



**MAERSK**

## **Customer Suez FAQ**

March 31, 2021

### **1. How many vessels are at the canal/anchored?**

Maersk and partner vessels currently have 17 vessels waiting to enter the canal, with 17 vessels already having passed the canal. The canal has a daily capacity of between 50-85 vessels. Convoys aim to run continuously from here subject to safety protocols and is estimated to take approximately a week for the complete queue to pass. As more vessels reach the queue, this is subject to change.

### **2. How many vessels do you anticipate rerouting and how will you reroute?**

15 Maersk and partner vessels were initially diverted around the Cape of Good Hope (the southern tip of Africa). The decisions to re-route were not made knowing this will result in delays (up to 3 weeks). At time of publication, 3 vessels have been turned back and will now make its way back to the canal for passing.

### **3. How does air or sea to air play a role in the containers currently on board vessels that are waiting?**

We are currently assessing all mitigation options. For critical shipments we recommend that you reach out to your local sales representative for dialogues and quotations on possible mitigation efforts.

### **4. What are the options to change routings to air or rail where cargo has not yet been loaded on to a vessel?**

Maersk is able to offer multiple modes of transport including air, rail and truck. Given the enormity of this situation there are knock-on effects across supply chains which may cause capacity constraints. For critical shipments, we recommend that you reach out to your local sales representative for dialogues and quotations on alternative solutions.

### **5. How will our net ocean network capacity be impacted?**

At this point in time, we estimate that the delays could have an impact on our ocean network capacity for the coming several weeks. We are doing our utmost to mitigate the impact and contingency plans are still being made, however the loss of capacity will be significant over multiple weeks, depending on market dynamics.

Beyond the loss of capacity, we expect severe port congestions as ships will be arriving out of their allotted time, leading to adjusted rotations to limit the overall net loss of ocean network capacity. All updates will be communicated via Maersk.com or directly with customers whose shipments are affected.

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### 6. Will offered capacity be impacted, especially in terms of short-term bookings?

We are doing our utmost to mitigate the impact and minimise the total impact of our customers' supply chains. Your business is of the highest value for us and where possible we will continue to accept short terms bookings. However, expecting a significant loss in capacity over multiple weeks, depending on market dynamics, we have decided to temporarily cease short term bookings placed via Spot, as well as short term contracts this week and in the immediate future, in these geographical services:

Exports out of Asia	Exports out of West Central Asia	Exports out of Europe	Exports out of North America	Exports out of Latin America	Exports out of Africa
<ul style="list-style-type: none"> <li>To all markets, due to expected equipment shortage</li> <li>– with the exception of Asia to West Africa which has a restricted booking acceptance</li> </ul>	<ul style="list-style-type: none"> <li>To Europe and North Africa</li> <li>To North America East Coast</li> <li>To West Africa via Mediterranean</li> <li>To Latin America via Mediterranean</li> </ul>	<ul style="list-style-type: none"> <li>To Asia</li> <li>To Middle East and Indian Sub-Continent</li> <li>To Oceania</li> </ul>	<ul style="list-style-type: none"> <li>To Middle East and Indian Sub-Continent</li> <li>To East Africa</li> </ul>	<ul style="list-style-type: none"> <li>East Coast South America to Middle East and Indian Sub-Continent and Asia via Mediterranean</li> <li>Central America and West Coast South America to Middle East and Indian Sub-Continent</li> </ul>	<ul style="list-style-type: none"> <li>East Africa to Europe</li> <li>West Africa to Asia, Middle East and Indian Sub-Continent via Mediterranean</li> </ul>

We will inform you as soon as the ceased services are available to again book. Besides the geographical services listed above we will be accepting short term bookings on all other services, where local availability allows.

### 7. Will terminals be congested?

Port congestion is expected to be a major hurdle as vessels will be arriving outside of their slotted appointment times and in large numbers as they all make their way through the canal in quick succession.

### 8. Do you expect impacts to Equipment due to this incident?

We foresee limitations of both space and equipment in the weeks to come. The industry faces supply chain pressure between the Suez Canal incident and Transpacific demand pressure. There are three factors we need to consider: The first is the continuation of our current efforts to position both dry and reefer equipment as intended and needed at origin locations. The second, is that we are still reviewing how sailings in the coming weeks may be adjusted, which will affect the delivery of both laden and empty containers to those origins. Finally, we need to take into



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account, terminal capacity around the world as a variable; terminals and container yards are currently faced with capacity restrictions in many locations. These knock-on effects will likely cause global disruption in weeks to come.

### **9. What are you doing to mitigate the impact this will have on global supply chains?**

The impact will continue well beyond the physical removal of the vessel and we are working hard to manage the impact as much as possible.

As we expect severe port congestions, as ships will be arriving out of their allotted time, we are closely looking at how we can adjust the network to avoid this bunching of ships and to limit the overall net loss of ocean network capacity due to omitted ports as a result of redirecting 12 vessels.

We have already started to proactively manage our capacity and will not be accepting cargo where we cannot ensure space, as well as suspending short term bookings in selected trades. For more info on which trades are affected, (click here – insert link). Throughout this process we aim to give as much clarity and notice as possible. We will inform you as soon as the ceased services are available to again book. Besides the geographical services mentioned we will be accepting short term bookings on all other services, where local availability allows.

### **10. Where can I find information for my lead logistics customers that cover all routings for all carriers?**

As a customer of Maersk, your cargo might also have cargo impacted on another vessel from a different operator than the above. All Maersk customers, whose cargo is directly impacted by the current situation, will receive specific information regarding detailed schedule changes and alternative options provided once we have the full overview.

### **11. Vessels have rerouted along unsecure areas of eastern Africa what are contingency plans for security?**

The route takes the vessels outside of the Gulf of Guinea, but we are constantly monitoring the safety of the crew and vessels and what measures can be put in place to alleviate any concerns connected to this.

### **12. What is the delay on the vessels that have already been rerouted around the south of Africa?**

Our [web advisory](#) is constantly updated with information of redirections. If you want to track a vessel in real time and gain access to AI-powered predictive analysis and estimated times of arrival (ETA), as a Maersk customer you can login to our Hub and use the interactive map functionality. [Click here](#) to login.



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### **13. Where should we look to get real time vessel updates?**

If you want to track a vessel in real time and gain access to AI-powered predictive analysis and estimated times of arrival (ETA), as a Maersk customer you can login to our Hub and use the interactive map functionality. [Click here](#) to login.

### **14. Will all vessels sail as per normal schedules?**

We want to advise our customers that shipments not directly impacted by the Suez blockage might also be affected as we adjust our network to avoid port congestions and to limit the overall net loss of ocean network capacity due to omitted ports as a result of redirecting 12 vessels.

To give you as much visibility into the situation as possible, please see our AI-powered predictive analysis and estimated times of arrival (ETA). As a Maersk customer you can also make use of our interactive map functionality. [Click here](#) to login to the Hub.

### **15. What can we as customer do to mitigate the impact to our supply chains?**

We are all in this situation together and due to foreseeable limitations of space and equipment in the weeks to come, we advise you to prioritise the most urgent/critical goods to be shipped first. For urgent or crucial shipments, we also ask that you contact your local Maersk representative to discuss alternative transport options.

You can also support our current efforts to position both dry and reefer equipment as intended and needed at origin by working to return equipment faster.

Throughout this process we aim to give as much clarity and notice as possible and we regret the inconvenience this incident may cause to your business in a time where certain industries may already be stretched due to the pandemic.

To stay updated on the Suez incident and our mitigation efforts, please visit:

<https://www.maersk.com/news/articles/2021/03/24/vessel-blockage-in-the-suez-canal>