

# US EAST AND GULF COAST PORT STRIKE DISRUPTION

## MSC CUSTOMER ADVISORY

#### Geneva, Switzerland, September 26, 2024

Dear Customers,

As you may be aware, the ongoing negotiations between the International Longshoremen's Association (ILA) and the United States Maritime Alliance, Ltd. (USMX) may not be resolved before the current contract between the ILA and USMX expires on September 30 and then may result in port strikes. To keep the public and stakeholders informed about the latest developments, USMX continues to provide regular updates on its website: <a href="USMX-ILA">USMX-ILA</a> Negotiations Updates | USMX.

In the event of port strikes, MSC is ready to assist customers in exploring options to keep their supply chains moving smoothly through alternative routes, transport modes, or distribution schedules. To help you plan, please reach out to your local MSC representative.

MSC provides the following operational guidance regarding its temporary policies for U.S. cargo bookings, as well as its policies for demurrage, detention, and per diem charges for all cargo bookings on or after October 1<sup>st</sup>, to or from any U.S. East and Gulf Coast ports.

# 1.1 FOR NORTH AMERICA EXPORT CARGO VIA US EAST AND GULF COAST

### **CARGO BOOKING POLICY**

If the port strike occurs, all U.S. East Coast and Gulf Coast export bookings for voyage on or after September 30<sup>th</sup> will be impacted. Booking adjustments including rolls to other vessels or cancellations may be needed.

New Export Bookings through US East and Gulf Coast ports:

- MSC will continue to accept bookings for Dry cargo.
- MSC reserve the right to not accept new refrigerated bookings via these ports where there is a risk to the refrigeration services due to the port strike for vessels departing on or after October 1<sup>st</sup>, 2024.

## **DEMURRAGE, DETENTION, AND PER DIEM POLICY**

MSC urges customers to move equipment before October 1<sup>st</sup>, with many terminals offering extended gate hours. Check the terminal websites for updates.

- Demurrage and Detention (port storage and container use inside the terminal)
  - MSC will follow terminal policy and only pass through at cost any Demurrage charges imposed by terminals during the strike.
  - MSC will stop the clock on Detention Charges during the strike and once the strike has ended will resume billing following its tariffs.
- Per diem (container use beyond free time outside the terminal):
  - MSC will stop the clock on Per Diem Charges during the strike and once the strike has ended will resume billing following its tariffs.
  - MSC will refuse any liability arising from the strike and the impossibility to access the terminal.

#### **RAIL RAMPS & IPI CARGO POLICY**

MSC will align its policy to that of the rail ramp operators. If, the rail ramp operators cease to accept containers at origin ramps for US East and Gulf Coast bound ports, MSC will do the same.

# 1.2 FOR NORTH AMERICA IMPORT CARGOS VIA US EAST AND GULF COAST

MSC has implemented the following temporary policy for import cargo via U.S. East and Gulf Coast ports.

#### **CARGO BOOKING POLICY**

If the port strike occurs, all U.S. East Coast and Gulf Coast imports bookings for voyage on or after October 1<sup>st</sup> will be similarly impacted. Booking adjustments including rolls to other vessels or cancellations may be needed.

New Import Bookings through US East and Gulf Coast ports:

- MSC will continue to accept bookings for Dry cargo.
- MSC reserve the right to not accept new refrigerated bookings via these ports where there is a risk to the refrigeration services due to the port strike.
- MSC will refuse any liability arising from the strike due to reefer containers left uncollected at terminals.

# **DEMURRAGE, DETENTION AND PER DIEM POLICY**

MSC urges customers to pick up their import cargo before October 1<sup>st</sup>, with many terminals offering extended gate hours. Check the terminal websites for updates.

- Demurrage and Detention (port storage and container use inside the terminal)
  - MSC will follow terminal policy and only pass through at cost any Demurrage charges imposed by terminals during the strike.
  - MSC will stop the clock on Detention Charges during the strike and once the strike has ended will resume billing following its tariffs.
- Per diem (container use beyond free time outside the terminal):

- MSC will stop the clock on Per Diem Charges during the strike. Once the strike has ended, MSC will resume billing following its tariffs.
- o MSC will refuse any liability arising from the strike and the impossibility to return empty containers to the marine terminal.

Should you have any questions, please <u>contact your local MSC representative</u>.

**MSC Mediterranean Shipping Company**