



# MONTHLY SHORT SEA NEWS



Edition 01/2020

**! Save the date !**

## 4<sup>th</sup> ShortSeaShipping Days 2020

This year the ShortSeaShipping Days will take place for the fourth time on 18<sup>th</sup> and 19<sup>th</sup> March, 2020 in Lübeck. The venue again is the Music and Congress Hall (MuK) in Lübeck. This time, ARKON Shipping will also be present as an exhibitor.

You will find further information on registration and the supporting programme below:

[www.shortseashipping.de](http://www.shortseashipping.de)

## Overview of further dates:

17<sup>th</sup> – 21<sup>st</sup> February 2020

European Shipping Week in Brussels

26<sup>th</sup> – 28<sup>th</sup> May 2020

Breakbulk Bremen

## New era in shipping regarding to fuel has begun

Since 1<sup>st</sup> January, 2020, the stricter environmental regulations have been applicable in shipping. Only ships with low sulphur fuel are allowed to sail. The upper sulphur limit was reduced from 3.5 to 0.5 points on the high sea. This means that ships are only allowed to burn fuel with a sulphur content of 0.5 percent or, alternatively, they have to clean the sulphur emissions directly on board using a scrubber, for example. This affects heavy fuel oil burners. Not even old stocks of IFO aren't allowed be on board as of the due date, which is 1<sup>st</sup> March, 2020.

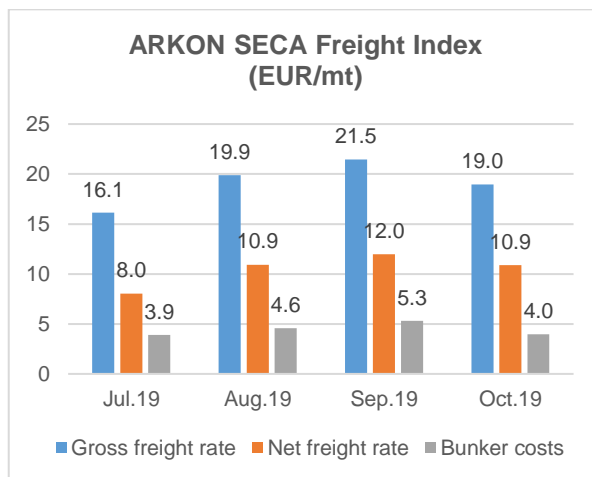
Also, at the most recent event "Zero Emission Shipping" on 15<sup>th</sup> January, 2020 in Oldenburg, Mr. Westphal confirmed with his speech "Future Perspectives Zero Emission in the Shipping Industry" that mega trends such as climate change and digitisation should be used for more competitiveness in modal split as an opportunity for the European Short Sea Trade. In addition, he emphasised that the problem was not the propulsion systems on the way to Zero Emission Shipping, but the fuels. Westphal also advocates an ecological change at sea through sustainable "greening" of the existing fleets with help of national or European funding. Environmental protection is expensive and cannot be financed by the shipping industry alone.

## Current market situation – January

The freight market has been moving sideways for several weeks. Here and there, tonnage is becoming scarce on the spot market with increasing rates, but it is not yet of a sustainable nature. The higher fuel costs due to the stricter environmental regulations as of 1<sup>st</sup> January, 2020 make market conditions more difficult overall.

## Comment by Torsten Westphal:

Uniform market conditions are necessary. Uniform framework conditions, which are the responsibility of politics both nationally and internationally, need to be adjusted. Climate protection measures and investments will only take place promptly. Our climate cannot wait, so action must be taken immediately. But we can only do that if the competitive situation is the same. A first measure would be the expansion of the SECA zone throughout Europe as well as a nationwide supply of quay facilities with shore power connections and a prohibition on heavy oil, quite legitimately analogous to the ban on leaded petrol in the 1990s for road transport.



Comment: The net freight equals the gross freight rate minus port and bunker costs.

The column diagram shows the incoming and outgoing voyages within the European SECA zone. 119 freight contracts with 3,500 - 5,500 dwt minibulkers were taken into account in the period from 1<sup>st</sup> July 2019 – 1<sup>st</sup> November 2019.

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