



## Global Novel Coronavirus Update May 7, 2020

"This update contains information we have gathered from various public sources and share with you to the best of our knowledge, but we cannot guarantee it is complete or in all cases accurate. Moreover, the market is changing rapidly currently; statements in this document may quickly be superseded, despite our best efforts. Nothing in this document can be taken as a contractual undertaking."

## **UPS Global Freight Forwarding**

Our highest priority is to protect the health and safety of our employees, customers, and suppliers. UPS® is confident it can do so while maintaining global operations, except where constrained by government restrictions or other circumstances beyond its control. The Novel Coronavirus pandemic has created unprecedented complexities, which have required us to constantly reassess our operations and take mitigating actions to minimize disruption to our customers.

#### **Stay informed**

- <u>Register</u> to receive important communications from UPS
- Find the latest information on <u>Air Freight Capacity Surcharges</u>
- Track shipment status through <u>UPS Flex Global View</u>®
- See how UPS Supply Chain Solutions is responding the coronavirus
- International Air Transport Association (IATA) <u>iata.org</u>
- World Health Organization (WHO) who.int

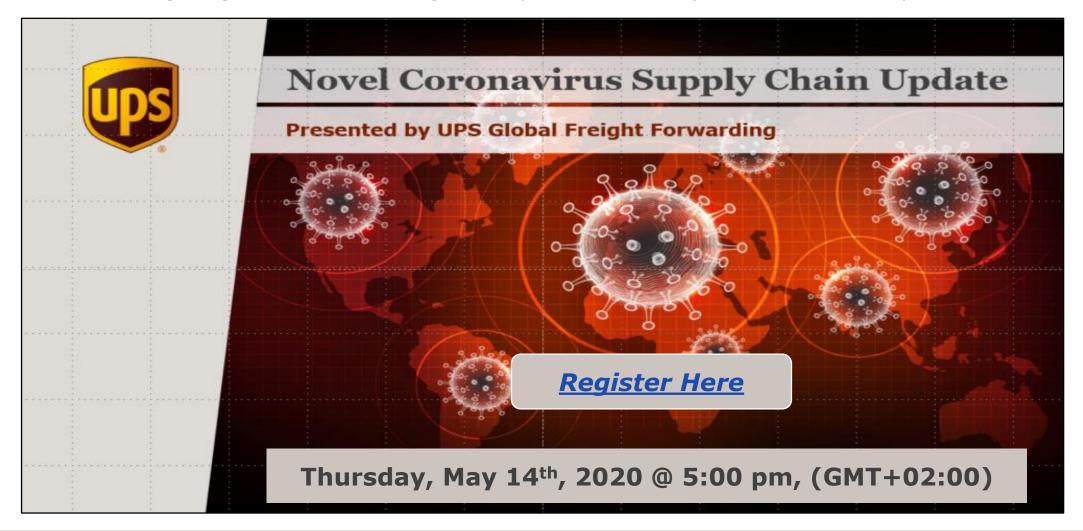
#### **Promote supply chain continuity**

- UPS has an integrated global network of supply chain solutions
  - Air freight
  - Ocean freight
  - Preferred LCL
  - Small package
  - Warehousing & fulfillment

## UPS – 8th Customer Webinar on May 14th, 2020

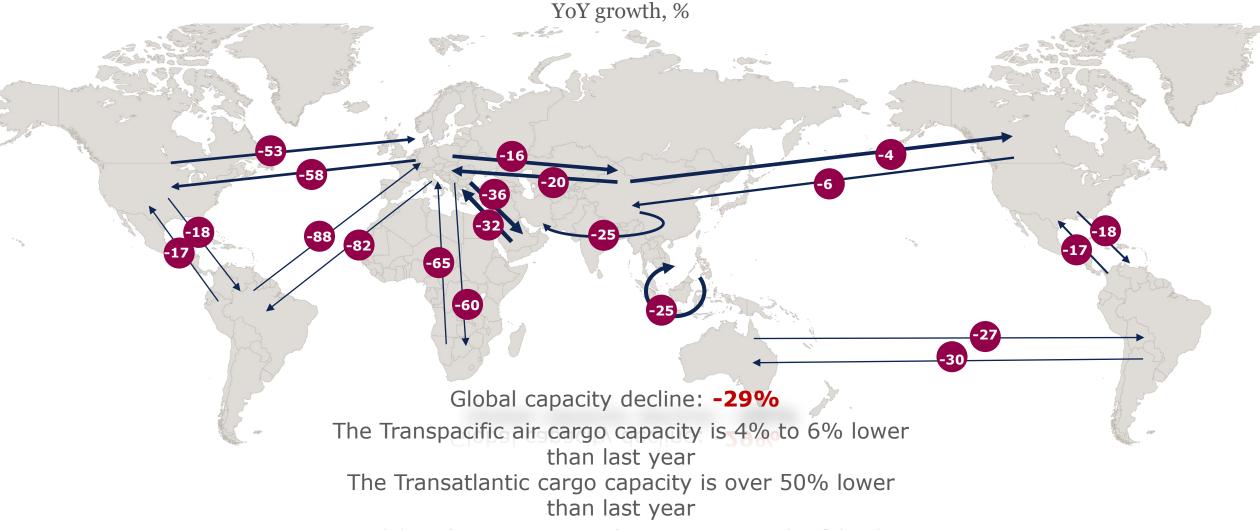
An invitation for the upcoming eighth customer webinar on the status of the coronavirus outbreak and its impact on supply chain.

Join us on **Thursday, May 14<sup>th</sup>, 2020 @ 5:00 pm**, Europe Summer Time (Brussels, GMT+02:00)



# Air Freight: Global air cargo capacity has decreased by 29% versus last year. It remains same as compared to last week.

Total air cargo capacity growth, 22<sup>nd</sup> -28<sup>th</sup> Apr 2020 vs. same week last year



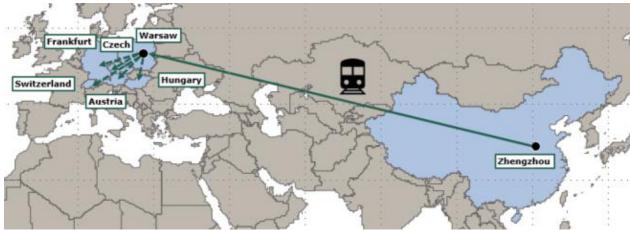
Note: Thickness of arrows is representative of capacity in metric tonnes, direct flights only.

Source: Seabury

## **UPS Dedicated Rail Groupage: Fast, Reliable & Cost-Effective**

## UPS Rail Preferred® LCL - China to Europe (Inbound) Offering Door to Door Rates

- Fixed departure date (every Wednesday)
- Departure schedule for May, 2020 available
- Fixed time in transit Approx. 16 days\*
- Door to door service
- Simplified per-kilo pricing
- Optional Customs Brokerage
- End-to-end shipment visibility (FGV)



Origin China		Europe Destination					
(Tianjin, Shenzhen, Dongguan, Zhuhai, Foshan, Shanghai, Ningbo, Hangzhou)		Poland	Germany	Czech	Austria & Switzerland	Hungary	
Rate for Pic	ckup per Kg	\$2.00	\$2.75	\$2.75 \$2.95 \$3.10			
Booking Cutoff Date	Rail Departure Date	Estimated Delivery Date					
7-May	13-May	3-Jun	4-Jun	5-Jun	5-Jun	5-Jun	
11-May	20-May	10-Jun	11-Jun	12-Jun	12-Jun	12-Jun	
18-May	27- May	17-Jun	18-Jun	19-Jun	19-Jun	19-Jun	

#### **Terms & Conditions**

**Price includes:** Origin Handling, Waybill, ENS, Origin and/or Destination CFS handling, Delivery Order, Rail Freight and Surcharges **Price excludes:** Brokerage Fees (Origin and/or Destination), Original Bill Of Lading, Courier Fees, Transport Insurance, Storage and other warehouse fees (5)

calendar days free storage at UPS CFS)

Price is valid for general cargo only, stackable. Up to maximum dimensions of 1 colli: 200 X 170 X 200 cm (L x W x H), maximum weight of 1 colli: 3500 kg Weights and dimensions are calculated based on a ratio of 1cbm:167kgs; subject to a minimum of 1cbm

#### **Brokerage Fees:**

**Origin: Customs** fee USD 85.00/entry (include 3 HS codes, CNY150 per every additional HS codes, maximum 50 HS codes/lines per entry) **Destination:** MRN (T1) EUR 45 and/or general Customs Clearance EUR 45 incl. 3 HS Codes, each extra code EUR 5

The quotation does not include advancement fees associated to duties and taxes

#### **Book Your Shipment NOW**

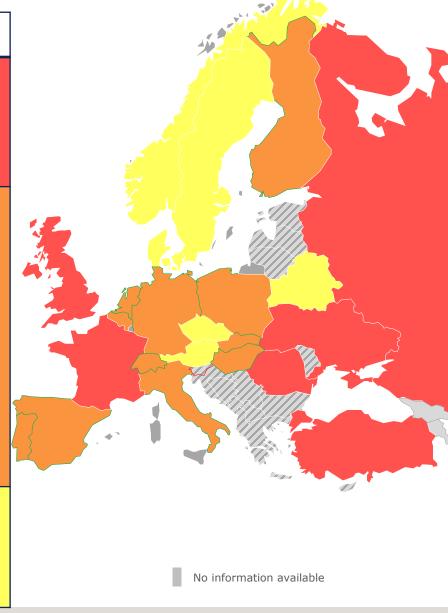
Latest Scheduled Departure: 13-May

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**Europe - Coronavirus Updates, May 7<sup>th</sup>** 

Countries	Current Situation	Lockdown Status
France UK Turkey Russia Ukraine Greece	<ul> <li>France: Internal restrictions to gradually ease from May 11<sup>th</sup></li> <li>Land border checks until October 30<sup>th</sup></li> <li>Travel for a justified reason will be allowed but limited to a radius of 100 km</li> <li>Turkey: To ease lockdown restrictions on over 65s, under 20s from May 11<sup>th</sup> &amp; May 13<sup>th</sup> respectively</li> </ul>	HIGH
Portugal Switzerland Belgium Italy Spain Poland Germany Netherlands Finland Slovakia	<ul> <li>Belgium:         <ul> <li>Since May 4<sup>th</sup>, most public transport resumed normal operations</li> <li>All shops can reopen on May 11<sup>th</sup> under strict social distancing conditions</li> <li>From May 18<sup>th</sup>, some school will resume classes, people can host small gatherings at home, visit a museum and hairdresser</li> </ul> </li> <li>Bulgaria: State of emergency until May 13<sup>th</sup> <ul> <li>From May 6<sup>th</sup>, outdoor areas of cafes, restaurants, fast food kiosks and bars are allowed to resume service</li> <li>Wearing protective gear &amp; practicing social-distancing mandatory</li> </ul> </li> </ul> <li>Germany:         <ul> <li>Schools began reopening on May 4<sup>th</sup></li> <li>Between May 9<sup>th</sup> &amp; 22<sup>nd</sup>, pubs and restaurants are planned to reopen with 50% capacity. Childcare to be resumed on May 11<sup>th</sup></li> </ul> </li>	MEDIUM
Sweden Austria Czech Norway Denmark	<ul> <li>Czech: A 'state of emergency' until May 17<sup>th</sup></li> <li>Universities reopened on May 4<sup>th</sup></li> <li>From May 11th, international bus &amp; rail services will gradually resume and non-EU seasonal workers will be allowed to enter the country. All border crossings to open for all passengers</li> </ul>	LOW



## **Europe Update for May 7<sup>th</sup>**

#### **Socioeconomic Updates**

- **Netherlands:** Foreign travelers, not under exemptions, barred from enter the country until May 15<sup>th</sup>.
- UK: Easing some of the lockdown restrictions from Monday,11th
- Italy:
  - Internal movement restrictions were relaxed on May 4<sup>th</sup> & will be reviewed on May 18<sup>th</sup>
  - Public parks, factories allowed to reopen.



- · Emirates:
  - Added PAX freighter from Europe to SYD-CHC/PER/HAN /DUB/DPS/IAD/EDL-NBO
  - Increased frequency from Europe to TPE/SGN/CPH/CGX
- American Airlines: Increased frequency from AMS/Europe to DFW
- Nippon cargo Airlines: Increased frequency from NL/Europe to NRT
- Lufthansa: Further cancellation of flight from FRA/Europe to YYZ
- Korean Air: Additional cargo-only freighters added from AMS/Europe to ICN

#### **UPS Operations\*\***

- Air Freight: UPS operations working normal. Adjusting the routing of the freight, in order to have commercial uplift done effectively
- Ocean Freight: UPS operations working normal. Ports fully functional. Currently no backlogs



#### **Ocean Freight Updates**

- · Belgium:
  - Space/Reefer/special equipment's constraints
  - Blank sailing to be expected
- Netherland/France/Italy/UK: Lack of reefer & equipment's
- Spain: Equipment's imbalance due to previous blank sailing to Asia & severe space constraints

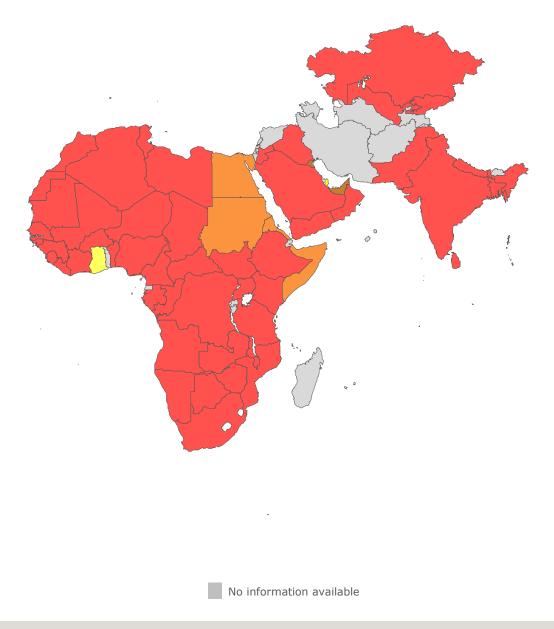


#### **Inland Transportation**

- Germany: Extended its border controls with Switzerland until May 15<sup>th</sup>
- Switzerland: Border will be closed for the foreseeable future.
- It will only open for family reunions from May 11<sup>th</sup>

## **ISMEA - Coronavirus Updates, May 7<sup>th</sup>**

Countries	Current Situation	Lockdown Status
India Bangladesh Sri Lanka Pakistan Saudi Arabia UAE Iraq Afghanistan Kuwait Sul of Oman South Africa Nigeria Algeria Uganda	<ul> <li>Sri Lanka: The curfew in the districts of Colombo (where Port of Colombo is), Gampaha, Kalutara and Puttalam, has been extended till May 11<sup>th</sup></li> <li>India:         <ul> <li>Asom (Assam) state announced a 12-hour curfew from 18.00 to 06.00 daily, May 4<sup>th</sup>-17<sup>th</sup></li> <li>Ghaziabad lockdown extended until May 31<sup>st</sup>, some activities allowed between 07.00 and 19.00 each day</li> </ul> </li> <li>Bangladesh: Lockdown extended until May 16<sup>th</sup> <ul> <li>International passenger flights to/from all countries, except China, are suspended</li> <li>Cargo, special flights, air ambulances, relief carrying flights and emergency landing aircrafts exempted</li> <li>Education institutions closed until May 30<sup>th</sup></li> </ul> </li> <li>Mauritius: A lockdown until June 1<sup>st</sup> <ul> <li>Some businesses allowed to open from May 15<sup>th</sup></li> </ul> </li> </ul>	HIGH
Egypt Bahrain Libya	Kazakhstan: Flights between Nur-Sultan and Almaty, and other major cities resumed	
Qatar Ghana	<ul> <li>Ghana:         <ul> <li>Domestic flights have resumed</li> <li>Kotoka International Airport reopened to serve internal flights to Tamale, Takoradi and Kumasi.</li> </ul> </li> </ul>	LOW



## ISMEA Update for May 7<sup>th</sup> Socioeconomic Updates

- India: State of Telangana, stricter lockdown until May 31st
- Oman: The Governorate of Muscat, Muttrah wilayat & the commercial market area of Jaalan Bani Bu Ali lockdown extended till 10am, untill May 29<sup>th</sup>
- Mozambique: Lockdown extended until May 30<sup>th</sup>
- Sri Lanka: Relaxation in curfew from May 11th
- **Uganda:** further extension in lockdown until May 19<sup>th</sup>



#### **Air Freight Updates**

- Emirates Skycargo:
  - Full freighters & PAX freighters available for BOM/AMD/ HYD/MAA/BLR/DEL
  - Freighters available for EBB(Uganda), DXB(UAE)
  - PAX freighters for RUH/DMM/JED(Saudi Arabia)
- Sri Lanka: SriLankan Airlines extended the suspension of all flights until May 15<sup>th</sup>
- **South Africa:** All international and regional flights cancelled till May 31st

#### **UPS Operations\*\***

- · Air freight:
  - UPS working but some delays expected due to local condition
- Ocean Freight: Running unconstrained
- Local transportation causing delays due to restrictions



#### **Ocean Freight Updates**

- UAE: Sharjah operational vessel movements are normal at all ports
- South Africa:
  - Ports remain operational to facilitate the import and export of essential goods
  - Operating with reduced staff so delays can be expected
- Saudi Arabia: Ports working normal

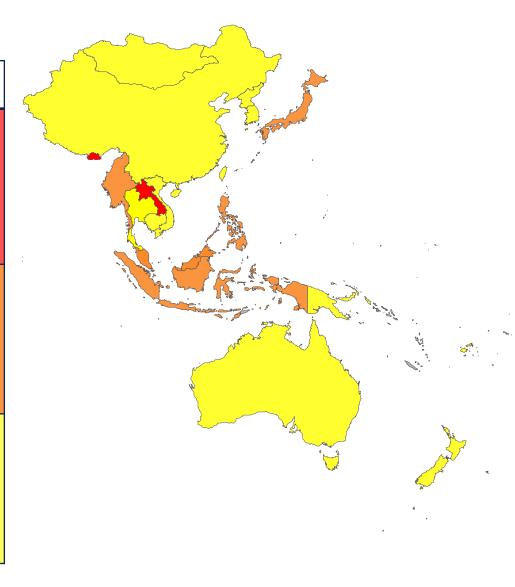


#### **Inland transportation**

Final delivery delays of Air / Ocean may happen due to border constraints
 India: Vehicles/Trains carrying goods and essential supplies are exempted
 Uganda: Testing of truck drivers on border, leading to delays

## **APAC - Coronavirus Updates, May 7<sup>th</sup>**

Countries	Current Situation	Lockdown Status	
Cambodia Bhutan	Cambodia & Bhutan: countries under full lockdown	HIGH	
Japan Singapore Indonesia Myanmar Malaysia Philippines Vietnam	<ul> <li>Japan: State of Emergency until May 6<sup>th</sup></li> <li>Philippines, Malaysia, Vietnam &amp; Myanmar: Stay-At-Home order</li> <li>Singapore: Country under circuit breaker from April 7<sup>th</sup> to May 4<sup>th</sup></li> <li>Indonesia: Only essential services working in some parts of the country</li> </ul>	MEDIUM	
Australia China Hong Kong South Korea Taiwan Thailand Vietnam	Open for business with social distancing and other restrictions	LOW	



## **APAC Update for May 7<sup>th</sup>**

#### **Socioeconomic Updates**

- Malaysia: 9 out of 13 states are not adopting or fully complying with the Federal Government's move to ease conditions and let businesses resume with set guidelines under the conditional movement control order (MCO) that was announced by the PM on May 1<sup>st</sup>
- Japan: 13 prefectures are under "special alert"
- Singapore: Social distancing measures will remain in place
- Myanmar: Sagaing Region has imposed a curfew until further notice.



### **Air Freight Updates**

- **Philippines**: Inbound International flights are temporary suspended until May 7<sup>th</sup>. Exceptions include cargo flights.
- **Thailand**: The Civil Aviation Authority has opened more airports for special international flights.



#### **Rail Updates**

• **China**: Outbound trains to/from Europe have resumed as per normal operations, however subject to space availability

#### **UPS Operations\*\***

- Air Freight: Charters available for next week (limited)
- Ocean Freight: Available capacity
- Rail/Ground: Export shipments available, but limited for some countries



#### **Ocean Freight Updates**

- 3 additional blank sailing are announced in the TPEB trade in June
- No blank sailing in the Asia-Europe WB trade reported today
- Up to May 6<sup>th</sup>, TPEB trade announced 29 blank sailings in May
- No space issue is reported
- Yantian report a tight space to Europe due to the blank sailing in next week

## **United States Update for May 7th**

#### **Socioeconomic Updates**

- Ground borders with Canada and Mexico will remain closed to non-essential travel until 20 May.
- Exports Collapse as Coronavirus Freezes International Trade
- Coronavirus muddies U.S. economic data as business closures push down response rates.



- We are starting to see US gateway backlogs into SYD, JHB, SIN, India
- Air Bridge: Operations in Dallas and Los Angeles suspended until further notice
- Air Canada: Suspending the majority of international and U.S. trans- border flights

#### **UPS Operations\*\***

- · Air Freight:
  - JFK: Recovery times continue to improve after some delays due to staffing
  - Additional charter flights being handled by carriers ground handlers
- Ocean Freight: Fully operational
- Rail/Ground: Fully operational



#### **Ocean Freight Updates**

- · Blank sailings continue with the SSLs.
- World container index PVG to LA = down / PVG to NY = down / PVG to RTM = stable
- LA/LB; HOU/ MEM ports are severely constrained
- DFW/ ORD/ DTW/ CVG/ MIA ports are somewhat constrained



#### **Inland transportation**

- Road transportation intact in the US
- New Jersey introduced some road restrictions impacting trucking

## **Canada Update for May 7<sup>th</sup>**

#### **Socioeconomic Updates**

- Quebec has instituted checkpoints to prevent nonessential travel into the province.
- Canada will require all air travelers to wear face masks
- USMCA will now go into effect on July 1st
- ON government extended lockdown to May 12<sup>th</sup>



The Canada-US border will remain closed to nonessential travel (i.e. recreation and tourism) until 20 May. However, essential travel and all freight transportation will be permitted throughout.

#### **UPS Operations\*\***

- Air Freight: Reduced flights
- Ocean Freight: Port restrictions
- Rail/Ground: Customs operation impacted



#### **Ocean Freight Updates**

- Ports are operational. Cargo transportation is still allowed
- Slow in/out processing and delays in customs clearance



#### **Inland transportation**

Daily pickups and deliveries except where restrained by government

## **LATAM Update for May 7<sup>th</sup>**

#### **Socioeconomic Updates**

- Countries close schools (17 cities: AR, BO, BR, CL, CR, DO, EC, GT, HN, MX, NI, PA, PE, PR, PY, SV, VE) and borders for foreign (12 cities: AR, BR, CL, CR, EC, GT, HN, PA, PE, PY, UY, VE)
- Government reduced working hours for non-essential business (12 cities: BO, CL, CR, DO, EC, GT, HN, PA, PE, PR, PY, VE)



**LATAM** Common Carriage flights were reduced or forbidden to/from US, Europe & Asia (19 countries: AR, BO, BR, CL, CO, CR, DO, EC, GT, HN, NI, PA, PE, PR, PY, SR, SV, UY, VE)

#### **UPS Operations\*\***

- Air Freight: Reduced flights
- Ocean Freight: Port Restrictions
- Rail/Ground: Customs operation impacted



#### **Ocean Freight Updates**

- Ocean Port Restrictions (3 countries: DO, HN, PR)
  - DO: Operations had been restricted up to 6pm
  - HN: Limited service to Puerto Cortez Port
  - PR: No passenger vessel allowed



#### **Inland transportation**

 Customs operation impacted (9 Countries: AR, CR, DO, EC, GT, PA, PE, SR, VE)



Thank You



### **Sources**

- Official sources (WHO, Governments, etc.),
   \*\* UPS Internal Sources
   <u>Seabury</u>
- Carriers
  Sky cargo
  Emirates
  Lufthansa
- News Media
   Brussels times
   New York Times
   BBC News
   Times of India