

Stakeholders say choked NY-NJ marine terminals creating delays at port



A fee instituted in 2022 aims to keep empty containers from clogging the NY-NJ port, but it's not clear if the threshold for the fee has been triggered yet. Photo credit: John McAdorey / Shutterstock.com.

Michael Angell, Senior Editor | Feb 11, 2025, 5:27 PM EST

Marine terminals at the Port of New York and New Jersey are seeing bouts of severe congestion due to a variety of factors that include heavy import volumes, holiday scheduling and bad weather. The congestion is currently making it difficult for truckers to return empty containers and puts shippers at risk for late fees on empty returns and import retrievals.

Hapag-Lloyd said in an operational update Monday that “ongoing terminal congestion in the New York/New Jersey area [is] impacting carriers, terminals, depots, truckers and customers industry-wide.” The ocean carrier said it is looking for additional storage sites for containers and waiving late fees on boxes in the hope that “fluidity will be restored in the coming weeks.”

Hapag-Lloyd's advisory follows a poll released last week by the New Jersey-based Association of Bi-State Motor Carriers that showed close to two-thirds of drayage truckers believe the empty return situation at the port is a "crisis that must be addressed immediately."

"Marine terminals are packed to the gills with empties," Bi-State Motor Carriers President Lisa Yakomin told the *Journal of Commerce*.

The majority of truckers polled by Bi-State said they are unable to get appointments to return empty containers or complete a "double move" to retrieve an import container due to restrictions on returning empties.

Most truckers also reported that shippers are incurring extra chassis charges and late fees for storing empties and the congestion is hampering truckers from retrieving imports.

The congestion hits as the NY-NJ port comes off a strong year of growth. The Port Authority of New York and New Jersey (PANYNJ) reported 11% year-over-year growth in import volumes for 2024, its busiest year since 2021.

The volume of imports at the port appears to have built up strongly last month, crowding out room for empties. The average weekly inventory of import containers at NY-NJ reached 31,933 in January, compared with about 25,000 in both December and November, according to PANYNJ data.

The dwell time on import containers averaged 3.9 days during January, up from an average of 3.5 days during December and November. The standard terminal tariff at NY-NJ provides four days of free time on an import, suggesting shippers are running closer to incurring demurrage due to the delays.

'Crisis mode' with empty containers

Speaking in January at a State of the Port event, PANYNJ Port Director Beth Rooney said the heavy volume stemmed in part from shippers moving cargo ahead of what could have been another potential port strike in mid-January, along with frontloading due to concerns about new tariffs from the Trump administration.

The port also faced a compressed holiday schedule with breaks for Christmas and New Year effectively resulting in consecutive three-day work weeks. The Lunar New Year deadline for shipping cargo ahead of widespread factory closures in Asia was also about two weeks earlier this year than it was in 2024.

Meanwhile, winter weather in the Northeast US has hampered container operations, with some empty container yards having to close periodically due to high winds.

Rooney said her agency is spearheading efforts to improve appointment availability at marine terminals and finish road improvements that should help truck fluidity at the port. But as an import-heavy destination with few export cargoes, imports can periodically crowd out empties and ocean carriers face a “constant, unending effort” to manage empty returns, she added.

The main leverage PANYNJ has over ocean carriers to move empties is the container imbalance fee it instituted in 2022 during a previous congestion episode. The \$100-per-container fee is assessed when an ocean carrier’s inventory of long-dwelling empties exceeds a certain amount during each quarter.

Rooney said in a separate statement to the *Journal of Commerce* the container imbalance fee “has been very effective in keeping port operations fluid.” She said that the recent congestion stemmed from vessel bunching and ocean carriers’ calling different terminals due to service changes.

“We have seen a recent buildup of empty containers due to a combination of several unique factors,” Rooney said. “We expect it to be resolved in the near future.”

It’s not clear yet whether the inventory of empties at the port will trigger the fee, which would be assessed in the following quarter. However, Yakomin said NY-NJ’s current congestion raises doubts about whether ocean carriers are taking the fee seriously.

“We’re not seeing that it’s having any impact whatsoever,” she said. “We are right back to crisis mode with the lack of empty container return locations.”

For their part, ocean carriers are looking to remove empties at the port before any fees kick in. Hapag-Lloyd is sending the first of several empty sweepers to the NY-NJ port next week, part of its plan to remove about 10,000 empty containers in the coming weeks, according to a source familiar with the situation. It is also said to be discussing the storage of empty containers at a Norfolk Southern railyard in Croxton, New Jersey.

APM Terminals said in a statement to the *Journal of Commerce* that its Elizabeth, New Jersey, facility, frequently cited by truckers for difficulties in returning empties, is asking ocean carriers to step up empty evacuations to create more space.

APM also said it is reviewing how it manages the Elizabeth container yard as it prepares to handle more volumes from the Gemini Cooperation alliance between Maersk and Hapag-Lloyd.

“The current situation is a port-wide issue affecting all terminals, driven by a significant imbalance between the inflow of import containers and the evacuation of empty containers,” APM said.

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