

Forum: *General Assembly 1 (GA1)*

Issue: *Ensuring the security of critical choke points in international commercial shipping*

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Introduction

In today's advanced world, international commercial shipping has become a norm. Although it has been made convenient for people to ship things around the world as time passes, there are many problems that exist within this advantage.

The critical chokepoints in international commercial shipping often refer to the pathways and routes that ships take in order to get from one country to another through a more efficient way, allowing them to reach their destination faster. These chokepoints are crucial for international trade, often utilized for trading and shipments.

Under the circumstances of the COVID-19 pandemic, the frequency of people using international commercial shipping had definitely increased due to the travel restrictions. Although economics have been improved by international shipping, the problems and tensions surrounding chokepoints remain. These chokepoints, as aforementioned, serve as efficient pathways for businesses and personal purposes; however, there are several security reasons that need to be considered hence we are here to discuss the issue at hand as an international community.

The important security issues involve geopolitical and safety issues. As chokepoints are pathways that connect countries to each other in order to deliver goods across the globe, inevitably there must be geopolitical tension between countries that will increase because of international shipping incidents. It is eminently important for this issue to be tackled and be the main debate topic as one single incident can result in a domino effect whereas other problems will emerge.

Debating on this issue as part of the GA1 committee, we are to discuss issues regarding peace and security. These issues are in need to be addressed and solved to not only help improve the existing

problems but also to prevent other possible issues from occurring in order to continue to utilize the advantage of both chokepoints and international commercial shipping.

Definition of Key Terms

Chokepoints

Strategic, narrow passages that connect two larger areas to one another. In our case, we are focusing on maritime trade chokepoints, which are straits or canals that see high volumes of traffic because of their advantageous location.

Here's a picture of a chokepoint for reference:



Caption #1: Chokepoint

Commercial Shipping/Shipment

Commercial shipment refers to articles that are intended to be transported to another state or country by an individual or combination of individuals, partnerships, corporations, companies, societies, associations, or other business entities for the purpose of making a profit or procuring customers.

International Trade Law

These laws include the rules and customs that govern trade between countries that could focus on applying domestic laws to international trade and applying treaty-based international law governing trade.

Incoterm

Clarify the rules and terms buyers and sellers use in international and domestic trade contracts.

Piracy

The practice of attacking and robbing ships at sea.

Bilateral connectivity index

Indicates a country pair's integration level into global liner shipping networks.

Sea Lines of Communication (SLOCs)

Maritime commercial routes with global importance, possible to be affected in case of blockade or insecurity in chokepoints.

Background Information

Chokepoints

As stated above, chokepoints refer to pathways that are utilized for shipping. Maritime chokepoints, also known as oil chokepoints, are narrow channels for this said shipping. With frequent high and intense traffic due to their strategic locations, more and more parties are using these preferential routes. Some of the most famous and notable maritime chokepoints around the world include the Panama Canal, the Suez Canal, the Strait of Malacca, the Strait of Hormuz, and the Bab el-Mandeb Strait and in our case could be considered as the “critical” chokepoints.

Chokepoints that reduce the time needed to travel

There are canals that serve as pathways that could reduce the number of time ships originally needed to take such as both the Panama Canal and Suez Canal. Ships that are traveling for journeys from the Pacific to the Atlantic and Europe to Asia could save up to 21 days and 7 days respectively. Ships that have been sailing in between the east and west coasts of the US (through the Panama Canal) are saving more than 8,000 nautical miles.

Furthermore, there are canals that allow more goods to be transported such as the Suez Canal and the Strait of Hormuz. In 2019, around 19,000 vessels and 1 billion tons of cargo have traveled through the Suez Canal; however, the pathway is still sometimes unstable because of its lack of security. Similarly, the Strait of Hormuz, connecting the Persian Gulf to the Gulf of Oman,

had about 21 million barrels of oil being transported through the canal every day but is also an area of conflict as ships were attacked during the Iran-Iraq war in the 1980s.

As one of the narrowest chokepoints, the Strait of Malacca is at its smallest point at approximately 1.5 nautical miles but is considered as one of Asia's most critical waterways, connecting China, India, and Southeast Asia. Nonetheless, 30 piracy incidents, according to ReCAAP ISC, have been recorded as of 2019. Like the Strait of Malacca, the Bab el-Mandeb Strait, another critical waterway for oil and natural gas connecting the Mediterranean Sea to the Indian Ocean, recorded several pirate attacks too. In May 2020, a UK chemical tanker was attacked off Yemen, marking the ninth pirate attack in that area as of 2020.

Utilization and contribution of chokepoints

Ever since the end of the Cold War, business companies from diverse industries have been developing and utilizing chokepoints to transport money, information, and components worldwide. Not only businesses are using these chokepoints; governments are utilizing these to further their national strategic goals as well. Some G8 and G20 countries have been using these chokepoints to access networks such as communications, chemicals, technical structures, and many other types of infrastructures.

Global trading has been using these chokepoints very often too. As mentioned before, in 2020, it has been recorded that 13% of annual global trade had passed through the Suez Canal via 19,000 ships that had carried 1.17 billion tons of cargo, this impact could possibly repeat through all supply chains as 50 more ships would possibly wound up waiting to pass.

International commercial shipping

Importing and exporting goods between different countries via ocean, air, or over the road is a process considered as international commercial shipping; however, it does not sound as easy as it does. Many problems come with this process and there are many rules and regulations regarding this topic. Businesses have to acknowledge and stick to the specific policies and collect paperwork so their freight passes the customs clearance.

Duration of international commercial shipping

International commercial shipments require a different duration of times seeing as there are different sizes of packages/freights, and delivering cargo by air is much more efficient than by sea. Most shipments take around a period of 2 days to 4 weeks. There are 5 crucial pieces of information regarding the international commercial shipping process.

These points include export haulage, export customs clearance, transportation, import customs clearance, and finally import haulage. This list of processes refers to moving shipments from their origin to the warehouse, dock, or facility firm to depart from the border, then it will pass the process of clearance when reaching its export country, the shipment then gets to leave the country. As they arrive, they will have to go through another customs clearance process, and finally, they will be moved from the border to their final destination. With this complicated process, it is extremely important that security is always kept clear in order to prevent and reduce any conflict that might happen during the shipping process as it may cause even further complications for all parties involved. Therefore it is highly recommended for member states to regulate all shipments to prevent blockades or such in the chokepoints if anything goes wrong.

Ways to complete the process of international commercial shipping

As stated before, there are different ways to condone the process of international commercial shipping, including flying the shipments across the world, sailing the shipments by sea, or simply taking the shipments by road. However, it is very complicated to arrange a shipment especially when doing first-time shipping, and thus most businesses seek help from freight forwarding companies to ship their freight.

To complete the shipping process, the shipping company should have collected information regarding all shipment information presented in a required form. One single error could result in failure hence filling in the documentation can be a very complex process. Next, the mention of customs clearance before refers to a customs broker that arranges and executes international freight movements and can be relied on to gather paperwork to execute the customs clearance process properly. Furthermore, businesses need to track the shipment in order to make sure that these shipments arrive accordingly and reach their final destination safely. With this security process, companies are obligated to perform well and as said before, reduce the possibility of conflicts occurring while sailing in the choke points. Chokepoints are utilized by many nations for shipments, thus maintaining good conditions and safety protocols will definitely reduce the possibility of things that may go wrong during the shipping process and affect other international affairs.

Key Issues

Global security

Global security problems regarding the utilization of these chokepoints are increasing, and since a lot of oil freight shipping operations rely heavily on these chokepoints, solutions such as avoiding these chokepoints are not well considered even when it is a very feasible solution.

Structural risks

As stated before, blockages and traffic in these chokepoints occur a lot, especially when more and more shipments are being condoned under the circumstances of the COVID-19 pandemic. Furthermore, in the recent Suez Canal blockage, a ship had crashed along the shore, which caused a delay in global trading, production, and shipping supply line. This minor mistake had caused the State Suez Canal Authority to lose a revenue of around 16 million USD per day while the ship was stuck. This is rather an important issue as not only do these incidents occur specifically in the Suez Canal, other canals also have these kinds of issues so the Suez Canal is just one significant case. We should be taking steps and measures to attempt to solve this problem seeing as not only traffic jams would be occurring but also delays of shipments that could cause disadvantages for all parties involved. Ships crashing along the shore of these canals can also cause ship-owners to need expenses to fix their ships due to the damage that have been caused and would require forces that can direct or help these ships out of the canal if they were to be damaged till the point that they can't move anymore.

Geopolitical risks

Chokepoints are rather vulnerable to blockades or deliberate disruptions while under political unrest, seeing as they are definitely pathways between borders and many political problems could cause controversial opinions to rise regarding these canals. Examples could be seen from how due to a political disagreement between Japan and South Korea, Japan had restricted the export to South Korea of three chemicals that were crucial to the production of semiconductors. Another example is when the United States has been aggressively exploiting its control over a variety of technical structures to make global trade possible. Some are viewing this as the machinery of domination of the world, which may cause political arguments between the United States and other countries in the future. Other related issues could happen or start when developing countries start to change their market rules or nationalized assets, which could cause businesses to come into conflict with political problems occurring. Not only that, the stakes of powerful and wealthy nations turning their economic networks into political weapons are also highly probable.

Major security problems

Due to the lack of a strong security system, the chokepoints are very likely to be involved in cases that present examples of breaching, this would not only cause direct damage to both the businesses and cargo involved in the shipment, other shipments would also be affected if major problems occur.

Piracy

One of the most major security problems that would occur in the chokepoints is piracy. Although piracy may seem like the easiest way for these pirates to get caught, the large ships that carry large amounts of money worth of cargo would definitely be tempting for these criminals to attack these ships, and as the world is developing even more technological advances, these pirates are well-organized and equipped with advanced communication and equipment, thus making attempts of piracy easier and subtle.

Theft

The major security problem that exists is the possibility of theft or trespassing. Theft could happen when ships are stuck in traffic jams or maybe attempts at the local level to steal the goods that are about to be transported from vessels. Trespassing may occur and cargo rigging or other sensitive gear could be tampered with, leading to severe consequences at sea, leading to more collateral damage.

Environmental problems

There are also several environmental damages imposed because large-scale commercial operations take place in the ocean ecosystem, which there inevitably will cause incidents that harm the environment, especially in the petroleum (oil) industry.

Terrorist activities

Terrorist threats may also affect the overall security of these chokepoints when modern advances in telecommunications and international commercial logistics have increased the range and avenues opened to terrorists, allowing more access for them. These terrorists often attempt to use the marine shipping channels to transport dangerous weapons and materials, breaching through the global, political, and economic security systems, as well as the safety of citizens.

Human Trafficking

Lastly, human trafficking is another major security problem that should be addressed. Considered as one of the main issues that face international marine security, illegal migration has

been present in the maritime sector for quite a long time. There are countless people being trafficked, some are attempting to escape from political unrest, some are unwilling people being trafficked, and because this happens very often, it is hard for the maritime industry to catch all illegal immigration.

Major Parties Involved and Their Views

International Chamber of Commerce (ICC)

The ICC promotes international trade, responsible business conduct, and a global approach to regulation, also providing market-leading dispute resolution services. They also actively participate in the World Trade Organization (WTO), the United Nations (UN), and the G20 to ensure that the voice of businesses is heard. Establishing a globally acknowledged set of “incoterms”, with some that are directly associated and only applicable with maritime trade emphasizes the importance of mutual understanding between countries/businesses regarding the needs and problems that might occur in sea, thus highlighting how the international community should come together to help improve these problems. The ICC focus on making it easier for businesses to operate internationally and do more as a force for good. With expertise and experience on their worldwide network to achieve real change at scale, the activities they condone makes a unique and respected channel for business leadership in helping governments and other stakeholders manage global developments and work towards the achievement of global goals, including the Sustainable Development Goals (SDGs) that the UN strives to achieve, in order to create a brighter and more inclusive future. With the ICC, the utilization of chokepoints in international trade definitely is benefited from the regulations and policies that the ICC sets forward; however, it is still important for the United Nations to further regulate events within chokepoints as the disputes solved by the ICC does not directly tackle the problems regarding international affairs and geopolitical tension that may exist because of the chokepoints.

World Trade Organization (WTO)

The WTO was an intergovernmental organization that “operates a global system of trade rules and acts as a forum for negotiating trade agreements”. They also settle “trade disputes between its members and...support the needs of developing countries”. “All major decisions are made by the WTO’s member governments: either by ministers or by their ambassadors or delegates”. The ministerial conferences and General Council held by the WTO contain different member nations who also participate in UN conferences, they often regulate the decisions and policies regarding international trade which helps sustain and develop different aspects of it, strengthening and improving the flaws. They

specifically regulate the policies and limitations of how countries are supposed to be utilizing the chokepoints that may cause geopolitical risks/conflicts while the trading is going on.

As the WTO monitors trade disputes, chokepoint-related disputes have also been discussed at a public forum. A particular one was pointed out by Chatham House, also known as the Royal Institute of International Affairs. Since global food security increasingly relies on international trade, there is a complicated system of how food trading flows around the globe as seen in the picture:



Caption #2: The Network of Trade Flows of the Food System

With the complex system, it is definitely a must to regulate the trade flow. Little effort has been made to manage the chokepoint risks, and food insecure, low-income countries are among the most at-risk seeing as many LEDCs are highly exposed to breadbasket disruptions. They provided some solutions to these problems, such as integrating chokepoint analysis into mainstream risk management in order to raise awareness of this issue and increase efficiency in solving the issue, investing in infrastructure to ensure future food security, enhancing confidence and predictability in global food trade, developing emergency sharing arrangements and smarter strategic storage, and building the evidence base around chokepoint risk. All these solutions also tackle the SDGs of 2: Zero Hunger, 9: Industry, Innovation, and Infrastructure, 11: Sustainable Cities and Communities, 13: Climate Action, 16: Peace, Justice, and Strong Institutions, 17: Partnerships for the Goals.

International Maritime Organization (IMO)

The International Maritime Organization is a “specialized agency of the United Nations responsible for regulating shipping”. The IMO strives to develop and maintain a “comprehensive regulatory framework for shipping”, including concerns such as safety, environmental concerns, legal matters, technical cooperation, maritime security, and the efficiency of shipping.

United States of America (USA)

As one of the most active trading countries, statistics have shown that as of 2020, the US has its 3 biggest trading partners – China, the United Kingdom, and the Netherlands – with a bilateral connectivity index of 0.523, 0.463, and 0.461 respectively. Other countries include Belgium, South Korea, Germany, France, Panama, Hong Kong, and Japan, recorded with around an average of 0.431. According to the data from the United Nations Conference on Trade and Development (UNCTAD) in 2016, oil tankers accounted for almost 28% of the world’s shipping by deadweight tonnage, and it has fallen steadily from 50% in 1980. The U.S. Energy Information Administration (EIA) estimated that about 61% of 96.7 million barrels of oil, calculated as 58.9 million, had traveled via seaborne trade in 2015. The research report condoned by the EIA highlights that a potential alternate route to certain chokepoints could include the Cape of Good Hope; however, it would require oil tankers to divert around the southern tip of Africa, where the Cape of Good Hope is located, and add around 2,700 miles to the transit from Saudi Arabia to the US.

China

As another one of the most active trading countries, China has a list of top four trading partners including South Korea, Japan, Malaysia, and Singapore, recording a bilateral connectivity index of 0.639, 0.623, 0.577, and 0.560 respectively. Other countries include Hong Kong, the United States, Spain, Belgium, Germany, and the Netherlands, with an average of 0.498. From a journal published by Dr. Alba Iulia Catrinel Popescu, Popescu stated that the “silent economic conquest and military securing of maritime straits, especially of maritime chokepoints responsible for the overall management of naval, commercial and military flows and, in a subsidiary, of the global shores” have become “offensive” and considered a global “threat” towards other countries.

Timeline of Relevant Resolutions, Treaties and Events

Date	Description of event
1982	<p data-bbox="432 1677 943 1704">International UNCLOS Treaty Signed</p> <p data-bbox="432 1744 1474 1928">First adopted and signed in 1982, the UNCLOS replaced the four Geneva Conventions of April 1958 that concerned the territorial sea and the contiguous zone, the continental shelf, the high seas, fishing, and conservation of living resources on the high seas. The treaty established a legal framework for marine</p>

and maritime activities and has been ratified by over 167 countries, while an additional 14 countries have signed it as well.

Model Law on the International Trade Law

1985

The General Assembly received a resolution regarding arbitration as a method to regulate the international trade law that had caused rising disputes in international commercial relations.

Establishment of the WTO

1995

The WTO, as mentioned before, holds conferences that allow member nations to come together and make decisions that regulate and develop different policies regarding the flaws and disputes of international trade.

US Gulf Coast ports

August 2012

Storm Isaac closes ports and suspends barge traffic on parts of the Mississippi. With a slight mistake, traffic would result in these chokepoints, which would also affect ports that are connected to these chokepoints, thus decreasing the amount of supplies that can be both imported and exported.

Relevant UN Treaties and Events

- Model Law on International Commercial Arbitration of the United Nations Commission on International Law 11, December 1985 (40/72)

Evaluation of Previous Attempts to Resolve the Issue

As mentioned before, the UNCLOS, also known as the Law of Sea Treaty or the Law of Sea Convention, has been signed by many nations. Some notable articles of the treaty that are relevant to the topic at hand include articles 37, 41, and 42. Article 37 states that “Freedom of Navigation and over flight solely for the purpose of continuous and expeditious transit of the straits”, which highlights the responsibilities of member nations that they are not allowed to interfere or suspend transit passage through straits or warn all states the possible dangers in the passage. This article is considered as a feasible solution to blockages in chokepoints and in a way solve geopolitical issues; however, it is not a great solution regarding security at the chokepoints seeing that member nations are not allowed to warn other states which may cause delay for other shipments that were planned to be sailed in the chokepoints. Next, articles 41 and 42 highlights that states bordering straits/chokepoints can implement various practical measures such as the Traffic Separation Scheme (TSS) that exists in the Strait of

Hormuz to improve safe passage. This particular article may result in disagreements between countries that border these straits and geopolitical issues may rise due to miscommunication.

Possible Solutions

One key security issue regarding the topic at hand is theft/piracy and terrorist activities. To regulate and decrease the cases of these, member nations can recommend businesses to install surveillance cameras on all ships that could regulate and monitor the activities of all workers or install motion sensors that could detect any suspicious activity both inside and outside of the ships. Humanitarian issues may be addressed, so businesses could also hire guards that could inspect suspicious activities replacing technologies if workers feel uncomfortable being monitored. To prevent theft of shipments or shipments of dangerous weapons/materials from happening, all ships leaving ports are recommended to be approved by officials to minimize the possibility of suspicious activities, and businesses are recommended to have forces on ships that could help defend and protect cargos, thus releasing official permits for all shipments. Member nations are also recommended to secure all sea areas as well to prevent exports at private ports, hiring coast guards at all possible port locations to monitor areas, and authorizing these coast guards to halt any suspicious activities.

Another major issue that should be addressed and taken into consideration is the structural risks of chokepoints when traffic jams are happening. Many ships often get stuck in traffic jams while transporting goods, which delays their shipments, thus affecting customers or the businesses receiving these shipments. Other ships may also bump into these ships that are stuck in traffic jams, threatening other security risks such as political issues and maybe also influencing theft actions. Member states should consider opening to other options of trading such as air transport which is more efficient and could cause fewer security problems. Businesses should also try to utilize other maritime trading routes for shipments that are not as important or are flexible on the duration, in order to decrease the number of ships that are utilizing the critical chokepoints.

Even when the two aforementioned issues are considered major regarding the topic, the most important issue is the geopolitical issue. To prevent geopolitical issues from rising, it is important for member nations to solve this issue through ways that are not only limited to providing personal insurance tailored for business travellers in high risk regions, non-damage business interruption, and political risk/violence insurance. Such solutions could definitely halt any geopolitical issues and prevent geopolitical risks from happening because having such issues could most likely result in complex processes and possibly catastrophic results for nations.

Last but not least, although human trafficking is a minor issue, it should still be mentioned seeing as it threatens the security of the activities on ships. Again, member states should recommend businesses to implement and install surveillance cameras as sometimes the guards that are to be hired could be the ones executing exploitation activities.

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