

## 10 Apr 2020: Global logistics operations COVID-19 update

Today, the WHO reported 1,650,210 confirmed cases of the COVID-19 virus in 185 countries/regions worldwide. Supply chain is an essential service and critical to support the infrastructure for our communities. Government agencies and health organizations around the world continue to adjust guidelines as the situation evolves. The challenges supply chains are facing (e.g., transport, manufacturing, cost, etc.) in this environment are changing daily. We are adapting solutions to mitigate the impact of these changes to supply chain operations. Below are updates on operations and carriers regarding COVID-19 impacts. Today's changes are highlighted yellow.

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## Summary

The ability to move goods is reduced compared to pre-COVID-19 times. The challenges we are facing include reduction of number of available aircraft and vessels; increased border crossing lead-times in several countries; shortages of ocean containers; and cost increases for all modes of transit. Some of the headwinds faced include:

- Air: Airlines have grounded an estimated 7000 plus of their fleets
- Ocean:
  - o “Blank” (canceled) container-ship sailings surging spiking from 45 to 120 in the past three days
  - o Global schedule reliability of liner shipping companies dropped to the lowest recorded level since 2011
- Parcel: Emergency surcharges for FedEx, UPS and DHL are now in place to cover increased operating costs due to COVID-19.
- US Trucking: North American Intermodal volumes continue to drop on a year to year basis with trailers down 21.7% and international containers down 7.6%.

These challenges are impacting geographies, lanes and at several air/seaports in different countries. ETA estimates for ocean are not as reliable as in the recent past. Please note that until operations return to normal freight quotes may change without notice. To avoid changes, advanced bookings are recommended.

The International Federation of Freight Forwarders Associations (FIATA) has urged governments to act to ensure that ports remain open to allow the freight and logistics sector to help tackle the Covid-19 crisis. FIATA noted that although announcements were already being made about what may be “the largest drop in the volume of shipments in living memory”, international trade and logistics, although severely affected by the international Covid-19 corridors by air, sea and land, “continues to function” but not at pre-DOVID-19 levels.

## Ocean Operations

- Global schedule reliability of liner shipping companies dropped to the lowest recorded level since Sea-Intelligence introduced the score in 2011. Namely, in February 2020 the schedule reliability was down by a further 3.4 percentage points month on month hitting 65.1% (World Maritime News April 3rd)
- Capacity reductions set to stay. By removing capacity from the container shipping market, carriers have managed to maintain freight rates so far. Further blankings are likely on non- mainline trades, however, new wave of cuts likely as China export demand falls. (Lloyds List April 6)
- As the World's Borders Close, ocean carriers have suspended crew changes for a minimum of one month.
- The world’s biggest shipowner and seafarer bodies are calling for seafarers to be exempt from national travel bans, while the head of the International Maritime Organization has called for pragmatism in dealing with crew changeovers.
- Container lines on brink of cashflow crunch. Global carriers are still being paid for freight shipped from Asia before China shut down factories, but now face a hole in their finances as the impact of blanked sailings and reduced volumes starts to be felt.
- The recovery in containerized exports from China may prove short-lived as retailers in North America and Europe respond to a slump in consumer spending, with serious consequences for container lines that had been hoping for a return to relative normality during the summer.

## Middle East/India Sub/Africa

- Bangladesh - Port authority suspended crew changes for 8 weeks from March 21. If crew change is unavoidable, a 14 days self-quarantine is required. All foreign ships arriving Chattogram port will be quarantined for 16 days.

- Kuwait - Container terminals are operating with normal hours.
  - All marine agencies are required to provide a copy of their logbook for the past 30 working days.
  - Effective March 23, Kuwait and Saudi borders are restricted to move essential commodities such as food and medical supplies only. Boarder authorities in KSA recommending other commodities to move by Sea or Air.
  - Borders of Maritime placed restrictions or are closed for entry of vessels that visited the most affected countries.
- India - Officials announced 21days lockdown until April 14 for the entire country.
  - Inbound containers have been unloaded, but are being kept in the port area, port to CFS and CFS to port operations may resume on April 1. Ports and ICDs are working with limited number of staff. All major ports are functional, and productivity is normal, berthing of some vessels is getting delayed due to quarantine requirements of Port Health Office.
  - Indamex service (India – US) have announced one voyage sliding due to unavailability of cargo/bookings, other services may follow the same.
  - There is delay in new booking release, MBL release and Import DOIssuance
  - Space availability from India Sub and Middle East to Asia is challenging. There has been a significant increase in rates.
  - Ocean carriers are waiving detention from March 25 until April 14. The waiver applies to import only by majority of carriers when some are willing to cover for both import and export.
  - Most countries are under curfew until further notice. Ports are operating normal hours. Port wait time is long in some countries for inbound vessels.

#### United States:

- Ocean carriers are willing to make special arrangements for demurrage and detention in case of terminal closure, any restrictions or changes of earliest return date for export. Any third-party expense such as chassis, storage fees, etc. is not covered by ocean carrier.
- US Terminals slow down operations as imports fall away. While some terminals are working normal hours, others are operating under reduced hours or closed 1-2 days during week.
- Equipment availability remains challenging especially in some inland locations.
- Advanced bookings are recommended for all trade lanes.
- Due to low import volume exporters have been dealing scarcity of empty containers for weeks.
- GRI from U.S. to Asia, Oceania, Middle East, India Sub applied by majority of carriers effective April 01st. Additional GRI announcements are introduced by carriers for May 01 to most destinations.
- Space availability is still an issue.
- Free time requests have become restricted globally. Existing free times are being honored so far.
- Ocean carriers are asking all customers to use their available online tools when possible before contacting them via phone or email. The request includes online payments as well. No physical documents are accepted by ports.
- Ocean carriers are requesting that all disputes are submitted within 5 days or as soon as possible.
- Some ocean carriers are waiving detention charges for import shipments. There is no additional information about demurrage as of right now.

#### Asia/Oceania:

- China now has 14 days minimum travel restrictions for ships and crews coming from worst-hit countries
- Shanghai has begun to allow crew changes as China increases efforts to relieve seafarers stranded on ships due to the coronavirus outbreak.
- Australian ports also require any inbound vessel to travel at minimum of 14 days. Maritime Safety Queensland has eased its entry restrictions to allow all vessels to call the port of Brisbane except those from China and South Korea.

- Space remains tight as additional void sailings are announced by ocean carriers.
- Far East to North America trade will experience 24 blank sailings by the 3 alliances between week 14 and 18. Total of 82 blank sailings from Asia to US West Coast from early February to early April. New York /New Jersey will experience 20 blank sailings on March and April.
- Far East to Europe trade will experience 47 blank sailing by major ocean carriers between week 14 and 23.
- TPEB are expected to increase further. There has been an increase in spot rates.
- Wuhan operations is still closed. Expected return date is unknown at this time.
- Advanced bookings are still recommended for all tradelanes.
- Malaysia has extended the MCO (movement control order) until April 14. No foreign nationals allowed. No crew change allowed regardless of nationality at any Malaysian port unless medical emergency. If such emergency arises the evacuation must be coordinated with the local port health officer. If said evacuation places the vessel at risk to under manning and a need to add a crew only a Malaysia crew can go aboard.
- Philippines is under enhanced community quarantine until April 13. Ports are reportedly fully operational but with skeleton crew. Restrictions are being applied to truckers as they need to get ID from government.
- Manila port in Philippines is experiencing space issue in the CY. The recommendation is to either re-route cargo to a different port or arrange to pick up inbound containers as soon as possible. Additional cost may apply in an event that port needs to make any special arrangement such as temporary storage, diversion or moving cargo to a different location. Ocean Carriers announced a port congestion surcharge for reefer containers.
- Singapore eases up on crew change restrictions under certain circumstances. Shipowners and ship agencies may submit their requests to the MPA for consideration.

#### Canada:

- Ports and offices are working normal hours.
- There are slight delays in Intermodal (rail) services due to backlog from February Blockades/shutdown. The situation is being monitored closely.
- Equipment availability is not a concern currently.
- Drayage and trucking operations is running smoothly.

#### Europe:

- Blanked sailings are expected to increase for certain trade lanes. Carriers are rapidly reducing head haul capacity from Asia Pacific. This risks a shortage of equipment being imported for backhaul volumes.
- The European Commission has formalized its decision to extend the Consortia Block Exemption Regulation for four years. But forwarder representatives say shippers' voices have been ignored.
- With global shippers focused on keeping the world trading as best they can, the unqualified extension of the CBER until 2024 will be a surprise and feel as if the commission has taken
- advantage of the coronavirus crisis to push through an unpopular and contested decision," said Global Shipper's Forum (GSF) secretary-general James Hookham.
- Space and equipment shortages are being reported in all locations.
- Factories are slower in production.
- Rate increased announced for export to North America and Mexico.
- In Italy, Genoa port terminal announced to reduce number of staff and operations all. depending on volume. Some carriers announced to move their fleet to La Spezia port for the time being. Trucking costs are expected to increase also.
- All other ports remain operational. There is no report of any port closure at the moment.
- Trucking shortages are being reported in and out of effected countries.

- There is a mandatory 14 days quarantine implemented in some countries for truckers coming from Italy.

#### Latin America:

- Increased pressures reported in several terminals in Latin America. The performance of those terminals slowed down as they face cumulative difficulties to move containers in and out of the terminal.
- Ports and operations are running smoothly with normal hours.
- Due to transitioning of market rate increase is expected for service to Asia in coming weeks.
- Service to US and Europe is running smoothly with no significant issue. Most vessels are reportedly moving full.

#### Ocean Port Operations Status

BIMCO have a page dedicated to port status; <https://www.bimco.org/ships-ports-and-voyage-planning/crew-support/health-and-medical-support/novel-coronavirus---implementation-measures>

- India Ports (Nhava Sheva, Mundra, Pipavav, Chennai and Calcutta) are operational with limited staff
- Prince Rupert – normal
- Vancouver – normal
- Montreal - normal
- Halifax – normal
- Seattle - normal
- Tacoma – normal
- Oakland – normal
- Los Angeles/Long Beach: Thu 4/9 – YTI 1<sup>st</sup> shift closed. Everport 2<sup>nd</sup> shift closed. PCT closed.  
Fri 4/10 – PCT, Pier A, LBCT, ITS, FMS, APMT, Trapac, Everport, WBCT, YTI 2<sup>nd</sup> shift closed.
- Houston: 4/10 – Closed.
- New Orleans: 4/10 – Closed.
- Mobile: 4/10 – Closed.
- Tampa: 4/10 – PTB closed.
- Port Everglades: 4/10 – FIT closed.
- Miami: 4/10 – SFCT closed.
- Jacksonville: 4/10 – Trapac closed.
- Savannah: 4/10 – Garden City terminal closed.
- Norfolk: 4/10 – VIG/NIT terminals closed.
- Charleston – normal
- Baltimore: 4/8 – Seagirt closed. 4/10 – Seagirt closed.
- Philadelphia: 4/10 – Packer Avenue Terminal closed.
- New York: 4/10 – GCT and Maher Terminal closed.
- Boston – normal
- Rotterdam: Port faces personnel shortage but terminals and depots still operational.
- Le Havre: Port faces personnel shortage but terminals and depots still operational.
- Hamburg – normal
- Antwerp – normal
- Felixstowe – normal

#### Commercial Air Operations Update

Handling issues compound capacity challenges. Social distancing and stricter rules aimed at preventing the further spread of coronavirus are reducing the efficiency of air cargo handling, adding time into supply chains and in effect limiting overall available capacity, according to leading forwarders (Lloyds Loading List, April 8)

Asia-Europe air rates increased rapidly last week, the latest figures from TAC Index show that average prices from Shanghai to Europe last week increased by a huge 42.3%, a record for the index. There was also a 27.4% week-on-week increase on services from Hong Kong to Europe – also a trade lane record for the index. Rates dropped on the westbound transatlantic – down 18.9% on Frankfurt to North America. Chicago to Europe registered a 15.9% increase. (Air Cargo News, April 7)

Airfreight rates between China and Europe increased rapidly last week but there was a drop to North America. Air cargo capacity down by 35% on last year. Figures released consultant Seabury show that most trade lanes are seeing capacity reductions compared with a year ago of between 30-60%. Some of the hardest hit trade lanes are Europe-Africa, which is down 59% in both directions, and South America-Europe, which is down more than 60% in both directions. Asia Pacific to Europe is down 30% while the reverse direction has reported a 32% fall in capacity. (Air Cargo News, April 6)

Despite an accelerating drop in overall global tonnages carried by air at the end of last month, international air freight forwarders continue to report tight capacity on many key lanes – notably ex-Asia and the transatlantic.

IATA released an information page listing the status of air lines globally, which is free for all to access; <https://www.tact-online.org/covid-19>. IATA has welcomed the European Commission's (EC) Guidelines on Facilitating Air Cargo Operations During the Covid-19 Outbreak. IATA said that the EC has understood the industry's challenges and provided comprehensive and practical guidance to ensure that permissions to operate are quickly granted and that air crew are able to operate efficiently with exemptions from quarantine measures. Global airlines face \$39bn in second quarter net loss as revenue and traffic plummet, IATA says.

- United, LATAM and Turkish join Cathay Pacific, Korean, Delta, and IAG in using some of their passenger aircraft on cargo-only services.
- Delta Cargo and American Airlines Cargo are the first Vendors to make use of the free PayCargo community service. The online payment company has launched a free communication mechanism that allows vendors such as airlines, ship terminals, and maritime operators to share key information with the 20,000-plus payer users in the company's online system. The service enables vendors to communicate the availability of new capacity options to payers and has been launched to help the freight and shipping community as it contends with global supply chain challenges due to the Covid-19 outbreak.
- Carriers who are currently operating freighters: this is very fluid however on a positive note none have reduced flights but rather adding. Space of course as this continues will be limited the rates into EMEA are increasing anywhere 50% or higher. KE/5X/LH/CI/NH/QR/CX/TK/FX/DHL/BR/RU/EY/LY/5C
- Air Bridge Cargo - is suspending flight operations in and of IAH/DFW/LAX until further notice. The initial April schedule did show LAX/ORD/AMS at 3x/week, but the in the final schedule the decision has been taken to suspend LAX flights and close the LAX office as of March 31.
- Air Canada has significantly reduced its number of flights as a result of the Covid-19 outbreak, but it is utilizing its fleet to transport cargo to keep supply chains moving. In an operations update, Air Canada said that it has capacity on scheduled wide body flights operating on routes between Canada, Europe and Asia. Capacity is also available on four weekly cargo-only flights to and from Shanghai — and there is a possibility that it will add additional scheduled flights to and from Shanghai too. Additionally, ad-hoc all-cargo flights on Boeing 777 and 787-9 aircraft are available on demand to almost anywhere in the world. Dozens of such flights have operated so far, mostly from Toronto to Europe and Asia.

- Air France/KLM Freighters will continue per schedule.
- Air India canceled flights from UK-EU into India, including citizens trying to return home. Flights to Italy, France, South Korean, Kuwait, Spain and Sri Lanka were suspended until April 30. Halts all passenger flight bookings until April 30
- Aer Lingus cancelled LAX –DUB until further notice SEA will cancel at the end of March.
- American Airlines - In the coming week, is adding additional cargo-only service from three of their U.S. hubs. Dallas/Fort Worth (DFW) to Frankfurt (FRA) DFW to Dublin (DUB) DFW to Hong Kong (HKG) New York City (JFK) to London (LHR). They are also planning to add cargo-only service between Miami (MIA) and Buenos Aires (EZE) and to Shanghai (PVG) and Seoul (ICN) soon. These flights are in addition to their regularly wide body international service that includes 17 weekly flights, including daily service between DFW and LHR, MIA and LHR and three weekly flights between DFW and Tokyo Narita (NRT). American Airlines has implemented a peak season surcharge due to COVID-19 which will apply to new bookings after March 17, it doesn't apply to shipments to and from Brazil.
- British Airways cancelled operations between IAH-LHR until further notice. Ceased operations into Shanghai and Beijing and pulled any existing crew. Cancelled all flights from London City airport. British Airways to suspend passenger flights to Hong Kong & Sydney from early April. Cancellation of London-Singapore service possible. British Airways suspends all flights from London Gatwick. British Airways to suspend 80% of its staff during COVID-19 crisis. Direct flights to Tokyo suspended from April 3
- Cargolux will increase freighter capacity to China over the coming weeks as production lines resume operations. The move comes as freighter operators brace for a spike in demand from China as a result of passenger airlines cutting services due to low demand and factories slowly starting to come back online following an extended Chinese New Year break due to the coronavirus outbreak.
- China Airlines reducing flights in and out of Mainland China with the exception being freighter operations.
- Cathay Pacific (and Cathay Dragon) Now suspending all freighter flights into all cities in India. As a result of recently announced government-imposed restrictions in India and Vietnam several flights have been cancelled. Refer to the "Check Flight Availability" function on their website for the latest and most up-to-date flight schedule information. Suspended operations between SFO - HKG as of March 29 for a period of 2 months. Their plan is to resume operations from May 31. Check their website for additional flight cancellations. Cathay Pacific Airways to make further cuts to flights due to low demand
- Delta – Service has been suspended between New York and Atlanta to London-Heathrow. Delta Cargo is adjusting operating hours for warehouses, DASH offices and the Cargo Customer Service Center. Due to government flight restriction they are suspending some additional flight New York-London 4-1, Los Angeles and Tokyo-Haneda, Atlanta-Rio de Janeiro suspended as of March 29, Atlanta-Sao Paulo suspended as of April 3 and some others. As demand for medical supplies continues to grow in the U.S., vital supply lines are getting a boost today as Delta restarts regularly scheduled operations from China with the launch of cargo-only flights between Shanghai and Detroit. The flights will operate three times weekly using a fuel-efficient Airbus A350-900 aircraft, a wide body jet that can carry 49 tons of cargo in its hold. Once the cargo arrives in Detroit, it will be transferred to domestic passenger flights to be shipped to destinations around the U.S. This is a round trip open space from DTW-PVG. Effective March 30, 2020, Delta Cargo is changing its booking window, allowing customers to book shipments within 7 days out instead of 14 days out. This new timeframe will help minimize shipment disruptions as the COVID-19 pandemic continues to evolve and impact Delta's flight schedule.

- Emirates Globally, all PAX operations end on March 25. We will be operating freighters and PAX freighters only. We are in survival mode. The only freighters for now that will continue are ORD and IAH. Those stations that have lost belly lift will arrange transport of their shipments to the nearest freighter station. The best thing is to have your local offices stay in touch with the local EK offices.
- Emirates SkyCargo has an updated route map and schedule highlighting new destinations and frequencies for both their Passenger Freighter (PF) and Full Freighter (FF) flights, view the update [here](#). Emirates is to operate all its cargo operations from Dubai International Airport after temporarily suspending operations at Al Maktoum airport from April 1. Emirates' SkyCargo freighter aircraft are usually deployed from Al Maktoum.
- Etihad Airways Following its recent launch of passenger freighter flights to 10 destinations, complementing its Boeing 777 freighter operations, Etihad Cargo has announced five additional routes using Etihad Airways passenger aircraft to increase the flow of essential supplies into the United Arab Emirates and provide further east-west connectivity between major markets. Using belly hold capacity on a mix of Boeing 777 and 787 aircraft, Etihad Cargo is introducing services between Abu Dhabi and Melbourne, Chennai, Kerala, Karachi, and Amsterdam, in addition to passenger freighters already operating scheduled cargo-only flights to Seoul, Beijing, Bangkok, Singapore, Manila, Jakarta, Mumbai, Delhi, Bangalore and Riyadh. The UAE General Civil Aviation Authority (GCAA) said specific flights were being granted permission so foreigners could leave the UAE but that the suspension on regular passenger services, such as transit, remained in place.
- Etihad Cargo is introducing a fleet of Boeing 787-10 aircraft as passenger freighters to operate 34 weekly flights, serving 10 markets initially. Each aircraft will provide capacity for 12 lower deck pallets and four containers, carrying up to 45 tons of payload. Introducing capacity, subject to permits, into India, Thailand, Singapore, Philippines, Indonesia, South Korea and other places where borders remain open for cargo. The current freighter schedule operated by the carrier will see additional flights into Riyadh, London, Hong Kong and Shanghai (Air Cargo News 26<sup>th</sup> March).
- EVA Air still flying into HKG/PVG/PEK at this moment. Freighter service seems normal, but PAX flights have been reduced more than 50%.
- IAG Aer Lingus and British Airways had their last flight on March 17.
- KLM operating freighters in to JNB again ex Amsterdam, 4 flights per week available semi close NL extended till April 28.
- Korean Air has started to use passenger aircraft to transport cargo on suspended passenger flights. Flight cancellations into mainland China, refer to their website for the most current updates. Was reported today they both carriers will also suspend all flight to and from Italy.
- LATAM Cargo has cancelled scheduled freighter service flights ORD-VCP, which may include connections to SCL and EZE. Their last flight for this route will be on Sunday, March 29, until further notice. LATAM has modified its freighter itinerary. Capacity between Europe and South America was increased 20%, adding up to a total of six weekly frequencies, largely catering for the transportation of automotive spare parts, general cargo and medicines to South America, as well as transportation of perishable products to Europe.
- LATAM Airlines will only operate 5% of its regularly scheduled passenger flights in April
- Lufthansa will increase freighter capacity to China over the coming weeks as production lines resume operations. The move comes as freighter operators brace for a spike in demand from China as a result of passenger airlines cutting services due to low demand and factories slowly starting to come back online following an extended Chinese New Year break due to the coronavirus outbreak. From March 24, only 5% of the original passenger flight schedule will be flown. The remaining flights in the long-haul program are the following, operated three times a week from Frankfurt: Newark (EWR), Chicago (ORD), Montreal (YUL), Sao Paulo (GRU), Johannesburg (JNB), Tokyo (TYO) und Bangkok (BKK). Lufthansa extends cuts until May 3.



- Qatar Airways has cancelled some passenger flights however freighter is moving per schedule. Qatar Airways cargo has increased its freighter flight frequency to The Netherlands, from nine to 34 flights per week. The carrier is using Boeing 777 and 747 aircraft to operate 27 flights per week to Amsterdam and seven per week to Maastricht. Qatar Airways is one of few airlines continuing to maintain scheduled commercial passenger services and over the next two weeks expects to operate 1,800 flights. Qatar Airways decreases flight by more than 75%. Qatar Airways cargo has increased its freighter flight frequency to The Netherlands, from nine to 34 flights per week. The carrier is using Boeing 777 and 747 aircraft to operate 27 flights per week to Amsterdam — one of the biggest gateways in Europe — and seven per week to Maastricht. Added air freight capacity to and from India with the utilization of passenger aircraft carrying freight-only from April in addition to the existing freighter service introduced April 1. Addition of 19-weekly belly load services increased the capacity from 2120 ton to 2535 ton. Also introduced freighter flights to and from Australia from April 2 to complement existing belly hold cargo services, adding 200 ton of main deck cargo capacity each week each way to bring combined weekly capacity to more than 550 tons. Twice weekly freighters will be operated to Melbourne and Perth with a tech stop in Singapore.
- Turkish Airlines canceled some passenger flights, please view their [site](#) for the updates. Stopping all passenger flight into JFK. Please note that, due to COVID-19, flights to some countries have been suspended. Starting March 27. All international flights except Chicago, Washington, Hong Kong, and Addis Ababa flights will be suspended until April 17. Suspending all flights to/from Italy. Turkish Airlines extends flight cancellations from April 17 to May 01. Suspends all domestic flights until April 20.
- United Airlines - United has a dedicated web page for updates regarding COVID-19. United to reduce daily flights to New York from 157 daily flights to 17. United Airlines temporarily reduces flights in/out of Los Angeles and San Francisco
- United Cargo
  - In a letter from the President of United Cargo, Jan Krems, on April 9 she stated the following. “Cargo-only flights program continues to succeed and grow. Since we began using Boeing 777 and 787 aircraft from United’s passenger fleet for this purpose, we have operated over 270 flights carrying more than 4.2 million kilos of cargo. What’s behind these numbers is much more important: keeping the global supply chain moving and connecting people to the products they need during this crisis. Our flights are carrying vital medical supplies like test kits and personal protective equipment to healthcare professionals all over the world. We began cargo-only flights on March 19 with service between our U.S. hubs and key cities in Europe: AMS, FRA and LHR. Since then we’ve added BRU, HKG, PVG, SYD and TLV to our all-cargo flight network, and we expect to begin service to and from CTU, PEK and TPE later this week.
  - United continues to temporarily adjust our passenger flight schedules due to the drop in demand as a result of the pandemic, to keep our employees safe and help to mitigate the spread of the COVID-19 outbreak in certain regions. To ensure you always have the most current flight data, United Cargo maintains a dedicated webpage listing all major COVID-19 schedule adjustments—including our cargo-only flights.
- UPS Air Cargo As a result of the increased demand to China for UPS Air Cargo Shipments, effective immediately and until further notice, all US origin shipments that are destined to China including PVG, CAN, XMN, SZX, FOC, HKG) custom rates will not apply for loose or prebuilt shipments. For your rate, please contact your Sales Representative.
- Virgin Atlantic is still flying from LAX to LHR. International flights were cut due to COVID-19 outbreaks.

## Charter Operations and Aircraft Availability

- Capacity is available for charters globally, contact us for current rates and availability.
- We have seen opportunities for part charters (20 tons and up) recently, but not seen regularly. If you have an opportunity send us the details and we can work on current, part charter capacity and pricing.
- Charter prices are based on current availability and that could change rapidly. Capacity and rates have been fluctuating a lot over the past few days.
- We must have a signed charter authorization from our client before we can sign the charter contract with the provider. Make sure you have someone standing by to sign agreements, capacity and rates change quickly.
- On all charters, funds must be received from our client prior to wheels up.

## Ground Transportation Operations

### United States

- FMCSA has extended until May 15 its national emergency declaration that provides relief from hours-of-service regulations for commercial motor vehicle drivers who are responding to the COVID-19 outbreak
- The Federal Motor Carrier Safety Administration (FMCSA) encouraged states, localities and territories implementing quarantines and other restrictions to follow DHS guidance on essential workers and CDC guidance to truck drivers delivering needed supplies: “federal guidance recommending unrestricted movement and access for critical infrastructure workers.” The statement reinforces previous federal guidance identifying truck drivers—and those working in related to transportation functions—as essential workers.
- Indications are the grocery industry is starting to see a slowing in demand as inventories catch back up.
- The Owner Operator Independent Driver Association (OOIDA) is lobbying the federal government for truck drivers to have access to testing and to establish a countrywide program so that drivers can quarantine at nearby motels.
- Dry Van Rates fell last week (Mar30-Apr5) following a sharp decline in load to truck ratios.
- North American Intermodal Volumes continue to drop on a year to year basis with trailers down 21.7% and international containers down 7.6%.
- Truck drivers continue to be challenged with finding appropriate rest time facilities.
- Truckload capacity had tightened during March with spot rates increasing but over the last week demand is weakening / slowing down.
- As volumes continue to drop many LTL networks are adjusting their schedules
- Our fleet continues to operate, and we are staffed to coordinate loads, establish scheduled or dedicated runs and respond to ad hoc opportunities.
- Our cross docks and logistics centers have space and are staffed to handle forward stocking, shipment diversions, and safety stock as services under our logistics offering.
- North American Class 8 truck orders dropped sequentially from February by 48% and from March of 2019 by 52% - the positive news is there were still in excess of 7800 trucks ordered.
- All eyes will be on west coast port operations this week for an increase in container activity translating into increased demand for trucking services off the west coast.
- Rail volumes are forecasted to drop during Q2 with the biggest fall off occurring in April.
- The city of Laredo has issued a mandatory ordinance to wear protective gear that covers the nose and mouth – this directive includes truck drivers.

## Europe

- European Logistics Association (ELA) – Following a surge of demand at the beginning of the COVID-19 crisis, the major road transport trade associations expect a short term drop of between 25% to 30% in the activity compared with the usual levels expected at this time of year, which is both due to the drop of demand and the difficulties experienced by international transporters as a result of imposed borders controls that have been introduced to mitigate the virus spread and additional health checks that are generating queues of several kilometers.
- Ferry operators have called on the UK government for financial aid as the industry furloughs staff and suspends passenger services across Europe. Stena Line will furlough 600 staff and make 150 redundant in the UK and Ireland. Freight transport is keeping some ferry companies afloat, but they warn it will not be enough to make up the shortfall (Lloyds List, April 6)

## Updates by Country/Territory

- Africa cancelled all African airlines scheduled flights to China except for Ethiopian Airlines.
- Argentina banned international passenger flights from COVID-19 affected countries including all of Europe, United States, South Korea, Japan, China and Iran, the decree will be in place for 30 days.
- Australia – Country ban to non-citizens and non-residents beginning March 20. State of Western Australia to introduce hard border closure from 06 April
- Austria - will deny entry to people arriving from Italy.
- Bangladesh – The Civil Aviation Authority stated flights are suspended until April 7. Extended commercial flight suspensions to Qatar, Bahrain, Kuwait, Saudi Arabia, UAE, Turkey, Malaysia, Oman, Singapore and India until April 15. Flights will continue to/from China, Hong Kong, Thailand and UK.
- Belgium – lockdown extended until April 19 with further extension possible until May 3. There will be no direct commercial air service from Belgium to the United States until at least late April.
- Brazil: São Paulo State extend the quarantine in the state for 15 days more and now only essential business will remain open till April 22. Country will bar entry of any non-resident nationals for 30 days.
- Bulgaria - Banned entry on its territory of citizens from 15 countries with large coronavirus outbreaks, including Germany, France, Italy, Spain, the Netherlands, the United Kingdom and Switzerland beginning March 18.
- Cameroon - Air, land and sea borders closed as of 18 March. All passenger flights from abroad will be suspended except for cargo flights & ships.
- Canada and U.S. closed borders March 18 to non-essential travel, it does not include trade. While transport is essential and moving through US/Canada borders / limited impact to rail and ports. All Provinces have now declared a state of emergency and imposed lockdowns for all but essential service. The only airports open to international flights are: YUL, YYZ, YYC and YVR. Truck Driver hours of service limits have been “lifted” in Canada for drivers who are engaged in Coronavirus-related relief assistance efforts. Windsor International Airport, Ontario, closed to public from 3-30 April because of COVID-19; flights suspended from April 2.
- Cayman Islands – Owens International Airport and Charles Kirkconnell International Airport will be closed March 22 – April 12.
- China – Country temporarily suspended foreign nationals with valid Chinese Visas and residence. Government of China released a new policy March 26 that effective immediately every airline can only operate one flight per week to one country. Wuhan Tianhe airport to partially reopen on April 8. Government of China released a new policy March 26 that effective immediately every airline can only operate one flight/per week to one country and the only airline move into Canada is MU (China Eastern Airlines).
- Colombia: On March 20, President Ivan Duque announced that, starting on the night of March 24, the country will begin a 19-day nationwide quarantine. Inbound international commercial flights are suspended starting March 23 for 30 days.

- Croatia - Government imposing a 14-day quarantine upon truck drivers returning from Italy, many Croatian drivers are now choosing to remain in their own country, which is having a detrimental effect on haulage in Italy due to the reliance the country has on foreign drivers and adding to the skill shortage within the haulage sector, this is especially felt in the North East region of Italy.
- Czech Republic - Country extends lockdown measures for another 10 days to April 11. The Czech Republic has decided to extend land border controls with Austria and Germany and air border controls which were set to expire on April 4, for another 20 days, as it estimates they are vital to combat the novel coronavirus crisis.
- Cyprus – Government bans flights from 28 countries from March 28.
- Denmark – Nationwide lockdown will continue until April 13. All air traffic from areas hit hard by COVID-19 are suspended.
- El Salvador - San Salvador International Airport to close for passengers for at least 2 weeks.
- European Union – Non-EU residents are not allowed to enter the region for the next 30 days unless they are long term residents of the EU, family members of EU nationals, diplomats, or essentials workers like doctors, nurses, and researchers.
- France – Paris Orly airport to close from March 31, Paris CDG has also temporarily closed two terminals. Lockdown to continue until April 15.
- Germany - Germany's coronavirus infection curve could have now flattened, according to the country's public health chief, as cases across elsewhere in Europe and the US continue to surge.
- Greece - Country to suspend all passenger flights.
- Guyana – Closes all international airports for two weeks beginning March 18.
- Hong Kong – Government closes airports to foreign arrivals indefinitely
- Iberia – Ceased all flights March 13 until further notice.
- India – India lock down will continue till April 14. All international passenger flights have been suspended until April 14; this will not include International cargo flights. Carriers are operating Freighters sub to cargo availability and passenger flights have been operated as cargo flights to evacuate back logs from respective airports.
- Indonesia - Foreign visitors wishing to enter Indonesia must obtain a visa from Indonesian missions in accordance with the purpose of their visit and applicants must provide a health certificate issued by a relevant health authority from their respective countries. Indonesia will suspend its visa exemption policy for all countries for one month and expand restrictions for people with a history of travel to some of the world's countries hardest hit by the coronavirus. The suspension includes short-stay visits, visa-on-arrival and diplomatic visa-free facilities.
- Italy - The Italian Government issued a new decree. The measure calls for the cessation of all industrial or commercial production activities, except for essential products and service that are critical to the functioning of the nation. While health officials are becoming increasingly optimistic over the gradual decline in new case numbers, Premier Giuseppe Conte announced much stiffer fines for violators of the national lockdown restrictions. At a Cabinet meeting the government set fines for violators from €400 to €3,000 euros.
- Iraq – Suspension of all commercial flights to/from until March 28.
- Ireland – Prime Minister announces lockdown until April 12. All essential businesses are continuing to operate which includes transportation and supply chain services. Cork Airport joins Dublin Airport & reduces operations
- Japan – Prime Minister declares state of emergency until May 6 in Tokyo and other areas.

- Kazakhstan - Bans entry to travelers from France, Germany, Italy and Spain.
- Kuwait - announced a public holiday in the country from March 12-26, with work resuming on March 29, companies providing vital services would remain open.
- Mali - Authorities suspend flights from countries affected by COVID-19.
- Malta - Country to cease all incoming passenger flights from 21 March & only allow cargo, humanitarian and repatriation flights to land to stop the spread of COVID-19.
- Malaysia - The movement of non-essential goods is now prohibited for delivery out of both airport and seaport. All airports and seaports are still functional as usual except for priority is given to ESSENTIAL GOODS. This is until further notice. The essential goods are: Food and Beverages, Agriculture and Fisheries including those imported, Household Products, Personal Protective Equipment, Pharmaceuticals, Printing Material, Medical and Surgical Devices and Parts, Oil and Gas, Petrol Related Chemicals, Chemical Materials (Steel and Poison), and Electricals including semi-conductors. All international flights into Penang to be cancelled
- Mexico - Closed borders with U.S. to non-essential travel, it does not include trade. Government tightens rules on gatherings and declares health emergency until April 30.
- Myanmar - The Myanmar Government temporarily suspends issuance of Visa on Arrival (VOA) and e-visa for all countries until April 30. Effective March 25 all foreign nationals traveling to Myanmar are required to present laboratory evidence of absence of covid-19 infection issued no more than 72 hours to date of travel before boarding any flight to Myanmar. They will be subject to a 14-day facility quarantine on their arrival into Myanmar.
- Netherlands – Government prohibits non-EU travelers from entering the country. The Dutch government has approved the transfer of the large number of cancelled passenger flights at Schiphol due to the corona virus to carriers with unlimited speed and speed. The measure will take effect immediately and will certainly apply until 6 June this year, the independent slot coordinator at Schiphol (ACNL) reports Monday afternoon. The scheme is intended to ensure that enough ad hoc capacity for cargo flights at the airport remains available, as almost 50% of the cargo capacity at Schiphol has disappeared due to the scrapping of passenger flights.
- New Zealand – Country closes borders to all foreign nationals.
- Nigeria - Country bans entry of travelers from 13 countries; China, France, Germany, Iran, Italy, Japan, Netherlands, Norway, South Korea, Spain, Switzerland, UK & US.
- Philippines - Suspending the acceptance of export air forwarding, import air breakbulk/forwarding and customs brokerage services requirements in Manila, starting March 24, due to a shut down.
- Portugal - Government closes all airports to commercial flights from 09 - 13 April to halt spread of COVID-19 during holiday period.
- Qatar - Government extends suspension of inbound flights except transit and cargo. The Gulf state also extended a lockdown of an industrial area in Doha where authorities reported dozens of cases of the disease.
- Romania - Flights decreased by more than 80% & trains by 20%.
- Russia – Government to ground all international flights from March 27. Government temporarily suspends all flights to and from Russia from April 4, including those repatriating residents.
- Saudi Arabia - Government halts domestic flights & trains until April 2. Government will be temporarily suspending all passenger flights from the United States to The Kingdom. Effective 16 March all passenger flights from LAX, IAD and JFK will be suspended for the next 15 days. They will continue to operate the weekly SV902 freighter from JFK to JED. There is also a possibility that they may operate additional charters. Lockdown has been enforced on the capital Riyadh and the holy cities of Makkah and Madinah to stem the spread of the novel coronavirus. Customs continues to face delays in clearance.
- Serbia - Closed its borders for travelers from other countries affected by COVID-19.

- Singapore – Has announced a closure of all non-essential businesses from April 7- May 4. Changi Airport to suspend operation of terminal 2 for 18 months.
- South Africa - Declared lockdown for 3 weeks from March 26, all flights to Johannesburg Lanseria airport to be cancelled.
- Spain – Under lockdown. Extension confirmed until April 13. Government to extend state of emergency until April 26.
- Sweden – All commercial flights between countries to be cancelled until April 13.
- Switzerland - Switzerland includes Spain in entry restrictions. This also applies with immediate effect to air traffic from Austria, France, Germany and Italy.
- Thailand - Authorities have closed their borders except for the Malaysian border. Border open for goods on four crossing points. Foreigners will be banned from entering the country under the emergency decree being invoked to combat at the coronavirus pandemic. The emergency decree went into effect on March 26 and remains in force through April 30. The decree bans all foreigners from entry at all entry points - the exceptions being shippers, diplomats, drivers, pilots and others permitted by Prime Minister Prayut Chan-o-cha. Phuket airport to close from April 10 until at least April 30. Land & Sea borders are closed. Aviation authority extends ban of all international flights until April 18.
- UAE - Suspends all flights into and from Abu Dhabi. Dubai's Expo 2020 to be postponed. The six- month multibillion-dollar trade fair that organizers had hoped would attract 25 million visitors will not go ahead as scheduled in October. Dubai was pinning many of its economic forecasts on the trade it was expected to generate. Continue closure of commercial establishments until April 18.
- Ukraine – Country completely closes state borders and blocks all passenger traffic.
- United Kingdom – Government imposes 3-week lockdown. Foreign office urges all Brits to return home currently. The ruling was applied from Monday March 23 All shipping personnel qualify as key workers. London City airport to close until further notice. London Heathrow Airport to close one of its runways from 06 April due to reduction in flights
- United States – Miami airport is open. U.S./Mexico border and U.S./Canada border closed to all non-essential travel, trade and commerce is exempted from the ban. U.S. suspended travel to the U.S. from Europe's Schengen Area for non-U.S. citizens and legal residents. Any US citizen or lawful U.S. permanent resident returning to the U.S. who has traveled to any of the EU Schengen Area States within the previous 14 days can only re-enter the US through one of the approved airports, foreign nationals having been within this area in the last 14 days will be unable to travel to the US. Approved airports are as follows; ATL, DFW, DTW, EWR, HNL, JFK, LAX ORD, SEA, SFO, IAD.
- Venezuela – Customs Authority offices are slowing down their operations. Currently they work until 2pm average. All orders are being processed under regular terms if proper documentation is provided accordingly. Main airports in Caracas, Valencia and Barcelona are operative. Operation restricted until 2pm average everyday only for CAO. PAX not accepted. Ocean ports operating normally. There is commodity restriction for inland distribution: industrial products, raw materials and first basic needs (foods and medicines) are allowed. Truck appointments at port are required with 1 day in advance. There are difficulties to provide same day pick up. There is gas shortage currently limiting equipment availability for internal transportation. Refineries stopped. General quarantine extended to April 30.
- Vietnam - All foreigners denied entry, (no crew change) still no guidance on whether the ban will extend after the 30 days (April 18). As of March 25, all non-essential business has been closed. Prime Minister Nguyen Xuan Phuc has ordered the suspension of all international flights to Vietnam amidst restricted entry into the country by air, road and sea.
- Zimbabwe - Government bans local and international travel as it declares national disaster.

## Land Borders

- EU goods which are subject to Russian sanctions can now be transported from Europe to China by rail using electronic seals during transit through Russia.
- European road freight giant Waberer's struggles with Covid-19 cutbacks. Facing falling demand, Hungarian group introduces 'special' measures, which include taking a "significant portion" of its truck fleet out of service with immediate effect, in "order to preserve the short-term financial stability of the company". The company has around 4,300 HGVs and employs more than 8,000 staff.

## European Union

Guidelines to all member states on "green lanes". Four objectives to make real progress on EU roads. Even with these guidelines in place, the wait time is substantially high.

- Crossing the border to take a maximum of 15 minutes
- Green lanes must be open to vehicles carrying any type of goods
- Governments must suspend restrictions
- Less paperwork for transport workers
- Sixfold have a free application that maps out European borders with live information on crossing times <https://covid-19.sixfold.com/>
- The border crossing linking Bahrain and Saudi Arabia has been closed by the Bahraini authorities as of March 25. The anticipated reopening date is unknown currently; however, cargo is still moving across the causeway and this goes to all borders with Saudi including airport.

## Other

- German Bavaria Borders to Austria – filtering system in place to separate cars for checks with goods vehicles being waved through, smaller delivery vehicles are being checked for passengers.
- German Rhineland-Palatinate and Saarland border into France – experiencing considerable waiting times, mainly due to the lack of infrastructure
- German Baden-Wuerttemberg into France – paper checks are normally conducted; however, the additional controls are having a massive impact on traffic flows with reported long delays of up to 3 hours.
- Austria Brenner into Italy – backlog of around 80 kilometers of traffic passing into Austria
- Poland - Czech Republic borders becoming completely blocked as checks are conducted
- France – all internal and external borders have controls in place that began March 17 to prevent entry to non-resident travelers, this includes all Schengen borders.
- Generally, as infrastructure is reintroduced, countries have been instructed to implement filtering systems to avoid delays with international freight.
- EU leaders plan to close external borders for 30 days to prevent spread of virus but establish fast-track lanes at their countries' frontiers to keep goods moving
- Finland - Border restrictions imposed. Passenger train service with Russia set to end. Goods and cargo transports will continue across all borders.

## Non-Schengen Area

- Moldova has closed Chisinau Airport and land borders with Romania and Ukraine
- Austria - Austrian chancellor Sebastian Kurz announced plans to limit movement nationwide. He said people should go out "only alone or with the people who live in their apartment." Poland and Lithuania are also shutting their borders