



Circular Nr. 004/2020

To our member companies

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Coronavirus epidemic. Current state of affairs regarding goods transport to, from and in China: update february 2020

Dear Sir or Madam

With Circular 001 dated 30 January 2020, we informed you about the status of the coronavirus spread and the implications for our industry.

As you can see from the media on a daily basis, the situation does not seem to be calming down. The effects on world trade and thus logically on the forwarding and logistics industry have intensified since our last circular. We would like to give you a brief outline of the current situation from the point of view of our members.

Labor & Infrastructure situation

- Labor is only slowly coming back to work but only limited number of employees really go to office. Some critical stakeholders try to wfh but have limited connectivity
- Offices in China have restrictions such as health check at entry, to moving away from desk, no use of public infrastructure such as toilets, no eating/drinking. Airconditioning has been switched off
- Truck-drivers are missing. Only approx 30% of the truck drivers are working
- Most of the port infrastructures (such as Shanghai) are closed for cargo coming from Mainland China. They accept it, but are putting it into a 14 days quarantine
- Most Airlines have already extended their suspension of flights from/to China. As an example, British Airlines is not flying until end of April 2020, Lufthansa and Swiss until end of march 2020.

China outbound business

- Production is almost at zero and if cargo has been produced it can't go out
- Inland transportation to the ports very limited
- Ports have tough security measures in place that will cause delays.

China inbound business

- Imports to China to non-critical areas can happen but with massive delays
- No transportation into critical areas, also because drivers will not go there.

Equipment & Capacity Situation

- Worrying shortage of equipment expected in Europe. While Reefers are already sold out, we expect similar situation for Dry Containers very soon
- Carriers are managing their capacity with numerous blank sailings affecting both directions
- Shipping lines advice on some emerging quarantine requirements imposed by regulatory bodies, vessels that have visited or are from China.

As soon as we become aware of further relevant information, we will inform again by circular letter.

With kind regards

SPEDLOGSWISS

Swiss Freight Forwarding and Logistics Association

Thomas Schwarzenbach

On behalf of the Chairmen of the departments Shipping and Air