

# Trade flows, maritime trends and new (digital) opportunities for Baltic ports



**BALTIC**  
PORTS AND SHIPPING 2021

We are looking forward to discussing trade flows, maritime trends and new (digital) opportunities for Baltic ports with you

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## A. Brief introduction to Roland Berger

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Thank you for participating in this session, we are looking forward to a vivid discussion – Please contact us in case of further questions

## Introduction




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# We have deep experience and wide expertise in supporting maritime development around the world

## Roland Berger maritime clients




Non-exhaustive clients

### Ports



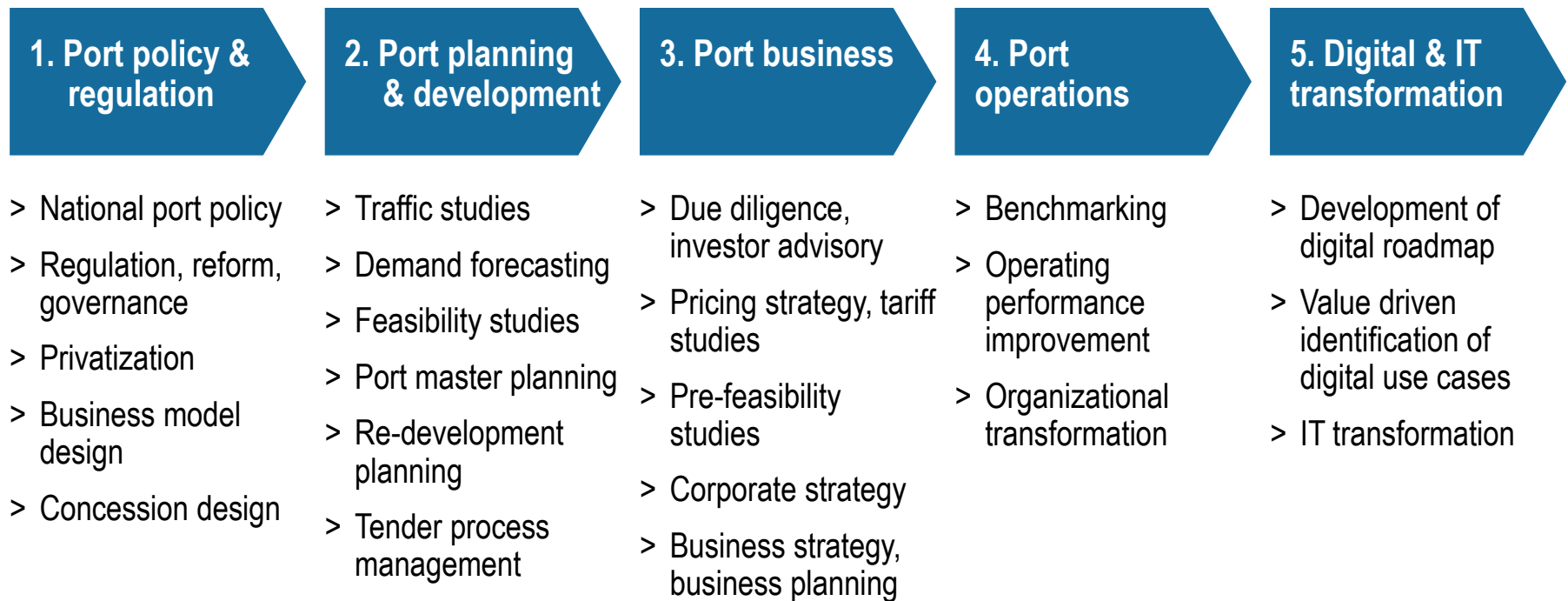
### Shipping



-  We are proud to be a **top 5** player in the global strategy market
-  We have **deep global port** planning and development experience
-  We have a **Global Ports and Shipping Practice**

# We offer integrated approach and specialized services across the ports value chain

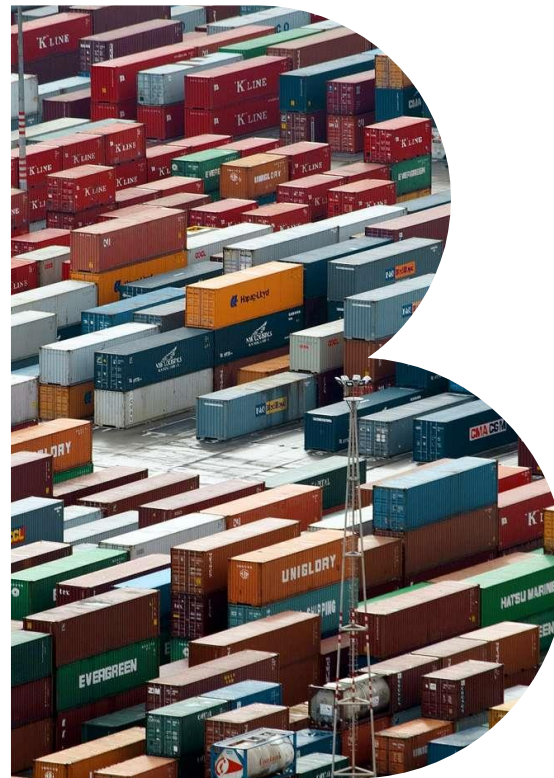
## Roland Berger service offering



**For each assignment, we put together a dedicated and highly experienced team. We use specialized legal, financial, engineering and port planning partners where relevant**

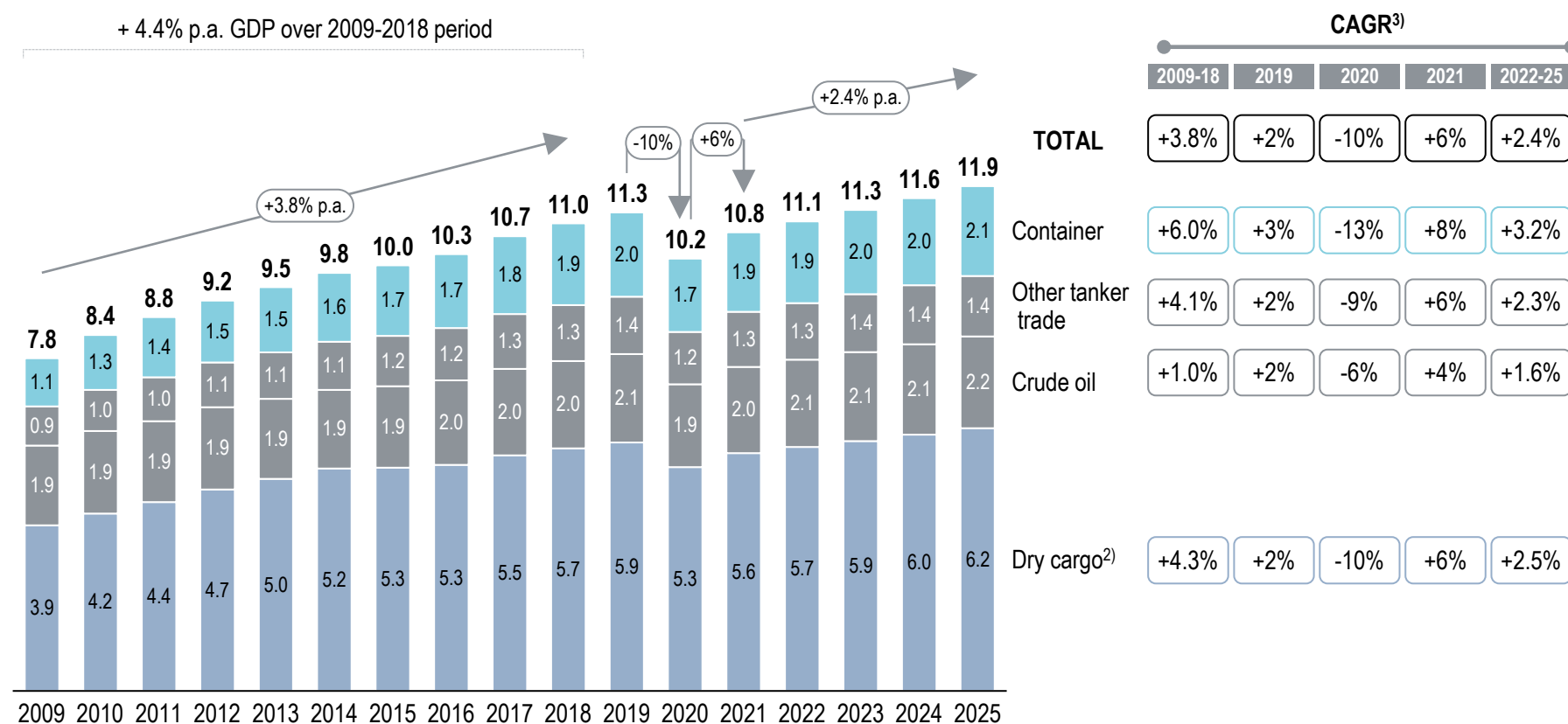
## B. Development of trade flows globally and in the Baltic Sea

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# COVID-19 crisis has impact maritime volumes significantly with a 10% drop in 2020 – 2019 levels expected to be back by 2023

Global maritime trade forecast<sup>1)</sup> by cargo type, [Ton bn ; 2009-25]



**Note : Forecast resulting from Roland Berger analysis based on average key sources of forecasts**

1) Volume of goods unloaded 2) Includes dry bulk, break bulk, Ro-Ro and other general cargo excl. Container 3) Based on relation of growth multiplier assumptions per cargo type



# Overall merchandise trade volume dropped by ca. 10% by the end of 2020 – Asia being the most resilient region

Focus on 2020 merchandise trade volume evolution – Split per region

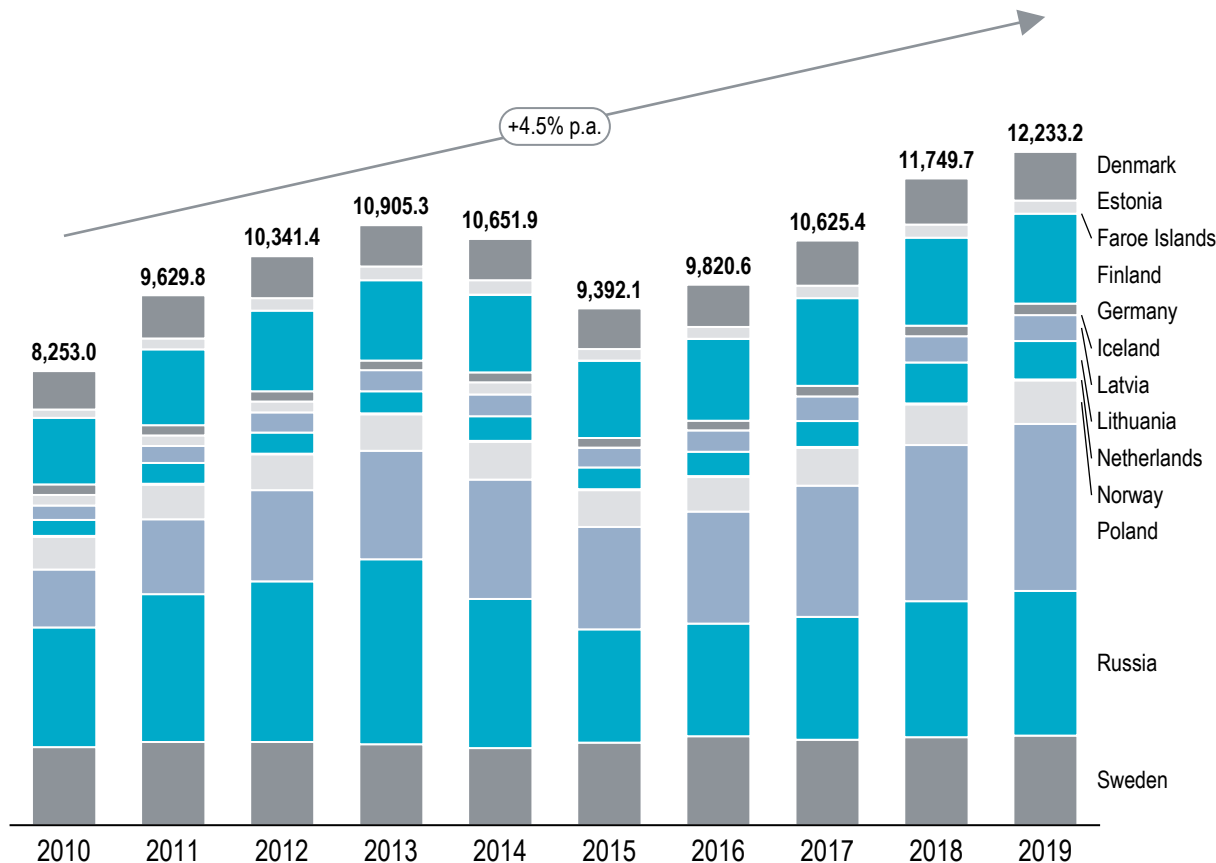
*Annual % change between 2019 and 2020*

	Imports	Exports	Ø Average
North America	-14.7%	-8.7%	<b>-11.7%</b>
South and central America	-7.7%	-13.5%	<b>-10.6%</b>
Europe	-11.7%	-10.3%	<b>-11.0%</b>
Asia	-4.5%	-4.4%	<b>-4.5%</b>
Other regions	-9.5%	-16.0%	<b>-12.8%</b>
<b>Ø World</b>	-9.6%	-10.6%	<b>-10.1%</b>

- > Multiple underlying drivers for 2020 evolution (**global Covid19 pandemic, opening of new trade route,..**)
- > Other regions comprise Africa, Middle East and Commonwealth of Independent States (CIS)
- > Overall expected decrease of GDP of -4.8%.

# Baltic shipping market is a vital transport gate towards the Russian market for all EU members & a crucial network for intraregional trade

Baltic maritime trade [TEU k; 2010-2019]



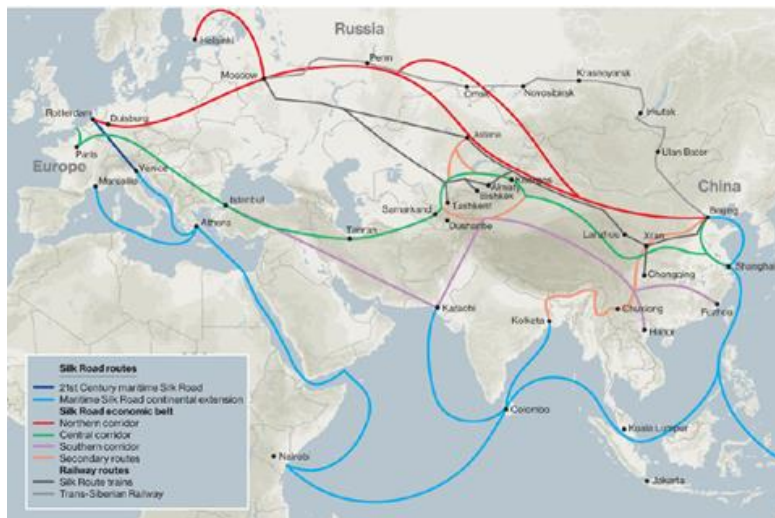
- > Baltic sea trade volumes have **decreased** by 13.4%, in 2015 mainly due to **Russian TEU volumes drop** by 32%
- > The **reason** for 2015 sharp drop is the **decrease in purchasing power of Russian consumers**, the **devaluation of the ruble**, and **sanctions and countersanctions** between **Russia and the West**
- > **Poland** is the **fastest growing** Baltic maritime market with a **CAGR of 12.45%**
- > The **number of ships** navigating through the Baltic Sea has **decreased** despite increasing trade volumes, highlighting a **trend towards larger vessel sizes**

# New routes will influence trade flows in the Baltic sea in the long-run – Port strategies should be adjusted to prepare for the future

## New routes affecting future trade in the Baltic Sea

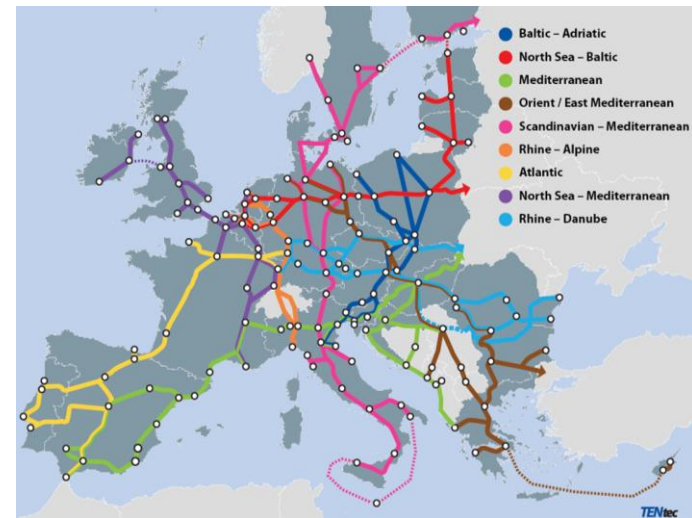
### The New Silk Road

- > The New Silk Road will change trade flows between Europe and China also affecting trade flows in the Baltic Sea



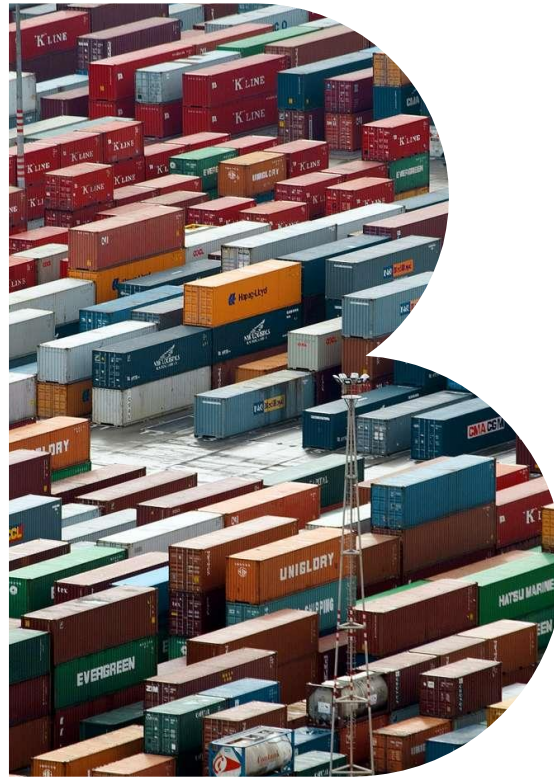
### Trans-European Transport Network (TEN-T)

- > Especially the Baltic-Adriatic and the North Sea – Baltic corridor will influence cargo flows to/from/in the Baltic sea



## C. Maritime and port trends

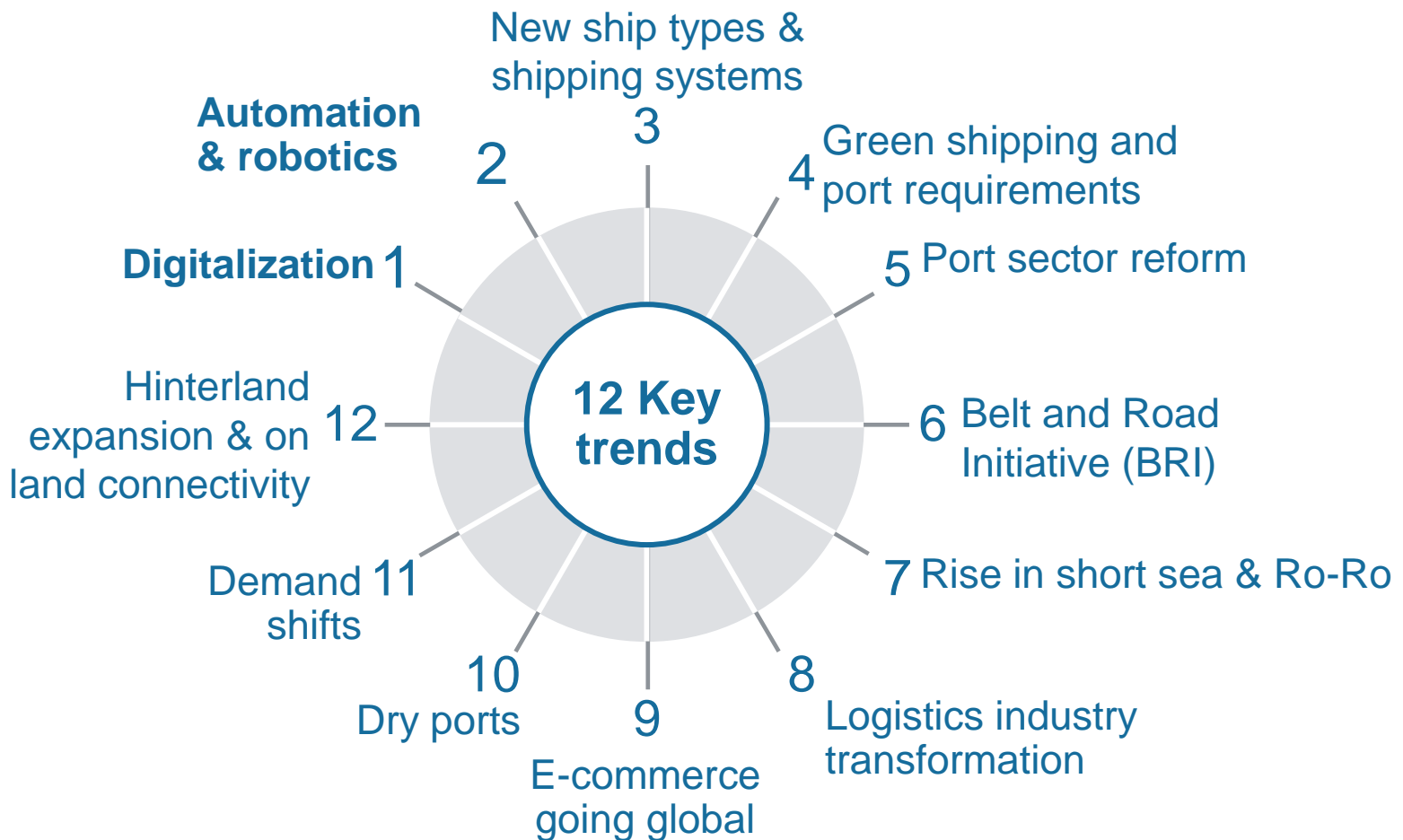
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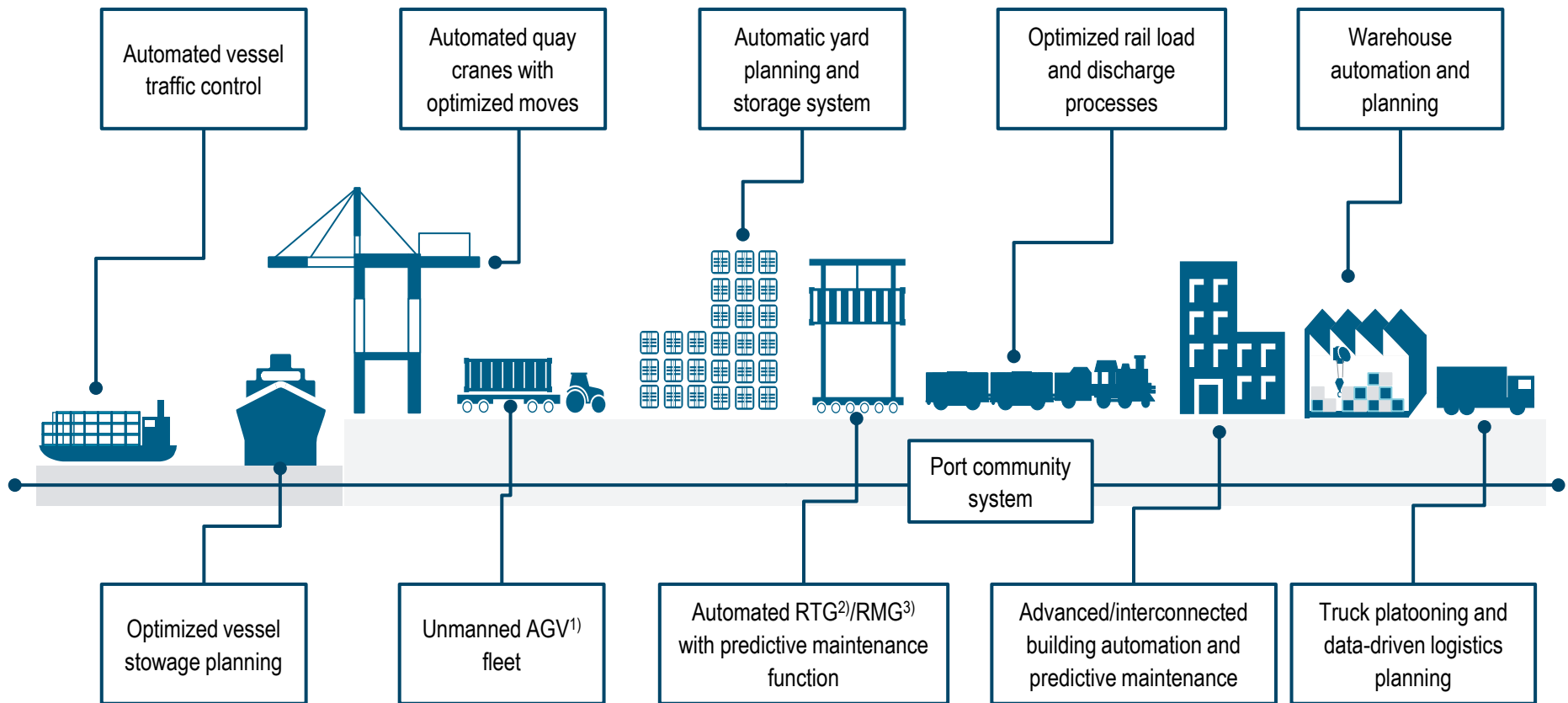
# 12 trends are most relevant and are expected to irrevocably impact the maritime industry in the future – focus on digitalization and automation

Key trends/ challenges for the maritime industry

**Not exhaustive**



# Many new digitalization, automation and robotics technologies are available to improve the way ports operate in an integrated way

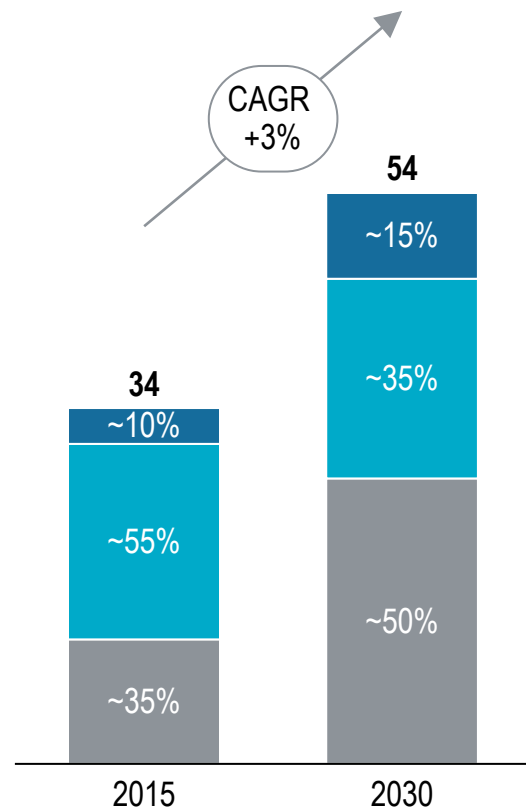


1) Automated-guided vehicle 2) Rubber-tired gantry 3) Rail-mounted gantry crane

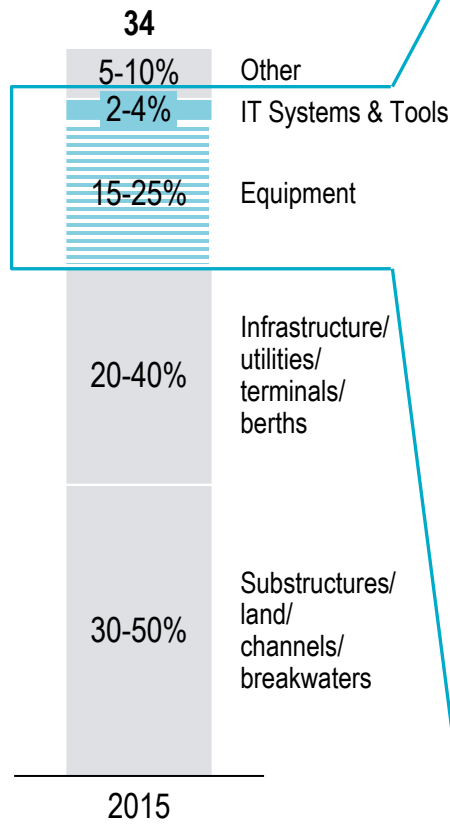
# Around 4-5% of total investments in seaports are spent on digital solutions which equals a market of USD ~1.5-2 bn

## Global annual investment in seaports [USD bn]

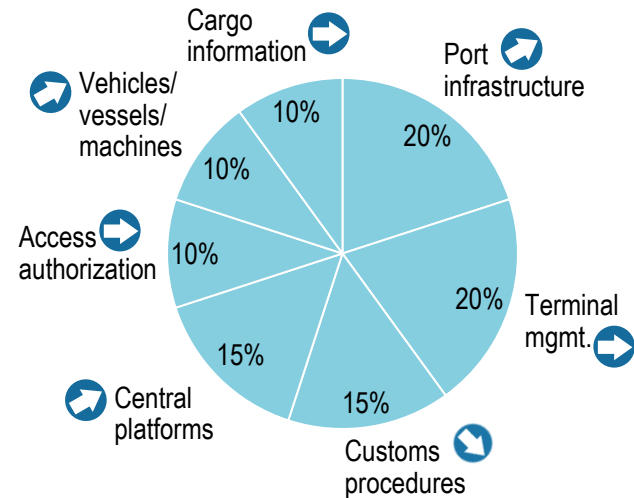
by type



by category



**Smart sea ports investments**  
 $\Sigma \sim 4-5\% / \sim 1.5 - 2 \text{ USD bn p.a.}$



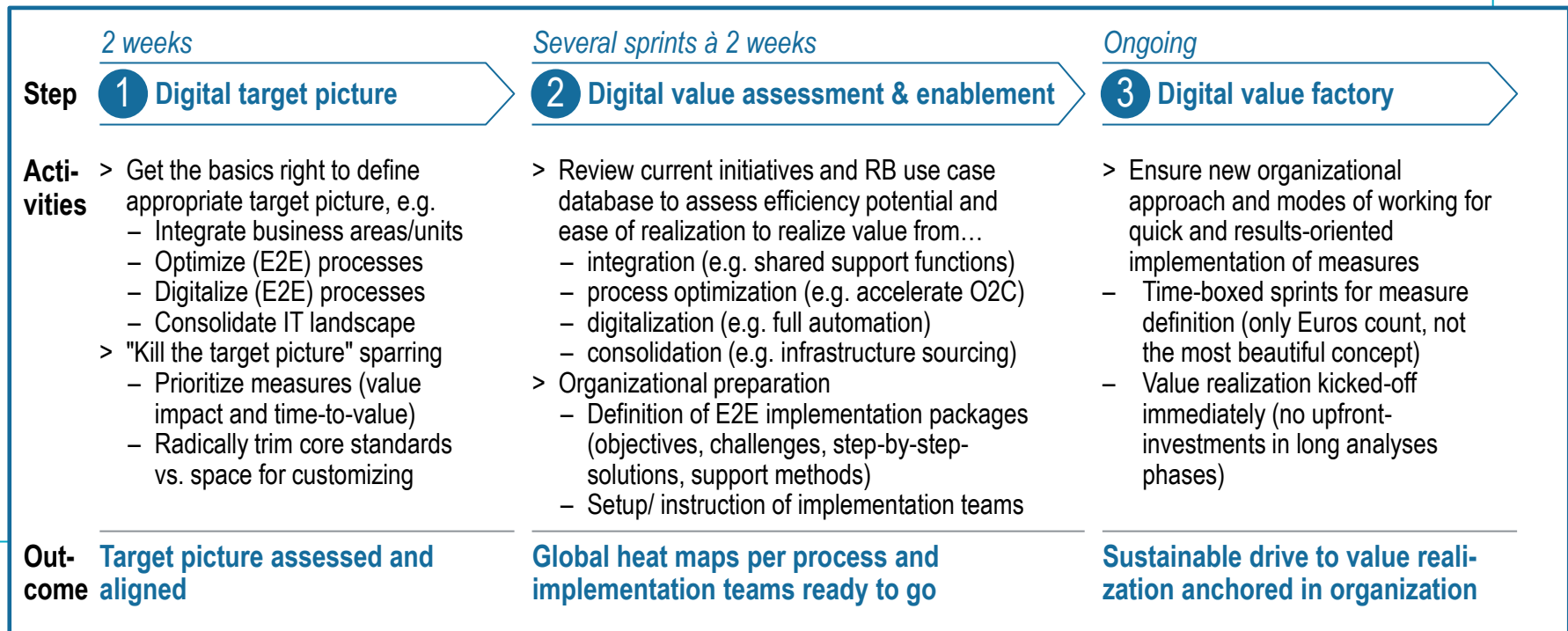
■ Maintenance and other 
 ■ Greenfield expansion 
 ■ Brownfield expansion 
 ■ Primarily affected by digitization 
 ▨ Partly affected by digitization 
 ➔ Growth outlook

# Transforming digitalization into EBIT improvement requires a sharp target picture, value-driven initiatives and strong execution capability

## Project example – Derive EBIT improvements from digital solutions

### Restructuring mindset:

- > EBIT potential in EUR is main KPI of every measure
- > Implementation of measures starts right away
- > Digital is only one lever to realize EUR potential (maybe other levers to be pulled before)





Roland  
Berger

THINK:ACT

