

Update on the COVID-19 situation and its impact on air freight in China

August 23, 2021

Dear customers and partners,

The situation at Shanghai Pudong International Airport is becoming more critical. A few more people have tested positive for COVID-19, and authorities have expanded their measures to contain the outbreak.

Terminal personnel have been ordered to comply with the so-called 777 Model, which means seven days of work followed by seven days of hotel quarantine and seven more days of quarantine at home after that. All personnel who test positive for COVID-19 can now be required to quarantine for up to 28 days, and this is having a major effect on airport operations:

- The cargo terminal service provider PACTL has announced that it has suspended all cargo acceptance until further notice. This move affects the following airlines: RU, QR, TL, VS, SU, NZ, SV, LX, ET, BA, AY, LH, BR, EY, CA, PO, MH, CX, HX, AA, SK, QF.
- Nanjing Lukou International Airport (NKG), which is located near Shanghai, has been shut down.
- Several airlines are cancelling flights or have reduced capacity to less than 50% in some cases.
- Other flights are not being unloaded and are returning their export freight to Europe, while in other cases planes cannot be loaded in China and are therefore flying back empty.
- Terminals are overloaded with cargo that cannot be flown out, and this is leading to a major cargo backlog.

Our own Flight Operations system has also been heavily impacted by these developments and we are therefore experiencing cancellations, delays, and empty flights. The situation has resulted in a substantial capacity shortage as well as processing issues in our air freight network. Significant price increases can also be expected for both export and import shipments.

Please note that existing rate agreements will need to be discussed and coordinated from now on, and that due to the current situation, previous flight schedules no longer apply and we also can no longer guarantee our lead time assurances. We are working on obtaining additional capacity and diverting flights to nearby airports in order to be able to offer transport alternatives. In order to ease the strain and congestion at departure airports, especially at Frankfurt Airport, only confirmed freight can be accepted in a time window of 24 hours.

Please take the current situation into account in your transport planning and coordinate all processes and procedures with your local DB Schenker team.

Best regards,

Your DB Schenker team in France