FMC fears glut of container fee disputes after Baltimore bridge collapse

Port disaster, other incidents may be catalysts for implementing agency's information-sharing initiative

John Gallagher

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Vessel operator ZIM (at Baltimore's Seagirt Terminal in February) and others must divert to other East Coast ports (Photo/Port of Baltimore)

WASHINGTON — Federal regulators are bracing for disputes over container fees caused by routing cancellations in the wake of the Francis Scott Key Bridge collapse.

Shortly after the collapse early on March 26 that closed the Port of Baltimore, MSC, the world's largest ocean carrier, advised customers that

containers en route to the port would be diverted for unloading at alternate U.S. East Coast ports, and that the carriage contract would be declared terminated at the alternate port instead of at an inland destination via truck or rail.

Cargo booked on ships bound for the Port of Baltimore had estimated arrival dates throughout the month of April.

For containers booked for Baltimore but not yet loaded at origination ports, MSC told customers to declare whether they wanted their cargo to be carried to alternate ports.

Because MSC and other ocean carriers are canceling inland transport as part of their Baltimore cargo, "I'm sure we're going to have all sorts of issues," Carl Bentzel, member of the Federal Maritime Commission, told FreightWaves.

"Carriers may deviate to another port where there aren't as many chassis available, as was the case in Baltimore, so you could have issues on pickup and return of empty containers. These dislocations could result in problems with detention and demurrage. There will be lots of work for the FMC, unfortunately."

The agency's new [demurrage and detention rule](), which goes into effect May 26, could help sort out disputes before they get too far along, Bentzel said. The rule establishes new requirements for how ocean carriers and terminal operators must bill for fees associated with late pickup and drop-off of containers at ports and intermodal facilities. It also clarifies who can be billed, the process for disputing late fees and billing time frames.

The FMC's Maritime Transportation Data Initiative — a project started in November 2021 and spearheaded by Bentzel — could prove even more

valuable in dealing with supply chain disruptions, he said, and recent incidents could prove catalysts for getting the initiative up and running.

"If you take into account the Panama Canal, the Red Sea and now Baltimore, I think you're having more schedule adjustments than have ever been required in the history of shipping. I think all three should motivate a greater understanding and transparency in shipping. We're going to see lots of examples of dysfunction and challenges on getting accurate information."

Like the U.S. Department of Transportation's [Freight Logistics Optimization Works (FLOW)](#) initiative, the purpose of MTDI is to give carriers, shippers, ports, marine terminals operators and others real-time position and estimated arrival times for container shipments, and to harmonize status information of containers while they are in storage at terminals.

But unlike FLOW, a voluntary program that does not set performance standards, MTDI envisions requiring that ocean carriers provide scheduling information that will be made publicly available at all major container ports.

Bentzel is currently converting [recommendations](#) on the initiative generated from the maritime industry into the Maritime Transportation Data System (MDTS).

"This will be in-transit visibility requirements for containers that would provide shippers some level of understanding as to estimated arrival times at each berth in the United States and would encompass all intermodal cargo shipments operating in the U.S.," he said.

The FMC plans to issue a second round of information collection on the project to build on current recommendations from the public.

"I'm still in the convincing mode — there are some carriers who are hesitant to see any kind of a mandate. That's why I'd like to continue to build a record to get this done."