

USDA Announces Signup for the Commodity Container Assistance Program

Partnership to Help Restore Shipping Services to U.S. Grown Ag Commodities

WASHINGTON, May 25, 2022. Agriculture Secretary Tom Vilsack announced that the U.S. Department of Agriculture (USDA) will begin accepting applications for the Commodity Container Assistance Program (CCAP) which currently includes a partnership with the Port of Oakland in California and the Northwest Seaport Alliance (NWSA), which is a marine cargo operating partnership between the Port of Seattle and the Port of Tacoma in Washington State. Ongoing market disruptions have created logistical challenges associated with the availability and flow of shipping containers to transport agricultural commodities, which has prevented or delayed American-grown agricultural commodities from reaching their markets.

“Both the Port of Oakland and the NWSA in Seattle have been identified as key gateways for American-grown agricultural commodities, and each has experienced significant challenges with the flow of containerized agricultural commodities and products,” Secretary Vilsack said. “While USDA’s per-container reimbursements will not cover the full cost of moving and storing shipping containers, the assistance provided will help ensure American-grown agricultural products can once again efficiently move through supply chains to reach global markets.”

Port of Oakland

Fewer shipping containers have been made available for U.S. agricultural commodities as ocean carriers have circumvented traditional marketing channels and rushed containers back to be exported empty and, as a result many of these carriers have suspended service to the Port of Oakland.

The Howard Terminal “pop up” site in the Port of Oakland will provide space to prepare empty containers. Agricultural companies and cooperatives will have easier access to these containers, which they can fill with commodities, which will help restore shipping services to agricultural commodities while relieving congestion. → 02



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Full Steam Ahead on Port’s Turning Basins Widening Study

The Port of Oakland turning basins widening study will achieve another key milestone this month. A Notice of Preparation to begin an environmental review per the California Environmental Quality Act (CEQA) is planned for release May 31, 2022.

“This is an exciting time for the Port to advance the Turning Basins Widening Study,” said Port of Oakland Maritime Director Bryan Brandes. “As Lead Agency for CEQA, the Port is honored to take this next step in the study process of what would be a vital infrastructure project for improving how the Port accommodates large containerships.” The Port expects to complete a draft Environmental Impact Report for public review in early 2023.

The Port of Oakland and the U.S. Army Corps of Engineers (USACE) San Francisco District are in a partnership to study a potential project to widen Oakland’s federal turning basins. The basins were originally designed for ships that are shorter than the biggest, longest containerships currently moving goods in the transpacific trade lanes. Today, these large vessels have transit

restrictions at Oakland, which lead to some delays. The goal of the study is to determine if widening the basins is feasible and would support greater efficiency for big ships maneuvering at Oakland.

“The Port’s turning basins are critical infrastructure both regionally and nationally,” said Mr. Brandes. “It is important we continue to invest in our nation’s waterways to meet the needs of our customers and the goals of our Port stakeholders. This is the very reason why the Port has reserved nearly 10 acres of the Howard Terminal for expanding the Inner Harbor turning basin. If the feasibility study deems expansion of the Inner harbor turning basin necessary, the Port, with or without a future Howard Terminal ballpark project, has both the responsibility and authority to expand into Howard Terminal to ensure maritime operational efficiencies.”

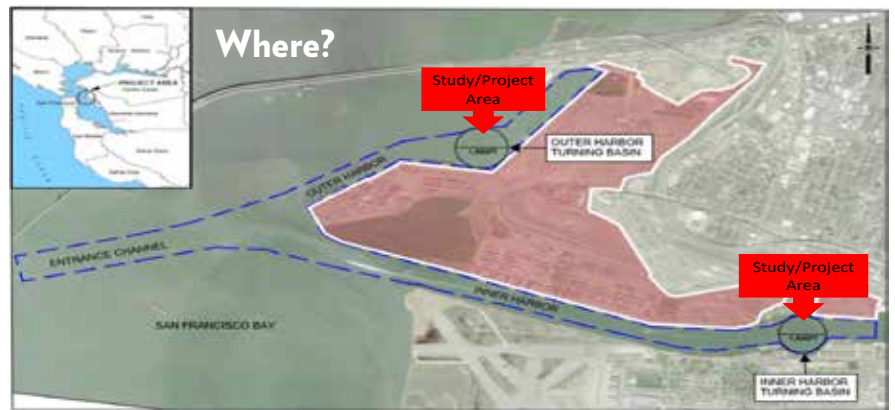
The study phase is anticipated to conclude mid-2023. Pending various discretionary approvals and funding, design efforts for the selected plan are expected to begin in late 2023. ●

What? Widen Turning Basins

Why? Decrease Transit Inefficiencies

When?

- 2023 Conclude Study
- 2024-2027 Design
- 2027-2029 Construct



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For the Port of Oakland, the Agricultural Marketing Service covered 60% of the start-up costs for the “pop up” site and under CCAP the Farm Service Agency (FSA) is providing a \$125 per container payment to partially assist agricultural commodity owners for the additional logistical expenses associated with picking up empty shipping containers to be filled with agricultural commodities and products at the Port of Oakland. Under CCAP FSA will also provide payments of \$200 per dry container and \$400 per refrigerated, or reefer, container to help cover additional logistical costs associated with moving the shipping container twice, first to the preposition site and then to the terminal loading the vessel, along with the cost of temporary storage.

For further information, please go to this USDA [link](#). ●



Close up look at maritime operations Wine and Spirits Shippers Association tours Port

It's a challenging time for those shipping cargo here and around the world. Port congestion related to COVID lockdowns in Asia and huge consumer demand are two of the contributing factors to the disruption of goods movement locally to globally.

More than 40 members of the Wine and Spirits Shippers Association (WSSA) visited the Port of Oakland (Port) March 5, 2022, to better understand the current obstacles in moving cargo through Oakland and other West Coast ports.

Shipper Associations, such as WSSA, are common in other parts of the world. Here in the United States, there are only a few similar groups. They are generally non-profit transportation membership cooperatives that arrange for the domestic or international shipment of members' cargo. Shippers contract to move goods with motor carriers (trucking companies), railroads, ocean carriers and air carriers.

"WSSA has members throughout the U.S. with many of them concentrated in California," said Port of Oakland Maritime Marketing and Commodities Representative Ron Brown, "This state has the largest region of wine and spirits producers in the country," he noted.

Forty-seven (47) members including several from New Zealand and Mexico were in Oakland for the May 5th briefing and tour. While in the Bay Area WSSA held meetings at the Matson Terminal, which is operated by Stevedoring Services of America (SSA). The meetings were combined with a tour of the Oakland International Container Terminal (OICT) also operated by SSA.

OICT is the largest marine terminal at the Port of Oakland. It is no small feat that those who work the terminal move hundreds of thousands of containers annually through the 270-acre facility.

"When seeing marine terminal operations up close, it becomes much easier for our customers to understand what it takes to move massive amounts of cargo through a seaport – big equipment, lots of dockworkers, crane operators, railroad workers and truckers, as well as major investments in infrastructure," said the veteran maritime representative.

Ron Brown hosted the members and provided a comprehensive Port briefing on how cargo movement trends have changed during and since the height of the pandemic.

"We're working hard to restore ocean carrier services to Oakland in support of importers and exporters," added Ron Brown. "Some of our customers have had a rough time finding enough space aboard vessels during this competitive environment for transporting product in and out of the country."

One of the unique operations at the Port that will help WSSA members is the Pop-up Container Yard set up at the Howard Property. It opened March 7, 2022.

"This temporary yard allows shippers to pick up and drop off empty containers outside the normal operations of the marine terminals," Mr. Brown remarked.

For agricultural (ag) exporters, the United States Department of Agriculture (USDA) has provided a grant to incentivize ag exporters to use the yard and will reimburse them \$125 for each container they pick up from the yard.



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Port of Oakland Maritime Marketing and Commodities Representative Ron Brown.



Additionally, USDA changed their grant effective April 7, to incentivize ag exporters to stage cargo at this yard pending delivery to a marine terminal.

WSSA members said they found this to be a very positive program for their exports. The WSSA Managing Director, Alison Leavitt indicated that Oakland is the primary gateway for international shipments of wine and spirits in and out of the U.S. She indicated that during their recent negotiations with ocean carriers, WSSA highly encouraged them to restore regular service to Oakland as this is the most cost-effective gateway for many of WSSA's members.

In case you missed it, here is the [link](#) to the USDA press release with details on how ag exporters can apply for the Commodity Container Assistance Program. ●



Port of Oakland volume declines as Shanghai struggles

China COVID crackdown hampers Oakland's cargo flow

Port of Oakland cargo volume is down in 2022, a consequence principally of China's COVID crackdown and its ripple effect on ocean carrier scheduling.

The Port reported that total volume through April dropped 7 percent from the same period a year ago. Containerized import loads through Oakland fell 17 percent last month, the Port said, while exports sagged 18 percent.

The Port attributed much of the decline to factory and port shutdowns in China, Oakland's largest trade partner. The Port said disruption at Shanghai, the world's busiest port, is delaying U.S.-bound import shipments and that wreaks havoc on ocean carrier scheduling.

"U.S. exports have been hampered by vessel schedules thrown into disarray in China," said Port of Oakland Maritime Director Bryan Brandes. "Most of Oakland's business depends on the Asia-U.S. trade route."

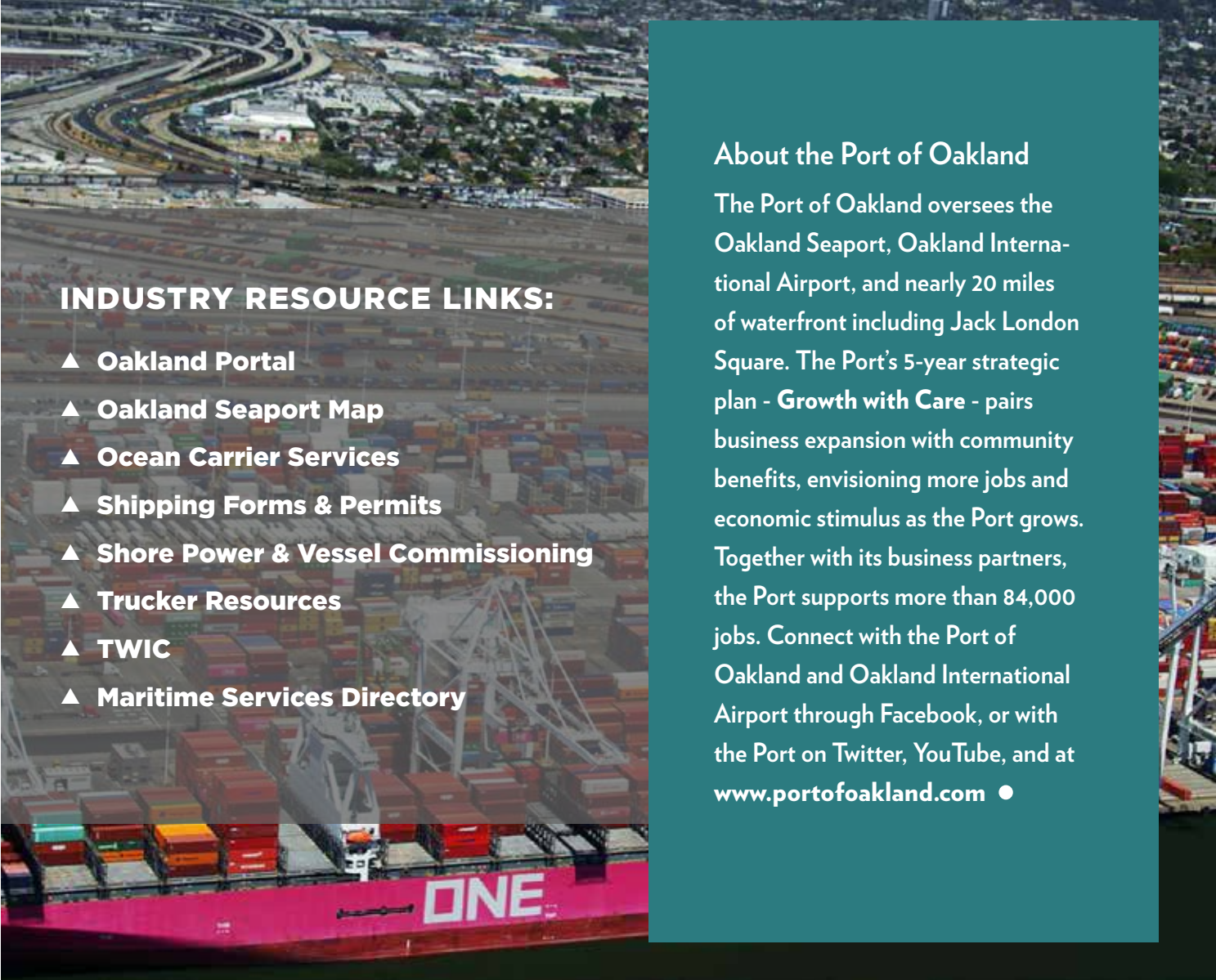
The Port said Oakland cargo flow has been affected by additional factors, including:

- A drop in the number of ships stopping in Oakland;
- Importers slow to retrieve shipments, thereby crowding container yards and slowing cargo discharge from ships; and
- A container shortage making it harder to load export shipments.

Oakland said relief may be on the way for harried supply chains. Shanghai cargo activity has recently picked up, the Port said. Meanwhile, the Port is talking to shipping lines about increasing the number of Oakland vessel calls.

According to the Port, the pace of cargo operations should accelerate as vessel schedules normalize. That's welcome news as Oakland prepares for peak shipping season, which industry experts say will begin earlier this year. Retailers are likely factoring in more time for receiving their goods based on the shipping delays they have been experiencing during COVID, said the Port.

During the peak of port congestion in 2021, as many as 30 ships were waiting to enter an Oakland berth. Today containerships number from one to a few waiting to do business at the Port of Oakland. ●



INDUSTRY RESOURCE LINKS:

- ▲ [Oakland Portal](#)
- ▲ [Oakland Seaport Map](#)
- ▲ [Ocean Carrier Services](#)
- ▲ [Shipping Forms & Permits](#)
- ▲ [Shore Power & Vessel Commissioning](#)
- ▲ [Trucker Resources](#)
- ▲ [TWIC](#)
- ▲ [Maritime Services Directory](#)

About the Port of Oakland

The Port of Oakland oversees the Oakland Seaport, Oakland International Airport, and nearly 20 miles of waterfront including Jack London Square. The Port's 5-year strategic plan - **Growth with Care** - pairs business expansion with community benefits, envisioning more jobs and economic stimulus as the Port grows. Together with its business partners, the Port supports more than 84,000 jobs. Connect with the Port of Oakland and Oakland International Airport through Facebook, or with the Port on Twitter, YouTube, and at www.portofoakland.com ●



Omicron Subvariant BA.2

COVID UPDATES

- [COVID update - BA.2 variant news story here](#)
- [Free confidential COVID testing - find a testing site](#)
- [Stay protected - get your COVID-19 booster dose](#)
- [Slow the spread - get vaccinated](#)
- [Protect yourself - get a flu shot](#)
- [Wearing masks - latest masking guidance here](#)