



Date 28 April 2020

Subject COVID-19 Customer Advisory – Issue 14

Dear Customer,

At DHL Global Forwarding (DGF), we are committed to helping you navigate the challenging situation that the COVID-19 outbreak has created and to find the best logistics solutions to mitigate the impact on your supply chains.

Referring to the letter issued on 20 April 2020, we would like to give you further update on the impact of the COVID-19/Coronavirus outbreak on DHL Global Forwarding's operations across all regions, impact on Air, Ocean and Ground Freight transportation as well as Customs Brokerage services. The situation as of today, 28 April 2020, is as follows:

### **Americas**

- As the number of COVID-19 cases increases across the Americas region, many countries have announced various travel and other emergency restrictions, including partial or full border closures.
- These restrictions currently do not impact domestic and international movements of goods
- Border controls increase waiting times at border crossing across most of the countries, and we expect this situation to persist over the coming weeks.
- In line with announcements made by governmental authorities DHL Global Forwarding offices across the Americas are putting in place preventive and protective measures to safeguard health and safety of our employees, suppliers and third parties, and to continue managing our day-to-day operations with minimum impact on our customers' shipments.

### **Asia Pacific**

- The government of Bangladesh has extended the General Holiday until 05 May 2020 to prevent the spread of the COVID-19. DGF Dhaka Office is closed with employees working from home. Overall, country logistics operations are running on a limited scale, and cargo movements to/from Bangladesh are limited. Domestic & international travel bans are still in place.
- China customs authorities implemented regulations for COVID-19 response materials such as test kits, PPE, medical supplies & equipment etc. These regulations necessitate shippers to provide item-level documents regarding licenses/permits for use in China and the intended country of delivery, as well as product certificates and similar technical documents with effect from 10 April 2020. With that, key terminals like Zhengzhou (CGO), Beijing (BJS), Guangzhou (CAN) and Shanghai Pudong (PVG) are all congested at the moment, and this is expected to last until the end of China May holiday on 05 May 2020.



- Indonesia temporarily suspended domestic travel starting from 24 April until 31 May 2020. All domestic passenger flights are restricted, leading to an impact on all domestic air freight shipments. Domestic cargo transportation is still available on freighters or charters, via road freight and ocean freight. At this point, international flights are not impacted and are still operating as usual.
- Lockdown status in India has now been extended until 03 May 2020, affecting all inbound and outbound shipments to/from India. All establishments, factories and warehouses, permitted by the government, are operating with limited staff. There are severe restrictions for interstate and intrastate movement of goods by road. Due to a limited number of employees at airports, customs and road transports, all air freight-related activities take longer. The import warehouses in airport terminals are congested, and most cold rooms are full. The export warehouses at terminals are less occupied; perishables are taking priority for exports. Freighters and passenger-converted freighters are operating depending on the available cargo. Planned flights are frequently skipped, and the freighter operations are in disarray, with only a few carriers operating at the moment. Consignees must provide a self-declaration to DGF, declaring themselves to be compliant to the government regulations before DGF gives the green light to handle the freight. MAA terminal is under complete lockdown until 29 April 2020. For ocean freight, shipping lines and terminals continue to operate throughout the lockdown period and provide services. All imports on both FCL and LCL are possible, and most shipping lines gave a blanket free period for over 2 weeks to support the trade during the lockdown period. On exports, DGF is able to execute export FCL and LCL shipments of all essential goods, including reefer bookings. More and more non-essential shipments started in the last few days, and DGF is taking care of those bookings and shipments as well. Carriers continue to announce blank sailings, owing to lower volumes.
- Malaysia has further extended its lockdown and air border closure to visitors until 12 May 2020. The travel ban leads to cancellations of passenger flights, and cargo uplift limitations are to be expected. Cross-border road freight movements to/from or across (transit) Malaysia are now operational for commercial purposes only.
- The Philippine government implemented a more extensive community quarantine over the entire Luzon area, including Metro Manila, until 30 April 2020. Manila International Airport Terminal 1, Cebu and Clark International Airport remain operational. However, reduced flights and capacities are to be expected as the majority of carriers have advised cancellations of international flights.
- Singapore government has announced the enhanced measures to address the COVID-19 outbreak. From 07 April until 01 June 2020, all premises, except those used for essential services, will remain closed. For airfreight traffic, flights are being cancelled and longer transit times are to be expected. DGF is focused on moving priority cargo; critical physical operations such as warehousing and handling will continue with sufficient manpower to support business volumes. There is no impact on capacity and movements of ocean freight and cross-border trucking at the moment.



## Europe

- All countries have announced various travel and other emergency restrictions, including partial or full border closures; several cities have now also closed for private travelling. Passenger flights are cancelled in most countries. In some countries, more travel will be allowed if the required protective measures are followed.
- These restrictions currently do not impact domestic and international movements of goods. Pick-up and delivery services are offered, but some destinations only work on an ad-hoc base.
- Border controls increase waiting times at border crossing across most of the countries.
- DHL Global Forwarding offices across Europe remain preventive and maintain protective measures to safeguard health and safety of our employees and suppliers in accordance with the advice given by governmental authorities. DGF offices are working with a skeleton staff and remain operational; all other employees are working from home.
- In case you are planning to close your warehouse or are not able to receive containers in Europe at the moment, please contact your account manager or customer service representative to find a suitable shipment solution by using our Business Continuity proposition

## Middle East & Africa

- With increasing numbers of COVID-19 cases in Turkey, African & Gulf countries, most countries are under partial or full lockdown.
- Governments imposed travel & movement restrictions across the Middle East & Africa, continuing to limit air cargo movements to/from the region.
- Airlines across the region are forced to reroute and cancel scheduled passenger flights, impacting belly hold capacity within the region and into Europe, US & Asia.
- Additional converted passenger flights offered as cargo-only flights in the market by Etihad, Emirates, Ethiopian Airlines, and Qatar Airways with limited payload capacity.
- Trade lanes across the world have seen double-digit air capacity declines (-35%), while the capacity for Africa dropped -60%.
- Demand for air cargo capacity is steadily increasing, in particular for medical equipment & EPP/PPE cargo.
- Charter Freighter availability in the market remains limited, with an average waiting time of 7-14 days.
- DGF has started weekly dedicated air freight services from China to Africa.
- DGF has established a transit gateway in Dubai to support the Middle East & Africa region with additional capacity & routing options.
- Pre-approval from the destination is highly recommended prior to shipping to any MEA country.
- In line with announcements made by governmental authorities in the respective countries, DHL Global Forwarding offices across MEA have already put in place preventive and protective measures to safeguard health and safety of our employees, suppliers and third



parties, and to continue managing our day-to-day operations with minimum impact on our customers' shipments.

Below we would like to provide you with updates on the situation as to how it impacts DHL Global Forwarding's Air, Ocean and Ground Freight operations as well as Customs Brokerage services and might be affecting your shipments:

### **Air Freight**

DGF continues to work closely with its carriers and other partners to identify reliable options to transport shipments using alternative solutions such as charter flights. We are pleased to share an updated overview of the dedicated charter capacity for multiple tradelanes. Please reach out to your account manager or customer service representative to discuss the possibilities of transporting cargo using charter flights.

### **Ocean Freight**

- Ocean freight carriers are continuing their blanking programs. The blanking program is expected to reach its peak in the last week of May.
- The carriers are making these service adjustments without the usual notice periods.
- This, in turn, creates equipment imbalances with a massive impact on the empty equipment availability across the world, and especially in Europe.
- The reefer equipment availability in Europe is being harmed significantly by the measures taken on capacity reduction and high volumes of pork meat moving to China.

The Emergency Cost Recovery Surcharge levels imposed by the 01 April 2020 ETS date remain in place.

DGF remains fully committed to serving our customers during these difficult times, mitigating the impact of the challenging situation caused by COVID-19, and work with our customers to ensure that their interests are safeguarded to the highest degree. For any additional information, please reach out to your account manager or customer service representative.

### **Ground Freight**

All DGF Rail services, including FCL and LCL service from China to Europe (Westbound) and Europe to China (Eastbound), continue normal operations. Pre- and on-carriage services between customer sites and rail terminals for intermodal and/or international road transportation are working as well; due to cross-border controls, lead time delays may be expected in European countries.

Due to high volumes, shipments routed via Rail Terminal in Xi 'an might have a lead time delay.

Where European countries introduced border controls, we expect this to cause delays in transit times. To secure rail capacity for your shipments, we would like to encourage our customers to book



capacities in advance as space is allocated on the 'First booked – first railed' basis. In case you are planning to close your warehouse or are not able to receive containers in Europe at the moment, and require a shipment storage solution, please contact us to find a suitable solution.

In addition to Rail, DHL Global Forwarding offers Road Freight services (FTL capacities) between Europe and Asia (West- and Eastbound).

Please reach out to your account manager or customer service representative to discuss the possibilities of delivering cargo between Europe and Asia using Rail or Road services.

### **Customs Brokerage**

Despite COVID-19 related disruptions of international freight operations, the import and export customs declaration processes continue to function without major disruptions in most countries.

Many countries have introduced simplifications to eliminate the need for physical examination of goods or documents. However, several countries have introduced restrictions on import of goods or are prioritizing the clearance of certain categories of goods, and many countries have introduced new procedures or controls over the import/export of healthcare and personal protection products.

Please reach out to your account manager or customer service representative if you have any questions or would like to discuss how DGF can provide customs brokerage services for your shipments, including those that are not transported by DGF.

DHL Global Forwarding is carefully monitoring the fluid situation around the COVID-19 and will be providing further updates in this regard when available.

Please rest assured that we will keep you updated on any changes to the current situation. Should you need further information, have any concerns or queries, please feel free to contact your account manager or customer service representative.

Thank you for your understanding.

Kind regards,  
DHL Global Forwarding