

US pandemic intensified, LAX airport nearly immobilized, all CA cargo flight cancelled and no ending to soaring freight and delay.



Los Angeles and Long Beach airports are nearly immobilized due to severe congestion. More troubling news racking E-commerce when large number of ground personnel at LAX airport were infected by Covid-19 recently. CA (Air China) has announced to cancel cargo flights between 1st to 10th December 2020. CZ (China Southern Airlines) to cancel more than 10 cargo flight in February 2021. MU (China Eastern Airlines) and other airlines are likely to follow suit. Airlines are likely to reject all cargo without prior freight confirmation and received cargo will be declined as well if discrepant from details given at time of booking.

To make the matter worse, one of biggest Russian freighter "Volga-Dneper (VI)" has also suspended all AN-124 freighters indefinitely due to safety issues, implicating more stress to existing pressures in global supply chain.

LAX paralyzed, ORD is equally congested and operating in minimum capacity, and JFK is only slightly better off for the time being. Operation in these airports have almost stalled due to prevalent shortage of manpower and acute backlog. Without sufficient manpower, some airlines have accumulated more than 1000 PMC for more than 20 days. Transshipment is practically impossible. Cargo already launched will mostly be rejected.

At present, exporters are encouraged to divert goods East Coast airports and transfer them by trucks instead. However, this has led to freight increment to USA East Coast airports. Thus, freight will continue to rise in December and the space continue to be limited.

There is also an urgent announcement that exporters are encourage not to proceed any booking made from 1st December 2020 onwards. Considering it will not be discharged or operated upon arrival.

In addition, Delta Air Lines has advised due to unforeseen issues, cargo facilities in Chicago O'Hare International Airport will be temporarily closed. It will not accept any cargo operation and truck is not able to operate as well.

This is the second time Delta Cargo has temporarily closed its O'Hare warehouse in five months. At the end of June, the facility was closed for two days. Although no reasons were given, but apparently covid-19 has destroyed most of the passenger business, many ground crews were forced to take leave resulted to shortage of ground crews to handle the cargo.

According to Civil Aviation Administration of China, on November 26, the Civil Aviation Administration issued another circuit breaker instruction. Starting from November 30, it has taken circuit breaker measures for three airlines including China Southern Airlines, Russian Azul Airlines, and Sichuan Airlines. At the same time, the peak season at the end of the year is approaching, freight volume is skyrocketing, aviation is facing suspension of flights, and marine terminals are also facing problems such as insufficient labor, port congestion and lack of empty containers. Freight rates may continue to rise in December and logistics in coming months are not optimistic.

With effective from 1st January 2021 of USA STOP Act. It would be more demanding for parcel entering USA from China. Cargo will be rejected and return to origin once cargo data is filed incorrectly or found incomplete. Millions of parcels are expected to be affected from 1st January and imply tremendous stress to China post office.

Few days ago, China Post issued a statement: Starting from January 1, 2021, the United States requires EAD (Electronic Advance Customs Information) for all mail parcel entering USA.

China post office has reached an agreement with USA post office to transmit EAD via UPU (Universal Postal Union). A kind reminder to customer to ensure complete and accurate data to be presented to ensure smooth clearance.