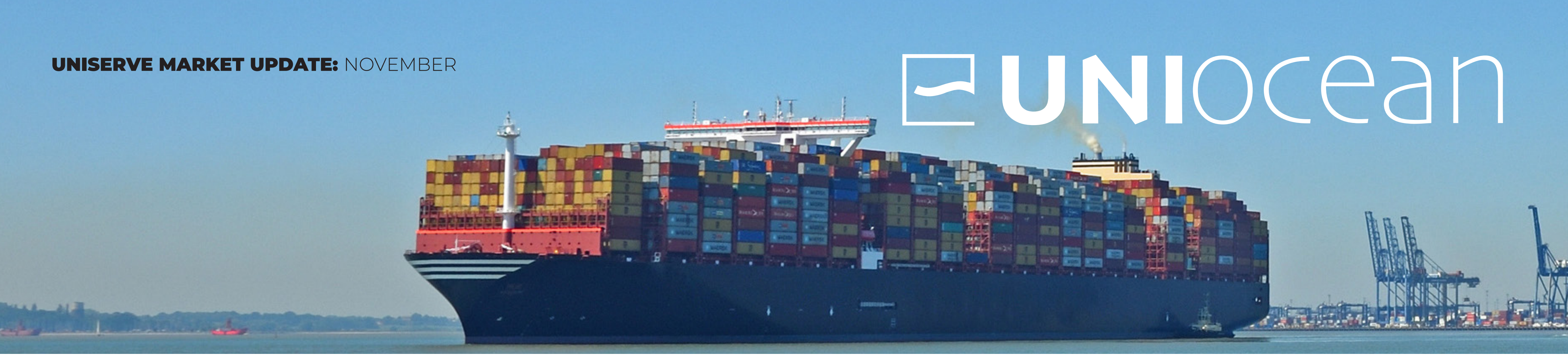
uniserve

your **global** business


# MARKET **UPDATE**

November 2021



# OCEAN FREIGHT MARKET OVERVIEW

Market instability looms when it comes to imports from the Far East, and China in particular.

## KEY TOPICS

- Following the impact of the Chinese Golden Week holiday and a period in the calendar where shipping deadlines to meet retail demand in Europe passed, booking levels saw a decline. However this slow-down was short-lived and booking numbers are climbing once again. This is now expected to be the continual pattern right through until at least Chinese New Year 2022.
- Available container equipment levels in China have improved, but not to the extent where no issue is being felt. Across Europe – in the UK in particular – the market is suffering from container equipment congestion, with ports and depots carrying high and in some cases exhaustive levels of containers. We need to flag that additional charges are likely on the back of our country's largest ports closing for the receipt of empty containers as shipping lines have heavy levels of container equipment dwelling.
- Vessel integrity continues to cause an issue. Vessels departing the Far East are tending to leave three or four days later than scheduled. With arrivals into Europe landing outside of the schedule, congestion in the East and the West continues to create challenges; knocking vessel movements out and reducing control.
- Exports from the UK have seen some recent reductions in price on trade lanes into the Far East and Europe, however, space and

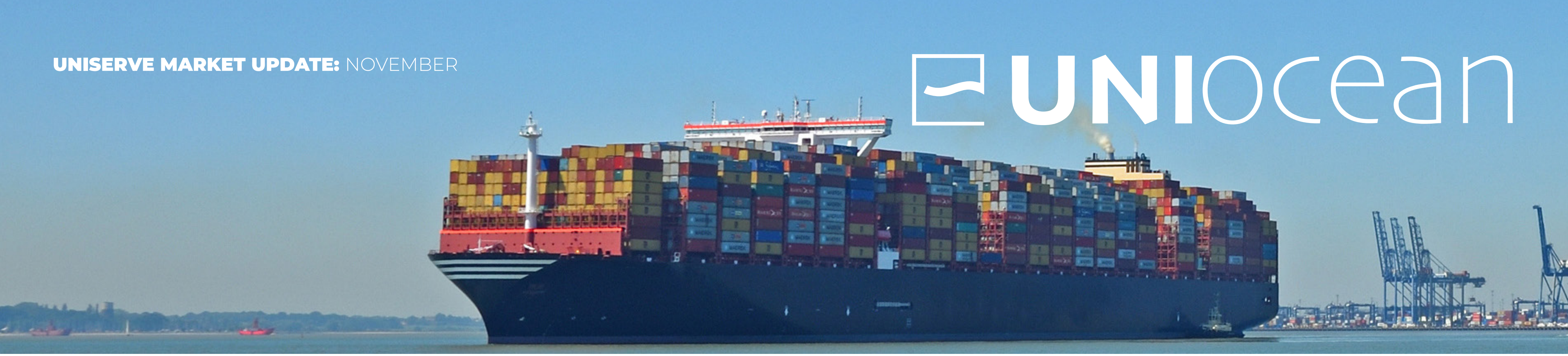

# OCEAN FREIGHT MARKET OVERVIEW (CONTINUED)

## KEY TOPICS

availability continue to be a problem. The average lead time between placing a booking and actually getting a shipment to depart is around two to three weeks. For movements into the USA, the booking issue is even greater, with longer timeframes of between three and four weeks.

- On the Transpacific side, shipments into the US West Coast are experiencing extreme issues whilst trying to enter the country. Market conditions are still disastrous, with over 100 vessels either anchored or dwelling waiting to berth. You cannot ship into the US via Long Beach / Los Angles without delays or additional cost.
- It is understood that President Joe Biden wants to break a logjam at US ports and stave off a holiday season of shortages and delays – bottlenecks that officials and stakeholders say extend far beyond the reach of the White House. In mid-October, Biden announced that the Port of Los Angeles would begin operating 24 hours a day and 7 days a week and that retailers had pledged to step up efforts to move goods.
- At the time of going to press, California's Governor Gavin Newsom has signed an executive order directing state agencies to identify additional ways to alleviate congestion and supply chain issues in Californian container ports.
- Our Less than Container Load (LCL) product (cargo for consolidation) goes from strength to strength, our CBM throughput in the area continues to climb to record numbers. Importers continue to find our offering in this area attractive, as cargo arrives into the UK for delivery on our own Uniserve group container trucks. Cargo is then devanned in our own Uniserve warehouses, benefits from in-house brokerage support and customs clearance, before finally having a Uniserve domestic truck delivering freight to your door.

> Shipments into the US West Coast are experiencing extreme issues, with over 100 vessels either anchored or dwelling waiting to berth.



# OCEAN FREIGHT MARKET UPDATE – FAR EAST & SE ASIA

On the back of a strong traditional peak-season period, we are still seeing a high demand forecast for November, with little or no improvement in equipment availability, or schedule reliability.

## KEY TOPICS

- We expect strong export demand from Asia to continue for the rest of the year, particularly in the US and Europe. Several holidays, including China's Golden Week last month and Christmas, have created seasonal volume rushes. We expect to see early signs of a pre-Chinese New Year rush in December. In order to mitigate the risk of liner equipment shortages as much as we possibly can, our International Sea Freight Division, UniOcean Lines has brought 20,000 brand new high cube containers into service from China to Europe and the UK.
- As always, our focus remains on securing coverage, equipment and reliable capacity solutions – be that liner, charter, or our own equipment. For time-sensitive goods that need to be moved quickly, our air freight service is another transport alternative that may be able to assist you.
- Inventory levels in Europe and the US remain at their lowest levels on record, leading to stockouts on some products. This means even once retail demand declines, we will see cargo volumes continue to remain strong as inventory levels need to be rebuilt.
- THE Alliance have issued blank sailing information for November, ex Qingdao, Shanghai, Ningbo and Shenzhen, on their FE2, FE3 and FE4 Loops. On a positive note, CMA and YML are putting on some extra loaders.

**T:** 01375 856060 · **E:** crmteam@ugroup.co.uk

UNIocean

# OCEAN FREIGHT MARKET UPDATE – FAR EAST & SE ASIA (CONTINUED)

## KEY TOPICS

- We are currently seeing some carriers reduce their port rotations in order to try to improve their schedule reliabilities. In the short-term, this is causing the market a degree of pain.
- Ports in Asia Pacific continue to be severely congested. With continued high yard density issues and weather disruptions from July to September (i.e. 3 typhoons and 6 tropical storms), operational challenges remain in port operations and the situation is not expected to improve in the immediate future.
- Coca-Cola has chartered three dry bulk vessels to freight 60,000 tonnes of goods and ensure the company's production. The move comes as a result of the chaotic freight market where it has proved challenging to obtain capacity onboard vessels.
- China is consuming electricity like never before, while also experiencing shortages for its many coal-fired power stations that produce the energy. As reported in late September, power outages and restrictions across China are impacting its manufacturing base meaning buyers in Europe and the US will have to wait longer for supplies. Factory owners in China as well as their customers all over the world have been notified to prepare themselves for power outages on a regular basis.
- Maersk Growth, an investment company under A.P. Møller-Maersk, has invested in Vertoro, a producer of green fuel. This paves the way for further development and commercialization of the Dutch company's technology.
- A strong market for chartering out container vessels has triggered a huge influx of orders at shipyards for small and mid-sized container vessels. Over the course of 2021, shipowners have sent a cascade of orders to shipyards for newbuilds of container ships upwards of 7,000 teu.
- South Korean HMM and European carriers Hapag-Lloyd and Maersk are ready to take on the challenge from Amazon and Ikea, among others, to transition their fleets to clean energy by 2040. However, it remains difficult to settle on a specific fuel, notes HMM.
- Israeli container line Zim has bought seven used container vessels at a total price of USD 320 million. The order consists of five 4,250 teu container ships and two 1,100 teu ships. →

**T:** 01375 856060 · **E:** crmteam@ugroup.co.uk


# OCEAN FREIGHT MARKET – INDIAN SUBCONTINENT UPDATE

## KEY TOPICS

- Space from the Indian Subcontinent remains a challenge as global congestion results in omissions and altered sailing schedules. US ports LA/LB and Savannah are of the greatest concern for the ISC market.
- Rates are expected to stabilise in November 2021 due to a slight dip in demand from China to the West. Whether or not rates will continue to flatten, further reduce, or even increase remains unclear.
- Carriers have indicated that the demand outlook remains strong for the rest of the year from ISC. This is in line with projections by economists, indicating strong forecasts until inventories replenish. Congestion is expected to remain severe.
- Equipment of all types is in deficit. Carriers are working to reposition empties while also placing large orders of new equipment.
- Maersk announced they are cutting or withdrawing services to multiple small ports, while other carriers have announced more blanked sailing. Maersk said it was sending vessels from the Indian port of Chennai away from the port of Felixstowe, which has become gridlocked with containers in recent weeks as Britain's lorry driver shortage continues to cause difficulties in coping with the annual influx of Christmas goods.
- Colombo Port is facing operational delays due to high yard density and bad weather disruption. Consequently, vessel berthing delays are between eight and 10 hours. There is also a drop in productivity and slow ITT movement.
- Adani Ports has entered a staggering $700 million deal with the state-run Sri Lanka Ports Authority (SLPA) to operate the strategic Colombo port's Western Container Terminal.
- Chittagong Port is facing an average berthing delay of 1-5 days. The berthing schedules for vessels coming from Singapore and Malaysia are repeatedly changed at Chittagong port prolonging their stay at the outer bar.
- Major carriers such as CMA and YML are facing an equipment crisis which has caused a switch to premium services carriers like Maersk who are unable to provide the nomination instantly. Carriers are accepting a few subject to high demand on FIFO Basis only.

# AIR FREIGHT MARKET OVERVIEW

In the absence of pre-pandemic scheduled passenger flight volumes, a significant amount of cargo capacity is yet to return to the market.

## KEY TOPICS

- As with ocean freight, in the weeks running up to Golden Week in China, the air freight markets in the Far East and South-East Asia saw a strong increase in demand. This demand kept capacity full over the holiday period and further strengthened throughout the early part of October. These increases in demand were largely echoed in air freight hubs around the world.
- On the supply side, space continues to be restricted. In the absence of pre-pandemic scheduled passenger flight volumes, a significant amount of cargo capacity is yet to return to the market. The cargo industry has therefore been heavily reliant on freighter and charter operators to maintain a flow of goods. Covid-19 cases in Shanghai and Hong Kong are limiting airport operations, and have resulted in further reduced capacity to support some planned and ad hoc charter requests.
- This imbalance has kept costs high and capacity restricted for the last 18 months. The further increased demand is coming from the usual peak period plus lots from ‘distressed’ sea freight. Further demand on largely unchanged capacity is resulting in extended dwell times at origin, longer transits and prices rising further. Airport operations across the world are struggling to increase resources quickly enough to meet this spike in demand, resulting in ‘expected’ transit times being pushed out.
- We foresee this situation continuing throughout November and well into December. There is no sign that any significant capacity will come into the market. Even in the short term as passenger services do slowly increase, passenger baggage will reduce cargo capacity slightly. Our efforts are focused on supporting our customers through the capacity agreements we have, and through leveraging our carrier relationships. However, the overall market situation is a wider result of the pandemic impact, which has caused supply chain challenges within manufacturing and all modes of transport. We strongly suggest you factor these into your overall planning.

**T:** 01375 856060 · **E:** crmteam@ugroup.co.uk

# AIR FREIGHT MARKET UPDATE – FAR EAST & SE ASIA

Capacity constraints continue to remain at the absolute core of most challenges around air freight.

## KEY TOPICS

- Demand in November is currently predicted to strengthen, with challenges in capacity remaining a key issue. The forecasted demand for the last quarter of 2021 remains very high, due to continuous disruptions and mode shift conversion from ocean to air on various trade lanes. We are seeing a marked increase from our clients, who – frustrated with their ongoing challenges on sea and rail freight modes – are once again turning to air freight as their prime 'problem-solver.
- Fresh Covid-19 outbreaks (Delta variant) across the region continue to blight the supply chain. All countries in the Far East and South-East Asia continue to pursue their 'zero Covid-19' strategies.
- Hong Kong-based Asia Airfreight Terminal has received IATA CEIV Fresh certification. This confirms the terminal's capability to handle temperature-sensitive perishable goods to IATA's globally recognised standard. These new facility upgrades will be ready to serve the industry by 2022.
- Qatar Airways Cargo reported a 4.6% in cargo volumes in the fiscal year ending March 31st despite the loss of much of its bellyhold network due to the pandemic. The cargo division of Qatar Airways handled a total of 2,727,986 tonnes in the 2020/21 fiscal year to maintain its position as the world's largest cargo carrier.
- Air cargo saw double-digit year-on-year (YoY) demand growth in each of the months from April to August, but the rate of increase is declining steadily. However, rates continued to go up in the five weeks up to mid-September. The latest statistics from analyst WorldACD show that in April the YoY change →

**T:** 01375 856060 · **E:** crmteam@ugroup.co.uk


# AIR FREIGHT MARKET UPDATE – FAR EAST & SE ASIA (CONTINUED)

## KEY TOPICS

stood at 53%, in June at 31% and at 21% in August. Overall volume for the first eight months of 2021 is 22% above the level in 2020.

- The International Air Transport Association (IATA) has reported in its latest market analysis that cargo volumes increased in August 2021, and the outlook remains positive. The association said global air cargo demand – measured in cargo tonne-kilometres (CTKs) – was 7.7% higher in August this year than pre-Covid levels (August 2019). Meanwhile, global air cargo capacity in August this year, measured in available tonne-kilometres (ATKs), was 12.2% lower than pre-Covid levels.
- IATA also estimated that cargo volume for airlines will grow 7.9% in 2021 compared to 2019 and demand will heat up to 13.2% above pre-pandemic levels next year. Cargo revenues are expected to reach a record $175 billion in 2021, an upward revision of $23 billion from April, and stay near that level at $169 billion in 2022 as cargo yields soften from 15% to 7% growth. Airlines generated $128 billion in cargo revenue last year, also a historic high.
- Air cargo load factors began their peak season rise in September and are expected to continue to increase for the rest of the peak. For instance, dynamic load factors on services out of Guangzhou, Hong Kong, Osaka, Beijing, Inchoen and Hanoi were all over 90% in the last week of September. Shanghai, Ho Chi Minh, Singapore and others were not far behind.
- Air freight rates on major east-west trade lanes in September rose at a faster rate than last year as companies sought to avoid a peak season crunch. Hong Kong to Europe rates increased by 20.3% in September compared with August. The reason for the earlier upswing, in our view, is that a lot of customers were caught off guard for last year's peak by strong demand and scarce capacity. This year we've noticed that, along with some retailers launching major new products, many are also preparing earlier for the Holidays, while trying to navigate severe and persistent supply chain disruption.
- Air cargo has recovered above 2019 levels and is expected to be stronger in 2022 with the support of improved global trade. However, the airline industry as a whole is forecast to make net losses of $52 billion this year, cutting these losses to $billion in 2022.

**T:** 01375 856060 · **E:** crmteam@ugroup.co.uk

# AIR FREIGHT MARKET UPDATE – FAR EAST & SE ASIA (CONTINUED)

## KEY TOPICS

- Air cargo's newfound importance to airlines is here to stay, according to IATA director general Willie Walsh. "Going forward I think cargo will have more of an input into both the aircraft decisions and the network decisions."
- Greater Bay Airlines (GBA) in Hong Kong has announced it has received its Air Operators Certificate (AOC). The new airline plans to begin operations in the fourth quarter of 2021 with three Boeing 737-800 passenger aircraft. GBA plans to have 10 Boeing 737-800 aircraft in service by 2022 and more than 30 by 2026.
- In October, Airport Authority Hong Kong (AA) welcomed Chief Executive Carrie Lam's support in her policy address as the airport looks to further uphold Hong Kong's status as an international aviation hub. The airport is pushing forward multiple plans related to the 'airport city' development.
- Dubai restricted imports of cargo into its international airport for six days from 19th October to clear a backlog caused by "extraordinarily high" volumes of inbound shipments. Cargo handler dnata told the Financial Times that restrictions would include cargo in transit to other destinations in the UAE with only certain essential items exempted from the ban.
- Logistics executives blamed the cargo import ban on staff shortages and said new staff are being trained and brought in to deal with the surging workload.
- At the time of going to press, Malaysia Aviation Group said it doesn't rule out the idea of seeking investors for MASkargo, its non-air passenger businesses to accelerate growth.
- Air Charter Service predicts that the coming months might represent the busiest-ever peak season for cargo aircraft charters, as the global supply chain disruption meets the increasing demand in the run-up to Christmas. The container market, shipping routes, ports, trucks, railways and warehouses are all still struggling during the fallout caused by Covid-19 all around the globe.
- Hong Kong's Cathay Pacific Cargo in September reported its busiest month since the start of the Covid-19 pandemic. The cargo carrier saw volumes reach 130,997 tonnes in September, an improvement of 19.7% compared with last year.

# AIR FREIGHT MARKET UPDATE – INDIAN SUBCONTINENT

Demand is expected to surge in the second half of November 2021 because of the holiday orders from ISC.

## KEY TOPICS

- We expect a pick up in factory production after Diwali holidays ending in the first week of November in India and continued congestion at transit hubs.
- India has extended its international passenger flight ban until at least the end of November 2021. Imposed in March 2020 limits direct passenger flights to and from the 28 countries with which it has an "air bubble" arrangement. All-cargo flights are not affected by the ban, however, capacity on passenger flights is limited due to payload issues, with passenger loads increasing on all flights.
- Conversion from Sea Freight Shipments to Air Freight Shipments quite high due to instability in Sea-Freight Market. We are seeing bigger shipments (+5,000 kg/ +10,000 kgs) being uplifted via Air-Freight. Airports at Kolkata and Chennai are very congested and currently alternatives are being looked at via Ahmedabad and Cochin.
- About 40% of air freight shipments are currently moving under spot-rate transactions, as carriers allocate more space for last-minute bookings to take advantage of the pricing environment, compared to longer-term contracts.
- Companies are furiously bidding →

# AIR FREIGHT MARKET UPDATE – INDIAN SUBCONTINENT (CONTINUED)

## KEY TOPICS

to secure any remaining freighters, as well as temporary cargo-only passenger aircraft, through the end of the year. Fashion brands, companies with high-margin products such as electronics, and manufacturers needing components for production lines, are willing to pay top prices rather than lose potential sales or customers.

- All transshipment points across the region are heavily congested(CMB, SIN, DXB, HKG). Sea-Air and Air-Air shipments are now getting difficult to arrange along with current Sea and Air schedule instability.
- In Bangladesh, repairs have been made to the explosive detection scanner (EDS) meaning flights from Dhaka can resume, however the backlog is huge. Most of the airlines are reluctant to take bookings since they are not getting an onward connection from hubs. Even at higher rates, airlines are not able to confirm onward space for the shipments.
- CMB airport is fully congested. TK airlines have pulled out two of their freighter operation from the last week of October.
- The Tata Group will take over state-owned Air India, marking a successful end to the Government's bid to privatise the national carrier. Tata will pay Rs 18,000 crore (approximately $4.5 billion) to acquire Air India. Of the total, 15% will go to the Government and the rest will go toward clearing debts. India will be the third airline brand in Tata's stable – it already owns an 84% stake in AirAsia India and 51% in Vistara. The deal will add as many as 141 wide-bodies and narrow-body planes to Tata Group's aircraft fleet, a significant number of which is owned by AI.

> Companies are furiously bidding to secure any remaining freighters, as well as temporary cargo-only passenger aircraft, through the end of the year.

**T:** 01375 856060 · **E:** crmteam@ugroup.co.uk

# WAREHOUSING & DISTRIBUTION UPDATE

## KEY TOPICS

Transport volumes continue to remain high and there's no sign of any easing in the foreseeable future, with requests for haulage resources constantly flowing through to our bookings desk.

- As the summer holiday season subsides, we have seen improvement in driver availability in East Anglia. However, it continues to be very challenging in both the London and Southampton areas where take-up is still very limited.
- The Port of Felixstowe continues to make the national news due to the volume of loaded containers that they have on the quay. The increased dwell time has sparked many concerns around supply chain shortages across the country. The issue is not just limited to Felixstowe, as we have seen the restitution of empty containers becoming our biggest challenge with many shipping lines being "Locked Out" of various ports at various times. Those affected have included Maersk, Evergreen, MSC, and Yang Ming. This has also had a huge knock-on effect on the inland depots, with many reporting that they are also full and even if they were able to take the empties, they are unable to deal with the sheer volume that gets diverted to them. This then has a big impact on the efficiency of the vehicle fleets. As waiting time increases, so does the mileage to free up equipment, as the storage depots being used/considered are now much further away than normal. Again there is no quick fix to this issue.

# WAREHOUSING & DISTRIBUTION UPDATE (CONTINUED)

## KEY TOPICS

- The spot subcontractor market has become virtually non-existent, with most hauliers reporting more volume than they can cope with on a daily basis. This in turn is pushing up the demand for dedicated subcontractors, with fierce competition from different sectors of the market all offering to increase rates or guarantees, which makes it very difficult to retain let alone introduce new hauliers into the industry.
- We continue to work with our customers and suppliers to see what we can do to improve the efficiency of our fleet so that we can reduce downtime where possible. The focus in October was to reduce the vehicle detention and to keep the vehicles moving. We have also been very busy finding alternative storage options to try and meet the ever-increasing demand for both empty and loaded storage.
- A recent report released by property consultancy Knight Frank predicts that increases in online shopping will fuel warehousing demand. It is estimated that an additional 12 million sq. ft will be needed by 2025 to support fulfilment requirements.
- Warehouse space take-up in the first three quarters of 2021 hit 46.9 million sq. ft, 27% up on the same period in 2020, according to Knight Frank. It puts total take-up in 2021 on course to top the 51.6 million sq. ft recorded during 2020. Construction of new space to meet demand has been severely impacted by increased lead time, a shortage of materials and higher costs.
- Space demand to support final mile fulfilment is on the increase, while customers are demanding faster delivery times through e-commerce channels – resulting in retailers launching "ultra-fast" delivery services. In order to fulfil the service requirements, demand for urban logistics space situated in close proximity to consumers is rising. Warehousing capacity located in urban areas is limited and a drive towards the improvement of operational efficiencies and automation is a key trend in maximising the potential of these sites.
- The pandemic has driven supply chain reviews, and the industry has seen a shift away from "just

# WAREHOUSING & DISTRIBUTION UPDATE (CONTINUED)

## KEY TOPICS

in time" models to situate facilities closer to the end customer base.

- Supply chain challenges highlighted during the pandemic are also creating a surge in demand for warehousing space. The demand has been driven by retailers looking to avoid the disruption caused by Brexit, along with the associated driver and labour shortages, and are moving towards simplified, more direct supply chains. In addition, food manufacturing is also vying for space as they look to relocate their supply chains back to the UK. The 200,000 sq ft efulfilment zone at Uniserve's new Felixstowe Mega DC is purpose-built to offer maximum flexibility when delivering final mile solutions.
- Amid the continuing driver shortages, warehouse staffing gaps are now causing additional disruption to supply chains. The resource has been affected not only by Brexit but by a lack of new talent entering the logistics industry. Staff costs are rising with some being offered pay increases and sign-on bonuses to combat the increasing skills shortage and traditional peak season vacancies.
- The driver shortage goes on, with workers continuing to retire, and a backlog in new driver tests and DVLA licence applications. There is still a shortage of over 100,000 drivers. Measures such as short-term visas for non-UK nationals have been introduced, but this is only a brief solution to a problem that has a much longer outlook. Rules around the number of hours that drivers can work have also been relaxed, yet this is adding additional strain to already overworked drivers.
- To support the future, the Government has announced plans to train up to 4,000 new HGV drivers through "skills boot camps". Historically, drivers have left the industry due to poor working conditions and a lack of lorry park facilities. With announcements in the Budget of £32.5million to improve showers, toilets and security at existing facilities – along with access to affordable hot meals – it is hoped the plans will attract drivers back into the industry.


FELIXSTOWE
MEGA DC
IS NOW OPEN

# EUROPEAN FREIGHT TRANSPORT MARKET UPDATE

The clock is really ticking towards stricter border controls with Europe in 2022.

## KEY TOPICS

- UK freight executives are pleading with members to get their European suppliers prepared for 1st January when UK Customs authorities will need full Customs declarations completed to allow shipments across the border. Around 85% of the traffic on the Dover Strait is EU-operated and stricter border controls will become an issue for ill-prepared suppliers. The goods vehicle movement service (GVMS) system is reported to only have a small number of companies registered on it so far. From 1st January 2022, the GVMS will need to be used to get any goods that you move through a port in the UK, that uses the service, through Customs.
- The European road freight market has nearly fully recovered following the effects of the pandemic. Looking at a report from Transport Intelligence (Ti), highlights that the European road freight market recorded a growth rate of 4.7% in 2021, although still being 1.5% smaller when compared to 2019. The market is still on course to reach a total size of €378.1billion by 2025 but will have to contend with rising inflation due to fiscal and monetary stimulus from EU governments.
- Further, the report suggests during the pandemic European FTL is growing →

**T:** 01375 856060 · **E:** crmteam@ugroup.co.uk


# EUROPEAN FREIGHT TRANSPORT MARKET UPDATE (CONTINUED)

## KEY TOPICS

faster than LTL as companies look to guarantee access to capacity, however in consideration, the LTL market is still expected to account for 70.8% of the market in 2021.

- As reported last month, there is still an imbalance of trailer equipment in Turkey which is causing disruption within the market for availability and causing a scramble for capacity and prices to surge.
- The effects of Brexit, retirements and Covid-19 delays have seen the HGV workforce plummet, with shortages of 400,000 drivers across Europe. The equipment shortage also continues and looks like it will cause further festive delays when receiving goods and may see some retailers short-shelved this winter.
- The UK Government is taking steps to ease the HGV driver shortage by issuing 5,000 temporary visas to try and attract drivers from outside the country. Further proposals by the government have come under scrutiny by the RHA, as the Government propose to allow foreign haulage companies to undertake unlimited work in the UK in two-week blocks, which could undermine UK hauliers.
- The Humber Express, a new rail freight service, has begun to carry goods between Immingham Docks and Doncaster. With a capacity of 80 containers a day, Immingham will become the fourth largest port in the UK when measured by the number of units that cross the quayside. The port is helping ease quayside congestion while also freeing up HGV drivers.

**The effects of Brexit, retirements and Covid-19 delays have seen the HGV workforce plummet, with shortages of 400,000 drivers across Europe.**

# COMPLY DIRECT

## What is the COP26 and why is it one of the most significant climate events in the environmental calendar?

### KEY TOPICS

- COP26 is the UN Climate Change Conference of the Parties, with the 26th event being hosted in Glasgow from 31st October – 12th November 2021. Organisations across the globe need to be alert to the conference outcomes, as these will ultimately influence consumer behaviour. Expectations of businesses to play their part in tackling climate change will also be more prevalent.
- The United Kingdom, together with many other countries worldwide, is dedicated to tackling the threats of climate change. The COP (Conference of the Parties) is a global summit attended by over 200 world leaders who discuss the threats of climate change and how countries plan to tackle it. All attending countries have signed the United Nations Framework Convention on Climate Change (UNFCCC) – a treaty agreed on in 1994.
- COP26 will be the biggest summit the UK has ever hosted and is anticipated by many. Covid-19 led to a delay of COP25 in 2020, therefore COP26 will be a significant event for 2021 with ambitions of resolving big issues in relation to climate change. These include discussions on how the agreed goals should be achieved and the expectation of more ambitious climate pledges from countries to put forward at the summit. →

T: 01756 794 951 · E: marketing@complydirect.com

complydirect
your environmental future

# COMPLY DIRECT (CONTINUED)

## KEY TOPICS

- The UK is committed to working with all countries and joining forces with civil society, companies, and people on the frontline of climate change to inspire climate action ahead of COP26. In 2020, the government pledged a "Year of Climate Action", creating targets in relation to electric cars, and reducing the UK's carbon emission to "net zero" by 2050. These goals have arisen from government obligations to set out ambitious goals for ending their contribution to climate change under the Paris Agreement (COP21).
- This annual summit is all about uniting the world to tackle climate change, ensuring a greener, more resilient future for us all, making it the most significant climate event in the environmental calendar.
- One of the key COP26 goals which will be discussed is to secure global net zero by the middle of the century and keep 1.5 degrees within reach. For organisations, the action required is clear. It is crucial that companies of all types and sizes look to align their organisational strategy with the global net-zero target and contribute to keeping global warming below the disastrous 1.5 degrees which we're hurtling towards.

Comply Direct can support businesses in setting an achievable roadmap to Net-Zero. Get in touch with our expert team at **marketing@complydirect.com** or on **01756 794 951**.

**COP26 (UN Climate Change Conference) 31st October – 12th November 2021.**

uniserve

your **global** business


**Head Office**
Upminster Court
133 Hall Lane
Upminster
Essex, RM14 1AL