CLIENT ADVISORY

April 25, 2019 Update

U.S. – Mexico Border Operations

Dear Valued Customer,

As the U.S. administration debates potential changes at the U.S.–Mexico border in response to increased numbers of people crossing the border, supply chain professionals can keep up to date with the latest impacts below.

Port of Entry Operational News

Congestion appears to be the new normal and wait times have been consistently higher than normal at all Ports of Entry. Due to this shift to normalized congestion, we will only provide updates when significant changes occur at the border.

Updated wait times for commercial cargo can be found <u>here</u>. **Please note:** it is widely believed that the published wait times are inaccurate and significantly underestimate actual wait times, particularly later in the day.

Otay Mesa/Calexico (New Update)

- Processing delays continue to snowball at Otay Mesa.
- Otay Mesa has 4 standard and 3 FAST lanes open of 10 total.
- Calexico has 2 standard and 1 FAST lanes open of 3 total.

Nogales (New Update)

- There are currently 6 standard lanes and 2 FAST lanes open of 8 total.
- View the Nogales live camera <u>here</u>

El Paso (New Update)

- Customs and Border Protection (CBP) held a meeting yesterday afternoon. Below are the proposed process changes to increase efficiency:
 - All empty tractor trailers go through Bridge of the Americas (BOTA) Cargo between 8 a.m. to 6 p.m. Monday through Friday.
 - Close BOTA Cargo at 2 p.m., Monday through Friday, to open more lanes at Ysleta Cargo.
 - Designate a lane for empty trailers at BOTA Cargo.
 - Add an additional FAST lane to Ysleta and BOTA for a total of 3 FAST lanes at each.
 - Require drivers to arrive with customs papers in hand to avoid delays.
- There was no update on when additional officials will arrive at El Paso.
- Ysleta has 3 standard and 2 FAST lanes open of 8 total.
- Bridge of the Americas has 2 standard and 2 FAST lanes open of 6 total.
- View the El Paso Live camera here

Our information is compiled from a number of sources that to the best of our knowledge are accurate and correct. It is always the intent of our company to present accurate information. C.H. Robinson accepts no liability or responsibility for the information published herein.



Laredo (New Update)

- As of yesterday, Laredo was the only Port of Entry to have officers return from deployment elsewhere.
- Wait times at Laredo have improved considerably since deployed officers have returned. Half of returning officers have been working commercial bridges.
- World Trade Bridge currently has 8 standard and 3 FAST lanes open of 12 total.
- Colombia currently has 2 standard and 1 FAST lanes open of 4 total. Mexican customs brokers must have authority to cross via Colombia.
- View the Laredo live camera here

McAllen/Pharr (New Update)

- Pharr will only allow private passenger vehicles to cross between 8:00 a.m. and 4:00 p.m. in order to alleviate commercial traffic congestion.
- There are 5 standard lanes and 1 FAST lane open of 6 total.

FAST lanes refer to the Free and Secure Trade (FAST) program. It is a commercial clearance program for known low-risk shipments entering the United States from Canada and Mexico. Learn more about the program here.

Policy News

- President Trump renewed threats to close the U.S.-Mexico border yesterday.
- U.S. Customs and Border Protection <u>announced</u> yesterday that it is offering a five percent pay bump to agents willing to stay on the job another year.

What This Means

We are now over three weeks into what has been, essentially, a partial shutdown of the freight border between the U.S. and Mexico and seeing impacts across the supply chain.

This week, CBP provided industry some optimism that agents may begin to return to their home ports of entry and reduce wait times. On Sunday, April 21, CBP began to the redeployment of officers from other ports and restored 100 officers to the southwest border ports. This week they will be moving officers from other land, sea, airports and the northern border. Overall 545 officers are being redeployed: 245 officers will come from the southwest border and 300 officers will come from other ports.

We will keep a close eye on operational changes, such as the number of lanes open and reductions in wait times, which would indicate staffing changes.

We encourage you to work with your C.H. Robinson account management team to adopt strategies to mitigate the impacts of these delays on your supply chain, including mode shifting to air and rail, delaying or adjusting production schedules, and sourcing inventory from other locations when possible.

Thank you for being our Valued Customer. If you have any questions, please do not hesitate to contact your C.H. Robinson commercial representative for further information.

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Sincerely, C.H. Robinson

