

UPDATE CORONAVIRUS MODINT LOGISTIEK – MARCH 11, 2020

The corona virus is spreading rapidly over the world and that has an impact on companies and logistics. We will give you a logistics update and actual status about the corona virus:

Working Schedule

Most companies and factories in China resumed operations from last week, only operations in Hubei Province are still suspended. Factory operations are getting back up to speed in March, estimation is that by the middle of March the export volumes will be at approximately 70-80% as before the Chinese New Year period. All companies in Hubei Province have operations suspended till end of March. All ports and carriers are now open and operational for 70-80%.

Customs China

All Local customs in China are operational for cross border business and international shipments. China Customs provides the flexible declaration policy for protective goods helping against coronavirus whether these goods are donated or commercial goods.

Port operations China

All ports in China are operating as normal except for the port in Wuhan, which is closed. Vietnam & Malaysia both requires ocean vessels and crew to be docked 14 days in quarantine in a designated area before arrival to the port.

Hong Kong requires a 14 days quarantine period and inspections on all ocean vessels and crew which have docked in Korea from 15th Feb onwards.

Carrier operations

Shipping lines:

Ocean carriers last week reported vessel utilization levels of 70% to 80% for Europe. Estimated capacity will be around 90% by the end of March and carriers expect a strong demand in April.

We suggest booking Ocean freight space two weeks prior to the cargo ready date as blank sailings continue to be implemented.

The many blanked sailings from China has caused a major problem for Europe's exporters. Less sailings and equipment shortages at depots, caused by the absence of import container returns, has resulted in some carriers refusing bookings altogether and the rates to increase.

Airlines / airfreight:

All Airports in China are under normal operations except for the Airport in Wuhan, general expectation is that the most critical industries will slowly be allowed to start-up in the coming days/weeks if they can comply to strict regulations and that the vast majority of the companies will not be allowed to get back to work until the end of March, beginning of April.

The Air-freight market is facing severe shortage of space, mainly due to below 3 reasons:

- Passenger flight services increasingly suspended
- Many shippers convert Ocean shipments to Air shipments
- E-commerce players resuming operations

The backlog is serious, and the Air freight rates are increasing sharply day by day. Rates have tripled compared to the normal period.

Some airlines were using the trucking service transfer through AMS and FRA to Italy, but these will be cancelled since this week due to the severe situation in Northern Italy.

We suggest booking Air freight space at least one week prior to the cargo ready date.

We will continue to support you as usual for freight from and to China, but we recommend that you stay in close contact with your suppliers in the Far East for up-to-date information. **Please be advised, rates are increasing.**

We will keep you updated if we receive any further information, please don't hesitate to [contact us](#) in case you have questions.



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