

WEEK 42

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# APERTURE & FOCUS

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## GLOBAL APERTURE

The enforcement of new environmental regulations arrives in 2023: Annual vessel data collected for the IMO's Fuel Oil Consumption reports [will be benchmarked](#) for a 2% improvement between 2023-2030, and [EU's Emissions Trading Scheme will extend to](#) shipping lines next year, requiring ocean carriers to purchase credits for half of all voyage emissions between EU and non-EU ports.

Barge operators will also be challenged in the near-to-midterm with critical drought conditions that have affected [major inland waterways in all continents](#)—many of which are also used for hydropower generation. [Demand for coal](#) has perilously risen in consequence, raising further concerns from climate experts and diverging [state approaches to the energy crisis](#).

## REGIONAL FOCUS - AMERICAS

Work contract negotiations may likely [“take some several months”](#) to finalize, according to Los Angeles port chief, but [lockdown-era vessel queues](#) are officially resolved. Now, [officials want to](#) “recapture” cargo currently crawling through Gulf and East Coast ports, overlooking Oakland’s current and near-future corridor-to-terminal congestion—partly attributed to shrinking demand, and partly attributed to the [2023 implementation of heavy-duty truck inspections](#). That’s fine and all, but the unabated chassis pile-ups [are raising public concerns](#) about air pollution.

In Canada, vessel delays, heavy container yard density, and inland rail depot congestion have contributed to 10-day average container dwell times in Vancouver Port. Montreal’s vessel traffic suffers from ongoing construction; [luckily, dockworker union reps](#) signed a new eight-year contract on October 25, avoiding risk of labor deficits. Further east, [water levels along the St. Lawrence River](#) remain insistently below-average.

[Mexico may ban double-tractor trailers](#) on its roads and highways; dwindling warehouse capacity forces an unlikely re-export of fertilizer from Brazil’s Antonina Port; ground traffic resumes on Venezuela’s [Troncal 9 highway after extensive flooding from](#) the nearby Unare River receded; [61 unions representing 400,000 truckers in Chile](#) give notice of a national strike to commence November 22.

## REGIONAL FOCUS – ASIA-PACIFIC

Covid restrictions are [impacting supply chains](#) in Ningbo, Shanghai, and Tianjin. [Ningbo is the worst affected](#), with forwarders reporting disruption to the area around the port going into lockdown. Supply chain experts have increasingly highlighted [the disruptive impact of China’s Zero Covid policies](#) as producers of furniture, apparel, minerals, technology, and other in-demand commodities reshore to Bangladesh, India, Malaysia, Taiwan, and Vietnam.

Shipping lines throw out more sailings in the weeks ahead that link East Asia to [West Europe](#), the [Mediterranean](#), North America and Latin America. [The landfall of tropical cyclone Sitrang](#) on October 24 forced the Bangladeshi ports Chittagong and Mongla to suspend container operations in preparation for the storm.

## REGIONAL FOCUS – EUROPE, MIDDLE EAST & AFRICA

A report published by the [Economic and Social Research Institute](#) measuring Brexit’s impact found that [UK-EU trade was down by 16%](#) compared to a world where Brexit had not occurred, concluding that removing trade barriers with the EU would recover lost trade and should be given top priority. [Recent vessel tracker data](#) shows 10% of the world’s liquified natural gas (LNG) tankers are [stuck in bottlenecks in Northwest Europe](#) due to European energy shortages. As they remain idle, unable to unload at overwhelmed ports, global capacity sinks just as [EU leaders back a LNG price cap](#). Vessel backlogs at the Black Sea Grain Corridor [reached a new high](#) with 165 vessels in an inspection queue near the Bosphorus Strait, according to the Ukraine foreign ministry.