



Ensuring global logistics supply chain continuity during the coronavirus crisis

By KEVIN CLARKE,
Managing Director, MSC Mediterranean Shipping Company

The year we are about to archive will be seared into our memories as the year that called into question the way we live, work and do business. In the space of a few short months, the world was changed forever, as the pandemic affected all populations, societies, and economies across the globe. The global health crisis has reshaped existing production and trade patterns and forced companies and industries to re-think their supply chain models.

In this new era, one thing was brought to the fore: we live in a globalised world that relies upon complex integrated supply chains and systems, with strong mutual dependencies across multiple countries. As a truly global shipping line and one of the key links in global supply chains, MSC Mediterranean Shipping Company reacted promptly to the immediate challenges the pandemic posed, showing flexibility, business continuity, high levels of customer service and financial strength, despite the difficult operating conditions.

Strategic global partner in a crisis scenario

When the aviation industry was forced to drastically reduce operations on a global scale, the movement of goods

fell upon the shipping sector. In this scenario, it was more vital than ever for our industry's services to be flexible and scalable enough to manage these increased volumes at both an international and intercontinental level.

MSC did this by adjusting capacity and, where necessary, reviewing its serviced routes, helping absorb the shift in cargo volumes towards sea freight. The subsequent rebounds in trade flows after the easing of lockdowns also underscored the strategic importance of flexible and reliable network management, as well as strong competencies in delivering ad-hoc services. All this while many MSC employees were having to adjust to a new remote working environment, continuity plans were put in place, and

stringent new or reinforced health-protection measures were implemented across functions everywhere in our locations around the world.

MSC's Australian Response

Almost overnight, there was the requirement to set in place news systems and procedures to cater for a combined office and remote working environment for all employees. Imperative to this was ensuring that communication channels remained open between customers and MSC's seven customer-service locations throughout Australia. Some remote working environments remained in place for extended periods of time, as it was the case for MSC's Melbourne employees, who provided ongoing customer care and vessel operational functions through one of the world's longest lockdown periods.

During this time and coupled with the recent port strikes that have affected multiple ports in the country, MSC moved in a flexible way to manage resulting congestions via alternative routings. MSC also continued providing comprehensive coverage across all seven weekly ports of call in Australia, and never stopped investing in its liner network, which connects markets within Australia and directly links the country to continents, including direct services to Europe, Asia and America.

Adapting to the changing world

Despite all of this, MSC's customer-centric focus never shifted, and in the first half of 2020, innovative and cost-effective solutions were offered to customers and business partners via solutions like the Suspension of Transit (SOT) programme, empowering shippers to use some of the world's leading transshipment hubs as advance yard storage to help them move goods early and in anticipation of a resumption in demand. This provided flexibility and enhanced operational and financial efficiency, while helping to decrease congestion in ports of discharge, as products were placed closer to distribution networks.

In Europe, in particular, MSC assisted shippers with its short sea shipping networks - a reliable alternative to road transport to avoid new land-border blockages created by governments' essential action to curb the movement of people and to be prepared to meet current and future market demands.

MSC Group's contribution to countries relief efforts

As the pandemic began to take hold in Italy earlier in the year, Grandi Navi Veloci (GNV) - part of the MSC Group and operating ferry services within Europe - worked with Italy's Liguria Health System

and Civil Protection to convert the ferry ship GNV *Splendid* into a floating hospital to aid patients with Covid-19. This solution was implemented in a very short period, thus increasing Liguria's hospital capacity and, where necessary, serving other areas of the country. Stationed at Ponte Colombo in Genoa's Ferry Terminal, the floating hospital offered a total capacity of 400 beds.

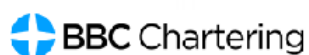
More recently, in August 2020, the MSC Group provided the Italian Government with two additional fully equipped ferries, GNV Azzurra and GNV Aurelia, to be used as floating hospitals in the south of Italy.

The essential role of the maritime industry

As we now enter a new year, we can reflect on these months as a time that has shown very clearly the centrality of container shipping and logistics in international trade. At present, around 90 per cent of the world's trade is transported by sea. The maritime industry has and continues to play an essential role in the current emergency, working tirelessly to bring people everyday goods such as medicines, food, fresh produce and clothes. It is a crucial role that should not be understated. ▲



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