

Shipping companies avoiding route via the Suez Canal

Delays due to long detours in international sea freight traffic



As you have heard from the media, the situation off the Suez Canal with the Houthi rebels is extremely tense due to the Gaza war. The sea freight shipping companies have therefore decided to avoid the Suez Canal. Sea transports are being diverted via the Cape of Good Hope until further notice to protect ships and crews. This will increase transit times by around 14 days and will result in rising costs.

Shipping companies declare “force majeure”

„**Force Majeure**“ refers to an unpredictable event caused by external circumstances that could not have been prevented even with the utmost care. These can be natural events such as earthquakes or, in this case, war.

As a result, shipping companies reserve the right to change their services in whole or in part, to change working procedures and all previously agreed tariffs and prices and to impose surcharges. All necessary measures can therefore be taken to adapt business activities and obligations to customers, suppliers and other stakeholders to the prevailing circumstances. This may result in additional costs which will be charged to the goods.

Vessels that were already on their way to Asia (=Eastbound) and have been sailing through the Suez Canal in recent days are turning back in the northern Red Sea due to the renewed attacks in the southern Red Sea or at the strait of Bab al-Mandab and are crossing the Suez Canal again into the Mediterranean. From there, the route leads back to Asia via the Cape of Good Hope (provided shipping companies do not completely swap their ships from the various loops to different tradelanes).

Difficult situation with enormous impact on the supply chain

Expected effects for the upcoming months:

- **Adjustment of sea freight rates or rate increases to cover additional distances**
- **Reduced availability of empty containers in the demand areas**
- **Free berths**
- **Port Congestion**
- **Longer lead times**
- **Reconfiguration of service loops will take time and may lead to further disruption at ports and terminals**

We are aware that this is a dynamic situation that is susceptible to rapid change.

The Lagermax Sea Freight Division is in permanent contact with the shipping companies and will keep you informed about further developments. For additional information on your current shipments, please get in touch with your local contact person for sea freight transportation.

Your Lagermax team