



GLOBAL APERTURE

A group of countries that includes Canada, Japan, the European Union, and climate-vulnerable Pacific Island states is gathering support to take on greenhouse gas emissions caused by international shipping through the use of fines, according to documents from a recent meeting by the International Maritime Organization (IMO). The proposals aim to mitigate climate change impacts and support low-carbon initiatives with raised funds and backers argue that they have the potential to raise over \$80 billion annually for environmental and developmental goals.

REGIONAL FOCUS – AMERICAS

United States: Cargo owners are being advised to prepare for <u>a potential strike at U.S. East</u> <u>and Gulf Coast ports</u> starting as early as October 1st, amid stalled labor negotiations between the International Longshoremen Association (ILA), who represent port workers, and the United States Maritime Alliance (USMX), who represent employers of the East and Gulf Coast longshore industry. Concerns about disruptions and cargo flow shifts to the US West Coast remain among stakeholders as the six-year labor contract nears its September 30 expiration amid peak season.



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On March 15, a California federal judge <u>delivered a ruling that upheld AB5</u>, a law passed in 2019 that imposes stricter criteria for classifying workers as independent contractors, despite challenges from the trucking industry. The decision reaffirms that AB5 can be applied to the trucking sector, rejecting arguments related to federal preemption and the dormant Commerce Clause.

REGIONAL FOCUS – ASIA-PACIFIC

India: Major international airports throughout India, particularly Delhi and Mumbai, are experiencing considerable cargo backlogs as air volumes spike amid peak season and Red-Sea diversions. This surge in air exports, <u>notably driven by a significant increase in ready-made</u> <u>garment volumes</u>, has increased average transit times to Europe and the US as shippers shift increasingly away from shipping via ocean to air.

Sri Lanka: The Red Sea crisis has spurred <u>increased container traffic at Sri Lanka's Colombo</u> <u>port</u> as vessel operators continue to adjust their port calls to minimize disruptions from longer transits around southern Africa. This shift has led to a 33% year-on-year increase in combined container volumes at Colombo last month, with transshipment volumes rising by 29%.

REGIONAL FOCUS – EUROPE, MIDDLE EAST & AFRICA

United Kingdom: Peel Ports Group, a major ports operator in the UK, <u>has announced the</u> <u>installation of the UK's largest roof-mounted solar energy system at the Port of Liverpool</u>, expected to generate up to 25% of the Port's annual electricity needs, as part of its goal to achieve net-zero emissions by 2040. This initiative, along with plans to repower existing wind turbines, signifies a significant investment in sustainable infrastructure, aiming to power the Port entirely by renewable energy generated on-site.

South Africa: Crane breakdowns and adverse weather conditions <u>have exacerbated delays at</u> <u>South African ports</u>, despite a report from the South African Association of Freight Forwarders showing an increase in container throughput. Despite these challenges and a long-standing logistics crisis due to underinvestment in infrastructure, there are signs of improvement in port operations, although concerns remain over equipment shortages, breakdowns, and vessel wait times.