

APERTURE & FOCUS

WEEK 2 | 11 Jan 2024



GLOBAL APERTURE

The US-led initiative, Operation Prosperity Guardian, aimed at safeguarding Red Sea shipping and ensuring freedom of navigation of one of the world's most important shipping routes, [has faced challenges in garnering support](#), with almost half of the 20 participating countries yet to publicly declare their involvement. Despite wide support of the mission's goal due to the impact of the ongoing attacks on commercial vessels by Yemen's Iran-backed Houthi rebels, the many nations face geopolitical challenges as the operation could suggest support for Israel amid this controversial conflict, given the militants stated goal of securing a ceasefire in the Israel-Hamas conflict.

Amid these escalating tensions, Chinese shipping giant COSCO became the latest among major carriers to [suspend maritime services to Israel on January 7](#). This decision is expected to have significant impact global shipping dynamics due to COSCO's collaboration with Israeli shipping line ZIM who will have fewer ships to use in COSCO's absence.

REGIONAL FOCUS - AMERICAS

United States: Severe weather is [impacting various parts of the United States](#), including blizzard conditions in the Midwest Region of the country, thunderstorms along the Gulf Coast with potential tornadoes, and heavy rain in the Northeast following heavy weekend snowfall. While impact to supply chains remains uncertain, blizzard warnings are in effect for multiple states, making roads extremely dangerous, while the Gulf Coast and East Coast face threats of damaging winds, tornadoes, and flash flooding.

The Port of Virginia has achieved a significant milestone by [transitioning to 100 percent clean power](#) on New Year's Day, making it the first seaport on the U.S. East Coast and one of a few globally to operate entirely on clean energy. This achievement, accomplished ahead of the initially planned target of 2032, positions the port as a leader in sustainability, resulting in a nearly 50% reduction in carbon emissions per container move.

REGIONAL FOCUS – ASIA-PACIFIC

Japan: Japanese manufacturers are hastily [resuming production after a magnitude 7.6 earthquake struck the country's west coast on January 1](#). Approximately 80% of the 200 companies with plants in the affected areas, including those producing machinery, semiconductors, and textiles, have either resumed or plan to resume production, though the recovery timeline for the region's power supply remains uncertain.

Traffic has been restored following [a deadly crash at Tokyo's Haneda Airport](#) that resulted in the temporary closure of all four of the airport's runways on January 2nd. While three of the runways were reopened on the day of the accident, runway C remained closed until January 7th as flights scheduled to arrive during this time were diverted to surrounding airports.

India: With the commissioning of its 7.8 megawatt solar farm, PSA Mumbai has [become India's first container terminal exclusively powered by renewable energy](#). This initiative, part of PSA Mumbai's efforts to achieve a 50% reduction in carbon emissions by 2030, is expected to cut CO₂ equivalent emissions by approximately 16,000 tons annually, with plans to expand the solar farm to 10 megawatts by June 2024.

REGIONAL FOCUS – EUROPE, MIDDLE EAST & AFRICA

Germany: On January 8, German farmers initiated a [week-long nationwide protest against proposed cuts to agricultural subsidies](#), disrupting roads and highway ramps with convoys of tractors and trucks. The protests come in response to government plans to phase out subsidies, with farmers expressing concerns that the removal of tax breaks could jeopardize their livelihoods, leading to blockades on major traffic and logistics routes.

Freight across Germany faces further potential disruptions as train drivers affiliated with the German Locomotive Drivers union, GDL, [initiate a series of strikes](#) at Deutsche Bahn, the state-owned rail operator. The industrial action, which began on January 9th and is expected to extend through January 12th, raises concerns about delays in container clearances at key German ports, prompting carriers to issue a customer advisory warning of possible severe delays in inland transportation.

Belgium: As negotiations to resolve ongoing industrial action commence, customs officers at Liège Airport (LGG) [have extended their strikes](#) protesting alleged deteriorating working conditions. The work-to-rule strikes have led to a substantial backlog of shipments, with customs officers reportedly checking only 300 parcels daily instead of the normal 10,000 average daily volume. As a result, approximately 120,000 parcels await clearance, alongside 6,500 small parcels requiring customs duty assessment.
