

AVIATION

Delays in cargo deliveries mount at Shanghai airport

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Delays in deliveries and goods shipments through China's largest cargo airport are mounting as new coronavirus infections have led to cancelled flights and disrupted the customs-clearance process, resulting in higher air freight prices and more strain on recovering supply chains, airlines and logistics providers have said.

Mixed messages over cargo operations have also raised questions about the extent of the delays, as authorities at Shanghai Pudong International Airport have not provided details about cargo suspensions but are said to have notified logistics providers, airlines and traders directly through online social media notices.

On Friday, two cargo workers tested positive for the coronavirus at the Pudong Air Cargo Terminal (PACTL) – one of the airport's two terminals – prompting a suspension of its cargo aircraft operations. Three more positive cases were confirmed on Saturday.

Airport authorities said that they had quarantined and tested 143 close contacts of the five infected workers as of Monday, plus 942 secondary contacts. It remained unclear yesterday when regular cargo operations at PACTL would resume.

As a result, airlines and freight forwarders were scrambling over the weekend to divert cargo shipments and deliveries to other

airports, international freight expert SEKO Logistics said.

"The impact of this suspension will see a serious backlog in Pudong in the coming days. Airlines are diverting flights to airports to the south or west of China," a SEKO spokeswoman said.

"Key Chinese airport gateways have applied a 'closed-loop management' rule due to the increase in coronavirus cases, meaning that the export-handling speed is 30 to 40 per cent of the normal [pace], and import cargo [has to] meet very strict inspections. Cargo flight cancellations are impacting airfreight rates."

However, Shanghai Customs and two cargo workers at PACTL attempted to downplay the impact on Monday, telling the *Post* that the cargo business was operating normally.

The airport terminal's closure

came after a shipping container terminal was closed at the Ningbo-Zhoushan Port on August 11 following a worker's positive coronavirus test.

Bloomberg reported yesterday that ships had resumed berthing operations at the halted container port, adding to optimism that full activity at one of the world's busiest ports would be restored soon.

The airport and shipping port are about 130km apart, as the crow flies.

Some freight forwarders were also considering alternative export methods, including a combination of ferry and air service via South Korea, or container shipping and air service via Singapore or Dubai, according to SEKO.

SEKO itself had been redirecting cargo bound for the United States and Europe to airports in other Chinese cities, including

Zhengzhou, Guangzhou and Shenzhen.

Pudong's cargo business will also be hampered by a labour shortage, as all staff are being required to work for 14 days and quarantine for the following 14, SEKO added.

"This has impacted ground operations, causing delays and flight cancellations," the SEKO spokeswoman said. "Airlines now have only three hours at the terminal to load and unload cargo before the aircraft departs. We have seen flights unable to offload any cargo before having to depart from Pudong carrying the freight back to its origin."

Cathay Pacific Cargo experienced similar problems, saying they had to limit their acceptance of cargo, had diverted goods to Zhengzhou, and would be handling deliveries by truck. They also said a lot of their freight had already been cancelled and that warehouses at the airport were overflowing with outbound cargo.

Meanwhile, there has been no indication of passenger flights being affected.

Wang Xiaojie, deputy director of the Shanghai Municipal Transportation Commission, was quoted by local media on Sunday as saying that "passenger and cargo planes are strictly separated" at Pudong airport. Wang also said that, while air-cargo services would be affected "to a certain extent", it would be business as usual for passenger services.



The airport is said to be overflowing with outbound cargo. Photo: AFP