

Journal of Commerce

Maersk rules out Suez Canal routings for Gemini launch



The 16,592-TEU Alexandra Maersk, which was named on its maiden voyage to Felixstowe this week, is the sixth dual-fuel vessel in an 18-ship order and will be deployed on the Asia-Europe trade. Photo credit: Maersk.

Greg Knowler, Senior Editor Europe | Oct 10, 2024, 10:42 AM EDT

FELIXSTOWE, UK — Cargo owners' need to plan Asia-Europe shipments for next year was behind Maersk and Hapag-Lloyd discarding the Suez Canal as an option when their new Gemini Cooperation network launches on Feb. 1 next year.

In the clearest signal yet that the carriers do not anticipate a return to Red Sea transits next year, and with shippers already preparing their 2025 contracts, Gemini decided to jettison the shorter route from its network and commit to the longer transit around southern Africa.

When the Suez routings are deemed safe from Houthi rebel attacks, the shift by ocean carriers will bring 'havoc' to container shipping schedules, said Maersk CCO Karsten

Kildahl. Until then, Maersk customers needed lead time certainty so they can plan operations.

"The nightmare operation when the canal closed is nothing compared to what it is going to look like when it opens again," Kildahl told reporters Wednesday at the naming ceremony of the dual-fuel *Alexandra Maersk* in Felixstowe.

"We will have several weeks of something that will look like an operational meltdown. It is not going to be smooth."

When Gemini <u>unveiled its updated network in September</u>, the alliance offered Asia-Europe shippers alternative routings via the Cape of Good Hope and the Suez Canal. However, Maersk told customers in an advisory this week that the Red Sea situation remained "highly dynamic" and that Maersk and Hapag-Lloyd would only return to the route "when it is safe to do so."

"The reality is that there are still attacks in the Red Sea and it is unsafe to be there. We have seen in the past that it looked safe, and carriers tried to go through, but it wasn't safe and had to be undone again. You can't just flip flop," he said.

Naming ceremony

Kildahl was in Felixstowe for the naming ceremony of *Alexandra Maersk*, the fifth 16,592-TEU vessel in an 18-ship order of dual-fuel methanol vessels scheduled for delivery in 2024 and 2025.

Felixstowe will be the British hub in Gemini Cooperations' hub and spoke network with three weekly calls at the UK's largest container port. The other European hubs will be Rotterdam that will have four weekly calls, Hamburg and Bremerhaven that will receive two calls each, with one weekly call at Wilhelmshaven.

In Asia, Gemini's hubs will be mainly in China with three weekly calls at Shanghai, two in Ningbo, two at Yantian and one in Qingdao. The carriers will have five weekly calls at Gemini's Malaysian hub of Tanjung Pelepas and three at Singapore.

A network of shuttles will form the spoke in Gemini's coverage, and with both the shuttles and the terminals in the network owned or operated by Maersk and Hapag-Lloyd, the carriers are confident they can deliver 90% schedule reliability.

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