

Suez Canal Authority engages global shipping giants as Red Sea security improves

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Admiral Ossama Rabiee, Chairman and Managing Director of the Suez Canal Authority (SCA), held a meeting with representatives from 25 major shipping lines and maritime agencies in Ismailia to discuss the security situation in the Red Sea and Bab El-Mandab region. The focus was on restoring shipping traffic through the Suez Canal following a ceasefire in Yemen, as the Red Sea is a vital corridor for global trade, carrying about 10 per cent of it and 8 per cent of the world's grain trade.

Adm. Rabiee emphasised the importance of safe navigation and encouraged shipping lines to gradually resume operations through the canal. He highlighted the SCA's readiness to support shipping activities with enhanced services. Major stakeholders like Maersk and CMA CGM participated in the meeting, expressing cautious optimism despite concerns over high insurance premiums for vessels.

Key industry stakeholders, including Maersk, CMA CGM, and EVERGREEN LINE, took part in the meeting, with participants expressing cautious optimism. While concerns remain about high insurance premiums for vessels transiting the Red Sea, proposals for temporary incentives were discussed to mitigate operational costs and promote a return to the Suez route over the longer, more expensive Cape of Good Hope detour.

Participants discussed temporary incentives to reduce operational costs and promote the Suez route over the longer Cape of Good Hope detour. The SCA's initiatives, including waterway development and fleet modernisation, were also highlighted. With renewed stability signs in the region, the SCA aims to facilitate the revival of this crucial trade artery, ensuring the flow of essential goods to vulnerable economies.