# CANADA Daily News and Updates February 26th 2025

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## **Ocean Updates**

#### **Canadian Ports Are Not Ready: Point of View**

Since President Trump first threatened tariffs, there have been growing calls to help our businesses find new markets in Europe, Asia and the rest of the world. Finding new markets for our products would certainly help reduce the impact of U.S. tariffs on our economy.

The problem is that our ports are not very productive and would struggle to handle the additional load of goods.

Each year, the World Bank analyzes 405 ports around the world and ranks them based on the time spent at berth loading and unloading ships. Canada's largest container ports – Montreal, Vancouver and Prince Rupert – rank 351st, 363rd and 397th, respectively.

Only the Port of Halifax, Canada's fourth busiest port, manages to rank among the top 100, in 95th position.

This directly affects our businesses. The longer a ship is processed, the longer it has to be immobilized, the higher the costs for the shipping company handling the cargo.

The higher the transportation costs, the less competitive Canadian businesses are in foreign markets. Not to mention the added costs for all of us, the consumers, who rely on imports for some essentials.

But why are Canadian ports so far behind?

Technology, or rather the lack of it, is one of the main reasons.

Read more in an article from Le Soleil (translated from French).

### U.S. Targets China Ships, Operators with Millions of Dollars in New Port Charges

In a major retaliatory move against China, the United States is proposing expensive charges that could add millions of dollars in costs for ocean container lines and other carriers calling U.S. ports.

The proposal by the office of the United States Trade Representative (USTR), published Friday in <u>the Federal Register</u>, sets fees as high as \$1.5 million per U.S. port call for ships built in China and \$500,000 for a vessel operator with even a single Chinese-built ship in its fleet, or on order with a China shipyard.

The plan will send tremors through the maritime supply chain serving the world's largest market, where major ocean carriers operate in a complex network of cooperation ranging from service routes to berthing arrangements and sharing of vessels. Carriers will likely pass on the expensive new fees to shippers in the form of surcharges and higher rates, who in turn will pass them on as higher prices for imported goods.

Read more in an article from American Shipper.

#### Towards Net-Zero: A Carbon Levy on the Horizon? - FIATA Message to Members

During its 83rd session, scheduled for April 7 to 11, the International Maritime Organization (IMO) Marine Environment Protection Committee (MEPC) is set to approve its "mid-term greenhouse gas (GHG) reduction measures." These measures are part of the IMO's net-zero framework, aimed at achieving the GHG reduction objectives outlined in the 2023 IMO Strategy on Reduction of GHG Emissions from Ships, thereby facilitating the international shipping industry's transition to net-zero GHG emissions by or around, i.e. close to, 2050. The mid-term measures approved during the 83rd session are expected to be formally adopted in October 2025.

The proposed "mid-term GHG reduction measures" include a goal-based marine fuel standard that will mandate the phased implementation of fuels with lower GHG intensity, alongside a global maritime GHG emissions pricing mechanism. Key components of this strategy involve the introduction of economic measures such as a carbon levy or fuel tax on marine fuels, proportionate to the greenhouse gases they emit, thereby incentivizing the use of lower-carbon alternatives.

As the sole representative of the freight forwarding and logistics industry at the IMO, FIATA has submitted a document to the IMO outlining key considerations regarding the implementation of a carbon levy, particularly its potential impact on freight forwarders.

Key points highlighted by FIATA in its submission include:

- Alerting that carbon levies may lead to increased costs for freight forwarders and end customers due to the transfer of costs.
- Highlighting that passing costs down the supply chain may undermine the levy's goal of incentivizing ship owners and operators to reduce emissions.
- Stressing that micro, small and medium-sized enterprises (MSMEs) may be disproportionately impacted by the financial burden of carbon levies.
- Emphasizing the need for careful management during the implementation of carbon levies.
- Advocating for impact assessments for all stakeholders, especially focusing on the effects on MSMEs.
- Promoting the necessity for transparency and information sharing in transitioning to lowercarbon fuels.

FIATA fully supports the transition to a more sustainable supply chain while ensuring the interests of freight forwarders are safeguarded throughout this vital shift.

#### Ottawa Invests \$87.1 Million in Port of Trois-Rivières Expansion

The federal government is investing up to \$87.1 million to upgrade the Port of Trois-Rivières, aiming to improve cargo flow and reduce congestion.

The funding, provided through the National Trade Corridors Fund, will support the construction of a new Pier 16 and the reconstruction of Pier 17. Grain and cereal transportation will be relocated to Pier 16, while Pier 17 will be dedicated to unloading aluminum, calcined coke and alumina.

Read more in an article from Inside Logistics.

### **International Business/Government**

### Trump Targets China with Biggest Salvo So Far in Second Term

The Trump administration took aim at China with a series of moves involving investment, trade and other issues that raises the risk ties may soon worsen between the U.S. and its top economic rival.

In recent days, President Donald Trump rolled out a memorandum telling a key government committee to curb Chinese spending on tech, energy and other strategic American sectors. The administration also called on Mexican officials to place their own levies on Chinese imports – a move that comes after some firms from the Asian nation shifted production to the U.S. neighbour to avoid duties the Republican enacted in his first term.

The U.S. also proposed fees on the use of commercial ships made in China to counter the nation's dominance in the production of the vessels.

Taken together, the steps amount to the most sweeping, forceful actions targeting Beijing of Trump's fledgling second term and could complicate a deal to reduce China's trade surplus with the U.S. that the president has indicated he wants to forge.

Read more in an <u>article from gCaptain</u>.

# **Rail and Truck Updates**

### CPKC Customer Advisory: 2025 Quebec Thaw Restrictions

For CPKC customers shipping to and from the province of Quebec and in preparation for the spring weight restrictions, CPKC will be implementing its reduced weight requirements as outlined below.

Overweight loads will be returned to the shipper at the payer of freight's expense. Across domestic shipments where CPKC performs the drayage, weights must be reduced and evenly distributed in the unit to avoid possible charges and fines associated with the Quebec spring thaw restrictions. The payer of freight retains responsibility for any such charges.

Note: At this time, the Ministry website reflects *predicted* dates. If the Government of Quebec issues an earlier date for spring thaw weight restrictions than CPKC's effective date, the railway will advise accordingly.

Last shipping date with regular payload weight