

May 12, 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 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 detailed updates regarding sourcing and North America surface transportation – including truckload, intermodal and less-than-truckload – click [here](#).
- The Center for Disease Control and Prevention (CDC) recently released guidelines for the trucking industry which can be found [here](#).
- Ports of entry are operating as normal in Mexico with little delays. Due to some businesses halting production during COVID-19, Southbound volumes into Mexico have decreased. This makes it difficult for Mexico shippers to find available capacity and equipment for northbound freight moving into the U.S. Our team is working closely with customers to mitigate disruptions.
- As demand for importing Personal Protective Equipment (PPE) and test kits on the Trans-Pacific remains high, we continue to see companies convert their PPE freight from air to expedited ocean FCL or LCL for cost savings. If this trend continues, we will likely see the air freight market normalize on the Trans-Pacific. *To learn more about expedited ocean services reach out to your account rep or connect with us [here](#).*
- The U.S. Food and Drug Administration (FDA) recently amended their rules for Chinese manufactured KN95 masks after some masks proved ineffective when CDC tested the products. Approved manufacturers are listed on Appendix A (located [here](#)). Emergency Use Authorization requirements and instructions for getting added to the list, can be found [here](#).
- U.S. exports of certain PPE to Canada and Mexico are exempt from export restrictions and may immediately export. However, a Letter of Attestation (LOA) is required. As exports to Canada do not require an AES filing, the driver will need to present this letter to CBP at export in order to avoid delays. For exports to Mexico, the LOA will be submitted with the export clearance by the customs broker.
- 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.

### Latin America (LATAM)

- Logistics and transportation continue to operate throughout LATAM. Updates by country are below –
  - Argentina: Some cities and activities are re-opening apart from Buenos Aires.
  - Brazil: 90% of domestic and international flights remain cancelled. Many businesses have decreased or stopped production, for example the automotive industry has reduced by 80%. Face masks or mouth coverings are mandated for public outings.

*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.*



- Chile: The government announced mandatory isolation for 80% of Santiago city.
- Colombia: Airports continue to operate with freighters only. Customs and ports are operating as normal. Industries like automotive and electronics are re-opening slowly.
- Peru: The government extended the quarantine two additional weeks.
- Uruguay: Businesses are slowly re-opening as plans are put in place for sanitary restrictions.

## Asia

- As demand for exporting Personal Protective Equipment (PPE) and test kits to the U.S. remains high, we continue to see companies convert their PPE freight from air to expedited ocean FCL or LCL for cost savings. If this trend continues, we will likely see the air freight market normalize on the Trans-Pacific. *To learn more about expedited ocean services reach out to your account rep or connect with us [here](#).*
- Malaysia's manufacturing sector has cut production volumes due to lack of demand and restricted operating capabilities.
- Only essential services are operating in Singapore as the lockdown remains in effect until June 2020. Due to lack of demand, manufacturing fell to its lowest level since 2009. Additionally, non-oil exports grew due to increase demand on pharmaceutical products.
- Vietnam was impacted due to sharp drop in demand for textile and garment products in the U.S. and Europe. The return of Chinese factories helped restore supply of raw materials for the Vietnam industry.
- All railway routes from China to Europe are operating as normal.
- Due to China Customs' [export regulations on PPE products](#), some shipments are being delayed 5-8 days.

## South Asia

- The lockdown in India was extended until May 17, 2020. All districts in India are labeled as green, orange or red zones based on the risk profile done by India's government.
- Surface transportation within India is open. Cargo can move without restrictions although capacity remains tight due to reduced driver availability.
- Due to a drop in ocean volumes out of India, ocean carriers are adjusting capacity to large markets. MSC service continues to be the most stable to U.S. east coast from Nhava Sheva and Mundra on Indus Service.
- Europe ocean freight prices are extremely volatile due to void sailings.
- Air capacity remains tight due to fewer carriers operating scheduled flights. Cathay, Lufthansa and Ethiopian airlines recently joined others, such as Emirates, Turkish, Etihad and Qatar, currently operating from India.
- Customs clearance activities are close to operating as normal at all ports and airports.
- Plants and factories are slowly opening with limited staff depending upon which city or town they operate in.

## Europe

- Demand and capacity on the Trans-Atlantic remain stable. We have seen a slight volume increase but do not expect demand to surpass capacity as businesses start to slowly re-open.
- Europe truckload continues to experience delays in cross-border shipments. View the latest crossing times [here](#).

## Oceania

- New Zealand and Singapore implemented new trade initiatives to ensure trade and supply chains continue throughout COVID-19. Click [here](#) for more information.
- Tariff reductions were approved by the New Zealand government, resulting in 18 different tariffs being duty free. The below documents go into further detail –
  - [Declaration on Trade in Essential Goods for Combating the COVID-19 Pandemic 15<sup>th</sup> April 2020](#)
  - [Tariff Concession Approvals, Withdrawals and Declines Notice \(No. 14\) 2020](#)

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- The New Zealand Ministry of Transport advised all essential and non-essential import cargo can now be delivered & distributed. 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.

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 [client advisories](#) and [blog posts](#). Below are direct links to recent updates:

- 5/1/2020 – [Air Travel Demand and the Cargo Impact](#)
- 4/28/2020 – [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

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