

TAIWAN EARTHQUAKE

Our thoughts and prayers are with those in Taiwan as a powerful earthquake rocked the entire island of Taiwan early Wednesday, April 3rd, 2024, collapsing buildings and creating a tsunami that washed ashore. There have been a series of aftershocks and The FCL Fisker Team is closely monitoring the situation and any impact this may have on shipments.

Sylvia Beck, Inside Sales

IN REVIEW | APRIL 2024

MARINE

April 1 | “Engineers to Open Temporary Access to Baltimore Port”

The US Corps of Engineers, who are working to remove the wreckage of Baltimore's Francis Scott Key bridge, will open a temporary channel on the northeastern side of the main access channel.

Latest reports from the Maryland authorities have said the Captain of the Port (COTP) is preparing to establish a temporary channel for commercially essential vessels.

“This will mark an important first step along the road to reopening the port of Baltimore,” said Capt. David O’Connell, Federal On-Scene Coordinator, Key Bridge Response 2024. “By opening this alternate route, we will support the flow of marine traffic into Baltimore.”

However, the temporary channel will only have a 3.4m draught, an 80m horizontal clearance and a 30m height clearance.

According to the COPT: “This action is part of a phased approach to opening the main channel. The temporary channel will be marked with government-lighted aids to navigation.” *Source: Container News*

UPDATE: April 5: The port of Baltimore could be up and running at full capacity by the end of next month under a tentative timetable released yesterday by the US Army Corps of Engineers (USACE), a plan which also sees another shipping channel open up later this month. The delicate operation to remove the bridge, and the badly damaged 9,962 teu Dali containership, was compared by officials to a game of Jenga yesterday. *Source: Splash 247.com*

April 2 | “Cargo Companies Start to Reroute Away from Montreal Amid Fears of Port Strike”

A major transport company has rerouted cargo away from the Port of Montreal over fears of a potential strike, prompting concerns that others may follow in its wake.

Delmar International, a Quebec-based logistics firm that counts 1,500 employees across 17 countries, said all Montreal-bound freight will now flow through the Port of Halifax in a pre-emptive move to curtail fallout from possible job action.

Association spokeswoman Isabelle Pelletier said employers are “very worried” about the consequences of mounting fears that a strike is looming. “We have strong signals that cargo will be rerouted because of the uncertainty at the Port of Montreal,” she said in an email. *Source: CIFFA / Today's Trucking*

UPDATE: April 23: The 1,200 longshoremen at the Port of Montreal rejected, by a margin of 99.5 percent, management's latest offer to renew their collective agreement.

The Maritime Employers Association (MEA), which represents the employer side, had stated that this settlement proposal represented the furthest they could go in the current context.

Of the 1,206 members of this local of the FQ-affiliated Canadian Union of Public Employees (CUPE), 1,078 were present, and rejected the employer's offer by 99.54 percent.

Read more in an [article from CityNews](#).

April 5 | “Major Danish Shipping Lane Shut Due to Missile Risk”

A failed missile launch has forced the closure of a major shipping lane and surrounding airspace off the coast of Denmark.

The problem arose during a mandatory test where the launcher and booster had been activated but could not be disabled.

The Danish military this afternoon urged ships headed towards the danger zone to drop anchor until the issue is resolved. The danger area is estimated to be up to 5-7km from naval station Port Korsør, where the frigate Niels Juel accidentally launched the missile.

But Denmark's military made assurances that any danger was not due to explosives, with the Norwegian defence ministry adding that although the missile contained 150kg of explosives, it was not armed and would not detonate if it crashed into the sea.

“The Harpoon missile is a sharp missile, but only the booster is activated in connection with the test, and there is therefore no danger that the missile can be detonated or reach further than the booster rocket can lift,” said the military. Specialists are on their way to solve the problem, but it is unclear how long this will take *Source: The Loadstar*

April 8 | “Box Logjam at Port of Vancouver as Import Surge Meets Rail Shortages”

A surge of imports meeting strained rail capacity has pushed up container dwell times at North American west coast ports, especially in Vancouver.

And importers face further disruption with Canadian rail workers set to vote on industrial action in their contract negotiations with the railways.

On Thursday, Vancouver Fraser Port Authority's dashboard for rail flows showed container dwell times of more than seven days at the Centerm container facility, while Vanterm and Deltaport registered dwells of five-to-seven days.

Average dwell times climbed from 4.3 days in December to 5.2 in January, 6.7 in February and 7.3 in March.

The congestion was caused by a double-digit surge in imports. For March, the port posted a 10% rise in boxes over February, 51.7% higher than 12 months earlier. Terminal utilization reached 91% at Deltaport and 96% at Centerm. *Source: The Loadstar*

April 10 | “Panama Canal Authority Warns Restrictions will Remain in Place Throughout 2024”

The Panama Canal Authority (ACP) has claimed that the tide has turned in its ongoing battle to get back to normal operations, following a debilitating year of drought-induced cuts to drafts and transits.

“Current forecasts indicate that steady rainfall will arrive in late April and continue for a few months. If this remains the case, the Canal plans to gradually ease transit restrictions, allowing conditions to fully normalize by 2025,” the ACP stated in a release yesterday, adding: “Recent precipitation and progress secured by the Canal’s ongoing water-saving efforts are turning the tide.” *Source: Splash 247.com*

April 19 | “BCMEA/Local 514 Bargaining Update – 21 Day Cooling-Off Period Begins”

The BC Maritime Employers Association (BCMEA) and International Longshore and Warehouse Union Ship & Dock Foremen Local 514 (ILWU Local 514) have been engaged in negotiations, assisted by the Federal Mediation and Conciliation Service (FMCS) since January 19, 2024. On March 19, the parties mutually agreed to a 30-day extension of the conciliation period.

As the extended conciliation period concluded on Thursday, negotiations have now entered a 21-day cooling-off period, with mediated talks continuing with the support of FMCS. During the cooling-off period, the parties may acquire the legal right to strike or lockout, but may not exercise their right to strike or lockout until:

- 21 days have passed since the end of the conciliation process;
- a strike or lockout vote has been taken; and
- a 72-hour strike notice has been issued

Read more in a [press release from BCMEA](#). *Source: CIFFA*

April 25 | “Red Sea Diversions are Overloading Mediterranean Transshipment Ports”

Europe’s transship ports serving the Mediterranean have become the latest to feel the repercussions of the diversions from the Red Sea, with many of the ports warning of crowding and lack of capacity as well as longer-than-normal wait times. *Source: CIFFA / The Maritime Executive*

April 26 | “Houthis Target Maersk and MSC Vessels as They Vow to Renew Attacks”

Security services received reports of an explosion near an unidentified vessel yesterday in the Red Sea. It is the first acknowledged report in days and came just hours after the Houthis issued a renewed threat on their official channels.

Details were vague on the incident, with the UK Maritime Trade Organization issuing only brief details. They received a report from a vessel of an explosion in the water approximately 72 nautical miles southeast of the port of Djibouti. The statement said only that there had been an explosion “at a distance,” and that the crew and vessel were reported safe.

A Houthi spokesperson claimed responsibility, reporting they had targeted two vessels, the Maersk Yorktown (28,900 DWT) a U.S.-flagged containership operated by Maersk Line Ltd., which operates under contract to the U.S. military, and the MSC Veracruz (68,000 DWT). The MSC vessel is registered in

Portugal. The Houthis are again attributing the MSC vessel as an "Israeli ship." *Source: CIFFA / The Maritime Executive*

AIR

April 2 | "Lufthansa New Offer to End Strikes is 'Historic', says Happy Union Chief"

After some four months of intermittent strike action, and five rounds of negotiations, Lufthansa Cargo has offered a new benefit agreement for its ground staff – but could well be a "major economic challenge" for the carrier.

Ver.di negotiator Marvin Reschinsky said: "We fought hard for this compromise, and we can now be very satisfied. We have achieved real wage increases and will thus compensate for the decline of recent years. This result is historic."

Last week, ver.di and Lufthansa conducted intensive negotiations together with arbitrators Bodo Ramelow, prime minister of the state of Thuringia, and Dr Weise. Ver.di is conducting a member survey to establish whether to accept or reject the offer. It will run until mid-April.

If accepted, the new agreement will last for two years.

Source: The Loadstar

April 3 | "WestJet Encore Pilots Vote for Strike Mandate, Adding to Airline's Turbulence"

WestJet Encore pilots could go on strike as soon as April 17 after they approved a strike mandate Tuesday, increasing the prospect of headwinds after a bumpy year for the airline's owner.

Aviators at WestJet's regional carrier voted 97 percent in favour of strike authorization after contract talks around pay, schedules and career progression came to a "near standstill," the Air Line Pilots Association said.

The 355 pilots it represents can walk off the tarmac 72 hours after union leadership files a strike notice. The potential job action or lockout can take place only after a 21-day cooling-off period that started when federal conciliation between the two sides wrapped up last week. *Source: CIFFA/CBC News*

April 4 | "Airfreight Shift as Taiwan Earthquake Impacts Semiconductor Production"

The airfreight market could see a temporary shift, owing to changes in semi-conductor production, following yesterday's 7.2 magnitude earthquake in Taiwan. It has already affected airfreight rates, according to supply chain experts. However, while airfreight volumes from Taiwan and Vietnam will be affected in the next two weeks, the impact will not be massive, nor will it last for long. *Source: The Loadstar*

April 19 | "Dubai Cargo Disrupted After Flash Floods"

Cargo operations in Dubai continue to face disruption following flash flooding that temporarily closed Dubai International (DXB) airport.

The UAE on Tuesday recorded its heaviest rainfall in 75 years as almost 26cm of rain fell, resulting in the temporary closure of DXB and cancellation of around 300 flights on Wednesday.

Operations were getting back underway on Thursday, but flooding remained in areas of the airport and flights continued to be delayed and cancelled. *Source: CIFFA / Air Cargo News*

ROAD / RAIL

April 3 | “Teamsters Canada Calls for Strike Authorization Vote by CN and CPKC Train Crews”

The union representing Canadian National and Canadian Pacific Kansas City engineers and conductors in Canada has authorized a strike vote, as labour and management remain far apart on new contracts.

Leaders of the Teamsters Canada Rail Conference told their members on March 28 that a strike vote will be held from April 8 to May 1. If the rank-and-file vote to authorize a strike, the earliest a walkout or lockout could occur is May 22.

After being unable to reach agreements during negotiations that began last fall, labour and management, since March 1st, have been negotiating with the help of federal conciliators. Also still negotiating: CPKC rail traffic controllers, who are represented by TCRC in Canada.

More talks are scheduled this month. *Source: CIFFA / Trains*

April 3 | “Montreal Gateway Terminal Notice for April 8”

The announced total solar eclipse on April 8th has prompted MGT to review safety measures for all workers and partners and apply the appropriate actions to ensure a safe work environment for all.

While operations will continue to operate during the day, all terminal operation, including truck service, will be suspended for a 20-minute period between 3:20 and 3:40 pm ET. *Source: CIFFA*

April 5 | “Box Logjams at Canadian Ports as Import Surge Meets Rail Shortages”

A surge of imports meeting strained rail capacity has pushed up container dwell times at North American west coast ports, especially in Vancouver.

And importers face further disruption with Canadian rail workers set to vote on industrial action in their contract negotiations with the railways. Teamsters Canada Rail Conference has notified its members that it has set a vote for a strike, to be held from 8 April to 1 May, which means industrial action could come as soon as 22 May. *Source: The Loadstar*

April 15 | “Thousand Islands Bridge – Canadian Span Rehabilitation”

The Thousand Islands Bridge Authority and Federal Bridge Corporation Limited announce a bridge rehabilitation project on the Canadian span of the Thousand Islands Bridge System.

The project will begin on April 22 and is scheduled to end on October 18. It will require traffic control operations that will include lane restrictions on weekdays between 10 pm and 6 am, with alternating one-way traffic and full traffic holds at times. *Source: CIFFA*

April 22 | “Wildfire in British Columbia”

Please be advised that we have regulated some traffic in British Columbia due to wildfire activity to allow firefighting crews access across our right-of-way. Please expect some delays to your goods as a result of the minor wildfires. This has impacted traffic between Jasper and Prince Rupert and between Jasper and Vancouver, including all the Port Terminals. *Source: CN Network*

CUSTOMS

April 5 | “Strike Votes for Over 9,000 Workers at Canada Border Services Agency Begin April 10”

Members of the Public Service Alliance of Canada (PSAC) and the Customs and Immigration Union (CIU) who work at Canada Border Services Agency (CBSA) will be conducting a strike vote across the country starting on April 10.

After almost two years of negotiations, PSAC declared an impasse in bargaining in September 2023.

“Workers at CBSA have waited long enough,” said Chris Aylward, PSAC national president. “Our members have been without a collective agreement since 2022. While wages have stalled and the cost of living has risen, CBSA has refused to negotiate an agreement that protects workers and continues to demand concessions at the bargaining table.”

While strike votes are underway, PSAC and CBSA are proceeding to Public Interest Commission (PIC) hearings on April 10 and 22 with the Federal Public Sector Labour Relations and Employment Board.

Following the PIC hearings, the commission will release its non-binding recommendations to reach an agreement. If members vote in favour of a strike mandate, PSAC will be in a legal strike position seven days after the board releases its report. Read more in a [press release from PSAC](#). *Source: CIFFA*

April 10 | “US Increased Enforcement for Responsible Business Conduct and Due Diligence”

The US government has issued a national action plan to promote responsible business conduct and human rights due diligence.

According to the plan, the US government expects all businesses to conduct human rights due diligence (HRDD) throughout their value chains in line with internationally-recognized standards, to make HRDD an integral part of their decision-making, and to embed HRDD into their existing risk management systems. Businesses should also implement sector-specific standards that provide credible metrics that meaningfully measure progress on the impact of businesses on people across value chains. All businesses should conduct HRDD regardless of their size, sector, operational context, ownership, or structure, the plan states, although the scale and complexity or the means they use may vary.

Details on what constitutes HRDD can be found in the [plan](#).

This is an excerpt from the April 9th Trade Report published by Sandler, Travis & Rosenberg, P.A which can be viewed [here](#). *Source: CSCB*

April 12 | “Government Responds to Parliamentary Committee’s Report on Non-Tariff Barriers to Trade”

In December 2023, the Parliamentary Standing Committee on International Trade (CIIT) published a report titled “[Non-tariff Barriers to Trade: Some Canadian Perspectives](#).” The report identified barriers to trade for specific industries and business communities, and put forward a number of recommendations to remove non-tariff trade barriers in free trade agreement negotiations, including by:

- Removing non-tariff barriers that particularly affect small- and medium-sized businesses;
- Ensuring that dispute resolution mechanisms exist in agreements and are actually enforced;
- Harmonizing regulations, in particular for hard-hit industries such as agriculture and automotive;
- Monitoring imports of food imports at the border to ensure reciprocity of standards exists and is not only a theoretical objective;
- Preserving Canada's right to legislate for the common good.

On April 9, 2024, the government tabled its [response to the CIIT's report](#). *Source: CSCB*

April 19 | "Updated Customs Bond Checklist from Surety Associate of Canada"

The Surety Association of Canada has issued an updated customs bond checklist that reflects the minimum bond amount of \$5,000 as a guide for importers.

The checklist is for informational purposes only, as some sureties may have different or other requirements. *Source: CBSA*

- [English version](#)
- [French version](#)

CUSTOMS – CARM NEWS

April 3 | "Canadian Shippers Warn of Potential Fiasco with CARM Implementation"

Canadian shippers have pleaded with cabinet to delay the May 13th launch of a digital customs collection scheme 42% over budget, according to Blacklock's Reporter.

"If it launches and launches poorly, this will land on the government's feet because they have been warned," said Conservative MP Kyle Seeback (Dufferin-Caledon, ON) in a speech to the House of Commons Trade Committee (CTC).

"Every single stakeholder that has submitted something has said the system is not ready, that it won't work and that it will have disastrous effects on importers in this country."

The Canadian Association of Importers and Exporters (CAIE) said it feared disruption to cross-border trade after May 13.

"The system is not ready," said former CAIE chair Kim Campbell [now Chair of CIFFA's Customs Regulatory Committee].

"We have no confidence in where we are now and, if the Canada Border Services Agency still insists on implementing on May 13, there will be extreme stress imposed on industry trying to figure it all out."

Source: CIFFA

April 9 | "New Excise and GST docs in CARM Google Drive" *Source: CSCB*

Please be advised that CBSA has uploaded new Excise and GST docs in the CARM google drive.

Type ▾ People ▾ Modified ▾

| Name | Owner | Last modified ▾ ↓ | File size |
|---|--|-----------------------------|-----------|
|  ARCHIVE - ECCRD V3.0 |  carmengagementgkra | Jan 31, 2024 carmengagem... | — |
|  Final Excise and GST technical doc_ENG.docx  |  carmengagementgkra | Apr 8, 2024 carmengagem... | 2 MB |
|  Final Excise and GST technical doc_FRA.docx  |  carmengagementgkra | Apr 8, 2024 carmengagem... | 2.7 MB |

April 10 | “International Trade Committee Adopts Motion to Recommend Suspension of CARM Implementation”

Thank you for your expressions of support for the CSCB's written submissions and testimony to the Parliamentary Standing Committee on International Trade's (CIIT) study of CARM implementation.

On April 8, 2024, the CSCB, along with 19 likeminded organizations, submitted a multi-association supplementary report to the CIIT committee to describe additional concerns that have surfaced since committee hearings on March 19 and 21, 2024.

On April 9th, the CIIT committee met to consider the available information about CARM. We understand that our April 8th multi-agency submission played a critical role in shaping the outcome of the discussion.

The CIIT has adopted a motion seeking that the House of Commons ask the Government to suspend the implementation of the CARM system scheduled for May 13th, until the CIIT can complete its study and table a final report containing its observations and recommendations. Committee members in a position to vote all voted in favour of the motion.

We, along with our like-minded Canadian association counterparts, will be watching events over the next couple of days and will endeavour to keep you updated about the progress of the motion in the House of Commons.

April 22 | CBSA Phasing in CARM: Launching Internally for CBSA use as Planned in May and Later in the Fall for Trade Chain Partners

April 19th, 2024, Ottawa, Ontario – Today, the Canada Border Services Agency (CBSA) provided an update on its plans for the launch of the CBSA Assessment and Revenue Management (CARM) digital initiative, which will modernize the collection of duties and taxes for goods imported into Canada.

CARM will launch internally at the CBSA on May 13th, as planned, to advance the Agency's compliance and enforcement efforts. However, as a result of strike vote activity now underway by the Public Service Alliance of Canada and the possible impact on the Agency's operations in the event of a positive strike vote, it is the intention of the CBSA to reschedule the launch for trade chain partners to October 2024. This will ensure that the Agency can support partners as they start using CARM. Therefore, until the fall, trade chain partners will continue to operate as they have.

CARM is ready to roll out. However, the support of CBSA employees is critical to the successful implementation of CARM. By rescheduling its launch, the Agency is setting industry partners up for success. Given the links between CARM and other business mainframe systems in the CBSA and Canada Revenue Agency, the next scheduled window to migrate major IT changes is October 2024.

The CBSA held approximately 100 consultation and technical working group sessions, over 160 direct engagement events, and has completed multiple cycles of testing, including over 10 months of simulation with direct participation by CBSA employees and industry. Industry has worked to be ready with approximately 71,500 importers now registered in CARM – these importers represent over 92 percent of the volume of goods imported.

In addition to protecting and growing \$40 billion a year in revenue for Canadians, CARM will provide a number of other benefits:

- Eliminate cumbersome and time-consuming paper-based processes
- Provide better tools that will allow the CBSA to focus its compliance and enforcement efforts on potential bad actors
- Improve functionality for importers through the ability to enroll in commercial programs, submit accounting documents, and receive notifications through their CARM Client Portal account

The internal launch of CARM at the CBSA, starting on May 13th, will allow the Agency to advance work towards the expected benefit of better compliance. The CBSA will use CARM to identify errors and discrepancies in duties and tax submissions and begin to work with industry in these areas. These efforts respond to a study by the Auditor General of Canada, who had estimated that as many as 20% of goods coming into Canada were misclassified, resulting in a lesser amount of duty paid. **Source: CBSA**

April 24 | “CARM Delay and Subsequent Q & A’s”

With the recent announcement of the CARM R2 implementation delay to October 2024, we have received great feedback and questions from you on what this delay means to your business and how to plan going forward. Thank you for your questions and please continue to send them to us. We are compiling a list of these questions to be sent to the CBSA for responses in writing as well as to be published on our website and in our Trade News for you to follow. There have been some urgent questions in terms of what is happening in April such as will there be any cutover activities starting April 26th, will there be an ACROSS service disruption this weekend as originally planned, can B2's and paper bonds be submitted and will PAD payments be taken on the 30th of April?

Here are the responses to these questions, received from the CBSA:

- No ACROSS outage this weekend, as previously planned.
- No cutover activities that would impact external operations.
- Current state processes for B2 submissions and paper bond submissions remain in effect (Customs Notices have been cancelled). The CSCB has sent a follow up question on the GTA B2 pilot project (CN24-10) and have not received an answer.
- PAD payment will be withdrawn on April 30th

We will advise you as soon as the Q&A's have been published on our website. **Source: CSCB**

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