

Russia crisis sees more structural changes to sea transport

By admin On July 13, 2022 In Insurance Marine News, Keep, Political Risk, Credit & Finance

A lack of fuel from Russia has seen Eastern Germany resort to using barge-loads of fuel from as far away as the North Sea oil port of Rotterdam as the nation pivots away from Russian supplies.

Fuels used to help make petrol are being sent from Rotterdam along the River Rhine and then into Germany's network of canals, with some of the fuel travelling as far as Berlin. A 500 mile week-long inland sail would previously have been rare because of the distance and cost involved, but Russia's invasion of Ukraine has changed the distribution of grains from Ukraine and energy-distribution in Germany.

There have also been barge shipments of diesel from Rotterdam to storage in east Germany in recent weeks, partly because seaborne deliveries would previously have come from Russia via Hamburg. Those supplies look to have stopped.

Canals and waterways connects the Rhine to Amsterdam, Rotterdam and Antwerp, leading on to a large part of Germany, and even further, with theoretical barge routes available to Switzerland, Austria, and through to the Black Sea.

German authorities were reported to be considering the viability of increasing shipments of fuel by barge to Berlin and Magdeburg, a storage hub west of the German capital.

Unfortunately the increased popularity of the concept of transporting fuel along the Rhine has coincided with the river having the lowest water clearance levels at the key navigation point of Kaub since at least 2007, according to German federal data. Barges, already limited to less than full capacity because of the shallowness of the freight, might be restricted to even less if the river dries out further over the next few months. Europe needs rain.