

CUSTOMER ADVISORY New Covid-19 Outbreak in Shanghai Forces Citywide Lockdown, Cargo Disruptions

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City officials announced a two-phase lockdown of Shanghai's Pudong and Puxi districts on Monday, March 27 for a city-wide nucleic acid testing after <u>a surge in Covid-19 Omicron cases</u> was confirmed by multiple sources. Shanghai's eastern district Pudong will undergo testing first, followed by the western district of Puxi—Shanghai-Pudong Airport (PVG), Port of Shanghai, and Waigaoqiao will return to normal operations on April 1, while Shanghai-Hongqiao Airport (SHA) will be closed until April 5.

At this time, all residents are prohibited from commuting to and from work. Ground transit is severely limited to contain the outbreak, including entry to Shanghai's airports and seaports—air cargo and LCL sea cargo can only be handled by transport providers authorized by government.

While FCL shipments and empty container receipts are exempted, local KWE sources report that trucking availability is significantly impacted from the lockdown. Some neighboring cities such as Suzhou and Kunshan have also rejected cargo drayage and cargo diversions inbound from Shanghai.

<u>Over 1,800 flights to and from</u> Shanghai's airports have been canceled since March 27, although a handful of airlines have rescheduled or diverted flights to cities such as Fujian. Customs authorities have suspended inspections and irregular processes until further notice. KWE's local Container Freight Stations continue to receive cargo but are restricted from further operations.

KWE will continue to monitor the situation and advise clients on available contingency measures. If your shipment has been affected by the city-wide lockdown in Shanghai, please reach out to your account manager or contact a representative for more information.



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