

SUPPLY CHAIN RESILIENCE

Shippers' Priorities for Governments during National Emergencies

1. Obtain 'Essential' status for supply chain and logistics activities

Seek essential status for business and their employees involved in supply chain activities to ensure continuity of supplies and trade. This should authorise employees to continue travelling to and from work during lockdowns and may entitle them to access to protective equipment supplies, and government support programmes, where provided. Logistics is not a job that can be done from home!

2. Keep borders open for international freight movements, and prioritise 'essential' shipments

Governments may close borders to prevent movement of people, but they keep them open for freight traffic to facilitate imports and exports. This includes ports and airport. Shipments of 'essential' goods, including medical and hygiene supplies, should be prioritised through 'Green Lanes' or equivalent to avoid delays.

3. Prioritise port and airport operations

International freight gateways should be designated as 'essential infrastructure' and their operations staff as 'key workers'. Border agency and Customs staff should be redeployed to ensure adequate staffing of Customs and border functions at these key entry and exit points for goods.

4. Deferment of Customs duties

Seek deferment of duties and sales taxes on imports (e.g. VAT GST, etc) to support cash-flows in importing businesses. This can be achieved either through extension of existing deferment schemes or pre-entry registration of goods by non-authorised traders.

5. Challenge and protest surcharges

"In crises, surcharges spread quicker than viruses". New surcharges should be justified on demonstrable changes in the cost base of service providers. Old surcharges may no longer be relevant or justified. Demand evidence of change and question exploitation of dominant market positions with national competition authorities. Calculate and expose the new aggregated revenues collected – even small surcharges generate massive revenue streams when aggregated over time, probably far in excess of what is needed to cover any alleged new costs.

6. Report observed co-ordination of pricing or capacity management.

Don't allow the crisis conditions to be abused by service providers. Normal competition rules will still apply, and competition authorities should be notified of suspected collusive behaviour or abuse of dominant positions, even if there is little prospect of immediate remedial action.

7. Seek exemptions from local collection and delivery restrictions

Persuade national or local authorities to suspend any restrictions on permitted delivery hours or urban transit times for freight vehicles or train services in order to expedite deliveries to and from ports and airports. Consider also any 'final mile' delivery restrictions to locked-down communities in urban areas. Suspend or postpone urban charging schemes, environmental restrictions and other restrictive measures. With shops closed these deliveries are consumers' only means of deliveries.

GLOBAL SHIPPERS FORUM
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8. Demand shipper representation in national contingency planning forums

Demand access for shippers' representatives to governmental consultative groups set-up to plan and manage national response measures. The role and input of shippers is crucial in understanding supply and demand pressures in the economy

9. Promote public awareness

Work through print, broadcast and social media to raise awareness and understanding of the role shippers play in the country's supply chains and the economy "Shippers Supply Societies with the Stuff they Want".

10. Prepare for recovery

This crisis will pass, and nations will need to trade their way out of the economic damage lockdowns have caused. Shippers will be crucial in facilitating imports and exports, generating foreign exchange flows and markets for exporters. But it will not be a return to normal. Governments should recognise and support shippers in revitalising international trade. Establish and agree a recovery agenda that prioritises investments, programmes and strategies that facilitate shippers' activities and facilitates international trade. These are GSF's priorities for Post-Covid Trading:

- trade digitisation and automation
- cargo tracking and reporting
- surcharge transparency, accountability and elimination
- service performance measurement and reporting
- a paradigm shift in Governments' priorities in favour of shippers: *"It's the efficient movement of goods that generates national wealth, not the welfare of carriers or infrastructure owners. Respect and prioritise the needs of shippers!"*

These guidelines are under development and will be revised based on GSF members experiences and feedback

GSF Secretariat
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