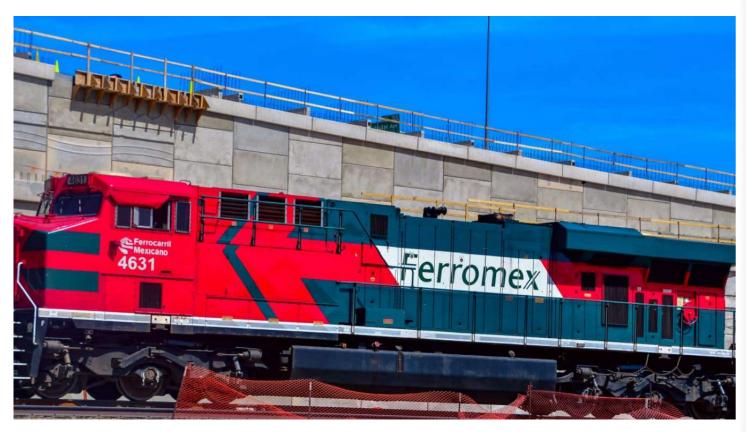


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Mexico-US rail shipments resume after CBP reopens Eagle Pass, El Paso crossings



The border closures stopped all intermodal containers exchanged between Mexico's Ferromex and UP destined for the US Midwest and Canada via the Falcon Premium service. Photo credit:

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Ari Ashe, Senior Editor | Dec 22, 2023, 2:33 PM EST

US Customs and Border Protection reopened the border crossings at Eagle Pass and El Paso in Texas on Friday, ending a nearly 100-hour closure that sent major shippers in Mexico scrambling for container capacity.

The decision comes after several days of pressure from industry groups representing intermodal, agricultural and chemical shippers, all of whom expressed concerns over the economic impact of the closures so close to Christmas. The closures also provided talking points for opponents of President Joe Biden's immigration policy; US authorities were forced to shut the border crossings at Eagle Pass and El Paso on Monday so customs officers could instead help US Border Patrol process a flood of migrants in those locations.

"Union Pacific is relieved the border crossings ... will reopen," the railroad said in a statement Friday. "These crossings are critical gateways for international commerce, and the closures had real-world impacts for families, businesses and our customers on both sides of the border."

The closures stopped all intermodal containers exchanged between Mexico's Ferromex and UP destined for the US Midwest and Canada via the Falcon Premium service, and to the Southeast. BNSF Railway was also affected as it is transitioning its cross-border business for J. B. Hunt Transport Services, COFC Logistics and Run Rail from Canadian Pacific Kansas City's Laredo border crossing to Eagle Pass and El Paso effective Jan. 1.

Reopening the border crossings doesn't mean the delays are over for shippers, however. UP and BNSF have a logjam of laden containers built up that need to be transported to the US.

"We will restore normal operations as quickly as possible as we work through the fiveday backlog of shipments holding to cross the border," UP said.

Reopening the border crossings comes less than 24 hours after CPKC <u>issued an embargo</u> on handling empty containers from BNSF and UP through Laredo to prevent its network from being overwhelmed and harming CPKC partners Bison Transport, Schneider National and Swift Intermodal.

The most recent closures — it was the second time in three months Eagle Pass was shut — come in the middle of the bid season when shippers decide how to divide freight among various intermodal providers. Shippers might be tempted to shy away from Eagle Pass and El Paso if they think the border situation there will deteriorate again in 2024 and instead route more business to the Laredo border crossing or increase their use of trucking.

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