

Challenges plaguing Italian shipping abound

Emanuele Grimaldi, chairman of the Italian shipowners' association, gives *Maritime CEO* an exclusive interview

The Italian merchant fleet, despite the downturns recently recorded, is still a force to be reckoned with: second in Europe and third between the fleets of the major countries gathered in the G20 and fourth in the world when considering the link between the nationality of the vessel and of its shipowner. The competitiveness of the Italian fleet has increased and been maintained by a regulation enabling shipowners to face up to international competition with the Italy's popular international register. Since 1998, the national fleet has increased from 7.8m grt to 16.5m grt.

Emanuele Grimaldi, chairman of Confitarma, the Italian shipowners' association, warns Rome in an exclusive interview with *Maritime CEO* not to meddle too much with a system that is clearly working well.

"Any reduction in operating flexibility causes loss of competitiveness and forces operators to increase prices to survive," the famous shipowner says, adding: "Changing a coherent legislative system based on



the certainty of national and EU law, which has been in force for 20 years and has enabled Italian shipping to have unprecedented success, creating employment, is very risky because it would create advantages for no one but damages for all, owners, and users."

Grimaldi also emphasises that there is a huge list of challenges plaguing the shipping industry today. He cites political uncertainties, low freight rates, overcapacity, piracy and increasing demands to reduce emissions.

"Changes in the international political scene, like the reactions against globalisation and the spread of protectionist policies, could create serious problems to the shipping industry," he says, elaborating that protectionist policies announced by the new US president, Donald

Trump, are a strong downside risk to the outlook of global trade.

"The slowdown of trade, in addition to the protectionist wave, is also due to interconnected structural factors such as the normalisation of growth in China combined with the additional factor of the sharp fall in commodity prices," Grimaldi reckons.

Another big challenge for Grimaldi is related to the environmental issues which lie at the centre of future maritime policies under discussion in European and international forums. With any upturn looking at best weak, Grimaldi is worried by the extra cost burdens coming to owners thanks to impending environmental legislation, something he is sure will cost world shipping billions and billions of dollars. ●

Spot on

Grimaldi Group

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