



Verband
Deutscher
Reeder

ANSCHRIFT
Burchardstr. 24
D-20095 Hamburg

BRIEF
Postfach 30 55 80
D-20317 Hamburg

TELEFON
+49,40,35097-238

E-MAIL
presse@
reederverband.de

WWW
reederverband.de

Hamburg, 2 March 2022

German shipping sector strives for broad-based upswing in the markets 2021 balance and outlook / Market situation: “calm after the storm” following a decade of crisis / Supply chains: call for collaboration / climate protection poses biggest challenge

Today, the German Shipowners' Association (VDR) released new figures on the situation of the German shipping sector. President Gaby Bornheim and Managing Director Martin Kröger also used this occasion to comment on the most important issues currently facing the German shipping sector: climate protection, Germany's status as a shipping hub, and sea-based supply chains.

In the two years since the outbreak of the coronavirus pandemic, many German shipping companies have had to navigate through rough waters, President Bornheim said, adding: “The German shipping sector mainly consists of small and medium-sized companies. We should not be blinded by the positive economic results of some large shipping companies.” Eighty per cent of the shipping companies have fewer than 10 ships, and the upswing has not been felt by all of them yet by any means, Bornheim noted, adding: “The shipping sector as a whole, but especially in Germany, has an entire decade of crisis behind it. Small and medium-sized shipping companies in particular have been economically weakened after more than 10 years of crisis, and they will need more than just one year of positive returns to be able to financially shoulder the challenges of the future, especially when it comes to making the needed investments, such as for climate protection. Given the encouragingly positive developments in the container markets, we are now starting to see the first signs of the calm after the storm.”

The situation should also be viewed in a differentiated way, she continued, pointing out that even though containers and bulkers are benefiting from high demand, the situation remains volatile in the tanker market as well as for ferry and cruise lines. In addition, she noted that no one knows how long the currently skyrocketing growth in demand will last once the ongoing impacts of the pandemic and the government economic stimulus programmes in many countries across the world come to an end.

The figures show that Germany is currently the world's sixth-largest shipping nation, with a 3.8 per cent share of the global merchant fleet (down by 0.7 percentage points year-on-year). Germany continues to operate the world's second-largest fleet of container ships after China. At the end of 2021, a total of 1,917 ships with a combined gross tonnage of 46.1 million were registered in German shipping registers, or 84 fewer vessels than the year before. A large proportion (more than 45%) of the ships in the German fleet now fly the flag of an EU country, especially the flags of Portugal, Cyprus and Malta. The number of ships sailing under German flag currently stands at 275. Owing to the decrease in the size of the German merchant fleet, the number of seafarers subject to social insurance contributions in Germany has also recently seen a slight decline, to 6,927, while the number of sea apprentices newly coming on board saw a marginal decrease in 2021, to 355, as a result of the pandemic.



**Verband
Deutscher
Reeder**

ANSCHRIFT
Burchardstr. 24
D-20095 Hamburg

BRIEF
Postfach 30 55 80
D-20317 Hamburg

TELEFON
+49.40.35097-238

E-MAIL
presse@
reederverband.de

WWW
reederverband.de

Supply chain problems: Shipping not causing, but suffering from these bottlenecks

VDR Managing Director Martin Kröger rejected accusations that shipping is exacerbating the tense situation currently found in supply chains worldwide, saying: “It must be clearly stated that, like many others, we are among those being impacted by the situation – and not the causers of it.”

Practically all container ships in the world are currently in service, he continued, stating: “The strained supply chains are clearly a result of the coronavirus pandemic,” Kröger said, “this is a unique situation in which several factors are converging.” Independent analyses by the antitrust authorities of China, the United States and repeatedly also the EU have shown that carriers are not to blame for the situation, he noted, adding: “The liner shipping companies are doing everything in their power to transport the vastly increased cargo volumes. But if the ports are congested and containers are in transit with customers for longer stretches of time, they are ultimately powerless, too.”

President Bornheim called on all market players to work together, saying: “We should stop blaming each other. All of us are suffering from not being able to offer the level of service that we would actually like to offer. There is a spanner in the works, and we will only be able to get it back out of the supply chains if we work together.”

Broad alliance needed for the shipping sector to achieve climate neutrality by 2050

Last autumn, the International Chamber of Shipping (ICS), with the backing of the VDR, sent a clear signal that the industry aims to be climate-neutral at the global level by 2050. “This means that we, as an industry, are much more ambitious than the community of states in the IMO,” Bornheim said, referring to the International Maritime Organization. “The initiative is as smart as it is bold. We are thereby sending out a signal that everyone is now being called on to join us – be it policymakers, the fuel suppliers, engine manufacturers, researchers or ports. We need a concerted effort.”

Managing Director Kröger also commented on the need for a “revolution in fuels”, saying: “Which climate-friendly fuel will soon be powering sea-going vessels is still an open question. The engines that could make shipping carbon-neutral in parts already exist today – the main thing missing is the right fuel. That is why we will still need LNG for now. However, these engines can later be converted to ‘green gas’ without much effort.”

About the German Shipowners’ Association

The German Shipowners’ Association (*Verband Deutscher Reeder, VDR*) is responsible for representing the common business and social policy interests of German shipping companies at federal and state government level as well as in relation to European and international bodies. Founded in 1907, the VDR merged with the Association of German Coastal Shipowners in 1994. With a membership of around 200, the VDR represents the majority of Germany’s merchant fleet. For more details, visit <https://www.reederverband.de/en.html>

Press photographs of Gaby Bornheim and Martin Kröger:

<https://www.reederverband.de/en/media/downloads/portraits-vdr-association-leadership>

Press contact: [Christian Denso](mailto:christian.denso@reederverband.de), +49 40 350 97-238