IAPH-WPSP Port Economic Impact Barometer

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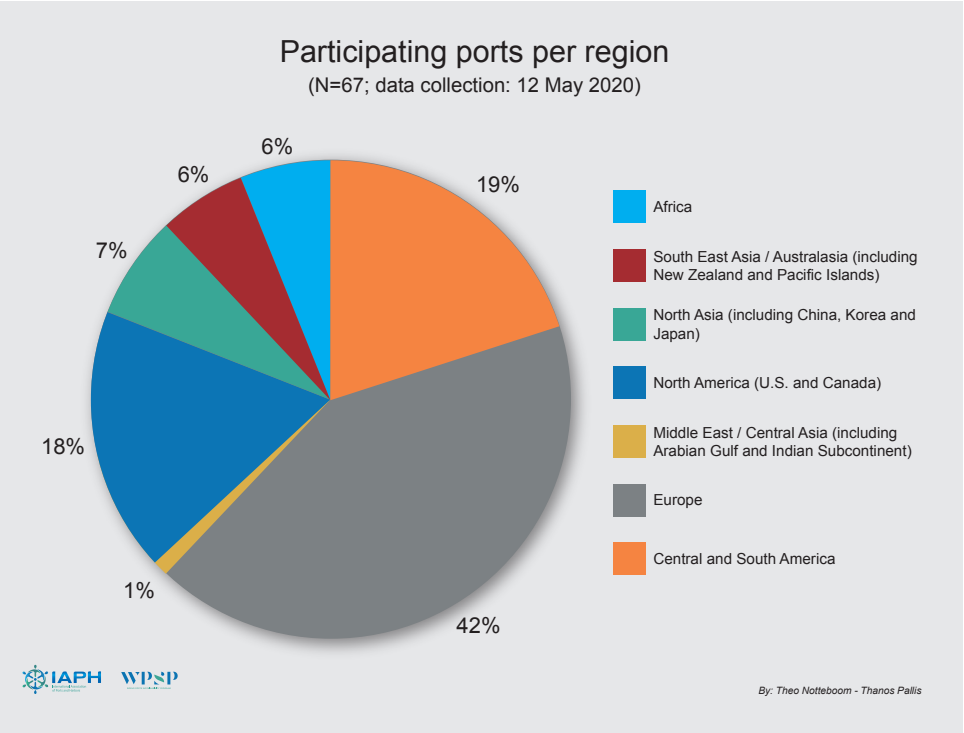
IAPH
International Association of Ports and Harbors

WPSP
WORLD PORTS SUSTAINABILITY PROGRAM

Survey set-up

The IAPH-WPSP survey on the impact of COVID-19 is conducted on a weekly basis with the aim of monitoring the current situation in world ports and trends compared to previous weeks. The first survey results were collected in week 15 of 2020 (April 6). This week's results deal with the situation in week 20 (May 11). A total of 67 valid answers were received with Europe continuing to be the leading region with 42% of the total. The Americas are also well represented with 13 ports from Central and South America and 12 North American ports having completed the survey. African and Asian ports remain under-represented.



WPSP-IAPH COVID-19 Dashboard

		Week 16 World April 13	Week 17 World April 20	Week 18 World April 27	Week 19 World May 4	Week 20 World May 11	Week 20 Central & South America May 11
Ports with decline in vessel calls (last week compared to normal conditions, %)	Container vessels	41%	53%	39%	45%	43%	40%
	Other cargo vessels	39%	47%	44%	42%	46%	50%
	Passenger vessels	77%	76%	71%	85%	68%	60%
Ports with extra restrictions on vessels (last week, %)	Container vessels	22%	33%	20%	19%	10%	11%
	Other cargo vessels	23%	34%	25%	20%	6%	0%
	Passenger vessels	38%	31%	26%	25%	17%	0%
Port call delays due to extra procedures (last week, %)	Container vessels	35%	33%	27%	27%	18%	22%
	Other cargo vessels	28%	32%	30%	25%	20%	18%
	Passenger vessels	40%	49%	44%	34%	30%	33%
	Inland barges	21%	19%	21%	16%	8%	20%
Hinterland transport delays (last week compared to normal conditions, %)	Trucks (cross-border)	41%	35%	37%	38%	26%	33%
	Trucks (in/out port)	33%	35%	35%	16%	15%	20%
	Rail services	21%	32%	13%	22%	17%	40%
	Inland barge services	23%	40%	21%	19%	21%	40%
Ports facing high capacity utilization of warehousing and storage facilities (last week, %)	Foodstuff & medical supplies	34%	33%	25%	25%	20%	22%
	Consumer products	28%	25%	18%	19%	9%	11%
	Liquid bulk	22%	20%	15%	20%	17%	29%
	Dry bulk	17%	13%	12%	17%	13%	18%
Ports facing shortages in port-related workers (last week, %)	Dock workers	16%	16%	22%	19%	17%	27%
	Technical-nautical services	9%	4%	12%	11%	6%	9%
	Harbor master services	8%	7%	10%	4%	8%	9%
	Port authority	22%	22%	26%	16%	22%	36%
	Truck drivers	no data	21%	16%	12%	9%	18%

IAPH WPSP

By: Theo Notteboom - Thanos Pallis

Results based on surveys of ports worldwide, six weeks to May 11, 2020

This dashboard provides a visual summary of the results gathered from the IAPH-WPSP COVID-19 Port Economic Impact Barometer survey. The survey consists of six identical questions, sent to port authorities and port operators with responses sent anonymously on a weekly basis. The percentages indicated in the blue bars of the Dashboard highlight the level of impact of COVID19 contagion on world ports based on the responses to the main six questions of the survey, subdivided into relevant categories (vessel, modal, cargo and port worker). You can find comprehensive data and more detailed explanations of responses to those six questions in this report.

This week a column has been added summarizing the situation in Central and South America indicated in the green bars. Last week the regional report focused on Europe. The last section of this report provides a detailed discussion of the situation in Central and South America.

1. Impact of crisis on vessel calls

Just below half of the ports are reporting that the number of container vessel and other cargo vessel calls has hardly been affected at all by the COVID-19 situation. These shares have not greatly fluctuated over the past six weeks. However, the share of ports facing a significant drop (in excess of 25%) in container vessels calls has risen to 10%, a figure that was also recorded during weeks 17 and 18. The share of ports reporting reductions in other cargo vessel calls of more than 25% increased to 15% (vs. 12 to 14% throughout weeks 16 to 19).

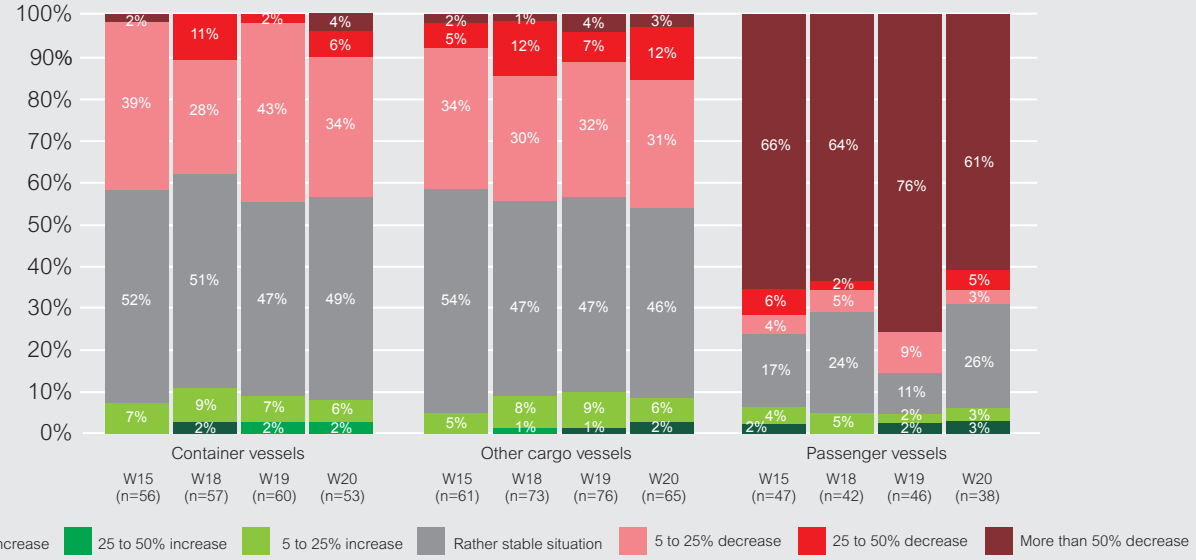
The cruise/passenger market remains the most affected by the COVID-19 contagion but the situation is somewhat improving. About 6 out of 10 respondents indicate that passenger vessel calls are down more than 50%, in some cases even down more than 90%. In weeks 15 to 18 this figure amounted to two thirds of respondents with a peak of 76% in week 19. These figures continue to show the combined effect of partial or full lockdown measures in a lot of countries around the world with an almost complete cessation of cruise activities.

The movement of ships in the past week has developed positively in several ports, with some reporting that they are heading towards a 'stable situation'. The decrease of cargoes continues in a number of trades. The trend is not homogenous though. In some countries seaborne cargoes started moving in accordance with past expectations, in others the shutdown of the economies continue to affect export/import activities. A decrease in the number of offshore supply vessels due to a reduced activity is present in those ports serving this particular trade.

As regards container vessels, some ports started facing a second wave of blank sailings in liner services operated by individual carriers and alliances that initially kept a good level of services on the Asian and North American trade lanes.

Traffic in passenger and cruise ports continues to be hugely disrupted, further affected by the remaining cross-border restrictions. Ro-ro operations are on a path of light recovery for all cargo vessels (non accompanied trailers). The seasonality of cruise activities means that the impact is different per world region; for example, the end of the season in South America coincides with the beginning in Europe. With an anticipated return to operations in late June or July, indicators such as bookings for vacations and leaked plans for return of tourism in regions about to start / already in season offer some hope for a return of ro-pax units.

How would you best describe the number of vessel calls in your port in the past week, compared to what would be expected in the same week under normal conditions for this period?



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2. Extra restrictions on vessels

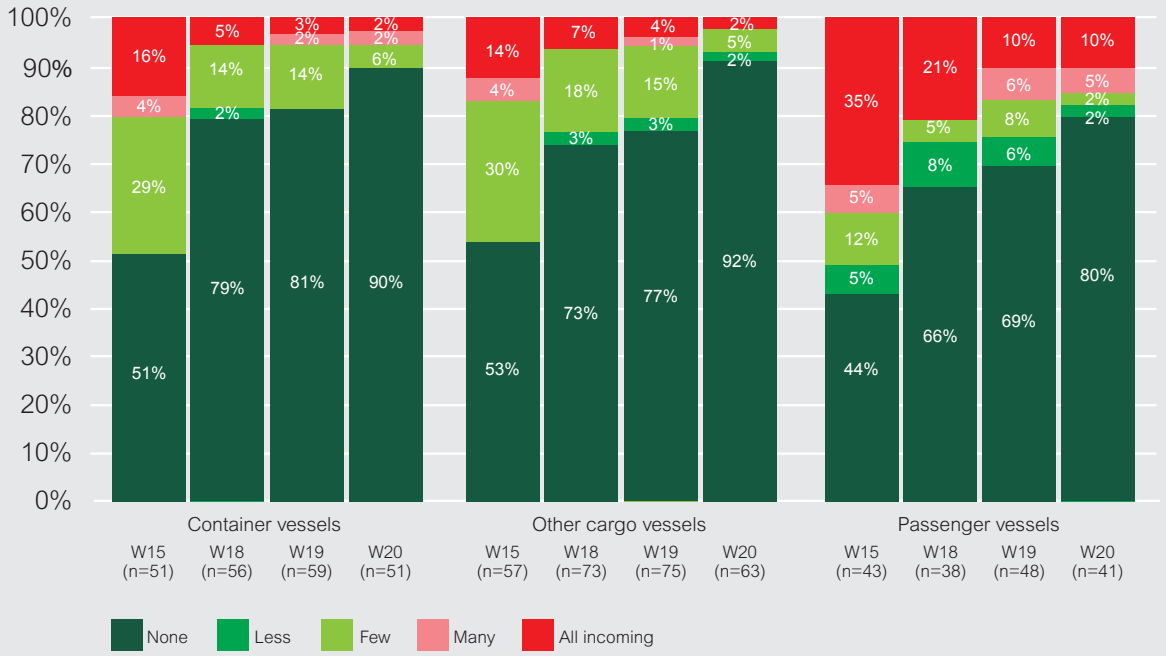
The COVID-19 outbreak can result in extra restrictions on vessels. The moderate decrease that began last week in terms of the share of ports imposing restrictions on container and other cargo vessels accelerated this week. Nine out of ten ports did not impose any restrictions on container vessels and other cargo vessels, the highest figures to date. The picture for passenger vessels also shows a strong improvement: 80% of the responding ports have not imposed additional restrictions (compared to 69% last week and 44% in week 15). The share of ports imposing extra measures on all incoming passenger vessels has stabilized at around 10%.

The restrictions applied in ports earlier remain present with no additional restrictions imposed. Sanitary protocols previously established and the resulting new processes continue to impact the logistics of ship companies and supplies to vessels. In many ports, for instance, container ships have to be disinfected before being worked by the stevedores.

Crew change processes continue to be directly impacted, with disembarking of crews not always possible, or being subject to certain conditions. As a result, some companies decided to increase the time of the crew on board, reducing the number of crew changes, and even dropping stopovers at some terminals.

Restrictions related to lay up cruise vessels seem to have been eased, though for the time being restrictions on cruise and passenger operations remain in many ports. There have been no extra restrictions on vessels related to vessel traffic coordination as long as strict COVID-19 procedures are followed and health declarations are clear.

Were there any extra restrictions on vessels introduced in the past week, for either cargoes or ship crews?



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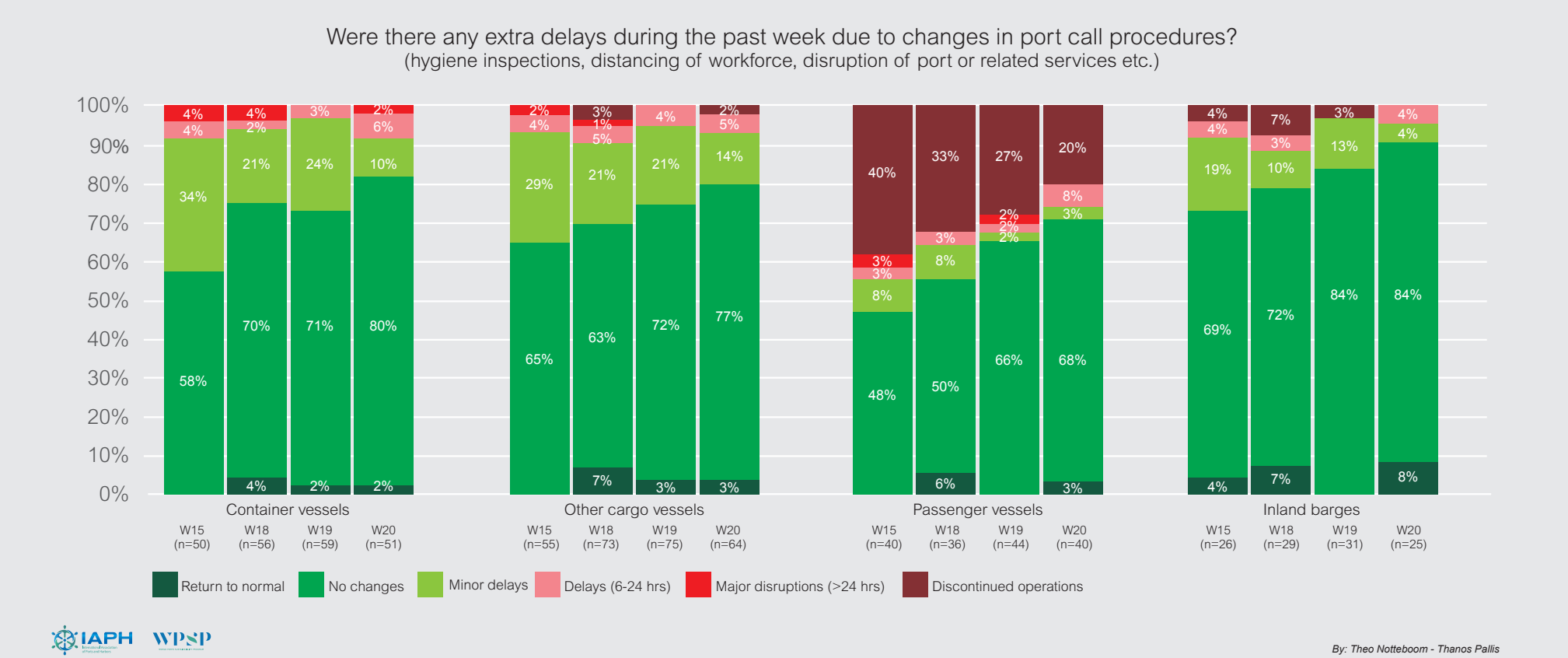
3. Extra delays due changes in port call procedures

Inland barge operations are seeing far less disruptions compared to last week: 92% of ports indicate that activities are normal/back to normal and there were no extra delays during the past week due to changes in call procedures (e.g. hygiene inspections, distancing of workforce, disruption of port or related services), the highest figure ever. For container vessels and other cargo vessels, slightly more ports report delays or major disruptions, while the share of respondents facing minor delays has declined. The passenger segment remains the most affected vessel category, but also here we see improvement: 20% of the port operations of this type have discontinued (down from 27% last week and 33% in weeks 17 and 18), while more than two thirds of the ports report no additional delays (similar to last week, but much higher than the 50-51% in weeks 17 and 18).

Sanitary controls and (suspected) COVID-19 cases continue to cause minor, or occasional, delays. In more than a few ports a vessel's arrival means that the medical team has to board the ship first, and only after sanitary control and clearance can the pilot board to bring the ship into port. There are cases that medical teams might board only during the daytime, so when the vessel arrives at nighttime she stays at anchorage. Such occasional delays appear to have further implications in terms of container terminals having to adjust dockworkers shifts and subsequent vessel calls. This said, the continuation of reduced cargo volumes has helped to ease any delays. Technological advances play a positive role as well: one port reported that its container terminals set up a web and mobile app for truck booking services for forwarding exports and delivery of import containers with this innovation bringing operations at the yard and at the gates of the terminals back to quasi-normality.

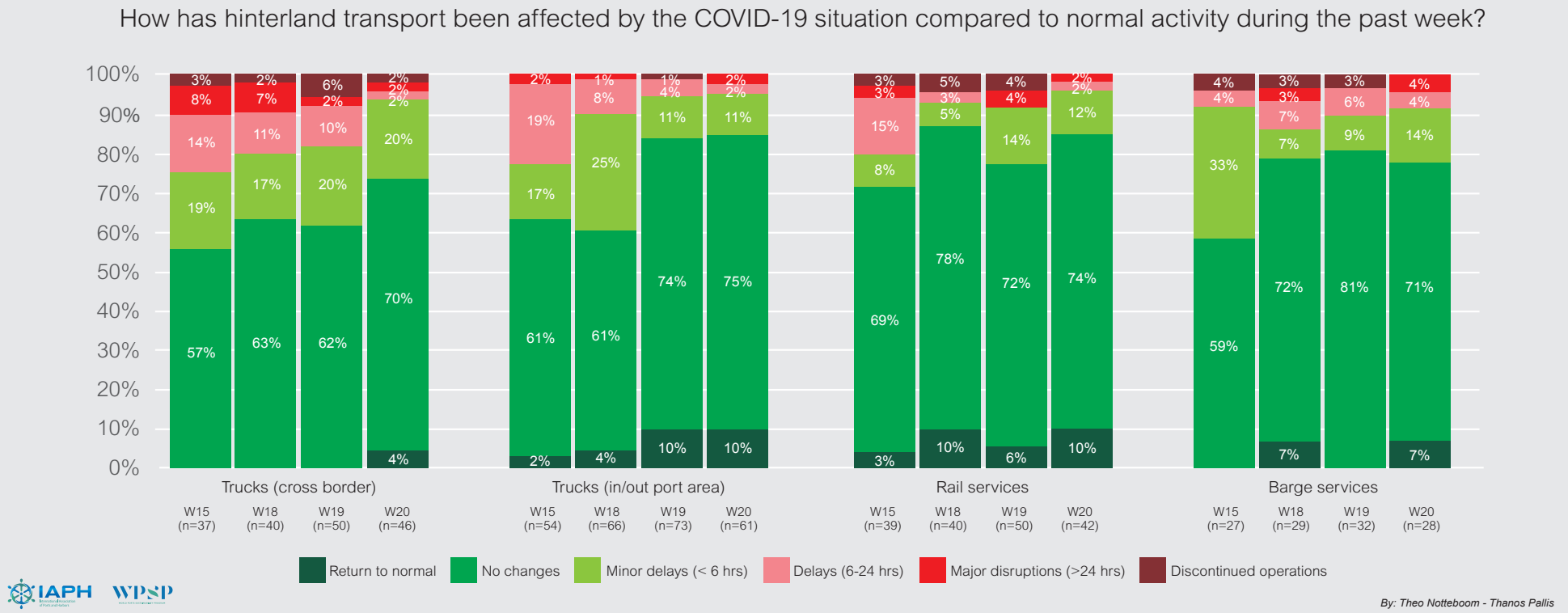
Sanitary controls for embarking and disembarking passengers also result in delays, though for the moment these delays have been eased due to the fact that such vessels are out of operations or allowed under strict conditions only.



4. Impact of crisis on hinterland transport

Border checks, a lower availability of truck drivers and disruptions in terminal operations can negatively affect trucking operations in/out of the port area and to the hinterland. With the exception of cross-border trucking, we see a clear overall improvement in hinterland transport operations. About 21% of the ports are still in a precarious position, report delays (6-24 hours) or heavy delays (> 24 hours) in cross-border road transportation, but there are no ports indicating that cross-border trucking has been discontinued anymore. On a positive note, 63% of the ports witness normal operations in cross-border transport by truck or are back to a normal situation. For trucks arriving or leaving the port, we see a further small improvement compared to last week: three quarters of ports are reporting normal activity. This figure is a little higher than last week, but well above the 61 to 67% levels of weeks 15 to 18. While 16% of ports still face disruptions in rail services, no ports are reporting a discontinuation of operations. Some 84% of ports report normal rail operations or a return to normal. The situation for barge services is evolving positively: 8 out of 10 ports report (return to) normal operations, while most of the remaining ports only face minor delays.

The opening of some economies raises questions regarding the short-term development of hinterland transportation. As other economies remain in shutdown, or consider (re) establishing a lock down, a great deal of coordination will be needed in order to minimise the impacts on cargo transport that might emerge, at least at short-term.

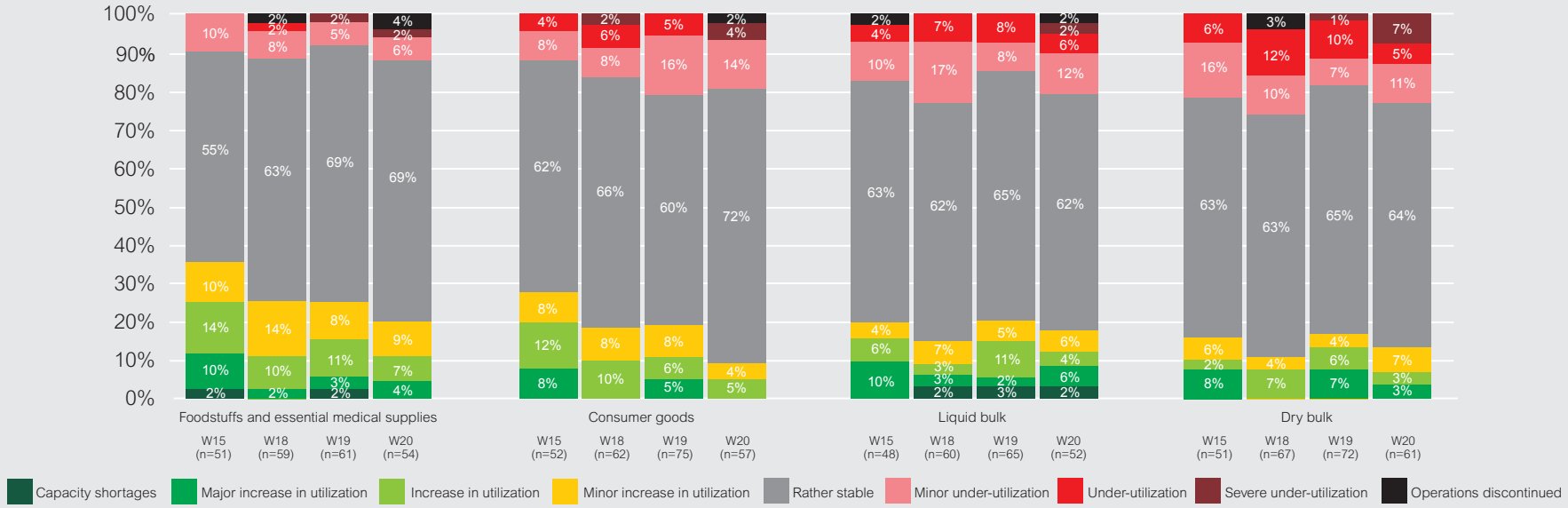


5. Impact on capacity utilization including warehousing and distribution activities

Warehousing and distribution activities in ports may see changes due to the fall in demand for consumer products or the closure of factories in countries with partial or full lockdown measures. Tank storage parks for liquid bulk, and oil products in particular, might see changes in their utilization degree caused by the sharp decline in the oil price and in the use of kerosene, diesel and gasoline.

The survey results show the COVID19 crisis has resulted in 1 out of 5 ports reporting an increase in utilization of warehousing and distribution facilities for foodstuffs and medical supplies. However, none of the respondent ports points to capacity shortages. These figures show a further improvement compared to the last two weeks, and a clear improvement compared to the first three weeks of the survey. For consumer goods, 20% of ports are confronted with underutilized facilities. While this overall figure is comparable to last week, we now have a lot more ports facing severe underutilization. Only 9% of ports see increased utilization levels of warehouses for consumer goods, a figure that is far below the results of the past weeks. In the dry and liquid bulk markets, almost two thirds of the respondents see no changes in utilization levels. The remaining ports are fairly evenly distributed between under-utilization and increased utilization of storage facilities for liquid bulk. Very few ports are facing capacity shortages in liquid bulk storage facilities. In the dry bulk sector, we see that overall there are more ports reporting under-utilization (23%) than increased utilization (13%). Warehousing and distribution activities have already seen decreases due to the economic situation but in the past week there were no new major problems.

What is this week's situation in terms of capacity utilization, including warehousing and distribution activities in the port?



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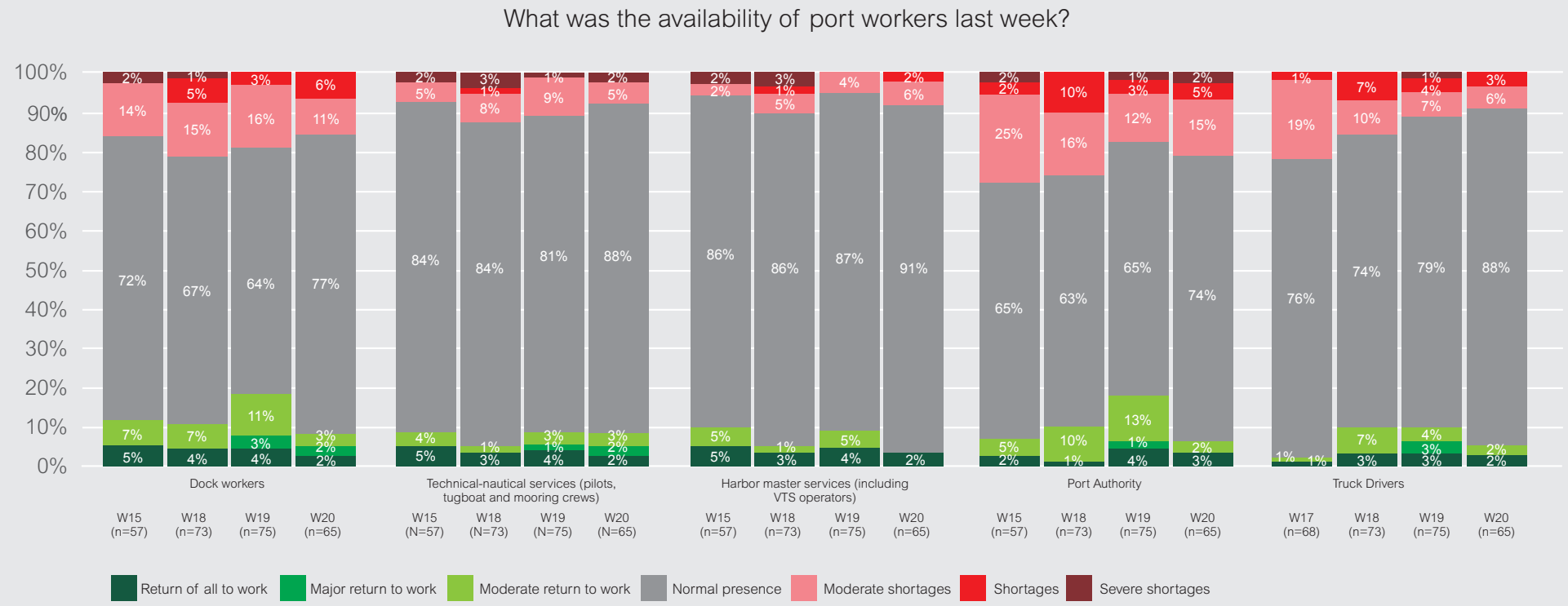
6. Impact on availability of port-related workers

The measures to fight the COVID-19 outbreak up until now have not had a huge impact on the availability of port-related workers. About 17% of the ports mention that they face shortages of dockworkers (compared to 19% last week, 22% in week 18 and 15 to 16% in the first three weeks). Only 6% of the sample is confronted with shortages for the delivery of technical-nautical services (vs. 11% last week), while 8% of ports are short of personnel for harbor master services. About 22% of the port authorities report a moderate to more serious decline in staff availability (vs. 16% last week, 26% in week 18, 22% in weeks 16 and 17 and 28% in week 15). The availability of truck drivers is high and shows a clear trend towards further improvement: only 9% of the ports face truck driver shortages compared to 12% last week, 16% two weeks ago and 21% in week 17.

Ports seem to face less workforce shortages this reporting week. This trend is considered as a result of the early application of preventive measures that include all types of activities at the port, and not least because of the establishment of teleworking for the administrative and clerical staff. However there are serious concerns about a potential increase of the number of COVID-19 cases that could impact the availability of workers in those regions where the worst period of the pandemic is, unfortunately, still in progress. Due to this ambiguous scenario, any 'back to work' plans are delayed, while all personnel categories who are at any kind of risk remain either in the home office or on paid vacation. Any shortage of workforce is further eased by a number of industries linked with ports remaining inoperative due to the contagion, with less goods transported to and/or from many ports.



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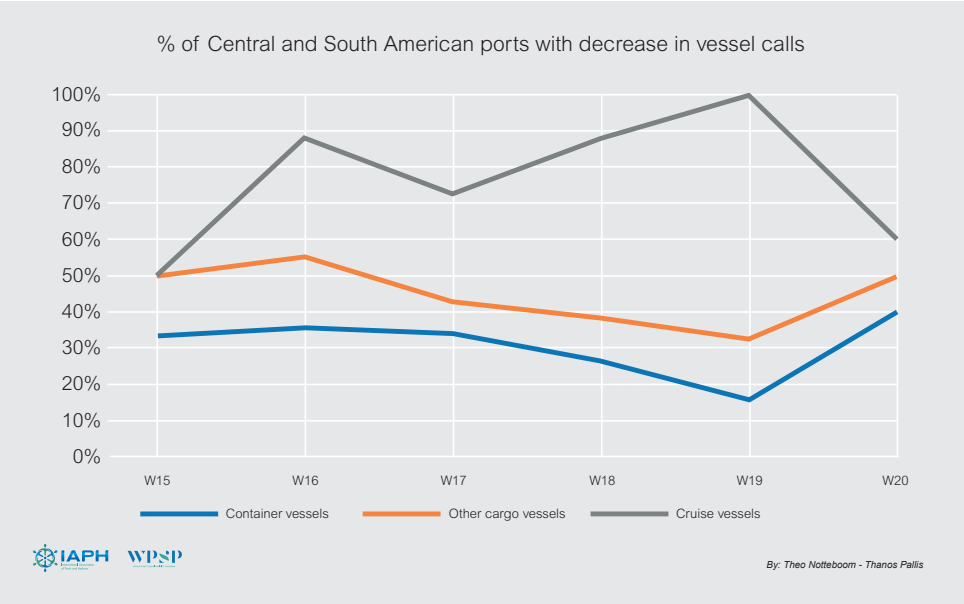
7. Regional focus: Central and South Americas

This week's regional section focuses on Central and South American ports. This port system takes the second largest share of the weekly global port sample (after Europe) accounting for between 19% and 29% of all received answers in the past weeks.

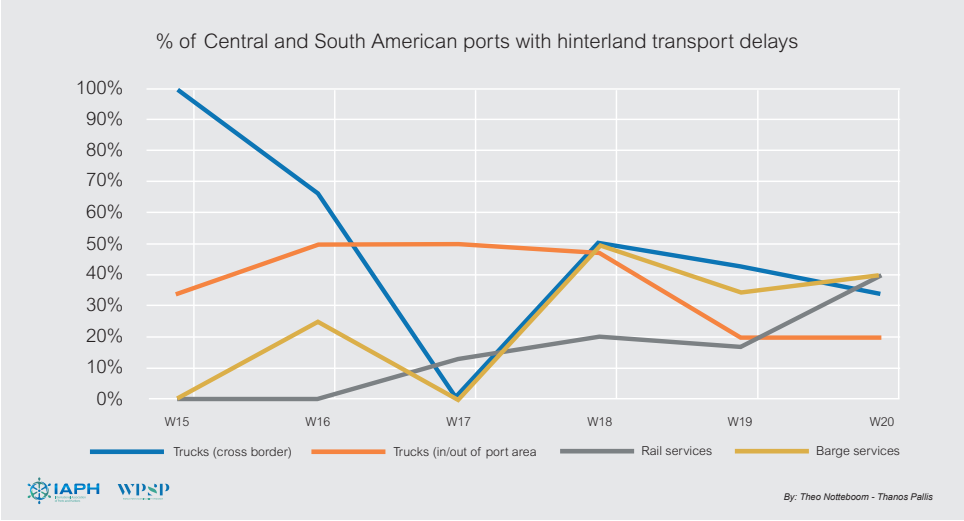
The two last columns of the dashboard enable us to compare the global (blue bar) and Central and South American (green bar) results. A number of conclusions can be drawn.

The share of ports facing declines in weekly calls of cargo vessels is fairly comparable to the world average. However, the graph below shows that this week's situation for container vessels and other cargo vessels deviates from the trend that emerged in the first five weeks of the survey. In quite a few ports, container vessels, Ro-Ro (car carriers) and general (break bulk) cargo vessels suffered a significant call reduction this week.



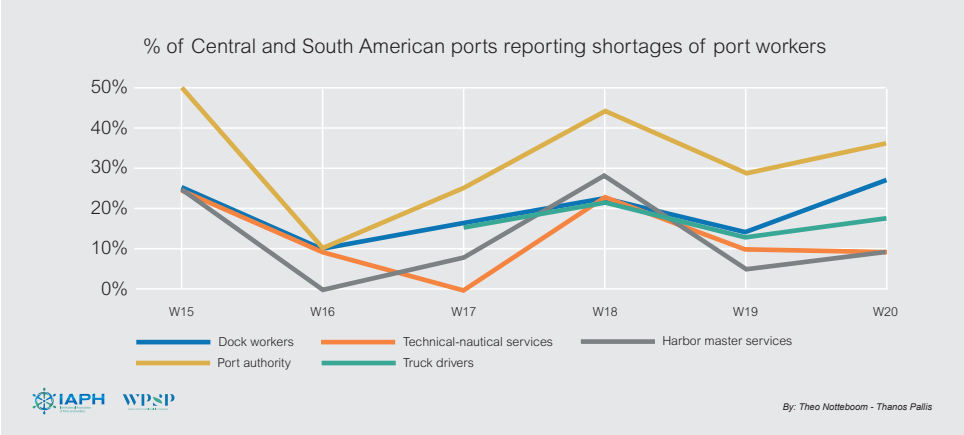
The share of Central and South American ports imposing extra restrictions on other cargo vessels and cruise vessels is low compared to the global sample. However, the situation for container vessels is more in line with the global picture. Except for other cargo vessels, the port system in Central and South America is more confronted with delays due to extra procedures for seagoing vessels.

The situation in hinterland transport is on average more disrupted than what can be observed around the world, particularly for rail and barge services. The following graph demonstrates that the situations for rail and, to a lesser extent, barge transport have become worse since the start of the survey. However, the number of ports confronted with disruptions in trucking activities in/out of the port areas is gradually declining.



The capacity utilization situation of warehousing and storage facilities in Central and South American ports is comparable to the global picture for foodstuff, medical supplies and consumer products. However, ports in the region are much more likely to have increased capacity utilization or capacity shortages for liquid bulk (29% vs. 17% for the world) and dry bulk (18% vs. 13%).

Some 27% of Central and South American ports face shortages in dock workers, a figure that is higher than the global picture and in line with what was observed in week 15. Staff availability at port authority level is also lower compared to the global sample, although strong fluctuations are observed over the period of observation (see graph). Finally, 18% of ports in the region are facing shortages of truck drivers compared to 9% globally. Contrary to the rest of the world, the availability of truck drivers in the region has not significantly improved over the past weeks.



7. Call for ports to participate in this survey

This weekly report will be published every Friday on the World Ports COVID19 INFORMATION PORTAL under the FAQ section “WHAT IS THE ECONOMIC IMPACT ON THE GLOBAL PORT SECTOR?”

All ports are welcome to participate in this survey by contacting us on the following email : covid19@sustainableworldports.org