



# Container xChange Customer Advisory

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Container xChange, an online container trading and leasing marketplace, is alerting the global container trading and leasing community to the serious repercussions of the recent explosion aboard the Yang Ming vessel YM Mobility at Ningbo Port, China. This incident, which has led to the closure of one of the world's busiest container terminals, is expected to have significant ripple effects across global supply chains, especially on the main trade lanes out of Asia.

On August 9, 2024, a container loaded with hazardous materials exploded aboard the YM Mobility while it was berthed at Ningbo Beilun's Phase III Terminal. The explosion, which involved organic peroxide materials, has led to the closure of the terminal until further notice.

"With this closure, Ningbo Port is no longer operational, compounding existing supply chain disruptions exacerbated by Typhoon Gaemi in July." shared Christian Roeloffs, cofounder and CEO of Container xChange.

"For container trading companies and those involved in container leasing, this incident presents some straightforward challenges worth accounting for. The disruption at the Ningbo Port, combined with pre-existing congestion at major Asian ports, will lead to a deterioration of ocean schedules and further delays in container availability. Companies must brace for increased dwell times, potential rerouting of shipments, and a tightening of available container supplies, especially for hazardous and dangerous goods." shared Roeloffs.

## Recommended Actions:

**Rerouting Shipping Routes:** Companies are exploring and evaluating alternative shipping routes through less congested ports to avoid delays. The closure of Ningbo will likely increase congestion at neighboring ports, so proactive planning is crucial.

**Increase Safety Protocols:** Rigorous inspections and adherence to safety protocols, particularly for hazardous goods, must be prioritized to prevent similar incidents. ([Read our detailed blogpost here](#))

**Stay Informed:** Regular updates from shipping partners and port authorities will be crucial in adjusting operations in real-time. Companies should maintain open lines of communication to adjust operations in real-time.

**Plan for Extended Dwell Times:** With delays expected to increase, companies should anticipate longer dwell times at major ports and adjust their inventory and delivery schedules accordingly. Companies should plan for extended delays and consider increasing inventory levels to avoid disruptions.