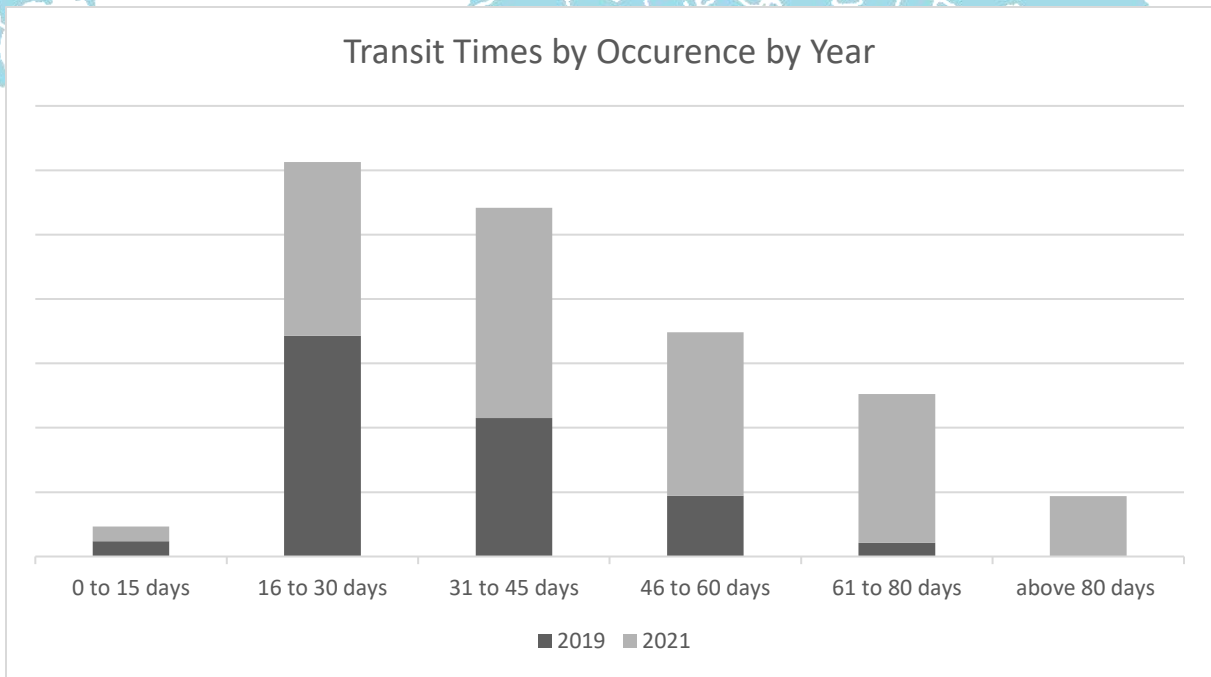


FREIGHTS

- Vietnam, Brazil and Peru are still the most affected origins in terms of container availability.
- As a result of a shift in vessel capacity to the more profitable fronthaul routes, port calls at East Africa, South America and Europe are still being canceled.
- Congestion is an ever-present issue with inland movement being stalled and port congestion worsening. For example, the average wait for berthing in Dar es Salaam has doubled from around 10 days to 20 days.
- There has been a small respite from the surges in cargo during the TET holidays, but we expect this to resume soon.
- The new normal of transit times is above 45 days now (this was considered the high-end before the pandemic). Transit times above 90 days are more and more common.

Sucafina Transit Times Pre- and Post-Pandemic



NORTH AMERICA

Ports situation

- Port of Los Angeles & Long Beach Terminal operators agree to continue delaying Container Dwell Fee directed at ocean carriers until early Feb, citing a decline of 67% combined in aging cargo on the docks, since announcing the new fee in October.
- West coast (WC) ports, in general, continue with congestion, which has carried over into other major ports of entry. Houston & Charleston are also experiencing major congestion. Ports of NY/NJ have a 3–4-week backlog on inbound arrivals.
- Seattle & Vancouver continue to be a challenge on accessing equipment at times within the port, making it difficult to gate out containers.

Inland transportation

- The over-the-road (OTR) movements continue to be a challenge with soaring prices, shortage of drivers and inflation creeping up. Rail movements are the avenue, but the OTR situation has put a strain on rail empties being available on street turns. This stress is especially a problem for trying to meet appointments with warehouse operators on load-outs and, coupled with COVID affecting staff shortages, it is a perfect storm.

Other

- Warehouses and transloading facilities continue having trouble hiring and keeping additional labor.

EUROPE

Ports situation

- Antwerp remains heavily congested – recent weather conditions and cyber-attack to one of the quay operators has added to the challenges logistics companies are already facing in the area.
- Italian ports are still heavily congested and short on labor. Furthermore, in Genoa, shipping lines are requiring the return of empty containers in La Spezia (150km away from Genoa), making the usual pick-up and drop-off flows less efficient.

Inland transportation

- Truck availability is still a major issue in the region due to labor shortages, combined with an increase in demand and reduced access to equipment (new vehicles, spare parts). The most affected countries are Poland, Germany, the UK, France & Italy.
- As a result of the above, we see an increase in trucking prices in the whole region and difficulty with planning deliveries.

Other

- Warehouses' agendas are full everywhere and it's difficult to schedule inbound and outbound operations with the labor shortage and backlog they still face. Lead time to even schedule an appointment for loading or discharge is 1 week on average.

LATIN AMERICA

BRAZIL

Container availability + vessel space

- January exports were very low due to low equipment released in time and rollover, but the situation seems to be improving this month.
- Shipping lines currently allocate empty containers "just in time" (very close to ETDs) in order to ensure turnover
- One of the major ocean carriers of the region has shut bookings at least up until week 8.
- Some carriers are strongly pushing to offer "multi-modal" freight (from inland to destination, rather than sea freight only). Although not always competitive in price, this is a way to obtain empty containers in priority.

Ports situation

- Santos is still congested – it is hard for truckers to deliver to port after long queues.
- Vitoria region is facing a strike set up by truck drivers claiming for decrease on fuel prices.

COLOMBIA

Container availability + vessel space

- In general, the situation is better in terms of container availability and vessel space in all the ports.
- However, we still see some carriers facing availability issues in Buenaventura –bookings are being confirmed only for March onwards, thus limiting our chances to ship in time.

Ports situation

- Ports are now operating normally.

Sourcing

- Our supply chain is almost fully recovered from the impact of the 2021 strikes; delay of shipments is expected to be less than 1 month during the month of February.

OTHER

- Peru persists with serious difficulty in getting space and equipment.

AFRICA

UGANDA, RWANDA & KENYA

Container availability + vessel space:

- We still face great challenges in getting empties and bookings with all shipping lines.
- MSC, WEC and MESSINA containers availability has been gradually improving.
- Carriers keep rejecting bookings. Cargo is being rolled due to vessels skipping export cargoes.
- Trucking strike conducted last month at Uganda/Kenya borders has affected the flow of trucks and availability of food-grade containers.

TANZANIA & BURUNDI

Container availability + vessel space:

- Issues with shortages of empty containers and vessel space remain unchanged.
- When booking today, the shipping lines are confirming space on a vessel an average of 40 days after. Short-term booking is not possible.

Port situation

- Reduction in working hours, staff shortage and ongoing construction in the port keep disrupting an already under-pressure schedule. Time from Anchorage to Berth increased to 15-20 days.

ETHIOPIA

Container availability + vessel space:

- Vessel schedules are unreliable with all shipping lines. There are frequent changes.
- Container availability for Maersk, Hapag and CMA are still low availability. Meanwhile, MSC is showing progress

Inland transportation

- The war is still ongoing, but fortunately, our operation remains unaffected.

ASIA

VIETNAM

Ports situation

- Vietnam has been on Lunar New Year holidays from 29 Jan until 6 Feb. There was serious port congestion beginning on 25 Jan, where too many container trucks lined up in vain in front of depots to get empty boxes for loading in time for the holiday.

Container availability + vessel space

- Equipment availability remains a strong issue for carriers and shippers.

Others

- Apart from 9 green coffee manufacturers finally given registration no. from GACC China early Jan, all others heard nothing up till now even though Vietnam government already submitted their names before 31 Oct.

CHINA

Ports situation

- Manufacturing in China slowed down significantly recently not only because of Lunar New Year but mainly due to China's Zero-Omicron policy to curb the spread ahead of the Winter Olympics. This affected container movements and port operations, especially in Tianjin and Dalian. It also led to both ocean and air freight going up just before the holidays.
- In preparation for the above problem, some major carriers such as ONE and Hapag Lloyd decided to suspend services and operations in China earlier this year. One question would be whether or not will they fill their vessels by giving the missing volume to some China's neighbors?

INDIA

Ports situation

- There's a growing trend from carriers to shift their service from Chennai to other private ports such as Kattupali. The two factors have been excessive truck turn times and low yard productivity levels at the second largest public container port. Exporters should therefore anticipate fewer options and thus higher freight rates to destination Chennai in 2022. They may also want to ask their buyers to consider switching to other alternative ports if possible.

Container availability + vessel space

- Empty container shortage and difficulty placing bookings persist.

OTHER

- Intra-Asia rates continue to rise for most ports. We don't know when we can dream of going back to a time when freight rate from HCM to Shanghai/Malaysia/Thailand was zero or rates to India ports would be just below 500 USD/TEU.
- Ports in Australia and New Zealand are busy now, rushing to unload. It impacts the amount of time coffee must stay in port and we may expect some delays in unloading cargo.



SUCAFINA LOGISTICS VOICES

Hear from our Global Logistics team! In “Logistics Voices”, our team members reflect on the major challenges and opportunities we see in our day-to-day.

Today, Stefania Prieto, our Client Support Specialist for North America, speaks about her experience with deliveries in the United States, where truck drivers are scarce these days and winter conditions are constantly delaying execution.



“During the first month of 2022, we have faced several challenges. One of them is the short supply of trucks due to the general shortage of workers in the transportation industry in the United States, combined with the spread of COVID-19. Recently, many of our truckers have informed us that they are working with half the staff they normally do because many of their workers are reported sick. This has led to some dissatisfaction among our customers as orders are not arriving in the normal estimated time but 3 to 5 days later, which is creating delay in their operations.

Despite everything, we are working hard hand in hand with our transport partners to always offer the best service to our clients, and to keep them updated on the obstacles that we experience at the moment of making deliveries. We are thankful for the understanding and cooperation of our clients in these difficult circumstances.”