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Ocean Updates

U.S. Chinese Ship Penalties Would Hit Transatlantic Trade Hardest: Soren Toft

The transatlantic container trade could be the most severely impacted if the U.S. goes ahead with the proposed imposition of fees on Chinese-built ships, MSC CEO Soren Toft said this week.

The impact of the plan, possibly amounting to \$1 million per call at each U.S. port by each ship built in China, irrespective of the nationality of the operator, would be "significant," said Toft.

"Take the Asia-U.S. east coast services – most of the vessels that operate this route are in the 8,000-TEU to 15,000-TEU range and typically call at four U.S. ports. In that instance, the cost is an extra \$4 million per service, equating to around \$800 per 40ft.

"The rates on that route are currently around \$3,500 per 40ft, so you are looking at a 25% increase."

Read more in an article from The Loadstar.

Hong Kong Firm to Sell Stake in Panama Ports amid Trump Pressure

CK Hutchison Holdings, the Hong Kong-based logistics giant, announced plans to sell a majority stake in a business that controls ports in Panama to investors including the U.S. financial giant BlackRock in a deal worth almost \$23 billion.

The sale of a 90% interest in Panama Ports Company, which holds the contract to run the ports of Balboa and Cristóbal until 2047, is part of a wider deal for Hutchison Port's global business. The deal comes at a time Donald Trump has piled on pressure to end what he sees as China's influence and control over the Panama canal.

The deal – one month after U.S. secretary of state Marco Rubio's visit to Panama City – represents a swift and significant victory for the U.S. president's aggressive negotiations towards Panama.

Read more in an article from The Guardian.

More Sections of Germany's Carola Bridge in Dresden Collapse, Halting Shipping Across Elbe River

Additional sections of a bridge across the Elbe River in the East German town of Dresden collapsed over the weekend, prompting a 72-hour halt to shipping.

The Elbe is a major Central European waterway traversing the Czech Republic and much of eastern and northern Germany. The country's largest deepwater port, Hamburg, is situated along its shores from where it enters the North Sea around 60 nautical miles further north.

If no additional fractures or movement in the concrete elements are observed during the next 72 hours, authorities plan to allow controlled access under the bridge. Removal work on the collapsed and still standing sections is slated to begin in the coming weeks to be completed by the end of the year.

Read more in an article from gCaptain.

Rail and Truck Updates

Termont Customer Bulletin: Large Volume of Imports at Viau Terminal

Termont notified customers on February 28 that a large volume of imports is expected at the Viau terminal this week, March 3 to 7. To ensure optimal fluidity and avoid unnecessary delays, Termont encourages drayage companies to schedule pickup appointments "as soon as possible and not to wait until the last minute to plan your visit."

See the <u>full Termont message</u> (in French).

Customs Regulatory

Customs Notice 25-10: United States Surtax Order (2025-1)

This notice provides information on the application of the United States Surtax Order (2025-1), specifically regarding surtax provisions effective March 4, 2025, on certain goods originating in the United States.

The surtax is introduced by Canada in response to the U.S.' imposition of tariffs on goods imported into the U.S. from Canada.

The administration of the United States Surtax Order (2025-1) is the responsibility of the Canada Border Services Agency (CBSA).

Find details in Customs Notice 25-10.

Canadian Business/Government

Process for Requesting Remission of Tariffs That Apply on Certain Goods from the U.S.

The Government of Canada is outlining a framework and process for how it will consider remission requests for the tariffs on products from the United States that apply beginning on March 4, 2025. Under specific circumstances, remission allows for relief from the payment of tariffs, or the refund of tariffs already paid.

Should the government decide to impose additional tariffs on other goods, the remission process would also be available for those goods, with further details provided at that time.

In relation to requests for remission of the tariffs that apply beginning on March 4, the Government will consider requests for remission in the following instances:

- To address situations where goods used as inputs cannot be sourced domestically, either on a national or regional basis, or reasonably from non-U.S. sources.
- To address, on a case-by-case basis, other exceptional circumstances that could have severe adverse impacts on the Canadian economy.

Find details here.

List of Products from the United States Subject to 25 Percent Tariffs Effective March 4, 2025

This page provides a full list of the U.S. products subject to Canadian tariffs.

International Business/Government

Trump Tariffs: How One Car Piece Crosses Canada, U.S., Mexico Borders 7 Times

A transmission module, through seven steps, starts life in Ontario as scrap metal and goes back and forth across the border seven times. This article provides a summary of that journey.

In what one might call an auto parts odyssey, scrap metal from Linamar Corp., in Guelph crosses the borders of Canada, the U.S. and Mexico seven times until it becomes an automatic transmission that powers a vehicle as much as free trade has powered manufacturing between the three nations for decades.

It's an example not just of how much the North American automotive sector is integrated and works closely together, but also how devastating the U.S. president's 25 percent tariffs on imports from Canada and Mexico could become.

"One likely outcome in the short term is that automakers would stop production. They would stop building," said Kevin Hallahan, vice-president with Guelph-based Linamar, a global automotive supplier.

Read more in an article from The London Free Press.

Revamped WTO Tariff and Trade Platform Enhances Access to Data

WTO Tariff & Trade Data (TTD), an online platform providing enhanced access to official tariff and trade figures for over 150 economies, was launched on 4 March. The database – currently in its beta version for preliminary release – includes bilateral trade datasets, time series views, and reports on export and import patterns by product and trade partner.

Read more and access the TTD in the World Trade Organization news item.