

**JULY
2026**

**MARKET
UPDATE**

UNISERVE
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Part of GB Global

INTRODUCTION

Welcome to Uniserve's Monthly Market Update, your concise briefing on the trends, challenges and opportunities shaping global supply chains. Designed to help cut through complexity, this report equips you to make confident, informed decisions for the months ahead.

This month's edition brings together expert insights from across GB Global group companies, highlighting key developments from ocean and air freight to environmental compliance and customs regulations.





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- Middle East Stability Improves, But Carriers Stay Cautious
- Cargo Backlogs Grow at Key Chinese Export Ports
- Indian Export Capacity Tightens as Congestion Persists



OCEAN FREIGHT GLOBAL MARKET OVERVIEW

Carrier Networks Remain in Flux on Asia–Europe Trades

Major container lines serving Asia–Europe and Asia–UK routes continue to reshape their networks as they seek greater efficiency and resilience. Across the main east-west trades, carriers are reviewing vessel deployment, service rotations and network design in an effort to improve operational performance and respond more effectively to changing market conditions.

The trend has become more pronounced over the past month, with shipping lines continuing to fine-tune sailing schedules and service structures. Rather than signalling disruption, these changes reflect a wider industry focus on flexibility and network optimisation. However, the pace of adjustments means that shippers should not assume that current routing options will remain unchanged.

Further refinements are expected over the coming weeks as carriers continue to assess network performance. Businesses may see changes to available routings, vessel allocations and service offerings, particularly on key Asia–Europe corridors.

For importers and exporters, the main challenge is uncertainty. Frequent alterations to carrier networks can affect

established supply chain plans and require businesses to adapt quickly when preferred services or routing options change. Maintaining visibility over carrier announcements and regularly reviewing transport strategies will be key as the market evolves. Customers are advised to stay in close contact with Uniserve.

Middle East Stability Improves, But Carriers Stay Cautious

Recent diplomatic developments have improved confidence around stability in the Middle East, easing some of the immediate concerns that have dominated supply chain discussions in recent months. The region remains critically important to major east-west trade routes linking Asia with Europe and the UK, meaning developments continue to be closely watched by both carriers and cargo owners.

Compared with recent months, there are signs of reduced concern over further escalation. Nevertheless, shipping lines remain cautious. For carriers, operational certainty remains the overriding priority, and most are reluctant to make significant network changes until stability is sustained over a longer period.

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OCEAN FREIGHT GLOBAL MARKET OVERVIEW

Over the next several weeks, carriers are expected to continue monitoring developments closely while assessing future routing options. Any decisions regarding network adjustments will remain heavily dependent on the geopolitical environment and confidence in the region's longer-term stability.

While the outlook has improved, risks have not disappeared. Any deterioration in conditions could quickly influence service planning, network design and wider supply chain confidence. Customers should continue to monitor geopolitical developments, review contingency plans and ensure flexibility remains built into their supply chain strategies. As July progresses, carrier communications regarding network planning and routing decisions will provide important signals on how the industry views the risk landscape.

Cargo Backlogs Grow at Key Chinese Export Ports

Pressure is building across several of China's major export gateways, including Shanghai, Ningbo, Qingdao, Yantian and Nansha. Strong demand on Asia–Europe and Asia–UK services is driving high vessel utilisation, with increasing numbers of containers being rolled onto later sailings.

What was once an occasional operational issue has become more commonplace during June. Growing export volumes and limited vessel availability on some services have resulted in cargo accumulating at origin. Freight is continuing to move, but securing space on the intended sailing is becoming increasingly difficult on certain trade lanes and carrier networks.

Looking ahead, congestion pressures are likely to persist through July. Vessel utilisation is expected to remain high, rollovers are likely to continue and alternative sailing arrangements may become increasingly necessary. With peak season demand approaching, pressure on export planning is also expected to intensify.

The growing prevalence of cargo rollovers creates uncertainty around departure timings and transit schedules. Even when bookings have been confirmed, there is no guarantee cargo will load as originally planned. This can have knock-on effects for inventory management, production schedules and customer delivery commitments, particularly for businesses operating lean supply chains.

Customers should focus not only on securing bookings but also on monitoring actual loading performance. Early

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OCEAN FREIGHT GLOBAL MARKET OVERVIEW

bookings, contingency inventory planning and flexibility around carriers and sailing dates will be increasingly important as the market remains under pressure. Any further increase in export demand could extend existing backlogs and lead to even higher levels of rollover activity across Asia-Europe services.

Indian Export Capacity Tightens as Congestion Persists

Exporters using India's major gateway ports are facing mounting operational challenges as demand for vessel space continues to rise. The greatest pressure is being felt at Nhava Sheva and Mundra, where tighter booking conditions, equipment availability issues and terminal congestion are affecting cargo flows to Europe and the UK.

The situation has become noticeably more challenging over the past month. Increased export demand has reduced available vessel capacity and prompted carriers to become more selective when allocating bookings. At the same time, congestion at Nhava Sheva and slower vehicle turnaround times have added further strain to supply chains moving through the region.

Current conditions suggest that vessel

space will remain constrained throughout July. Carriers are expected to continue tightly managing booking allocations, while ongoing congestion at key terminals may continue to impact cargo movements and schedule reliability. Longer planning horizons are increasingly becoming a necessity for businesses moving freight from India.

The risk for customers is reduced flexibility. Booking delays, longer lead times and a higher likelihood of cargo missing intended sailings are all becoming more common, particularly where shipments are booked at short notice.

To minimise disruption, businesses should secure bookings as early as possible, share shipment forecasts with logistics partners and build additional lead time into their supply chain plans. Close attention should also be paid to carrier capacity updates, terminal congestion levels and vessel schedule changes, as capacity is expected to remain tight on services connecting India with the UK and Europe.

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OCEAN FREIGHT GLOBAL MARKET OVERVIEW

Surcharges Drive Ongoing Rate Uncertainty

Freight pricing remains difficult to predict, particularly across Indian Subcontinent and Middle East lanes into Europe and the US. Carriers have shifted away from one-off increases towards a steady stream of short-notice surcharges, often applied to individual trades or routes.

This change has reduced visibility on landed costs. Quotes are valid for shorter periods, while emergency, bunker and war-risk adders are being introduced with little warning. As a result, spot rates can spike quickly, particularly for time-sensitive cargo.

Over the coming weeks, this pattern is expected to continue. Carriers are likely to keep adjusting pricing in response to operational pressures, making it harder for shippers to plan with confidence.

For customers, the risk lies in unexpected cost increases and reduced ability to budget accurately. The most effective response is to plan further ahead where possible, securing space earlier and building flexibility into routing. Alternative solutions—such as sea-air options via Gulf hubs or land-bridge routes within the region—may help manage both cost and transit time.

Congestion Spreads Across Diversion Hubs

Persistent congestion at key transshipment hubs is creating knock-on delays across global supply chains. Ports such as Jeddah, Khorfakkan, Sohar and Singapore are all experiencing sustained pressure, as re-routed cargo continues to flow through alternative gateways.

What began as short-term disruption has now developed into a more entrenched issue. Terminals are facing capacity strain, with longer container dwell times, delayed transfers and increased demand on inland transport networks. The result is slower cargo handling and greater risk of missed onward connections.

In the weeks ahead, these challenges are unlikely to ease significantly. Equipment shortages, longer trucking queues and additional handling requirements at busy hubs will continue to impact transit times.

This environment increases exposure to additional costs, particularly storage and demurrage, as well as delays to final delivery. For time-critical shipments, the risk of missed connections between sea and inland transport legs is also rising.

Customers can mitigate these risks by taking a more proactive approach to inland planning.

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AIR FREIGHT UPDATE



KEY HEADLINES

- Strait of Hormuz Stability Remains Fragile
- EU Ends Duty-Free Threshold for Low-Value Imports
- Air freight capacity across Middle Eastern hubs has improved



AIR FREIGHT GLOBAL MARKET OVERVIEW

Strait of Hormuz Stability Remains Fragile

A framework agreement between the US and Iran has eased immediate tensions in the Strait of Hormuz, a crucial shipping route for global energy supplies. The ceasefire has allowed vessels to resume transit under international coordination, prompting an initial improvement in market sentiment.

However, the situation remains volatile. Within days of the agreement, several vessels were struck, briefly halting movements and underlining the fragility of the arrangement. While flows have since resumed, confidence across shipping and energy markets is still cautious.

Fuel prices reacted quickly. Brent crude and jet fuel both fell sharply following the announcement, though some of those gains have since been reversed. If the agreement holds, a gradual easing in oil prices and, in turn, freight costs is expected. That said, a return to pre-conflict pricing is unlikely in the near term.

Air freight markets remain under pressure. Demand for jet fuel is set to stay high over the summer, driven by seasonal travel and the need to rebuild strategic reserves. Although airline capacity has improved, it is still constrained, and carriers are facing ongoing financial strain after profit forecasts were cut significantly. At

the same time, strong demand from the technology and pharmaceutical sectors continues to absorb available space.

Customers should plan on pricing remaining elevated in the short term and allow as much lead time as possible when booking air freight. Flexibility across modes, including land-air solutions, may help manage cost and capacity challenges. Much will depend on whether the ceasefire holds and confidence in the region continues to rebuild.

Air Freight Recovery Continues, but Remains Fragile

Air freight capacity across Middle Eastern hubs has improved, with more uplift available through key gateways such as Dubai, Doha and Abu Dhabi. However, the recovery remains uneven, and networks are still vulnerable to disruption.

Compared with last month, capacity constraints have eased but not fully disappeared. Some routes continue to face payload restrictions, while flight schedules remain sensitive to changes in airspace access and regional security conditions.

In the near term, further stabilisation is expected, though this will likely be punctuated by occasional cancellations or last-minute schedule adjustments. Airlines

“From 1 July 2026, the current duty exemption on consignments valued below €150 will be removed, replaced by a minimum charge of €3 per item or tariff line.”



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AIR FREIGHT GLOBAL MARKET OVERVIEW

are increasingly using secondary hubs and road feeder services to maintain network flexibility when disruptions occur.

For shippers, this creates a mixed picture. While more space is available, reliability is not yet fully restored. Delays, rate volatility for urgent shipments and onward delivery challenges are all still potential risks.

To navigate this, customers should prioritise early booking and consider splitting high-value or time-critical consignments across multiple flights. Building redundancy into routing - using different hubs where possible - can also help reduce exposure to disruption.

Keeping track of airline updates, including any embargoes or fuel surcharge changes, will remain essential as market conditions continue to evolve.

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EUROPEAN LOGISTICS UPDATE

KEY HEADLINES

- Tachograph Rules Bring New Era for Cross-Border Van Freight
- Customs Shake-Up for Low-Value EU Imports
- Extreme Weather Continues to Challenge European Supply Chains



EUROPEAN LOGISTICS MARKET OVERVIEW

Tachograph Rules Bring New Era for Cross-Border Van Freight

A significant change to European road transport comes into force on 1 July 2026, when light commercial vehicles weighing between 2.5 and 3.5 tonnes used for international transport become subject to tachograph requirements and EU drivers' hours regulations. The move marks a major shift for the cross-border van market, introducing a much more regulated operating environment.

While urgent and time-critical shipments will continue to move across Europe, operators can no longer rely on the flexibility that has traditionally characterised the sector. Instead, transport plans must be built around driver hours, rest requirements and compliance obligations from the outset.

The changes are expected to reduce available driving time on some movements and place greater emphasis on route planning, driver positioning and the coordination of ferry and Channel Tunnel crossings. Fleet utilisation is also likely to come under greater pressure as operators adapt to the new rules.

For customers, the biggest requirement will be providing accurate collection times, delivery windows and shipment

information to support effective planning. UniEurope has been preparing for the regulation change and has measures in place to minimise any impact on service reliability.

Customs Shake-Up for Low-Value EU Imports

Another important change takes effect from 1 July 2026, when the European Union removes the de minimis customs exemption for low-value e-commerce imports. The reform means a larger proportion of shipments will require customs declarations and formal processing before entering the EU.

The change is expected to increase administrative demands across the e-commerce sector, particularly for retailers, importers and distributors that handle high volumes of lower-value goods. As customs requirements expand, the quality and accuracy of shipment data will become increasingly important in avoiding border delays and unnecessary disruption.

Although a period of adjustment is anticipated, particularly among parcel operators, no major disruption to wider freight networks is currently expected. Businesses that have invested in robust customs processes and accurate

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documentation should be well placed to navigate the transition.

UniEurope's customs specialists have been preparing customers for the changes and continue to provide guidance on compliance, documentation requirements and shipment planning to help maintain the smooth flow of goods across European borders.

Extreme Weather Continues to Challenge European Supply Chains

Severe weather is creating further pressure for European logistics networks, with an early summer heatwave affecting the UK and large parts of mainland Europe, including France, Spain, Italy, Germany and the Benelux countries. In some locations, temperatures have exceeded 40°C, while episodes of flash flooding have added to operational disruption.

The conditions are affecting road freight in several ways. High temperatures can lead to regional driving restrictions during peak heat, while mandatory welfare measures and additional rest requirements can reduce driver productivity. The risk of vehicle breakdowns and tyre-related issues also increases during prolonged

hot weather, particularly on long-distance routes.

Transport infrastructure is also coming under strain, contributing to slower transit times and greater congestion. Beyond transportation, warehouse and distribution operations are facing challenges as elevated indoor temperatures require additional health and safety measures, more frequent breaks and revised working practices to protect employees.

Despite these challenges, UniEurope is actively managing to maintain service levels wherever possible. While weather-related delays remain a risk across parts of Europe, the focus continues to be on balancing operational performance with the safety and wellbeing of staff, drivers and customers.

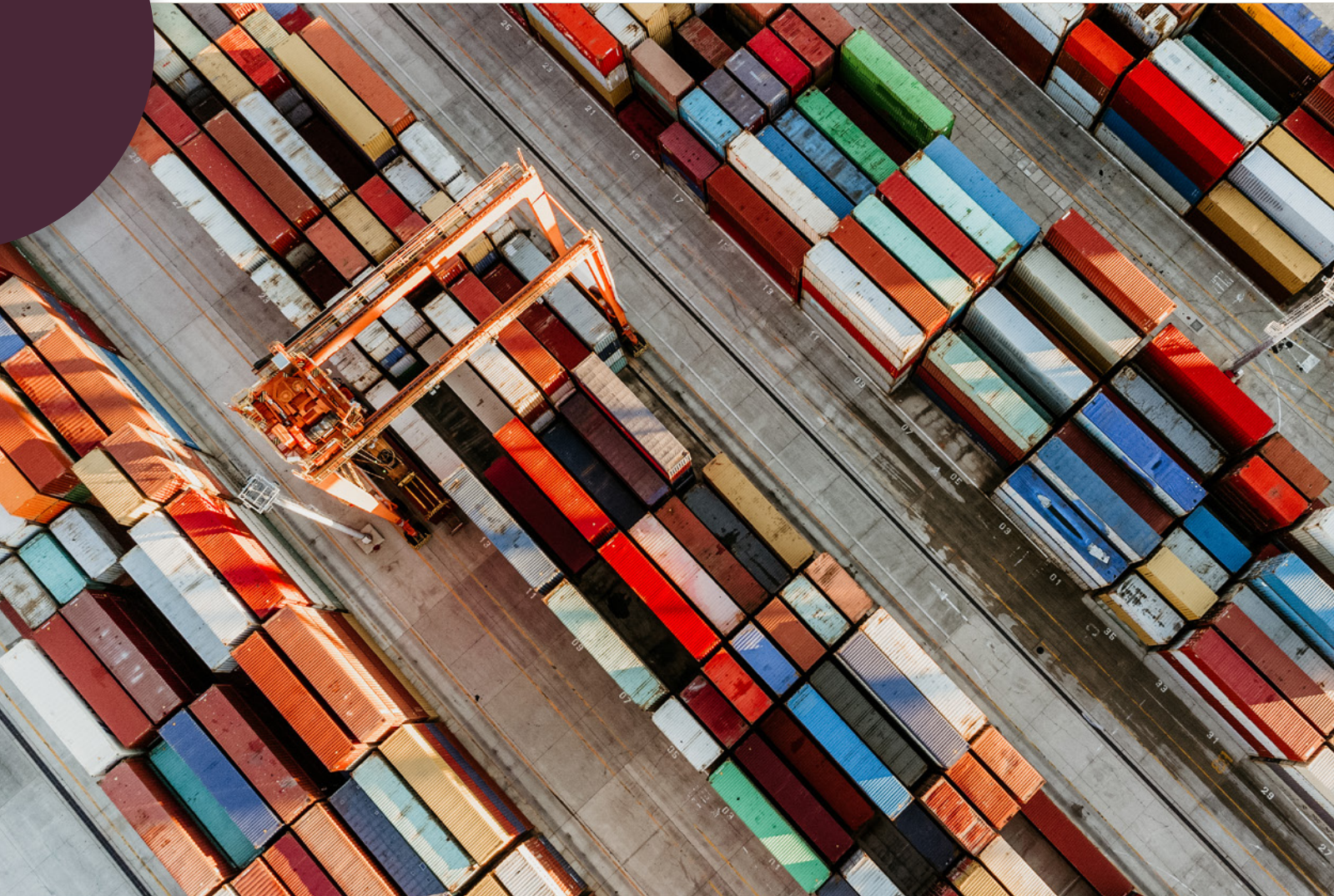
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CUSTOMS UPDATE



KEY HEADLINES

- UK-India Trade Deal Set to Go Live After Last-Minute Delay
- HMRC Introduces First Formal Standard for Customs Intermediaries
- US Customs Reform Plans Could Reshape Importer Responsibilities



CUSTOMS MARKET OVERVIEW

UK-India Trade Deal Set to Go Live After Last-Minute Delay

The UK and India are expected to implement their long-awaited Free Trade Agreement (FTA) on 15 July, following a late intervention to resolve concerns over UK steel trade measures.

The agreement, formally known as the UK-India Comprehensive Economic and Trade Agreement (CETA), was signed last year and had been expected to come into force earlier in 2026. However, implementation was delayed after India raised concerns over proposed UK restrictions on steel imports. Ministerial discussions have now reportedly resolved those issues, clearing the path for the deal to take effect.

The agreement will affect importers, exporters, freight providers and customs specialists operating between the UK and India. Once live, businesses trading a wide range of goods should benefit from lower customs duties and improved market access.

Over the coming weeks, governments, trade bodies and advisers are likely to increase efforts to educate businesses on the opportunities created by the deal. Many companies will be reviewing the detailed provisions to identify potential savings, assess eligibility for preferential tariff treatment and ensure they have the

required documentation and processes in place.

While industry sentiment is broadly positive, there remains a degree of caution. Businesses will be watching closely for any further delays, implementation issues or operational challenges that could affect the practical use of the agreement. A lack of awareness among traders or border agencies could also create friction in the early stages.

Companies trading with India should now focus on understanding how the agreement applies to their products and supply chains, ensuring they are ready to take advantage of the new arrangements from day one.

HMRC Introduces First Formal Standard for Customs Intermediaries

HMRC has launched the UK's first formal best-practice standard for customs intermediaries, marking a significant development for businesses involved in international trade.

The new standard, BS PAS 41201:2026 Customs Intermediaries: Preparation and Submission of Customs Declarations — Specification, has been developed jointly by HMRC, the British Standards Institution (BSI) and representatives from across the

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customs sector. It establishes a recognised framework for how customs declarations should be prepared and submitted, with the aim of improving quality, consistency and compliance.

Although adoption of the standard is voluntary, many in the industry expect it to become an important benchmark for customs service providers. The development mirrors the trajectory seen with Authorised Economic Operator (AEO) accreditation, where voluntary participation gradually became a strong commercial differentiator and, in many cases, an expectation.

Over the next several weeks, customs intermediaries are expected to begin assessing the requirements in greater detail. HMRC is also continuing work with industry partners to develop an independent certification scheme, which is expected to be available within the next year through UKAS-accredited certification bodies.

The introduction of the standard may have wider implications for importers and exporters as well as customs agents. As expectations around compliance continue to rise, businesses could find that demonstrating robust customs governance

becomes increasingly important. In time, there may be greater pressure on traders to work with intermediaries that can demonstrate adherence to recognised standards.

Businesses should use this period to review their own customs processes and challenge providers on the controls, procedures and governance that underpin their customs declarations. Understanding the requirements now could help firms strengthen compliance and prepare for future certification requirements.

US Customs Reform Plans Could Reshape Importer Responsibilities

The US Government has launched a wide-ranging review of customs administration which could significantly alter the way companies trade with the United States.

Through a recent Presidential Executive Order, the administration has argued that existing customs arrangements are no longer effective enough to prevent non-compliance and duty evasion. The proposed reforms cover several areas, including importer of record (IOR) requirements, supply chain certification, data disclosure obligations, enforcement activity and

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potential legislative changes.

The measures are global in scope, affecting both US-based importers and overseas exporters supplying the American market. For businesses with established trading models centred around current importer of record arrangements, the proposals could have far-reaching implications.

In the immediate term, attention will focus on the Department of Homeland Security, which has been directed to develop recommendations for strengthening customs enforcement. At the same time, work is expected to begin on progressing some of the other measures outlined in the Executive Order.

If implemented, the reforms could lead to more stringent compliance obligations, increased transparency demands and higher operating costs for businesses trading with the US. There is also potential for disruption where companies rely on existing customs structures that may no longer align with future regulatory expectations.

For now, businesses with US exposure should closely examine the proposals, assess how changes could affect their supply chains and develop contingency

plans where appropriate. Keeping a close watch on emerging guidance and legislative recommendations will be critical, particularly for companies that act as importers of record or provide customs-related services into the US market.

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ENVIRONMENTAL COMPLIANCE UPDATE

KEY HEADLINES

- . UK Manufacturers Set for Energy Cost Relief
- . Tighter Rules Proposed for Plastic Packaging Tax



ENVIRONMENTAL COMPLIANCE MARKET OVERVIEW

UK Manufacturers Set for Energy Cost Relief

The UK Government has confirmed a major support package aimed at reducing electricity costs for energy-intensive industries. Under the British Industrial Competitiveness Scheme (BICS), more than 10,000 manufacturers are expected to benefit from bill reductions of up to 25%.

The scheme forms part of the Government's wider industrial strategy, targeting sectors such as automotive, aerospace, steel, pharmaceuticals and plastics. It is designed to bring UK electricity costs closer to those seen across Europe, an issue long cited as a barrier to competitiveness.

Eligibility will depend on how much electricity is used in qualifying manufacturing activity. Businesses with higher levels of qualifying usage will receive greater relief, with full exemption available in some cases. However, companies with limited qualifying activity will not benefit, meaning careful assessment of eligibility will be essential.

Although the changes will not take effect until April 2027, the application window opens later this year, running from October to November 2026. This gives businesses a clear runway to prepare their submissions and assess potential savings.

For customers, the key takeaway is that energy costs could become more manageable in the medium term, particularly for high-usage manufacturers. However, the benefits are not immediate, and eligibility criteria may limit the impact for some. Early engagement and preparation will be critical to make the most of the scheme.

Tighter Rules Proposed for Plastic Packaging Tax

The UK Government is consulting on significant changes to the Plastic Packaging Tax (PPT), with a focus on strengthening how recycled content is verified. The proposal would introduce mandatory third-party certification for mechanically recycled plastic, aiming to improve transparency and reduce the risk of inaccurate claims.

This marks a shift towards stricter compliance. Businesses would need to provide certified evidence to support recycled content declarations, increasing administrative requirements and potentially adding cost. At the same time, the move is intended to create a more consistent and reliable system across the supply chain.

The consultation also sits alongside broader reforms due in April 2027. These include

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ENVIRONMENTAL COMPLIANCE MARKET OVERVIEW

allowing chemically recycled plastic to count towards targets using a mass balance approach, while excluding pre-consumer waste from qualifying towards the 30% recycled content threshold. Together, these changes are likely to increase the number of businesses subject to the tax.

In practical terms, this could prompt a reassessment of sourcing strategies, as companies look to secure compliant recycled materials and manage rising cost pressures. There is also a risk that certification requirements add complexity, particularly for businesses operating across multiple markets.

The consultation remains open until 10 August 2026, offering companies an opportunity to shape the final approach. In the meantime, customers should begin reviewing their packaging supply chains and evidence processes, as further tightening of the rules now looks increasingly likely.

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