

March 20, 2020

## UPDATE: Coronavirus Outbreak

Dear Valued Customer,

We continue to monitor Coronavirus Disease 2019 (COVID-19) globally. We remain fully operational, continuing to service all global and domestic transportation while adhering to government and health regulations. All our locations have business continuity plans and strategies in place to allow our employees to work remotely as the need arises and ensure our customers and carriers receive uninterrupted service. We continue to work closely with our customers on production planning and forecasting as the situation remains fluid.

Here are the most recent updates by region:

### North America

- California's Governor issued a stay-at-home order on March 19, 2020. Essential workforces, as defined [here](#), are exempt. Transportation and logistics are listed as an essential business.
- Additionally, Pennsylvania's Governor announced all non-life sustaining businesses close their physical locations starting March 19, 2020. To view the full list of businesses they consider life sustaining [click here](#). Transportation and logistics are included on the list.
- As the situation remain fluid and some businesses close due to COVID-19, freight is stacking up in terminals pending disposition and carriers are working to schedule appointments. We are seeing this influence on time performance negatively.
- FMCSA continues to release clarifications surrounding their [emergency declaration](#) that impacts Hours of Service rules in the U.S. Learn more [here](#).
- Truckload, LTL, rail and drayage capacity is stable. We continue to work closely with customers and carries as delays and disruptions appear in the market. We are putting additional emphasis on shipments within our network to increase the velocity of deliveries of products that are in support of the fight against the pandemic as well as consumer staples such as food and paper products.
- As local and state trucking rules are adjusted, we encourage you to view the latest updates in more detail [here](#).
- U.S. Customs and Border Protection (CBP) is considering granting extensions for duty payments due to the COVID-19 pandemic. The National Customs Brokers and Forwarders Association of America has been in discussions with CBP. They confirmed that CBP is reviewing case-by-case deferrals for duty payment. We are expecting more information from CBP next week if these extensions will be expanded.
- CBP confirmed in [CSMS#42083777](#) they are extending bond insufficiency notices for U.S. importers by 10 days for March. No changes have been announced for April.

### Asia

- Demand continues to exceed capacity in Asia as production in China returns to full efficiency. Currently, all Asia ports and airports remain operational. We continue to work closely with our customers to accommodate their supply chain needs in the fluid environment – including offering air charter services and expedited FCL and LCL programs from Asia and Europe.

### South Asia

- All major ports are operating normal, but expect delays and equipment shortage soon
- Air freight capacity is becoming tight due to cancelled flights; freight and charter services available

### Europe

- There continues to be a shortage of empty container supply across Europe due to lack of imports from Asia. Currently, there is an elevated need for reefer empties.

*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.*



- Along with cargo planes, passenger planes are being used to transport cargo into key Europe hubs. Currently, there is enough capacity available with the current demand. Demand may decrease due to the volatility and slowed production on non-essential products.
- Europe truckload continues to experience delays in cross-border shipments. View the latest crossing times [here](#).

#### Oceania

- In Australia, the Queensland Maritime Safety Authority recently announced requirements for Port of Brisbane in Queensland. Vessels cannot enter a Queensland pilotage area until 14-days have elapsed since the vessel left any country outside Australia. This applies to all vessels that have departed a country outside Australia after 15<sup>th</sup> March AST. Exceptions to this restriction apply to New Zealand, Papua New Guinea and several South Pacific origins.
- Also in Australia, regarding New South Wales, Port of Sydney, vessels cannot berth until 14-days have elapsed since the vessel left any port within Mainland China.

#### Latin America (LATAM)

- General
  - Port terminals-delays in import clearances & export processes; ocean carriers are regulating supply to follow demand blank sailing selectively; equipment imbalance is an issue on all trades
  - Quarantine and plant closures impact regular production for the coming weeks
  - No international inbound passenger flights; charter cargo service options in all regions
- Mexico
  - Declared national emergency March 19<sup>th</sup>
  - All entry ports are working as normal with full staff; vessels from Asia will start to arrive completely full in the next couple weeks.
  - Demand in Mexico is starting to decline in some sectors (automotive & contract manufacturing), and peaking in others (health care, food/ groceries and pharmaceutical)
- Argentina - port terminals and airport are working with reduce staff
- Brazil - 85% of international flights cancelled
- Chile
  - Ports and airports are operating normal for now, but expect delays soon
  - Chilean Customs informed that all procedures usually requiring original documents may be treated with digital copies
- Colombia - government investing \$15 B (USD) to fight COVID-19; customs is focused on clearance of emergency products, medical supplies & essential commodities

#### Links to additional resources:

- [WHO](#) updates and [CDC](#) updates
- [CBS News](#) update and [BBC News](#) update
- [COVID-19:Implications for business](#) (McKinsey & Company)
- [Global Cases](#) (Johns Hopkins CSSE)

We will continue to monitor the situation and provide updates as needed. For previous advisories, please visit our [Client Advisory page](#) on our website. Here is a direct link to the most recent update:

3/18/2020 – [UPDATE: Coronavirus Outbreak](#)

3/19/2020 – [UPDATE: Coronavirus Outbreak](#)

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.

Sincerely,  
C.H. Robinson

*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.*

