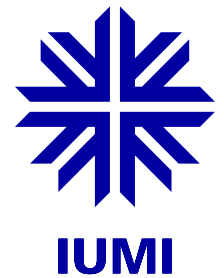


# Global Maritime Issues Monitor 2019: Environmental and climate related issues jump to the top of decision-makers' agenda



30th October 2019

- 'Global economic crisis' ranked to have potentially the greatest impact on the maritime industry over a ten-year time horizon
- 'New environmental regulation', 'geopolitical tension' and 'cyber-attacks and data theft' perceived as most likely
- Industry deemed least prepared for global issues considered to have the biggest impact – although more confident in some financial areas



Singapore, 30 October 2019; Senior leaders foresee environmental and climate related issues to have a major impact on the maritime industry in the coming decade. This is a key finding of the Global Maritime Issues Monitor 2019, published today by the Global Maritime Forum; Marsh JLT Specialty, a division of global insurance broker and risk adviser Marsh; and the International Union of Marine Insurance. Survey respondents from 46 different countries around the world highlight 'decarbonization of shipping', 'new environmental regulation', 'societal demands for sustainability', and 'failure of climate-change mitigation and adoption' as four of the top 10 issues in terms of potential impact on the maritime industry.

"Important environmental initiatives are underway within the maritime sector and the pending 2020 sulphur regulation appears to be on senior leaders' radar. They see new environmental regulation as most likely to occur in the next ten years and deem the issue to have the third highest impact. Worryingly, they perceive the maritime industry as relatively unprepared for the issue close to the deadline for the new fuel requirements.

"When it comes to decarbonization, the maritime sector must play an even larger role in addressing climate change and the sector is a key stakeholder when it comes to both the causes and solutions related to the issue," says [Peter Stokes, Chair of the Global Maritime Forum](#)

## Top issues: The maritime industry is grappling with a vast range of challenges

Environmental, economic, geopolitical, and digital areas attract attention when top issues regarding likelihood, impact and preparedness are compared. For the second consecutive year, a potential 'global economic crisis' is tapped as the issue to have the greatest impact over the next ten years. It is also the one issue the industry is least prepared for, although it considers the event relatively unlikely. Likewise, 'cyber-attacks and data theft' remain a top concern for the industry.

"Increasingly complex cyber-attacks on critical infrastructure – which are designed to inflict damage or disrupt operations – are at an all-time high. As recent attacks show, highly-skilled hackers have demonstrated the ability to easily penetrate the systems used by the global maritime sector. Respondents to this year's research are also rightly concerned about their vulnerability to rising geopolitical tensions in certain parts of the world and the increased use of automation and advanced analytical technologies.

"As an industry, greater collaboration is needed to assess and model the risks surrounding new technologies and evolving risks. We need to learn from best practice in other sectors, if we are to successfully adapt and thrive in the face of these new threats," says [Marcus Baker, Global Head Marine and Cargo at Marsh JLT Specialty](#).

Conversely, respondents show more confidence in 2019 in some financial areas. This year's respondents are less likely to view 'insufficient access to finance' as a significant issue, and its likelihood score dropped to 2.65, down from 3.01 in 2018.

## Preparedness remains a key concern

Senior leaders perceive the maritime industry relatively unprepared to deal with all 18 issues surveyed. More worryingly, seven of 10 issues considered to have the biggest impact are among those for which respondents consider the industry to be least prepared.

"The maritime industry is not alone in questioning its preparedness for many of the issues in the survey. Most sectors are struggling with issues related to climate change, cyber-attacks, the ongoing technology revolution, and geopolitical concerns. We hope

this view of preparedness is taken as a challenge. Our qualitative research indicates that the industry has the power to influence many of the top long-term issues identified, and the expertise and resources to focus on them,” says [Richard Turner](#), President of the International Union of Marine Insurance.

### Deep dive on getting to zero: Availability of zero carbon vessels and fuels is seen as a major barrier to shipping's decarbonization

The Issues Monitor's deep dive on 'getting to zero' – which looks at six barriers to shipping's decarbonization – strongly indicates that the availability of zero carbon vessels and fuels is seen as a major barrier to shipping's decarbonization. While both issues rank relatively high in perceived impact and likelihood of occurring within the next 10 years, they received the lowest preparedness scores of the entire survey.

“Commercially viable zero emission vessels powered by zero emission fuels must start entering the global fleet by 2030 and their numbers need to be radically scaled through the 2030s and 2040s if international shipping is to meet the target of reducing greenhouse gas emissions by at least 50% by 2050. This represents an unparalleled challenge, but it can be done through close collaboration and deliberate collective action between the maritime industry, the energy sector, the financial sector, governments and IGOs,” says [Johannah Christensen](#), Managing Director, Head of Projects & Programmes at the Global Maritime Forum.

The Issues Monitor also undertakes a deep dive into the theme of 'workforce of the future'. Overall, survey respondents do not rank workforce-related issues as high for impact, likelihood, or preparedness as they do for other areas. Respondents say increased automation of jobs and tasks is the most likely to considerably affect the industry in the next 10 years. They also considered it to be the most likely to occur — and the one for which the industry is least prepared.

The Global Maritime Issues Monitor 2019 is available for download [HERE](#).

Graphs and tables can be downloaded [HERE](#).

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[About the Global Maritime Forum](#)

The [Global Maritime Forum](#) is an international not-for-profit organization 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 is a business of Marsh & McLennan Companies (NYSE: MMC), the leading global professional services firm in the areas of risk, strategy and people. With annual revenue approaching US\$17 billion and 76,000 colleagues worldwide, MMC helps clients navigate an increasingly dynamic and complex environment through four market-leading businesses: Marsh, Guy Carpenter, Mercer, and Oliver Wyman.

### 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.