

# Hapag-Lloyd nixes Suez return for India-USEC loop amid customer pushback



*Hapag-Lloyd is a predominant operator on the India-USEC trade, handling approximately 303,500 TEUs, about 23% of the market, this year through November, according to industry data. Photo credit: Hapag-Lloyd.*

[Bency Mathew, India Special Correspondent](#) | Dec 18, 2025, 9:55 AM EST

Hapag-Lloyd has dropped plans to reinstate a Suez Canal routing for its India-US East Coast “TPI” service after failing to secure sufficient customer backing due to cargo insurance concerns, local industry sources, including within Hapag-Lloyd India, told the *Journal of Commerce*.

The pushback came primarily from Expeditors International, said to be the German carrier’s largest freight forwarder account for India-US volumes. The US-based forwarder is understood to have flagged ongoing uncertainty around the insurance premium implications of a Suez routing in response to Hapag-Lloyd’s outreach for customer feedback.

“Expeditors was unable to persuade many of its core shipper clients to sign on to a letter of intent framework that would have required them to absorb terrorism and war-risk liabilities for vessels transiting the Red Sea,” said a Hapag-Lloyd India executive who didn’t want to be identified. “Forwarders without this requirement are more willing to ship as they are able to manage the necessary insurance coverage for Suez transits.”

When contacted by the *Journal of Commerce* for comment, a global spokesperson for Hapag-Lloyd said no timeline has been set for a return to the Suez route.

“We continue to monitor developments very closely and maintain a detailed plan for a potential return, but any decision will only be taken when the security situation is sustainably safe,” the spokesperson said. “We need to see constant stability and tangible progress before routing vessels back through the Suez Canal.”

Expeditors’ support is critical as it moves approximately 400 TEUs per week on Hapag-Lloyd’s India-US network, mostly on the TPI. The carrier is believed to have received positive signals for a Suez return from other major global forwarders such as DSV, Kuehne + Nagel and C.H. Robinson.

Sources across European carriers agree that extra insurance exposure remains a sticking point in customer engagement on Suez resumption efforts. US retailer Costco is said to be among the Indian goods buyers reluctant to commit cargo support for Suez transits.

Hapag-Lloyd is a predominant operator on the India-USEC trade. Out of an estimated 1.3 million TEUs shipped from India to the US this year through November, the carrier handled approximately 303,500 TEUs, representing about 23% of the market, according to industry data.

## Carriers weigh Red Sea return

Ocean carriers have been weighing a resumption of mainline Red Sea/Suez Canal transits in the aftermath of what has been a shaky ceasefire between Israel and Hamas in Gaza, but most shipping executives say the security situation is still too unsettled, forcing continued diversions around southern Africa.

The Premier Alliance unveiled its updated 2026 network this week with services from Asia to Europe, the Mediterranean and the US East Coast continuing to divert around the Cape of Good Hope to avoid passing through the Red Sea. Still, Ocean Network Express confirmed Wednesday it will make a tentative return to the Red Sea cargo market under a slot charter agreement with three regional carriers.

Sunil Vaswani, executive director of the Container Shipping Lines Association (India), said while there have been some eastbound sailing attempts over the Suez, most lines want to “test the Red Sea waters” ahead of implementing drastic network changes, given the persistent geopolitical volatility.

Meanwhile, CMA CGM is set to resume a Suez-based rotation for its India-USEC “Indamex” service from January, with the first westbound sailing under the “normal” itinerary known to be the 6,039-TEU *CMA CGM Verdi* departing India’s Nhava Sheva Port Jan. 18 and transiting the Suez Canal Feb. 8, available data indicates.

The French carrier plans to switch over to a full Suez rotation for the Indamex in the second quarter of 2026 as it continues to realign capacity deployments.

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