



The European Shipping Market in 2025: Challenges and Solutions

With issues from seasonality, labour disruption, and increased geopolitical risk, the European shipping market is poised for a difficult 2025. These are critical issues that need to be tackled, as [Maersk's analysis](#) suggests.

Seasonal Disruptions: Lunar New Year

Perhaps one of the biggest disruptions to come in 2025 will be from the Lunar New Year, which begins on 29 January. As has been true in past years, the routine factory shutdowns in China during this holiday period will cause factories to halt production, and there will be a ramp-up of demand for shipping in advance and a delay afterward. These disruptions are expected to sharply limit the supply of goods and stress supply chains around the world. Companies that depend on Chinese manufacturing should strategically time their shipments well ahead of time to prevent delays. Maersk recommends diversifying transport modes by harnessing air freight and rail solutions to minimise the risk of port congestion or delivery delays that may arise during this time.

Labour Disputes: A Global Concern

Labour disputes, particularly in the United States, complicate the global shipping market even further. The disputes, which have often centred around how automation is integrated into port operations, have caused major slowdowns on the U.S. East and Gulf Coasts. Strikes have paralysed transshipment operations essential for European markets, resulting in delays and complicating logistics planning. While temporary pacts are in place, the possibility of additional walkouts is an open question. It also reinforces the argument for shipping lines to prepare contingency plans to mitigate the impact of labour unrest on operations.

Geopolitical Risks and Shipping Routes

Shipping disruptions are further compounded by geopolitical tensions, especially in the Red Sea region. The conflict has made traditional maritime routes unsafe and forced companies like Maersk to reposition vessels to go around the Cape of Good Hope. Though this alternative is safe, it carries with it greatly extended transit times and freight costs. Also, the rerouting drives a pileup of delayed shipments arriving at European ports, putting

port capacity under strain, and creating bottlenecks. European ports, already under pressure from higher shipment volumes, are facing an increasing need to streamline operations and tackle congestion effectively.

Building Resilience in the Shipping Industry

To meet these challenges, various measures have been taken by shipping companies to become more resilient. A significant initiative is the establishment of the Gemini Alliance between [Maersk](#) and [Hapag-Lloyd](#) in February 2025. This is expected to increase schedule reliability and ease congestion, thanks to the deployment of larger vessels: fewer port calls. Moreover, Maersk highlights the need for diversification in logistics strategies, including the use of different shipping routes and varying transportation modes, to minimise reliance on particular ports or areas.

Leveraging Technology and Collaboration

Optimising port operations through investment in technology and automation is an accretion solution. Real-time tracking and predictive analytics can help shipping companies anticipate and resolve potential bottlenecks by deploying AI-driven systems. Investments in enhanced infrastructure — such as increasing port capacity and expediting customs clearance procedures — can also greatly improve operational efficiency. Upgrading port facilities in Europe to back up higher volumes will reduce delays that arise from surges in shipping demand.

Moreover, it is necessary to collaborate with all stakeholders in the shipping industry. Standardised protocols and contingency plans for managing disruptions can be developed through cooperative efforts between governments, port authorities, and private shipping companies. By way of cooperation, regional partnerships and shared data platforms help in networking, reducing the friction of communication, streamlining processes, and ensuring a uniform response to unanticipated challenges.

Diversifying Supply Chains and Driving Sustainability

Another major strategy is to decentralise supply chains and eliminate the dependence on particular regions or suppliers. Companies can de-risk by diversifying their manufacturing bases across multiple countries. These strategies, together with nearshoring or reshoring operations, help businesses shorten transit times and avoid overreliance on remote suppliers.

Last but not least, sustainability programmes serve as a twofold solution to aid in these hurdles while strengthening the business against future disruptions. Shipping companies can use alternative fuels, sustainable vessels, and green ports, which will help mitigate emissions and keep up with changing regulations. These measures can also help save costs through fuel efficiency improvements and avoiding environmental penalties.

Conclusion

To summarise, businesses operating in the European shipping market will have to adapt to the combination of seasonal disruptions, labour unrest, and geopolitical uncertainties. This leads to proactive planning and strategic adaptations for both the business and shipping companies. With diverse logistics strategies, collaborative efforts, advanced technology, and sustainable initiatives, the industry can minimise risks, maintain operational efficiency, and continue the smooth transition of global trade. These measures are important in that they will help us navigate the complex shipping landscape of the future.

Advice

For expert advice on navigating the European shipping market, managing supply chain risks, or optimising logistics strategies, contact our [Shipping, Logistics and Energy team](#) at online.enquiries@LA-law.com or 0344 967 0793.