

Forum: Second General Assembly (GA2)

Issue: Evaluating the Risks to Global Trade Routes Around the World

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Introduction

The pulse of international commerce, global trade routes have, over the ages, facilitated the exchange of goods, culture, and ideas. From the historical Silk Road to the contemporary maritime networks, these routes have contributed significantly to the evolution of societies and economies. However, in an era marked by global interdependence, these vital conduits face multifaceted challenges.

The agenda "Evaluating the Risks to Global Trade Routes Around the World," underscores the urgency of addressing these perils and the compelling necessity for international cooperation and diplomacy.

It is imperative to recognize that these risks are not confined by borders; they are global in nature and necessitate collaborative action on an international scale. Considering that the world is heavily dependent on Globalization - and infrastructure is so severely dependant on trade and cooperation from other countries, it is extremely important for the continuity of civilization, that major trade is not disrupted.

Thus, it is crucial to recognize the posed threats against maritime trade. Trade routes - especially those at sea are often targets of organized crime. Alarmingly often, cargo and other ships are intercepted, pirated and sometime's sunk by criminals for purposes like robbery, disruption of economy and terrorism. From the common hijacking of cargo

along the coasts of Africa to abduction in the Philippines seas, piracy is an issue of major concern and utmost importance.

Definition of Key Terms

Piracy

Piracy refers to the act of robbery or violence committed by individuals or groups, typically at sea, against ships, crew, or cargo. Pirates target vessels for financial gain, often through ransom or theft, and have historically posed a significant threat to maritime trade. Historically, piracy has been a significant issue in various parts of the world, including the waters off the coast of Somalia, the South China Sea, and the Gulf of Aden. Pirates may use small boats, armed with weapons, to approach and board larger vessels, taking control of the ship and its cargo. They may demand ransom for the release of the ship, its crew, or the valuable cargo.

Maritime Security

Maritime security encompasses measures and practices aimed at ensuring the safety and protection of vessels, ports, and coastal areas from various threats, including piracy, terrorism, and illegal activities. This field encompasses a broad range of concerns, including but not limited to piracy, terrorism, smuggling, illegal fishing, environmental hazards, and the overall safety of maritime transportation and infrastructure.

Climate Change

Climate change refers to long-term alterations in temperature, weather patterns, and sea levels. It is primarily driven by human activities, such as the emission of greenhouse gasses, and has a significant impact on trade routes due to increased frequency and severity of extreme weather events, like storms and hurricanes.

Geopolitical Tensions

Geopolitical tensions refer to conflicts and disputes between nations or regions, often driven by differences in political ideologies, territorial claims, or competition for strategic interests. These tensions can affect trade routes when they lead to disputes over access to key waterways or the imposition of trade restrictions.

Trade Route Infrastructure

Trade route infrastructure encompasses the physical assets and facilities necessary for the transportation of goods along trade routes. This can include ports, canals, railways, roads, and bridges. Vulnerabilities in this infrastructure can disrupt the smooth flow of goods.

Chokepoints

Chokepoints are narrow passages in maritime or land routes that are crucial for international trade. They serve as critical points of transit for the movement of goods, energy resources, and commodities between different regions of the world. These chokepoints are essential for international trade, and any disruption in these areas can have significant implications for global commerce. They often act as bottlenecks, where a significant amount of global trade passes through. Examples include the Strait of Hormuz, strait of Malacca and the Suez Canal.

Multilateral Diplomacy

Multilateral diplomacy refers to diplomatic negotiations and agreements involving multiple countries or international organizations. In the context of trade routes, it often involves efforts to resolve disputes, enhance security, and promote cooperation among nations sharing a common interest in trade route stability.

Key Issues

Piracy & Maritime Security

Piracy Trends

Explanation: This sub-issue focuses on understanding the current state of piracy worldwide. It delves into regions where piracy incidents are more frequent and examines the strategies and tactics employed by modern pirates.

Significance: Understanding piracy trends is essential for crafting effective counter-piracy measures and ensuring the safety of trade routes.

Security Measures

Explanation: This sub-issue explores the various security measures in place to combat piracy. It includes discussions on international agreements, the role of private security firms, and how nations work together to deter piracy.

Significance: Identifying successful security measures and discussing their effectiveness can lead to better cooperative efforts to protect trade routes.

The Role of Navies

Explanation: This sub-issue investigates the role of national navies and multinational naval task forces in ensuring maritime security. It assesses their contributions in patrolling piracy-prone areas and combating pirate threats.

Significance: Understanding the responsibilities and limitations of naval forces in maritime security is crucial for maintaining open and safe trade routes.

Climate Change & Extreme Weather

Climate-Related Risks

Explanation: This sub-issue delves into the impact of climate change on trade routes, including rising sea levels and an increase in extreme weather events. It assesses the consequences for coastal areas and trade infrastructure.

Significance: Recognizing climate-related risks helps in developing adaptive strategies to safeguard trade routes from the adverse effects of climate change.

Mitigation & Adaptation

Explanation: Here, discussions center on strategies to mitigate climate change effects and adapt trade routes to the changing climate. This includes

examining practices like sustainable coastal management and resilient infrastructure.

Significance: Mitigation and adaptation are essential to ensure the long-term viability of trade routes in the face of a changing climate.

Resilience & Infrastructure

Explanation: This sub-issue highlights the vulnerabilities of trade route infrastructure due to climate change. It looks at the need for resilient infrastructure and innovative technologies to withstand the impact of climate change.

Significance: Recognizing infrastructure vulnerabilities and promoting investments in resilience are crucial for maintaining trade route functionality.

Geopolitical Tensions & Trade Disputes

Territorial Disputes

Explanation: This sub-issue focuses on ongoing territorial disputes that affect trade routes. It explores examples like those in the South China Sea and the potential consequences for global trade and regional stability.

Significance: Understanding the complexities of territorial disputes is vital for addressing the associated trade disruptions and regional tensions.

Sanctions & Trade Restrictions

Explanation: Here, the use of sanctions and trade restrictions as diplomatic tools in addressing geopolitical tensions is examined. The discussions encompass their economic impact and effectiveness.

Significance: Assessing the use of sanctions and trade restrictions provides insights into their role in international relations and their effects on global trade.

Conflict Resolution

Explanation: This sub-issue investigates diplomatic efforts, negotiations, and arbitration mechanisms to resolve territorial and trade-related disputes. It explores peaceful dialogue and cooperation as solutions to secure trade routes.

Significance: Identifying diplomatic pathways to resolve conflicts ensures that trade routes remain open and secure.

Economic Implications & Trade Disruptions

Cost of Trade Disruptions

Explanation: This sub-issue calculates the economic costs of trade disruptions, encompassing factors such as delays, increased insurance premiums, and transportation expenses.

Significance: Understanding the financial impact of trade disruptions aids in forming strategies to mitigate economic losses.

Trade Diversification

Explanation: This sub-issue explores strategies for diversifying trade routes, reducing economic vulnerabilities during disruptions, and the challenges and opportunities associated with diversification.

Significance: Diversification helps minimize risk and ensures a more resilient global trade system.

Global Economic Stability

Explanation: Discussions in this sub-issue assess the broader impact of trade route disruptions on global economic stability. It explores mechanisms for cooperation and crisis management.

Significance: Maintaining global economic stability amid trade disruptions is critical for economic growth and stability.

Major Parties Involved and Their Views

USA

The United States maintains a strategic focus on open and secure trade routes, viewing them as essential for global economic stability. With an emphasis on maintaining freedom of navigation and maritime security, the U.S. actively engages in diplomatic efforts to address challenges to trade routes, especially in regions like the South China Sea. The nation prioritizes fair trade practices and the protection of intellectual property

rights, underscoring the importance of international cooperation in ensuring the smooth flow of commerce.

China

As a major global economic player, China places a heightened emphasis on securing maritime trade routes, particularly in the context of its expansive Belt and Road Initiative. The nation seeks to safeguard its economic interests, occasionally leading to tensions with neighboring countries in the South China Sea due to territorial claims. China's approach combines diplomatic negotiations with assertive actions, reflecting its evolving role as a key player in shaping the dynamics of international trade routes.

EU

The European Union champions open and secure global trade routes, aligning with its commitment to fostering economic prosperity. Emphasizing environmental sustainability and labor rights in shipping practices, the EU actively engages in diplomatic initiatives to address conflicts impacting trade routes. As a proponent of multilateralism, the EU seeks collaborative solutions to challenges, with a focus on stability and cooperation to ensure the resilience of global trade networks.

Russia

In this decade, Russia maintains a strategic focus on safeguarding its access to key maritime trade routes, particularly in the Arctic region. The nation's geopolitical maneuvers reflect its commitment to asserting national security interests, contributing to the evolving discussions on trade and maritime routes. Russia's role in the Arctic and its strong naval presence underscore its efforts to shape the geopolitical landscape and protect its economic interests in strategically significant areas.

Japan

Japan, heavily reliant on secure trade routes, places a strong emphasis on freedom of navigation and global efforts against piracy. With an eye on environmental sustainability in shipping, Japan actively participates in international initiatives to ensure maritime security. As a key economic player, Japan's approach underscores the importance of stability and cooperation to maintain the efficiency of trade routes, especially in the context of evolving geopolitical dynamics.

India

With expanding economic interests, India places a strategic focus on the security of trade routes, particularly in the Indian Ocean. Actively participating in multilateral initiatives to combat piracy and enhance maritime security, India emphasizes stability and cooperation as essential factors in shaping the future of global trade networks. The nation's evolving role reflects its commitment to fostering economic prosperity while navigating the complexities of regional and global trade dynamics.

Saudi Arabia

Situated at the crossroads of major trade routes, Saudi Arabia plays a crucial role in shaping discussions on global trade risks. The nation's perspectives are shaped by its strategic position in the Middle East, and it actively engages in diplomatic initiatives to address regional conflicts that may impact trade routes. Saudi Arabia also emphasizes the need for stability in the energy sector, contributing to discussions on the security of critical maritime trade routes in the Arabian Gulf.

Somalia

Somalia, located along the Horn of Africa, faces unique challenges and opportunities regarding global trade routes. The nation has been historically affected by piracy, which has had implications for maritime security in the region. In recent years, Somalia has made efforts, both domestically and in collaboration with international partners, to combat piracy and enhance security along its coastline. The country's

perspective on evaluating risks to global trade routes is influenced by its commitment to fostering stability and addressing issues of maritime insecurity.

Philippines

The Philippines has faced piracy challenges, particularly in the Sulu and Celebes Seas. These waters have been prone to incidents of maritime kidnappings, ship attacks, and robbery, with a notable involvement of the Abu Sayyaf Group, an Islamist extremist organization based in the southern Philippines. The group has been known for employing tactics such as kidnappings for ransom, targeting both local and foreign vessels. In response to the piracy threat, the Philippines, along with Malaysia and Indonesia, has increased maritime patrols and engaged in trilateral cooperation to enhance security. International efforts, including naval contributions, have supported regional initiatives to counter piracy. Major governments like that of the US and several European nations have advised against traveling around the southern Philippines waters.

International Maritime Organization (IMO)

The IMO focuses on regulating and improving safety and environmental standards in the shipping industry. It advocates for global adherence to maritime conventions and the development of eco-friendly shipping practices.

Development of Issue/Timeline

Date	Event	Outcome
1869	Suez Canal Opens Up	Facilitated faster and more direct maritime trade between Europe and Asia.

1944	Bretton Woods Conference	Established the IMF and IBRD to support post-World War II economic recovery and trade.
1959	International Maritime Organization (IMO) formed	The IMO is established as a specialized agency of the United Nations, focusing on the safety, security, and environmental performance of international shipping.
1973	Oil Crisis	The oil crisis prompts a reevaluation of energy security and its impact on global trade routes, leading to discussions on the diversification of energy sources and transportation methods.
1982	Adoption of UNCLOS	Established the legal framework for oceanic governance, including navigation and trade.
2008	Piracy crisis off the coast of Somalia	Drew international attention to piracy risks, leading to increased counter-piracy measures.

2008-2009	Global Financial Crisis	Impacted international trade, leading to a decline in shipping and trade volumes.
2010-2016	South China Sea Territorial Dispute Escalation	Impacted maritime trade and led to international focus on the region.
2015	Iran Nuclear Deal (Joint Comprehensive Plan of Action - JCPOA)	The JCPOA's impact on the easing of sanctions against Iran opens discussions on the potential effects on trade routes in the Persian Gulf and the Strait of Hormuz.
2016	Expanded Panama Canal Opening	Allowed larger vessels to transit, impacting global shipping routes.
2020-2023	COVID-19 Pandemic	Disrupted global supply chains and highlighted vulnerabilities in trade routes, leading to discussions on supply chain resilience.
2021	Ever Given Suez Canal Blockage	The blockage of the Suez Canal by the Ever Given vessel prompts discussions on the vulnerability of critical chokepoints and the need for

		improved navigation and crisis management.
2022	Arctic Council Agreements	Agreements within the Arctic Council on sustainable development and shipping regulations highlight growing discussions on the opening of Arctic trade routes due to climate change.
2019-Present	Ongoing Climate Change Discussions	Emphasizing the need for sustainable shipping practices and resilience to extreme weather events.

Previous Attempts to Solve the Issue

United Nations Convention on the Law of the Sea (UNCLOS)

Date: Adopted in 1982, in force since 1994.

Outcome: UNCLOS is a comprehensive international treaty that provides the legal framework for governance of the world's oceans. It addresses various aspects of maritime law, including navigation, trade, environmental protection, and the rights and responsibilities of states in maritime zones. UNCLOS has been instrumental in regulating activities related to global trade routes and ensuring freedom of navigation.

UN Security Council Resolutions on Piracy off the Coast of Somalia

Date: Multiple resolutions from 2008 onwards.

Outcome: The UN Security Council passed a series of resolutions, including Resolutions 1816, 1838, 1846, and others, to address piracy off the coast of Somalia. These resolutions authorized international naval operations in the region and called for

the prosecution of pirates. The efforts significantly reduced piracy incidents in the area, improving the security of trade routes.

International Ship and Port Facility Security Code (ISM Code)

Date: Adopted in 2002, implemented from 2004.

Outcome: The ISPS Code is an international framework aimed at enhancing the security of ships and port facilities. It requires ships and ports to implement security measures to prevent acts of terrorism and piracy. It has contributed to improving the security of maritime trade routes.

UN Arbitral Tribunal's Ruling in the Philippines v China Case

Date: The Philippines initiated proceedings in 2013, with the final ruling issued on July 12, 2016.

Outcome: In the case of Philippines vs. China, an arbitral tribunal under UNCLOS issued a landmark ruling that invalidated China's claims of historical rights over most of the South China Sea. The tribunal concluded that there was no legal basis for China's historic claims, and it emphasized the importance of adhering to UNCLOS provisions for resolving disputes. While the ruling was not legally binding, it had significant implications for the South China Sea dispute, highlighting the importance of international law and legal mechanisms in resolving conflicts.

UN Climate Change Agreements (eg- Paris Agreement)

Date: The Paris Agreement adopted in 2015, subsequent climate agreements.

Outcome: Climate change agreements, such as the Paris Agreement, aim to address the long-term impact of climate change on trade routes. By reducing greenhouse gas emissions and promoting sustainable practices, these agreements indirectly contribute to the resilience of trade routes in the face of climate-related risks.

Possible Solutions

Strengthen international cooperation for maritime security by expanding naval patrols, intelligence sharing, and technology adoption.

International collaboration among nations to bolster maritime security is essential for safeguarding global trade routes. Increasing naval patrols and joint operations in piracy-prone areas, such as the Gulf of Aden and the Malacca Strait, helps deter potential threats. Moreover, sharing intelligence about piracy trends, potential attacks, and emerging threats enhances situational awareness. Leveraging advanced technologies like satellite surveillance, drones, and maritime domain awareness systems allows for more effective monitoring and response to security challenges. By collectively addressing security concerns, nations can promote the safe passage of vessels and protect trade routes.

Implement sustainable coastal management, invest in resilient infrastructure, and encourage the adoption of eco-friendly shipping practices.

Climate change poses a significant risk to global trade routes due to rising sea levels and an increase in extreme weather events. Sustainable coastal management practices, such as mangrove restoration and beach nourishment, protect coastlines from erosion and flooding, ensuring the stability of ports and infrastructure. Investing in resilient infrastructure, including the construction of climate-adaptive ports and transportation networks, helps reduce vulnerability to climate-related disruptions. Promoting eco-friendly shipping practices, like the use of clean fuels and the adoption of energy-efficient technologies, reduces the carbon footprint of the maritime industry. These measures not only protect trade routes from climate-related risks but also contribute to a more sustainable and environmentally friendly shipping sector.

Increase investments in upgrading and modernizing trade route infrastructure, including ports, canals, and transportation networks.

Aging or inadequate infrastructure can lead to trade disruptions and inefficiencies. To ensure the reliability and efficiency of trade routes, significant investments are needed to modernize and expand infrastructure. Upgrading ports to accommodate larger vessels and improve cargo-handling capabilities, enhancing the capacity and safety of canals like the Suez and Panama Canals, and optimizing transportation networks through improved road and rail connections all contribute to smoother trade operations. These investments

not only reduce the risk of bottlenecks and delays but also support economic growth and regional development.

Encourage countries to diversify their trade partners and routes to reduce economic vulnerabilities in the event of trade disruptions.

Relying on a single trade route or partner can make countries susceptible to disruptions, whether due to geopolitical conflicts or other unforeseen events. Diversifying trade routes and partners mitigates this risk by offering alternative paths for the movement of goods. By exploring new markets, trade agreements, and transportation options, countries can protect their economies from sudden disruptions in one region. Diversification is an important risk management strategy that promotes economic stability and resilience.

Combat human trafficking, improve labor rights and working conditions, and promote responsible trade practices within the shipping and trade sectors.

Human trafficking and exploitative labor practices within the shipping industry are humanitarian concerns that need to be addressed. Combating human trafficking and improving labor conditions are essential for ethical and sustainable trade routes. By ensuring the welfare and rights of seafarers and laborers, countries can promote a more humane and stable global trade system. Encouraging responsible trade practices, such as transparent supply chains and fair labor standards, benefits both workers and the industry.

Strengthen regional organizations, agreements, and initiatives that address trade route challenges and promote cooperation.

Regional cooperation is vital for addressing trade route challenges specific to certain areas. By fostering dialogue and collaboration among neighboring states, regional initiatives can contribute to the security and stability of trade routes. These collaborations can lead to shared strategies for mitigating risks and managing resources, such as regional task forces to combat piracy or agreements to resolve territorial disputes. Strengthening regional cooperation enhances the effectiveness of solutions tailored to the unique challenges of particular trade route regions.

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