

Press release

Restoring stability and reliability in container trade

EBU supports ESPO's plea and calls upon port authorities to reconsider their policy strategy in order to eliminate inland waterway congestion at sea container terminals.

On February 2nd ESPO issued a press release, stressing the importance of restoring stability and reliability in the container trade. ESPO calls on all supply chain stakeholders to support the recovery of trade. EBU fully supports the plea of ESPO. The unreliable schedules, reduced capacity and container imbalance in the global container trade not only lead to disruptions in the supply chain, but also to serious operational issues in the sea ports, resulting in increased congestion for the inland barging industry.

We fully agree with ESPO that all parties involved should take their responsibility and take the actions necessary to improve the reliability in the supply chain. EBU and its members are actively involved in several initiatives aimed at increased efficiency.

Although the main message in this press release is about the disturbance in liner shipping schedules, reduction of capacity and imbalance of containers due to COVID-19, the item itself is not new. In the last decade, the landscape of liner shipping has drastically changed. Starting with the introduction of the megaships followed by the mergers in the industry, currently there are only three major alliances that dominate the market. Over the years, the networks of these alliances were redesigned, deploying the largest vessels on the trade lanes between main-hubs only and an increased level of transshipment-connections to other ports in the area.

To serve this changed landscape the best, some Port Authorities developed a policy mainly focussed on volumes and traffic, as opposed to quality. Indirectly, this strategy facilitates the current way of acting of liners. The increasing number of megaships who call at their premises are a guarantee for an increase in volume and business, but on the other hand they have a disrupting effect on the overall quality of the local port operations. The observation is that nowadays local port operations are mainly driven by the liners and the (lack of) reliability of their vessels. In case of any disturbance in the schedule, all other operations are adapted or delayed, resulting in issues for other parties in the supply chain. For the inland navigation, the most visible result is the structural congestion at the quays in several European seaports, effecting the reliability of the inland navigation product as well modal shift ambitions in a serious way.

We understand the position of Port Authorities in their efforts to gain volume and business. However, we strongly call to reconsider their current policy strategy. It should not only be about the

volume handled in the ports. As an essential link in the international container trade, it should also be about conditions to guarantee a certain level of service and overall reliability towards all users in the port, resulting in a more smooth and future proof connection between liner shipping and the hinterland operations. Robust programmes to enlarge barge handling capacities in the Sea Ports (e.g. Rotterdam, Antwerp) should be elementary in this approach.

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The European Barge Union (EBU) is the European association representing the inland navigation freight and passenger carrying industry on a Pan-European level. Its members are the national associations of barge owners and barge operators as well as (international) associations in the field of inland navigation and related areas. EBU's mission is to contribute to the development of a sustainable and efficient Pan-European transport system via a larger share of inland waterway transport. www.ebu-uenf.org