CLIENT ADVISORY

April 21, 2020

UPDATE: Coronavirus Pandemic

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:

Newest updates are at the top of each section; older updates that are still relevant are slightly grayed out

North America

- For more detailed updates regarding sourcing and North America surface transportation including truckload, intermodal and less-than-truckload click here.
- As of April 19, U.S. importers can temporarily extend deadlines for duty remittances if they are suffering significant financial hardship due to COVID-19. However, this does not apply to antidumping or countervailing duties, or to Section 301, 232 or 201 additional duties. Click here for more information.
- Due to the high demand for importing Personal Protective Equipment (PPE) and test kits on the Trans-Pacific, we continue to offer expedited FCL and LCL services as air freight capacity remains tight. To learn more about the specific schedules reach out to your account rep or connect with us here. These services are also available on the Trans-Atlantic.
- The Federal Emergency Management Agency (FEMA) released <u>U.S. export restrictions</u> for Personal Protective Equipment (PPE) related to COVID-19. Click <u>here</u> for an information FAQ and how the restrictions may impact your U.S. exports.
- U.S. Customs and Border Protection (CBP) announced a COVID-19 Relief Imports Web Portal to help
 with cargo inquiries related to the importation of medical supplies to fight the spread of the COVID-19
 virus
- Some U.S. states have implemented regulatory changes for trucking, including weight limit changes.
 Click here to review the latest updates.
- All ports and airports remain operational.

Latin America (LATAM)

- Apart from Uruguay, multiple governments across LATAM have extended their stay-at-home recommendations. Logistics and transportation continue to operate throughout LATAM with some delays.
- In Argentina and Brazil, local governments are overseeing the shipments of COVID-19 test equipment and protective masks.

Asia

- Continue to see a high demand for air freight capacity for Personal Protective Equipment (PPE). To avoid competing for export capacity, some shippers have transported their freight from central or north China to Hong Kong.
- Due to China Customs' <u>export regulations on PPE products</u>, some shipments are being delayed 5-8 days.

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.



- Additionally, Qingdao implemented strict customs inspection since last week which may cause shipment delays.
- The Singapore government is sourcing resources for daily necessities to be imported via ocean.
- The railway service from Wuhan to Europe is gradually returning to normal.
- Ocean carriers have announced new blank sailings/capacity cuts from Asia to Europe, India and North America due to the lock downs in those regions.
- All ports and airports remain operational.

South Asia

- India remains under lockdown until May 3, 2020 but the government has given some partial relaxation in a few states across India.
- At this time, transportation of both essential and non-essential commodities is permitted, as well as inter-state movement. With permission, all EXIM cargo can move to and from the ports.
- Multiple ocean carriers have implemented blank sailings on all lanes due to the current situation.
- Customs staff continues to work with limited staff, clearing both inbound and outbound cargo.
- Sri Lanka is on indefinite curfew/lockdown; however, the port and airport remain operational and continues to manage commercial cargo with limited staff.
- All of India's airports and ports remain operational but with limited staff to manage operations.
- All domestic and international flights are still suspended. As a reminder, this does not apply to cargo flights. Some airlines have created capacity by converting passenger flights to freighters.
- Currently only Emirates, Turkish, Etihad and Qatar airlines are operating out of India carrying freight.
 Others are ready to carry cargo based on demand.

Europe

- Europe truckload continues to experience delays in cross-border shipments. View the latest crossing times here.
- Demand and capacity on the Trans-Atlantic remain stable. As countries and local governments explore reopening businesses, we may see higher volumes, however it's unlikely the demand will exceed capacity.
- Passenger aircrafts converted into cargo planes continue to operate on the Trans-Atlantic.

Oceania

- The New Zealand Ministry of Transport advised all essential and non-essential import cargo can now be delivered & distributed under Alert-Level 4-essential & non-essential. As a reminder, New Zealand borders remain closed and international travel continues to be restricted. Air and maritime, related to cargo transportation, continue to be exempt from the travel restrictions.
- As of April 9, 2020, the Fijian Authorities, re-opened the Port of Lautoka. Lautoka and Suva remain in lockdown, but essential services such as transportation of freight, ports and depots remain operational.
- Implementation of border restrictions in Australia, see increased screening and security measures that may cause delays for goods entering Western Australia, South Australia, Queensland and Tasmania. Border restrictions in Australia vary state-by-state.
 - As of April 6, 2020, Western Australia has issued border closures for all access points including roads, rail, air and sea for interstate travel. Regional borders have been closed meaning travel is restricted between the nine regions (Perth and Peel have been combined). Freight of essential goods via air, rail and sea freight as well as trucking are exempt from both regional and state border closure restrictions.

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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 through our <u>client advisories</u> and <u>blog</u> <u>posts</u>. Below are direct links to recent updates:

- 4/20/2020 Navigating Through the Disruption An Oceania Perspective
- 4/14/2020 UPDATE: Coronavirus Pandemic

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



