# Title: **Extreme weather is 2024’s top supply chain risk: Everstream**

Source: Supply Chain Dive

URL: <https://www.supplychaindive.com/news/extreme-weather--top-supply-chain-risk-2024-everstream-climate-change-food-shortages/704232/>

Extreme weather events are the [top risk facing supply chains in 2024](https://www.everstream.ai/special-reports/2024-supply-chain-annual-risk-report/), according to an annual outlook report from Everstream Analytics.

The firm attached a risk score of 100% to the possibility of extreme weather causing supply chain disruption. That assessment follows a year where weather caused havoc for supply chains, from [crop failures](https://www.cnn.com/2023/08/19/business/olive-oil-food-crisis-climate-change-intl/index.html) to [storm damage](https://www.manufacturingdive.com/news/pfizer-restarts-majority-production-rocky-mount-north-carolina-tornado-drug-supply/694746/) to [slowdowns](https://www.supplychaindive.com/news/mississippi-low-water-levels-drought-barge-shipping-rates/692893/) on [major shipping channels](https://www.supplychaindive.com/news/panama-canal-restrictions-continue-until-2024/698812/).

Among other examples, heavy rains and flooding in California, Nevada and Utah in spring of 2023 caused a 20% to 30% decrease in shipments in areas where transportation systems were disrupted, according to Everstream’s analysis.

The firm also found that smoky conditions from 2023’s prolonged wildfires in Canada delayed deliveries in Chicago and New York by up to two days, while reduced visibility caused shipments in different areas to fall — by up to 75% in some places.

To manage weather risks, Everstream recommends firms monitor routes for disruption and look to predictive weather forecasts and alerts.

Extreme weather also factors into Everstream’s No. 5 supply chain risk in 2024: the potential for shortages of food commodities. Most at risk are sugar, rubber and fuel crops.

“Commodity shortages will come to a head this year due to the culmination of many factors, including high input prices, farm profitability concerns, increasing protectionism, and extreme weather events,” the firm said in its report.

Rounding out the full list of Everstream’s top five supply chain risks for 2024 were:

1. Extreme weather.
2. New environmental regulations that could create disruption to operations.
3. National protectionist measures, particularly between the U.S. and China.
4. The potential for escalating tension over Taiwan and its political status with respect to China.
5. Shortages of agricultural commodities.

In various ways, sourcing from China was a factor throughout [Everstream’s entire risk list](https://www.supplychaindive.com/news/china-sourcing-supply-chain-risks-everstream-2023/647602/) for the previous year.  In this year’s report, Everstream pointed to the skyrocketing number of firms banned by China starting in 2017, which is continuing to ascend in 2023. The analytics firm also pointed to the continued outsized role China plays in the sourcing base for companies, including Apple.