CMH SPOTLIGHT

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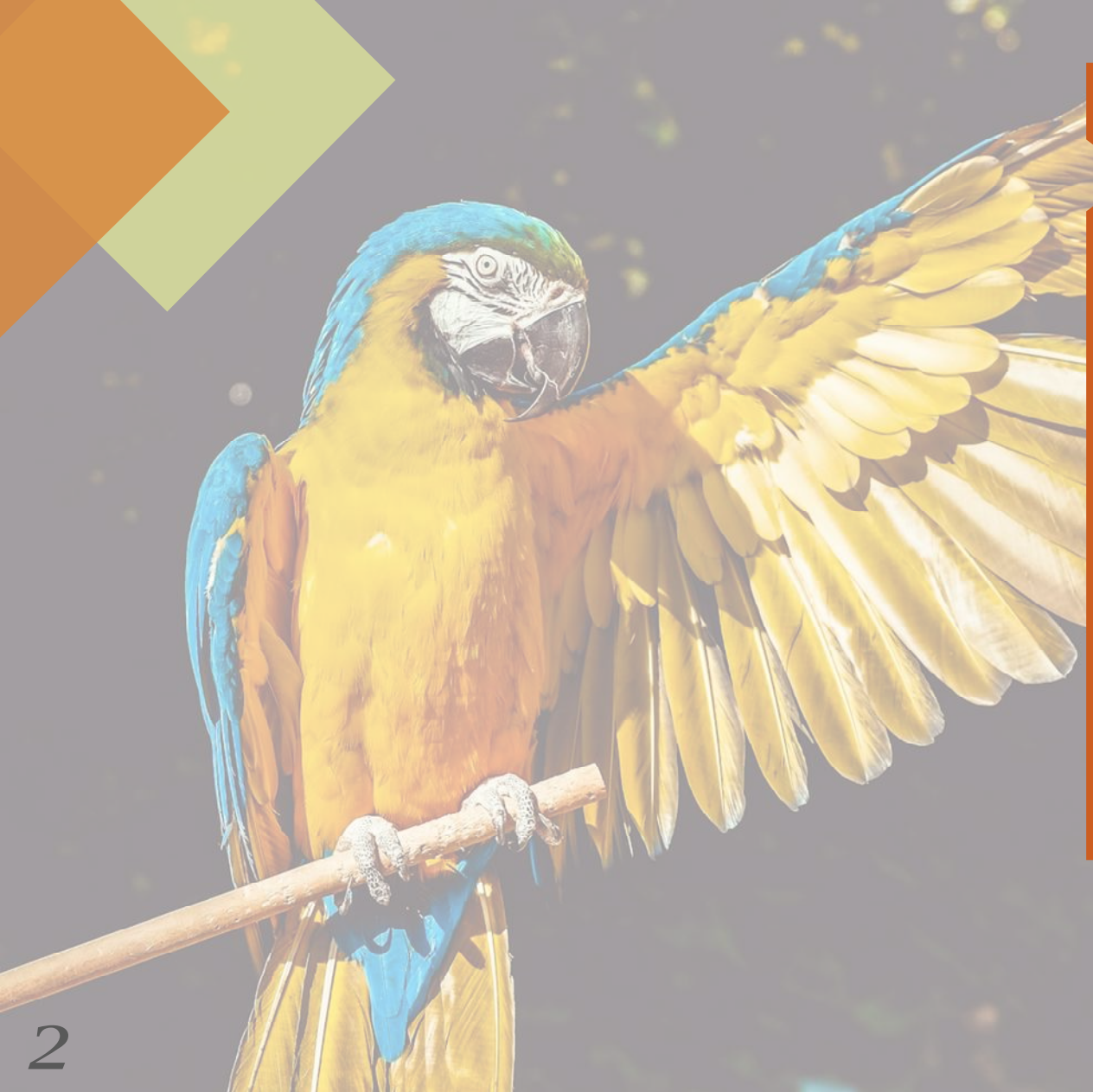

HIGHLIGHTS & BRIEFINGS

- ❑ The “MSC FLAMINIA”
  Case Reading:
  Supreme Court Rules On
  Limitation Issues Under LLMC 1976

- ❑ In A Nutshell:
  Methanol As A Marine Fuel Q&A

"MSC Flaminia": Supreme Court Rules On Limitation Issues Under LLMC 1976

Case Reading of MSC Mediterranean Shipping Company SA -v- Conti 11 Container Schiffahrts-GmbH & Co KG MS "MSC Flaminia" [2025] UKSC 14.

The Court of Appeal decision on the same case had been shared in our CMH Spotlight 2023.10 issue. For a consistent overview, the following article has recapped the 2023.10 issue contents as well.

Factual Background

- On 14th July 2012, while the containership "MSC Flaminia" was in mid-Atlantic from Charleston to Antwerp, an explosion occurred in the no.4 cargo hold which led to a large fire onboard. The casualty caused extensive damage to the ship, destroyed hundreds of containers and resulted in loss of three crewmembers' lives. A lengthy and costly salvage was carried out, and the Vessel was redelivered in the port of Wilhelmshaven, Germany on 9th September 2012.

- The explosion was caused by some chemical divinylbenzene ("DVB") cargo, which underwent "auto-polymerisation" process and built up heat and pressure within the containers.

- The Owners of the ship suffered substantial loss related to salvage, permanent repair, disposal of contaminated cargo and burnt metal, and removal of firefighting water. Owners brought arbitration against the Charterers of the vessel, Mediterranean Shipping Co ("MSC"), and the arbitration tribunal held that MSC was liable to Owners and were ordered to pay damages of approximately USD200 million in July 2021.

- Charterers sought to limit its liability for claims arising from the casualty pursuant to the 1976 Convention on Limitation of Liability for Maritime Claims, as amended by the Amending Protocol of 1996. If successful, Charterers would have been able to limit their liability to around GBP28 million, based on the tonnage of the vessel.

"MSC Flaminia": Supreme Court Rules On Limitation Issues Under LLMC 1976 (Cont'd)

❖ The Law

Under the LLMC, a "shipowner" includes charterer for the purpose of the convention (Article 1.2), and shipowner can limit its liability for claims listed in Article 2.1. The most common limitable claims are (emphasis added):

> "(a) claims in respect … loss of or damage to property … occurring on board or in direct connection with the operation of the ship or with salvage operations, and consequential loss resulting therefrom; …"

In the *"CMA Djakarta"* case ([2004] EWCA Civ 114), which also concerned a large container ship fire, it was established that Article 2.1(a) only covers claim in respect of loss of or damage to property, other than the ship itself.

❖ The High Court's Decision – "Single Claim" Approach

In consideration of *"CMA Djakarta"* case, Charterers' principal argument was that the damage to the ship was a "consequential loss" resulting from "loss of or damage to property" (the DVB cargo), therefore they can limit their liability for the purpose of Article 2.1(a).

Owners argued that there was an implied distinction under the LLMC 1976 between "insiders" (being those within the extended definition of "shipowner" in Article 1.2, i.e. owner, charterer, manager or operator) and "outsiders" (being any other person bringing a claim), and Charterers can only limit claims that originate from an "outsider" (as opposed to "insiders").

"MSC Flaminia": Supreme Court Rules On Limitation Issues Under LLMC 1976 (Cont'd)

❖ The High Court's Decision – "Single Claim" Approach (Cont'd)

The High Court's decision is as below:

- Rejected Owners' argument that there was such implied distinction of "insiders" and "outsiders" under LLMC 1976. Charterers are therefore entitled to limit their liability for the purpose of Article 2.1(a).
- Nevertheless, it held that Owners' claims were not for loss of or damage to the property (other than the ship itself) or consequential losses of the same as under Article 2.1(a) of LLMC 1976. According to the judge's reasoning, although there were many items of expenditures such as removal of materials onboard and disposal of wastes, these claims were incurred for the Vessel to be repaired, such that Owners' claims could be fairly characterised as a "single claim" for damage to the ship and consequential losses arising from that damage.
- It was clarified that Article 2.1 of the LLMC 1976 was concerned with "claims categorization" and not with the more complex matter of factual causation. Charterers' submission sought to mischaracterize the Owners' claim by reference to causation, but the proper approach, as according to the judge, was to characterize them by reference to their nature. The judge said "*the causal contribution of cargo damage in the damage to the ship does not turn a claim for damaging the ship into a cargo claim*."
- According to the case law *"CMA Djakarta"*, it was held that Charterers cannot limit their liability to Owners' claims as the claims did not fall within 2.1(a) of LLMC 1976.

"MSC Flaminia": Supreme Court Rules On Limitation Issues Under LLMC 1976 (Cont'd)

❖ The Court of Appeal Decision – "Insider / Outsider" Approach

Charterers appealed the case, some of the main grounds are that the High Court judge was wrong to hold that Owners' claims did not fall within Article 2.1 of LLMC 1976, and wrong to treat the arbitration award as a single claim in respect of damage to the vessel, as opposed to a group of claims with some of the claims being limitable.

In response to Charterers' submission, Owners refined their "insider / outsider" argument, contending that a charterer can limit its liability against a shipowner only in respect of claims that originate from an "outsider" of the group of entities defined as "shipowners" in Article 1.2. In essence, a charterer is not entitled to limit claims where the underlying loss or expense was suffered by the owner itself.

Court of Appeal dismissed the appeal and held that Owners' interpretation was in line with the Vienna Convention on the Law of Treaties 1969 and the judicial authority including the case law the "*CMA Djakarta*".

By reference to the travaux préparatoires of LLMC 1957 which was the predecessor of the LLMC 1976, the 1957 convention provided no right to the charterer to limit in respect of claims by an owner to recover losses suffered by that owner. The Court of Appeal determined that the primary purpose of LLMC 1976 was to provide a higher limit of liability, and neither the object nor the purpose of the convention was to extend a charterer's right to limit beyond the right already conferred to them under the LLMC 1957.

"MSC Flaminia": Supreme Court Rules On Limitation Issues Under LLMC 1976 (Cont'd)

❖ Supreme Court Decision – The "Convention" Approach

The Supreme Court had to determine following two issues.

❖ Issue 1 : Whether the LLMC 1976 permits a charterer to limit its liability to an owner for a claim concerning loss originally suffered by the owner itself ?

After a careful consideration of the language of the LLMC 1976, the Court held that wording of convention did not indicate any justification for the distinction of "insider" or "outsider". It also rejected the argument that the Convention existed primarily for the benefit of owners rather than the collective group defined as "shipowners" in the Convention. The wording used in the Convention should be given its ordinary meaning - neither overly narrow nor excessively wide. Article 1.2 used the term "shipowners" to cover owners, charterers, managers and operators, which treats all these parties equally without any suggestion of differential treatment.

Owners argued that it would be absurd and unreasonable if charterers could limit owners' claims as that would mean i) owners' own claims be paid out from a fund set up for themselves, and moreover ii) diminish the amount of fund available for other claimants such as cargo claimants.

The Court disagreed. As to point i), most claims by owners will be for loss or damage to the vessel itself and the consequential loss therefrom, and neither of such claims are limitable under the LLMC 1976 (as held in the "*CMA Djakarta*" regarding Article 2.1(a)). As to point ii), if the owner has a claim against the fund, it is likely to be because they are owners of property on board (e.g. containers), but this is exactly the type of claim the fund is designed to deal with and is subject to limitation, and owners can only benefit as their proportionate share of the fund will be returned to themselves rather than distributed to the other claimants.

In conclusion, the Court held that charterers can limit for claims brought by owners for losses suffered by the owners themselves, albeit not for loss or damage to the ship itself or consequential losses resulting therefrom.

"MSC Flaminia": Supreme Court Rules On Limitation Issues Under LLMC 1976 (Cont'd)

❖ Supreme Court Decision – The "Convention" Approach (Cont'd)

❖ Issue 2: Whether any of Owners' claims fell within permissible limitations of Article 2.1(a)(e)(f) of LLMC 1976 ?

The relevant sub-sections of LLMC 1976 Article 2.1(a), (e) and (f) are:

> "(a) claims in respect … loss of or damage to property … occurring on board or in direct connection with the operation of the ship or with salvage operations, and consequential loss resulting therefrom;
>
> …
>
> (e) Claims in respect of the removal, destruction or the rendering harmless of the cargo of the ship;
>
> (f) Claims of a person other than the person liable in respect of measures taken in order to avert or minimize loss for which the person liable may limit his liability in accordance with this Convention, and further loss caused by such measures."

Referring to Article 2.1(a), Charterers maintained their submission that all of the claims arose from the initial loss or damage to the DVB cargo and therefore should fall within this category. The Court rejected this on the ground that Charterers' analysis over-relied on causation whilst the matter in question is the nature and characterisation of the claim. The claim in present case was for damage to the Vessel and losses arising therefrom, hence not limitable under Article 2.1(a) as per case law "*CMA Djakarta*".

The Charterers also submitted 4 heads of claims for limitation purpose under Article 2.1, namely, i) payments to national authorities for environment protective measures; ii) removal of firefighting water from the Vessel's holds; iii) removal of the burnt residual waste from the Vessel, and iv) cost related to cargo discharge and decontamination at Wilhemshave. Next page is table showing the Court's decision on specific items.

"MSC Flaminia": Supreme Court Rules On Limitation Issues Under LLMC 1976 (Cont'd)

❖ Supreme Court Decision – The "Convention" Approach (Cont'd)

Claim Category	Claim Amount	Supreme Court's Decision	Article 2.1 Provision	Rationale
Payments to national authorities for environment protective measures; Removal of firefighting water from the Vessel's holds	Appx. USD 2 million Appx. USD 8 million	Not limitable	2.1(a), 2.1 (f)	These costs were directly related to facilitating the repair of the vessel and did not constitute consequential loss arising from damage to cargo under Article 2.1(a), nor were they incurred to avert or minimise loss under Article 2.1(f). They were incurred to enable the repair of the vessel (therefore part of the repair cost), rather than avert or minimise loss or damage in the immediately aftermath of the incident.
Removal of the burnt residual waste from the Vessel	Appx. USD 27 million	Not limitable	2.1(a)	These costs were considered as part of the expenses necessary for the repair of the vessel and did not fall within any of the categories under Article 2.1.
Cost related to cargo discharge and decontamination at Wilhemshave	Appx. USD 31 million	Limitable	2.1(e)	These costs could fall into the Article 2.1(e) being "removal" and "rendering harmless" of the cargo. Held that necessity for ship repair did not preclude limitation, for details please refer to "Comments" in next page.

❖ Clarification / Comments

The Owners had originally put their claims forward simply by mainly two ways: first of all, submitting their losses as a "single claim" for losses arising from damage to the ship which was non-limitable; furthermore, submitting the "insider / outsider" theory under the LLMC 1976 to prevent Charterers from limiting claims against owners.

Although Owners can recover the majority of their losses from Charterers as damage to ship is carved out from the limitation regime, Owners' both points were held to be wrong: instead of "single claim", the losses can be sliced up into different claims and may fall into different categories; charterers are entitled under the Convention to limit applicable claims against the owners.

It was also clarified that, not all claims named as repair costs could be definitely regarded as damage to ship and therefore non-limitable. In this case, the cost for discharging cargo and decontaminating cargo had been determined by the Court of Appeal that, despite the cost being incurred in order to repair the Vessel, it should fall within the Article 2.1(e). This was upheld by the Supreme Court.

The Supreme Court rejected Owners' submission that Article 2.1(e) only applies to claims by a party not involved in the operation of the ship. It clarified that where the claim could be considered loss or damage to the ship, it is only excluded under Article 2.1(a) on basis of its interpretation and not for the whole Article 2.1. On this basis, where the LLMC 1976 has a specific provision permitting the limitation of a certain category of loss, its exclusion from Article 2.1(a) does not stop it from being limitable elsewhere. It may be expected that, going forward, there will be close attention to and potentially further disputes on how different claims are categorised and described.

In A Nutshell: Methanol As A Marine Fuel Q&A

Among several different marine fuel options to progress towards net zero, methanol is likely to be closer to a “drop in solution” than other alternatives.

❖ What is methanol ?

Methanol (CH_3OH_3) is a light, colourless, flammable and volatile liquid alcohol. In addition to its use as a fuel, it is used as a base chemical to produce plastics, paints and building materials. According to how it is produced and its feedstocks, it can be categorised below:

- Brown methanol: Produced using coal feedstock.
- Grey methanol: Produced using natural gas as both the feedstock and process fuel.
- Blue methanol: Produced using hydrogen and carbon dioxide (CO_2) that has been extracted through carbon capture process.
- Green methanol: Produced either from biomass or through electrolysis using renewable energy sources.

❖ Why methanol ?

Methanol has emerged as a leading contender in the field of alternative fuels for vessels, reasons are:

- Methanol has the lowest carbon content and highest hydrogen content of any liquid fuel.
- Unlike other alternative fuels, methanol is a liquid at ambient temperature and pressure, meaning that it is easier to bunker, store, transfer, and can be used on board with relatively minor modifications needed.

In A Nutshell: Methanol As A Marine Fuel Q&A (Cont'd)

❖ Why methanol ? (Cont'd)

- Wider industrial demand has led to increased production and therefore availability of this fuel.
- According to test data from Lloyd's Register, using methanol can reduce NOx emissions by 60%, SOx emission by 99%, and particulates by 95%, as compared to traditional marine fuels.
- Dual fuel engines set up to burn grey or brown methanol can also burn green and blue methanol without any further modification.
- Methanol has a greater energy density than ammonia and hydrogen.

❖ The drawback of methanol

- It is corrosive and highly toxic with a low flashpoint (12 ℃), which requires specific storage and handling.
- Additional safety systems are needed in comparison with residual and distillates marine fuels such as very low sulphur fuel oil or marine gas oil .
- It is approximately 2.4 times lower in energy density when compared to residual or distillate fuels, which means larger storage tanks are needed which may reduce the cargo carrying capacity.
- Lower carbon production methods such as blue and green methanol will need to increase significantly to meet demand of not only shipping but also other shoreside industries.
- Higher cost when compared to traditional marine fuels.

❖ How will IMO and EU legislation impact methanol production and usage?

IMO aimed to achieve net-zero CO_2 emission by or around 2050. There are some indicative checkpoints: a reduction in carbon intensity of 20%-30% by 2030, and 70%-80% by 2040, compared to 2008 levels. There is also a target for low or zero carbon fuels uptake of at least 5%, striving for 10%, by 2030.

FuelEU Maritime sets targets for reducing the annual average greenhouse gas intensity at 2% in 2025 (compared to a 2020 baseline), by 6% in 2030 and 14.5% in 2035, through to 80% by 2050.

Other regions including China, USA and UK are also considering additional emissions trading mechanism; if developed, these will lead to a fragmented global approach to decarbonisation. All the aforementioned schemes support the investment for the use of blue and green methanol, both regionally and globally.

❖ How safe is methanol?

- Methanol can be absorbed into the body by inhalation, ingestion, skin contact or eye contact. Adverse health effects of methanol contamination are not always immediately evident and can be fatal.
- Methanol will react violently with strong oxidants, raising the risks of fires and explosion in the event of a leak. Its evaporative vapours may be heavier than air, causing them to collect and stay in poorly ventilated, low-lying or confined areas, such as engine room bilge areas.
- Despite above, methanol is often seen as one of the safer alternative fuels and there are numerous safety guidance publications. For example, Lloyd's Register and the Methanol Institute published in 2020 the "Introduction to Methanol Bunkering Technical Reference". The Methanol Institute has also regularly updated its "The Methanol Institute Safe Handling Manual (4th edition)".

❖ What are the environmental risks associated with the release of methanol into water?

Once spilled into the marine environment, methanol would spread on the surface and undergo dissolution into the water body while simultaneously be lost to the atmosphere via evaporation.

When methanol dissolves in water, there is a potentially toxic impact in the immediate vicinity, but concentrations will rapidly reduce due to the buffering and dilution within the water body and long-term impacts are predicted to be negligible. Methanol is fully miscible in water, which means that it has no limit to its solubility and can never meet a point of maximum saturation. Therefore, irrespective of the amount of methanol spilled, it will always be possible to dissolve into the receiving water body. Due to this property, a large release to open water will dissipate to non-toxic levels (<1%) at a rate significantly faster than petroleum-based fuels.

The rate at which methanol will dissipate depends on the amount of mixing in the aquatic environment, led by tidal flows combined with wind-induced wave action.

❖ How would a clean-up operation from a methanol spill compare to that of other fuels ?

Due to the property of methanol mentioned above, the spill of methanol usually has short residence time on the sea surface, and most likely to have naturally attenuated before resources could be mobilised to the area.

Nevertheless, there are still significant risks to responders and nearby receptors. ITOPF emphasized the valuable role of monitoring and evaluating, through atmospheric plume modelling to evaluate the affected areas, and use of sensors (possibly remotely controlled) to measure vapour concentrations in the air or methanol concentration in the water near the point of spill.

❖ How would the costs associated with a methanol release compared with a bunker fuel spill ?

The costs are likely to be very different to a spill of conventional oil:

- In the event of methanol spill, there is much lower likelihood of a spill response both at sea and on the shoreline as compared to conventional oil spill, and the significant costs usually associated with these activities would not be necessary. However, the costs relating to possible fire-fighting measures may be significant.
- In conventional fuel spill, a large cost item may be incurred for waste collection, transport and disposal. But in the case of methanol which is lost to both the atmosphere and the surrounding water body, no waste is likely to be generated.
- Response costs in methanol spill would likely include provision of modelling expertise, monitoring equipment and wider overall technical advice in the immediate time following the incident. If a continuous slow release was recorded, some preventative measures may also be claimed such as repairing any leak or crack in the vessel's structure to stop the release.
- Post spill monitoring and environmental studies may be claimed, given the relatively low international experience on these types of incidents. In addition, claims related to reasonable measures for reinstatement might be received. However, it is not clear as to what extent studies and reinstatement would be necessary due to the expected short-lived nature of environmental damage.
- Similar with bunker fuel spill, claims such as death and personal injury, economic loss to fishing or other vessel types, wider economic impacts on reduction of port activities would likely occur.

Market Snapshot

More Than 10 European Countries Will Intensify Their Fight Against The Russian Shadow Fleet

- The Baltic states, Belgium, Denmark, Germany, the Netherlands, Poland, Finland, France, and Sweden, along with Britain, Norway, and Iceland, called for enhanced counteraction to prevent Russia from evading international sanctions.
- These countries agreed to further strengthen their cooperation and ensure a coordinated and joint approach by their national authorities to combat Russian shadow fleet.
- The cooperation will strengthen compliance with international laws and the transparency in maritime operation, for example, to monitor whether vessels sail under the right flag in the Baltic and North Seas.
- The sources indicated that EU would abandon its plans to lower the maximum export price for Russian oil from USD60 to USD45 per barrel, as the escalation of the conflict between Israel and Iran could cause prices for this raw material to rise, which would render the restrictions ineffective.

Japan Seeks To Double Shipbuilding Output By 2030

- Japan is taking steps to rejuvenate its once-dominant shipbuilding industry, including the establishment of a government-backed national shipyard, as part of a wider strategy critical to national security.
- Japan once commanded almost 50% of global shipbuilding output during the 1990s. Today, its share plunged to around 10%. The country seeks to achieve at least 20% global market share by 2030, in order to become a price leader who has the power to control price.
- Tokyo and Washington are preparing to launch a Japan-US Shipbuilding Revitalization Fund, designed to channel investment into both domestic and US-based yards. Japanese firms are eyeing contracts to build car carriers, LNG carriers, and ice-class naval vessels for the US market.
- However, some market sources doubted whether Japan can catch up by 2030. Unless Japanese shipyards win a substantial wave of new orders, average utilisation rates could plummet from 50% this year to just 20% by 2027. This looming drop threatens not only industrial output, but the retention of skilled workers.

Middle East Conflict Drives Spike In War Risk Insurance Costs

- Iran carried out a missile attack on a U.S. airbase in Qatar on 23rd June after the U.S. bombed 3 Iranian nuclear sites at the previous weekend. The conflict has raised concerns that Iran could close Hormuz, the strait between Iran and Oman through which around 20% of global oil and gas demand flows.
- The tension began on 13th June when Israel struck Iran targeting its nuclear programme and ballistic missiles. It led to doubling of the price of insuring shipments to the Middle East and the Gulf since then, as per insurance sources.
- War risk insurance premiums for shipments to the Middle East Gulf have jumped to 0.5% from 0.2-0.3% level, since the attacks, as risks grow to the critical Strait of Hormuz.
- London's marine insurance market opted on 18th June not to widen waters around the Gulf as listed areas, as ship operators have to notify war insurers on most of the calls in Middle East and the latter can evaluate respective merits. Having said that, the situation is closely watched by underwriters.

GPS Jamming In Strait Of Hormuz Raises Maritime Safety Concerns After Tanker Collision

- On 15th June, two oil tankers "Front Eagle" and "Adalynn" collided and caught fire near the Strait of Hormuz, where electronic interference has surged during conflict between Iran and Israel. Luckily, there were no injuries to crew or pollution reported.
- According to market data, approximately 970 ships per day have experienced GPS interference in the region since 13th June. The situation has become particularly acute near major ports, with hotspots concentrated around Bandar Abbas and Assaluyeh.
- While the incident is being attributed to navigational error and not malicious activity, it highlighted how persistent electronic interference affecting GNSS. Although radar remains the primary anti-collision tool, it has limitations in heavily trafficked waterways where small targets may be lost in noise.
- Some maritime experts are calling for the adoption of AI-powered situational awareness systems based on computer vision, which can operate independently of GPS and AIS systems.

LNG Freight Rates Surge To 8-Month High Amid Middle East Turmoil

- Shipping costs for LNG cargo have rallied to their highest in about eight months with vessel availability tightened by a shift in more ships heading to Asia at the same time as conflict has escalated in the Middle East.
- According to pricing agency, the Atlantic freight rate for vessels capable of carrying 174,000 cubic meters of LNG, the most common type in the market, was assessed at USD51,750 per day on 23rd June, which is highest since last October.
- The rise in global LNG freight rates has been largely attributed to tight vessel availability, which in turn has been caused by a shift in pricing signals for U.S. cargoes.
- This has been further exacerbated by market sentiment around the developing situation in Middle East. The tension in Israel-Iran conflict caused Shipowners to hold off chartering vessels, which is reducing the tanker availability and pushing up prices.
- A recent tender by Egypt to buy up to 160 LNG cargoes through 2026 also drove up demand for LNG tankers.

LNG Canada Produces First Liquefied Natural Gas For Export

- The Shell-led LNG Canada project in Kitimat, British Columbia, has reportedly produced its first liquefied natural gas for export. The first cargo from the 5.6 million TPA Train 1 is now expected to be shipped in early July.
- LNG Canada is first large-scale liquefaction project in the country and the first in North America with direct access to the Pacific coast, which reduces the delivery time to North Asian customers versus facilities in some other regions. When fully operational, LNG Canada will be able to export 14 million tonnes per annum of LNG.
- According to market source, customers are attracted to the LNG Canada project because it uses the Canada Alberta Energy Company (AECO) price index as a benchmark, which is lower than the Henry Hub gas price in the US.
- The partners in LNG Canada are operator Shell, Petronas, PetroChina, Mitsubishi Corporation and Kogas.

Global Dry Bulk Fleet Set To Drop 22% In Young Tonnage By 2028

- The global dry bulk fleet is facing a sharp contraction in younger and more efficient tonnage, with the supply of vessels under 15 years of age projected to fall by 22% by 2028, according to market data.
- The anticipated drop in younger dry bulk tonnage reflects a structural shift brought on by the historical imbalance in newbuilding activity, combined with a maturing fleet that will lag behind to meet modern efficiency and emission standards.
- With the regulatory and commercial pressure converging on the ageing bulk fleet, ship owners are facing a choice between expensive upgrades or resigning older vessels to shorter regional trades which are less profitable. While younger vessels are increasingly favoured for long-term charters and ESG-aligned trading, the regional trades sector may become oversupplied with old tonnage.
- Looking ahead, the market opportunity in bulker sector will be re-shaped in a tightening supply dynamics, driven by scrapping, fleet ageing and regulatory evolution.

U.S. West Coast Ports See Sharp Decline Amid Tariff Impacts, But Summer Surge Expected

- The Port of Long Beach experienced a significant 8.2% decline in cargo throughput in May as tariffs continue to impact global trade flows. The neighboring Port of Los Angeles also reported decreased volumes by 5% compared to the previous year.
- At Long Beach, imports fell 13.4% while exports decreased 18.6%. The Port of Los Angeles saw loaded imports dropping 9% and exports falling 5% year-over-year.
- The ports remain cautiously optimistic that import cargo would rebound at the end of June and into July, which is the peak shipping season as retailers will stock up with back-to-school supplies and begin to prepare for winter holidays.
- Despite the increased activity expected in summer as importers take advantage of the tariff pause, volumes are expected to decline sharply in the latter part of 2025. According to market analysts, September import is projected to fall 21.8% year-over-year, with October showing a 19.8% decrease.

Happy Reading, See You In July!

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Acknowledgments

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