Tragic Incident at Port of Baltimore

Update on Impacts from the FTA

Our thoughts go out to all those affected with the tragic news coming out of the USA due to the collapse of the Francis Scott Key Bridge at the Port of Baltimore following a collision with the containership "DALI", which has unfortunately led to a loss of life and reports of people still missing.

The unfortunate event has led to significant logistical challenges and supply chain disruptions and further to the considerable mainstream media coverage, following is an update outlining operational impacts:

Incident Overview

On 26 March 2024 at 1:27am (local time), the "DALI" vessel collided with the bridge as a result of an apparent loss of power and propulsion, resulting in its collapse. As the "DALI" approached the Francis Scott Key Bridge, reports suggest a Mayday call was sent out moments before the collision, indicating imminent danger. Efforts were made to avoid disaster, including attempts to communicate the vessel's loss of propulsion and potential collision course with the bridge.

Impact and Alternative Ports

This critical incident has cut off vessel access to one of the United States' largest ports for international cargo, which processed approximately 1.1 million TEU (Twenty-Foot Equivalent Units) in 2023. The closure of the bridge blocks access to terminals handling about 21,000 TEU weekly, necessitating the immediate redirection of cargo to alternative ports and adjustments for upcoming vessel arrivals.

The immediate impact on trade includes key exports from Baltimore such as coal and machinery, as well as imports of automobiles, agricultural products, and consumer goods, the Port of Baltimore recognised for its extensive operations in handling a wide variety of cargo types, with a particular emphasis on roll-on/roll-off (ro/ro) and bulk facilities, especially steel handling. Of particular note is its significant role in the automobile industry, being the top port in the nation for the import and handling of high and heavy farm and construction equipment, ro/ro cargo, as well as cars and light trucks.

Nearby ports such as Norfolk and NY/NJ are being considered as alternatives for rerouting Baltimore-bound cargo. These ports are equipped to handle the additional volume, although some delays and bottlenecks may occur due to the sudden shift in logistics plans. As the Port of Baltimore plays a vital role in the automotive industry and the machinery sectors, this makes the disruption particularly impactful.

Port of Baltimore have released an <u>official notice</u> on the incident via their <u>website</u> advising that whilst there is a suspension of vessel traffic for the foreseeable future, the Port of Baltimore remains open and trucks are still being processed within the terminals.

Scheduled Vessel Calls and Trade Impacts

The vessels "JY River," "Klara Oldendorff," and "Phatra Naree," along with the Wallenius Wilhelmsen vehicle carrier "Carmen" are reported to be trapped in the Port of Baltimore due to the bridge collapse.

The next container vessels due to call at the port were "MSC Kumsal," "Maersk Gironde," and "Triton," on Thursday, followed by "Colombia Freedom" on Friday, and then "Dubai Express," "Atlantic Sea," and "CCNI Andes" on Saturday.

Vessel operators are now working on omitting Baltimore and making alternate arrangements to discharge cargo at nearby ports. This disruption will no doubt force shippers to make alternate arrangements for import and export cargo.

Maersk Advisory

Maersk, the charterer of the vessel "DALI," has released an advisory regarding the incident expressing their deep concern by this incident and indicating they are closely monitoring the situation. For more information on your cargo, Maersk are encouraging customers to please reach out to your local Maersk representative. The full Maersk advisory can be found <u>HERE</u>.

As the impacts continue to unfold, for more specific information on affected cargo, members are advised to reach out to their local shipping line representatives for assistance and further details.

Further updates will be available on the FTA website.

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