

SYDNEY PORT CONGESTION SURCHARGE

There is currently a serious situation in relation to the Port Congestion in Sydney due to :

- Container terminal congestion
- Recent Stevedore industrial action
- Major congestion at Sydney empty container parks. Click here for further detail

As a result, two major shipping lines (MSC and CMA – CGM/ANL) have announced in the past 24 hours a Congestion Surcharge (CGS) which will apply to all containers coming into the Port of Sydney or being shipped out of the Port of Sydney.

<u>Click here for MSC notification</u> <u>Click here for CMA-CGM/ANL notification</u>

It is expected other major shipping lines will announce a similar CGS in relation to the Port of Sydney in the coming days.

The surcharge announced by MSC is USD300 per twenty foot container and USD600 per 40 foot container (CMA – CGM/ANL USD285/USD570).

AIMA, in conjunction with the APSA (Australian Peak Shippers Association) have lodged objections to this surcharge and lobbied Government, thus far these objections have fallen on deaf ears and we are not confident of any quick resolution that will result in the reversal of the surcharge. That said, these bodies will continue to pursue resolution through Government.

AIMA members in Australia will not have made any allowance for this unprecedented surcharge and will need to pass on these costs.

We would point out that the surcharge will be introduced with the following validity:

- Import cargo: for vessel arrival on the 14 September and onward (CMA-CGM/ANL from 17th September 2020)
- Export cargo: from commercial date 14 September and onward (CMA-CGM/ANL from 17th September 2020)
- For import cargo from U.S.: from cargo possession on 8 October ((CMA-CGM/ANL from 10th October 2020)

 For export cargo to U.S.: from cargo possession on 8 October (CMA-CGM/ANL from 10th October 2020)

Please note the CGS applies to both import container and export containers and we envisage the charge will be passed on together with freight invoices for exports and port terminal handling charge invoice for imports.

At this stage there is no indication of how long the surcharge will be in place for although it is expected there will be much media and Government scrutiny of the actions by the shipping lines.

We suggest you contact your AIMA Mover for further information regarding this surcharge.

AIMA will comment further as the situation develops.

Kind regards

Philip Gordon AIMA Chairman

11th September 2020