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USVI Cargo Costs Set to Rise as Tropical and Crowley Raise Fuel Charges Amid Iran War Oil Shock

Tropical Shipping and Crowley are raising fuel-related cargo charges affecting the U.S. Virgin Islands as the war that began with U.S.-Israeli strikes on Iran keeps Hormuz constrained, lifts oil prices and deepens the global inflation and supply shock.

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New fuel surcharges from Tropical Shipping and Crowley are set to raise cargo costs into the U.S. Virgin Islands, as the war that began with U.S.-Israeli strikes on Iran continues to disrupt the Strait of Hormuz, drive oil above \$100 a barrel and trigger emergency responses from governments around the world.

For the Virgin Islands, the clearest near-term impact is on freight. Tropical Shipping said its bunker surcharge for cargo moving between Puerto Rico and the U.S. Virgin Islands will rise effective April 12, citing “volatility in global fuel costs.” On that route, Tropical’s published schedule shows the surcharge on a 20-foot dry container rising from \$100 to \$350 and on a 40-foot dry container from \$200 to \$700. The company’s notice also shows increases for reefers, LCL cargo, barrels, pallets and vehicles, meaning the added cost pressure reaches a wide range of consumer and business shipments.

Crowley has also finalized a higher vessel-fuel charge touching the U.S. Virgin Islands trade. In its April 2 update, Crowley said fuel prices remain “elevated and volatile” and that its April 12 fuel adjustment, though lower than it had first announced in March, will still double several current charges. Crowley’s posted schedule shows a 20-foot charge moving from \$200 to \$400, a 40-foot charge from \$400 to \$800, and vehicle charges from \$90 to \$170. Crowley’s USVI tariff identifies the route as between the U.S./Puerto Rico and the U.S. Virgin Islands, and the company said the adjustments apply to both market and contract rates.

Those increases matter in a territory that depends heavily on imported food, household goods, vehicles, building materials and refrigerated cargo. Neither carrier’s notice says how much of the surcharge importers or retailers will absorb versus pass through, but the broad scope of the listed increases points to higher landed costs across multiple categories of freight entering the Virgin Islands. At the same time, U.S. diesel prices are climbing sharply as the war-driven oil shock deepens, a development that can add still more pressure to transport and distribution costs.

The broader driver is the war’s effect on global energy flows. U.S. crude settled at \$111.54 a barrel on Thursday and Brent at \$109.03 after President Donald Trump said the United States would intensify attacks on Iran. Iran has effectively shut down the Strait of Hormuz in retaliation for the U.S.-Israeli strikes that began on February 28, and the strait normally carries about a fifth of the world’s oil and liquefied natural gas trade.

Trump’s April 1 address did little to calm markets. He told Americans the U.S. military was nearing completion of its mission while also saying Iran would be hit “extremely hard” for the next two to three weeks. Trump also said countries that depend on Gulf oil should “take the lead” on reopening Hormuz rather than the United States, even though the waterway had been open before the war began. The mixed messaging added to market unease because Trump was at once promising a quick end and threatening broader escalation.

By Friday, Trump had escalated further, threatening additional strikes on Iranian infrastructure, including bridges and power plants. More than 100 American international law experts said the conduct of U.S. forces and statements by senior U.S. officials raise serious concerns about possible violations of international humanitarian law, including potential war crimes. Legal experts have said the attacks on civilian infrastructure can amount to war crimes if they target objects indispensable to civilian survival or fail the tests of military necessity and distinction under the Geneva Conventions.

The humanitarian toll has also sharpened scrutiny of the war’s conduct. The United Nations rights chief urged Washington to conclude its investigation into a strike on Iran’s Shajareh Tayyebbeh School, which reportedly killed more than 175 children and teachers. The World Health Organization confirmed attacks on healthcare sites in Iran, while the Red Cross warned this week that emergency medical needs are surging and that one staff member was killed in a clinic bombing.

As the conflict widens, the Pentagon itself has been shaken. On Thursday, War Secretary Pete Hegseth fired Army Chief of Staff Randy George, along with two other Army generals, during the latest military buildup in the Middle East. Firing a general during wartime is nearly without precedent and no official reason was given for the removals.

Governments worldwide are already spending heavily to contain the fallout. South Africa cut its fuel levy by 3 rand per litre for one month and is working on broader support for households and key sectors. Asian governments are deploying billions of dollars in relief, including Japan using reserve funds to cap gasoline prices, Indonesia budgeting 381.3 trillion rupiah for energy subsidies and compensation, the Philippines activating a 20 billion peso emergency fuel fund, Vietnam suspending fuel-related taxes, and Malaysia sharply increasing monthly subsidy spending.

India has moved on several fronts. New Delhi is considering cuts to import duties on critical raw materials and other essential goods, may curb some exports to protect domestic supply, and has already cut excise duties on petrol and diesel while rolling out support measures worth 18 billion rupees. India has intensified anti-hoarding raids as cooking-gas shortages deepen, while officials have promoted alternatives such as kerosene, coal and biogas and accelerated the rollout of piped natural gas to households.

The pressure is no longer limited to fuel. The U.N. Food and Agriculture Organization said world food prices rose in March to their highest level since September and could rise further if the conflict persists, because higher energy prices are lifting fertilizer and agricultural input costs. That warning matters for island economies like the Virgin Islands, where imported food and imported freight are tightly linked.

Taken together, the picture for the Virgin Islands is straightforward even if the final price effects are still unfolding: higher bunker and vessel-fuel charges from two major carriers, first reported by WTJX, a global oil market roiled by a still-active war, and mounting evidence that the energy shock is feeding into freight, food and inflation far beyond the battlefield.