



International Monthly Market Update:

September 2022



Fumigation requirements for cargo destined for Australia and New Zealand will start on September 1, 2022, and continue through April 30, 2023. The annual announcement from the Department of Agriculture and Water Resources (DAWR) requires any vessels that berth, load, or transship at these locations to have a Brown Marmorated Stink Bug (BMSB) declaration. Failure to provide this to any carrier will result in shipment delays.

China/Asia:

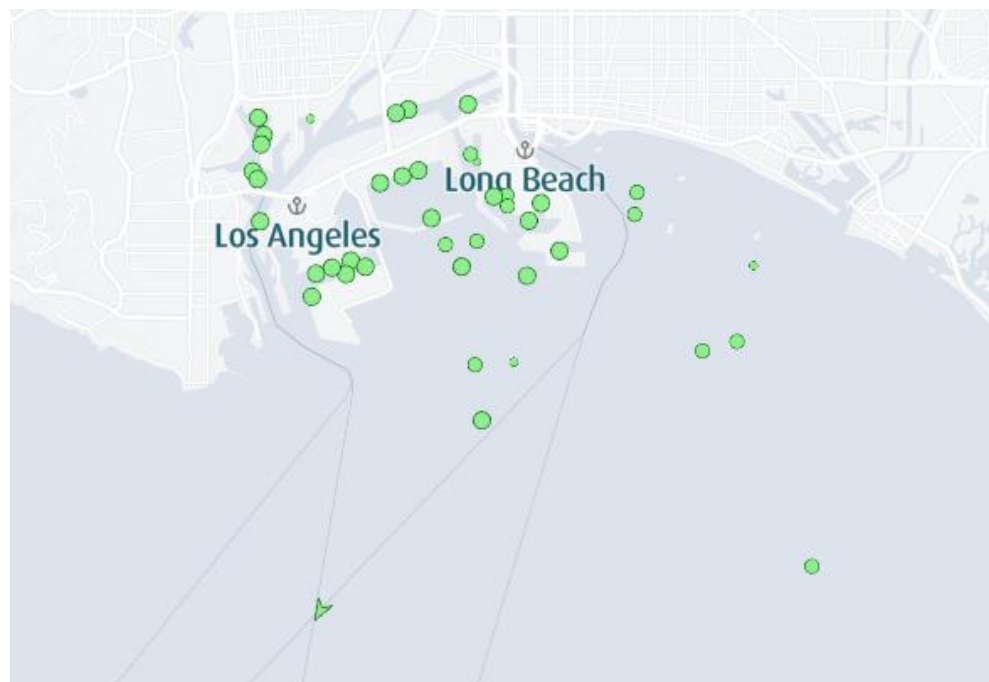
- In preparation for Golden Week, carriers have announced the suspension of barge service to many base ports from September 28 to October 8.
- Shanghai operations have returned to normal; however, trucking services still need 72-hour valid nucleic acid testing to enter the port.
- Covid cases continue to grow in Taiwan and Korea, some reaching over 20,000 cases per day.
- The market demand has softened on the Trans-Pacific, and carriers are continuing to reduce rates from their record levels from a year ago. Space capacity is open, and blank sailings have dropped to under 30%. This situation is different from what we have seen in years past, especially as we are in the midst of the peak season prior to Chinese Golden Week in October.
- Trans-Atlantic remains high with rates holding steady. Rates are estimated to still be almost five times more than pre-covid rates.

Europe:

- On August 15, 99% of port employees voted in favor of striking at the port of Liverpool. The strike action took place from August 21 to 29. The port still operated, however, at a limited capacity with multiple dock gates closed and a reduction of haulers allowed to collect and return containers during that time.
- After many weeks and several strikes, the Germany Seaport Association and the union representing over 12,000 German port workers have reached an agreement with a term of two years, ending May 31, 2024.

Carrier Announcements:

- LCL providers started sending out notifications mid-month of increased surcharges that will start in mid-September:
 - ECU announced \$10.00 w/m for all cargo destined to the Caribbean.
 - Vanguard is implementing a General Rate Increase (GRI) of \$16.00 w/m for all cargo from Asia into the US. In addition, an Equipment Imbalance Surcharge (EIS) of \$75.00 w/m for the same lanes.

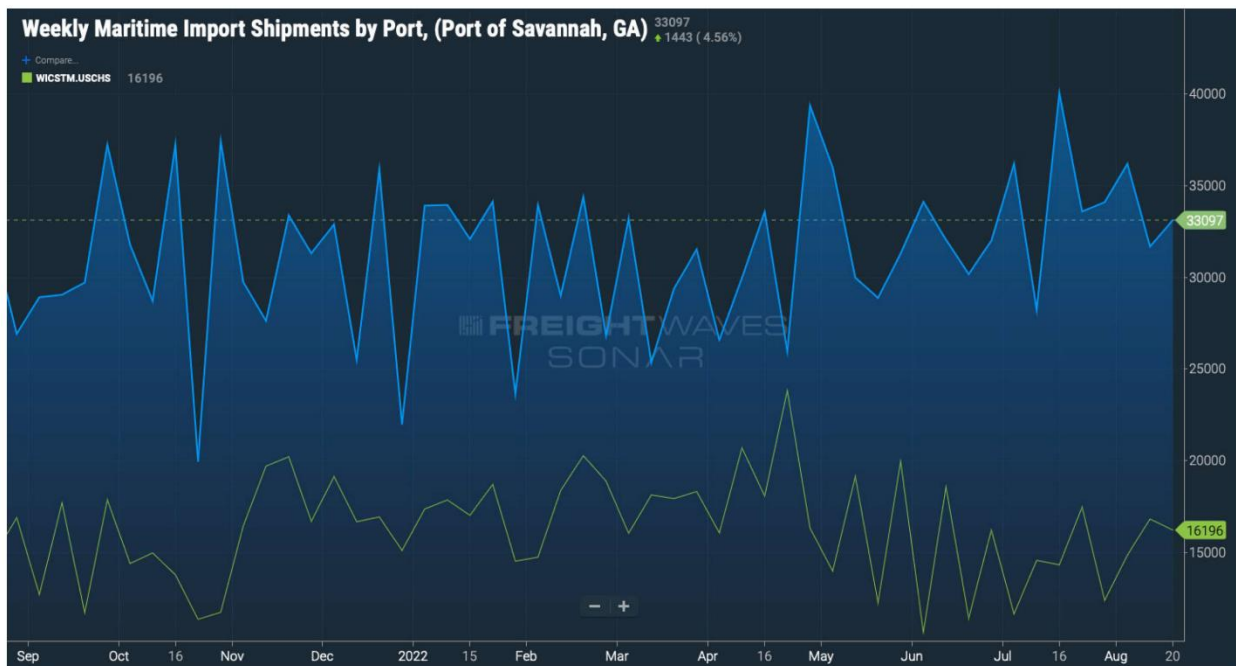


(Cargo Ships at Ports of Los Angeles and Long Beach, Source: [FleetMon](#))



Port Updates:

- Long Beach / Los Angeles:
 - Container dwell time is averaging 13 days
 - BNSF continues to struggle with labor shortages
 - Priority to local imports has caused a backlog for rail imports waiting to be offloaded from vessels
- Imports continue to surge in Savannah, with some vessels waiting 17 days to berth.
- Crane maintenance is planned in Norfolk; expect delays for vessels berthing, causing additional congestion.
- Newark is struggling with a lack of empty rail cars, causing increased rail import dwell time.



(Source: [ITG Weekly Maritime Report August 24, 2022](#))

US Customs Updates:

- CBP has posted that there will be increases in user fees, including MPF fees, which will take effect on October 1, 2022. MPF minimum will increase to \$29.66 (previously \$27.75), and the maximum will increase to \$575.35 (previously \$538.40). The MPF rate of 0.3464% will remain the same.
- CBP has posted a user manual for the Customs Trade Partnership Against Terrorism (CTPAT) web portal
- The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing nine general licenses issued in the Ukraine/Russia-related Sanctions program. They are also



publishing three web general licenses issued in the Syrian Sanctions Regulation, Iran Transactions and Sanction Regulations and Global Terrorism Sanctions Regulation, and Venezuela Sanctions.

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

Reach out any time: international@il2000.com

Sources: ECU Worldwide, HMM, Magnus, Vanguard, Sinpex, Maersk, ITG, FreightWaves, American Shipper, Livingston International, Customs and International Trade Law