
Maritime

SHIPPER-CARRIER RELATIONS AT LOWEST LEVEL



The maritime consultant Drewry has evaluated the relationship between freight forwarders, shippers and shipping lines and noted that a “short-sighted” approach by shipping lines is driving the degeneration of relationships with their contract shipper customers that could harm them in the future.

One of several shippers surveyed by the consultant said things had reached an all-time low. ‘Relationships with carriers count for nothing these days,’ said one large European

shipper. ‘The carriers are very opportunistic and take high-rate spot shipments rather than contract shipments – it is all about money.’ The consultant noted the carriers’ practice, which tend to favour higher rate spot shipments rather than contract shipments: ‘In the current under-supplied market, it is to be expected that newly empowered carriers set limits on how much volume they are prepared to allocate to contract shippers, who tend to pay less than spot shippers and NVOCCs.’

Drewry predicts that Asia-to-Europe spot rates will rise again in May, having declined slightly over recent weeks (but remaining at ‘extreme’ rate levels). There is also a phenomenon of contagion, where extreme freight rates spread from trade route to trade route. This happened last year, when extreme rates on the Transpacific spot market were followed by extreme rates on Asia-Europe.

Freight forwarder DSV Panalpina CEO Jens Bjørn Andersen noted to Shipping Watch that ‘the transport of goods is more expensive than ever, while the quality of service is worse than ever. It is an unfortunate combination. Service reliability sits below 40 percent in the beginning of the year, down from the usual 70-80 percent. Obviously, this is unacceptable to our customers,’ Andersen says.

Source [The Loadstar](#), [Shippingwatch](#)

EP CALLS FOR A CLEANER MARITIME TRANSPORT

On Tuesday 27 April, the European Parliament adopted a [resolution](#) on technical and operational measures for more efficient and cleaner maritime transport. MEPs noted that international shipping emits around 940 million tonnes of CO₂ annually and is responsible for approximately 2.5% of global greenhouse gases emissions. They highlight that these emissions are projected to increase significantly if mitigation measures are not swiftly introduced. The Parliament therefore advocates for a climate neutral transition of the maritime transport sector by 2050 that should be backed by proper funding, research and innovation in clean technologies and fuels.

As part of the decarbonisation efforts, the adopted text refers to the European Parliament’s [previous call](#) for shipping companies to achieve a 40% reduction in emissions by 2030 and the inclusion of maritime transport in the EU Emissions Trading Systems. The emission control should not be limited



to CO₂ emissions only – MEPs also stress the urgent health and environmental need to establish a sulphur and nitrogen emission control areas in Mediterranean that could be extended to all EU seas.

In order to achieve significant cuts in shipping emissions, the resolution demands the gradual phasing out of heavy fuel oil in ships and ‘deplores the distortion of competition on the European market between fossil energies, which benefit from more favourable tax treatment, and clean alternative fuels from renewable sources.’

MEPs urge the Commission to address this situation and put incentives, including through tax exemptions, to promote the use of alternatives to heavy fuels. LNG and LNG infrastructure are considered by the text as one of the transitional technologies towards zero-emission alternatives in the maritime sector.

Air

UPDATED ICAO AIR CARGO PRIORITY BRIEF

On 19 April, the International Civil Aviation Organization (ICAO) published an updated version of its [policy brief on air cargo](#), which outlines a number of key considerations and main recommendations for the industry in light of the ongoing COVID-19 pandemic.

In its considerations, ICAO notes the criticality of the air cargo supply chains to immediate population needs and pandemic response efforts worldwide, as well as to surging e-commerce and the successful and speedy revival of national and regional economies, post-pandemic. It notes that the successful global distribution of the time-sensitive COVID-19 vaccines strongly relies on the speed and dependability of air connectivity. In that regard, ICAO emphasises that regulatory adaptations such as extended traffic rights and multilateral legal instruments, supported by strengthened regional and sectoral cooperation, will help to achieve greater vaccine transport efficiency and support global economic recovery. Moreover, it argues that the promotion of contact-free digital tools and processes will accelerate the establishment of Public Health Corridors (PHCs) and related pandemic recovery initiatives, rapidly and positively transforming air cargo safety, security, and facilitation.

As regards the recommendations, ICAO suggests the facilitation of safe, secure and more efficient air cargo movement through the accelerated adoption of digital and emerging technologies, including the utilisation of harmonised electronic documents and data exchange. It further recommends considering economic regulatory measures where needed for air operators in order to sustain or augment current air cargo capacity and supply chains. Furthermore, an emphasis is put on strengthening information sharing, as well as ensuring awareness of all related statements and coordination on behalf of ICAO and other UN system agencies and industry bodies, in addition to ICAO State Letters and guidelines issued.

The full priority brief is available [here](#).

EASA UPDATE ON AVIATION SAFETY DURING COVID-19 PANDEMIC

On 30 April, the European Union Aviation Safety Agency (EASA) [published](#) an updated review of aviation safety issues arising from the COVID-19 pandemic, originally [published](#) in 2020. Throughout

