

Suez Canal Authority proposes fee cuts amid Red Sea crisis

The Suez Canal Authority is weighing the introduction of discounts on transit fees in a bid to boost traffic through the strategic waterway.

By [Menna Alaa El-Din, Ahmed Tolba and Mohamed Ezz](#) 13 May 2025



Tugboats help tow the Greek-registered MT Sounion, which was attacked by Yemen's Houthi militants last year in the Red Sea, after it was successfully towed through Egypt's Suez Canal, in Ismailia, Egypt March 10, 2025. The Suez Canal Authority/Handout via REUTERS/File Photo

According to Authority chief Osama Rabie, discounts of between 12% and 15% are being considered as ongoing attacks by Yemen's Houthi rebels on Red Sea shipping continue to disrupt global trade routes and impact vessel movements through the canal.

Rabie told the privately owned Sada al-Balad television channel in a phone interview that the discounts could be applied within days after ratification by Egyptian President Abdel Fattah al-Sisi.

Egypt's Suez Canal will offer a 15% rebate for container ships with a net tonnage of 130,000 metric tonnes or more, in light of the positive security developments in the Red Sea and Bab Al-Mandab Strait, the Suez Canal Authority said.

Canal revenue suffers sharp decline

He spoke after revenue from the canal continued to plunge on the back of attacks on shipping by Yemen's Houthis, who say they are trying to shut off cargo bound for Israel in support of Palestinians in Gaza, but who are also chasing ships away from the canal.

Revenue from the Suez Canal, a key source of foreign currency for Egypt, plummeted to \$880.9m, in the fourth quarter from \$2.40bn a year earlier, the victim of Houthi attacks, central bank figures showed earlier this month.

Last week, Rabie met with representatives from shipping agencies who called for temporary incentives that would help offset increased insurance costs for vessels operating in the Red Sea, which they deemed a high-risk zone.

The meeting followed an Oman-mediated ceasefire between the United States and the Houthis, under which the U.S. agreed to stop bombing the Houthis in Yemen in return for the group agreeing to stop attacking U.S. ships. The accord with the Iran-backed group does not include Israel.

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