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Air Updates

Another Strike Hits Lufthansa Cargo Services – And May Not Be the Last

A strike starting yesterday at Lufthansa Cargo will affect a “significant number” of freighter flights to and from Germany and threatens to become a regular occurrence.

Trade union ver.di called on Lufthansa ground staff to take part in another warning strike from February 19 at 8 pm CET, until February 21 at 7:10 am CET.

The announcement follows strikes at Lufthansa Cargo just two weeks ago.

Read more in an [article from The Loadstar](#).

Airlines' Chief Pleads for More Green Fuel to Save Air Travel

The head of global airlines' biggest trade group implored oil producers to make more low-emissions aviation fuel, warning the future of commercial air travel depends on the industry's successful decarbonization.

Sustainable aviation fuel is the best available tool for cutting emissions, International Air Transport Association Director General Willie Walsh said at an aviation summit in Singapore

Monday. Demand for the cleaner-burning fuel far outstrips supply, even though it can cost three to five times more than conventional jet fuel.

“Every bit of fuel that gets produced would be used because this is an existential issue,” Walsh said. “This industry will not be allowed to grow unless we can prove to our customers, regulators, governments, people in general, that we can grow in a sustainable manner.”

Read more in an [article from the American Journal of Transportation](#).

Ocean Updates

Red Sea Crisis and Peak Season — Do You Have a Container Plan?

The established Red Sea diversion routes may have provided some clarity for companies in their supply chain planning, but it's the duration of these diversions that needs to be factored in when strategizing for peak season.

Why? Container availability. Yes, manufacturing orders are down but, with containers out on the water longer, it delays those coveted boxes getting back to the manufacturers so they can be filled with imports. According to the latest data from Sea-Intelligence, the longer transit increases global twenty-foot equivalent unit miles by 16%.

Companies need to start planning for the normal peak season between July and October in the next couple of months. When they sit down with ocean carriers for their contracts, logistics managers need to evaluate how robust a multicarrier strategy they will need. The higher freight rates may be pulling off their Red Sea highs, according to recent data from Xeneta, but Far East to East Coast rates are up 145.5% since December 14 and Far East to West Coast rates have increased by 186.2% in the same time frame.

If containers start to get tight, rates will only go higher.

Read more in an [article from American Shipper](#).

Ocean Carriers Propose "Feebate" Carbon Levy

The World Shipping Council, the industry body for ocean carriers, has joined the call for a "feebate" bunker tax-and-subsidy program – but with a new twist.

The idea of the "feebate" is straightforward: Fossil bunker consumers pay a levy, and the proceeds are used to subsidize the price of expensive green fuels. This makes green fuels more competitive on the market and paves the way for broader commercial adoption.

The International Chamber of Shipping has proposed what may be the best-known feebate structure. ICS' levy would start at an initial \$20-\$40, and would remain at that level until IMO member states vote to raise it, without an automatic mechanism to increase fees over time.

WSC's bunker levy would start at a comparable level, but would increase automatically to match the expansion of the green-fueled fleet.

Read more in an [article from The Maritime Executive](#).

Seafarers Can Now Refuse to Work Ships Transiting the Red Sea Region

With concerns continuing over the ongoing escalation in the Red Sea and danger to ships and their crews, the unions representing the majority of seafarers are making changes to the standard contract, including adding the right for seafarers to refuse to sail in the region. While the pace of attacks coming from the Houthi in Yemen appears to have slowed in recent days, the International Bargaining Forum is nonetheless concerned about the threats to safety and the escalations since its previous meeting.

In the last two days, two ships have reported minor damage after being targeted with missiles.

Read more in an [article from The Maritime Executive](#).

Rail and Truck Updates

CPKC Advisory: Service Interruption – Mountain Subdivision

On Saturday, CPKC issued a customer advisory to report that it was experiencing a track outage on the Mountain Subdivision east of Revelstoke, B.C., that is impacting mainline train operations.

Customers who route traffic in this lane can expect delays.

CPKC and TCRC Labour Negotiations Update

Canadian Pacific Kansas City (CPKC) has filed a notice of dispute with the Federal Mediation and Conciliation Service requesting the appointment of a federal conciliation officer to assist CPKC and both the Teamsters Canada Rail Conference (TCRC) – Train & Engine (T&E) division and the TCRC - Rail Canada Traffic Controllers (RCTC) division in reaching negotiated collective agreements. CPKC and union leadership remain far apart on the issues.

The TCRC – T&E represents CPKC's roughly 3,200 locomotive engineers, conductors and train and yard workers, and the TCRC – RCTC represents approximately 80 rail traffic controllers, all in Canada. While the two TCRC collective agreements expired on December 31, 2023, they remain in effect under Canadian labour law until the parties reach new agreements.

This update is from the Chamber of Shipping.

Striking Truck Drivers Block Key Mexican Highways over Lawlessness

Striking truck drivers blocked key Mexican transport arteries on Thursday, jamming vital highways to protest lawlessness on the roads that has led to a rise in robberies and extortion.

Traffic on at least nine highways was affected by the protests, according to local media reports.

Rafael Ortiz, leader of transport group Amotac, told local media that more strikes could be called if the government does not meet their demands.

Ortiz urged the government to boost security, noting that between one and two truck drivers are killed every month on the roads due to the lack of safety.

Read more in an [article from Reuters](#).

International Business/Government

India Forced to Halt Agri Exports as Freight Rates Hit 'Unviable' Heights

Red Sea crisis-induced supply chain disruption seems to have severely crimped the ability of Indian agricultural exporters to ship their commodities to global markets.

Agri exports from India are mainly containerized grains, oil seeds, pulses, rice, sugar and vegetable oil, with Africa the top destination.

But several leading agri trading houses have halted export movements in the wake of soaring ocean rates and equipment availability issues over the past month or so, according to industry sources.

They noted that the crisis had effectively pushed the agri trades to commercially unviable market conditions, and for the trading community it is now simply 'wait and watch' for some respite.

Read more in an [article from The Loadstar](#).