









FREIGHTS

- It's a new normal in the shipping world. Equipment release, space, transit time and terminal congestion will get worse before they get better.
- Transit times are especially unreliable – see our notes in Asia section below to read more about Singapore transshipment hub difficulties
- Despite the challenges faced by freight, we are managing to keep on top of most of the shipments and deliver coffee to you!
- We're releasing a new graph for high-level perspective of "ease to ship" from each major origin:

Origin	Cancellation/Rejection Bookings change since Q1 2021	Freight Rate % change since Q1 2021
Brazil		> 200% increase 
Colombia		> 100% increase 
East Africa		< 100% increase 
Vietnam		> 200% increase 

NORTH AMERICA

- **Hurricane IDA**
 - Port of New Orleans re-opened on September 7 with limited gate hours
 - Declared as Force Majeure, carriers have started to offload containers at transshipments ports
 - New York / New Jersey impacted by flooding in a small scale
- **Ports**
 - Los Angeles / Long Beach anticipating record 20 million TEU volume this year. Vessel bunching, container dwelling and labor shortage at warehouses are continuing issues
 - Portland starting to look more attractive to carriers as alternative
- **Trucking / Intermodal**
 - Uptick in rates as result of disruption to transportation
 - Hiring surge as peak season begins
 - Ocean delays leading to additional delays on inland transits

LATIN AMERICA

BRAZIL

- **Space availability**
 - Space availability varies between shipping lines – October has already become hard to find space – we recommend early bookings for the full Q4 2021
 - One route that faces particular challenges is from Brazil to North America, particularly to the West Coast
- **Container availability**
 - **Shortages** in Vitoria port (suffers from congestion) may delay shipments
 - **Shortages** of 20' empty in Santos and Rio De Janeiro but some 40' containers are available

COLOMBIA

- **Container availability**
 - **Shortages** in Buenaventura port (due to low imports, particularly with MSC and Hamburg Sud) - we recommend shipping line options from both Buenaventura and Cartagena (or even Santa Marta) to allow flexibility. Seafreights cost may change from one port or another, so we advise our customer to review potential impact of switching port of export
- **Vessel space**
 - Currently, carriers only grant space within 3 to 4 weeks, counting from the booking date. We are only able to get booking confirmation for the end of September/early October

- Hapag & Hamburg Sud already announced no space until week 41 out of Buenaventura port
- **Port congestion**
 - The large volume of cargo entering port Buenaventura also resulted in shipment delays
 - We continue to shift most shipments to export ports of Cartagena/ Santa Marta. More port regulations at Cartagena to control unnecessary container storage at the ports warehouse

OTHER

- **Container availability + vessel space**
 - Hard to get bookings and empty containers for September shipment. Due to the low imports, there is no available space for October '20, especially for route from Peru to Australia (since June)

AFRICA

UGANDA, RWANDA & KENYA

- **Container availability + vessel space:**
 - Uganda: low stock and booking rejections are delaying releases to pick empty containers. Vessel space on nearby vessel is a challenge with most shipping lines.
 - Rwanda: Shortage in container availability
 - Kenya: Containers are available
- **Port situation**
 - Mombasa operations remain normal
 - Vessel schedules changing and delays – we noticed recent contraction of space / more port omission

TANZANIA

- **Container availability + vessel space:**
 - Shortage in container availability, but we have seen improvements in bookings
- **Port situation**
 - Dar es Salaam operations remain normal
 - Vessel schedules changing and delaying

ETHIOPIA

- **Container availability + vessel space:**
 - Fortunately, transportation seems unaffected by political situation
 - Shortage of empties for all shipping lines
 - Djibouti port operation remains normal, however vessel space constraints remain a challenge

ASIA

VIETNAM

- **Supply chain slowdown:**
 - Slower speed in coffee factories and warehouses due to covid-control measures and limited casual labor is causing delay with samples and documents dispatch
- **Container availability + vessel space:**
 - Shipping lines are cancelling departures for China's Golden week (1st week October) Obtaining space to North EU, Med. and MENA destinations remain a strong challenge
- **Port situation:**
 - Ho Chi Minh container terminals are still operational but facing significant congestion. The container backlog has worsened from second half of August due to labor shortages and handling delays

CHINA

- The **backlog caused by a typhoon** in late July and the partial closure of Ningbo in August have worsened the port congestion in China major ports
- Coming **Golden Week** in China - first week of October - is expected to add more backlog and challenges for logistics activities
This affects not only shipments to and from China, but also affects some Asia-Pacific destination with transit via China's major ports. Vessels may skip the ports, have no space and experience longer transit time than usual. However, the Golden week this year is not same as the previous ones when factories remain open due to strong demand from the US, which seems to limit sailings cancellations

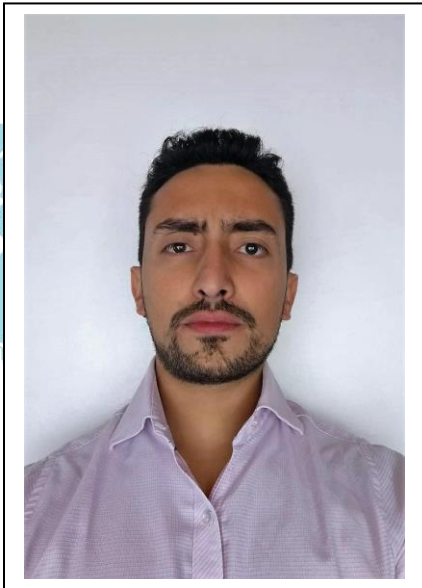
OTHER

- Other ports in Asia are also facing **worsening conditions**. Connecting vessels in Singapore have recently had more issues, and space in Indonesia is so tight that some carriers are now deploying small feeders and extra loaders
- The ports of Cochin and Mangalore, India are still dealing with COVID-19 related **disruptions to local transportation and equipment availability**. Some carriers have said they have no containers and/or no space, with no expectations of improvement in the coming months.

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, Juan Carlos Sanchez from our Latin America team speaks about his experience, reflecting upon his one-year anniversary with Sucafina. He was onboarded 100% virtually:



« I started working for Sucafina in May 2020 when the increase of COVID 19 cases in Colombia was triggered and a mandatory quarantine began.

My training was 100% virtual and carried out by the teams in Colombia, Geneva and Vietnam, it was necessary to adapt to country specific schedules and time zones of all those who provided my training in order to have clear and effective communication with them. Although the pandemic changed the way we work and how we think and communicate,

I feel that working remotely has given me the opportunity to develop new skills at work and as a person. For example, it has provided the possibility to reach out within Sucafina's global team and learn of others processes and good practices regardless of country and therefore understanding more accurately. This has helped me gain a broader and multidisciplinary vision of how to face the challenges we have in Sucafina Colombia every day.

I am very happy to be part of this family because I feel that every day, I learn something new and that I can contribute in making Sucafina better and better. »