1st CSN Greece Maritime Supply Chain and Vessels Performance Forum

The impact of pandemic and geopolitical turmoils on ports

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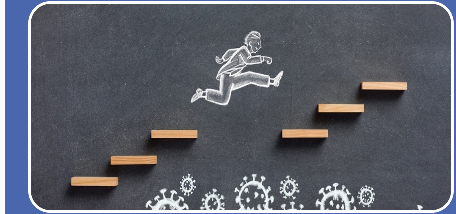
Shipping (and ports) in turbulent times

2019-2020 – Pandemic

Lockdowns
Decrease of international trade / transportation
Ports closure
Crew issues



2021 – Post Covid-19

Restocking of global market
Inflation pressure

2022 – War in Ukraine

- Energy supply shortages / EU Sanctions
- Ton-miles increase / alternative trade routes
- Demand increase

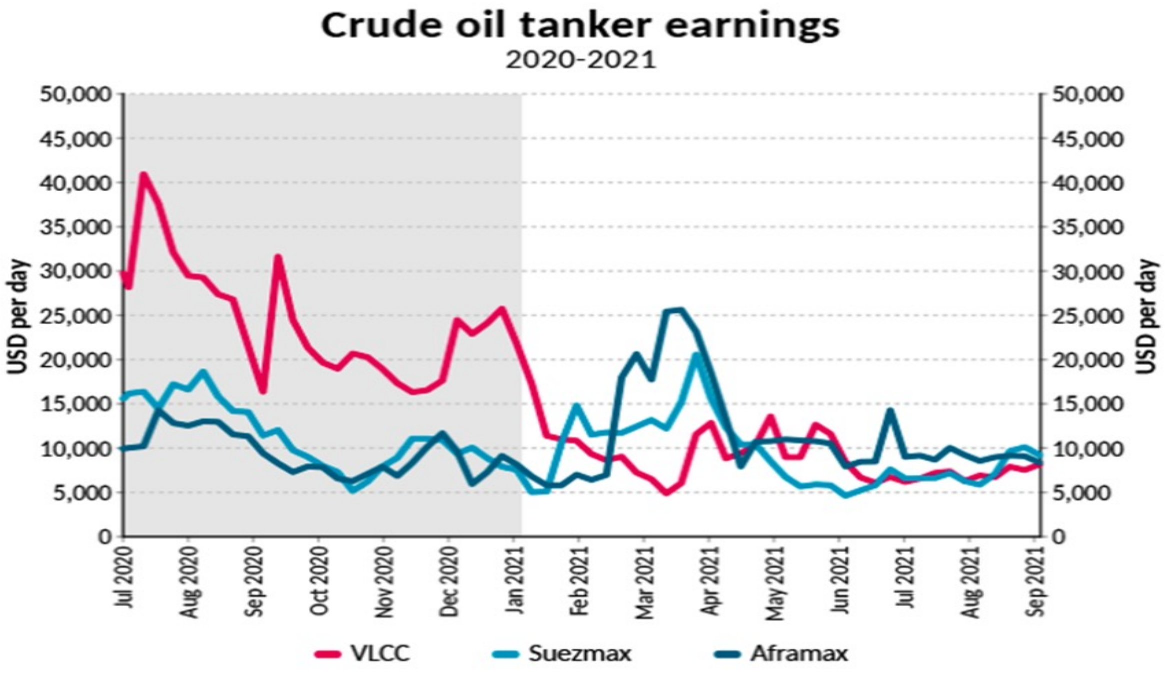
2023- The Red Sea Crisis

- Attack on vessels
- Shipping companies are avoiding Suez Canal
- Alternative trade routes / Increase in ton-miles
- Ports bypass

Shipping Markets being dominated by Covid 19 pandemic

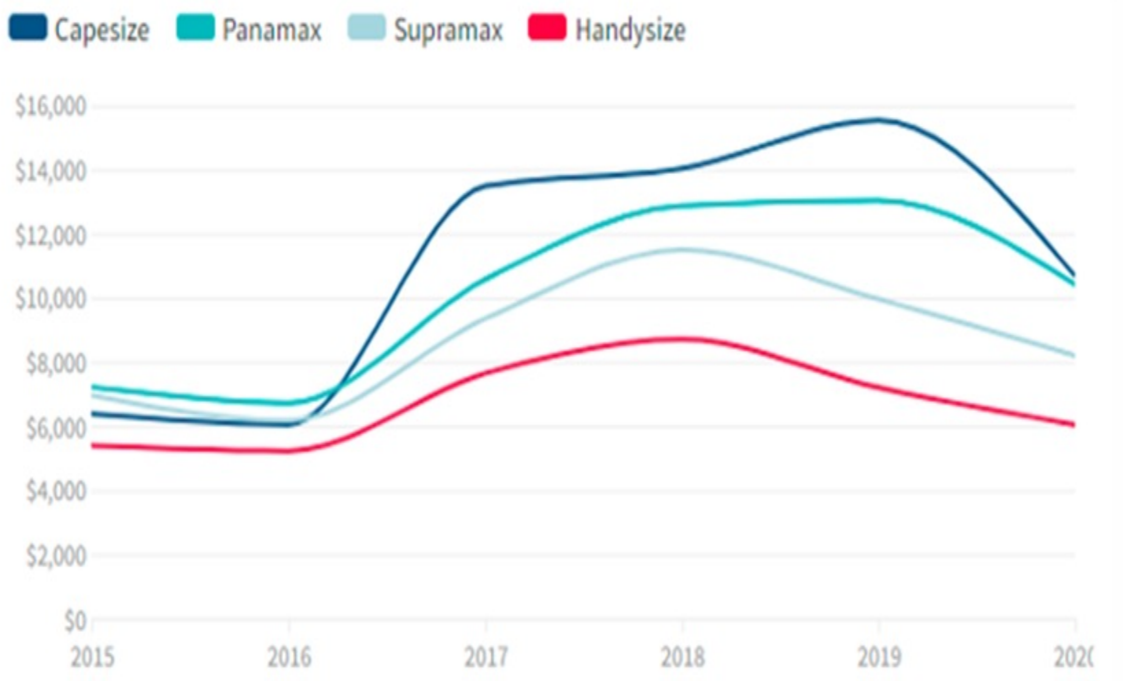
Freight Market

Tankers earnings/freight rates



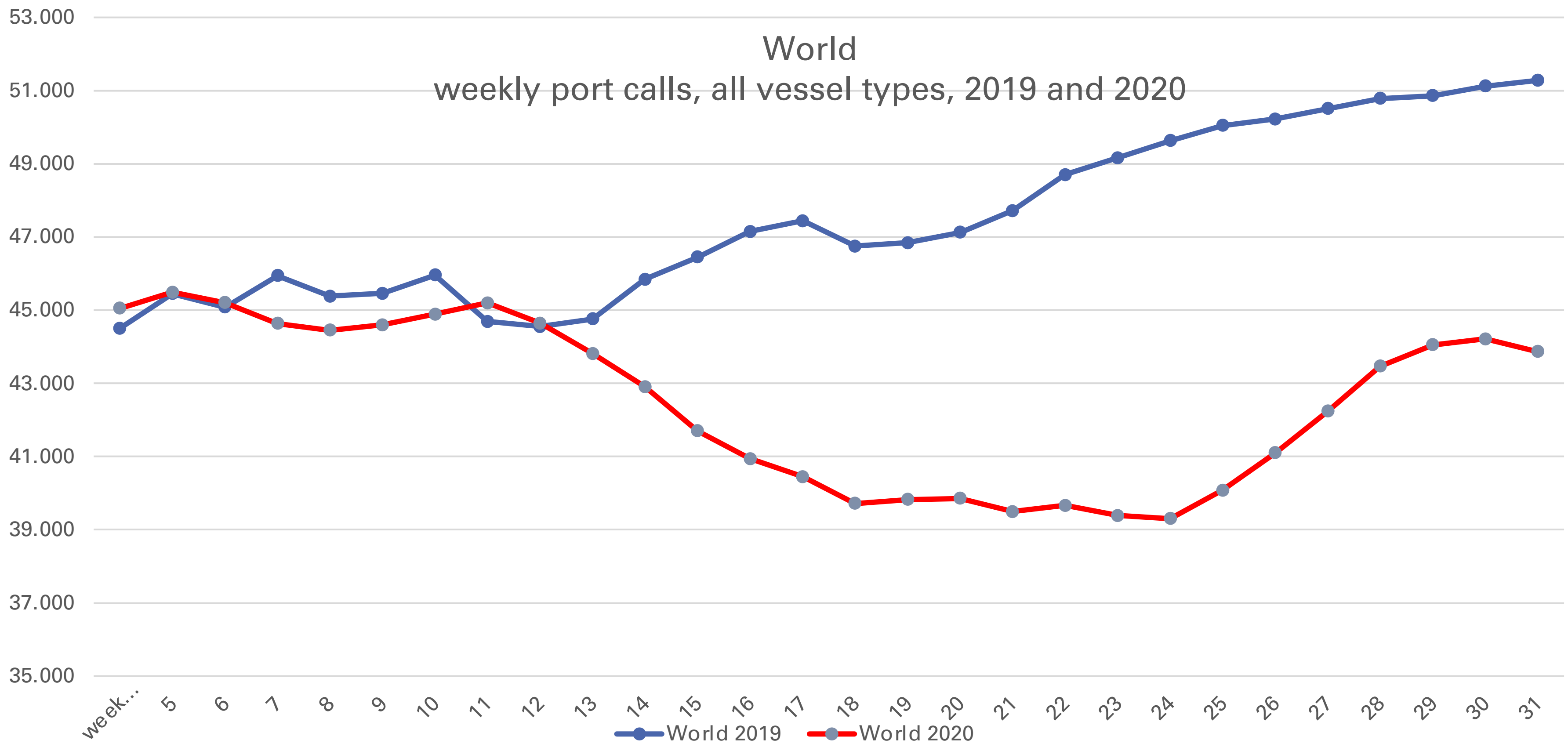
Source: Bimco, Clarksons Research

Dry freight rates



Source: Clarksons Research, Baltic Exchange

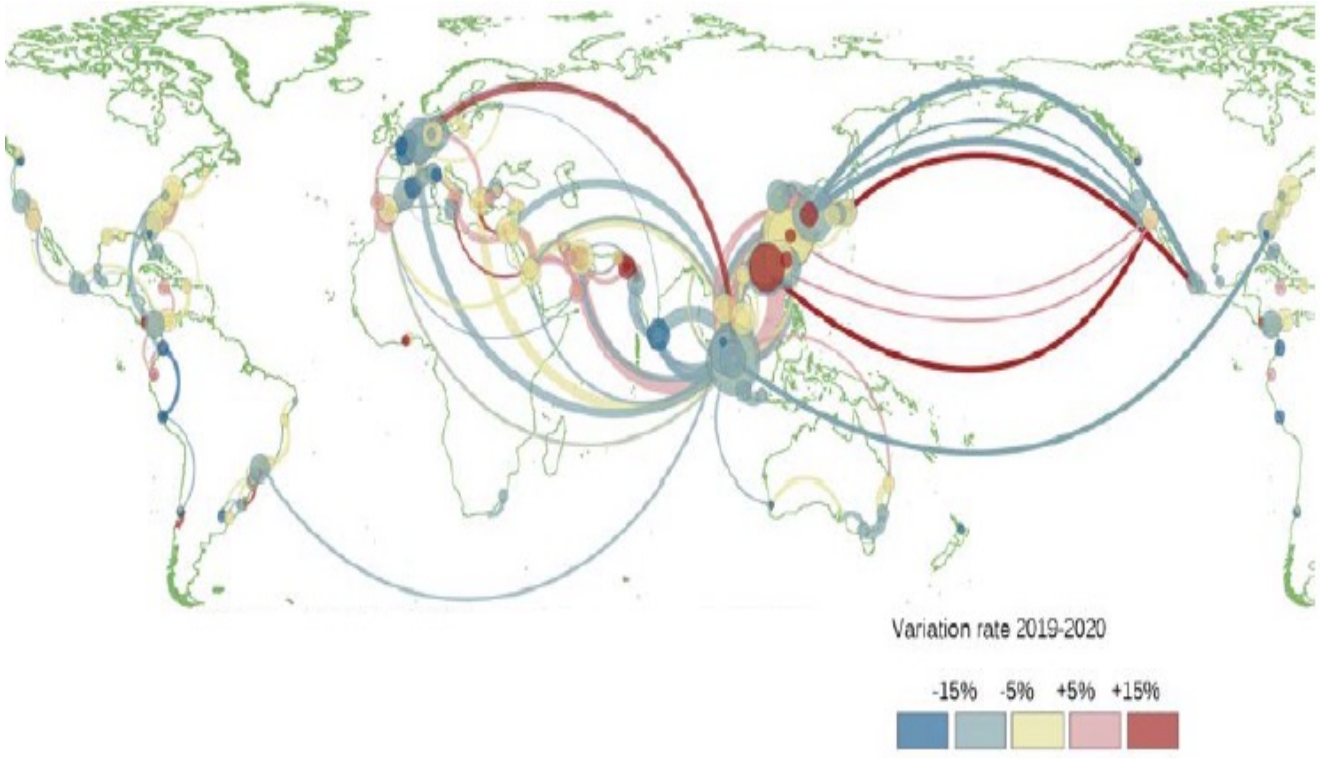
Covid – 19 and ports



- Ports lost a significant volume of vessel traffic
- Biggest losses in Ferries, Cruise vessels and bulk

Source: International Association of Ports and Harbors, 2021

What about container ports



- Few ports saw an increase in throughput, mostly in Asia – specifically in China
- Many of the world top ports lost traffic, especially those located in the Malacca Strait (Singapore, Tanjung, Kelang)
- Middle East and North American ports experiences less dramatic changes

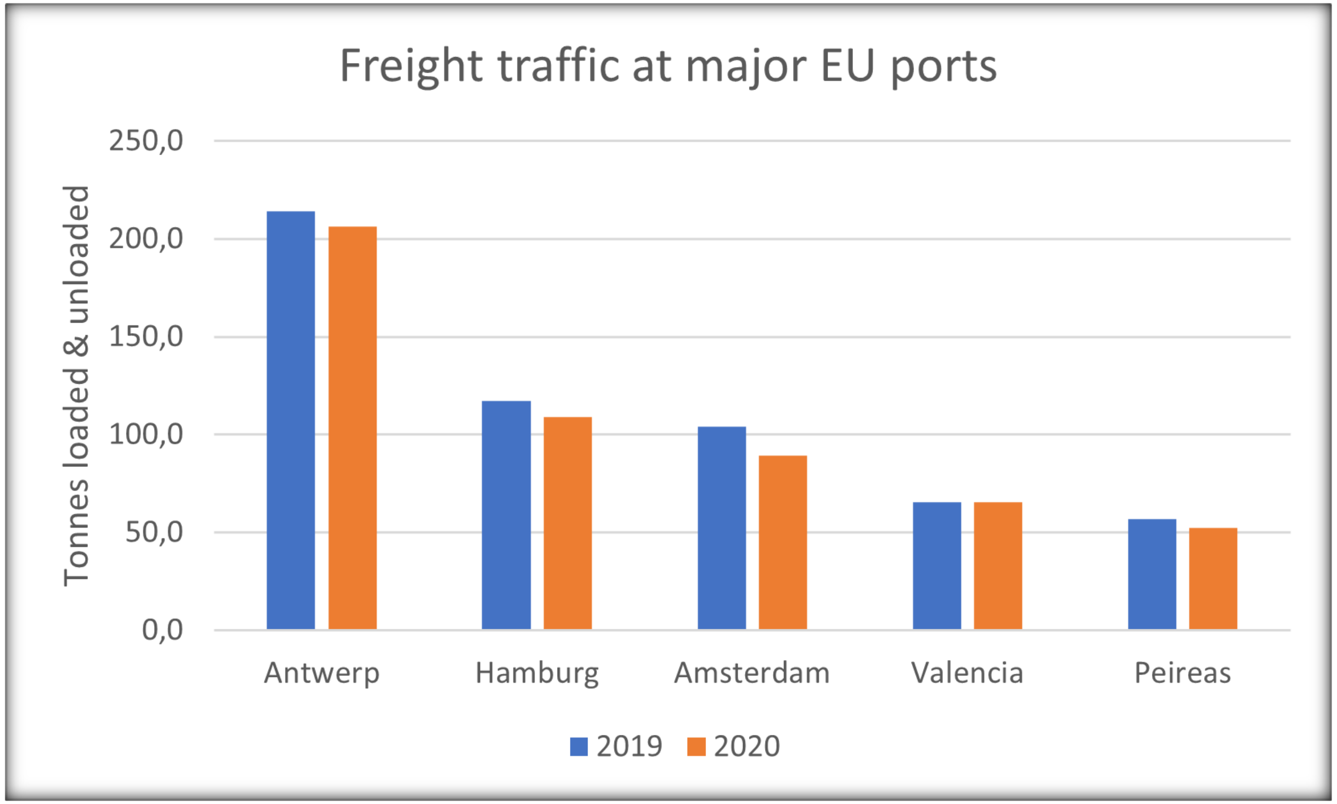
Beyond changes in throughput

- **Extra restrictions on vessels**
- **Extra delays due changes in port call procedures**
- **Hinterland transport in port**
- **Capacity utilisation, including warehousing and distribution activities in the port**
- **Procedures**
- **Workforce**

Building Port Resilience Against Pandemics – General initiatives

1. Crisis Protocol and Communication Strategy
2. Staff Well-Being and Resilience
3. Technology Preparedness
4. Cargo Flow Continuity

PORT RESILIENCE DURING THE COVID-19 – Processes change



Source: European Commission, 2022

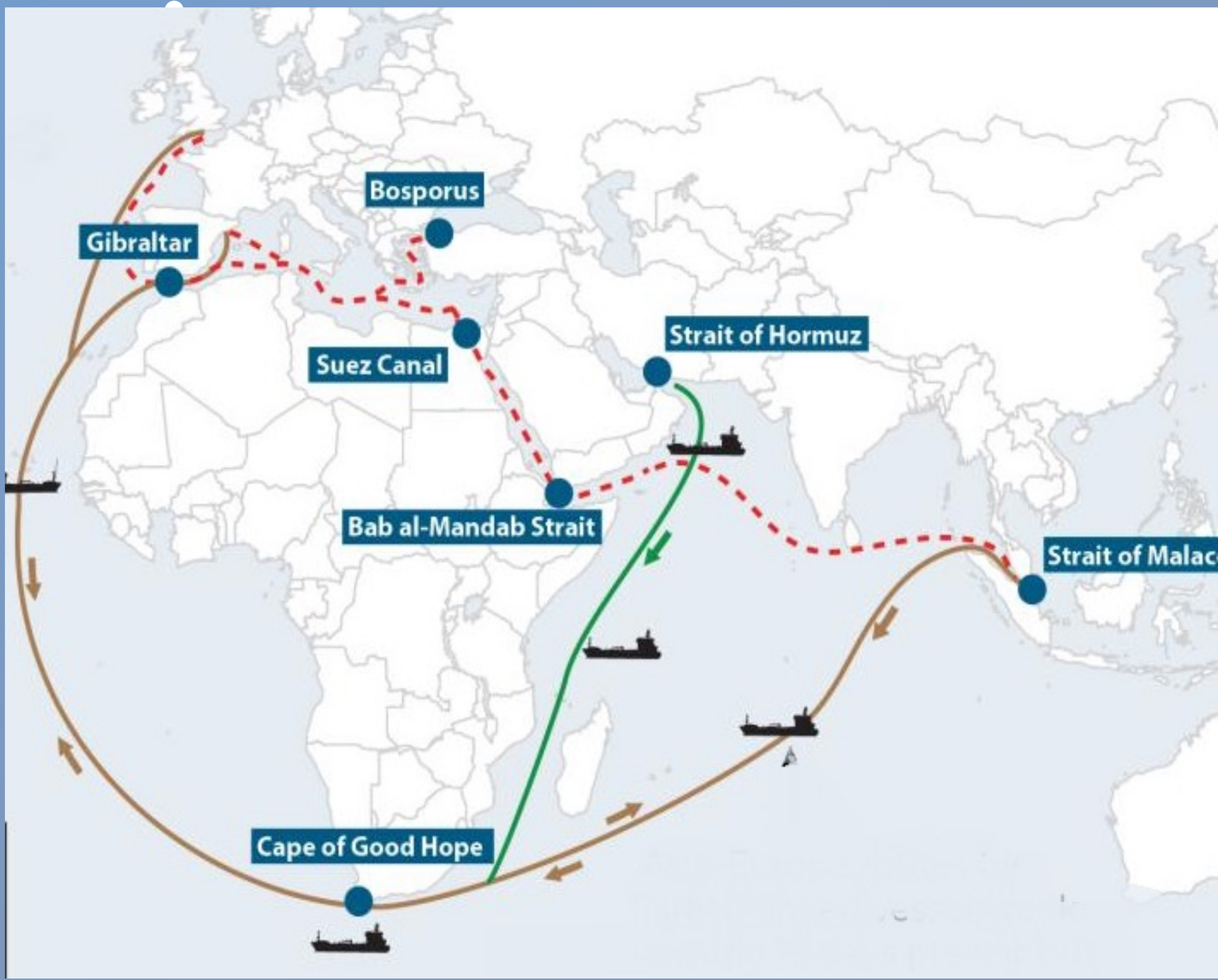
- Determination & Prioritization of essential activities
- Fast Track lanes
- Longer shift changeover time
- Rotation system
- Telecommuting – work from home
- Secondary office
- Optimization of the use of the existing anchorage areas and the use of temporary areas

THE RED SEA CRISIS

ZIM Re-Routes Ships to Avoid Yemeni Coast

Shipping giant Maersk says Red Sea vessel diversions could extend into second half of 2024

MSC and CMA CGM Suspend Red Sea Transits, Joining Hapag and Maersk



The major impacts so far

- 10%-12% of the global trade passes through Red Sea
- Estimated trade value $1 trillion
- Detour around Cape 3.500-4.000 nautical miles, 12-15 additional days
- Additional fuel cost $250.000 – $300.000
- Skyrocketing the insurance premiums
- China – US East Coast:+174% since October
- China – North Europe: +495% since October at around 5.500 per FEU

The impact on Med ports

- The Med ports are facing the biggest losses
- Calls from vessels above 10.000 TEUs more than halved in recent weeks – end of February update.
- Significant increase in feeder vessel calls
- Piraeus down 13% on January.
- Hub ports in the Med are loosing in significance.
- West African ports and North European ports are on the rise.

LESSONS FOR THE FUTURE – TOWARDS MORE RESILIENT PORTS

Anticipation Capabilities	Cope Capabilities	Adaptive Capabilities
Observe – Identify – Prepare	*Acceptance – Development – Implementation*	*Lessons learned – Implementation*
International Information Network Future needs of port users Long-term plan concerning their strategic port capacity planning. Information Management – Resource Allocation Business Continuity Management Strategic Framework Reduce port vulnerabilities	Strong cooperation between all stakeholders Flow of information Crucial role for the Port Authority	Forman & Informal Incident Management Processed Discussions Presentations