



## Global Maritime Issues Monitor 2020: Global economic crisis tops concerns of maritime decisionmakers as climate and environmental issues stay high on the agenda despite COVID-19

*Maritime decisionmakers deem a global economic crisis as the issue that can have the greatest impact on the industry in the next ten years, reveals the Global Maritime Issues Monitor 2020. Regardless of the ongoing pandemic, climate and environmental issues remain a top priority and increase in rankings of impact, likelihood, and preparedness.*

The maritime industry is not prepared for future pandemics. This is according to the Global Maritime Issues Monitor 2020, published today by the Global Maritime Forum, global insurance broker and risk adviser Marsh, and the International Union of Marine Insurance. 2020 is the first year where pandemics are listed as an issue in the annual ranking. Immediately, it receives the lowest preparedness score of the 19 global issues included in the survey of senior leaders from six continents.

This year's Global Maritime Issues Monitor has a special focus on how COVID-19 will affect the maritime industry in the next 10 years. The coronavirus pandemic has revealed a number of weaknesses in the maritime value chain, including the inability to protect seafarers' wellbeing.

*"It will be critical for the industry to consider health impacts as it evaluates its response to COVID-19, particularly issues of physical and mental wellbeing for seafarers," says **Marcus Baker, Global Specialty Head, Marine & Cargo, Marsh JLT Specialty**. "There is a range of workforce issues for the industry to tackle in developing resilience against the next pandemic, including seafarers being unable to join their families."*

One red flag in the report relates to the perceived likelihood of future pandemics. Although respondents rank a new pandemic as likely to occur, they place it tenth in likelihood compared to other issues. This mid-point ranking presents a warning and organizations cannot afford to ease up on overall pandemic resilience efforts.

### COVID-19 increases the likelihood of a global economic crisis

The most resounding response to COVID-19 among decisionmakers is its connection to a global economic crisis. 93% of leaders believe that COVID-19 makes a global economic crisis more likely. This is confirmed in the likelihood ranking where a global economic crisis jumps from number 10 in 2019 to number two this year - the biggest shift in respondents' views on the likelihood of the issues in the survey. *"A global economic crisis has moved from 'likely' in our survey to a harsh reality and, for the third year in a row, it is the issue that respondents believe can have the greatest impact on the maritime industry in the next 10 years,"* states **Marcus Baker**.

### Environment remains top of mind

Climate and environmental issues, which dominated the Global Maritime Issues Monitor's 2019 impact ranking, remain high on the list. Climate change, decarbonization of shipping, and new environmental regulation increase in rankings of impact, likelihood, and preparedness. Leaders perceive new environmental regulation as the most likely issue to occur in the upcoming 10 years. *"The coronavirus pandemic is rightfully given high priority, but the industry cannot afford to lose track of the long-term threats posed by climate change. It is crucial that we stay alert,"* says **Peter Stokes, Chairman, Global Maritime Forum**. He finds it encouraging that the report's expert commentators point out that COVID-19 may catalyze the decarbonization of shipping as governments plan stimulus packages to restart their economies.

Decarbonization of shipping takes the second position in the impact ranking. Its impact is only perceived as slightly lower than the one of a global economic crisis.

*"Shipping needs to make a radical shift to zero carbon energy sources to meet decarbonization targets. This transition represents a large-scale systemic challenge. At the same time, it represents a trillion-dollar market opportunity for suppliers of zero emission fuels,"* comments **Peter Stokes**. 57% of survey respondents say that COVID-19 will make no change on the decarbonization of shipping.

## Digitalization can improve resilience in supply chains

Digitalization is an issue that has been proved by COVID-19 to be a shortcoming in the maritime industry. Leaders consider the industry unprepared for issues such as autonomy technology, cyber-attacks and data theft, and big data and artificial intelligence. *"We need updated digital technologies in order to improve transparency, traceability and resilience in supply chains. Those who already had that in place before the coronavirus pandemic, operated more smoothly in the course of it,"* states **Richard Turner, President, IUMI**.

Similarly to the decarbonization of shipping, the coronavirus pandemic may open new doors for digitalization. 35% of respondents say it has made the development of big data, AI, and autonomy technology more likely. *"COVID-19 is likely to accelerate digitalization. The report's industry experts agree that improving the use of new technology can lead to benefits such as increased efficiencies, improved risk management and enhanced environmental performance,"* rounds up **Richard Turner**.

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**Illustrations** can be downloaded [here](#).

## About the Global Maritime Issues Monitor 2020

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The Global Maritime Issues Monitor 2020 is based on research among senior maritime stakeholders from six continents, and their perceptions of the impact, likelihood, and preparedness on 19 global issues potentially affecting the global maritime industry in the next ten years. The report also investigates the implication of the COVID-19 pandemic and includes commentary from more than a dozen leaders and experts.

### About the Global Maritime Forum

The Global Maritime Forum is an international not-for-profit foundation committed to shaping the future of global seaborne trade to increase sustainable long-term economic development and human wellbeing. To serve its mission, the Forum convenes leaders from across the maritime community with policymakers, NGOs, experts, and other influential decision-makers and opinion shapers from all geographies in a community of purpose to discuss collective challenges and to work together on developing new solutions and recommendations for action. In order to do so, the Forum identifies, develops and shares new insights and key issues on the global agenda and facilitates collaborative projects and initiatives that can deliver long-term impact and sustainable change.

### About Marsh

Marsh is the world's leading insurance broker and risk adviser. With over 35,000 colleagues operating in more than 130 countries, Marsh serves commercial and individual clients with data driven risk solutions and advisory services. Marsh JLT Specialty is our specialist division, committed to delivering consulting, placement, account management and claims solutions to clients who require specialist advice and support. The service offering is enhanced with insight-driven advice supported by tailored data, analytic and consultancy capabilities. Marsh is a wholly owned subsidiary of Marsh & McLennan Companies (NYSE: MMC).

### About IUMI

The International Union of Marine Insurance e.V. (IUMI) is a non-profit association established for the purpose of protecting, safeguarding and advancing insurers' interests in marine and all types of transport insurance. The roles of IUMI are to: act as a focal point and representative voice on behalf of the marine and transport insurance industries in dialogue with all interested parties; share information and research that are non-commercially sensitive with regard to marine and transport insurance; bring together marine insurance practitioners to facilitate the exchange of technical information and best practice; and provide information on positions taken by IUMI.