not necessarily imply a judgement regarding the stage of development of any particular country.

[b] United Nations publication, Sales No. E.75.II.D.3.

[c] Countries shown in parentheses are land-locked countries with merchant fleets (see note 1 above).

Code 10—Africa

10.1 Northern Africa

Algeria
Canary Islands
Ceuta
Egypt
Ifni
Libyan Arab Republic
Melilla
Morocco
Tunisia

10.2 Western Africa

Angola
Cape Verde Islands
Congo
Dahomey
Equatorial Guinea
Gabon
Gambia
Ghana
Guinea
Ivory Coast
Liberia
Mauritania
Nigeria
Portuguese Guinea
St. Helena Islands
São Tomé and Principe Islands
Senegal
Sierra Leone
Spanish Sahara
Togo
United Republic of Cameroon
Zaire

10.3 Eastern Africa

(Burundi)
Comoro Islands
Ethiopia
French Territory of the Afars and Issas
Kenya
Madagascar
Mauritius
Mozambique
Réunion
Seychelles
Somalia
Sudan
(Uganda)
United Republic of Tanzania
(Zambia)

10.4 Southern Africa

South Africa

Code 11—Latin America

11.1 Caribbean

Antigua
Bahamas
Barbados
Cayman Islands
Cuba
Dominica
Dominican Republic
Grenada
Guadeloupe
Haiti
Jamaica
Martinique
Montserrat
St. Kitts-Nevis-Anguilla
St. Lucia
St. Vincent
Turks and Caicos Islands
Virgin Islands (United Kingdom)
Virgin Islands (United States)

11.2 Central America

Belize
Canal Zone
Costa Rica
El Salvador
Guatemala
Honduras
Mexico
Nicaragua
Panama

11.3 South America-Northern seaboard

Guyana
French Guiana
Netherlands Antilles
Surinam
Trinidad and Tobago
Venezuela

11.4 South America-Western seaboard

Chile
Colombia
Ecuador
Peru

11.5 South America-Eastern seaboard

Argentina
Brazil
Falkland Islands [Malvinas]
(Paraguay)
Uruguay

Code 12—Oceania, n.e.s.

American Samoa
Christmas Island
Fiji
French Polynesia
Gilbert and Ellice Islands
Guam
Nauru
New Caledonia
New Guinea
New Hebrides
Papua
Solomon Islands
Tonga
Wake Island
Western Samoa

ANNEX II

World seaborne trade [a] according to geographical areas, 1965 and 1969-1972

(Million tons)

Area [b]		Goods loaded				Goods unloaded			
		Crude petroleum	*Petroleum products*	*Dry cargo*	*Total all goods*	*Crude petroleum*	*Petroleum products*	*Dry cargo*	*Total all goods*
1. North America	1965	0.1	3.4	190.7	194.2	73.7	67.9	115.2	256.8
	1969	0.2	4.1	210.6	214.9	75.5	96.1	125.0	296.6
	1970	0.7	5.3	266.3	272.3	73.4	103.6	128.0	305.0
	1971	0.2	5.6	276.5	282.2	94.2	98.4	170.4	363.0
	1972	0.2	8.5	300.0	308.7	140.0	109.7	173.8	423.5
2. Japan	1965	—	0.8	22.0	22.8	69.7	14.0	115.0	198.7
	1969	—	0.7	39.8	40.6	143.9	22.2	204.5	370.5
	1970	—	0.3	41.6	41.9	170.4	30.4	235.1	435.9
	1971	0.1	0.7	51.7	52.5	191.7	29.8	239.3	460.8
	1972	1.0	1.3	51.9	54.2	217.3	27.4	276.9	521.6
3. Australia and New Zealand	1965	—	1.2	25.2	26.5	18.7	2.0	13.8	34.4
	1969	—	0.8	72.3	73.2	23.1	2.5	15.6	41.2
	1970	—	1.3	92.3	93.6	18.8	2.9	15.4	37.1
	1971	0.7	1.9	114.7	117.3	13.1	3.6	15.9	32.6
	1972	0.5	1.6	121.1	123.2	11.7	3.8	16.1	31.6
4. Northern and western Europe	1965	0.3	50.0	165.2	215.5	308.2	85.3	323.3	716.8
	1969	6.3	67.8	213.3	287.3	495.2	86.6	386.5	968.3
	1970	16.3	75.7	216.6	308.7	567.7	93.4	420.9	1,082.0
	1971	19.5	74.1	217.5	311.0	591.0	96.9	407.6	1,095.5
	1972	25.2	80.6	231.6	337.4	619.7	105.8	419.4	1,144.9
5. Southern Europe	1965	—	0.8	18.6	19.4	15.8	4.4	33.1	53.3
	1969	—	5.6	25.2	30.7	32.8	8.6	38.9	80.3
	1970	—	6.0	27.0	33.0	40.5	7.6	45.0	93.1
	1971	0.1	4.7	28.0	32.9	46.6	9.0	48.3	103.8
	1972	—	5.4	31.0	36.4	54.1	9.9	52.5	116.5
6. Central and eastern Europe (excluding USSR)	1965	0.4	3.6	22.1	26.1	2.4	1.9	22.6	26.9
	1969	0.1	3.6	31.9	35.6	8.0	3.0	23.4	34.5
	1970	0.2	3.4	34.8	38.5	10.8	3.0	29.2	43.0
	1971	—	3.5	34.7	38.2	14.7	2.6	31.3	48.6
	1972	—	3.3	37.2	40.5	16.3	2.6	32.7	51.6
7. USSR	1965	28.3	18.0	32.8	79.1	—	—	12.7	12.8
	1969	36.1	21.7	47.2	105.0	1.5	—	9.6	11.1
	1970	38.0	22.9	46.0	106.9	2.5	—	11.9	14.4
	1971	43.6	24.2	44.7	112.5	5.1	—	10.0	15.1
	1972	40.9	24.0	44.4	109.3	7.8	0.1	22.1	30.0
8. China, Democratic People's Republic of Korea, Democratic Republic of Viet-Nam	1965	—	—	7.6	7.6	0.2	0.3	11.8	12.2
	1969	—	—	8.8	8.8	0.2	0.4	14.0	14.6
	1970	—	0.1	13.3	13.4	5.4	0.4	24.4	30.2
	1971	—	—	9.2	9.2	—	0.4	15.2	15.6
	1972	—	—	9.4	9.4	—	0.3	15.4	15.7
9.1 Western Asia	1965	348.7	43.3	5.5	397.5	10.9	1.9	13.0	25.9
	1969	528.9	56.3	6.0	591.2	9.1	2.5	17.9	29.5
	1970	601.9	66.2	7.6	675.8	12.9	1.7	18.6	33.2
	1971	717.0	58.6	6.6	782.2	16.5	1.5	22.7	40.7
	1972	820.4	54.4	8.5	883.3	24.0	2.3	24.5	50.8

ANNEX II *(continued)*

World seaborne trade [a] according to geographical areas, 1965 and 1969-1972

(Million tons)

Area [b]		Goods loaded				Goods unloaded			
		Crude petroleum	*Petroleum products*	*Dry cargo*	*Total all goods*	*Crude petroleum*	*Petroleum products*	*Dry cargo*	*Total all goods*
9.2 Southern and Eastern Asia, n.e.s. . . .	1965	14.6	13.1	65.5	93.3	23.3	17.0	58.2	98.5
	1969	29.3	18.8	84.5	132.5	51.8	23.1	67.8	142.7
	1970	35.0	23.7	89.3	148.0	54.7	23.3	61.9	139.9
	1971	39.5	25.7	90.2	155.4	63.4	22.5	67.4	153.3
	1972	51.9	28.4	101.3	181.6	76.3	22.0	79.7	178.0
10.1 Northern Africa	1965	84.6	3.4	29.2	117.2	10.9	3.9	16.3	31.1
	1969	202.9	6.7	28.5	238.1	10.3	5.6	16.9	32.8
	1970	221.4	5.6	28.3	255.4	9.9	5.9	17.9	33.8
	1971	179.2	5.8	26.9	211.9	11.3	4.5	19.0	34.8
	1972	161.9	8.1	27.8	197.8	11.4	4.4	21.1	36.9
10.2 Western Africa	1965	14.7	0.3	41.1	56.1	1.5	4.6	9.9	15.9
	1969	32.9	1.4	56.5	90.8	3.5	4.3	12.1	19.9
	1970	60.5	1.0	61.5	123.0	3.6	4.0	14.8	22.4
	1971	81.1	1.4	58.1	140.7	3.8	3.5	16.0	23.3
	1972	98.4	1.6	59.2	159.2	4.4	3.7	15.2	23.3
10.3 Eastern Africa	1965	—	0.5	11.0	11.5	3.5	3.0	6.2	13.2
	1969	—	0.8	14.8	15.7	5.1	2.8	7.0	14.9
	1970	—	1.2	16.1	17.3	5.5	2.6	8.3	16.4
	1971	—	1.1	16.8	17.9	6.1	2.5	10.3	18.9
	1972	—	1.0	16.9	17.9	6.1	2.8	8.7	17.6
10.4 Southern Africa	1965	—	0.3	8.3	8.5	4.7	1.5	6.2	12.4
	1969	—	0.1	12.1	12.2	7.7	2.4	4.2	14.3
	1970	—	—	13.1	13.2	8.8	2.6	6.2	17.6
	1971	—	—	15.2	15.2	12.5	3.3	7.8	23.6
	1972	—	—	17.8	17.8	11.8	2.1	6.7	20.6
11.1 Caribbean	1965	—	0.2	20.4	20.6	4.8	3.0	7.2	15.9
	1969	—	0.2	22.0	22.3	6.3	4.0	7.6	17.9
	1970	—	1.4	28.4	29.8	23.5	4.5	11.2	39.2
	1971	2.6	26.6	25.9	55.1	51.4	5.8	11.8	69.0
	1972	2.8	25.5	24.2	52.5	32.9	5.5	10.6	49.0
11.2 Central America	1965	1.0	2.6	9.9	13.5	3.5	3.4	4.1	10.9
	1969	—	2.7	12.0	14.8	5.9	4.7	5.5	16.0
	1970	—	3.7	11.9	15.6	6.0	5.5	6.5	18.0
	1971	—	2.3	13.3	15.6	6.9	6.4	6.7	20.0
	1972	—	2.2	14.3	16.5	8.4	6.7	6.9	22.0
11.3 South America, northern seaboard . . .	1965	123.3	99.2	27.7	250.2	53.9	3.0	4.7	61.6
	1969	132.3	102.7	33.6	268.5	57.0	4.1	5.9	67.0
	1970	131.1	111.8	36.0	278.9	63.1	3.0	6.7	72.9
	1971	121.5	80.8	36.2	238.5	41.0	2.8	6.3	50.1
	1972	111.8	72.5	38.1	222.4	40.5	3.2	6.9	50.6
11.4 South America, western seaboard . . .	1965	6.0	0.8	25.9	32.7	1.1	1.5	5.1	7.7
	1969	5.4	1.7	28.4	35.6	4.0	1.0	6.4	11.3
	1970	4.6	1.6	29.8	35.9	4.1	1.5	5.9	11.5
	1971	3.8	1.7	30.2	35.7	5.8	0.9	5.7	12.4
	1972	5.5	2.2	25.8	33.5	6.5	0.6	6.0	13.1

ANNEX II *(concluded)*

World seaborne trade [a] according to geographical areas, 1965 and 1969-1972

(Million tons)

Area [b]		Goods loaded				Goods unloaded			
		Crude petroleum	*Petroleum products*	*Dry cargo*	*Total all goods*	*Crude petroleum*	*Petroleum products*	*Dry cargo*	*Total all goods*
11.5 South America, eastern seaboard	1965	—	0.8	34.4	35.3	15.4	1.4	13.1	29.8
	1969	—	0.2	43.2	43.4	17.1	1.8	17.7	36.6
	1970	0.1	1.1	54.3	55.5	18.8	1.0	19.8	39.6
	1971	0.7	0.6	56.9	58.2	22.2	3.7	19.3	45.2
	1972	1.1	1.2	53.4	55.7	25.5	2.4	20.9	48.8
12. Oceania, n.e.s.	1965	—	—	5.6	5.6	—	0.9	1.7	2.5
	1969	—	—	8.7	8.7	—	1.4	2.1	3.5
	1970	—	0.2	9.5	9.7	0.6	1.6	2.9	5.1
	1971	—	0.4	9.2	9.6	1.3	1.7	2.7	5.7
	1972	0.1	0.5	7.6	8.2	1.5	2.2	2.5	6.2
WORLD TOTAL	1965	622.0	242.3	768.6	1,632.9	622.0	221.7	793.5	1,637.2
	1969	974.5	296.0	999.3	2,269.8	957.8	277.4	988.5	2,223.7
	1970	1,109.9	332.5	1,124.2	2,566.6	1,101.2	298.5	1,091.0	2,490.7
	1971	1,209.7	319.7	1,162.5	2,691.9	1,198.7	299.7	1,133.7	2,632.1
	1972	1,321.7	322.3	1,221.5	2,865.5	1,316.2	317.5	1,218.6	2,852.3

Source: Data communicated to the UNCTAD secretariat by the Statistical Office of the United Nations; estimated data: the world totals do not correspond exactly to the rounded total in table 1 in the text.

[a] Excluding international cargoes loaded at ports of the Great Lakes and St. Lawrence system for unloading at ports of the system. Including petroleum imports into Netherlands Antilles and Trinidad for refining and re-export. Great Lakes and St. Lawrence trade (in dry cargo) amounted to 37 million tons in 1965, 37 million tons in 1969, 42 million tons in 1970, 37 million tons in 1971, and 39 million tons in 1972.

[b] See annex I for the composition of these groups.

ANNEX III

Distribution of world tonnage by flag of registration [a] and type of ship, in order of size of fleets, in grt and dwt, as at 1 July 1974

(dwt figures are shown in parentheses) [b]

Flag of registration [c]	*Total tonnage* [d]	*Of which:*				
		Tankers	*Bulk carriers* [e]	*General cargo* [f]	*Container ships*	*Other ships*
1. Liberia	55,321,641 (103,744,205)	33,749,633 (66,070,977)	17,459,426 (31,830,506)	3,402,731	208,850	501,001
2. Japan	38,707,659 (62,175,855)	16,012,234 (29,585,885)	12,594,966 (20,696,092)	5,442,698	1,026,067	3,631,694
3. United Kingdom of Great Britain and Northern Ireland	31,566,298 (50,345,001)	15,203,281 (27,898,861)	7,564,706 (12,885,032)	5,024,576	1,351,982	2,421,753
(25) Bermuda	1,153,280 (1,966,551)	821,905 (1,459,267)	278,402 (451,170)	30,927	—	22,046
(49) Hong Kong	269,945 (375,388)	7,460 (11,705)	127,641 (211,225)	111,097	—	23,747
(82) Cayman Islands	39,717 (58,399)	—	—	37,256	—	2,461
(90) Gibraltar	28,293 (40,823)	—	26,793 (38,667)	1,500	—	—
(110) St. Vincent	4,808 (6,343)	—	—	3,602	1,019	187
(111) New Hebrides	4,916 (6,316)	—	—	4,916	—	—
(115) Falkland Islands (Malvinas)	7,931 (5,223)	—	—	537	—	7,394
(118) Seychelles	1,901 (3,050)	1,595 (2,700)	—	192	—	114
(121) Turk Islands	1,572 (2,160)	—	—	1,323	—	249
(124) Virgin Islands (UK)	1,127 (1,532)	—	—	978	—	149
(125) Montserrat	949 (1,320)	—	—	949	—	—
(127) Gilbert and Ellice Islands	1,518 (968)	—	—	1,518	—	—
(129) Belize	620 (800)	—	—	620	—	—
(131) Solomon Islands	629 (483)	—	—	629	—	—
(135) St. Lucia	904 (140)	—	—	904	—	—
(136) St. Kitts, Nevis and Anguilla	256 (90)	—	—	—	—	256
4. Norway	24,852,917 (42,765,686)	12,203,299 (23,126,803)	9,138,201 (15,573,303)	1,968,634	52,196	1,490,587
5. Greece	21,759,449 (35,975,152)	7,559,652 (13,617,835)	7,127,608 (12,385,431)	6,361,392	37,313	673,484
6. Union of Soviet Socialist Republics	18,175,918 (19,037,489)	3,658,025 (5,400,699)	520,442 (797,236)	6,854,104	48,156	7,095,191
7. Panama	11,003,227 (17,572,996)	4,681,757 (8,405,299)	1,852,802 (3,059,875)	3,711,791	17,930	738,947
8. United States of America (estimated active sea-going fleet)	10,767,679 (15,147,875)	4,678,984 (8,257,353)	458,933 (828,814)	2,108,438	1,843,409	1,677,915
9. France	8,834,519 (14,462,495)	5,508,682 (10,188,133)	1,169,041 (1,977,409)	1,318,765	138,770	699,261
10. Italy	9,322,015 (14,085,675)	3,669,566 (6,411,072)	3,142,666 (5,382,088)	1,148,281	97,199	1,264,303
11. Federal Republic of Germany	7,980,453 (12,467,278)	2,140,635 (3,945,852)	2,066,815 (3,525,012)	2,652,408	625,672	494,923

ANNEX III *(continued)*

Distribution of world tonnage by flag of registration [a] and type of ship, in order of size of fleets, in grt and dwt, as at 1 July 1974

(dwt figures are shown in parentheses) [b]

Flag of registration [c]	*Total tonnage* [d]	*Of which:*				
		Tankers	*Bulk carriers* [e]	*General cargo* [f]	*Container ships*	*Other ships*
12. Sweden	6,226,659 (9,885,974)	2,144,999 (4,057,189)	2,443,635 (4,165,165)	1,060,981	153,998	423,046
13. Netherlands	5,500,932 (8,302,180)	2,514,003 (4,497,327)	468,036 (756,491)	1,876,726	153,181	488,986
14. Spain	4,949,146 (7,389,000)	2,260,109 (3,993,157)	886,066 (1,533,937)	998,143	20,938	783,890
15. Denmark	4,460,219 (7,119,616)	2,197,994 (4,160,358)	537,122 (897,704)	1,145,260	178,694	401,149
(96) Faeroe Islands	44,653 (25,149)	—	—	7,279	—	37,374
16. India	3,484,751 (5,622,415)	527,056 (889,782)	1,495,942 (2,562,071)	1,311,305	8,014	142.434
17. Cyprus	3,394,880 (4,966,760)	601,362 (944,671)	381,612 (578,714)	2,327,953	998	82,955
18. Singapore	2,878,327 (4,396,079)	729,685 (1,258,274)	745,555 (1,230,311)	1,286,969	57,179	58,939
19. Brazil	2,428,972 (3,752,004)	885,557 (1,514,827)	496,800 (894,783)	956,084	—	90,531
20. Poland	2,292,318 (3,119,309)	38,244 (56,084)	824,819 (1,274,168)	1,105,406	—	323,849
21. Somalia	1,916,273 (2,881,668)	137,529 (225,199)	364,056 (578,328)	1,409,550	—	5,138
22. China	1,870,567 (2,691,458)	276,218 (428,759)	194,182 (315,906)	1,342,826	—	57,341
23. Yugoslavia	1,778,423 (2,649,744)	250,396 (423,480)	497,772 (824,609)	977,436	—	52,819
24. Finland	1,507,582 (2,090,558)	731,782 (1,208,937)	64,355 (93,850)	513,917	3,895	193,633
26. Republic of Korea	1,225,679 (1,858,550)	462,126 (832,373)	204,224 (332,891)	372,852	12,684	173,793
27. Belgium	1,214,707 (1,807,302)	333,522 (548,901)	442,002 (753,865)	303,139	31,036	105,008
28. Argentina	1,408,129 (1,798,802)	520,047 (763,847)	124,799 (192,871)	627,472	—	135,811
29. Portugal	1,243,128 (1,753,954)	549,016 (976,055)	73,204 (117,063)	401,743	6,336	212,829
30. Australia	1,168,367 (1,577,412)	255,408 (414,223)	442,011 (686,005)	222,307	83,123	165,518
(100) New Guinea	17,598 (18,740)	254 (165)	—	11,850	—	5,494
31. German Democratic Republic	1,223,859 (1,555,340)	172,078 (293,908)	207,187 (318,457)	625,998	—	218,606
32. Turkey	971,682 (1,304,503)	334,786 (551,379)	120,241 (186,527)	366,770	—	149,885
33. Bulgaria	864,939 (1,209,392)	288,567 (460,358)	196,532 (277,061)	270,395	—	109,445
34. Kuwait	681,692 (1,132,134)	423,740 (793,637)	—	219,069	—	38,883
35. Philippines	766,478 (1,017,142)	115,719 (178,669)	44,431 (76,718)	565,372	—	40,965
36. Indonesia	762,278 (928,727)	76,526 (111,321)	6,584 (9,250)	592,499	—	86,669

ANNEX III *(continued)*

Distribution of world tonnage by flag of registration [a] and type of ship, in order of size of fleets, in grt and dwt, as at 1 July 1974

(dwt figures are shown in parentheses) [b]

Flag of registration [c]	*Total tonnage* [d]	*Of which:*				
		Tankers	*Bulk carriers* [e]	*General cargo* [f]	*Container ships*	*Other ships*
37. Romania	610,982 (870,971)	150,653 (259,279)	207,065 (304,400)	150,078	—	103,186
38. Israel	611,300 (850,052)	867 (1,576)	288,015 (455,466)	220,338	84,112	17,968
39. Canada (excluding Great Lakes)	933,388 (826,659)	205,481 (268,557)	115,560 (179,209)	279,985	—	332,362
40. Mexico	514,544 (687,183)	276,767 (438,889)	32,105 (50,760)	109,985	—	95,687
41. Pakistan	494,065 (677,511)	—	11,950 (17,250)	444,816	—	37,299
42. Venezuela	480,230 (648,046)	295,698 (448,203)	—	119,894	—	64,638
43. Peru	513,875 (604,185)	80,940 (122,162)	102,678 (165,530)	201,649	—	128,608
44. South Africa	535,322 (597,410)	27,355 (38,010)	40,573 (61,520)	291,862	—	175,532
45. Cuba	409,064 (536,688)	51,908 (77,805)	—	277,864	—	79,292
46. Chile	364,364 (525,587)	72,555 (121,565)	63,968 (102,362)	208,153	—	19,688
47. Malaysia	337,511 (463,120)	4,864 (6,895)	183,836 (288,393)	132,822	—	15,989
48. Iran	291,928 (386,295)	58,588 (91,117)	—	210,848	—	22,492
50. Iraq	229,603 (324,456)	150,185 (246,656)	—	47,743	—	31,675
51. Egypt	248,591 (304,795)	68,596 (106,826)	—	143,015	—	36,980
52. Switzerland	199,732 (301,327)	1,600 (2,901)	54,064 (83,968)	143,791	—	277
53. Algeria	239,815 (296,381)	87,051 (135,710)	23,494 (34,314)	60,765	—	68,505
54. Libyan Arab Republic	160,180 (286,035)	147,060 (268,351)	—	7,560	—	5,560
55. Ireland	208,700 (275,882)	3,381 (4,314)	148,319 (230,290)	13,023	9,702	34,275
56. Colombia	211,083 (269,268)	4,050 (5,765)	—	200,972	—	6,061
57. Thailand	176,315 (267,531)	90,503 (158,619)	—	71,381	—	14,431
58. Bahamas	153,202 (218,870)	48,735 (78,026)	40,052 (62,126)	47,590	—	16,825
59. Uruguay	130,147 (204,061)	92,757 (151,168)	—	29,830	—	7,560
60. Ghana	173,018 (193,159)	—	—	122,498	—	50,520
61. Czechoslovakia	116,148 (188,581)	—	81,993 (130,581)	34,155	—	—
62. Lebanon	120,130 (179,954)	—	—	112,903	—	7,227

ANNEX III *(continued)*

Distribution of world tonnage by flag of registration [a] and type of ship, in order of size of fleets, in grt and dwt, as at 1 July 1974

(dwt figures are shown in parentheses) [b]

Flag of registration [c]	*Total tonnage* [d]	*Of which:*				
		Tankers	*Bulk carriers* [e]	*General cargo* [f]	*Container ships*	*Other ships*
63. Austria	97,067 (176,457)	12,792 (20,807)	22,712 (34,188)	58,234	3,329	
64. New Zealand	163,399 (174,052)	—	—	116,166	—	47,233
65. Ivory Coast	121,276 (173,103)	—	—	113,737	—	7,539
66. Ecuador	128,473 (170,836)	72,534 (112,810)	—	49,838	—	6,101
67. Nigeria	121,301 (157,772)	2,467 (3,443)	—	106,027	—	12,807
68. Bangladesh	115,612 (157,098)	9,935 (14,258)	—	89,676	—	16,001
69. Iceland	148,695 (122,039)	2,434 (3,756)	—	56,310	—	89,951
70. Maldives	78,663 (98,358)	—	—	78,663	—	—
71. Saudi Arabia	61,275 (83,241)	19,528 (31,744)	—	37,816	—	3,931
72. Madagascar	53,409 (82,219)	20,179 (31,626)	—	28,297	—	4,933
73. Albania	57,368 (78,000)	—	—	57,068	—	300
74. Honduras	69,561 (75,549)	1,223 (1,703)	—	64,835	—	3,503
75. Nauru	58,265 (73,882)	—	19,564 (31,953)	38,701	—	—
76. Burma	54,877 (72,711)	1,478 (1,709)	—	45,449	—	7,950
77. Hungary	49,150 (68,119)	—	—	49,150	—	—
78. Sri Lanka	54,099 (65,748)	1,454 (2,084)	—	42,619	—	10,026
79. Republic of Viet-Nam	43,202 (63,224)	5,016 (8,531)	—	35,918	—	2,268
80. Morocco	52,564 (63,139)	937 (1,015)	—	39,799	—	11,828
81. Sudan	45,943 (58,863)	—	—	44,823	—	1,120
83. Zaire	38,966 (57,150)	—	—	34,646	—	4,320
84. Democratic People's Republic of Korea	60,347 (55,458)	9,791 (15,810)	—	9,266	—	41,290
85. Malta	38,011 (51,791)	27,442 (44,242)	—	5,608	—	4,961
86. Nicaragua	33,240 (48,190)	4,026 (6,107)	8,670 (10,917)	20,544	—	—
87. Mauritius	33,281 (45,126)	—	—	30,883	—	2,398
88. Gabon	33,159 (44,508)	347 (258)	10,503 (15,537)	19,626	—	1,683

ANNEX III *(continued)*

Distribution of world tonnage by flag of registration [a] and type of ship, in order of size of fleets, in grt and dwt, as at 1 July 1974

(dwt figures are shown in parentheses) [b]

Flag of registration [c]	*Total tonnage* [d]	*Of which:*				
		Tankers	*Bulk carriers* [e]	*General cargo* [f]	*Container ships*	*Other ships*
89. United Arab Emirates	28,445 (41,181)	15,118 (22,509)	—	10,994	—	2,333
91. Tunisia	28,561 (38,545)	6,433 (9,600)	—	16,874	—	5,254
92. United Republic of Tanzania	28,371 (37,262)	239 (261)	—	25,593	—	2,539
93. Monaco	27,292 (35,840)	23,294 (35,331)	—	—	—	3,998
94. Kenya	21,829 (31,803)	3,197 (5,054)	—	10,947	—	7,685
95. Ethiopia	25,034 (31,400)	2,051 (2,980)	—	21,759	—	1,224
97. Paraguay	21,930 (23,619)	2,935 (4,114)	—	15,566	—	3,429
98. Senegal	20,499 (20,554)	3,876 (5,246)	—	6,045	—	10,578
99. Guinea	15,538 (20,108)	—	10,764 (15,290)	4,132	—	642
101. Dominican Republic	11,963 (16,648)	674 (1,609)	—	9,188	—	2,101
102. Guyana	15,869 (15,513)	943 (1,202)	—	10,027	—	4,719
103. Trinidad	15,574 (12,331)	2,728 (3,440)	—	7,195	—	5,651
104. Guatemala	8,222 (11,022)	—	—	7,972	—	250
105. Tonga	9,081 (9,939)	—	—	6,827	—	2,254
106. Uganda	5,510 (9,115)	—	—	5,510	—	—
107. Zambia	5,513 (9,110)	—	—	5,513	—	—
108. Democratic Republic of Viet-Nam	9,151 (7,515)	314 (500)	—	5,289	—	3,548
109. Fiji	7,041 (6,521)	254 (400)	—	3,566	—	3,228
112. Jamaica	6,740 (6,064)	—	—	6,094	—	646
113. Bahrain	5,140 (6,054)	433 (575)	—	3,539	—	1,168
114. Sierra Leone	5,045 (5,368)	165 (150)	—	3,033	—	1,847
116. Costa Rica	5,603 (5,050)	—	—	3,632	—	1,971
117. Democratic Yemen	2,180 (3,113)	—	—	1,213	—	967
119. Khmer Republic	2,090 (2,862)	—	—	1,880	—	210
120. Syrian Arab Republic	2,643 (2,807)	—	—	1,657	—	986

ANNEX III *(concluded)*

Distribution of world tonnage by flag of registration [a] and type of ship, in order of size of fleets, in grt and dwt, as at 1 July 1974

(dwt figures are shown in parentheses) [b]

Flag of registration [c]	*Total tonnage* [d]	*Of which:*				
		Tankers	*Bulk carriers* [e]	*General cargo* [f]	*Container ships*	*Other ships*
122. Oman	2,249 (2,125)	—	—	1,023	—	1,226
123. Yemen	1,260 (1,850)	—	—	1,260	—	—
126. Gambia	1,337 (1,065)	—	—	641	—	696
128. United Republic of Cameroon	3,199 (933)	—	—	—	—	3,199
130. Qatar	928 (525)	200 (350)	—	—	—	728
132. Grenada	226 (340)	—	—	226	—	—
133. Mauritania	1,681 (334)	—	—	—	—	1,681
134. Dahomey	474 (150)	—	—	—	—	474
137. El Salvador	291 (55)	—	—	—	—	291
138. Barbados	3,897	—	—	—	—	3,897
139. Congo	1,534	—	—	—	—	1,534
140. Jordan	200	—	—	—	—	200
Other (unallocated)	1,416,833 (2,110,699)	331,741 (587,741)	386,403 (631,698)	620,606	7,622	70,461
WORLD TOTAL [g]	306,134,619 (486,931,263)	129,229,203 (237,978,680)	76,641,897 (131,204,357)	66,865,077	6,263,404	27,135,038

Source: Lloyd's Register of Shipping: Statistical Tables, 1974 (London), and supplementary data regarding the Great Lakes fleets of the United States of America and Canada and regarding the United States Reserve fleet.

[a] The designations employed in this table refer to flags of registration and do not imply the expression of any opinion by the Secretariat of the United Nations concerning the legal status of any country or territory, or of its authorities, or concerning the delimitation of its frontiers.

[b] Grt figures are shown on the first line; where available, dwt figures are shown in parentheses on the second line.

[c] In the case of flags of non-self-governing territories, which are listed out of rank order, the number indicating rank order is shown in parentheses.

[d] Ships of 100 grt and over, excluding the Great Lakes fleets of the United States of America and Canada and the United States Reserve fleet (see also note *g*).

[e] Ore and bulk carriers of 6,000 grt and over, including ore/bulk/oil carriers.

[f] Including passenger/cargo.

[g] *Excluding:*

(i) United States Great Lakes fleet estimated at 1,661,397 grt (2,689,323 dwt), of which tankers: 40,914 grt (69,553 dwt); ore and bulk carriers: 1,574,787 grt (2,619,770 dwt);

(ii) Canadian Great Lakes fleet estimated at 1,526,610 grt (2,057,175 dwt), of which tankers: 58,629 grt (99,669 dwt); ore and bulk carriers: 1,221,288 grt (1,807,506 dwt);

(iii) United States Reserve fleet estimated at 2 million grt (2,308,000 dwt), of which tankers: 162,700 grt (251,700 dwt); general cargo vessels: 1,809,300 grt (2,014,200) dwt.

The figures for the United States Reserve fleet apply to vessels of more than 1,000 grt and are thus not directly comparable with the figures from which they have been deducted (but the statistical discrepancy is very small, since few ships of less than 1,000 grt are included in the Reserve fleet).

ANNEX IV

Distribution of world fleet by geographical areas, as at 1 July 1974

(Vessels of 100 grt and above; in grt and dwt) [a]

Area	Total tonnage	Of which: Tankers	Bulk carriers	General cargo	Container ships	Other ships
1.* North America	12,854,347 (17,941,085)	5,706,370 (9,985,177)	852,895 (1,459,193)	2,419,350	1,843,409	2,032,323
2. Japan	38,707,659 (62,175,855)	16,012,234 (29,585,885)	12,594,966 (20,696,092)	5,442,698	1,026,067	3,631,694
3. Australia and New Zealand	1,331,766 (1,751,464)	255,408 (414,223)	442,011 (686,005)	338,473	83,123	212,751
4. Northern and Western Europe	102,192,440 (164,268,459)	46,691,264 (86,110,542)	27,261,674 (46,358,365)	17,291,324	2,799,654	8,148,524
5. Southern Europe	30,768,132 (49,164,967)	10,981,401 (19,606,148)	8,731,684 (15,086,234)	9,112,592	64,587	1,877,868
6. Central and Eastern Europe (excluding USSR)	5,214,764 (7,089,712)	649,542 (1,069,629)	1,517,596 (2,304,667)	2,292,240	—	755,386
7. USSR	18,175,918 (19,037,489)	3,658,025 (5,400,699)	520,442 (797,236)	6,854,104	48,156	7,095,191
8. China, Democratic People's Republic of Korea, Democratic Republic of Viet-Nam	1,940,065 (2,754,431)	286,323 (445,069)	194,182 (315,906)	1,357,381	—	102,179
9.1 Western Asia	2,038,973 (3,013,787)	668,659 (1,188,164)	288,015 (455,466)	868,403	84,112	129,784
9.2 Southern and Eastern Asia [b]	7,865,565 (11,670,385)	1,302,137 (2,215,946)	2,074,608 (3,497,798)	3,896,349	20,698	571,773
10.1 Northern Africa	729,711 (988,895)	310,077 (521,502)	23,494 (34,314)	268,013	—	128,127
10.2 Western Africa	536,027 (674,204)	6,855 (9,097)	21,267 (30,827)	410,385	—	97,520
10.3 Eastern Africa	220,791 (307,946)	27,261 (42,621)	—	173,517	—	20,013
10.4 Southern Africa	535,322 (597,410)	27,355 (38,010)	40,573 (61,520)	291,862	—	175,532
11.1 Caribbean [c]	649,999 (860,925)	104,045 (160,880)	40,052 (62,126)	393,169	1,019	111,714
11.2 Central America	632,081 (827,849)	282,016 (446,699)	40,775 (61,677)	207,588	—	101,702
11.3 South America: northern seabord	495,919 (663,559)	296,641 (449,405)	—	129,921	—	69,357
11.4 South America: western seabord	1,217,795 (1,569,876)	230,079 (362,302)	166,646 (267,892)	660,612	—	160,458
11.5 South America: eastern seabord	3,997,109 (5,783,709)	1,501,296 (2,433,956)	621,599 (1,087,654)	1,629,489	—	244,725
12. Oceania	99,055 (116,849)	508 (565)	19,564 (31,953)	68,007	—	10,976

ANNEX IV *(continued)*

Distribution of world fleet by geographical areas, as at 1 July 1974

(Vessels of 100 grt and above; in grt and dwt) [a]

Area	*Total tonnage*	*Of which:*				
		Tankers	*Bulk carriers*	*General cargo*	*Container ships*	*Other ships*
Open registry countries:						
Liberia (not included in 10.2) . . .	55,321,641 (103,744,205)	33,749,633 (66,070,977)	17,459,426 (31,830,506)	3,402,731	208,850	501,001
Panama (not included in 11.2) . . .	11,003,227 (17,572,996)	4,681,757 (8,405,299)	1,852,802 (3,059,875)	3,711,791	17,930	738,947
Cyprus (not included in 5)	3,394,880 (4,966,760)	601,362 (944,671)	381,612 (578,714)	2,327,953	998	82,955
Singapore (not included in 9.2) . . .	2,876,327 (4,396,079)	729,685 (1,258,274)	745,555 (1,230,311)	1,286,969	57,179	58,939
Somalia (not included in 10.3) . . .	1,916,273 (2,881,668)	137,529 (225,199)	364,056 (578,328)	1,409,550	—	5,138
Total of open registry countries . .	74,514,348 (133,561,708)	39,899,966 (76,904,420)	20,803,451 (37,277,734)	12,138,994	284,957	1,386,980
Other (unallocated)	1,416,833 (2,110,699)	331,741 (587,741)	386,403 (631,698)	620,606	7,622	70,461
WORLD TOTAL	306,134,619 (486,931,263)	129,229,203 (237,978,680)	76,641,897 (131,204,357)	66,865,077	6,263,404	27,135,038

Source: Compiled from annex III above (see notes to that annex).

[a] Dwt figures, where available, are shown in parentheses on the second line.

[b] Including 269,945 grt (375,388 dwt) which according to the source flies the flag of Hong Kong, part of which tonnage is believed to be controlled by foreign interests.

[c] Including 153,202 grt (218,870 dwt) registered in the Bahamas; the location of the effective control of this tonnage is uncertain.

* For an explanation of the code numbers, see annex I above.

ANNEX V

Additions to and net changes in the merchant fleets of developing countries and territories during 1973 [a]

(Thousand dwt; vessels of 1,000 grt and over)

	All ships		Of which: Tankers		Bulk carriers		Freighters		Others ships	
	Number	dwt	Number	dwt	Number	dwt	Number	dwt	Number	dwt
9.1 [b] **WESTERN ASIA**										
Iran										
Additions	7	797	1	33	—	—	6	764	—	—
of which: new deliveries	1	33	1	33	—	—	—	—	—	—
Net additions	7	797	1	33	—	—	6	764	—	—
Iraq										
Additions	4	1,404	4	1,404	—	—	—	—	—	—
of which: new deliveries	4	1,404	4	1,404	—	—	—	—	—	—
Net additions	4	1,404	4	1,404	—	—	—	—	—	—
Israel										
Additions	3	537	—	—	1	377	—	—	2	160
of which: new deliveries	2	160	—	—	—	—	—	—	2	160
Net additions	−4	−104	—	—	1	377	−7	−641	2	160
Kuwait										
Additions	1	135	—	—	—	—	1	135	—	—
of which: new deliveries	1	135	—	—	—	—	1	135	—	—
Net additions	−1	−3	—	—	—	—	−1	−3	—	—
Saudi Arabia										
Additions	3	116	—	—	—	—	3	116	—	—
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	2	15	—	—	—	—	2	15	—	—
Sub-total: Western Asia										
Additions	18	2,989	5	1,437	1	377	10	1,015	2	160
of which: new deliveries	8	1,732	5	1,437	—	—	1	135	2	160
Net additions	8	2,109	5	1,437	1	377	—	135	2	160
9.2 SOUTHERN AND EASTERN ASIA										
Bangladesh										
Additions	8	503	1	17	—	—	7	486	—	—
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	8	503	1	17	—	—	7	486	—	—
India										
Additions	23	6,361	4	1,425	6	1,572	8	896	5	2,468
of which: new deliveries	13	4,802	2	1,027	2	686	6	789	3	2,300
Net additions	11	5,369	3	1,289	6	1,572	1	259	1	2,249
Indonesia										
Additions	13	1,260	—	—	—	—	11	1,074	2	186
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	5	878	−1	−134	—	—	4	826	2	186
Republic of Korea										
Additions	8	2,962	1	2,300	—	—	5	408	2	254
of which: new deliveries	3	2,383	1	2,300	—	—	1	26	1	57
Net additions	3	2,594	1	2,300	—	—	—	40	2	254
Malaysia										
Additions	4	2,123	—	—	2	2,018	—	—	2	105
of which: new deliveries	3	2,090	—	—	2	2,018	—	—	1	72
Net additions	2	1,951	—	—	2	2,018	−1	−109	1	42

ANNEX V *(continued)*

Additions to and net changes in the merchant fleets of developing countries and territories during 1973 [a]

(Thousand dwt ; vessels of 1,000 grt and over)

	All ships		Of which : Tankers		Bulk carriers		Freighters		Other ships	
	Number	dwt	Number	dwt	Number	dwt	Number	dwt	Number	dwt
Maldives										
Additions	3	148	—	—	—	—	3	148	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	2	134	—	—	—	—	2	134	—	—
Pakistan										
Additions	—	—	—	—	—	—	—	—	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	−5	−452	—	—	—	—	−5	−452	—	—
Philippines										
Additions	9	349	—	—	—	—	8	344	1	5
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	−13	−2,027	−1	−962	−2	−434	−7	−589	−3	−42
Republic of Viet-Nam										
Additions	1	27	1	27	—	—	—	—	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	1	27	1	27	—	—	—	—	—	—
Sri Lanka										
Additions	5	462	—	—	—	—	5	462	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	5	462	—	—	—	—	5	462	—	—
Thailand										
Additions	6	1,437	2	1,241	—	—	4	196	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	4	1,185	1	1,075	—	—	3	110	—	—
Sub-total : Southern and Eastern Asia										
Additions	80	15,632	9	5,010	8	3,590	51	4,014	12	3,018
of which : new deliveries	19	9,275	3	3,327	4	2,704	7	815	5	2,429
Net additions	23	10,624	5	3,612	6	3,156	9	1,167	3	2,689
TOTAL ASIA										
Additions	98	18,621	14	6,447	9	3,967	61	5,029	14	3,178
of which : new deliveries	27	11,007	8	4,764	4	2,704	8	950	7	2,589
Net additions	31	12,733	10	5,049	7	3,533	9	1,302	5	2,849
10.1 NORTHERN AFRICA										
Algeria										
Additions	5	317	—	—	—	—	3	219	2	98
of which : new deliveries	5	317	—	—	—	—	3	219	2	98
Net additions	5	317	—	—	—	—	3	219	2	98
Libyan Arab Republic										
Additions	1	45	—	—	—	—	—	—	1	45
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	1	45	—	—	—	—	—	—	1	45
Morocco										
Additions	3	75	—	—	—	—	2	47	1	28
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	2	61	—	—	—	—	1	33	1	28

ANNEX V *(continued)*

Additions to and net changes in the merchant fleets of developing countries and territories during 1973 [a]

(Thousand dwt ; vessels of 1,000 grt and over)

	All ships		Of which : Tankers		Bulk carriers		Freighters		Others ships	
	Number	dwt	Number	dwt	Number	dwt	Number	dwt	Number	dwt
Egypt										
Additions	2	62	—	—	—	—	2	62	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	2	62	—	—	—	—	2	62	—	—
Sub-total : North Africa										
Additions	11	499	—	—	—	—	7	328	4	171
of which : new deliveries	5	317	—	—	—	—	3	219	2	98
Net additions	9	440	—	—	—	—	6	314	3	126
10.2 Western Africa										
Gabon										
Additions	1	155	—	—	1	155	—	—	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	1	155	—	—	1	155	—	—	—	—
Ivory Coast										
Additions	6	510	—	—	—	—	6	510	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	5	478	—	—	—	—	5	478	—	—
Nigeria										
Additions	1	84	—	—	—	—	1	84	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	1	84	—	—	—	—	1	84	—	—
Zaire										
Additions	1	152	—	—	—	—	—	—	1	152
of which : new deliveries	1	152	—	—	—	—	—	—	1	152
Net additions	1	152	—	—	—	—	—	—	1	152
Sub-total : Western Africa										
Additions	9	901	—	—	1	155	7	594	1	152
of which : new deliveries	1	152	—	—	—	—	—	—	1	152
Net additions	8	869	—	—	1	155	6	562	1	152
10.3 Eastern Africa										
Ethiopia										
Additions	—	—	—	—	—	—	—	—	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	−2	−110	—	—	−1	−21	−1	−89	—	—
Madagascar										
Additions	—	—	—	—	—	—	—	—	—	—
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	−2	−181	—	—	—	—	−2	−181	—	—
Mauritius										
Additions	4	294	1	27	—	—	2	244	1	23
of which : new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	4	294	1	27	—	—	2	244	1	23
Sudan										
Additions	1	75	—	—	—	—	1	75	—	—
of which : new deliveries	1	75	—	—	—	—	1	75	—	—
Net additions	—	51	—	—	—	—	—	51	—	—

ANNEX V *(continued)*

Additions to and net changes in the merchant fleets of developing countries and territories during 1973 [a]

(Thousand dwt; vessels of 1,000 grt and over)

	All ships		Of which: Tankers		Bulk carriers		Freighters		Other ships	
	Number	dwt	Number	dwt	Number	dwt	Number	dwt	Number	dwt
United Republic of Tanzania										
Additions	1	124	—	—	—	—	1	124	—	—
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	1	124	—	—	—	—	1	124	—	—
Sub-total: East Africa										
Additions	6	493	1	27	—	—	4	443	1	23
of which: new deliveries	1	75	—	—	—	—	1	75	—	—
Net additions	1	178	1	27	−1	−21	—	149	1	23
TOTAL: AFRICA										
Additions	26	1,893	1	27	1	155	18	1,365	6	346
of which: new deliveries	7	544	—	—	—	—	4	294	3	250
Net additions	19	1,532	1	27	—	134	12	1,025	6	346
11.1 CARIBBEAN										
Cuba										
Additions	2	108	—	—	—	—	—	—	2	108
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	2	108	—	—	—	—	—	—	2	108
Trinidad and Tobago										
Additions	—	—	—	—	—	—	—	—	—	—
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	−1	−19	—	—	—	—	—	—	−1	−19
Sub-total: Caribbean										
Additions	2	108	—	—	—	—	—	—	2	108
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	1	89	—	—	—	—	—	—	1	89
11.2 CENTRAL AMERICA										
Guatemala										
Additions	1	28	—	—	—	—	1	28	—	—
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	1	28	—	—	—	—	1	28	—	—
Honduras										
Additions	2	101	—	—	—	—	2	101	—	—
of which: new deliveries	1	38	—	—	—	—	1	38	—	—
Net additions	−2	−51	—	—	—	—	−2	−51	—	—
Mexico										
Additions	4	584	2	430	—	—	2	154	—	—
of which: new deliveries	3	464	2	430	—	—	1	34	—	—
Net additions	3	508	2	430	—	—	1	78	—	—
Nicaragua										
Additions	1	46	—	—	—	—	—	—	1	46
of which: new deliveries	—	—	—	—	—	—	—	—	—	1
Net additions	—	1	—	—	—	—	—	—	—	

ANNEX V *(continued)*

Additions to and net changes in the merchant fleets of developing countries and territories during 1973 [a]

(Thousand dwt; vessels of 1,000 grt and over)

	All ships		Of which: Tankers		Bulk carriers		Freighters		Others ships	
	Number	dwt	Number	dwt	Number	dwt	Number	dwt	Number	dwt
Sub-total: Caribbean and Central America										
Additions	10	867	2	430	—	—	5	283	3	154
of which: new deliveries	4	502	2	430	—	—	2	72	—	—
Net additions	3	575	2	430	—	—	—	55	1	90
11.3 SOUTH AMERICA: NORTHERN SEABOARD										
Venezuela										
Additions	4	625	1	295	—	—	3	330	—	—
of which: new deliveries	1	295	1	295	—	—	—	—	—	—
Net additions	4	625	1	295	—	—	3	330	—	—
Sub-total: South America: northern seaboard										
Additions	4	625	1	295	—	—	3	330	—	—
of which: new deliveries	1	295	1	295	—	—	—	—	—	—
Net additions	4	625	1	295	—	—	3	330	—	—
11.4 SOUTH AMERICA: WESTERN SEABOARD										
Chile										
Additions	—	—	—	—	—	—	—	—	—	—
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	−1	−233	−1	−233	—	—	—	—	—	—
Colombia										
Additions	4	370	1	295	—	—	3	75	—	—
of which: new deliveries	1	295	1	295	—	—	—	—	—	—
Net additions	2	130	—	134	—	—	2	−4	—	—
Eeuador										
Additions	3	943	3	943	—	—	—	—	—	—
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	3	943	3	943	—	—	—	—	—	—
Peru										
Additions	2	260	—	—	—	—	1	130	1	130
of which: new deliveries	1	130	—	—	—	—	—	—	1	130
Net additions	1	205	—	—	—	—	—	75	1	130
Sub-total: South America: western seaboard										
Additions	9	1,573	4	1,238	—	—	4	205	1	130
of which: new deliveries	2	425	1	295	—	—	—	—	1	130
Net additions	5	1,045	2	844	—	—	2	71	1	130
11.5 SOUTH AMERICA: EASTERN SEABOARD										
Argentina										
Additions	12	976	—	—	1	67	11	909	—	—
of which: new deliveries	7	616	—	—	—	—	7	616	—	—
Net additions	6	381	−1	−265	1	67	7	675	−1	−96

ANNEX V *(concluded)*

Additions to and net changes in the merchant fleets of developing countries and territories during 1973 [a]

(Thousand dwt; vessels of 1,000 grt and over)

	All ships		Of which: Tankers		Bulk carriers		Freighters		Other ships	
	Number	dwt	Number	dwt	Number	dwt	Number	dwt	Number	dwt
Brazil										
Additions	28	5,305	8	3,407	1	246	16	1,516	3	136
of which: new deliveries	19	5,087	6	3,373	1	246	11	1,348	1	120
Net additions	18	4,858	8	3,407	−2	111	9	1,204	3	136
Sub-total: South America: eastern seaboard										
Additions	40	6,281	8	3,407	2	313	27	2,425	3	136
of which: new deliveries	26	5,703	6	3,373	1	246	18	1,964	1	120
Net additions	24	5,239	7	3,142	−1	178	16	1,879	2	40
TOTAL: LATIN AMERICA AND CARIBBEAN										
Additions	63	9,346	15	5,370	2	313	39	3,243	7	420
of which: new deliveries	33	6,925	10	4,393	1	246	20	2,036	2	250
Net additions	36	7,484	12	4,711	−1	178	21	2,335	4	260
12. OCEANIA										
Nauru										
Additions	2	331	—	—	1	312	—	—	1	19
of which: new deliveries	1	312	—	—	1	312	—	—	—	—
Net additions	2	331	—	—	1	312	—	—	1	19
Tonga										
Additions	2	64	—	—	—	—	1	49	1	15
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	2	64	—	—	—	—	1	49	1	15
Western Samoa										
Additions	1	19	—	—	—	—	1	19	—	—
of which: new deliveries	—	—	—	—	—	—	—	—	—	—
Net additions	1	19	—	—	—	—	1	19	—	—
Sub-total: Oceania										
Additions	5	414	—	—	1	312	2	68	2	34
of which: new deliveries	1	312	—	—	1	312	—	—	—	—
Net additions	5	414	—	—	1	312	2	68	2	34
Total: developing countries and territories										
Additions	192	30,274	30	11,844	13	4,747	120	9,705	29	3,978
of which: new deliveries	68	18,788	18	9,157	6	3,262	32	3,280	12	3,089
Net additions	91	22,163	23	9,787	7	4,157	44	4,730	17	3,489

Source: Compiled from data regarding additions and deductions to merchant fleets which were made available to the UNCTAD secretariat by the United States Department of Commerce, Maritime Administration.

[a] Figures for the acquisition of second-hand ships for each country may be obtained by deducting "new deliveries" from "additions".

[b] For an explanation of the code numbers, see annex I above.

ANNEX VI

Amendment to the OECD Understanding on Export Credits for Ships [a]

On 18 July 1974 the Council of the Organisation for Economic Co-operation and Development adopted a resolution which, *inter alia*, noted that the Governments which participate in the Understanding on Export Credits for Ships [b] have agreed that clauses 1 and 2 of the Understanding are amended to read:

"1. For any contract relating to any new ship to be negotiated from 1st July, 1974 onwards, governments participating in this Understanding agree to abolish existing official facilities * and to introduce no new official facilities for export credits for ships on terms providing:

(i) A maximum duration exceeding 7 years from delivery and repayment other than by equal instalments at regular intervals of normally six months and a maximum of twelve months;

(ii) Payment by delivery of less than 30 per cent of contract price;

(iii) An interest rate of less than 8 per cent, net of all charges. **

"2. This minimum interest rate of 8 per cent will apply to the credit granted with official support by the shipbuilder to the buyer (in a supplier credit transaction) or by a bank or any other party in the shipbuilder's country to the buyer or any other party in the buyer's country (in a buyer credit transaction), whether the official support is given for the whole amount of the credit or only part of it.

"* Official facilities are those which enable credits to be insured, guaranteed or financed by governments, by governmental institutions, or with any form of direct or indirect governmental participation.

" ** By interest rate, net of all charges, is meant that part of the credit costs (excluding any credit insurance premia and/or any banking charges) which is paid at regular intervals throughout the credit period and which is directly related to the amount of credit. "

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[a] For the original text of the Understanding see, *The OECD Observer* (Paris), No. 41 (August 1969), p. 12.

[b] Australia, Belgium, Canada, Denmark, Federal Republic of Germany, Finland, France, Italy, Japan, Netherlands, Norway, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland.

ANNEX VII

Selected maximum and minimum [a] tramp freight rates, 1970-1974

Commodities/routes	Currency unit (Sterling and United States dollars and cents)	1970		1971		1972		1973		1974	
		High	Low	High	Low	High	Low	Hign	Low	High	Low
Heavy grain:											
United States Gulf-West Coast India	Dollars	8.7	7.67½	12.8	..	..	..	..	..	..	..
North Pacific-East Coast India	Sterling	7.12½	5.2	4.5	4.27½	16.5 [b] 7.1	15.5 [b] ..	30.5 [b]	17.5 [b]	50.0 [b]	45.5 [b]
River Plate-Antwerp/ Hamburg range	Dollars	15.75	8.15	9.25	5.0	11.65	5.3	29.6	12.75	32.0	26.5
River Plate-Japan	Dollars	22.0	13.25	13.0	7.0	9.5	6.9	30.25	17.75	34.0	..
North Pacific-Republic of Korea	Dollars	..	..	..	..	11.75	6.05	30.5	14.0	30.0	20.0
Coal:											
Hampton Roads-Rio de Janeiro	Dollars	12.25	5.0	4.2	2.7	2.9	2.4	..	..	..	..
Sugar:											
Mauritius-United Kingdom	Sterling	6.25	4.15	4.15	3.47½	7.25	4.0	11.15	7.5	13.9	11.15
Philippines-USA	Dollars	13.5	7.85	11.0	9.25	12.0	7.75	17.0	14.5	30.0	29.0
Ore:											
Mormugão-Japan	Dollars	10.3	9.9	6.15	4.1	4.45	3.6	..	..	..	..
Copra:											
Philippines-Continent	Cents	44.0	37.0	36½	28.0	43	26½	52	4	..	..
Phosphate:											
Casablanca-China	Sterling	7.4	4.47½	3.9	3.25	3.72	3.0	8.8	5.75	..	..
Aqaba-West Coast India	Sterling	2.67½	2.55	2.62½	2.15	2.92	1.9	6.99	3.48	20.75 [b]	16.0 [b]
Rice:											
China-Sri Lanka	Sterling	5.9	4.25	4.47½	3.72½	6.85	6.75	8.09	6.8	..	..
Fertilizers:											
Continent-China (South Coast)	Sterling	9.35	6.12½	6.1	3.25	..	..	8.55	7.75	..	..

Source: Based on information in *Lloyd's List* (London), 4 January 1972, 25 January 1973, 4 February 1974 and 6 January 1975.

[a] Approximate levels.

[b] In United States dollars as given by the source.

ANNEX VIII

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Abbreviations and symbols used in this annex

Type of surcharge: Bunker = Bunker surcharge; CAF = Currency adjustment factor (including devaluation surcharge); Emg. = Emergency surcharge; Handl. = Handling surcharge; Pre-shpt. = Pre-Shipment charges or taxes.

Units: B/L = per bill of lading; FT = per freight ton; M^3 = per cubic metre; MT = per metric ton; PU = per paying unit; W/M = per weight and/or measurement ton; T = per ton.

Others: approx: = approximately; prev. = previously; (...) indicates that the previous level of surcharge was not specified in the source.
n.a. = not available in the source.

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
1	Inter-American Freight Conference (Section C)	1 January 1974	5%		
2	Continental Canadian Westbound Freight Conference	1 January			CAF from (...) to 9% from Hamburg/Bordeaux range to the Atlantic Sr. Laurent and Great Lakes Canadian ports
3	Conferencia de Fletes Italo-Franco-Española (COFIFE)	1 January	40% on the average		
4	Conferenza Italia-Portogallo (CITALPORT)	1 January	40% on the average		
5	West Italy/Algeria and Morocco Freight Conference (CITALMAR)	1 January	40% on the average		
6	Brazil/Mediterranean/Brazil Freight Conference	1 January	6%	Bunker from 4.4% to 15.8%	
7	UK-New Zealand Conference Lines	1 January			CAF from +1.80% to −1.60%
8 to 11	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 January			Following a reduction of the CAFs the combined CAF and bunker surcharge was reduced for Fed. Rep. of Germany, Netherlands and Belgium from (...) to 28%; For France: from (...) to 25%; For Italy: from (...) to 19%; For UK/Ireland: from (...) to 13%; For Rep. of Korea: from (...) to 20%; For Philippines: from (...) to 18%; For Singapore/Malaysia: from (...) to 22.5%

* Announced by shipping conferences or groups of lines serving particular trades but excluding announcements by individual lines.

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	Name of Conference	Announced date of implementation	General freight rate increases	Surcharges	
				New or increased	Reduced, cancelled or incorporated in tariff
12	River Plate/Mediterranean/River Plate Freight Conference	1 January	6%	Bunker from 7 to 17.5%	
13	Egypt/Italy Freight Conference	1 January		Bunker from 11% to 20%	CAF from (...) to 10%
14	UK-Algeria	1 January		5% Bunker	
15	UK-Portugal	1 January		12.5% Bunker	
16	UK-Levant Conference	1 January		10% Bunker on trade to Greek and Turkish ports	
17	US Pacific Westbound Conference	1 January		US$7.50/T Bunker	
18	American Association of West Coast Steamship Companies	2 January		Bunker US$2.50/FT	
19	"8900" Lines	4 January		Bunker from 2.50$/FT to 8.50 US$/T	
20	North of Brazil and Amazonia/Europe/North of Brazil and Amazonia Freight Conference	4 January		Bunker from 11.6% to 16.2%	
21	Marseilles/North Atlantic USA Freight Conference	4 January		Bunker from (...) to US$7.75/1000 Kg or 5.25/M³	
22	North Atlantic Mediterranean Freight Conference	4 January		Bunker from (...) to 14%	
23	Mediterranean-Gulf Conference	4 January		Bunker from 7% to 14%	
24	UK-Continent/Leticia and Iquitos Gentlemen's Agreement	4 January		Bunker from 11.6 to 16.2%	
25	Mediterranean-North Pacific Coast Freight Conference	4 January		Bunker from 7 to 15%	
26	Continental-US Gulf Freight Association	5 January		Bunker from 5.25/T/M³ to US$6.75/T/M³	
27	UK/USA Gulf Westbound Rate Agreement	5 January		Bunker from 5.25/TM³ to US$6.75/TM³	
28	Arabian-Persian Gulf to US Atlantic Gulf Rate Agreement	5 January		Bunker from 2.50/T to US$8.50/T	
29	Continental North Atlantic Westbound Freight Conference	6 January			Bunker from 5.25/M³ or 7.75/T to US$3.50/M³ or $5/T
30	North Continent/Aqaba Agreement	7 January			CAF from 7 to 3%
31	Continental Canadian Westbound Freight Conference	7 January		Bunker from 2.50US$/M³ or 4$/T to US$3.50/M³ or $5/T	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
32	North Europe-Egypt-North Europe Conference	7 January		Bunker from 12.5% to 15% on trade from the Hamburg-Antwerp range ports	
33	Canadian-North Atlantic Westbound Freight Conference	7 January		Bunker on trade from UK£1.50/MT or £2.20/WT	
34	Continent Turkey Continent Conference (CONTURCON)	7 January		Bunker from 12.5% to 20% on trade between Turkey and the Hamburg-Antwerp range ports both ways	
35	Continental Red Sea Conference and EDACRA	7 January			CAF from 7 to 3%
36	New Zealand European Shipping Association	7 January		9% Bunker	
37	UK-New Zealand Conference	7 January		9% Bunker	
38	Canada-UK Freight Conference	7 January		Bunker from 2.50$/T to US$3.50/T	
39	UK-River Plate Conference	7 January		Bunker from 7% to 17.5%	
40	Europe-Argentina Freight Conference	7 January		Bunker from 7% to 17.5%	
41	North Continent/Libya Agreement	10 January		15% Bunker	
42	Outward Continent/Australia Conference	10 January			CAF from 28.53 to 25.97%
43	Europe/East Africa Conference	14 January			CAF from (...) to 2.78% to North Europe; from (...) to 1.89% from North Europe; CAF from (...) to −3.79% to UK and to −3.80% from UK (negative value); CAF from (...) to 1.92% from and to Greece; CAF from (...) to 6.35% from and to Yugoslavia
44	UK-Red Sea Conference Lines	14 January		Bunker from 4.65% to 12%	
45	Continental Red Sea Conference and EDACRA	14 January		Bunker from 6.5 to 16.5%	
46	Entente de Frets Ports Français/Djibouti (sauf Dunkerque)	14 January		Bunker from 6.5% to 16.5%	
47	Northbound Australia/Japan Conference	14 January		6.52% Bunker	
48	UK-Bermuda and Nassau Freight Association	14 January		Bunker from £1.25 to £1.40/T	
49	Mediterranean Middle East Conference (MEDMECON)	14 January		Bunker from 15% to 25%	
50	Conference of Malta and Alexandria Steamship Companies	14 January		Bunker from 10% to 15%	
51	UK-Levant Conference	14 January		Bunker from 10% to 15%	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
52	Conférence France/Antilles et Guyane Françaises	14 January		Bunker from 13.50 FF to 16.50 FF	
53	North Continent/Aqaba Agreement	14 January		Bunker from 6.5 to 16.5%	
54	Entente de Ports Français Métropolitains (sauf Dunkerque)/Djibouti	14 January		Bunker from 6.5 to 16.5%	
55	Associated Continental Middle East Lines (ACMEL)	14 January		Bunker from 10% to 17.5%	CAF cancelled
56	Association of West India Transatlantic Steamship Lines (WITASS)	14 January		Bunker from 3/T to US$3.40/FT	
57	Entente de Frets Marseille-Levant	14 January		Bunker from 25 to 46%	Operational surcharge of 30% cancelled
58	Mediterranean Canada Westbound Freight Conference (MEDCAN)	15 January		Bunker from 7% to 14%	
59	Organisation du Trafic Méditerranée Afrique de l'Ouest (OTRAMA)	15 January		Bunker from 7.5% to 15%	
60	North Atlantic Portugal Eastbound Freight Conference	15 January		Bunker from 7.5% to 14%	
61	Europe-India/Pakistan/Sri Lanka Bangladesh Conferences	15 January		Bunker from 12.5% to 20%	
62	Italian West Africa Conference	15 January		Bunker from 10% to 15%	
63	Sudan/UK and Continental Freight Rates Agreement	15 January		Bunker from (...) to 16.5%	
64	East Canada/Japan Freight Conference	15 January		Bunker from 3.50/T to US$6.50/FT	
65	Fiji Conference Lines	17 January			CAF readjusted to 6.7% discount
66	Continental Red Sea Conference and EDACRA	17 January			CAF reduced from 3 to 1%
67	Sudan/UK and Continental Freight Rates Agreement	17 January			CAF reduced from 3 to 1%
68	River Plate/Mediterranean/River Plate Freight Conference	19 January		Bunker from 13% to 22%	
69	Outward Continent/Australia Conference	20 January		Bunker from 3.8 to 7.9%	
70	Arabian-Persian Gulf to US Atlantic and Gulf Rate Agreement	21 January	10%		
71	Associated Central West Africa Lines (CEWAL)	21 January		Bunker from 7.5% to 14%	
72	Fiji Conference Lines	21 January		Bunker from 9% to 18.2%	
73	Lines serving the trade Continental Europe to New Zealand	21 January		Bunker from 9% to 18.2%	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
74	European/South Pacific and Magellan Conference (ESPM)	21 January		Bunker from 5/FT to US$9.25/FT	CAF from 15.5% to 10%
75	UK/Spain Freight Association	21 January		Bunker from 10 to 30%	
76	Conférence internationale Madagascar, Comores, Réunion et Maurice (CIMACOREM)	21 January		Bunker from 7 to 19%	
77	New Zealand European Shipping Association	21 January		Bunker from 9% to 18.2%	
78	North Continent/Egypt/North Continent Conference	21 January		Bunker from 15 to 20%	
79	Tariff Agreement/Continent/Canary Islands	21 January		Bunker from 7.5% to 12.5%	
80	UK/Sudan Conference	21 January		Bunker from 4.65% to 12%	
81	Continent West Africa Conference (COWAC)	21 January		Bunker from 7.5% to 17.5%	
82	UK/Canary Islands and Madeira Conference	21 January		Bunker from 5% to 12.5%	
83	North Continent Portugal Conference (Northbound)	21 January		Bunker from 14% to 17.5%	
84	Conférence Centre Amérique	21 January		Bunker from (...) to 20%	
85 to 88	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	21 January		New CAF and bunker combined: From Fed. Rep. of Germany, Belgium and Netherlands: from 28 to 41%; From Scandinavia: from (...) to 37%; From France: from 25 to 37%; From UK: from 13 to 30.5%; From Hong Kong: from (...) to 34%; From Rep. of Korea: from 20% to 33%; From Singapore/Malaysia: from 22.5 to 35.5%	
89	Sri Lanka Eastbound Conferences	22 January		Bunker from (...) to 22%	
90	Europe-Sri Lanka Conferences	22 January		Bunker from (...) to 20%	
91	Entente de Fret des Lignes de Navigation desservant Papeete et Nouméa depuis les Ports Européens	22 January		Bunker from 7.5 to 19%	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
92	East Coast Colombia Conference	23 January		Bunker from US$2.50 to 6.$/FT	
93	West Coast South America Northbound Conference	23 January		Bunker from US$2.50 to 6.$/FT	
94	Atlantic and Gulf West Coast of South America Conference	23 January		Bunker from US$2.50 to 6.$/FT	
95	Atlantic and Gulf Panama Canal Zone Conference	23 January		Bunker from US$2.50 to 6.$/FT	
96	Colon and Panama City Conference	23 January		Bunker from US$2.50 to 6.$/FT	
97	Association of West India Transatlantic Steamship Lines (WITASS)	23 January		Bunker from US$3.40 or £1.40 to US$5.80 or £2.40/FT	
98	Conférence de Fret France/Antilles et Guyane Françaises	23 January		Bunker from 16.50 FF to 29 FF/PU	
99	Europe-East Africa Conference	23 January		Bunker from 4 to 20%	
100	Mauritius Outward Conference	23 January		Bunker from 7% to 19%	
101 to 104	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	24 January-1 February, depending on the trade		CAF and bunker combined From Japan: from (...) to 39%; From Philippines: from 18 to 31.5%; From Italy the combined CAF-Bunker to 24.07% bunker and 10.30% CAF	From UK/Ireland: from 30.5 to 26% From France: from 37 to 32.5%
105	Conférence de Fret Europe-Indonésie et Indonésie-Europe	24 January		Bunker from 5.5 to 20.3%	
106	Continental Red Sea Conference and EDACRA	25 January		Bunker from 16.5 to 22%	
107	North Continent/Aqaba Agreement	25 January		Bunker from 16.5 to 22%	
108	Entente de Fret Marseille/Mer Rouge (sauf Djibouti)	25 January		Bunker from 16.5 to 22%	
109	Entente de Ports Français Métropolitains (sauf Dunkerque)/Djibouti	25 January		Bunker from 16.5% to 22%	
110	Sudan/UK and Continental Freight Rates Agreement	28 January		Bunker from 16.5% to 22%	
111	Accordo Agenti Mar Rosso e Golfo di Aden	28 January		Bunker from 4.5% to 17.5%	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
112	UK/Red Sea Conference Lines	28 January		Bunker from 12% to 16%	
113	UK/Bermuda and Nassau Freight Association	28 January		Bunker from £1.40 to £2.40/FT	
114	Associated Continental Middle East Lines (ACMEL)	28 January		Bunker from 17.5% to 25%	
115	Continental Red Sea Conference and EDACRA	29 January			CAF cancelled
116	North Continent/Aqaba Agreement	29 January			CAF cancelled
117	UK/Lobito Conference	29 January		Bunker from 3.5% to 18%	
118	US Pacific-Indonesian Conference	29 January		Bunker from US$6.50 to $11.50/T	
119	"8900" Lines	30 January		Bunker from 8.50 US$/T to 20.50/T	
120	Europe/South and South East African Conference	31 January		CAF from 15 to 20% Bunker from 4 to 20%	
121	Arabian-Persian Gulf to US Atlantic and Gulf Rate Agreement	31 January		Bunker from 8.50 US$/FT to US$20.50/FT (trade from Persian Gulf to USA)	
122	Associated Central West Africa Lines (CEWAL)	N.A.	12.5% (trade from Europe to Zaire and Angola)		
123	Pacific Coast European Conference	1 February		Bunker from 15% to 20%	
124	Western Canada European Conference	1 February		Bunker from 15% to 20%	
125 to 128	North Atlantic Westbound Freight Association Continental North Atlantic Westbound Freight Conference Scandinavia/Baltic North Atlantic Westbound Freight Conference South Atlantic North Europe Rate Agreement (Westbound-Eastbound)	1 February		Bunker from 5.25/M³ or 7.75/1000 kg. to US$8/M³; or 11.75 $/1000 kg.	
129	Inter-American Freight Conference (Section A)	1 February		Bunker from (...) to 15 US$/FT (from US Gulf and East coast ports to Brazil, Argentina, Uruguay, Paraguay)	
130	East Canada/Japan Freight Conference	1 February			CAF from 14.5 to 11.5%
131	West Coast of Italy, Sicilian and Adriatic Ports/North Atlantic Range Conference (WINAC)	1 February		Bunker from 14% to 22%	
132	New Zealand European Shipping Association	1 February			CAF from 22 to 18.10%

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
133	Europe Pacific Coast Rate Agreement	1 February		Bunker from 4 $/M³ to US 6.$/M³ or 10.$/1000 kg.	
134	Mediterranean/North Pacific Coast Freight Conference	1 February		Bunker from 15% to 20%	
135	Australia/Europe Shipping Conference	1 February		7.9% bunker	
136	Italian West Africa Conference	1 February		Bunker from 15% to 20%	
137	Conferencia de Fletes Italo-Franco-Española (COFIFE)	1 February		10% surcharge over the existing 10% bunker	
138	UK/New Zealand Conference Lines	1 February			CAF from (...) to −4.5%
139	Fiji Conference Lines	1 February			CAF from 22% to 18.1% (trade from Continental Europe)
140	The Calcutta, East Coast of India and Bangladesh/USA Conference	1 February	22.50 US$/40 feet or T) (instead of 14.50 $)		
141	Conference of Gibraltar and Morocco Steamship Companies	1 February		Bunker from 10% to 15% (trade between UK and Atlantic Moroccan ports. Bunker from (...) to 20% (trade to Gibraltar, Tangier, Ceuta and Melita)	
142	Europe/India/Pakistan/Bangladesh Conferences	1 February		Bunker from 20 to 23% CAF from (...) to 15.5% (Eastbound) CAF from (...) to 11.11% (Westbound)	
143	Conférences Maritimes Algérie/France	1 February		8% Bunker	
144	Marseilles-North Atlantic USA Freight Conference	1 February		Bunker from 5.25/M³ or 7.75/1000 kg. to US 8.$/M³ or 11.75 $/1000 kg.	
145	The Iberian US North Atlantic Westbound Freight Conference	2 February			Bunker from 26 to 22%
146	Continental Europe/US Gulf Westbound Rate Agreement	2 February		Bunker from (...) to US 9.75 $/T (trade from and to US Gulf ports and US South Atlantic range ports)	
147	Gulf Eastbound Freight Association				
148	Pacific Coast River Plate Brazil Conference	3 February		10% Bunker	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
149	Continental Canadian Westbound Freight Conference	4 February		Bunker from C$3.50/M³ or $5/1000 kg. to C$5.25/M³ or 7.75/1000 kg.	
150	Canadian North Atlantic Westbound Freight Conference	4 February		Bunker from £1.50/MT or £2.20/WT to £2.35/MT or £2.50/WT (trade from UK)	
151 to 153	Canadian Continental Eastbound Freight Conference; Canada-Scandinavia-Baltic Eastbound Freight Conference; Canada/UK Freight Conference	4 February		Bunker US$5.25/T	
154	North Europe-Egypt-North Europe Conference	5 February		Bunker from 20% to 25%	
155	Mediterranean-Gulf Conference	5 February		Bunker from 14% to 22%	
156	Europe-East Africa Conference	6 February-11 February, depending on the trade			For Italy: southbound CAF from (...) to −10.07%; northbound CAF from (...) to −9.79%; For Yugoslavia: northbound and southbound CAF from 6.35 to 0.78%; For UK: northbound CAF from (...) to −6.31%; southbound CAF from (...) to −6.46%; For Spain: southbound/northbound CAF from (...) to 0.34%; For Greece: southbound/northbound CAF from (...) to 1.92%; For Scandinavia, Finland, Fed. Rep. of Germany, Netherlands, Belgium and France (including Mediterranean) southbound from (...) to −1.16%; northbound from (...) to −2.32%
157	Italian West Africa Conference	7 February		CAF from 9.2 to 11.8%	
158	UK-Israel Conference	7 February		Bunker from (...) to 22%	
159	UK-Canary Islands and Madeira Conference	8 February		Bunker from 12.5% to 17.5%	
160	UK-Australia Conference	8 February		Bunker from 7.9 to 10.7%	
161	UK-West Africa Lines Joint Service (UKWAL)	8 February		Bunker from 3.5% to 17.5%	
162	Conférence de Fret France/Antilles et Guyane Françaises	8 February		Bunker from 29 F to 32.70 OF/PU	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
163	Outward Continent/Australia Conference . .	8 February		Bunker from 7.9% to 10.7%	CAF from 25.97 to 23.15% (trade from Europe)
164	Association of West India Transatlantic Steamship Lines (WITASS)	8 February		Bunker from $3/FT to US$6.50/T or £2.70/T	
165	Entente de Frets Marseille-Levant	11 February			Bunker from 46% to 38%
166	Italy/Far East Conference	11 February			CAF from 10.3 to 5%
167	Conference of Malta and Alexandria Steamship Companies	11 February		Bunker from 15% to 20%	
168	Conférence Maritime Méditerranéenne France/Tunisie.	11 February		Bunker 6%	
169	Eastern-Canada/Australia New Zealand Conference	12 February		Bunker from (...) to US$16./T	
170	UK-Levant Conference	14 February		Bunker from 15% to 20%	
171	West Coast of India and Pakistan-USA Conference	15 February			CAF of 5.5% cancelled until 14 July 1974
172	Mediterranean-USA Great Lakes Westbound Freight Conference	15 February		Bunker from (...) to 22%	
173	Latin America-Pacific Coast Steamship Conference	15 February		Bunker from (...) to US$15./T	
174	Association of West India Transatlantic Steamship Lines (WITASS)	16 February			CAF from (...) to −3% (on trade between Hamburg-Bordeaux range, Marseilles, Poland and Dem. Rep. of Germany); CAF from (...) to −7% (trade between UK and Ireland)
175	Association of West India Transatlantic Steamship Lines (WITASS)	18 February		From US$7.75/FT to 9.62 $/FT (landing, storage and delivery charge from Europe to Panamaribo)	
176	Tariff Agreement Continent/Canary Islands .	18 February		Bunker from 12.5% to 17.5%	
177	Continent-India Pakistan Eastbound Conference	20 February			Bunker from 23 to 22%
178	North Atlantic Israel Eastbound Freight Conference	21 February		Bunker from (...) to 22%	
179	Canada Mediterranean Freight Conference . .	25 February		Bunker from 14% to 19%	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
180	Mediterranean Canada Westbound Freight Conference	25 February		Bunker from 14% to 19%	
181	UK-Israel Conference and Israel-UK Conference	25 February		Bunker 6% (road haulage charge on imports and exports of cars in UK)	
182	New Zealand European Shipping Association	25 Febraury			Bunker from 18.10 to 15.1%
183	The Fiji Conference Lines	25 February			Bunker from 18.10 to 15.1%
184	Continental Red Sea Conference and EDACRA	26 February		3.5% CAF	
185	North Continent/Aqaba Agreement	26 February		3.5% CAF	
186	US Atlantic and Gulf Venezuela and Netherlands Conference	28 February		Bunker from 3 to 4.80 US$ (from and to each Venezuelian port)	
187	Mediterranean Middle East Conference (MEDMECON)	1 March	10%		
188	South and East Africa/USA Conference	1 March	10% on the average		
189	Conférence de Fret France/Antilles et Guyane Françaises	1 March	15%		
190	Europe Pacific Coast Rate Agreement	1 March		Bunker from $10/T or 6/M³ to US$12/T or $8/M³ from Continental North Europe to US Pacific Coast	
191	US Atlantic and Gulf Rate Agreement	1 March	10% (on all trade, coffee exempted)		
192	Conférences Maritimes France/Algérie	1 March	20%		
193	Western Italy North Atlantic Conference (WINAC)	1 March			Bunker from 26 to 22%
194	Association of West India Transatlantic Steamship Companies (WITASS)	1 March		CAF from (...) to −1% (from and to Hamburg-Bordeaux range, Poland and Fed. Rep. of Germany; CAF from (...) to −5% (from and to UK and Ireland); CAF from (...) to −7% (from and to Scandinavia)	
195	Associated Continental Middle East Lines (ACMEL)	1 March		3% CAF	Bunker from 25 to 22.5%

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
196 to 199	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 March-3 March, depending on the trade		Combined CAF and bunker; From UK/Ireland: from 26 to 28%; From France: from 32.5 to 34.5%; From Fed. Rep. of Germany: Belgium and Netherlands: CAF from 19% to 24%; From Japan: CAF from (...) to 19%	
200	Entente de Fret en Sortie de Marseille et Ports Annexes sur la Malaisie, la Thaïlande, les Philippines, Hong Kong, la Chine, la Corée et le Japon	1 March		23.21% bunker 10.5% CAF	
201	New Zealand European Shipping Association	1 March		CAF from 21 to 23.6% (on freight paid in lires)	
202	Entente de Fret sur le Portugal	1 March		4.5% CAF (from France to Portugal)	
203	Pacific Coast River Plate Brazil Conference (Section D)	3 March		Bunker from 10 to 20% (on trade between Brazil and Canada/US Pacific ports)	
204	Mediterranean Middle East Conference (MEDMECON)	4 March		3% CAF (trade from North Europe to Middle East)	
205	Atlantic and Gulf West Coast of Central America Conference	4 March		Bunker from (...) to 7.$/T	
206	Pacific Rate Agreement	5 March		Bunker from US$12/T to 23.$/T (from US Pacific coast ports) Bunker from US$10 to 19.75 $/1000 kg (from east and west coast of India)	
207	South and East Africa-USA Conference . . .	5 March		Bunker from 14 to 17.$/T (to Mombasa, Tonga, Dar-es-Salaam and Zanzibar)	
208	Canadian North Atlantic Westbound Freight Conference	6 March		Bunker from (...) to 10% (on UK inland rates)	
209	Europe/East Africa Conference	6 March		CAF from (...) to 3.25% (trade to East Africa), CAF from (...) to 2.37% (trade from East Africa)	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
210	Canada-UK Eastbound Conference	6 March		Bunker from (...) to 10%	
211	European South Pacific Magellan Conference (ESPM)	7 March		CAF from 10% to 13% (from Hamburg-Bordeaux range and Marseilles)	
212	US North Atlantic Mediterranean Freight Conference	9 March			CAF from 10 to 7.5%
213	Europe-East Africa Conference	11 March		CAF from −10.07% to −7.02% (trade from Italy), CAF from −6.36% to −4.56% (trade with UK)	
214	Association of West India Transatlantic Steamship Lines (WITASS)	11 March			Bunker from 6.50 $ to 6.10 $/T or 2.50 £ (on trade Europe-Central America)
215	Inter-American Freight Conference (Section C)	11 March		Bunker from 12.3% to 30% (trade South America to Canada)	
216	Conférence de Fret France/Antilles et Guyane Françaises	11 March			Bunker from 32.70 FF to 29.70 FF/PU
217	Associated Continental Middle East Lines (ACMEL)	11 March			Bunker from 22.5 to 20%
218	Outward Continent-Australia Conference . .	11 March		Bunker from 10.7 to 13%	
219	Outward Continent-Australia Conference . .	12 March		CAF from 23.15 to 26.32%	
220	Pacific Rate Agreement	15 March	12.5% (from US Pacific and Canada ports to India, Sri Lanka, Burma)		
221 to 224	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	15 March			CAF from 10.30 to 6.5% (from Italy)
225	Association of West India Transatlantic Steamship Lines (WITASS)	16 March		CAF from −1% to 1% (trade Hamburg-Bordeaux range, Fed. Rep. of Germany, Poland, USSR); CAF from −5% to −4% (trade to and from UK/Ireland); CAF from −7% to −6% (trade to and from Scandinavia)	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
226	Association of West India Transatlantic Steamship Lines (WITASS)	18 March	From 8.10 US$/FT to 9.70 $/FT		
227	Italian West Africa Conference	18 March		CAF from 11.8 to 13.8%	
228 to 231	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	18 March-22 March depending on the trade		CAF from (...) to 14% (trade from Hong Kong) CAF from (...) to 17% (trade from Scandinavia)	
232	North Continent/Aqaba Agreement	22 March		CAF from 3.5% to 5.5%	
233	Continental Red Sea Conference and EDACRA	22 March		CAF from 3.5% to 5.5%	
234	Far Eastern Shipping Company (FESCO) . .	23 March	US$6./FT (from Hong Kong to US Pacific coast)		
235	US Atlantic and Gulf/Australia New Zealand Conference	24 March			CAF from 12.89 to 11% (on trade to Australia), CAF from 12.1 to 7.24% (on trade to New Zealand)
236	Conférence Internationale Madagascar, Comores, Réunion et Iles Maurice (CIMACOREM)	25 March			Bunker from 19 to 17%
237	Pacific Coast River Plate Brazil Conference (Section B)	25 March		Bunker from 10% to 11% (trade from Brazil to US and Canadian ports)	
238	UK/Lobito Conference.	1 April	10%		
239	UK-Red Sea Conference	1 April	15%		
240	Associated Central West Africa Lines (CEWAL)	1 April	12.5% (on trade from North Europe to Lisbon and West Africa)		
241	Europe/Pacific Coast Rate Agreement	1 April	15%		
242	Continental Red Sea Conference and EDACRA	1 April	15%		
243	North Continent/Aqaba Agreement	1 April	15%		
244	UK-Sudan Conference	1 April	15%		
245	UK-West Africa Lines Joint Service (UKWAL)	1 April	15% or £2.90/FT		
246	Conférence Internationale Madagascar, Comores, Réunion et Iles Maurice (CIMACOREM)	1 April	13%		
247	Canada South Africa Rate Association . . .	1 April	10% (trade Canada to South Africa)		

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	Name of Conference	Announced date of implementation	General freight rate increases	Surcharges	
				New or increased	*Reduced, cancelled or incorporated in tariff*
248	European South Pacific and Magellan Conference (ESPM)	1 April			Bunker from 9.25 $ to 8.25 $/PU (with a minimum of 2.50 $/BL instead of 4.50 $)
249	American Great Lakes Mediterranean Eastbound Freight Conference	1 April	15%	Bunker from (...) to 22%	
250	Organisation du Trafic Méditerranée Afrique de l'Ouest (OTRAMA)	1 April			Bunker from 15 to 12.5%
251	Continental Red Sea Conference and EDACRA	1 April			Bunker from 22 to 19.5%
252	North Continent/Aqaba Agreement	1 April			Bunker from 22 to 19.5%
253	Conférence Centre Amérique	1 April	8%		CAF from 19 to 1%
254	Italian West Africa Conference	1 April	17.5%		Bunker from 20 to 16.5%
255	Continent West Africa Conference (COWAC)	1 April			CAF of 2.9% cancelled
256	New Zealand European Shipping Association	1 April		CAF from 18.10% to 20.40%	
257	UK/River Plate Conference	1 April	12%		
258	Europe-Argentina Freight Conference	1 April	12%		
259 to 262	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 April		Bunker from 23.21 to 27.76%; CAF from 4 to 6.5% from UK/Ireland; CAF from 10.5 to 13.5% from France; CAF from 11.5 to 14.5% from Singapore/Malaysia; CAF from 10.5 to 13% from Rep. of Korea; CAF from 7.5% to 10.5% from Philippines	
263	Inter-American Freight Conference (Section A)	1 April		Bunker from 10 US$/T to 15.US$/T	
264	Association of West India Transatlantic Steamship Lines (WITASS)	1 April		"Stevedoring Additional" of £0.80/FT from and to UK/Ireland; "Stevedoring Additional" of £1.85/FT from and to West Europe and Scandinavia; CAF from −4% to −3% on trade from and to UK/Ireland	
265	UK-Red Sea Conference Lines	1 April		CAF 5.17%	Bunker from 16 to 13.9%
266	UK/Sudan Conference Lines	1 April		CAF 5.17%	Bunker from 16 to 13.9%
267	Entente de Frets Marseille-Levant	1 April			Bunker from 38 to 34%
268	Italy/Far East Conference	1 April		CAF from 6.5 to 8.4%	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
269	Brazil-Mediterranean-Brazil Freight Conference	1 April	12% on reefer cargo		Bunker from 15.8% to 14.8% CAF from (...) to 8%
270	Canada East Africa Rate Agreement	1 April		Bunker from 7.$ to 10.50 $/FT	
271	Accordo Agenti Mar Rosso e Golfo di Aden	2 April		Bunker from 17.5% to 22%	
272	North Continent/Aqaba Agreement	3 April		CAF from 5.5 to 8.5%	
273	Continental Red Sea Conference and EDACRA	3 April		CAF from 5.5 to 8.5%	
274	Associated Continental Middle East Lines (ACMEL)	5 April		CAF from 3 to 6.5%	
275	Japan/Europe Freight Conference	5 April		CAF from (...) to 23%	
276	Japan/Gulf of Aden and Red Sea Ports Conference	5 April		CAF from (...) to 23%	
277	UK/Red Sea Conference Lines	9 April		CAF from 5.17 to 7.81%	
278	UK/Sudan Conference	9 April		CAF from 5.17 to 7.81%	
279	European South Pacific and Magellan Conference (ESPM)	9 April		CAF from 13 to 16%	
280	Outward Continent/Australia Conference	10 April		CAF from 26.32 to 29.85% (trade from Western Europe and Scandinavia); CAF from 14.99 to 17.66% (trade from Italy)	
281	Europe/East Africa Conference	10 April		CAFs: From Scandinavia, Finland, Fed. Rep. of Germany, Netherlands, Belgium and France (including Mediterranean) southbound from −1.16 to 7.37% northbound from −2.32 to 6.36% From UK: southbound from −6.46 to 1.32% northbound from −6.31 to 1.21% From Italy: southbound from −10.07 to −3.48%	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	Name of Conference	Announced date of implementation	General freight rate increases	Surcharges	
				New or increased	*Reduced, cancelled or incorporated in tariff*
				northbound from −9.79 to −3.13% From Yugoslavia: southbound and northbound from 0.78 to 8.44%	
282	Inter-American Freight Conference (Northbound)	11 April			Bunker from 30 to 12% (from Brazil to US ports)
283	East Canada/Japan Freight Conference	15 April	15% for rates until 50.$; 12.5% for rates between 50.$ and 75.$; 7.5% for rates above 75.$		
284	Conferencia de Fletes Italo-Franco-Española (COFIFE)	15 April	5%	Bunker from 10 to 20%	
285	USA North Atlantic Mediterranean Freight Conference	15 April			CAF of 7.5% cancelled
286	Association of West India Transatlantic Steamship Lines (WITASS)	16 April		CAF from 1% to 3% (from and to Hamburg-Bordeaux range, Fed. Rep. of Germany, Poland); CAF from −3% to −1% (from and to UK/ Ireland); CAF from −6% to −5% (from and to Scandinavia)	
287	Pacific Coast River Plate Brazil Conference	16 April		Bunker from 10.6 to 20%	
288	Italy-Far East Conference	16 April			CAF from 5% to 3.82% (trade from Italy to Far East)
289	Japan Korea Atlantic and Gulf Freight Conference	20 April			5% reduction on all tariffs (trade with Japan)
290	UK-Australia Conference	25 April		Bunker from 10.7% to 15.5%	
291	Outward Continent-Australia Conference	25 April		Bunker from 13 to 15.5% (from Continental Europe)	
292	Entente de Fret des Lignes de Navigation desservant Papeete et Nouméa	1 May	15%		
293	Conference of Gibraltar and Morocco Steamship Companies	1 May	27%		12% CAF incorporated into tariff
294	UK South and East African Sudan and Mauritius Freight Conference	1 May	£1/T (trade to UK)		
295	UK-Lobito Freight Conference	1 May	£1/T (trade to UK)		

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
296	Entente de Frets Marseille-Levant	1 May			Bunker from 34 to 30%
297	Fiji Conference Lines	1 May		CAF from 20.4 to 22.6%	
298 to 301	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 May		CAF from 21% to 24% (trade from Fed. Rep. of Germany, Netherlands and Belgium); CAF from 17% to 19.5% (trade from Scandinavia); CAF from 6.5% to 8.5% (trade from UK/Ireland); CAF from 14.5% to 16.5% (trade from Singapore/Malaysia); CAF from 14% to 16% (trade from Hong Kong); CAF from 10.5 to 13% (trade from Philippines)	
302	New Zealand European Shipping Association	1 May		CAF from 20.4 to 22.6%	
303	Association of West India Transatlantic Steamship (WITASS)	1 May		2% CAF from and to UK/Ireland	
304	Inter-American Freight Conference (Section C)	1 May			Bunker from 12 to 11.5% (trade from Brazil)
305	Canada-UK Freight Conference	2 May	15%		
306	Mediterranean Middle East Conference (MEDMECON)	3 May		CAF from 3 to 6.5%	
307	North Continent/Aqaba Agreement	4 May		CAF from 8.5 to 11%	
308	Continental Red Sea Conference and EDACRA	4 May		CAF from 8.5 to 11%	
309	Pacific Coast River Plate Brazil Conference	6 May		Bunker from 15 to 17.50 $/FT (trade US-Canada to Brazil)	
310	Europe/India-Pakistan-Bangladesh-Sri Lanka Conferences	7 May		CAF from 3.82% to 10%	
311	UK-Sudan Conference Lines	9 May		CAF from 7.81 to 9.32%	
312	Conférence Centre Amérique	10 May		CAF from 1 to 3%	
313	Europe/East Africa Conference	10 May		CAF from 7.37% to 10.41% (southbound); CAF from 6.36% to 9.35% (northbound); (trade from Scandinavia, Finland, Fed. Rep. of Germany, Belgium, Netherlands and France (including Mediterranean)	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
314	Mauritius Outward Conference	13 May		CAF from 6.5% to 16.2% (from Western European and Scandinavian ports)	
315	UK-Spain Freight Association	13 May			Combined CAF and bunker from (...) to 25%
316	Associated Continental Middle East Lines (ACMEL)	13 May		CAF from 6.5 to 10%	
317	Fiji Conference Lines	13 May			Bunker from 15.1 to 13.8%
318	New Zealand European Shipping Association	13 May			Bunker from 15.1 to 13.8%
319	India-Pakistan-Bangladesh-Sri Lanka Conferences	14 May			Bunker from 22 to 19.5%
320	North Continent/Aqaba Agreement	15 May		CAF from 11 to 13%	
321	Continental Red Sea Conference and EDACRA	15 May		CAF from 11 to 13%	
322	Sri Lanka-Arabian and Persian Gulf Red Sea Conference	15 May	21% on trade from Sri Lanka		
323	Mediterranean Middle East Conference (MEDMECON)	15 May		CAF from 6.5 to 10%	
324	Sudan-UK and Continental Freight Rates Agreement	15 May		CAF from 11 to 13%	
325	Entente de Frets Port Français/Djibouti (sauf Dunkerque)	15 May	15%		Bunker from 22 to 19.5%
326	US Gulf-Mediterranean Ports Conference	16 May	15% (from US Gulf and Atlantic South ports to Mediterranean ports excluding Israelian ports		
327 to 330	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	17 May-20 May depending on the trade		CAF from 19% to 23.5% (from Japan); CAF from 13 to 19% (from Rep. of Korea); CAF from (...) to 20.5% (from Poland); CAF from 24% to 28% (Fed. Rep. of Germany, Belgium and Netherlands); CAF from 13% to 17% (from Philippines)	
331	Conférence Centre Amérique	20 May		CAF from 3 to 5%	
332	Entente de Frets sur Papeete et Nouméa au départ des ports européens	20 May			Bunker from 19 to 17%

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	Name of Conference	Announced date of implementation	General freight rate increases	Surcharges	
				New or increased	Reduced, cancelled or incorporated in tariff
333	European South Pacific and Magellan Conference (ESPMC)	20 May		CAF from 16 to 18% Bunker from (...) to 8.25 $ (from and to Italy); Bunker from (...) to 7.50% (from and to other ports)	
334	Associated Continental Middle East Lines (ACMEL)	24 May			Bunker from 20 to 18%
335	Sri Lanka/Europe Conference	27 May		CAF from (...) to 24.47% (trade to Continental North Europe); CAF from (...) to 10.81% (trade to UK); bunker from (...) to 16%	
336	Sri Lanka/UK/Ireland Conference				
337	Association of West India Transatlantic Steamship Lines (WITASS)	30 May		CAF from 3% to 5% from and to Bordeaux-Hamburg range, Fed. Rep. of Germany, USSR, Poland and Marseilles	
338	Entente de Frets Marseille-Mer Rouge (sauf Djibouti)	1 June	12.5%		Bunker from 22 to 19.5%
339	Continent West Africa Conference (COWAC)	1 June	17.5%		Bunker from 17.5 to 13%
340	Conference COA	1 June	20%		
341	UK-West Italy and Sicily Freight Agreement	1 June	10%		
342	Canada Mediterranean Freight Conference	1 June	Trade not containerized, freight rates increased by US$1/FT (from all Canadian ports excluding Toronto and Hamilton)	Container terminal charges are replaced by terminal service charges which increase to $50 per container of 20 ft and to $80 per container of 40 ft	
343	UK-Bermuda and Nassau Freight Association	1 June	15%		
344	Associated Central West Africa Lines (CEWAL)	1 June	18% trade Algeria-UK (both ways)		
345	Continent Israel Continent Conference (CONISCON)	1 June			Bunker from 22 to 19%
346	Association of West India Transatlantic Steamship Lines (WITASS)	1 June		CAF from 5 to 6% from and to Bordeaux-Hamburg range, Fed. Rep. of Germany, USSR and Poland	CAF cancelled from and to UK/Ireland and Scandinavia
347	Lines serving the trade between Europe and New Zealand	1 June		CAF from 22.6% to 25.5%	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
348	Europe-Sri Lanka Conference	1 June			Bunker from 22 to 19.5%
349 to 352	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 June	For iron and steel: US.$40.85/1000 kg to Malaysian ports; US.$41.65/1000 kg to Hong Kong, Manila; US.$43.20/1000 kg to Japan		
353	UK-Israel Conference	1 June			Bunker from 22 to 19.5%
354	Organisation du Trafic Méditerranée Afrique de l'Ouest (OTRAMA)	1 June			Bunker from 15 to 12.5%
355	Fiji Conference Lines	1 June		CAF from 22.6 to 25.5%	
356	North Europe-Egypt-North Europe Conference	1 June			Bunker from 25 to 20%
357	Japan-Sri Lanka Freight Conference	1 June		CAF from 4.5 to 6.5%	
358	Japan-Philippines Freight Conference	1 June		CAF from 7 to 9%	
359	Sri Lanka-New Zealand Conference	1 June	25%		
360	Outward Continent Australia Conference	4 June			Bunker from 15.5% to 15.2%
361	Continental Red Sea Conference and EDACRA	6 June			CAF from 13 to 10%
362	North Continent/Aqaba Agreement				
363	Conférence Centre Amérique	10 June		CAF from 5 to 6% (on trade from South of France)	
364	Europe/East Africa Conference	10 June			CAF from 10.41% to 8.74% (North Europe-Southbound)
365	Europe-Sri Lanka Conference	10 June			CAF from 24.47 to 21.84% from North Europe-Eastbound; CAF from 10.81 to 9.63% from UK-Eastbound
366	Europe-India-Pakistan-Bangladesh Conferences	10 June		CAF from 15.5% to 20.78% from North Europe (Eastbound); CAF from 3.28% to 9.45% from UK (Eastbound)	
367	Western Italy-India-Pakistan Conference	10 June			CAF from (...) to 8.30%
368	Western Italy-Sri Lanka Conference				
369 to 372	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	13 June		CAF from 16.5% to 19% from Hong Kong-Singapore-Malaysia	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
373	UK-Israel-Israel-UK Conference	13 June		Terminal charges increase: £3.50/1000 kg. from and to London; £1.50/1000 kg. from Liverpool; £3.50/1000 kg. to Liverpool and Manchester	
374	UK-West Africa Lines Joint Service (UKWAL)	13 June	£1.50/1000 kg to Glasgow. £3.00/1000 kg from Dublin		
375	River Plate-Mediterranean-River Plate Freight Conference	15 June			Bunker from 22 to 18%
376	Association of West India Transatlantic Steamship Lines (WITASS)	16 June			CAF from 6 to 4%
377	Conference of Gibraltar and Morocco Steamship Companies	17 June			Bunker reduced by US$1. (Now bunker is US$7/M³ or 10.75 per 1000 kg.
378	UK-Australia Conference	21 June			CAF from 22.12 to 20.24% (trade Europe-Australia)
379	Conference of Malta and Alexandria Steamship Companies	1 July	15% trade from UK to Malta, North Africa, Cyprus, Lebanon and Syria	Bunker from 2.5 to 17.5% (from UK to Middle East ports)	
380	Outward Continent/Australia Conference . .	1 July	15%		
381	Continental Canadian Westbound Freight Conference	1 July	Rates of service 1 (Container trade domicile-domicile) 15%/T, 15/W/M, 15%/Unit; rates of service 2 (Container trade domicile/quai and quai/quai 15% over rates of service 1, 10% on trade to the Great Lakes		
382	Tariff Agreement Continent/Canary Islands .	1 July	17.5%		Bunker from 17.5 to 15%
383	UK-Levant Conference	1 July	15% (trade from UK to Turkish and Greek ports)		
384	Canadian North Atlantic Westbound Freight Conference	1 July	15% (trade from UK-Ireland to St. Laurent and Great Lakes ports)		

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
385	Brazil/Europe/Brazil Freight Conference (Section 3-Southbound)	1 July	5.6%		
386	The "8900" Lines	1 July	10%		
387	Conference of Gibraltar and Morocco Steamship Companies	1 July			Bunker from 20 to 17.5% (trade from UK to Gibraltar, Tangier, Ceuta and Melita)
388	Australia-East Coast North America Shipping Conference	1 July	43.1%		
389	The "9778" Rate Agreement	1 July	10%		
390	Association of West India Transatlantic Steamship Lines (WITASS)	1 July			Bunker from US$6.10/FT to 5.60/FT
391	Freight Association Continent/US Gulf ports	1 July			Bunker from 9.75 $/T/M³ to 8.75 $/T/M³
392	Italian West Africa Conference	1 July		CAF from 13.8 to 15%	
393	UK-Israel Conference and Israel-UK Conference	1 July	11%		Bunker from 19% to 17%
394	Lines serving the trade France to Portugal	1 July	20% and		Bunker from (...) to 30% CAF from (...) to 10%
395	Lines serving the trade Australia-New Zealand	1 July	30%		
396	Continent Israel Continent Conference (CONISCON)	1 July			Bunker from 19% to 17%
397 to 400	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 July			CAF from 28 to 25% from Fed. Rep. of Germany, Netherlands and Belgium; CAF from 23.5 to 21.5% from Scandinavia; CAF from 19 to 17% from Hong Kong, Malaysia, Singapore, Rep. of Korea; CAF from 17 to 14.5% from Philippines
401	North Atlantic Westbound Freight Association	1 July			Bunker reduced by US$1
402	Hawai/Europe Rate Agreement	1 July	10%		
403 and 404	UK-USA Gulf Westbound Rate Agreement and Continental-US Gulf Freight Association	1 July			Bunker reduced by US$1. (Now 8.75 $/FT or WM)
405	Conférence de Fret France/Antilles et Guyane Françaises	4 July			Bunker from 29.70 FF to 27.50 FF/PU

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
406	North Continent Portugal Conference (Southbound)	7 July	n.a. (on trade from the Hamburg-Dunkirk range to Portugal)		Bunker from 17.5 to 16%
407	Associated Continental Middle East Lines (ACMEL)	8 July			CAF from 10 to 8%
408	Europe/East Africa Conference	10 July		CAFs in $ increase: from Mombasa, Tonga, Dar-es-Salaam to France, Scandinavia, Fed. Rep. of Germany, Belgium, Netherlands and Portugal: 7.16%. To Italy: −4.71%; from Italy: −5.01%. CAFs for Spain increased southbound and northbound from 0.34 to 2.72%; for Greece, Yugoslavia and UK CAFs remain unchanged	
409	Associated Central West Africa Lines (CEWAL)	15 July	10%		
410	Brazil Far East Brazil Freight Conference	20 July			CAF from 7 to 3%
411	Far East River Plate Far East Conference	20 July			CAF from 8.5 to 4.5%
412	Japan Philippines Freight Conference	20 July			CAF from 9 to 4%
413	Japan-Sri Lanka Freight Conference	20 July			CAF from 6.5 to 2.5%
414	Japan Thailand Freight Conference	20 July			CAF from 9.5 to 4.5%
415	Indonesia Japan/Japan Indonesia Freight Conference	21 July			CAF from 9 to 5%
416	Outward Continent Australia Conference	22 July			Bunker from 15.2% to 14.9% (from Continental Europe to Australia)
417	Associated Continental Middle East Lines (ACMEL)	1 August	7.50% (trade from Europe to Persian Gulf)		Bunker from 18 to 16.5% (trade from and to the Middle East)
418	West Indies North Atlantic Conference	1 August	15% (trade from Italy to US ports)		
419	Mediterranean-Gulf Conference	1 August	15% (trade from Mediterranean and Portuguese ports to US Gulf ports)		Bunker from 22 to 19%

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
420	Mediterranean Middle East Conference (MEDMECON)	1 August	7.5% on Section 1 12.5% on Section 2 (trade from UK)		Bunker from 25% to 16.5%
421	North of Brazil and Amazonia/Europe/North of Brazil and Amazonia Freight Conference	1 August	8%		
422	Canadian Continental Eastbound Freight Conference	1 August	10% for Service 1 (S_1); 10% more than S_1 for Service 2; 15% more than S_1 for Service 3; on all trade from Canadian Great Lakes, St. Laurent and Atlantic coast ports		
423	Japan/Europe Freight Conference	1 August			CAF from 23 to 20.5% on trade from Japan to Europe
424	Portugal-North Continent Conference (Northbound)	1 August			Bunker from 17.5 to 16% on trade from Portugal to the Hamburg-Antwerp range
425	Far East Conference	1 August	US$5/T (on trade to the Far East in containers from US East coast and Gulf ports)		
426	American Great Lakes-Mediterranean Eastbound Freight Conference	1 August			Bunker from 22 to 19%
427	Europe/India-Pakistan-Bangladesh-Sri Lanka Conferences	1 August			Bunker from 19.5 to 18%
428	West Coast of Italy, Sicilian and Adriatic ports/North Atlantic Range Conference (WINAC)	1 August			Bunker from 22 to 19%
429	Mediterranean-USA Great Lakes Westbound Freight Conference	1 August			Bunker from 22 to 19%
430	Lines serving the trade from and to Finland	1 August		Bunker from (...) to 15.2% on traffic in Baltic and North Sea Bunker from (...) to 16% on traffic with the Brest-Gibraltar Range Bunker from (...) to 18.6% on traffic with Mediterranean	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
431 to 434	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	10 August			Bunker from 27.76 to 26.15%
435	Zurich Agreement	10 August			Bunker from (...) to 25% on trade from and to Greece, Lebanon, Syria
436	Cyprus Agreement				
437	European/South Pacific and Magellan Conference (ESPM)	14 August			Bunker from US 8.25$/T to 7 $/T (except for Italian ports)
438	US North Atlantic Mediterranean Freight Conference	15 August	15%		
439	Europe/India-Pakistan-Bangladesh Conferences (exluding Italy)	19 August			CAF from 20.78 to 19.25% from Continental Europe CAF from 9.45 to 8.39% from UK
440	Europe-Sri Lanka Conferences (excluding Italy)	19 August			CAF from 21.84 to 19.48% from Continental Europe CAF from 9.63 to 8.37% from UK
441	Continental Red Sea Conference and EDACRA	23 August			CAF from 10 to 8%
442	North Continent/Aqaba Agreement				
443	Europe/South and South East Africa Freight Conference	26 August	10%		Bunker from 20 to 18%
444	US Gulf-UK Conference	27 August	13%		
445	Europe Pacific Coast Rate Agreement	1 September	17% on trade from Europe to US and Canadian Pacific ports		
446	American West African Conference	1 September	US$4/T on ports of Group 1 US$5/T tariffs East and Westbound		
447	US Pacific Coast-Europe Freight Conference	1 September	10%		Bunker reduced by 2% (from 20 to 8% and incorporated in tariff)
448	Conférence Centre Amérique	1 September	10%		
449	Conférence Marchandises Mexique	1 September			Bunker from 20 to 10%
450	Mediterranean Canada Westbound Freight Conference	1 September	12.50%		
451	Pacific Coast-Australasian Tariff Bureau	1 September			Bunker from 12.5 to 11 US$/T (on trade to Australia and New Zealand)

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
452	Italian West Africa Conference	1 September			Bunker from 16.5 to 13%
453 to 456	Far Eastern Freight Conferences (FEFC); Japan-Europe/Europe-Japan Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 September			CAF from 25 to 22.5% (on trade from Fed. Rep. of Germany, Belgium, Netherlands); CAF from 20.5 to 18% (trade from Japan)
457	Association of West India Transatlantic Steamship Lines (WITASS)	1 September			CAF from 4 to 3%
458	Australia East Coast-North America Shipping Conference	1 September	22.5% on trade from Australia to US East Coast		
459 to 462	North Atlantic Baltic Freight Conference; North Atlantic Continental Freight Conference; North Atlantic French Atlantic Freight Conference; North Atlantic-UK-Freight Conference	1 September	13% on the average while all M and W/M rates increased by $6.25 each; for W rates up to $50/W and including: $10; over $50 and up to and including $100/W: $12.50; over $100/W: 12%		
463	Far East Conference	1 September			Bunker from US 16.50 $ to 15 $ on trade from US Atlantic and Gulf ports to the Far East
464	Inter-American Freight Conference	1 September		6% operational cost surcharge on trade from Brazil to US Gulf and East Coast ports	
465	Associated Continental Middle East Lines (ACMEL)	1 September	15%		CAF from 8 to 5.5% bunker of 16.5% cancelled
466	Mediterranean Middle East Conference (MEDMECON)	9 September			CAF from 8 to 5.5%
467	Europe/East Africa Conference	10 September			CAFs revised (expressed in $); Scandinavia, Fed. Rep. of Germany, Netherlands, Belgium and France (including Mediterranean): Southbound from 7.37 to 5.21%; Northbound from 6.36 to 4.68%; UK: Southbound from −1.3 to −4.37% Northbound from −1.2 to −4.26%;

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
					Italy: Southbound from −3.48 to −6.71%; Northbound from −3.13 to −6.42%; Southbound and Northbound from Yugoslavia from 8.44 to 5.27%; Spain (2.72%) and Greece (1.92%) unchanged
468	UK/Sudan Conference	10 September			CAF from 7.73 to 4.90%
469	American Great Lakes-Mediterranean Eastbound Freight Conference	10 September	15%		
470	Mediterranean-USA Great Lakes Westbound Freight Conference				
471	Outward Continent Australia Conference . .	11 September			CAF from 29.85 to 27.20% and CAF from 17.66 to 14.33% on tariffs paid in lires
472	North Atlantic-Mediterranean Freight Conference	15 September	19%		Bunker of 19% incorporated into tariff
473	West Coast of Italy, Sicilian and Adriatic Ports/North Atlantic Range Conference (WINAC)	15 September	19%		Bunker of 19% incorporated into tariff
474	Mediterranean-Gulf Conference				
475	Latin America-Pacific Coast Steamship Conference	15 September	15% on commodity rates 10% on class rates (on trade between US Pacific coast and South America)		
476	North Continent/Aqaba Agreement	16 September			CAF from 8 to 6.5%
477	Continental Red Sea Conference and EDACRA				
478	Association of West India Transatlantic Steamship Lines (WITASS)	16 September			CAF from 3 to 2%
479	Europe/India-Pakistan-Bangladesh-Sri Lanka Conferences	16 September			CAF from 19.25 to 16.60% from Continental Europe; CAF from 8.39 to 6.20% from UK to India, Pakistan and Bangladesh; CAF from (...) to 16.30% from Continental Europe and to 5.75% from UK to Sri Lanka;

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	Name of Conference	Announced date of implementation	General freight rate increases	Surcharges	
				New or increased	*Reduced, cancelled or incorporated in tariff*
					CAF from (...) to 11.95% from India, Pakistan and Bangladesh to Continental Europe; CAF from (...) to 4.8% to UK
480	European South Pacific and Magellan Conference (ESPM)	24 September			CAF from 18 to 16% on trade from and to Hamburg-Bordeaux range, Marseilles and Poland; CAF from (...) to 11% on trade from and to Scandinavia.
481	Europe/East Africa Conference	1 October	15%		Bunker from 20 to 17.25%
482	Latin America-Pacific Coast Steamship Conference	1 October	15% on commodity rates 10% on class rates (on trade with Venezuela, Caribbean and Panama)		
483	UK-New Zealand Conference	1 October	15%		
484	Accordo Agenti Mar Rosso e Golfo di Aden .	1 October	10%		
485	US Gulf-Mediterranean Port Conference . .	1 October	15% (trade from US Gulf and South Atlantic ports to Mediterranean—excluding Israel)		
486	Europe-Fiji Conference	1 October	20%		Bunker of 13.8% incorporated into tariff
487	Far East-River Plate-Far East Freight Conference (FERFECON)	1 October	26.56%		
488	Brazil-Far East-Brazil Freight Conference (BFBFC)	1 October	22.13%		
489	"9778" Rate Agreement	1 October	10%		
490	Inter-American Freight Conference (Section A)	1 October	18.80% (on trade from US Gulf and East Coast to Atlantic South American ports)		
491	Pacific Coast River Plate Conference	1 October	15.19%		
492	New Zealand European Shipping Association	1 October	15%		Bunker from 13.80 to 12% and CAF from 25.20 to 21.50% (on trade from Continental Europe)
493 to 495	Continental North Atlantic Westbound Freight Conference; Scandinavia Baltic/US North Atlantic Westbound Freight Conference; South Atlantic/North Europe Agreement	1 October	US$6.75/T for W/M or M and US$9.50/W		Bunker reduced and incorporated into tariff; regarding M^3 from US$8 to 6.75; regarding weight from US$11.75 to 9.50

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
496 to 499	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 October			Bunker from 26.15 to 23.85% CAF from 8.5 to 5.5% (trade from UK/Ireland); CAF from 21.5 to 17.5% (from Scandinavia); CAF from 17 to 14% (from Hong Kong); CAF from 17 to 15% (from Malaysia-Singapore); CAF from 17 to 13.5% (from Rep. of Korea); CAF from 14.5 to 11% (from Philippines)
500	Lines serving the trade Europe-New Zealand	1 October	25%		CAF from 25.50 to 21.50%
501	Europe/India-Pakistan-Bangladesh-Sri Lanka Conferences	1 October			Bunker from 18 to 17%
502	Italy/Far East Conference	1 October			CAF from 6.90 to 4.60%
503	Lines serving the trade Europe/Fiji and Western Samoa	1 October			CAF from 25.50 to 21.50%
504	Italian West Africa Conference	7 October		CAF from 15 to 17.60%	
505	North Atlantic Mediterranean Freight Conference	7 October			Bunker from 19 to 17%
506	Outward Continent/Australia Conference Lines	10 October			CAF from 27.20 to 23.30% (on trade from Continental Europe)
507	Europe/India-Pakistan-Bangladesh Conferences (excluding Italy)	14 October		CAF from 16.60 to 18.35% (from Continental Europe)	
508	Europe/Sri Lanka Conference	14 October		CAF from 16.30 to 18.35% (from Continental Europe); CAF from 5.75 to 6.80% (from UK)	
509	UK-Australia Conference	14 October			CAF from 17.41 to 12.82%
510	Continent/US Gulf Rate Agreement	15 October			Bunker from US$8.75 to $8./W or M
511	UK/USA Gulf Westbound Rate Agreement				
512	Far East Conference	15 October			Bunker from US$15 to $13 (trade from USA to Far East)
513	Outward Continent/Australia Conference Lines	18 October			Bunker from 14.90 to 13.90%
514	Zurich Agreement	21 October			Bunker from 25 to 20%
515	Cyprus Agreement				
516	Malta Agreement				

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	Name of Conference	Announced date of implementation	General freight rate increases	Surcharges	
				New or increased	Reduced, cancelled or incorporated in tariff
517 to 519	Continental Red Sea Conference / North Continent/Aqaba Agreement and EDA-CRA / Sudan/UK and Continental Freight Rate Agreement	21 October		CAF from 6.5 to 8.5%	
520	Continent-Israel/Israel-Continent Conference (CONISCON)	28 October			Bunker from 17 to 15%
521	UK/Israel and Israel/UK Conference				
522	Continental Canadian Westbound Freight Conference	1 November and 1 January 1975		Container service and terminal charges: containers 20 ft in length from US$50 to $60; containers in excess of 20 ft in length from US$80 to $95; then containers 20 ft in length from US$60 to 67.50 containers in excess of 20 ft length from US$95 to $105	
523	Europe-Pacific Coast Rate Agreement	1 November	US$8/M³ or $12/T		Bunker of US$8/M³ or $12/T incorporated into tariff
524	New Zealand European Shipping Association	1 November		CAF from 21.50 to 26.90%	
525 to 528	Far Eastern Freight Conferences (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 November		CAF from 17.5 to 19.5% (trade from Scandinavia)	
529	Association of West India Transatlantic Steamship Lines (WITASS)	1 November		CAF from 2 to 3% (on freight rates expressed in US$ from Continental Europe)	
530	Mediterranean Middle East Conference (MEDMECON)	1 November	23%		Bunker of 23% incorporated into tariff
531	UK-New Zealand Conference	1 November	12.66%	Plus 4.93% "replacement costs charges"	Bunker of 12.66% incorporated into tariff
532	Australian Northbound Shipping Conference	1 November	17% (trade Australia/Japan-Rep. of Korea)		
533	UK-Australia Conference	1 November			Bunker from (...) to 13.9%
534	Conferenza Italia-Portgallo (ITALPORT)	1 November	20%		Bunker reduced by 2% from 30 to 8% of which 20% are incorporated into tariff

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
535	Conferencia de Fletes Italo-Franco-Española (COFIFE)	1 November	20%		Bunker of 20% incorporated into tariff
536	Fiji Conference Lines	1 November		CAF from 21.5 to 26.9%	
537 to 541	North Atlantic Baltic Freight Conference North Atlantic Continental Freight Conference North Atlantic French Atlantic Freight Conference North Atlantic-UK Freight Conference North Atlantic Westbound Freight Association	3 November		Introduction of handling and terminal service charges in East US coast ports US$4.30/1000 kg or US$2.50/M³	
542	Associated Continental Middle East Lines (ACMEL)	4 November		CAF from 5.5 to 7.5%	
543	West Coast of Italy, Sicilian and Adriatic Ports/North Atlantic Range Conference (WINAC)	8 November	17%		Bunker reduced from 19 to 17% and incorporated in freight rates
544	Europe-East Africa Conference	10 November		CAF from 5.21 to 6.92% (from Continental Europe to East Africa); CAF from 4.68 to 6.38% (from East Africa to Continental Europe)	CAF from and to Yugoslavia from and to East Africa from 5.27 to 3.70%
545	Europe/India-Pakistan-Bangladesh Sri Lanka Conferences	11 November		India-Pakistan-Bangladesh: CAF from 6.20 to 7.35% from UK; CAF from 4.80 to 5.95% to UK; CAF from 16.60 to 19.70% from Continental Europe (excluding Italy); CAF from 11.95 to 14.90% to Continental Europe (excluding Italy); Sri Lanka: CAF from 16.30 to 20% from Continental Europe (excluding Italy); CAF from 5.75 to 6.80% from UK	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	Name of Conference	Announced date of implementation	General freight rate increases	Surcharges	
				New or increased	Reduced, cancelled or incorporated in tariff
546	Japan-Korea/East Canada Freight Conference	15 November	25% schedule A rates 9.5% over A rates for schedule B rates 5% over B rates for schedule C rates		
547	Accordo Agenti Mar Rosso e Golfo di Aden .	15 November	n.a.		Bunker incorporated into tariff
548	Latin America Pacific Coast Steamship Conference	15 November	US$15/T		Bunker of US$15/T incorporated into tariff
549	Pacific Coast-River Plate Brazil Conference				
550	Mediterranean Canada Westbound Freight Conference	15 November	17%		Bunker reduced from 19 to 17% and incorporated in freight rates
551	Association of West India Transatlantic Steamship Lines (WITASS)	16 November		CAF from 3 to 4% (on freight rates expressed in US$)	
552	Mauritius Outward Conference Lines	18 November	15% (trade from Europe)		
553	North Continent/Aqaba Agreement	18 November		CAF from 8.5 to 10.5%	
554	Continental Red Sea Conference and EDACRA				
555	Mauritius Outward Conference Lines	19 November			Bunker from 19 to 16.5%
556	Sri Lanka Continental Conference	25 November		Bunker from (...) to 15.03% (trade westbound from Sri Lanka)	
557	Sri Lanka-UK/Ireland Conference				
558	Italian West Africa Conference	27 November		CAF from 17.60 to 21.10%	
559	Pacific Coast River Plate Brazil Conference (Section B)	29 November	10%		
560	North Atlantic Mediterranean Freight Conference	1 December	10%		
561	Japan-Europe Freight Conference	1 December	26.10%		
562	Japan-Gulf of Aden and Red Sea ports Conference				
563	Comité de liaison France-Maroc	1 December	10%		
564	Association of West India Transatlantic Steamship Lines (WITASS)	1 December		CAF from 4 to 5%	
565 to 568	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 December		CAFs from: Fed. Rep. of Germany, Belgium, Netherlands: from 22.5 to 24.5%; France: from 13.5 to 15.5%;	

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
				Hong Kong: from 14 to 16.5% Malaysia/Singapore: from 15 to 18.5%; Rep. of Korea: from 13.5 to 16%	
569 to 571	Continental Red Sea Conference and EDACRA North Continent/Aqaba Agreement Sudan/UK and Continental Freight Rates Agreement	2 December		CAF from 10.50 to 12.50%	
572	Associated Continental Middle East Lines (ACMEL)	2 December		CAF from 7.50 to 10.50%	
573	Europe-East Africa Conference	10 December		CAF from 6.92 to 10.75% (trade Europe to East Africa)	
574	Associated Latin America Freight Conference	12 December	12% (trade to Haiti and Jamaica); 10% (trade to Dominican Republic)		
575	UK/Australia Conference	14 December		CAF from 12.82 to 14.22% (trade to UK)	
576	Conférence Centre Amérique	15 December		CAF from 4 to 5%	
577	European-South Pacific and Magellan Conference (ESPM)	16 December		CAFs from: Hamburg/Bordeaux range, Marseilles and Poland: from 16 to 18%; Spain-Portugal: from (...) to 15%; Scandinavia: from 11 to 13%; Italy: from (...) to 9%	From UK: CAF cancelled
578	Association of West India Transatlantic Steamship Lines (WITASS)	16 December	From £1.81 to £3.30/FT (trade Europe to Barbados)	CAF from 5 to 6%	
579	Conférence Centre Amérique	20 December		CAF from 5 to 6%	
580 to 583	Far Eastern Freight Conference (FEFC); Japan-Europe/Europe-Japan Freight Conference; Philippines-Europe Conference; Sabah, Brunei and Sarawak Conference	1 January 1975	18%		

ANNEX VIII *(continued)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
584	Australia East Coast North American Shipping Conference	1 January	5%		
585	Brazil-Europe-Brazil Freight Conference	1 January	14%		
586	South and South East Africa Conference Lines	1 January	15% (trade from US Atlantic coast and Gulf ports to South Africa)		
587	Entente de Frets Marseille-Levant	1 January	20% (trade from France to Middle East and Greek ports)		
588	Brazil-Europe-Brazil Freight Conference (Section 4)	1 January	18% (southbound from UK-Ireland)		
589	Mediterranean-North Pacific Coast Freight Conference (Med-Pac)	1 January	10.5%		
590	Europe/India-Pakistan-Bangladesh Conferences	1 January	15% eastbound 12.5% westbound		
591	North of Brazil and Amazonia/Europe/North of Brazil Freight Conference	1 January	18% (trade with the Hamburg-Bordeaux range)		
592	Pacific Coast European Conference	1 January	20%		Bunker of 20% incorporated in freight rates
593	East Mediterranean and Black Sea/Japan East Conferences	1 January	18%		
594	River Plate/Mediterranean/River Plate Conference	1 January	20%		
595	Europe-Sri Lanka Conferences	1 January	15%		
596	Continent-Turkey-Continent Conference (CONTURCON)	1 January	10%		
597	Brazil-Mediterranean-Brazil Freight Conference	1 January	16%		
598	UK-North Continent-Seychelles Conference	15 January	15%		
599	Entente de Fret des Lignes de Navigation desservant Papeete et Nouméa	1 February	16%		
600	Compagnie des Messageries Maritimes	1 February	16%		
601	Accordo Agenti Mar Rosso e Golfo di Aden	1 February	5%		

ANNEX VIII *(concluded)*

Liner freight rate changes and surcharges announced * during the year 1974 and the beginning of 1975

Item No.	*Name of Conference*	*Announced date of implementation*	*General freight rate increases*	*Surcharges*	
				New or increased	*Reduced, cancelled or incorporated in tariff*
602	Trade between North-West Europe and Turkey-Greece	3 February	15%		
603	Conference of Gibraltar and Morocco Steamship Companies	3 February	15% (trade to Gibraltar, Tangier, Ceuta and Melilla)		
604	Conference of Malta and Alexandria Steamship Companies	3 February	15% (trade from UK to Mediterranean)		
605	Europe-Indonesia Freight Conference	1 March	18%		
606	Continental Canadian Westbound Freight Conference	1 March	10%		
607	Australian Northbound Shipping Conference	1 March	5%		

Source: As announced in *Journal de la marine marchande et de la navigation aérienne* (Paris), 1974 issues, and *Journal pour le transport international* (Basel), 1974 issues.

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