



TALASONOMICA

Key trends shaping the outlook

“The consolidation of the container shipping industry is accelerating the commoditisation of the sector, reducing shipper choice and piling pressure on port operators desperate to attract port calls”

According to a new report from the UN’s Conference on Trade and Development (Unctad).



“...there is still a risk that **growing concentration and consolidation of the market will distort competition and will be detrimental to the market, freight rates and shippers.**

Therefore, the oversight role of competition authorities and regulators should be strengthened and their capacities reinforced to monitor the evolution of current alliances and to review mergers and acquisitions so as to ensure fair competition and prevent anticompetitive practices. **Such practices may create a significant impact on smaller players with weak bargaining power, notably those from developing countries.**



“At the same time, authorities and shippers would need to consider the quality, reliability and variety of services provided to shippers in addition to the effects of price competition.

Competition authorities should also consider the effects on factors such as the range and quality of services, frequency of ships, range of ports serviced and reliability of schedule”

(UNCTAD, 2018).



“Alliance restructuring and larger vessel deployment are also **redefining the relationship between ports and container shipping lines**. Competition authorities and maritime transport regulators should also analyse the impact of market concentration and alliance deployment on the relationship between ports and carriers. Areas of interest include the **selection of ports of call, the configuration of liner shipping networks, the distribution of costs and benefits between container shipping and ports, and approaches to container terminal concessions.**”





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