

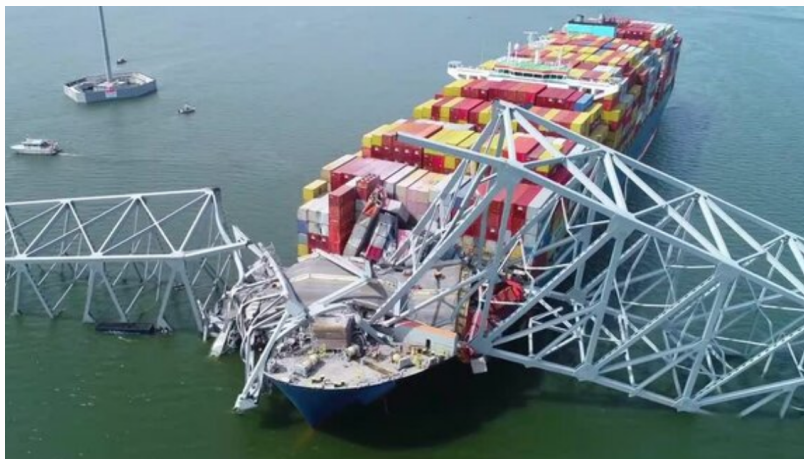
INTERNATIONAL MONTHLY MARKET UPDATE

APRIL 2024



In the early morning of March 26, the Singapore flagged vessel Dali struck the Francis Scott Key Bridge in Baltimore. Our sympathy goes out to all affected by this traffic incident and their families.

The vessel had operational issues and struck the bridge, instantly causing the structure to collapse. Before any shipping can be resumed at the Baltimore port, crews will need to work diligently to remove debris and clear the channel for ships to resume passage. Ocean carriers are already sending notice that this is a force majeure situation, and any existing voyages to and from Baltimore Port



will be terminated. Contingency plans are starting with many carriers using New York and Norfolk ports. Governors of New York and New Jersey offered to take shipments to try and minimize supply chain problems. The vessel, almost as long as the Eiffel Tower, was carrying nearly 4700 shipping containers on board, 56 of which contained hazardous material, and it has been reported that 14 of them were destroyed. Environmentalists reviewed the contents and stated there was no immediate environmental threat. The US Army Corps of Engineers is in the process of moving the largest crane on the Eastern Seaboard to help remove the wreckage of the bridge. The Biden Administration has immediately approved \$60 million in federal aid to assist. Maryland Governor Wes Moore warned everyone that this is a long road ahead. Until further notice, the port is closed indefinitely.

The Port of Baltimore is one of the largest ports for Ro-Ro vessels that carry automobiles and light trucks. The loss of the bridge, along with the port disruptions, affects over 30,000 vehicles a day. The president of the International Longshoremen's Association, Scott Cowan, said the union is scrambling, as roughly 2400 members are at risk of their jobs drying up until the port can be reopened.

Current estimates state that more than 40 ships, including smaller cargo ships, tugboats, and pleasure crafts, remain inside the Baltimore Port. Marine Traffic showed that another 30 ships destined for Baltimore Port will be rerouted.

IL2000's international team will continue to support our customers with alternative solutions should they be impacted.

Port News

Maersk has already notified customers with import cargo destined for New York, Newark, and Norfolk to arrange for the pick-up of containers as quickly as possible to help with the overflow.

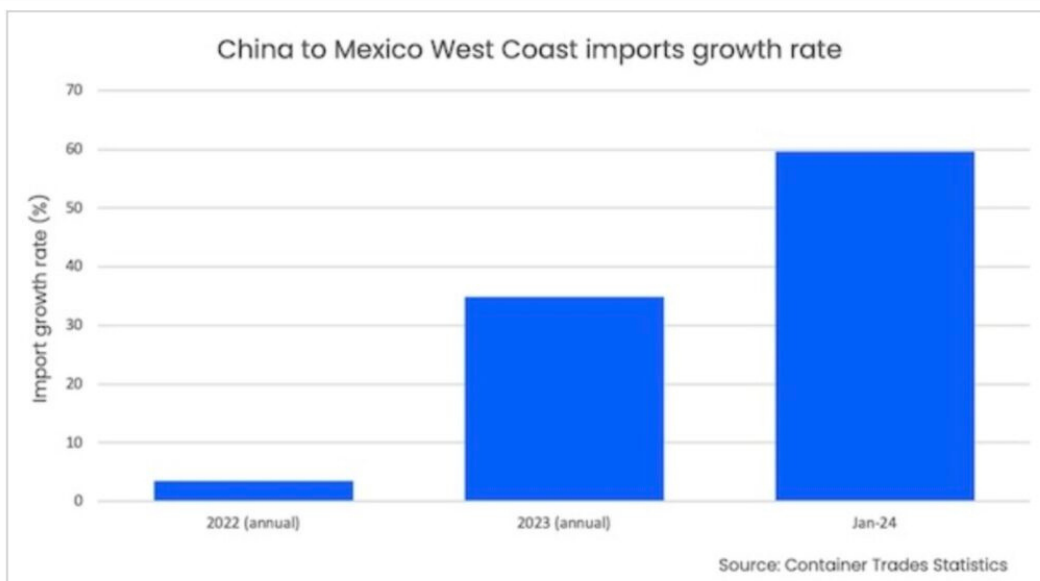


A ship enters the Miraflores Locks on February 3, 2024. Due to higher water levels in Gatun Lake, the Panama Canal will increase daily booking slots to 27 starting March 25. Source: [Supply Chain Dive](#)

Things are starting to turn a corner for vessels moving through the Panama Canal. Mid-month, the canal began to increase the number of slots per day. As of March 25, slot capacity increased to 27. A spokesperson for the canal stated that efficient water saving measures have allowed them to increase the daily number of transits while still maintaining the 44-foot draft for the rest of the dry season. While the canal is still not at full slot capacity, which averaged 36 daily pre-drought, the outlook is moving in the right direction. The level of Gatun Lake rose a foot in March.

Imports

The US Commerce Department reported that Mexico overtook China as America's top trade partner for 2023. This is based on the China/Mexico trade lane. Annual growth increased 34.8% in 2023 compared to 3.5% in 2022. This January showed an increase of 60% for container shipping compared to 12 months ago. Chief Analyst from Xeneta, Peter Sand, commented that the data proves businesses in the US are trying to avoid the tariffs placed on goods imported from China to the US. In recent years, Chinese companies expanding into Mexico have seen significant growth.



Source: [Splash247](#)

Customs

The US CBP released the February monthly operational statistics, which include:

- More than 2.6 million customs entries processed valued at more than \$255 billion with estimated duties of nearly \$6.5 billion to be collected.
- Ocean accounted for 40.8% of all international trade.
- CBP intensifying its targeting and enforcement efforts to combat textile and trade imports that are not compliant with US law, focusing on de minimis compliance, forced labor enforcement, cargo compliance, regulatory audits and public awareness.

The US CBP has announced that it is partnering with the FDA to expand the focus of the Global Business Identifier (GBI) Test. This will expand the test further and see if it can be used for other supply chain traceability needs. The CBP is also using this to determine if it can address data gaps caused by CBP Manufacturing Identifier requirements.

President Biden signed the Customs Business Fairness Act into law on March 9. This will allow for the full subrogation of claims for the payment of customs duties, protecting customs brokers who are outlying duties on behalf of imports who then file for bankruptcy.

The US CBP issued cybersecurity incident procedures guidelines for brokers, which explain the process and roles and responsibilities of the CBP and the brokerage community regarding how to facilitate the importation, entry, and entry summary process in the event a cybersecurity incident happens to a broker.

The international team is here to help with your logistic needs! Making Logistics Happen!

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Sources: Supply Chain Dive, Splash247, ACL Lines, strtrade.com, cbp.gov, customsandinternationaltradelaw.com, Associated Press, Yahoo, Reuters, Maersk