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## SHIPPING

# Feeders set to suspend services for several weeks

### Facing strict quarantine rules, crew 'want to go home for Lunar New Year'

Ji Siqi  
siqi.ji@scmp.com

Feeder operators at ports in southern China are extending service suspensions by at least six weeks over the Lunar New Year holiday due to strict quarantine measures for shipping crew, in a move that may further disrupt snarled supply chains, industry insiders say.

Feeders own medium-sized ships that transport containers between small ports and major container terminals where they are loaded onto larger vessels.

Global shipping giants such as Ocean Network Express, Hapag-Lloyd and Evergreen have told customers they are temporarily stopping bookings for cargo going to small ports in the Pearl River Delta and Fujian province because of the situation.

"This suspension is caused by the Covid-19 quarantine requirement for ship crew plying between south China and Hong Kong upon their return from the 2022 Chinese New Year holidays," said Hapag-Lloyd in an advisory on Friday.

Before the pandemic, feeder operators suspended operations around the seven-day holiday – which starts on January 31 next year – but only for two to three weeks.

"Clearly the crew want to be able to go home for Chinese New Year," said Lars Jensen, CEO of container shipping consultancy Vespucci Maritime. "This will not directly impact cargo moving directly to or from the major deep-sea ports, but can give rise to a number of ripple effects. Cargo to or from the smaller ports might see an earlier surge than usual."

The decision by shipping companies to halt bookings

seems to be about avoiding a pile-up of imports at bigger Chinese ports, said Akhil Nair, vice-president of global carrier management and ocean strategy at Seko Logistics.

"I think they don't want

arrivals during [Lunar New Year] when booked from overseas as these would all simply accumulate at transshipment ports," he said. "With declining free time from terminals, which are congested, I would assume this is a prudent move."

The weeks-long suspension of services by feeder operators is

likely to put pressure on road transport in southern China, as short-distance water transport will be redirected to trucks, experts said.

"I would assume this could have further ripple effects on land-side congestion and flow of goods during the [Lunar New Year] period," Nair said.

As part of China's zero tolerance approach to the Covid-19 pandemic, long quarantine times for sea crew have caused growing discontent among shipping firms, especially as the industry is already struggling with disruptions such as port congestion and a lack of workers globally.

Crew members of ocean vessels must quarantine for at least 21 days after they disembark at ports in northern China, and 14 days in southern ports, such as those in Guangdong, a shipping company manager said on condition of anonymity. Many ports in China even prohibit crew from disembarking.



The decision may not directly impact cargo from major ports, but could give rise to a number of ripple effects, experts say. Photo: Xinhua