

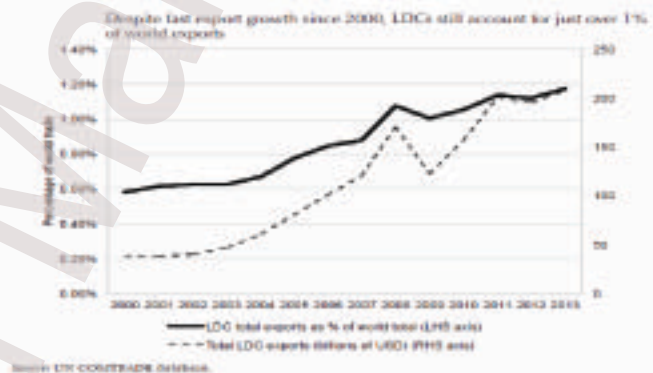
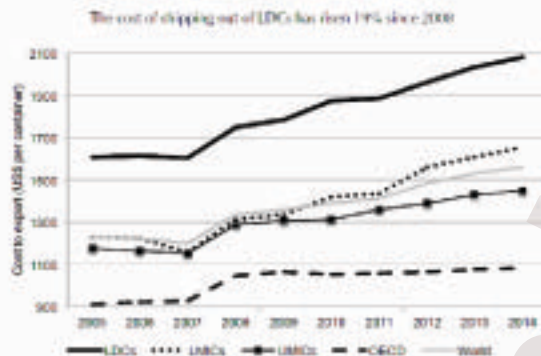
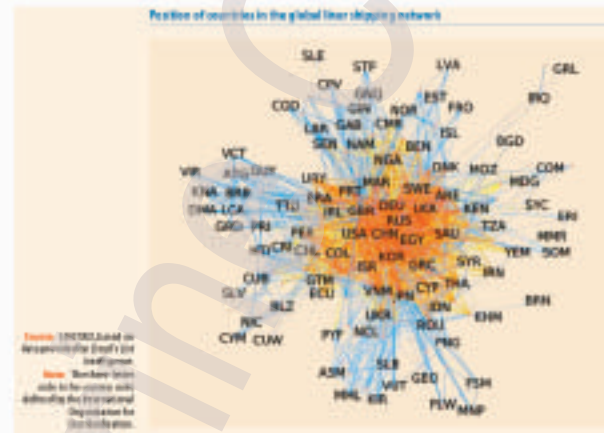
# Marine Shipping – Passive (“Shut Out”) Community

In 2015 the United Nations Committee on Trade and Development released its study on the impact of mega-container ships and company consolidations on LDCs:

Service frequency increased to industrialized countries (the “hub club”) but it decreased to the smaller countries.

Freight rate disparities are increasing.

Higher freight rates on lower value goods have limited LDCs to just over 1% of global exports.



Larger ships calling fewer ports has reduced the quality of shipping service to smaller countries and island states. Feeder ships cannot solve problem of double handle costs.



Some new trends suggest direct marine shipping service can be re-established to smaller markets. These trends include increasing awareness of WIT (warehouse-in-transit) as plausible successor to JIT (just-in-time) inventory management and **green** technology rising from “bolt-on” to “build-in” status in the ship design spiral.