## Seatrade Maritime NEWS

## US regulators putting the brakes on Gemini Alliance



The US Federal Maritime Commission (FMC) has asked for more information on Maersk and Hapag-Lloyd's Gemini Alliance agreement that was due to become effective on 15 July.

Barry Parker | Jul 15, 2024

The request by the FMC for further information on the alliance relates to "the potential competitive impacts of the arrangement."

At the end of May, the two liner behemoths had filed <u>a cooperation</u> <u>agreement</u> with the FMC which said "Agreements become effective 45 days after filing unless the Commission issues a Request for Additional Information (RFAI) as it is doing here."

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In a July 12 release, they note: "The Commission has determined that the Gemini Cooperation Agreement as submitted lacks sufficient detail to allow for a complete analysis of its potential competitive impacts."

The FMC explains further: "Information sought as part of an RFAI is commercially sensitive and is not publicly published. Re-consideration of the agreement will not commence until the Commission has received a fully compliant response to its inquiry. The Commission has 45 days from when it determines responses to the RFAI are deemed complete to review the agreement for competitive and legal concerns before it becomes effective."

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In early June, the FMC had issued requests for comments (which are kept confidential) regarding the Gemini agreement- where the two carriers "are aiming to cooperate on services between (a) Asia and the Middle East and the US Pacific Coast; (b) Asia and the Middle East and the US Atlantic and Gulf Coasts; and (c) Europe and the US Atlantic and Gulf Coasts."

The agreement, as proposed, is wide-ranging, where "The vessels contributed by the Parties shall be deployed to the extent possible in strings in which all vessels are provided by a single Party. Each of the Parties may substitute or replace vessels within or between Agreement services subject to such standards and criteria as the Parties may establish from time to time."

The Gemini cooperation

agreement: https://www2.fmc.gov/FMC.Agreements.Web/Public/Document/1219

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