



MEDIA RELEASE

Supply chain partners in constructive dialogue to overcome logistics challenges

Brussels, 14 December 2021 - Shippers and carriers met yesterday to talk about the causes and effects of recent supply chain disruption coinciding with the COVID 19 pandemic. The meeting brought together a broad representation of members from the European Shippers Council (ECS) and the World Shipping Council (WSC) and the Secretariat of the European Community Shipowners' Associations (ECSA). This is the first of a planned series of meetings between shippers and carriers, in a joint effort to find solutions through dialogue and improve mutual understanding of the challenges each party faces. It is hoped these will also look beyond current supply chain disruptions to face a broader set of common future topics like decarbonisation and digitalisation.

Over the last 18 months supply chain issues have caused serious problems for logistics providers, coinciding with the COVID 19 Pandemic. The causes are multiple and complex: swings in supply and demand, disrupted consumption patterns, alternative product sourcing, local lockdowns, congested infrastructure, and labour shortages. Service reliability, business models and just in time supply chains have been tested to the limit. This ESC-ECSA-WSC initiative is aiming at a better cooperation between supply chain partners and a healthier functioning of supply chains.

The dialogue started with a frank and positive discussion about the causes and effects of recent supply chain disruption. The discussion then turned to a sharing of experiences regarding actions and measures that had relieved operational blockages and those which could make a difference if specific issues could be addressed. Some of these items such as cooperation on improving communication between supply chain parties, and achieving better supply chain visibility and forecasting in the short to long term will be taken forward for further consideration. Longer term dialogue with regard to the decarbonisation of supply chains will also be explored.

John Butler, CEO and President of WSC explains: "Carriers depend on shippers for their business and shippers depend on carriers to get their products to market. Only by working together and trying to identify what actions could potentially work to everyone's' benefit can we overcome current challenges and build stronger long-term foundations for the future."

Denis Choumert, Vice-President of ESC agreed: "That is why ESC, WSC and ECSA members are keen to continue this dialogue so that carriers and shippers can talk with and not about one other and thereby build more robust supply chains for serving customers. We want to improve the mutual understanding of the difficulties being faced by each party and make progress through partnership not conflict."

Luisa Puccio, Director Shipping & Trade Policy for ECSA also acknowledged the importance of the dialogue: "We strongly believe that dialogue can promote a better shared understanding of the operational challenges between carriers and shippers and that we all need to do this together. ECSA stands ready to lend its support."

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About ECSA

ECSA represents 19 national shipowners' associations based in the EU and Norway. European shipowners control 39.5% of the global commercial fleet, contribute 149 billion euros per year to the EU GDP and provide 2 million people with careers both on board and ashore. ECSA strives for a regulatory environment that fosters the international competitiveness of European shipping, to the benefit of the EU.

About ESC

European Shippers' Council was founded in 1963 to represent the logistic interests of manufacturers, retailers, and wholesalers, collectively referred to as shippers, in all modes of transport. ESC members are national shippers' councils, key European commodity trade associations, and corporate members.

About World Shipping Council

The World Shipping Council is the united voice of liner shipping, working with policymakers and industry groups to shape the future growth of a socially responsible, environmentally sustainable, safe, and secure shipping industry. We are a non-profit trade association with offices in Brussels, Singapore and Washington, D.C. Read more at www.worldshipping.org