

Latest News

The Canada-U.S. land border travel restrictions went into effect on March 20th and will stay in place until 11:59 pm EST on April 20. Under these restrictions, the Canada-U.S. land border will be closed to all non-essential travel, remaining open only for commercial operations and people who need to cross for essential work. The partial closing does not apply to air, freight rail, or sea travel between the United States and Canada. However, Canada's borders remain closed to foreign nationals, with some exceptions.

Substantial entry restrictions extend to almost all countries, including restrictions such as waiting 14 days after entry permission. Singapore, Malaysia, Thailand, Indonesia, India, Vietnam, Philippines, Bangladesh.

Countries that have announced measures to suspend passenger flights: India, Thailand and Vietnam.

The following countries and cities are notified of domestic travel and activity restrictions. Malaysia, Philippines, Indonesia (Jakarta), India (Tamil Nadu province with Chennai).

APAC Focus

- Intra-Asia still under stress on high air cargo space demands and airline cost have exceeded normal level, in some cases, shipper will bid for the space for high offering to the airline in securing their booking confirmation.
- US base airline such as AA, UA and DL have suspended all their services and CX have reduced over 90% of their passenger flights service while the cargo freighter service still in operation.
- KWE presently operates with existing BSA on hand with CX and BR, however; space is very tight and does required advance booking subject to airline booking confirmation and acceptance before a firm flight schedule can be offered.
- Air Canada is considering regular cargo freighter schedule from PVG to YYZ on the TPEB traffic servicing round trip to Canada and KWE already in-line with such potential allocation to be assigned once Air Canada have decided with their schedule.
- For North American requirements on space allocations, other airlines in the open market offers daily ad hoc rate depending on backlog and cargo on hand to be evaluate based on each lane pair and cost level seems to be still on an up trend.
- Airlines tends to accept the booking only if physical cargo on hand as confirmed with respective freight forwarder before a firm booking with space confirmation can be released, all cost as previously offered still must be reconfirmed prior to departure.
- Chartered program in place on a case by case basis upon customer's request and KWE is well prepared and connected to charter airlines with established contract in place for immediate execution.
- Present cost level out of Central China to Toronto has increased 47% week over week

Air Freight

Transatlantic lanes also showing declines in capacity following strict travel restrictions by EU and US governments, due to the region's [high reliance on passenger flights](#). Belly capacity has halved in the first days since the US travel bans and will likely decrease further in the coming days—key transit hubs are affected, with Italy's airports hit hardest.

As of this past weekend Turkish Cargo has suspended all passenger flights from YYZ & YUL. Going forward they will be utilizing the TK freighter service on Mondays YYZISL, plus adding a second freighter service this week on Thursday YYZISL.

Sea Freight

"The domino effect of increased state ordinances, travel regulations, and border closures may further destabilize demand as global supply chains reactively adjust production output, routes, and distribution networks."

To compensate, freighter capacity has been increasing in various trade lanes over the week, with more service lanes opening in the intra-Asia region: Hong Kong, Hanoi, Singapore, China, India, and Bangladesh. An adjustment period is speculated to refill roughly 7,500 tons of daily capacity lost in passenger belly capacity.

US seaports have also changed their operations teams and hours in response to [lopsided demand and health concerns](#), and trucking demand is characteristically high. As ocean carriers arrange for [empty containers to be shipped to the US](#), the country's recent improvements to warehousing and container storage infrastructure may play a vital role in the coming months.

CN update regarding operations as well as CN's preparedness for COVID-19 below.

At this time, CN continues to operate very efficiently, and our network is extremely fluid including the Canada – United States border which remains open to rail. CN continues to proactively respond to the developing COVID-19 pandemic. As always, the safety and health of our employees, customers and partners remains our top priority.

As a key partner to your business, the entire CN team of people is committed to getting your goods to markets and to ports in a safe and responsible manner. We are proud that you can count on us when global uncertainties impact your supply chains and be assured that we will be there to help through what is ahead.

Ground Freight & Logistics

Surface Logistics – As it stands right now border crossings for all commercial trucking, both into and out of, Canada and the US will continue as per usual. The citizenship of the driver is not a factor. Drivers with citizenship or work visas in either country maintain their ability to cross.

The Canadian Trucking Alliance is commending the Federal Government's declaration that commercial truck drivers are essential workers who will be exempt from the requirement to self-isolate for at least 14 days upon entering Canada from abroad.

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Speaking at a press conference, Transport Minister Marc Garneau said certain kinds of workers – such as truck drivers, train and air crews and others whose professions require cross-border travel to the U.S. in order to maintain trade and deliver essential products to Canadians – will be exempted from the condition to self-isolate as the government attempts to limit the spread of coronavirus.

Meanwhile, for truck drivers entering the U.S., CTA has confirmed with U.S. Customs and Border Protection (CBP) that it will be business as usual, unless a U.S-bound driver has returned from a “hot spot” country within the last 14 days. If a truck driver returning from one of the countries listed in [president Trump’s recent Executive Order](#), attempts to cross a border within 14 days, they will be denied entry into the U.S. Officials on both sides of the border have indicated that additional scrutiny and questioning of drivers will occur, but they will attempt to prioritize the efficient movement of truck drivers and goods as much as possible moving forward.

CTA will be working with border officials on creating a best practices document on how to safely interact and communicate at the border to ensure both truck drivers and border officers remain safe. For any border crossing issues related to COVID-19, please reach out to lak.shoan@cantruck.ca.

Additionally, CTA will be distributing a separate document helping the trucking industry manage the interaction between carriers and drivers, shippers and other supply chain workers. Anyone who has best practices tips that would be helpful in the document should send their recommendations to jonathan.blackham@cantruck.ca.

Market Sources

<https://www.trucknews.com/transportation/trucking-and-covid-19-questions-answers/1003137986/>

<http://cantruck.ca/trucking-remains-an-essential-service-as-canada-u-s-close-borders-to-non-essential-traffic/>

<http://cantruck.ca/feds-recognize-truck-drivers-as-critical-in-fight-against-covid-19/>

<https://www.thenational.ae/business/aviation/global-airlines-facing-tough-cash-crunch-plead-for-government-action-1.994009yvr.ca/coronavirus>

<https://theloadstar.com/more-passenger-aircraft-become-freighters-as-borders-stay-open-for-cargo/>

<https://player.vimeo.com/video/399212574>

This announcement applies to all Kintetsu World Express Transportation Services, including our Air Freight, Sea Freight, Ground Freight and Logistics. Kintetsu World Express is continuously monitoring the situation and will provide further updates as the information becomes available.

If you have any questions, please contact your local KWE representative.

Thank you, we appreciate your business.

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