AUGUST 2025

MARKET UPDATE

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OCEAN FREIGHT UPDATE

KEY HEADLINES

- The U.S. imposes sweeping tariffs on imports from nearly 70 countries, triggering legal challenges and global supply chain realignments.
- Houthis expand their target list to all companies trading with Israeli ports, increasing risk across a major global trade route.
- Transpacific rates dip as carriers use blank sailings to manage capacity.

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OCEAN FREIGHT GLOBAL MARKET OVERVIEW

August market projections are expected to follow a similar pattern to July, with some fluctuation across the Asia-Europe and Transpacific trade lanes.

Rates have seen somewhat of an upward turn, as carriers manage excess capacity by limiting space. Demand remains strong, with vessels full into late August Ex Far East to EU. Furthermore on the Asia-Europe route, blank sailings continue despite more vessels in service, helping to keep supply in check. Northern European congestion is still unresolved, with delays reported at Rotterdam, Hamburg, Bremerhaven, Antwerp, and Le Havre. Transpacific demand has softened. The earlier volume spike from tariff frontloading has faded, and rates have declined. Carriers are reviewing options including blank sailings, service cuts, and vessel downsizing. Blank sailings remain a key tool to control rate drops, especially on the Transpacific. Political tensions globally continue to drive market volatility, with a reactive freight environment expected through Q3. The impact on Europe will become clearer in the months ahead.

US government sign an executive order imposing new “reciprocal” tariffs on imports.

US government sign an executive order imposing new “reciprocal” tariffs on imports from nearly 70 countries, starting first week of August. A default tariff rate of 10% will apply to countries not specifically listed, while others face significantly higher rates. For example, Canada now faces a 35% tariff, Brazil 50%, India 25%, Taiwan 20%, and Switzerland 39%. Countries like Vietnam, Thailand, and Cambodia face rates between 19 – 40%, depending on the outcomes of ongoing negotiations. The European Union negotiated a cap at 15% through a new trade deal, while Mexico secured a 90-day extension. These measures mark a major shift in U.S. trade policy, driven by the administration’s goal of enforcing reciprocity and addressing perceived trade imbalances. The tariffs have triggered legal scrutiny, supply chain disruptions, and strategic realignments as global exporters reassess their access to the U.S. market.

> **“Blank sailings remain a key tool to control rate drops, especially on the Transpacific.”**

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OCEAN FREIGHT GLOBAL MARKET OVERVIEW

Yemen's Houthi rebels have announced a new escalation in their campaign against Israel

Yemen's Houthi rebels have announced a new escalation in their campaign against Israel, stating they will now target merchant ships from any company that does business with Israeli ports, regardless of the ship's nationality or destination. Backed by Iran, the Houthis began attacking vessels in the Red Sea in response to the Israel-Hamas conflict. This marks the fourth phase of their naval blockade strategy, further threatening a key global trade route.

CK Hutchison has announced that a major Chinese investor may join the consortium.

CK Hutchison has announced that a major Chinese investor may join the consortium led by BlackRock and MSC's Terminal Investment Limited in their $22.8 billion bid to acquire its port assets. Reports suggest COSCO Shipping is considering joining the group. The company confirmed the exclusive negotiation period has ended but said talks continue with potential buyers, including efforts to bring in a key Chinese strategic partner. Changes to the deal structure and consortium membership may be required to secure regulatory approvals, which have posed challenges in several jurisdictions since the deal was announced in March.

"Houthi rebels will now target merchant ships from any company that does business with Israeli ports, regardless of the ship's nationality or destination."

Steve Ireland,
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OCEAN FREIGHT GLOBAL MARKET OVERVIEW

INDIAN SUBCONTINENT

- **India–Pakistan Relations:** Containerised cargo banned between these countries, forcing ocean carriers to detour via transshipment hubs (e.g., Colombo, Jebel Ali) for U.S./Europe-bound shipments. This has increased operational complexity, transit times, and led to surcharges and general rate increases since June 2025.
- **India:** Trade remains strong, underpinned by robust domestic economy and firm demand for exports. However, some volatility exists from tariff uncertainties tied to global trade disputes and U.S./China policies.
- **Bangladesh:** Export growth is steady but slower than in previous years, with policy uncertainty and foreign reserve pressures suppressing rates. Recent trade restrictions at India-Bangladesh land and seaports (except Nhava Sheva, Kolkata) are causing localized disruption and rerouting.
- **Sri Lanka:** Container movements stabilised after turmoil in prior years. Increased reliance on Colombo as a transshipment hub for subcontinent cargo, due to India-Pakistan direct shipping restrictions.
- **Pakistan:** Expansion of freight rail network aims to improve reliability and reduce port dependence, but trade is impacted by the ban on direct shipping with India and economic pressures.
- **Middle East:** Ocean freight to/from the Middle East remains stable, with predictable rates and capacity available from UAE, Saudi Arabia, Oman, and Qatar. These ports serve as key transshipment/consolidation points for South Asian and East African trade.

Predictions and Outlook for August 2025

- **Rates:** Expect rates to remain volatile but above pre-pandemic norms, particularly on routes affected by regulatory/tariff changes or requiring transshipment due to political tensions. Rate increases are likely in the event of extended congestion at European and Middle Eastern ports. Surcharges for emergency contingencies and operational disruptions will persist through Q3 2025.
- **Capacity:** Continued disruption from blank sailings and regional rerouting, with last-minute bookings at risk of rolling. Capacity should remain stable if planned — anticipate lead times of 2–3 weeks for bookings from South Asia and the Middle East.

“India–Pakistan Relations: Containerised cargo banned between these countries, forcing ocean carriers to detour via transshipment hubs.”

Shruti Jain,
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AIR FREIGHT UPDATE

KEY HEADLINES

- With no additional capacity added, rates have risen to key US destinations, and this has had a knock-on impact to UK and EU rates as uplift demand has grown.
- Bangladesh has seen a spike in volumes to the USA, in anticipation of higher tariff rates.
- Export airfreight rates are stable in the near term with reasonable space availability to US and EU markets.

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UNIair

AIR FREIGHT GLOBAL MARKET OVERVIEW

August tends to be a slower month for air cargo traditionally. Whilst this is being reflected in most markets, a few are seeing higher volumes for differing reasons.

Bangladesh has seen a spike in volumes to the USA, in anticipation of higher tariff rates. With no additional capacity added, rates have risen to key US destinations, and this has had a knock-on impact to UK and EU rates as uplift demand has grown. These higher levels are expected to continue for a number of weeks.

Cambodia has capacity issues as the typical release valve for higher volumes via Thailand on land / air services has been closed due to an ongoing border dispute. Higher volumes to beat the US tariff updates and this capacity restriction are driving up costs and lengthening dwell times. Uniserve offers an alternative solution via Vietnam which is supporting with faster uplift, although still with a level of rate increase.

Demand from perishable and Mango producers in Pakistan has increased rates locally.

India and the UK's agreement on free trade should be a positive amongst an otherwise unpredictable period on trade which continues to be driven by US policy.

US ends de minimis exemption for imports under $800.

The US will end the de minimis exemption for imports under $800 from all countries starting 29 August, which could disrupt peak season trade. A new executive order signed on 30 July outlines that postal shipments will face $80–$200 per item in duties for six months before full tariffs apply, while non-postal low-value goods will be immediately subject to standard duties. This follows the earlier removal of the exemption for Chinese goods in May and its permanent repeal set for 2027 under the OBBBA. Additional tariffs include a rise to 50% on Brazilian goods from 6 August, with exceptions for in-transit shipments. A 50% tariff on copper-heavy products also took effect on 1 August, applying only to copper content. Meanwhile, uncertainty over US tariffs is prompting shippers to accelerate exports from Southeast Asia ahead of the deadline.

INDIAN SUBCONTINENT

- **India:** Export airfreight rates are stable in the near term with reasonable space availability to US and EU markets. Demand remains supported by pharmaceuticals and perishables, with Delhi Airport serving as the primary

"Bangladesh has seen a spike in volumes to the USA, in anticipation of higher tariff rates."

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airfreight hub offering good connectivity. No major capacity expansions are expected in the short term.

- **Bangladesh & Sri Lanka:** Air cargo volumes in Bangladesh have fluctuated due to recent disruptions but showed recovery signs in July 2025. Both countries remain dependent on regional hubs and experience capacity constraints affecting lead times and costs.
- **Pakistan:** Capacity constraints persist due to limited direct shipping options, pushing reliance on transshipment hubs. The airfreight market is adjusting to shifts caused by trade restrictions with India.
- **Middle East:** The region serves as a critical airfreight transshipment hub with relatively stable capacity and demand. However, regional geopolitical tensions and aftereffects of previous Red Sea disruptions add uncertainty to carrier capacity planning.

Rates and Capacity

- Airfreight spot rates out of South Asia are currently stable but volatility expected due to tariff-related demand surges and regional supply chain rerouting. Airlines cautiously add capacity back after previous cuts, but tight space remains for last-minute bookings, necessitating advance booking of 2-3 weeks.

Outlook for August 2025

- Expect continued volatility with potential surge in demand ahead of tariff deadline expirations and sustained geopolitical tensions affecting South Asia-Middle East corridors.
- Rates may remain elevated or increase temporarily due to capacity constraints and last-minute booking premiums, particularly for non-priority shipments or urgent goods.
- Capacity and rates are expected to stabilise gradually post-August as tariff policies and trade flows settle, but regional disruptions (India-Pakistan restrictions, Bangladesh trade shifts) will prolong some operational complexity.

Heathrow Airport submits updated proposals to the UK government for a third runway.

Heathrow Airport has submitted updated proposals to the UK government for a third runway, aiming to boost cargo capacity by 50%. The expansion, expected to be fully

“Expect continued volatility with potential surge in demand ahead of tariff deadline expirations and sustained geopolitical tensions affecting South Asia-Middle East corridors.”

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AIR FREIGHT GLOBAL MARKET OVERVIEW

privately funded, could add 0.43% to UK GDP, create jobs, and direct 60% of supply chain spending outside London and the South East.

Heathrow's CEO said the new runway could be operational within a decade and would support nationwide growth, enhance global connectivity, and offer better value for passengers and airlines. He stressed the urgency of expansion, citing current capacity limits that impact trade and connectivity.

The UK government reaffirmed its support for the project in January. Though approved in 2018, the plans now face added scrutiny due to the UK's commitments to net zero by 2050 and a 68% emissions reduction by 2030.

"Heathrow Airport has submitted updated proposals to the UK government for a third runway, aiming to boost cargo capacity by 50%."

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WAREHOUSING & TRANSPORT UPDATE

KEY HEADLINES

- Uniserve supports Major Aircraft Engine Project at LGT Warehouse Tilbury.
- Uniserve's fleet of 10 LNG (liquefied natural gas) trucks based at Chepstow has hit an impressive milestone.

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WAREHOUSING & TRANSPORT MARKET OVERVIEW

Uniserve supports Major Aircraft Engine Project at LGT Warehouse Tilbury

Uniserve is proud to support a high-value logistics operation involving the offloading, secure storage, and onward loading of nine aircraft engines over an estimated 3–4 week period. This project highlights our capability in managing complex, high-stakes logistics.

Beginning 11th July, the engines will be stored at LGT, a facility that exemplifies flexibility and strength in handling out-of-gauge cargo. This operation will demonstrate the site's robust infrastructure and expert handling processes, specifically tailored for oversized goods.

To ensure the utmost safety and security of the engines, the operation will incorporate non-standard equipment and additional handling measures. This attention to detail underscores Uniserve commitment to excellence in specialist logistics.

This project not only showcases our technical expertise but also reinforces our ability to deliver trusted solutions for the aerospace sector and other industries requiring meticulous cargo management.

Uniserve's LNG Trucks at Chepstow Go the Distance

Uniserve's fleet of 10 LNG (liquefied natural gas) trucks based at Chepstow has hit an impressive milestone. In just over 100 days, the fleet has collectively travelled the equivalent of circling the Earth more than 26 times - and even more remarkably, covered the distance to the Moon and back 1.4 times.

This achievement not only highlights the scale of Uniserve's transport operations but also reflects the growing role of sustainable logistics solutions in long-distance haulage. Powered by cleaner-burning LNG, these trucks support our commitment to reducing emissions while delivering exceptional performance and reliability.

The Chepstow fleet's incredible journey is a testament to the hard work of our drivers and logistics teams, and to Uniserve's ongoing investment in greener, more efficient transport solutions.

"The engines will be stored at LGT, a facility that exemplifies flexibility and strength in handling out-of-gauge cargo."

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ENVIRONMENTAL COMPLIANCE UPDATE

BEYONDLY

KEY HEADLINES

- Earlier this year, B Lab released the new standards for B Corp Certification, which is the most significant change to the standards since the certification framework began in 2006.
- Companies can still certify under the current B Corp standards up until the end of 2025.

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Big changes ahead for B Corp Certification

Earlier this year, B Lab released the new standards for B Corp Certification, which is the most significant change to the standards since the certification framework began in 2006. B Corps are companies that are certified as meeting the highest standards of social and environmental impact. They are driving forward the movement to redefine the role of businesses to become a force for good, continuously improving their impact for all stakeholders, and transforming the economy to become more inclusive and equitable.

The current standards assess companies across 5 impact areas: Governance, Workers, Community, Environment, and Customers. In order to become B Corp certified, companies need to achieve a total of 80 points in the assessment. These points can be distributed across each of the 5 areas in any way i.e. companies could have lower scores in one area but much higher scores in another area, and still achieve the 80 points.

The new standards have evolved away from the point-scoring assessment to provide companies with a framework of minimum requirements they must meet across seven impact topics: Purpose & Stakeholder Governance, Climate Action, Human Rights, Fair Work, Environmental Stewardship & Circularity, Justice, Equity, Diversity & Inclusion, and Government Affairs & Collective Action. In addition, companies must first meet a set of foundation requirements, which ensure that companies are meeting the fundamental eligibility requirements before they progress to the impact topic requirements. The specific requirements companies have to meet depend on company size, sector, and industry.

This is a welcome transition, ensuring that companies are meeting the minimum standards expected to be a leading business across key environmental and social issues, tailored specifically to that company's context. Not only have the requirements become more rigorous, but the new standards introduce mandatory improvement actions for businesses to ensure that B Corps are striving to

"In order to become B Corp certified, companies need to achieve a total of 80 points in the assessment."

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continuously improve their impact and evolve alongside global challenges. Companies will have initial requirements to meet in the first year of certification, and the requirements will then increase in the 3rd and 5th years of certification.

Although the new set of standards have been released, there are still elements of the B Corp assessment that are being consulted on. The key one being the Impact Business Models (IBMs), which companies can gain points for in the current assessment, as a recognition of how a business is intentionally designed to create a specific positive outcome for a stakeholder group. IBMs are not accounted for in the first publication of the new standards, but B Lab are continuing to engage stakeholders to explore what they might look like under the new version.

Companies can still certify under the current B Corp standards up until the end of 2025. For businesses certifying from 2026 onwards, they will do so under the new standards. Beyondly are offering support to companies certifying on the current standards via our training and consultancy services. As the new standards continue to develop and evolve, we aren’t currently able to offer support for companies looking to certify against these; however, we hope to offer these services in 2026, when any unknowns will hopefully have been confirmed.

Find out how Beyondly can support you in your B Corp journey **start today**!

“Companies can still certify under the current B Corp standards up until the end of 2025. For businesses certifying from 2026 onwards, they will do so under the new standards.”

Emily Baker,
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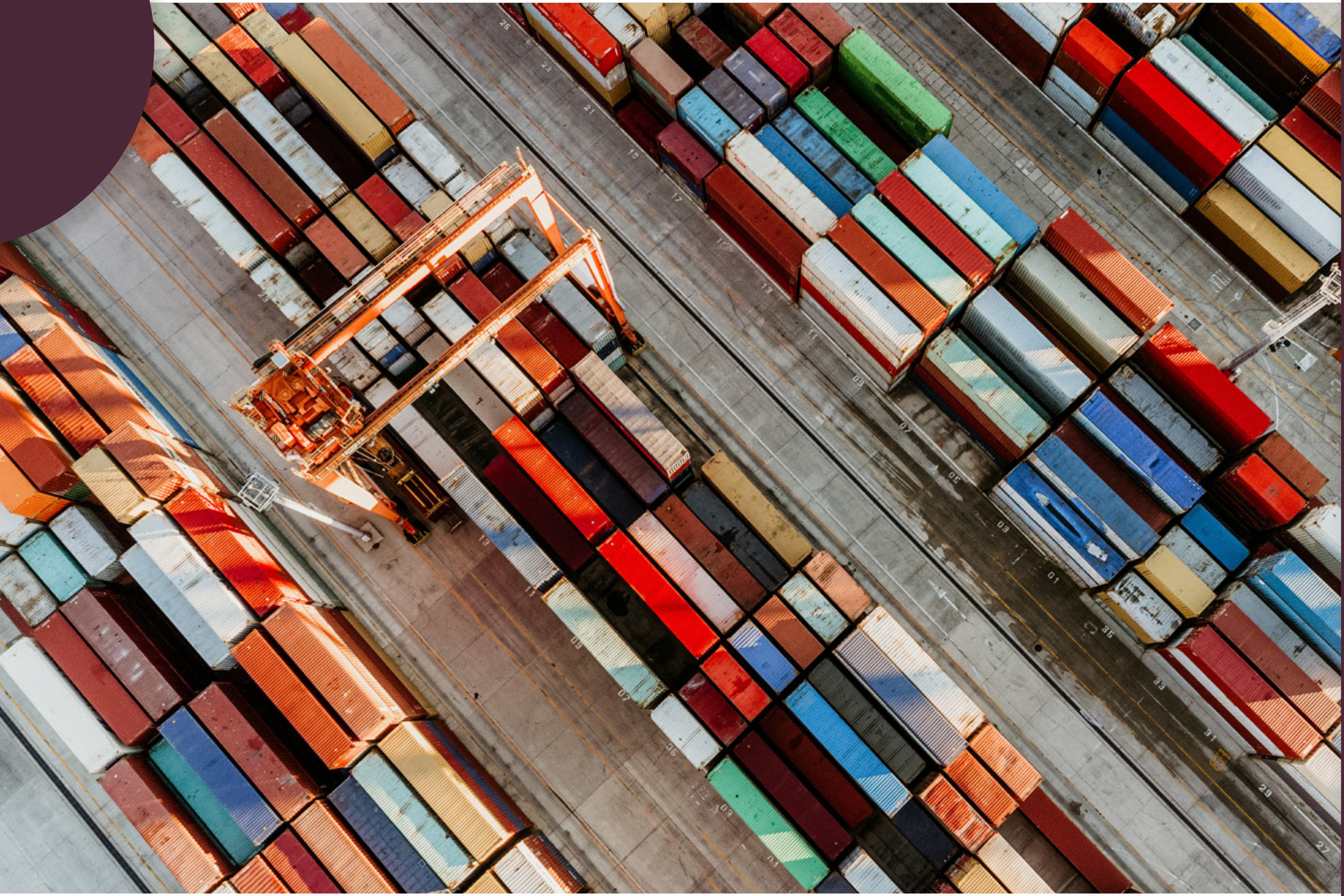
BKR CONSULTANTS UPDATE



KEY HEADLINES

- Starting March 2026, HMRC will make MSS/CDS customs data available for free via the UK Government Gateway portal.
- Removing the paywall gives every trader, from SMEs to global players, equal access to valuable insights. In principle, it's a major win for those seeking improved operational transparency and efficiency.

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BKR CONSULTANTS MARKET OVERVIEW

Trade Smarter: What Free MSS/CDS Data Means for Your Business

Starting March 2026, HMRC will make MSS/CDS customs data available for free via the UK Government Gateway portal and therefore ending the costly subscription model that's charged traders anywhere from £1,500 to £11,500 annually, depending on how many of the four available reports traders choose to subscribe to.

Removing the paywall gives every trader, from SMEs to global players, equal access to valuable insights. In principle, it's a major win for those seeking improved operational transparency and efficiency. But what does this mean for importers and exporters and their customs responsibilities?

With everyone gaining easier access to customs data, expectations around competence and compliance may be shifting. Will HMRC demand a sharper level of expertise in how traders manage their customs data?

Before we dig into the implications, let's first explore what MSS/CDS data includes and why it matters.

What is MSS / CDS data?

Management Support System (MSS) / Customs Declaration Service (CDS) data is the customs declaration information HMRC holds on each company (per Economic Operator Registration Identification (EORI) reference), for each customs declaration made, in relation to its international trade transactions.

Why is reference made to both MSS and CDS data?

Reference is made to both MSS and CDS data because HMRC is currently in the process of transitioning away from MSS towards CDS for the generation of this declaration data for traders. The latter is gradually eclipsing the former, with the transition currently scheduled to be completed in March 2026.

Where does the data come from?

To import into and/or export from the UK requires the prior reporting of specified information to HMRC relating to the goods concerned, their movement and the parties involved in the transaction. This takes the form of a formal Customs Declaration to HMRC supported by applicable

> **"Removing the paywall gives every trader, from SMEs to global players, equal access to valuable insights."**

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commercial and official documentation. To be completed by the company taking responsibility for customs formalities, or on their behalf by an agent they instruct. This declaration must be accurate, and the trader concerned is responsible for its compliance. That is, responsible, for getting it right.

Data from individual customs declarations are consolidated and stored against a trader's records and EORI reference. This is the same data source HMRC will review prior to conducting a Customs and International Trade (CIT) audit.

How can I ensure that my company is customs compliant?

Compliance can be assured by, among other things, making sure that you have standard operating procedures (SOP) and appropriately trained personnel in place to ensure, as far as possible, that each customs declaration made is accurate. If using an agent, this should also entail obtaining a copy of each customs entry from them and checking it against the instructions you gave.

As noted above, to ease the maintenance of compliance, HMRC makes declaration data available from their own systems.

What is changing in transitioning from reliance on the MSS system data to that of CDS?

The generation of HMRC customs declaration data for traders is currently scheduled to be made available to companies from March 2026 free of charge (currently obtaining this data requires a paid for subscription). The new arrangements should evolve to eventually give traders greater control over which of their data they access and the reports they can generate online.

What information does this data contain?

As you might expect, the data generated by HMRC's systems for use by traders to assist in their compliance is taken from the relevant customs declarations made. It includes all of the main data elements necessary to enable a company to check that its particular import / export consignments have been correctly declared to HMRC.

"Data from individual customs declarations are consolidated and stored against a trader's records and EORI reference."

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Why is obtaining my company's customs declaration data on a regular basis useful?

It is useful because it:

- Facilitates internal compliance / audit checks, enabling you to establish whether your consignments are customs compliant and you are accounting for any duty / tax due correctly.
- Enables companies to cross-reference their internal record with that held by HMRC and to promptly deal with and investigate any discrepancies. For example, ensuring amendments to discrepant customs declarations are made, as appropriate.
- Identifies any misuse of a company's EORI reference.
- Provides companies with the key data elements with which to evidence export for VAT purposes, as applicable.
- Simplifies and improves the accuracy of company records and supports compliance with company HMRC record-keeping obligations.
- Helps to avoid 'sleeping liabilities' and HMRC issues at audit and reduces the risk of HMRC penalties.

What is the likely general impact of companies' customs declaration data becoming freely available?

Apart from supporting customs compliance checking and internal customs audits, free availability of customs declaration data per EORI reference should prove very useful to companies in the analysis of their international trade, enabling the broadening of internal visibility of key aspects of their customs related activities. Used in the right way the data could prompt useful discussions and generate important insights around how the business's international trade is conducted. It will also allow businesses to quickly rectify underpayments and reclaim overpayments.

For example, is the most being made of the trade agreements in existence? Are relevant available customs reliefs being claimed when entitled to do so? Is the company facilitating the claiming of preference on the part of its export customers, to give them a commercial advantage? Is use being made of relevant customs procedures to enhance business performance and profitability? Is import VAT being paid at import rather than being postponed until the quarterly return? This data can also

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support the diffusion of international trade literacy within a company and support training and competence development initiatives.

By the same token, when access to customs declaration data becomes freely available to companies next March there will likely be an expectation on the part of HMRC, that such information is routinely accessed by traders to support their compliance obligations. Consequently, companies will be expected to raise their game in this respect. HMRC will be less likely to entertain excuses around irregularities such as “oh, sorry I wasn’t aware of that shipment” or “I didn’t realise we had claimed preference”, when asked about the retention of relevant documentation.

The visibility and transparency of the data will therefore cut both ways. It seems likely that Customs will expect errors and discrepancies to be picked up and corrected / notified more quickly, including any non-compliances around any customs authorisations companies hold. Indeed, there may well be HMRC anticipation of receiving more voluntary disclosures from businesses, because they will be aware that businesses have the wherewithal available to detect their own mistakes.

So, come Spring 2026 it should be easier to obtain your customs declaration data, with which to improve both your customs compliance and your international trade operations. It will be important that you follow-up and make good use of this data because HMRC is likely to expect you to do so.

For more information, get in touch!

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