

FREIGHTS

- We are witnessing not only a lack of vessel and hinterland capacity but also limited effective capacity as containers are held up in congestion.
- Transshipment ports remain heavily congested and contribute to increased transit times.
- We have seen increasing number of port omissions and changes in vessel routes.
- 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!).



NORTH AMERICA

Ports situation

- Port of Los Angeles and Long Beach Terminal operators were not willing to commit to the White House announcement on 24hr service, as 30% of existing appointments go unused and operating costs for night shifts are 5x day shifts. While the sentiment is that there is a trucker shortage, on the flip side, blame has always been on the lack of efficiency on port/terminal operators.
 - Port operators agree to delay Container Dwell Fee directed at ocean carriers, citing significant improvement in clearing containers that have been idling on docks awaiting pickup — a 20% decrease at the Port of Long Beach and 25% at the Port of Los Angeles.
- West Coast continues to see vessel bunching and liners canceling service to ports like Seattle.
- Seeing extreme delay on intermodal moves in Packer Avenue Terminal in Philadelphia, affecting flow of goods on the Northeast corridor, causing a 50+ day delay.
- Other major ports with rail connections (Savannah, Seattle, Houston, LA/LB, Charleston) are still experiencing severe congestion.
- New data shows that trans-Pacific transit times have doubled in the past five months.

Trucking / Intermodal transport

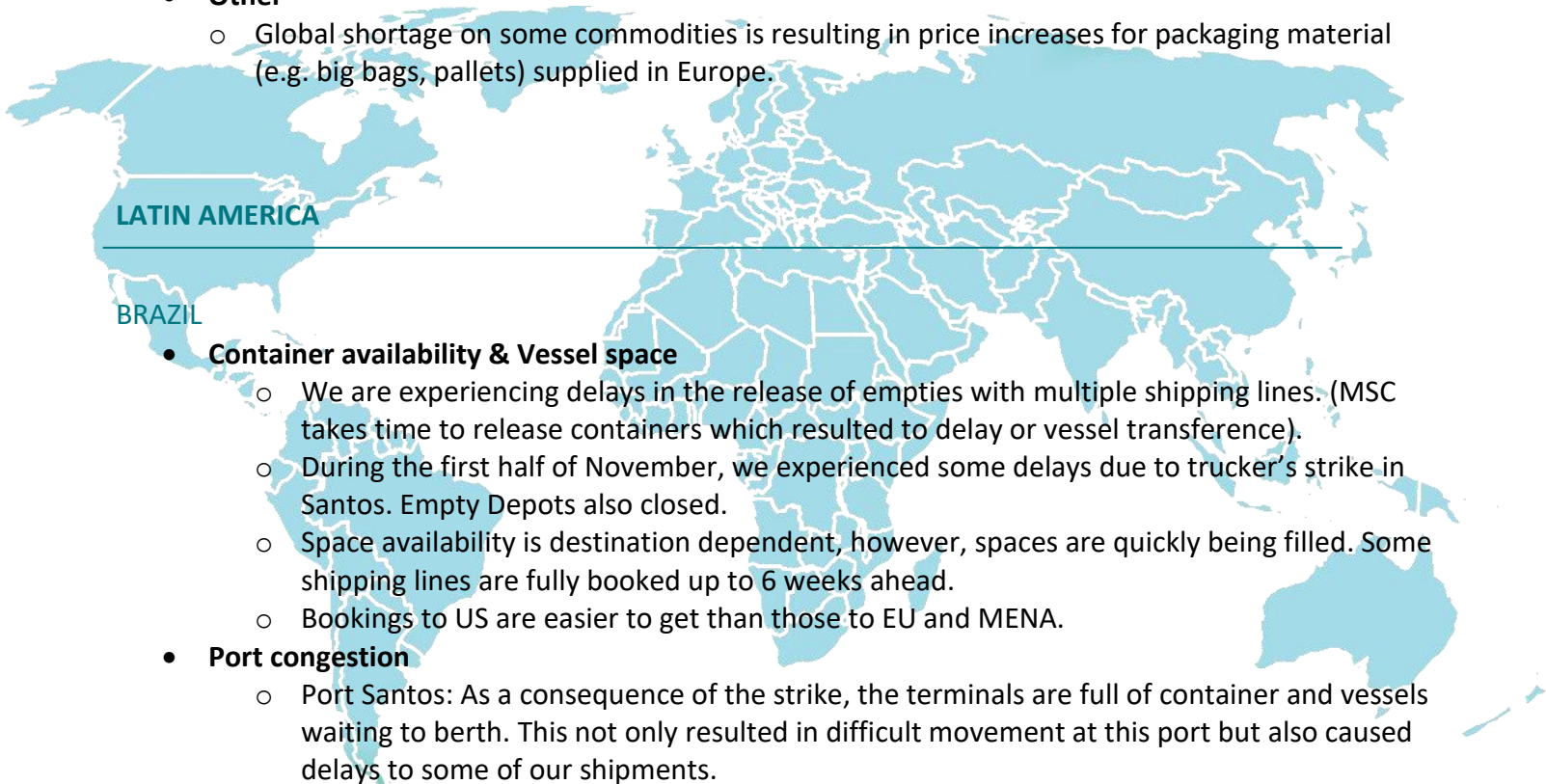
- Over the road, truck and intermodal spot rates continue to rise, not just in the Pacific Northwest, but all major lanes especially going into the Holiday season. The log jam on imports on the West Coast is causing people to be creative and reroute cargo through the East coast, causing more strain to the system.

Other

- Warehouses and transloading facilities continue having trouble hiring and keeping additional labor.
- Major warehouses in NJ/NY market have a 2 to 3-week delay just to get on the dispatch for container pick-ups, causing importers to guarantee extended free time.

EUROPE

- **Ports situation**
 - Major European ports are still intensely congested and situation is expected to deteriorate as we approach year end.
- **Trucking / Intermodal transport**
 - Shortage of chassis and drivers is sometimes resulting in inland freight delays; we encourage our clients to anticipate their needs as much as possible to ensure timely delivery.
- **Other**
 - Global shortage on some commodities is resulting in price increases for packaging material (e.g. big bags, pallets) supplied in Europe.



- **Container availability & Vessel space**
 - We are experiencing delays in the release of empties with multiple shipping lines. (MSC takes time to release containers which resulted to delay or vessel transference).
 - During the first half of November, we experienced some delays due to trucker's strike in Santos. Empty Depots also closed.
 - Space availability is destination dependent, however, spaces are quickly being filled. Some shipping lines are fully booked up to 6 weeks ahead.
 - Bookings to US are easier to get than those to EU and MENA.
- **Port congestion**
 - Port Santos: As a consequence of the strike, the terminals are full of container and vessels waiting to berth. This not only resulted in difficult movement at this port but also caused delays to some of our shipments.

COLOMBIA

- **Container availability & Vessel space**
 - Most of shipping lines have reduced the option to book spaces ahead of time: we are allowed to book only 4 weeks in advance.
 - Some carriers are not willing to offer any more spaces for the whole month of December.
- **Ports situation**
 - Discharge process is taking longer than usual. Even when the bookings are confirmed, shipping lines are facing delays in putting the containers at port's disposition.

OTHER

- **Internal transport**
 - Internal freights have been increased close to a 30% from the Coffee Axis zone to Cartagena.
 - Availability in terms of trucks it's affected as well. Process has become more difficult and long.
- **Container availability & vessel space**
 - Peru is still one of the most problematic origins in Latin America regarding placement of bookings. Some carriers have stopped receiving booking requests. The container shortage remains critical and delays from our shippers are accumulating.

AFRICA

UGANDA, RWANDA & KENYA

- **Container availability + vessel space:**
 - In Uganda, we are still facing shortage of container availability with all shipping lines. Trucking availability is okay.
 - In Rwanda, empty containers are very scarce for all shipping lines; it's difficult to get nearby bookings.
 - In Kenya, containers are available. Railway from Nairobi to port is normal.
 - Vessel schedules are still generally unreliable in Mombasa. Vessels are being dropped and cargo rolled over to further vessels.
- **Port situation**
 - Mombasa is operating normally.

TANZANIA, BURUNDI

- **Container availability + vessel space:**
 - Both container availability and vessel space are still a challenge in general, which is resulting in difficulty securing bookings.
 - In Burundi, no issue with truck availability. The route from Burundi to Dar es Salaam port is normal.
- **Port situation**
 - In Dar es Salaam, the operation is rather normal, but it's important to note that vessels take 10-11 days from ETA to berthing (this affects exports planning and vessel schedules).

ETHIOPIA

- **Container availability + vessel space:**
 - Trucks are available, but the availability of empty containers is still low.
 - Vessel space constraints remain a challenge in Djibouti.

- **Trucking / Intermodal Transport**

- The route to Djibouti is now clear; no major problems are being faced.
- The fighting has (thankfully) not caused any logistical issues in the flow of coffee.

ASIA

VIETNAM

- **Ports situation**

- Customs, ports, and depots are operating normally, but with lower productivity due to reduced staff following Health and Safety requirements and new wave of covid.

- **Container availability + vessel space**

- Several exporters have been struggling with CMA due to their significant issue of container shortage from 2nd week of November until now.
- Diesel price again went up 13% at the end of October after a big jump of 22% in mid-July compared with Mar 2021. This led to a significant increase in transportation cost for most companies.

- **Other**

- Despite negative impact of covid 19, Vietnam's total exports to EU increased 6.2% during the first 7 months of 2021 (US\$39.8 billion) compared with same period last year. On the other side, after 1 year of EVFTA implementation, total import turnover from EU to Vietnam amounted to US\$16.51 billion, a year-on-year rise of 24%, overtaking India to join EU's top ten major importers in 2020.
- Vietnam green coffee exporters are expected to receive their registration number from China GACC during the second half of December, though the new 248 decree goes into effect from 1 January 2022. Thus, it gives the option for these enterprises to declare their local business registration number on label while waiting for the final number from China GACC.
- Vietnam Maritime Corporation (VIMC) announced on Nov 25th to inaugurate a container shipping route linking Vietnam, Malaysia, and India, with a 10-day cut on total transit time. The route is expected to ease pressure on cargo transportation, stabilize the supply of transport services and support domestic firms.

CHINA

- **Ports situation**

- Container volume at eight major Chinese ports declined 7.4% year-on-year in early November. During the same period, the port of Dalian, Tianjin, Qingdao, Shanghai, and Ningbo had to be closed temporarily due to harsh weather.
- China's state council announced on 18 Nov that international liner operators can transport containers transshipped from Shanghai's Yangshan to the ports of Qingdao, Tianjin, and Dalian. This move was welcomed by Carriers since it helps ease domestic cabotage rules temporarily. The pilot scheme is aimed at developing the Lin-gang Special Area, part of the China (Shanghai) pilot free trade zone and will last until 31 December 2024.

- **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. Thus, whether the Decree will come into effect from 1 January 2022 is still a question for overseas exporters. If you have any doubt or questions about decree 248, please contact our Logistics team for more assistance.
- UCDA, together with Uganda Embassy in Beijing, have organized a zoom meeting with coffee stakeholders that is organized by GACC to interpret the registration process, issues that might emerge during the implementation of the two regulations (GACC 248 and 249).

OTHERS

- Following a research from Nanyang Technological University in Singapore, the extreme congestion at major ports during the COVID-19 pandemic has caused shipping emissions to skyrocket due to prolonged turnaround time in port. In Singapore, the researchers found that emissions have more than doubled (123 percent) during the pandemic period, while they increased by 100 percent in Los Angeles, 65 percent in Long Beach and 27 percent in Hamburg.

SUCAFINA LOGISTICS VOICES

Hear from our Global Logistics team, Ubeimar Magon:



“Working in Logistics is a day-to-day challenge. Being a member of a logistics team these days is challenging in general, but especially in the coffee business it requires a lot of you. The current combination of challenging situations, such as internal transport issues, lack of containers, congestion at the ports, demands outstanding performance and living all our core values to make things happen.”

We are located in Bogotá and Neiva, but always working close as a team, delivering Café de Colombia around the globe to our customers is always a good reason that makes us proud of what we have achieved so far.”

SUCAFINA SA

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