



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

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# Organization

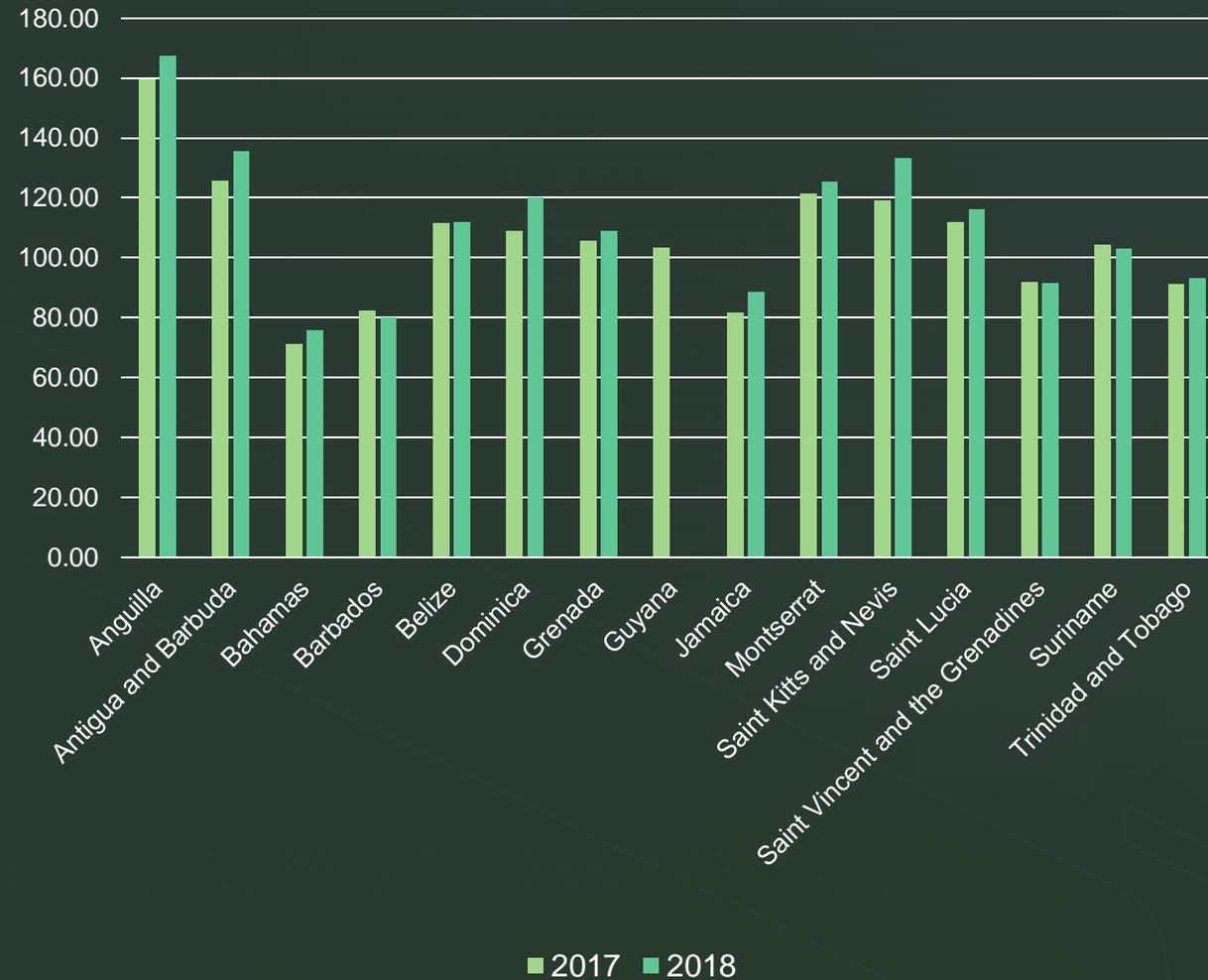
- ❑ The Role of Transportation in the Greater Caribbean
- ❑ Impacts of Covid 19
- ❑ Implications for the Future

# The Role of Transportation in the Greater Caribbean

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

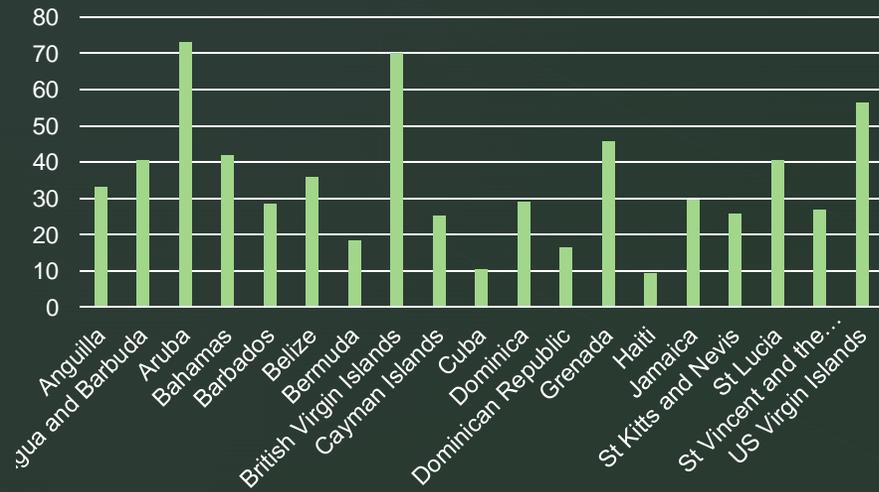
**High Trade  
Openness  
Implies High  
Dependence on  
International  
Transportation**

Trade Openness - Caribbean Countries: 2017  
& 2018

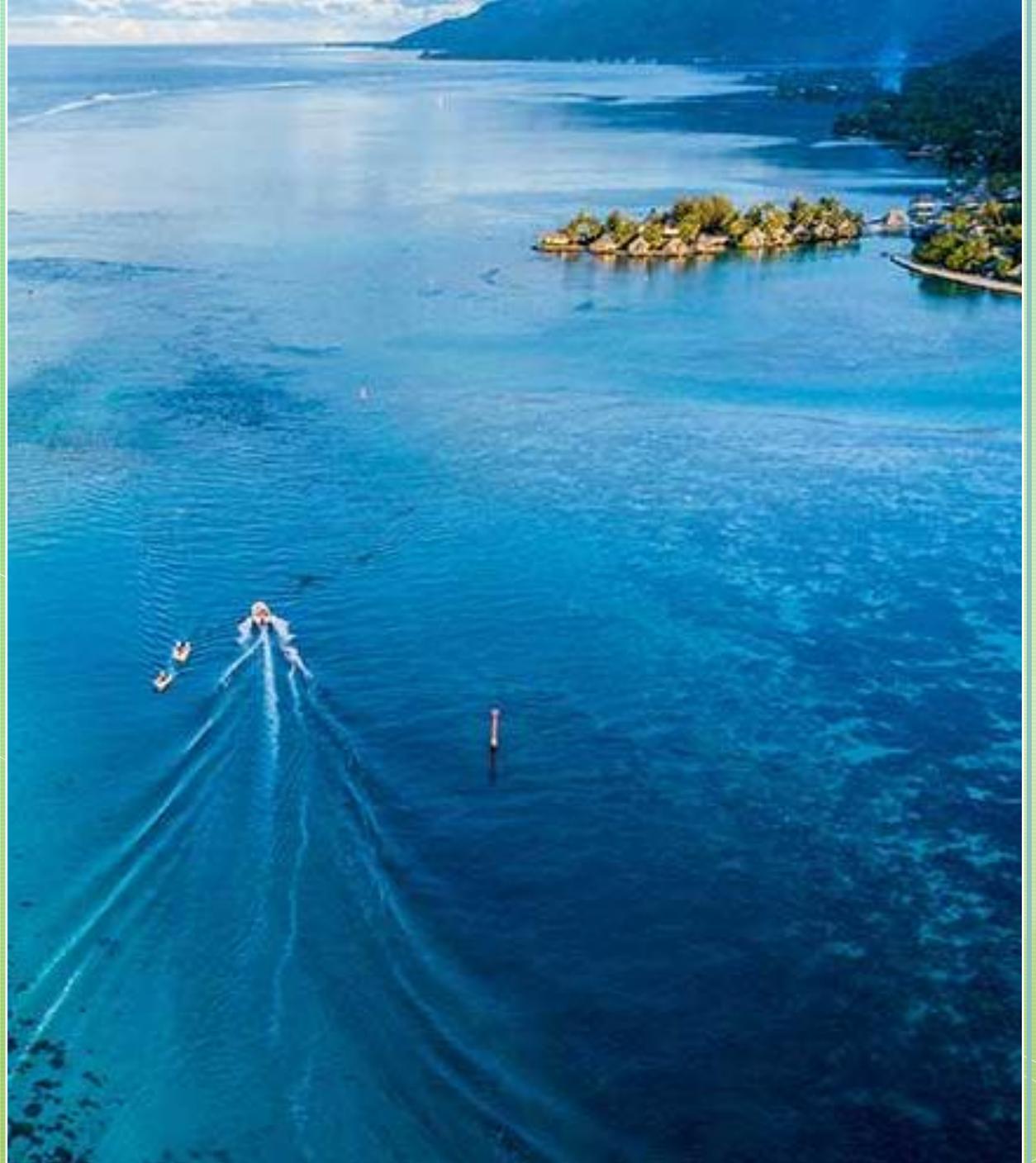


# Tourism is a Key Sector

Tourism Percentage Contribution to GDP - 2018



Source: WTTC and ECLAC's Calculations





Greater Caribbean is the largest cruise destination in the World

# Impacts of Covid 19 on Transportation in the Greater Caribbean

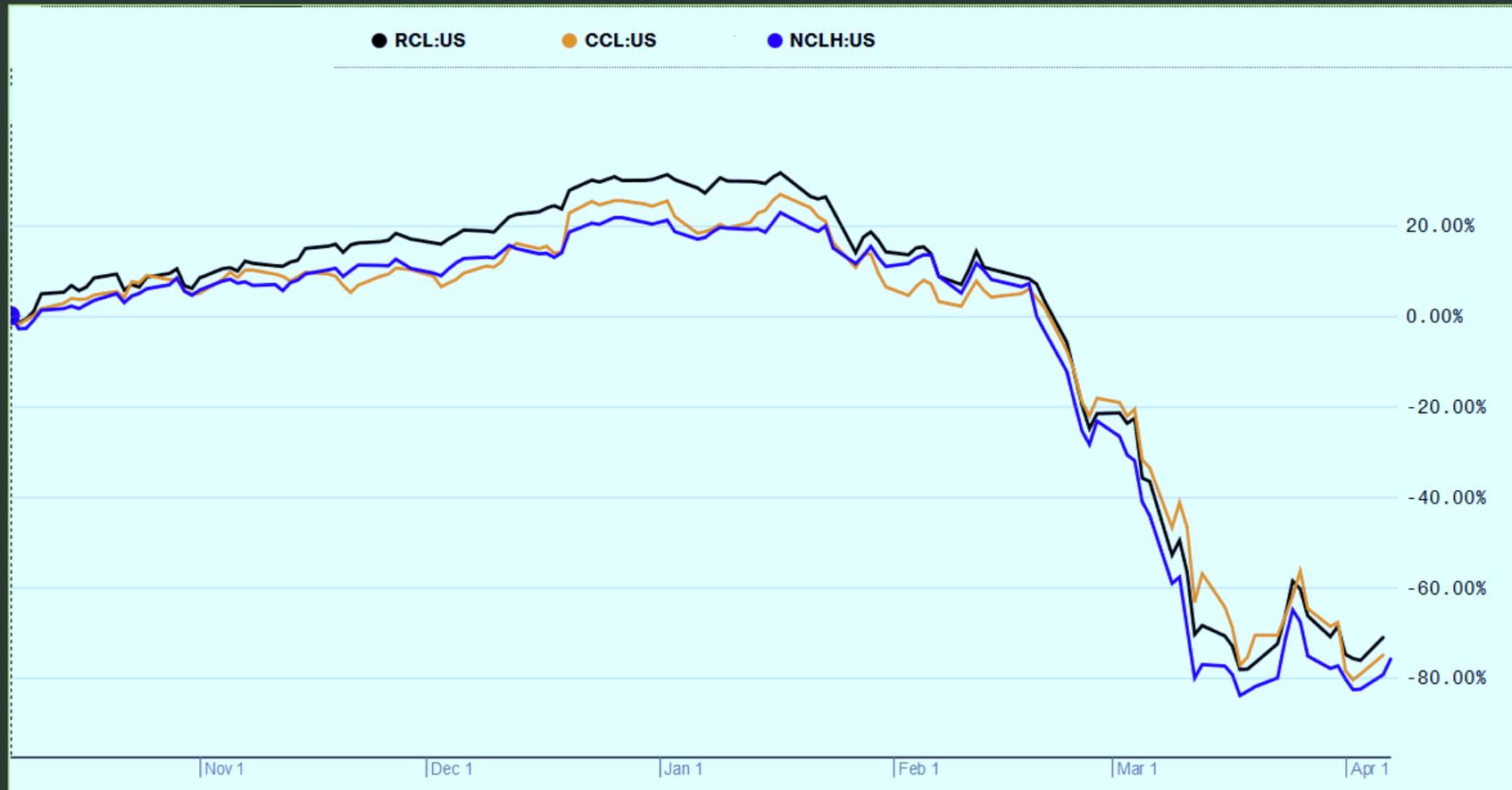
Disruption of  
Cruise lines

Closure of  
Airports and  
Disruption of  
Stayover Arrivals

Impacts on  
Freight and  
Commercial  
Shipping

# Global Impact on Cruise

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



Source: Bloomberg Markets, 2020

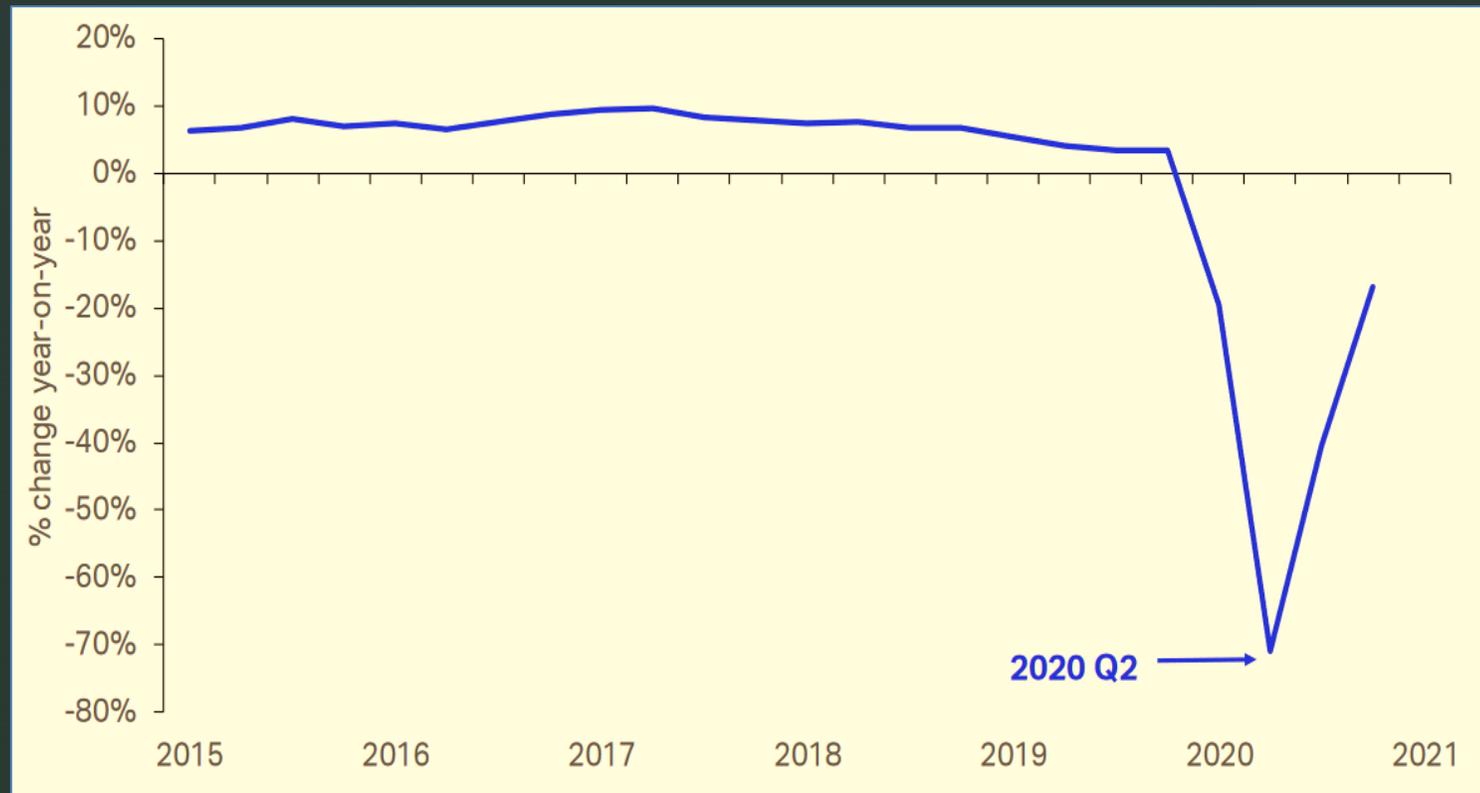
**Estimated  
Changes in  
Available Cruise  
Berths to the  
Eastern Caribbean  
– First Quarter  
2020**

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

Source: ECLAC

# Global Impact on Aviation

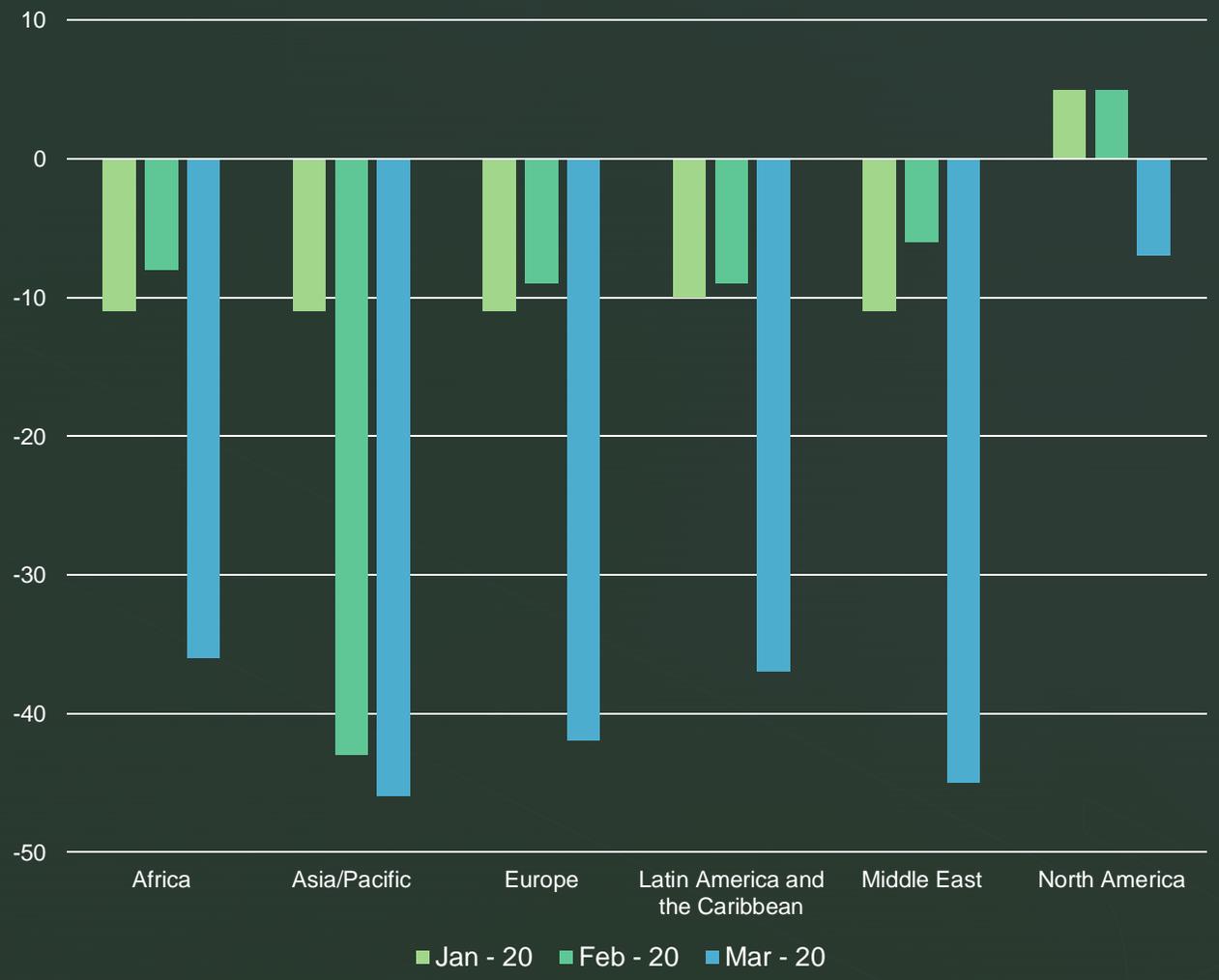
Percentage Change Global RPK - Year on Year: Q2, 2019 – Q2, 2020



Source: IATA

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

## Percentage Change from Planned Monthly Seat Capacity by Region: January - March, 2020



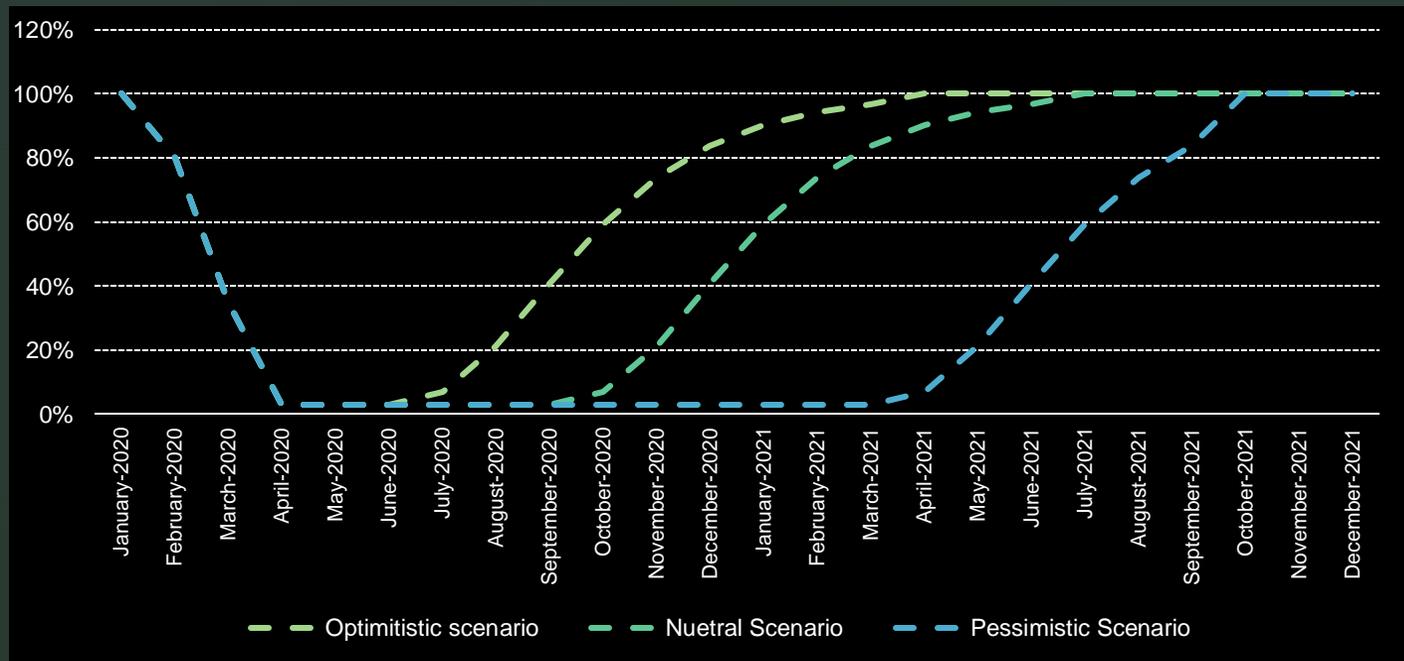
Source: ICAO, 2020

## Impacts on Regional Carriers



# Effects on Tourism

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



Source: ECLAC's Calculations



# The Commercial Shipping Sector

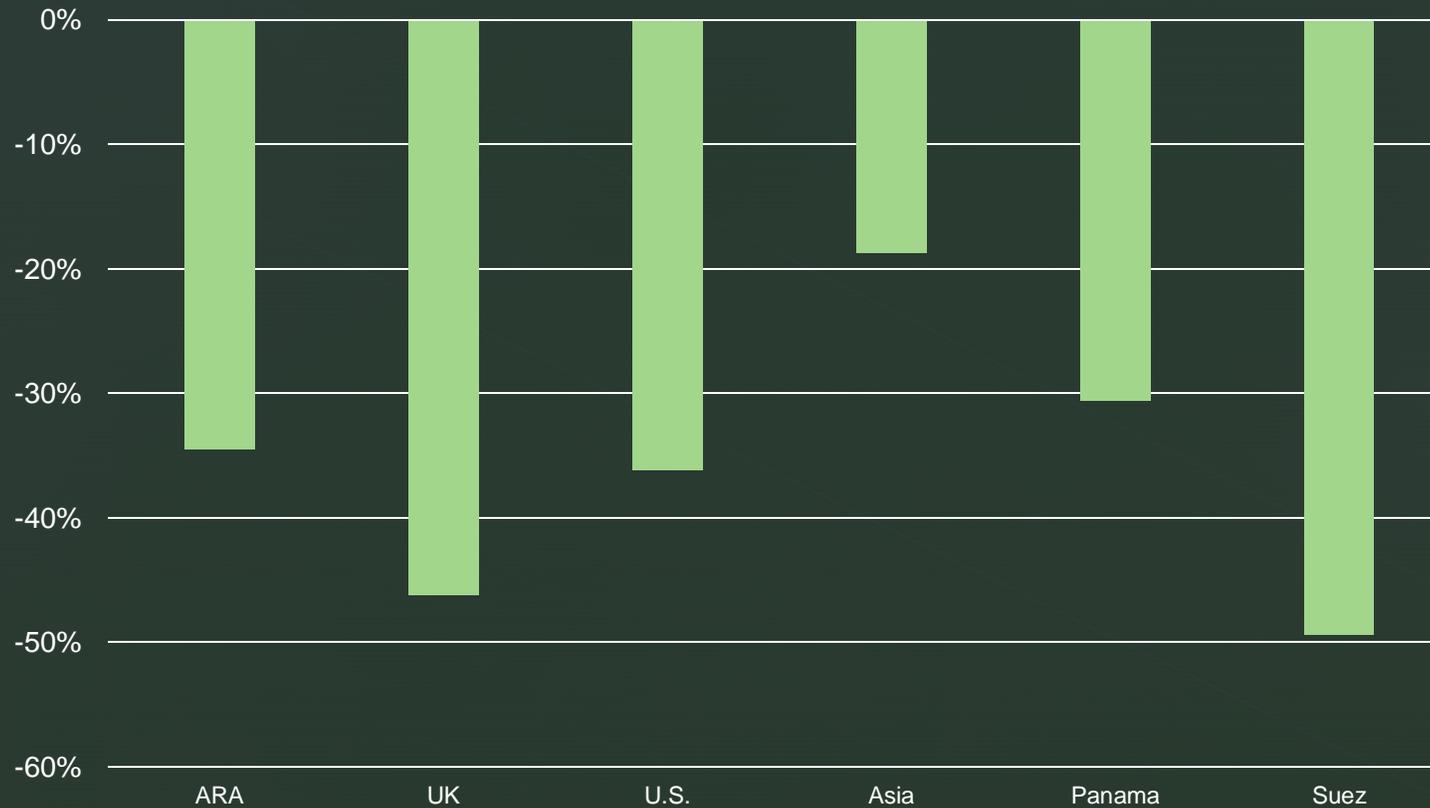
- ❑ Not as severely disrupted as airlines and cruise, but still significant globally
- ❑ Ripple effects felt due to supply chain and logistics disruptions
- ❑ Port labour affected due to lockdowns and Covid 19 management measures implemented in countries



# Impacts on Global Container Movements



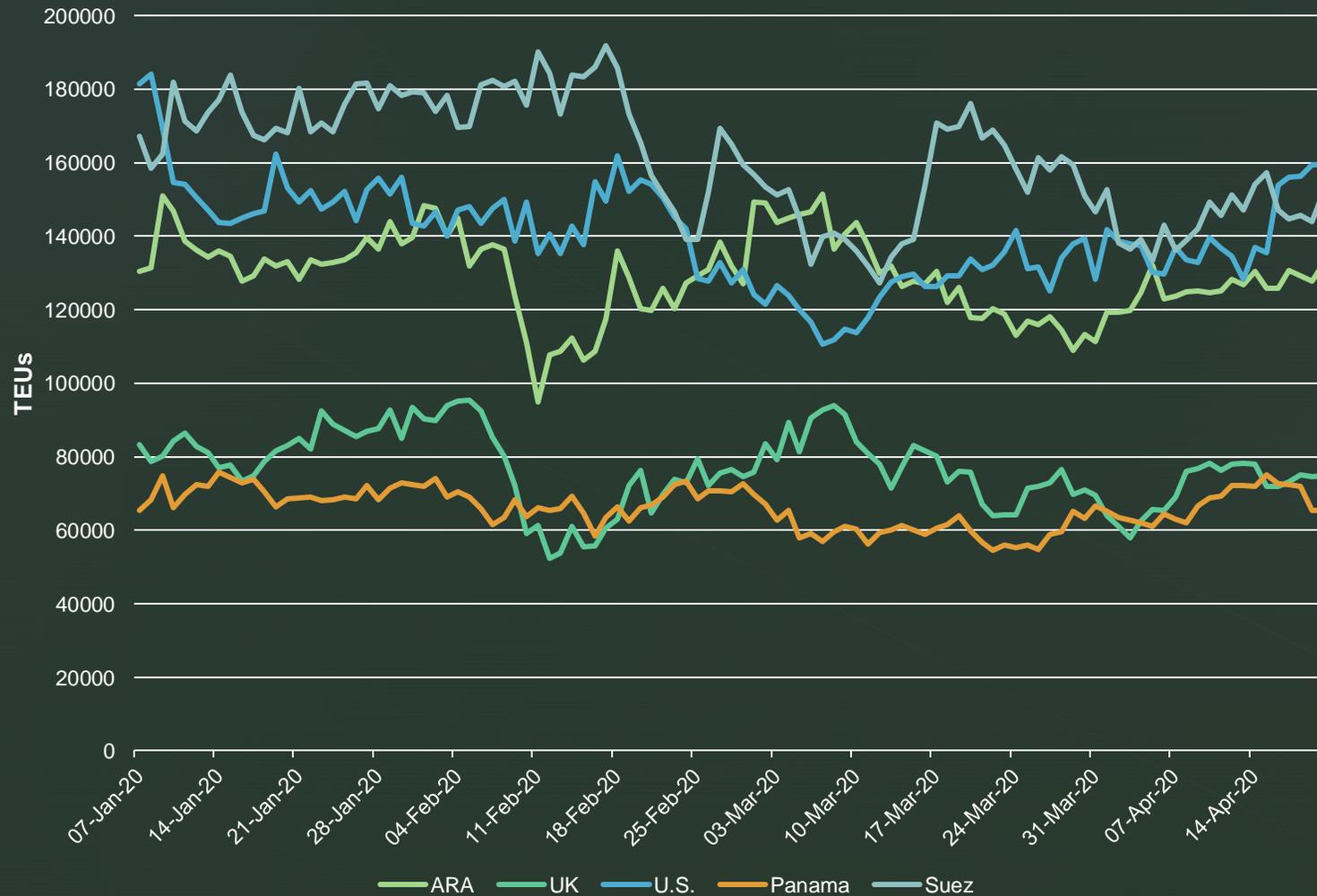
Percentage Change in Container Entries by Port/Region - January to April, 2020



Source: Based on Data from Bloomberg, NEF, 2020

# Comparative Impacts on the LAC Region

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



Source: Based on Data from Bloomberg, NEF, 2020



# An Important Implication for the Caribbean

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



# Towards the Future

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



**Thank You!**

