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## Finally! Action on Per Diem Charges AgTC Official Statement - September 6, 2019

Today the Federal Maritime Commission agreed to put Commissioner Rebecca Dye's Proposed Rule out for Public Comment. We have not seen it, but we understand, generally, it would prevent ocean carriers and marine terminals from imposing free-time (detention, demurrage, per diem) charges when the container cannot be picked up from, or returned to, the terminal through no fault of the shipper/trucker. This is a long-awaited step forward to address one of the most costly and unfair burdens imposed by ocean carriers on shippers.

Ocean carriers have made "free-time" (demurrage, detention, per diem) penalties a major cost for importers and exporters and their truckers, often threatening to lock out truckers who don't immediately pay, and making shippers' protest/challenges extremely difficult. Virtually all shippers have been assessed these penalties, ranging from \$125 to as high as \$325/container per day. Some AgTC members have had millions of dollars of these penalties imposed, even when delay was not their fault -- due to closed terminals, congestion in the terminals, delays at terminal gates, Customs inspections, etc.

Commissioner Dye, after 2 years of intensive work with importers, exporters, truckers, NVO's and carriers - interviews, supply chain teams -has taken action, offering a solution, urgently needed, long awaited. While the vote to advance the Proposed Rule is encouraging, it is not certain even now, that all Commissioners recognize the extent of the injury these 'per diem' charges have caused to the shipping public; we do not know if all will support Commissioner Dye's initiative.

The AgTC and all others representing exporters, importers, forwarders/NVO's and truckers must make it clear: the time has come for the FMC to fulfill its statutory responsibility to protect the interests of the US shipping public. (Otherwise, why should the FMC continue to exist?)

We will obtain the Proposal and share with all AgTC members as soon as it is available.

We are very pleased to see this move forward, and grateful for Commissioner Dye's untiring efforts on behalf of the US international trade and export/import community.

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