A man wearing a yellow hard hat and a high-visibility safety vest over a dark shirt is smiling and holding a red walkie-talkie. The background is a blurred industrial or construction site.

Marine Trend Radar 2024

Key trends in the maritime and logistics industry

Veenet Muthraja
May 2024



**Strategic
thinking**



Dialogue



Action

Fire Burning Aboard Cuyahoga, Canada's Oldest Laker

maritime-executive.com • 3 min read

Maps, data show how near-term climate change could affect major port c...

cbsnews.com

299 Containerships Reroute to Avoid the Red Sea, Doubling in Number from Last Week

gcaptain.com • 3 min read

In Ukraine's Bombarded Ports, Ship Buyers Scout for Deals

insurancejournal.com • 4 min read

Panama Canal draft restrictions offer sustained challenge for carriers | Journal of Commerce

joc.com • 1 min read

Red Sea 'scary' for ships' crews, says captain

bbc.com • 3 min read

Economic Outlook 2024

Global GDP growth to fall again:

~2.2%

(2023: 2.7%)

Praying for rain as record lows loom for Panama Canal and Amazon - The Loadstar

theloadstar.com • 2 min read

Russian warship fires 'warning shots' at cargo ship in Black Sea

news.sky.com • 2 min read

Insurance Industry Readies for Historic Losses From Baltimore Bridge Tragedy

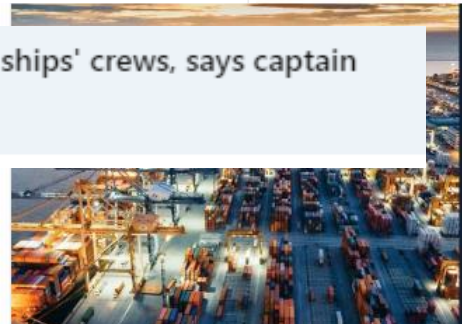
insurancejournal.com • 9 min read

Meteorologists say this year's warm winter provided key ingredient for Midwest killer tornadoes

apnews.com • 5 min read

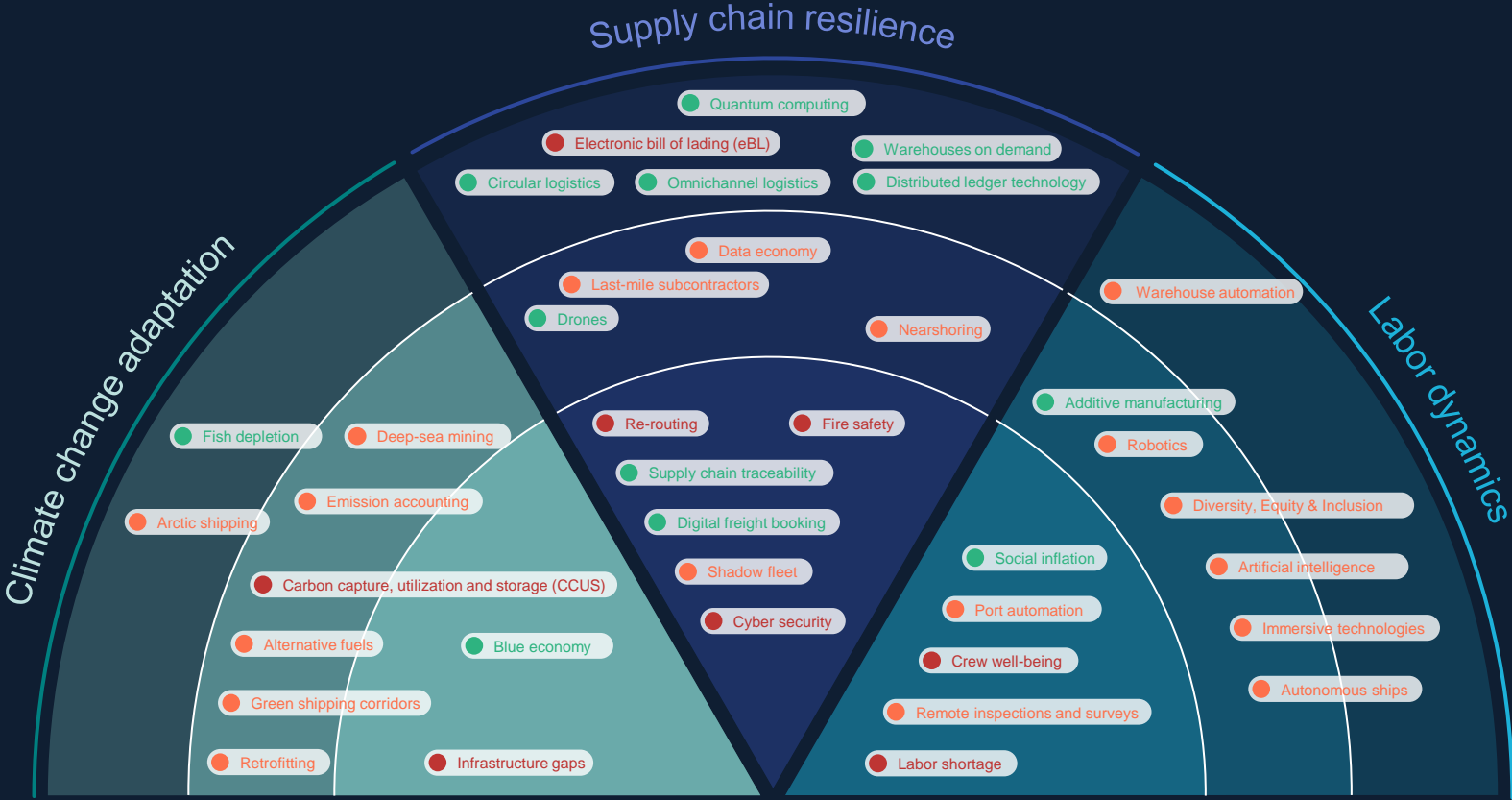
Norway's Most Powerful Storm in Over 30 Years Rips Roofs Off Houses, Cuts Power

insurancejournal.com • 3 min read





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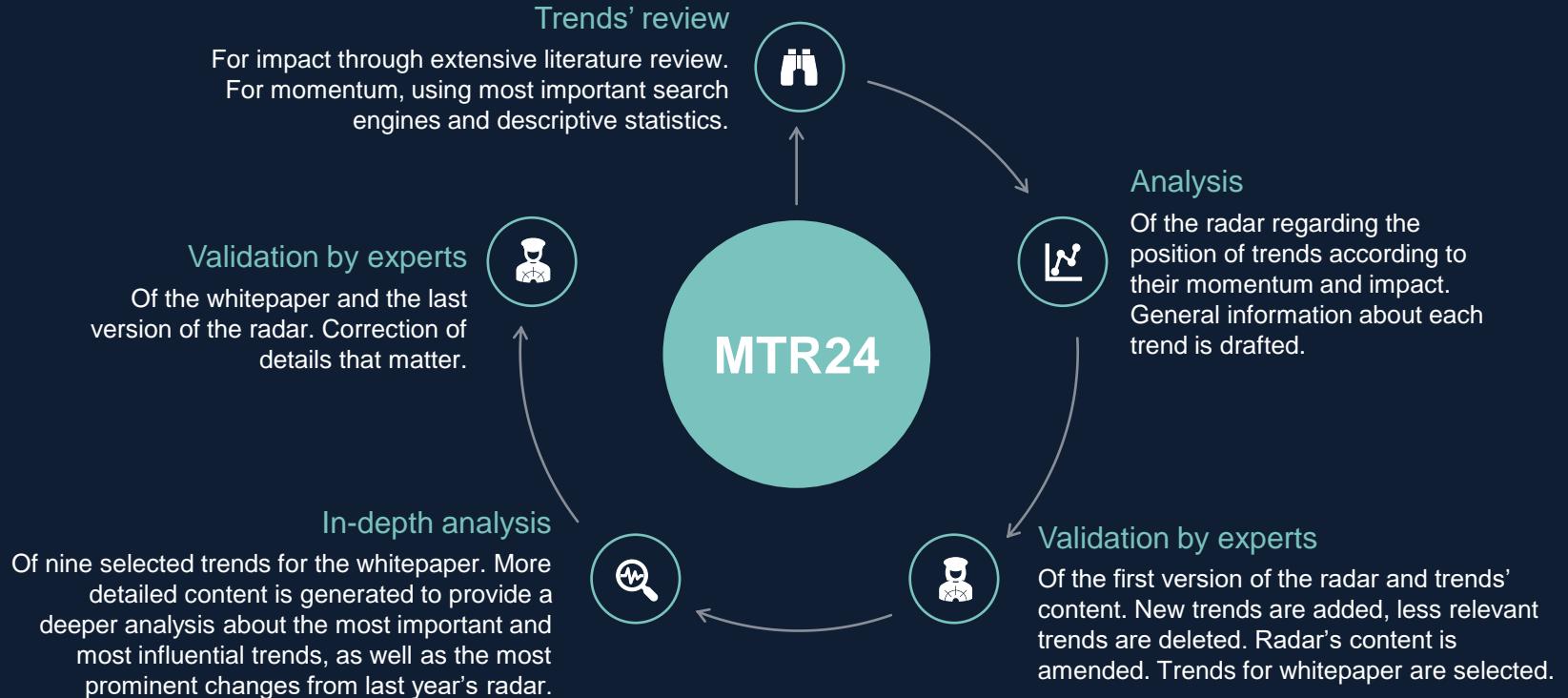
Impact: ● High ● Medium ● Low
 Momentum: Gaining, Maintaining, Losing

Gaining Maintaining Losing

Methodology

Building a radar step by step

Over 20 experts and contributors from the Munich Re Group



Marine Trend Radar 2024

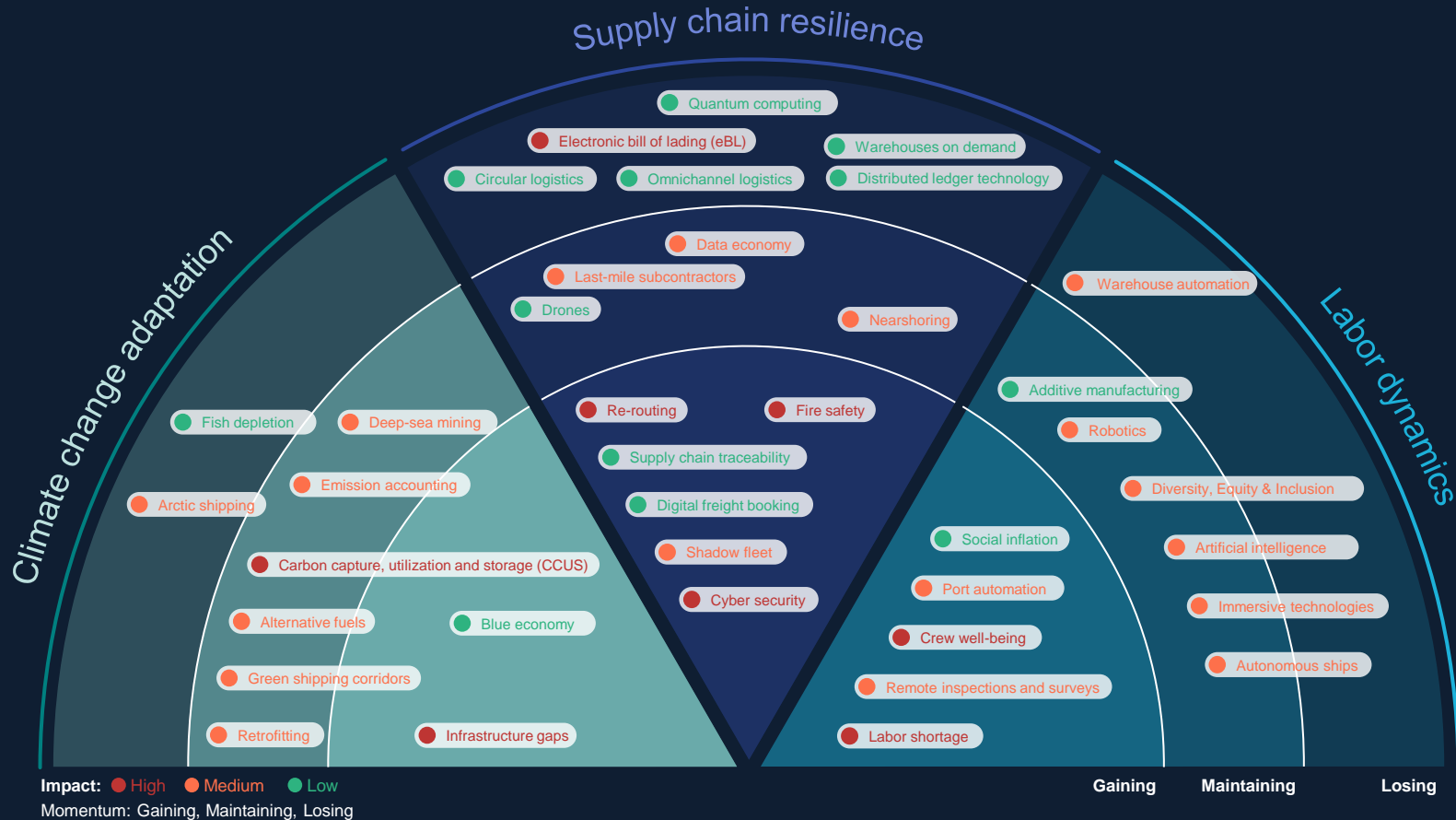




Image: David Merron Photography / Getty Images



Climate change adaptation

Infrastructure Gaps

Inadequate port facilities, congested waterways, and lack of intermodal connectivity result in delays, increased cost, and lower capacities. The state of infrastructure varies depending on the region and country, with some areas making significant investments while others continue to face challenges.



Development of new business opportunities and services through innovation and collaboration, such as specialized risk management solutions for infrastructure development risks.



High costs and funding challenges for infrastructure development and upgrades, lack of political will or cooperation among stakeholders, environmental and social impacts.

Marine Trend Radar 2024

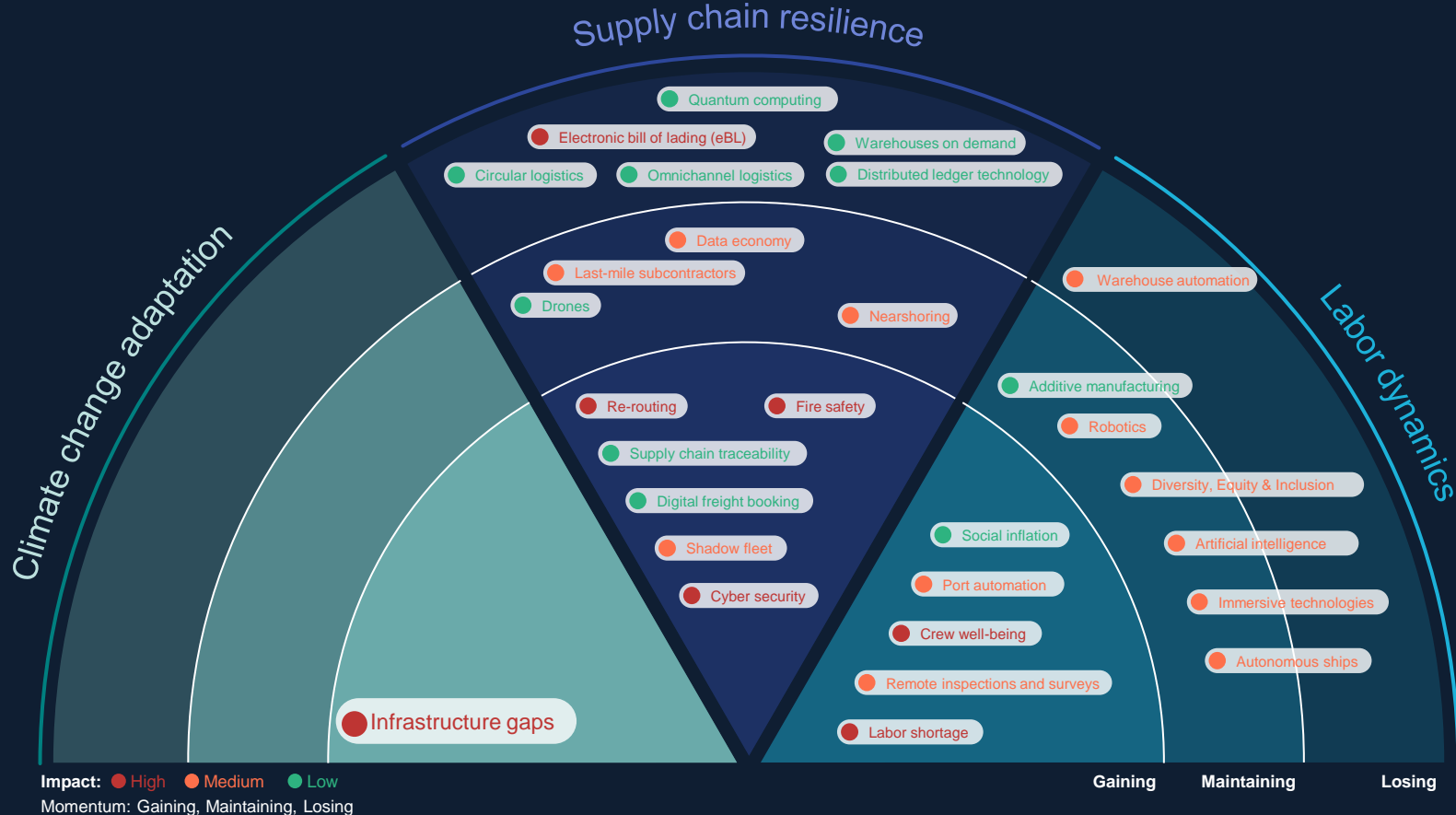




Image: Monty Rakusen / Getty Images



Supply chain resilience

Re-routing

The distances traveled by maritime cargo had already increased over time due to shifts in global trade and evolving globalization trends. Now, the disruptions in the Panama Canal and Red Sea have led to a decrease of more than 40% of transits through these waterways, thus reinforcing the trend of longer distances for cargo. (UNCTAD, 2024)

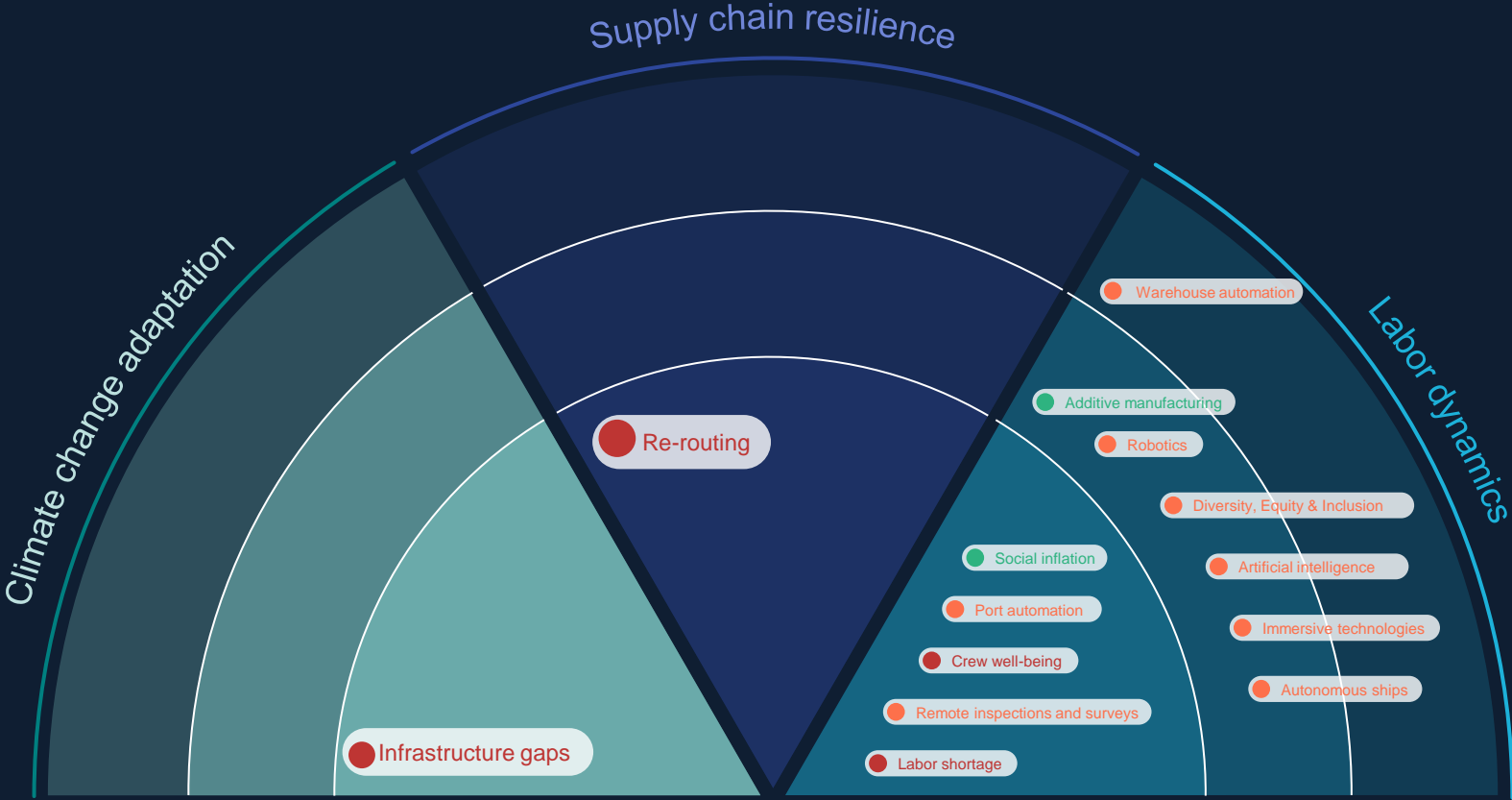


Re-routing showcase the ability of the maritime and logistics industry to stay resilient during turbulent times.



Re-routing can lead to increased costs and GHG emissions, risks of accidents and piracy, as well as increased complexity.

Marine Trend Radar 2024



Impact: ● High ● Medium ● Low
Momentum: Gaining, Maintaining, Losing

Gaining Maintaining Losing



Image: CharlieChesvick / Getty Images

Labor dynamics



Crew well-being

Security threats, such as piracy, terrorism, and war risks, are impacting crew welfare, adding to the workload and challenges faced by seafarers.

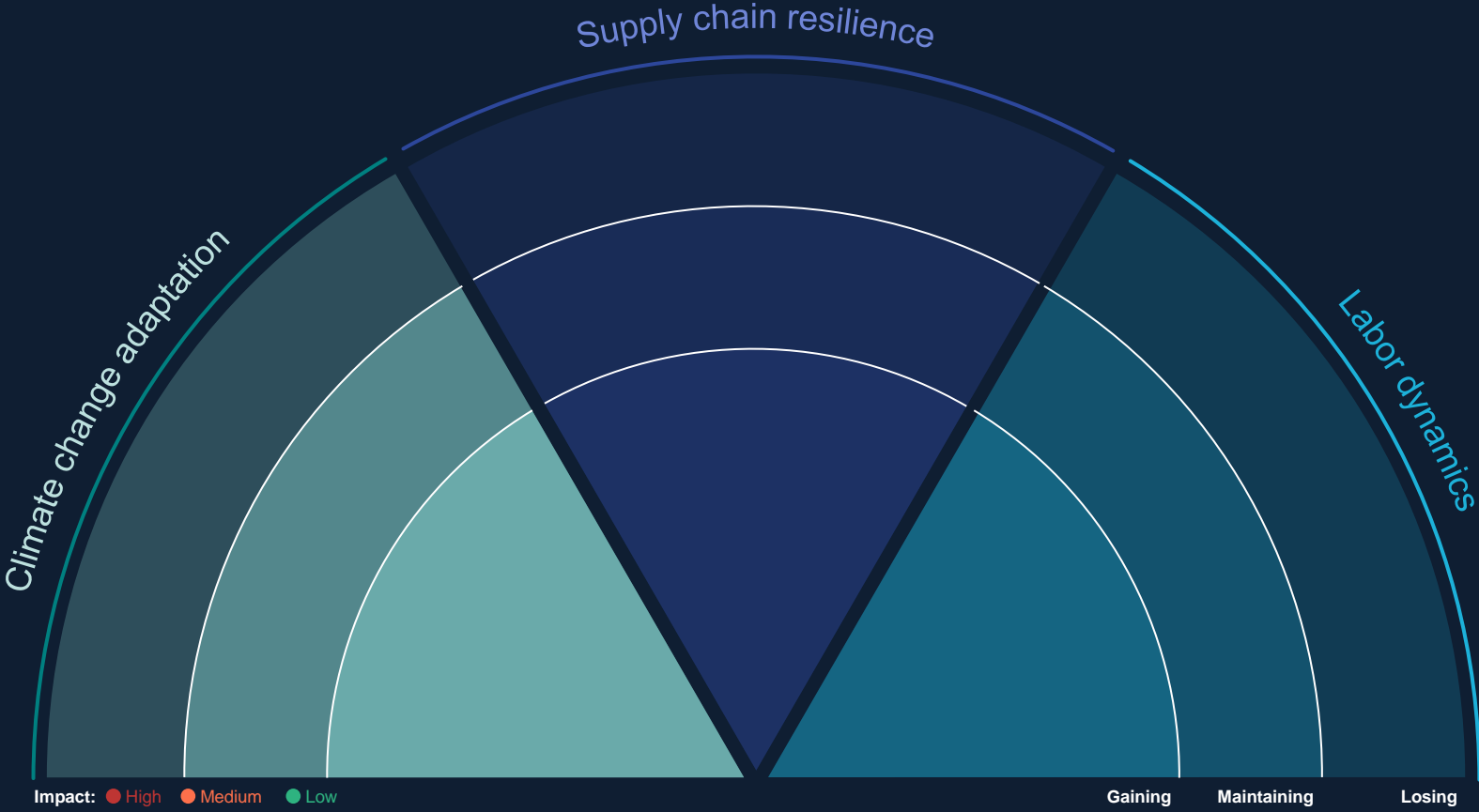


Improving working conditions in the maritime industry can close the labor shortage gap by attracting new talent and ensuring the retention of skilled seafarers.



Crew well-being in the maritime industry is complex due to different legislations, DEI aspects, technology acceptance, geographical disparities, and measurement accuracy.

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Impact: ● High ● Medium ● Low
Momentum: Gaining, Maintaining, Losing

Drivers and triggers of infrastructure gaps, re-routing, and crew well-being

Climate Change

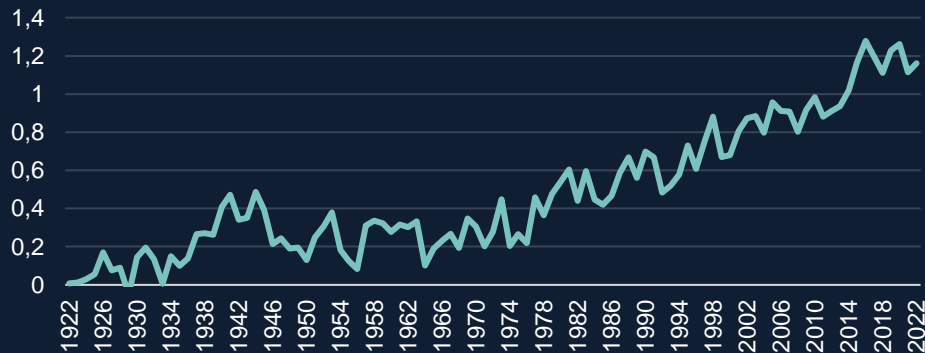
- More frequent and unpredictable storms & hurricanes
- Decreasing precipitation leading to low water levels
- Sea level rise
- Lack in decarbonization infrastructure

Geopolitical instability

Interruption of freedom of navigation

- Black Sea
- Red Sea
- Gulf of Guinea
- Coast of Somalia

Global average near surface temperatures relative to the pre-industrial period



Rank	Country	Index level	Change Category
5	Nigeria	Extreme	Consistently concerning
10	Sudan	Extreme	Worsening
11	DRC	High	Improving
15	Mali	High	Consistently concerning
17	B. Faso	High	Consistently concerning
19	Kenya	High	Consistently concerning
22	Ethiopia	High	Consistently concerning
25	Cameroon	High	Consistently concerning

Allision of the MV DALI with the Francis Scott Key Bridge reinforcing key trends

Baltimore, March 26th, 2024

Infrastructure gaps



- One unforeseen and serious accident involving a key infrastructure - a new gap emerges.
- Potential to paralyze an entire harbour.
- Closing the gap will take considerable time, which will lead to higher costs.

Re-routing



- Other ports on the US East Coast to substitute for the port of Baltimore.
- Force Majeure declared.
- Temporary alternative channel near the Key Bridge for small vessels only.

Crew well-being



- Potential impact on crew, USCG and first responders – human element.

Potential consequences of infrastructure gaps, re-routing, and crew well-being



Increasing Emissions

When re-routing to longer routes speed needs to be increased to meet demand on time.



Increasing costs

From decreasing transit capacity in the Panama canal, higher fuel consumption from re-routing, and to ensure crew well-being in turbulent times.



Changes in geopolitical dynamics

resulting from countries' strategies for infrastructure investment, e.g. Chinese Belt and Road initiative, and from new trade patterns and routes.



Increasing insurance and legal claims

From key infrastructure disruption, delays, damage to vessels and cargo, and human error because of work overload in crew members.

Some final thoughts...



Thank you for your attention!

Should you have any further questions, don't hesitate to contact our experts.

Veenet Muthraja

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