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**PROGRESS MADE IN THE IMPLEMENTATION OF THE
WORK PROGRAMME**

**THE POSSIBILITIES OF EXPANDING THE BULK
FLEETS IN WESTERN ASIA**

Note by the Secretariat

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I. INTRODUCTION

1. This report has been written to apprise the Commission of the study on "The possibilities of expanding the bulk fleets in Western Asia" which was prepared in accordance with the ESCWA Transport work programme for the biennium 1984-1985. This report highlights the main findings and recommendations of the above-mentioned study. The study deals with the regional position and problems faced by ESCWA countries in developing their national bulk fleets as an important part of their national merchant marines and covers the present situation and future prospects of bulk seaborne trade as well as bulk fleet development in the world in general and ESCWA countries in particular. The common policy, strategy and programmes for expanding the bulk fleet in Western Asia were defined as a result of investigation.
2. For the purposes of the study two questionnaires were prepared on "Development of bulk fleets in Western Asia" and "Bulk fleet voyage characteristics". The questionnaires were circulated to all member countries as well as to national and regional maritime organizations concerned. A field mission was carried out in Egypt and Kuwait in 1984 with a view to collecting data and following up on the above-mentioned questionnaires distributed among ESCWA countries. A short-term consultancy on "Quantitative analysis of certain aspects of shipping" was carried out in accordance with programme element 1.1, "Development of national and multinational merchant fleets" (A/38/6, section 14, para. 14.63). The findings of the consultancy were included in the study.
3. The study was carried out in line with the Programme of Action on the Establishment of a New International Economic Order in the field of shipping as well as the main objectives and goals defined for developing countries in the Third United Nations Development Decade, as adopted by the General Assembly and by the UNCTAD V (1979) and UNCTAD VI (1983) conference resolutions on the field of shipping.

II. PRESENT SITUATION AND FUTURE PROSPECTS FOR BULK SEATRADE IN THE WORLD IN GENERAL AND IN ESCWA COUNTRIES IN PARTICULAR

4. The world economy showed signs of recovery after 1983; GNP is expected to grow in industrialized countries at an average annual rate of 3 per cent between 1985 and 1990. Growth in developing countries will be between 4 and 4.5 per cent during 1985/1986 and 5 and 6 per cent annually between 1987 and 1990. World trade is forecasted to expand at an average of 5.3 per cent per year during 1985-1990.

5. It is estimated that world energy consumption will grow by an average 2.4 per cent a year from 1984 until the year 2000. World oil consumption is predicted to grow at an average annual rate of growth of 1.2 per cent during 1984-2000. World oil production is estimated to reach 70 - 74 mn b/d by 1990. OPEC (Organization of Petroleum Exporting Countries) countries are expected to increase their oil production rising from 17.4 mn b/d in 1984 to 25 mn b/d in 1990 and to well over 34 mn b/d by the end of the century.

6. For the first time after four years of stagnation, the world seaborne trade showed a recovery in 1984 and reached a level of 3.3 billion tons, accounting for 6.7 per cent growth in comparison with 1983. Oil trade rose by 1.9 per cent in 1983/1984 and dry bulk trade by 10.6 per cent.

7. ESCWA countries' oil production dropped by 10.6 per cent during 1982-1983 but then rose by 3.0 per cent in 1983-1984 and is expected to increase to about 12 mn b/d in 1990 and 18.2 mn b/d by 2000, or by 15 per cent between 1985 and 1990 and 52 per cent between 1990 and 2000. The ESCWA countries' share of world production was 17.7 per cent in 1984. Saudi Arabia dominates in the region with about 47 per cent of the total ESCWA countries crude oil production. Iraq and Saudi Arabia are expected to increase their oil production almost twice during the period of 1985-2000.

8. ESCWA countries estimated proved reserves increased from 174.6 billion barrels in 1965 to 320.8 billion barrels in 1984 or by 83.7 per cent. As of 1 January 1984 the share of ESCWA countries estimated proved reserves in the world total was 48 per cent.

9. ESCWA countries' crude oil exports are estimated to increase from 439 mn tons in 1982 to 482 mn tons by 1990, 659 mn tons by 1995 and 712 mn tons by 2000, or by 9.8 per cent in 1982-1990, 36.7 per cent in 1990-1995 and 8.0 per cent in 1995-2000.

10. ESCWA countries' petroleum product exports are estimated to increase from 44 mn tons in 1982 to about 104.8 mn tons in 1990, 125.2 mn tons by 1995 and 149.2 mn tons by 2000, or by 138 per cent in 1982-1990, 19.5 per cent in 1990-1995 and 19.2 per cent in 1995-2000. The share of petroleum products in the total of ESCWA countries' oil exports expected to rise from 9.1 per cent in 1982 to about 18 per cent in 1990, and will remain at a level of 18-20 per cent in the next decade.

11. Saudi Arabia's crude oil seaborne exports increased significantly from 320.0 mn tons in 1975 to 446.5 mn tons in 1980 or by 40 per cent, but dropped sharply after 1980 to 178.6 mn tons in 1983 or by 60 per cent. In the future it is expected to rise gradually and reach about 226.0 mn tons by 1990, 312.8 mn tons by 1995 and 319.4 mn tons by 2000. Asia and the Far East, Western Europe, North America and Latin America will remain the major importers of Saudi Arabian crude oil. However, exports to North America and Western Europe are tending to diminish. On the contrary, the exports to Latin America will rise to about 20 per cent of the total volume of Saudi Arabian crude oil exports by 2000. Seaborne petroleum product exports of the country are estimated to increase to about 39 mn tons by 1990, 45 mn tons by 1995 and 55 mn tons by 2000.
12. Kuwait's crude oil seaborne exports decreased from 91.3 mn tons in 1975 to 27.6 mn tons in 1983 or by 70 per cent during 10 years. In the future it is expected to increase to 32 mn tons by 1990 and 37 mn tons by 1995, but will drop to 29 mn tons by the end of the century. Asia and the Far East, namely Japan, are expected to be the principal market for Kuwaiti crude oil exports in future. Petroleum product seaborne exports are estimated to increase to 42 mn tons by 1990, 48 mn tons by 1995 and 55 mn tons by the end of the century. Western Europe as well as Asia and the Far East will remain the major importers of the Kuwaiti oil product trade. The share of oil products in the total Kuwaiti seaborne oil trade is estimated to be at a level from of 56 to 65 per cent during the next decade (1990-2000).
13. Iraq's crude oil seaborne exports are estimated to increase to 120 mn tons by 1990, 144 mn tons by 1995 and 169 mn tons by 2000. The major importers of Iraqi crude oil will be Latin America and Eastern and Western Europe as well as Asia and the Far East. It is foreseen that the exports to Western Europe will be reduced gradually in the next decade. Oil product exports are estimated to reach 4.8 mn tons by 1990, 9.6 mn tons by 1995 and 12 mn tons by 2000.
14. Crude oil seaborne exports from the United Arab Emirates are estimated to increase to 53 mn tons by 1990, 80 mn tons by 1995 and 89 mn tons by 2000. The major importers of the Emirates' crude oil in the next decade are foreseen to be Asia and the Far East, Latin America and Western Europe. The petroleum products exports are estimated to be at a level of 1.0 mn tons in 1990, 1.5 mn tons in 1995 and 2.0 mn tons by 2000.
15. Oman's crude oil seaborne exports are estimated to be at a level of 23 mn tons in 1990, 42 mn tons in 1995 and 55 mn tons in 2000. The major importers of Oman's crude oil in the next decade will remain Asia and the Far East.
16. Qatar's crude oil seaborne exports are expected to increase to 13 mn tons by 1990, 20 mn tons by 1995 and 21 mn tons by 2000. Asia and the Far East as well as Latin America will be the major importers of Qatari crude oil in the next decade.
17. Bahrain's main oil commodity for export is oil products. Its exports are estimated to be in the next decade at a level of 18 mn tons in 1990, 21 mn tons in 1995 and 25 mn tons by 2000.

18. Egypt's crude oil seaborne exports have increased significantly in the past years and it is estimated that they will rise further to 10.4 mn tons by 1990, 19 mn tons by 1995 and 25 mn tons by 2000. The main destination for Egypt's crude oil exports in the future will be Western Europe.

19. Syria's crude oil seaborne exports are expected to drop between 1984 and 1990 by about 11 per cent. However, by 1995 it is estimated that they will increase to 4.7 mn tons or by 2.4 per cent during 1990-1995 and to 6 mn tons by 2000 or by 28 per cent between 1995-2000.

20. Dry bulk cargo trade in the ESCWA region is relatively small and comprises only about 2 per cent of the total ESCWA countries' seaborne trade. The main commodities of the dry bulk cargoes imported to the region are wheat and other cereals and the major commodities which are exported from the region are natural phosphates and fertilizers.

21. The major wheat importers in the ESCWA region are: Egypt (55 per cent), Iraq (17 per cent), Saudi Arabia (8 per cent) and Syria (6 per cent). ESCWA countries demand for wheat is expected to increase from 13.1 mn tons in 1983 to 19.0 mn tons in 1990, 24.0 mn tons in 1995 and 29.2 mn tons in 2000, or by 45.0 per cent in 1983-1990, 26.3 per cent in 1990-1995 and 21.7 per cent in 1995-2000.

22. The major exporter of natural phosphates in the ESCWA region is Jordan. Phosphate exports from Jordan are expected to increase from 4.7 mn tons in 1984 to 9.7 mn tons in 1990, 18.3 mn tons in 1995 and 34.5 mn tons in 2000, or by 106 per cent in 1984-1990, 88.7 per cent in 1990-1995 and 88.5 per cent in 1990-2000.

III. PRESENT SITUATION AND FUTURE PROSPECTS FOR BULK FLEET DEVELOPMENT IN THE WORLD IN GENERAL AND IN ESCWA COUNTRIES IN PARTICULAR

23. The world bulk fleets have increased from 418.2 mn dwt in 1975 to 514 mn dwt in 1980 or by 23 per cent, then declined to 483.4 mn dwt in 1985 or by 6.0 per cent. The world oil tanker fleet declined from 273 mn dwt in 1975 to 252 mn dwt in 1985 or by 7.7 per cent, in spite of its growth, until the peak year of 1979 when the world tanker fleet reached 326.7 mn dwt. The combined carrier fleet rose by 11.5 per cent during 1975-1980; however, it decreased between 1980 and 1985 by 24 per cent. On the other hand, the bulk carrier fleet showed a steady increase during 1975-1985 and almost doubled during this period from 101.9 mn dwt to 194.8 mn dwt.
24. The scrapping and laying-up of world bulk fleets has continued over the past years. In the first half of 1985 the volume of scrapped tonnage reached the peak level of 19.5 mn dwt in comparison with 15 mn dwt in 1983. Half of this tonnage are supertankers of the VLCC (Very Large Crude Carriers) size group, accounting for 10.4 mn dwt. The combined carrier fleet decreased, mainly because of the conversion to pure bulk carriers which took place in 1984-1985. The average size of the world bulk fleets decreased in the 1980s owing to the scrapping of VLCCs and ULCCs (Ultra Large Crude Carriers). Tankers delivered in 1985 were exclusively under 100,000 dwt.
25. The world bulk fleet is expected to decrease in future from 483.4 mn dwt in 1985 to 436.2 mn dwt in 1988 or by 9.8 per cent. The new buildings and future deliveries show that the world tanker fleet will decrease by 19 per cent during 1985-1988 of which the 27 per cent reduction will affect the VLCC size group. The combined carrier fleet will decrease by 18.5 per cent. On the other hand, the bulk carrier fleet has stable rates of growth.
26. It is predicted that in the next decade (1990-2000) the supply and demand of world bulk fleets will come into balance. Orders for tankers are expected to increase gradually over this period, and particularly in the VLCC size group sector. However, the demand/supply disequilibrium in world bulk fleets still remains at a high level, despite the fact that the world tanker surplus dropped by 22 per cent during 1982-1985 owing to the large-scale demolition of this kind of fleet. The demand/supply disequilibrium of world tanker fleets started to decrease gradually from 1984. At the same time the surplus of demand indicator also declined from 72.3 per cent in 1983 to 56 per cent in 1985.
27. The supply of world bulk carrier fleets increased from 197 mn dwt in 1982 to 225 mn dwt in 1985 or by 14 per cent, the surplus/demand indicator having increased from 30.8 per cent in 1982 to 32.1 per cent over this period. However, the imbalance of the bulk carrier fleet is not so high as that of the tanker fleet, and hopefully it will be stopped in a few years as the result of carriers being scrapped and laid-up.
28. The ESCWA countries' bulk fleet is comparatively small and consisted of 2 per cent of world bulk fleets in 1984. The oil tanker fleet dominates in the

total ESCWA countries' bulk fleet with a share of 88 per cent but consisted of only 3.16 per cent of the world tanker fleet. The combined carrier fleet of the ESCWA countries is represented by only one oil/bulk carrier of 264,600 dwt.

29. The ESCWA countries' bulk fleet increased substantially from 7.4 mn dwt in 1980 to 13.0 mn dwt in 1983 or by 76 per cent, but then dropped to 10.3 mn dwt in 1984. Such a reduction took place mostly owing to the demolition of the tanker fleet, which decreased from a peak of 10.6 mn dwt in 1982 to 9.1 mn dwt in 1984 or by 14 per cent during 1982-1984.

The bulk carrier fleet showed significant growth and increased from 33,500 dwt in 1980 to 957,000 dwt in 1984 or by 2,757 per cent. The average annual rates of growth of the ESCWA countries' bulk fleet were at a high level in 1980-1984, despite their reduction in 1983-1984.

30. The ESCWA countries' bulk fleet is concentrated mainly among the following countries: Saudi Arabia (44 per cent), Kuwait (24.3 per cent), Iraq (14 per cent), United Arab Emirates (10.4 per cent), Egypt (3.7 per cent). These countries combine about 96 per cent of the total ESCWA countries bulk fleets. The oil tanker fleet is concentrated among four countries of the region: Saudi Arabia (41.3 per cent), Kuwait (27 per cent), Iraq (16.2 per cent) and the United Arab Emirates (11.1 per cent). The tanker tonnage of these countries amounts to 8.7 mn dwt or 96.0 per cent of ESCWA countries' tanker tonnage in 1984. The bulk carrier fleet is distributed mostly among Saudi Arabia (52.6 per cent), Egypt (21.4 per cent), Lebanon (11.7 per cent) and the United Arab Emirates (6.7 per cent). They account together for 92.4 per cent of the total ESCWA countries bulk carrier fleet.

31. The ESCWA countries' oil tanker fleet consisted of about 34 to 35 per cent of vessels of 140,000 grt (gross registered tons) and above, 25 per cent in size group of 50,000 to 100,000 and 21 per cent in the size group of 100,000 to 140,000 grt. The rest of the fleet are vessels under 50,000 grt.

Among ESCWA countries Kuwait has the newest tanker fleet. About 98 per cent of this fleet belongs to the age group of 1-9 years old. Iraq also has a comparatively new tanker fleet, 79 per cent of which consisted of vessels less than nine years old.

32. The forecasts of ESCWA countries bulk seatriade and fleet demand reviewed in the study showed that it is possible that ESCWA countries can expand their bulk fleets up to the end of the century.

Demand for tankers from ESCWA countries to transport 40 per cent of crude oil exports and oil products which is considered an equitable share between the trade partners, is expected to increase from 9.1 mn dwt in 1984 to 25.2 mn dwt in 1990, 33.7 mn dwt in 1995 and 37.3 mn dwt in 2000, or by 177 per cent during 1984-1990, 34 per cent in 1990-1995 and 11 per cent during 1995-2000.

The tanker demand for oil products trade in the future is estimated to be at the level of 18 to 20 per cent of the total ESCWA countries' tanker demand.

Asia and the Far East, Western Europe, Latin America and North America are predicted to be the main markets for ESCWA countries tanker trade in the next decade (1990-2000).

33. Bulk carrier fleet demand is expected to increase from 1.22 mn dwt in 1984 to 1.51 mn dwt in 1990, 2.13 mn dwt in 1995 and 3.1 mn dwt in 2000, or by 24 per cent during 1984-1990, 41 per cent in 1990-1995 and 45 per cent during 1995-2000.

Asia and the Far East and Eastern and Western Europe are expected to be the main markets in the next decade for the ESCWA countries bulk fleet involved in phosphate trade. North America, Oceania and Western Europe will remain the main areas in wheat trade and ESCWA countries bulk carrier fleet will be in demand for transportation.

IV. STRATEGIES, POLICIES AND PROGRAMMES FOR DEVELOPMENT OF BULK FLEETS IN WESTERN ASIA

34. ESCWA countries should review and evaluate their relative position in the development of the national bulk fleets in line with the following:

(a) The Programme of Action on the Establishment of a New International Economic Order adopted by the General Assembly during its sixth special session in 1974 which envisages that the efforts should be made "to promote an increasing and equitable participation of developing countries in the world shipping tonnage";

(b) UNCTAD resolution 120(V) "Participation of developing countries in world shipping and the development of their merchant marines", adopted by UNCTAD during its fifth session in Manila in 1979 which recommended: "that the transport of regular bulk ... cargo between a pair of exporting and importing countries should have equitable participation by the national lines of the respective trading countries ... Bulk ... cargo should be the subject of bilateral agreements between the trading partner countries providing for the equitable participation in the trades by the national lines of these trading partner countries";

(c) The resolution on shipping adopted by UNCTAD VI (1983) which called "for the adoption of national and international measures to bring about and facilitate structural change in the world shipping industry in order to remove protectionist policies and monopolistic practices and to eliminate the controls exercised by transnational corporations, particularly over bulk and refrigerated cargoes".

35. ESCWA countries should make efforts to secure equitable participation in transportation of their bulk trade and where possible promote transport of their seaborne bulk cargo exports on C.I.F. (cost, insurance, freight) terms. In order to minimize dependency on the transnational shipowners, trade negotiations and contracts for sale or purchase of bulk cargoes should stipulate a substantial and increasing share of cargoes to be carried by the national vessels of ESCWA countries or by vessels operated by them. It is necessary that, where applicable, a mechanism be established in which trading partners can negotiate the most favourable trade conditions. The national bulk seaborne trade should be based on long-term shipping arrangements which will form the basis for long-term planning and financing.

36. Taking into account the estimated national bulk seaborne trade in the ESCWA region in the next decade (1990-2000), it is recommended for ESCWA countries to have the following programme for expanding the national bulk fleet in order to transport at least 40 per cent, as an equitable share, of the national bulk trade in the future:

(a) In tanker trade

Saudi Arabia should have an oil tanker fleet by 1990 of 11.6 mn dwt of which 1.8 mn dwt for transportation of oil products; by 1995, 15.7 mn dwt of which 2.1 mn dwt for transportation of oil products; by 2000, 16.6 mn dwt of which 2.6 mn dwt for transportation of oil products.

Kuwait should have an oil tanker fleet of 3.5 mn dwt by 1990 of which 1.9 mn dwt for oil products; by 1995 this fleet should be at a level of 4.1 mn dwt including 2.2 mn dwt for oil products; and by 2000 the fleet should be 4.0 mn dwt of which 2.6 mn dwt for oil products.

Iraq should have an oil tanker fleet of 4.3 mn dwt by 1990 of which 0.2 mn dwt for oil products, 5.1 mn dwt by 1995 of which 0.45 mn dwt for oil products and 6.1 mn dwt, of which 0.6 mn dwt for oil products by 2000.

The United Arab Emirates should have by 1990 an oil tanker fleet of 2.8 mn dwt of which 0.05 mn dwt for transportation of oil products; by 1995, 4.1 mn dwt of which 0.07 mn dwt for oil products; by 2000, 4.6 mn dwt of which 0.09 mn dwt for oil products.

Oman should have an oil tanker fleet of 1.04 mn dwt by 1990, 1.9 mn dwt by 1995 and 2.6 mn dwt by 2000.

Qatar should have an oil tanker fleet of 0.7 mn dwt by 1990, 1.05 mn dwt by 1995 and 1.1 mn dwt by 2000.

Egypt should have an oil tanker fleet of 0.3 mn dwt by 1990, 0.6 mn dwt by 1995 and 0.75 mn dwt by 2000.

Bahrain should have an oil product tanker fleet of 0.8 mn dwt by 1990, 1.01 mn dwt by 1995 and 1.2 mn dwt by 2000.

(b) In dry bulk trade

In order to transport the 40 per cent as an equitable share of their dry bulk seaborne trade in the next decade, ESCWA countries should have the following bulk carrier fleet: for transportation of wheat: 1.14 mn dwt by 1990; 1.44 mn dwt by 1995; and 1.78 mn dwt by 2000. For transportation of phosphate: 0.37 mn dwt by 1990; 0.69 mn dwt by 1995; and 1.31 mn dwt by 2000.

ESCWA countries should unite their financial, manpower and cargo resources for the development of the national bulk carrier fleet.

37. In implementing their programme of expanding the national bulk fleet, ESCWA countries should take into account the existing imbalance between demand and supply in world shipping. In this situation, ESCWA countries should acquire new tonnage, where possible, from surplus shipping countries, taking into account ongoing improvements in technology.

38. In the development of their tanker fleet ESCWA countries should concentrate their efforts on the acquisition of an oil tanker fleet of not more than 250,000 dwt, taking into account that upon the completion of the second stage of the Suez Canal development, the fully loaded 250,000 dwt vessels will be able to use the Canal. The possibilities of access to the wide range of world ports should also be taken in account in addition to the fact that the bulk of the world tanker fleet which was scrapped in the past few years consisted of supertankers of the VLCC and ULCC size group.

39. ESCWA countries should investigate the possibilities for formation of a regional multinational shipping enterprise in dry bulk shipping in order to unify their fleet operations and development programmes as well as to draw up a common shipping policy in transportation of dry bulk cargoes.

40. Taking into account the existing constraints with regard to depth of the ESCWA region ports, and the lack of specialized terminals with storage facilities, the development of the bulk carrier fleet in the ESCWA region should be concentrated on bulk carriers with a size category of not more than 70,000 dwt, as the most suitable bulk carrier fleet for the region.

41. In order to increase the productivity of the tanker fleet and reduce the sailing in ballast, ESCWA countries should investigate the possibility of using the fleet on the return routes for the transportation of suitable bulk cargoes such as wheat and water.

42. Considerable attention should be given to the development of a combined carrier fleet from ESCWA countries, taking into account that there are corresponding destinations in round-trip voyages which include the transportation of oil to one destination and transportation of dry bulk cargo by another.

43. ESCWA countries should establish a regional ship-broking centre in Western Asia. Such a centre could be established in Kuwait where quite a large number of international and regional Arab shipping and trade organizations as well as companies involved in bulk and particularly oil transportation are situated. The regional ship-broking centre is to be linked with world ship-broking centres in order to have up-to-date bulk trade and fleet information from all over the world and to maintain contacts between shipowners and shippers.

44. ESCWA countries should consider the possibilities of establishment of joint ventures with shipping companies of developed countries. Such joint ventures will facilitate the transfer of technology and experience in bulk fleet operations and management.

45. ESCWA countries should develop their oil product fleet, taking into account that the large refineries coming onstream in the region have led to considerable expectations of new trades opening up; thanks to these refineries, the total share of ESCWA countries in oil product seaborne trade is expected to increase to 18-20 per cent in the next decade. Oil product tankers should be designed for carriage of a number of segregated grades of clean petroleum products and petrochemicals.

46. Considerable attention should be given to the further development of the Suez Canal which is playing a very important role in the ESCWA countries bulk seaborne trade and fleet development. The second stage of the development of the Canal, in which it was planned to deepen the Canal in order that vessels of 250,000 dwt could pass fully laden, should be accomplished by 1990.

47. ESCWA countries bulk seatriade and fleet development should be based on a pan-Arab maritime policy, which must include a joint investment policy, manpower resources allocation, regional shipbuilding and ship-repair programme, regional maritime information, training and exchange of personnel, setting up the national maritime legislation, co-ordination of seaport activities, ship aquisition programmes, etc.

48. In order to put into practice the joint maritime policy, ESCWA countries should establish the appropriate regional shipping institutions such as a Shippers' Council, a Shipbuilding Association, Maritime Manpower Planning and Training Committees, a Marine Insurance Society, a Ship Classification Society and a Committee on Shipping Registration. The Arab Federation of Shipping as well as the Federation of Arab Seaports has been already operating in the region.

49. ESCWA countries which have not yet done so should ratify the International Maritime Organization conventions on "Safety of Life at Sea" (SOLAS) and "Prevention of Maritime Pollution" (MARPOL), which are very important international regulations on tanker safety and pollution prevention. The ESCWA countries' tanker fleet should be built to run with segregated ballast tanks to meet the IMO (International Maritime Organization) regulations mentioned.

50. Taking into account the existing oversupply of the world tanker fleet, ESCWA countries should consider the possibilities of using their own tankers for storage. Floating oil storage has considerable advantages in tanker trade over land-based storage and is much more economical.

51. In addition to regional or subregional efforts, measures must also be taken on the national level by countries facing bulk shipping problems; this is an area that requires immediate action in some ESCWA countries. Action should include the improvement and expansion of port facilities in order to cope with the expanding volume of national bulk trade. In this connection the acquiring of investments and training of port personnel for the expansion and modernization of port facilities should be envisaged.

V. ACTIVITIES FORESEEN DURING THE BIENNIUM 1986-1987

52. During the biennium 1986-1987 the ESCWA secretariat transport programme in the field of shipping will be concentrated on a study on developing the container and break-bulk fleets as another important part of national merchant marines.

53. At a later stage, on the basis of findings and recommendations based upon three main outputs: "Development of national merchant marines and promotion of multinational shipping enterprises"; "The possibilities of expanding the bulk fleets in Western Asia"; and "Developing the container and break-bulk fleets of selected ESCWA countries", it will be possible to formulate the regional strategy, policy and projects for the development of national and multinational merchant fleets in Western Asia.