

Essential Measures for Minimizing Disruption Amid Ningbo Port Closure: Container xChange

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Port of Ningbo

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.

Roeloffs emphasized the critical [need for preparedness](#) in the face of such disruptions. "The closure of Ningbo Port is a stark reminder of the vulnerabilities in global supply chains. Container trading companies and those involved in leasing must act swiftly to mitigate the impact. Proactive measures, such as diversifying sourcing strategies and closely monitoring port operations, will be essential to maintaining business continuity."

"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,” said 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.

As the situation unfolds, Container xChange will continue to provide updates and insights to help their customers and partners navigate these challenges.

“Container xChange’s platform facilitates communication and collaboration between container traders and leasing companies around the world. This can be valuable for coordinating responses to the Ningbo disruption and to find solutions quickly. With access to a wide network of container traders and leasing companies, container users can find and secure containers easily from alternative sources. This can be crucial for managing inventory and avoiding delays caused by the Ningbo Port closure,” noted Adrian Degode, Customer Success & Operations Lead, Container xChange.

“In light of the recent disruption caused by the Ningbo Port incident, Container xChange’s insurance provides essential protection against the risks of total loss, damage, and mysterious disappearance of containers. Our comprehensive coverage includes protection for both total and constructive total loss, general average, and more, ensuring that container traders and leasing companies can mitigate financial impacts and maintain operational stability. With flexible billing options and support for claims processing, our insurance is designed to offer peace of mind and support during these challenging times,” added Degode.

This article has been written by Container xChange, an online container trading and leasing marketplace.