


FREIGHTS

- Equipment and vessel space scarcity, transit time unreliability and terminal congestion are ubiquitous.
- Congestion in Asia & Oceania is particularly challenging:
  - Transshipment hubs (e.g. Colombo, Singapore), where great number of vessels connect to the main ocean network, have been negatively impacted.
  - In Busan, all terminals are approaching 100% yard capacity.
  - Container vessels are currently, on average, 18 days behind schedule when arriving in China following a backhaul to Europe.
- Vessels returning to Asia from North America and North Europe have been experiencing heavy delays due to severe congestion at American and European ports.
- We highly suggest our clients to be well-prepared and take into consideration additional potential delays affecting the original schedule (no stress, you'll get your espresso!).
- Following from last month's theme, we are showing the changes in cancellation, rejection and freight rate, compared to the beginning of 2021:

Origin	State of Cancellation/Rejection Bookings since Q1 2021	Freight Rate % change since Q1 2021
Peru		< 200% increase 
Honduras		< 100% increase 
Indonesia		> 200% increase 
India		< 100% increase 

## NORTH AMERICA

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### Ports situation

- Port of Los Angeles and Long Beach announce plans to start operating gate hours 24 hours a day to ease congestion, but new gate hours and costs are still in discussion amongst terminal operators and trucking associations.
- The West Coast continues to see vessel bunching.
- Major ports with rail connections (Philadelphia, Savannah, Seattle) are experiencing severe congestion.

### Trucking / Intermodal transport

- Over the road, truck and intermodal spot rates continue to rise for the Pacific Northwest region.

### Other

- Warehouses and transloading facilities are having trouble hiring and keeping additional labor.
- Major US importers are chartering vessels and switching to breakbulk or boxcars to combat container shortage.

## EUROPE

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### Ports situation

- The ports of Antwerp, Rotterdam & Le Havre are still intensely congested.
- The port of London is now also congested.

### Trucking / Intermodal transport

- Shortage of trucks and drivers is resulting in challenges for inland freight and rate increase.
- A strike is taking place in some Italian ports (e.g. Genoa, Trieste) since the Italian Government decided that the “Green pass” (QR code as proof of vaccination or 48h negative Covid19 test) is mandatory for every worker from Friday 15 October.

### Other

- Global shortage on other commodities like wood & plastic is expected to result in an increase of packaging material (e.g. big bags, pallets) supplied to Europe.

## LATIN AMERICA

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### BRAZIL

- **Container availability & Vessel space**
  - We are experiencing delays in the release of empties with multiple shipping lines.
  - Space availability is dependent on the destination. However, spaces are quickly being filled. Some shipping lines are fully booked up to 6 weeks ahead.
  - Getting bookings for European destinations is quite challenging.
- **Trucking / Intermodal transport**
  - Self-drivers are coordinating a new strike on 1 November. It is still not possible to know the real involvement of drivers. They are threatening to focus on the port of Santos due to the big impact it would have. Our transport companies do not believe the movement will gain wide acceptance. The last strike was 3 days of protest, with local problems.
- **Documentation changes**
  - As of 1 October, Phytosanitary certificates issued by the MAPA will be printed out issuing a common A4 paper instead of the usual green paper.

### COLOMBIA

- **Container availability & Vessel space**
  - Some shipping lines predicting scarcity of containers in the next few months. However, availability is ok for now.
  - Currently, spaces are being confirmed only 2 weeks ahead by the carriers.
  - A difficult route is the one to North America. Several shipping lines have no available spaces till the 2<sup>nd</sup> half of November, especially out of Buenaventura port.
  - Some shipping lines are cancelling some of their services and opting to skip certain problematic destinations, such as Seattle.
- **Ports situation**
  - Levels of space and equipment availability are constantly alternating between the 2 main ports, Cartagena and Buenaventura. We recommend admitting (and instructing accordingly) both port options when planning shipments.

### OTHER

- **Container availability + vessel space**
  - The problematic situation in Peru persists. Container shortage issues continue, preventing contract rollouts. Shipping lines confirm bookings, but are not giving out equipment.

## AFRICA

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### UGANDA, RWANDA & KENYA

- **Container availability + vessel space:**
  - In Uganda, we are seeing shortage of container availability and unreliable vessel schedules with all shipping lines. Vessels are being dropped and cargo rolled over to next vessels. On the bright side, we see no hiccup in truck movements for now.
  - In Rwanda, empty containers are very scarce for all shipping lines, and it's difficult to get nearby bookings.
  - In Kenya, containers are available, but it's still difficult to get nearby bookings.
- **Port situation**
  - Mombasa is coping with the flow of goods for now, but vessel schedules keep changing and delaying cargo.

### TANZANIA

- **Container availability + vessel space:**
  - Both container availability and vessel space are still a challenge in general, which is resulting in difficulty to secure bookings.
- **Port situation**
  - In Dar es Salaam, the operation is rather normal, but it's important to note that vessels take 10 to 11 days from ETA to berthing (this affects exports planning and vessel schedules).

### ETHIOPIA

- **Container availability + vessel space:**
  - A slight improvement on TEU availability
  - Vessel space constraints remain a challenge in Djibouti
- **Trucking / Intermodal Transport**
  - The route to Djibouti is now clear; no major problems are being faced

## ASIA

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### VIETNAM

- **Ports situation**
  - Customs, ports and depots are operating normally, but with lower productivity, due to reduced staff following Health and Safety requirements.



- **Container availability + vessel space**

- Equipment and space shortages are severe in the north but improving in the south.
- Shipping lines have cancelled some departures for China's Golden week (1st week October).
- Obtaining space to North EU, Med and US destinations remains a challenge, especially when there are just over 10 weeks left before Christmas.

- **New seaport infrastructure fee**

- Under the new regulation, HCMC will collect from VND 15,000 (\$0.65) to VND 4.4 million (\$191) per ton of goods transported through its ports, which it plans to use to fund infrastructure projects to ease traffic congestion near these facilities. This will hopefully ease a bit of the pressure exporters and importers have been going through during the pandemic.
- After receiving many concerns and delay requests from enterprises, HCMC authority has postponed collecting the fee until April 01 2022.

- **Other**

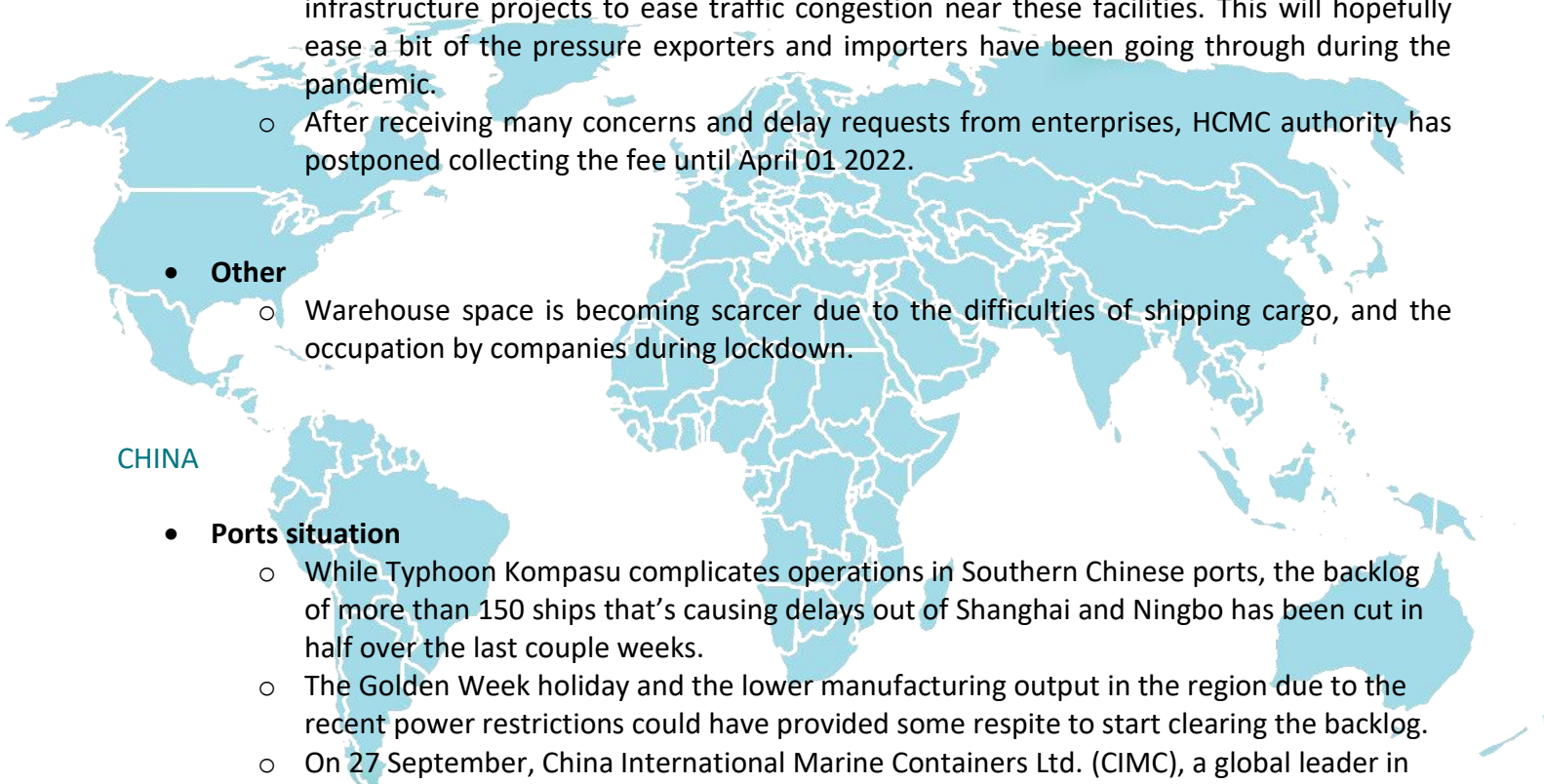
- Warehouse space is becoming scarcer due to the difficulties of shipping cargo, and the occupation by companies during lockdown.

- **Ports situation**

- While Typhoon Kompasu complicates operations in Southern Chinese ports, the backlog of more than 150 ships that's causing delays out of Shanghai and Ningbo has been cut in half over the last couple weeks.
- The Golden Week holiday and the lower manufacturing output in the region due to the recent power restrictions could have provided some respite to start clearing the backlog.
- On 27 September, China International Marine Containers Ltd. (CIMC), a global leader in logistics and energy equipment, acquired the A.P. Moller – Maersk-owned Maersk Container Industry (MCI), a leading manufacturer of reefer containers. The divestment of MCI is part of Maersk's business transformation, where focus is on being an integrated container transport and logistics company creating customer value across the entire supply chain.

- **Food safety registration program**

- Decree 248, issued by Chinese Government requiring all exporters in Food sector including coffee to be registered with PRC through a new program focused on Food Safety, is a work in progress. It is understood that at this stage, the Government is still working on building the platform and no application has been received yet from any shipper. Thus, the fact that



the Decree would come into effect from 1 January 2022 is still a question for overseas exporters.

## INDONESIA

- **New Halal certification law**

- Indonesia issued a new Halal certification law, under Government Regulation 39 of 2021 (GR 39/2021, revoking GR31/2019) which states that products that enter, circulate, and are traded in Indonesia must be Halal certified, unless they are originating from materials prohibited under Islam (Haram).



## SUCAFINA LOGISTICS VOICES

Hear from our Global Logistics team! We are happy to introduce our new “Logistics Voices” – a space where our team members reflect on the major challenges and opportunities we see in our day-to-day.

Today, Ms. Quyen Phan Le from our Client Support team speaks about her experience as an Execution Specialist for Europe based in Vietnam, where this year has seen the strongest hit of the Pandemic.



“Moving goods around the globe is never an easy task, as the logistics sector faces constant trials and tribulations. During October 2021, the greatest challenges are cost, capacity, and timely delivery.

In the wake of the COVID-19 pandemic, we are still facing a vast backlog of deliveries in origin countries and other factors, including workers' strikes, rising fuel costs, locked borders, and limitations on the availability of staff. Although, in many ways, supply chain disruptions are out of our control, we must continuously improve in order to provide the highest quality service to our clients. We improvise and take initiative all the time. Good things come to those who take initiative.”