

Strategy affirmed by UN review

The Maersk Group's strategy to target growth markets aligns well with a recent UN report that found emerging economies now account for almost 30% of global GDP and 40% of trade.

The United Nations Conference on Trade and Development's 2011 Review of Maritime Transport report found that developing countries' GDP share in overall global economic output had reached 28% in 2010, up from 17% in 1980, and that their slice of world trade was 40%, up 30% on 2008.

In 2012 the Maersk Group will execute plans laid out in 2011 by prioritising specific investments in promising markets, with Executive Board Members scheduled to visit their focus countries to build relations with officials and key partners and customers.

"Hopefully by meeting relevant stakeholders, we can help open doors the local organisations might struggle to get through," says Maersk Line CEO and member of the Executive Board Søren Skou, a priority sponsor for Vietnam and Indonesia.

Also high on the Group's agenda is sharing knowledge across growth countries to ensure better processes in order to build up business at the local level.

"Many of the challenges in setting up operations in growth markets are similar from one country to the next, and it is important that we share best practices like, for example, cases where we have created Group synergies across business units," Head of Group Strategy Søren Karas says.

APM Terminals is one business that will share knowledge to improve operations across the 27 facilities it owns or controls (see the next edition of Maersk Post on February 6) and invest "aggressively" to keep up with the economic shift identified by the UNCTAD report.

"Aggressive infrastructure investment is required right now to keep up with the pace of that projected growth," APM Terminals CEO Kim Fejfer said after a year in which he oversaw about USD 3 billion in new infrastructure development and facility expansion.

"What these figures and trends tell us, very emphatically, is that the future of the shipping industry is heavily weighted toward developing markets in Asia, Latin America, Africa and the Middle East, and to a certain extent Central Europe "

UNCTAD found improved efficiency and reduced costs of modern port operations had helped increase global trade and overall economic output.

About half of APM Terminals' current container volume is in facilities in economically emerging areas.

“Our capabilities within port development and operation can bring efficient port capacity to new markets benefiting customers, government authorities and communities” added Fejfer.