80% of World’s Coastlines of United Nations Maritime States Have Cabotage Laws

A comprehensive worldwide study finds domestic maritime cabotage laws are commonplace among UN member states.

OVERVIEW

Maritime cabotage laws govern the transportation of goods and people between two ports in the United States, which generally restricts such transportation to U.S.-flagged, U.S.-crewed, U.S.-built and U.S.-owned vessels. These laws are commonly referred to as the “Jones Act”. A new study, Cabotage Laws of the World, performed by Seafarers’ Rights International (SRI) for the International Transport Workers’ Federation (ITF) found that nearly two-thirds of the maritime states of the United Nations, covering every geographic region of the world, provide some degree of governance support for their respective maritime cabotage trades that favors each nation’s domestic ships.

KEY REPORT FINDINGS

Cabotage is “widespread”
existing in nearly two-thirds of UN maritime states

91
91 UN member states have cabotage laws

80%
80% of world’s coastlines of UN maritime states have cabotage laws

What is cabotage?

While there is no common definition of cabotage at the international level, this report utilizes the term cabotage as a reference to nations that provide some degree of governance for their respective domestic maritime trades that favors each nation’s domestic ships. National laws often replace the word “cabotage” with terms such as coastal trade, coasting trade, coastwide trade or domestic trade.
Cabotage exists in every region of the world

UN member states with cabotage include China, South Korea, Japan, Mexico, Brazil, Australia, Russia, Chile, Argentina and Canada.

In China, the policy may be traced back to the Temporary Customs Law 1963, which did not allow foreign ships to engage in coastal transport. The policy objectives included national security; economic security; and promotion of the national merchant fleet.

Cabotage exists across all political, economical, and legal systems

UN member states with cabotage laws

There is no single definition of cabotage

There is a rich variety of approaches taken by states regarding virtually every aspect of cabotage.

A comprehensive in-country legal review assessed national laws to determine if trade was reserved to national ships or if it restricted foreign flag ships from conducting cabotage.

Cabotage laws have endured for centuries

Cabotage laws are grounded in maritime history and have existed in the laws of some UN member states for centuries.

The study found that rudimentary principles of cabotage date back to as early as 1381 in the reign of King Richard II.

Japan established The Shipping Act of 1899 (Law No 46, 8 March 1899)

In the Republic of South Korea, the policy objectives include: preventing the undermining of small and medium-sized national cargo transport companies; and preserving the variation of the nation’s logistics system and national security.

Cabotage policy objectives are diverse

Stated objectives of cabotage include: maintain national security; promote fair competition; develop human capacity; create jobs; enhance marine environmental protection; promote ship ownership; increase safety and security of ships in port; and preserve maritime knowledge and technology.

Background on the Study

First major maritime cabotage review of all 193 members states of the United Nations.

First analysis with input from practicing lawyers from each of the 140 UN member states included in the survey.

Learn more | www.americanmaritimepartnership.com/studies/world-cabotage-study/