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New Developments Arise in Hanjin Shipping Crisis

Today, U.S. Bankruptcy Judge John Sherwood has granted Hanjin Shipping Co. [some protections of Chapter 15 Bankruptcy](#), which the company filed for last Friday. Per the decision, creditors will not seize Hanjin's container ships as the company restructures its finances in light of the bankruptcy.

South Korean Finance Minister [Yoo Il-ho has issued a statement](#) that the South Korean government will assist Hanjin Group to resolve the logistic disaster, commenting that "[as] the top economic policymaker, I feel responsible for causing the confusion and concerns." [Several news sources report](#) the minister saying that the incident will begin to subside later this week. A number of alternative vessels will also assist with shipment on routes throughout parts of the world.

The parent company, Hanjin Group, has pledged within the week to raise about \$90 million to pay for costs associated with discharge and container offloading. The Seoul Central District Court has requested the funds from one of Hanjin Shipping's creditor's, Korea Development Bank

(KDB), and will provide strict oversight in the disbursement of funds. KDB has also recently provided a short-term loan to [Daewoo Shipbuilding & Marine Engineering](#), a South Korean shipbuilder that has also been saddled with financial troubles.

Several Hanjin Shipping vessels have already been seized at various ports, and the company's rival Hyundai Merchant Marine has capitalized on the incident, deploying its own vessels on lanes that were once used by Hanjin. Per the South Korean government, Hanjin Shipping vessels have been advised to certain ports for safe discharge, such as Los Angeles, Hamburg, Singapore, Busan and Gwangyang.



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