

May 28, 2020

## CANADA Daily News and Updates

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### Ocean Updates

#### **Cape Routings Increase Despite Shipper Fury**

Container lines have continued routing vessels via the Cape of Good Hope this month despite shippers protesting against the needless burning of fuel.

Taking advantage of lower bunker costs, carriers are steaming around the Cape to avoid Suez Canal tolls that can total around \$700,000 for a fully laden 20,000-TEU-capacity container ship.

IKEA has led shipper protests, saying it would consider not booking slots with lines that continued to use a route it considers incompatible with its sustainable supply chain efforts.

Even so, and despite Suez Canal toll discounts to discourage diversions from May 1, as of May 26, a total of 15 ships that departed from Europe and North America in May were still using the Cape route, even though they would have been eligible for the Suez toll discounts.

Read more in an [article from Lloyd's Loading List](#).

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## **International Business/Government**

### **U.S. and Canadian Perishables Shippers Switch Their Focus to Different Markets**

U.S. consumers can look forward to ample quantities of lobster and cherries in grocery stores this summer. Meanwhile, their Canadian competitors are busy meeting Asian demand.

One question for U.S. shippers is how far the increasingly belligerent rhetoric between Washington and Beijing will impact Chinese consumers' shopping decisions, possibly sparking a bias against U.S. products.

Brendan Harnett, CEO and chairman of Canada's Flying Fresh Air Cargo, is optimistic that Canadian perishables exports will fare better in China than U.S. goods, given the less-turbulent political relationship.

And, thanks to the cargo flights with passenger aircraft to haul personal protection equipment in from China, transpacific capacity has been strong.

Read more in an [article from The Loadstar](#).

### **U.S. House of Representatives Set to Back China Sanctions amid Rising Tensions**

The U.S. House of Representatives was expected to give final passage yesterday to legislation that would sanction Chinese officials for human rights abuses against Muslim minorities, the latest in a series of moves by Congress and the White House to put pressure on the Beijing government.

China has threatened retaliation over efforts in the U.S. to exert pressure over human rights issues. The House vote comes as relations between the world's two biggest economies are at a low point.

The administration is separately considering possible penalties against Chinese officials, businesses and financial institutions if the authorities crack down on dissent in Hong Kong with a new national security law.

Read more in an [article from the American Journal of Transportation](#).



**Freight Forwarders: Helping Canadians Do Business With The World**