

The 6th International Maritime Transport and logistics Conference

GLOBAL INTEGRATION IN PORTS

FUTURE OPPORTUNITIES



19-21 March 2017 Alexandria - Egypt



Global Trends and Regional Opportunities in Trade and Transport

Dr. Gehan Saleh
Dean of Collage of
International Transport and
Logistics



Outline

1. Current Realities and Recent Trends in World Trade.
2. Regional Challenges and Potential Opportunities in Trade and Transport.
3. Possible Scenarios for Trade Expansion and Transport



1. Current Realities and Recent Trends in World Trade.

According to WTO reports there are five major current trends in foreign trade



1) Forced Dynamism:

Businesses are constantly pushing the frontiers of economic growth, technology, culture, and politics which also change the surrounding global society and global economic context.

Secondly, factors external to international trade (e.g., developments in science and information technology) are constantly forcing international trade to change how they operate



Cooperation among Countries:

- To gain reciprocal advantages,
- To attack problems they cannot solve alone,
and
- To deal with concerns that lie outside
anyone's territory.



3) Liberalization of Cross-border Movements:

- Open economies, will give consumers better access to a greater variety of goods and services at lower prices
- Producers will become more efficient by competing against foreign companies, and
- If they reduce their own restrictions, other countries will do the same



4) Transfer of Technology:

- Dissemination of commercial technology. This will take the form of a technology transfer transaction, which may or may not be a legally binding contract, but which will involve the communication, by the transferor, of the relevant knowledge to the recipient.
- Non-commercial technology transfers, such as those found in international cooperation agreements between developed and developing states



5) Growth in Emerging Markets:

- The opening up of China in 1978 and India in 1990 and their eventual accessions to WTO have had an enormous impact to the world, as they together consist of nearly 40% of humanity.



3. Possible Scenarios for Trade Expansion

- Status Quo
- Global Commons
- Competing Nations



- Status Quo: Characterises
 - Reactive and short-term solutions.
 - Absence of market solutions to the crisis of security and trust Rapid regulatory changes.
 - Overlapping jurisdictions and conflicting laws lead to checks and controls.
 - All recognize a reversal to inward looking and protectionism is detrimental to all parties

• Impact of First Scenario:

- No single trade power dominates.
- Heightened tensions between major powers causes other countries to hedge their security needs.
- Short-term portfolio optimization and vertical integration.
- Superior risk management is essential and maximum flexibility is called for in the shipping community.
- Naval power grows with economic power



Global Commons: Characteristics:

- Built-in security and compliance certification.
- Regulatory harmonization.
- Mutual recognition.
- Independent media Voluntary best-practice codes.
- Close links between investors and civil society.
- Major agreements on trade and environmental protection.



Impact of Scenario:

- Accelerated expansion of globalization.
- Strong international institutions regulate and arbitrate international affairs fairly and transparently.
- A win-win world with rising living standards and an expanding world economy.
- Networking skills and superior reputation management are essential for the shipping community.
- Naval Power increases.

Competing Nations: Characteristics

- Dogmatic approaches.
- Regulatory fragmentation.
- National preference, conflicts over values and religion give insiders an advantage.
- A brake on globalization Rise in protectionism, encouraging local production and consumption.
- Gate communities Patronage and national standards exacerbate fragmentation.
- Self-interest and zero-sum games



Impact of Scenario:

- Reduction in demand.
- Disappearance of a level playing field.
- Competing demands from national interests make life complicated.
- Shipping community will suffer with the roll-back of globalization.
- Local presence for shipping is necessary.
- Naval power increases



The 6th International Maritime Transport and logistics Conference
GLOBAL INTEGRATION IN PORTS
FUTURE OPPORTUNITIES

