CMA CGM delays US East Coast container surcharge

Surcharge postponed after report of new longshore contract talks

Stuart Chirls

Thursday, January 02, 2025

(Photo: Shutterstock/Michael Vi)

Ocean container carrier CMA CGM is delaying a key U.S. surcharge, instead pairing implementation of two related surcharges later this month.

On Monday the French liner operator postponed from Jan. 1 to Jan. 15 a peak-season surcharge of $1,500 per unit on cargo moving from the Indian subcontinent, Middle East Gulf region, Red Sea and Egypt to the U.S. East and Gulf coasts.

While peak season surcharges aren't unusual, the postponement follows a report by FreightWaves that negotiations between the International Longshoremen's Association (ILA) and United States Maritime Alliance (USMX) on a new pact are expected to resume shortly.

While neither side has officially confirmed a resumption of bargaining, sources said the parties have been talking informally since the ILA pulled out of negotiations in November.

The Mideast-U.S. surcharge is also notable in that CMA CGM reportedly has been the only major container carrier that, despite attacks on merchant vessels by Yemen-based Houthis, continued to operate in the Red Sea while other lines diverted services on longer, more costly voyages connecting Asia to Europe, the Mediterranean and the U.S. around the Horn of Africa.

CMA CGM did not immediately respond to messages seeking comment.

At the same time, CMA CGM said that effective Jan. 18, it would apply a peak season surcharge on containers moving from the Mediterranean to the U.S. East and Gulf Coast ports.

Surcharges amount to $1,300 per 20-foot, $2,000 per 40-foot and $2,500 per 45-foot, dry containers.

For refrigerated containers, the surcharges are $1,300 per 20-foot and $2,500 per 40- and 45-foot reefers.

The surcharges apply to cargo moving from the Mediterranean ports of Marseilles-Fos in France; Portugal; Italy; Algeciras, Valencia, Barcelona, Sagunto and Vigo in Spain; and Morocco.

The Mediterranean surcharges do not apply to out-of-gauge oversize freight or before-breaking-bulk shipments requiring payment prior to unloading.

The peak-season surcharges follow CMA CGM's introduction of a Panama Canal Transit surcharge that went into effect Wednesday. The surcharge is $150 per twenty-foot equivalent unit from the South America west coast via the Panama Canal to the U.S and Canada.

"The Panama Canal Authority has introduced a new booking reservation system – the Long-Term Slot Allocation (LoTSA) – to regulate canal crossing reservations. This system, effective from January 1, 2025, has led to a significant increase in CMA CGM operational costs," the carrier said in an announcement.

The charge is identical for South America west coast-South America east coast services, and for South America west coast-Guyana North Brazil cargo. Those are effective Jan. 5.