

03/11/2021

Ports and Terminals, Charges

Ports of Los Angeles, Long Beach set out “Excess Container Dwell Fees”

As you may be aware, authorities in the U.S. proposed in the last week of October to introduce new emergency fees on cargo stuck on the terminal at the ports of Los Angeles and Long Beach, as part of Federal efforts to alleviate the severe congestion in the area.

Commissions of the Port of Los Angeles and Port of Long Beach subsequently voted on 29 October to amend their tariff schedules to impose a new programme of “Excess Container Dwell Fees” on:

- every loaded import container scheduled to move by truck that remains at the terminal for 9 days or more following vessel discharge; and on
- every loaded import container scheduled to be moved by rail that remains at the terminal for 6 days or more.

The fee per container will be USD\$100 on the first day past the dwell limit, escalating by USD\$100 increments for each subsequent day. The table annex at the bottom of this notice is a mock-up of how the formula would be applied by the ports, according to the information we have currently.

While the programme started on 1 November, the new fees are not expected to be assessed before 15 November.

These charges are intended to incentivise the removal of long-dwelling containers as part of a wider U.S. initiative to manage congestion from the record volumes of cargo being moved by shippers into the country. They are not intended as “fines” on carriers, as has been reported by some in the media.

MSC expects that all costs will be passed through to shippers, although it remains unclear whether the Marine Terminal Operator (MTO) or the carrier will be rebilling this.

MSC continues to monitor communications from the Biden-Harris Supply Chain Disruptions Task Force, as well as any announcements from the two ports. We expect to update you in the coming days with further information.

In the meantime, MSC continues to do all that we can to provide solutions to our customers importing cargo to the U.S. in respect of the significant challenges facing global supply chains and the specific stress in the Los Angeles/Long Beach area.

Should you have any questions, please [contact your local MSC representatives](#).

MSC Mediterranean Shipping Company

Annex: the new Excess Container Dwell Fee formula from the Port of Los Angeles and Port of Long Beach

Picture1.jpg



Source: World Shipping Council

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