



The Israeli Federation of International Freight Forwarders and Customs Clearing Agents

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To whom it may concern,

“Swords of Iron” -Israel at war - bulletin number 10

The goal of this bulletin is to provide visibility on the topic in order to keep our friends and partners informed so that they are well equipped with knowledge (whatever could be available from different trusted sources) to take better business decisions in the coming days / weeks.

The information given in this bulletin delves into the consequences of the conflict on trade relationships, potential disruptions to major trade routes.

Please note the actual situation affecting export and import cargo movement on the ninth day of the war. In general Israel’s air cargo and marine gateways for trade are functioning under signs of strains as the country’s war continues.

- **Customs and regulation authorities**

All customs field offices and regulation authorities are operating regularly.

Note: the Veterinary Services and Animal Health of the Ministry of Agriculture and Rural Development, has issued a procedure to import vet products to Israel without an original **certificate of veterinary inspection (CVI)** (the procedure was published in Hebrew only)

The Plant Protection and Inspection Service of the Ministry of Agriculture and Rural Development, allows importers to use scanned Phytosanitary certificate to clear imported cargo.

- **Border crossings**

Tuesday , October 19th 2023:

- Cargo operations at **Allenby/King Hussein/al-Karama Bridge crossing** is partly working between 08:00 – 16:30, for the transfer of:
 1. Palletized cargo - import
 2. Export.
 3. Cement (silo in bulk)
 4. scrap iron

Please note that:

Food items will get priority

The crossing director has requested not to arrange the transfer of:
motor vehicles and sand shipments.

- Cargo operations at **Jordan River/Sheikh Hussein Border Crossing**: the cargo terminal will be open, subject to availability of workers, between 08:30 to 17:00 for imported fresh produce (olives, fresh fruits and vegetables) but no handling of dangerous goods.
- Priority will be given to reefer containers arriving from Haifa.
- **Nitzana Border Crossing** – between Israel and Egypt is closed.
- **Yitzhak Rabin/Arava Crossing** – between Israel and Jordan near Eilat is working.

- **Crossings Administration of the Ministry of Defense serving cargo moving from Israel to the Palestinian Authority.**

The following crossings will be open on 18th October 2023 for all type of cargo including containers moving from Israel to the Palestinian Authority. Goods moving from the Palestinian Authority to Israel must get prior approval.

Tarqumiyah Crossing - southern crossing in Yehuda and Shomron

Gilboa/Jalama Crossing - northernmost crossing in Yehuda and Shomron

Sha'ar Ephraim - Ephraim Gate - a crossing in the center of the Yehuda and Shomron region

The following lists of humanitarian goods are only allowed to pass through the crossings (west to east):

- Medical equipment, drugs and medicines.
- Foods including fruits and vegetables.
- Wooden pallets.
- Raw materials for the food packing industries.
- Petrol
- Full list is available in Hebrew.

The Unit for the Coordination of Government Activities in the Territories (**COGAT**) has approved the increase of cargo moving both sides.

- **Airports**

Ben Gurion International airport (TLV) stays open as foreign airlines cancel flights. Ben Gurion Airport remains open but the security situation and staff availability could affect flights.

The conflict has caused significant flight disruptions **Major international airlines suspend flights to Israel amid war on Gaza**

Israel's civil aviation authority said airlines should "review current security and threat information" and had changed some air traffic routes. The authority noted that delays should be expected and advised airlines flying to Israel to carry extra fuel as precautionary measure.

- **Airlines**

- **Israel national carrier El Al is flying between the U.S. and Israel, as well as other destinations. El Al said it was operating “in accordance with the instructions of the Israeli security forces”.**
- Israel's parliamentary finance committee approved a plan to provide a state guarantee of \$6 billion to cover insurance against war risks to Israeli airlines, the Finance Ministry said on Thursday. The guarantee framework will grant Israeli airlines insurance policies against war risks, thereby ensuring the continuity of air operations in Israel.
- **Challenge Air, Israel’s only all-cargo operator, has maintained service to Israel from its hub at Liege airport in Belgium.**
- **Air Serbia and Ethiopian Airlines**, are operating a limited service.
- **Etihad Airways** is operating a daily flight between Tel Aviv and Abu Dhabi.
- **Bluebird Airways** is continuing with its scheduled flights between Tel Aviv and Greek cities Heraklion and Athens and Larnaca in Cyprus.
- **Georgian Airlines** is continuing scheduled flights between Israel and Georgia.
- **Hainan Airlines** is continuing its Tel Aviv - Beijing flights but canceling its other services.
- **FlyDubai** is operating two daily flights between Israel and Dubai.

Several airlines, such as Wizz Air, LOT Polish Airlines, Air India, Turkish Airlines, American Airlines, Delta Air Lines, Egypt Air, Air Canada, Emirates, Air France, Dutch carrier KLM, Germany’s Lufthansa, Finland’s Finnair, Norwegian Air, Portugal’s TAP, along with the Lufthansa Group (comprising SWISS, Brussels Airlines, and

Austrian Airlines), either cancelled or reduced flights to Tel Aviv's international airport, Ben Gurion Airport.

British Airways has suspended its service to and from Tel Aviv, the latest airline to halt Israel service as the war escalates. Other countries like China, Hong Kong, and South Korea cancelled all flights to Tel Aviv.

- **Courier / express services**

UPS is maintaining a freeze on flights into Israel because of security concerns associated with operating in a war zone.

We understand, however, that UPS shipments to and from Israel are moving parcels, probably by other means. The company has put in place a contingency plan allowing UPS to resume daily international service to and from Tel Aviv.

DHL Express continues to fly to the country's main airport in Tel Aviv.

FedEx Express suspended flights last week. Flight resumed last Wednesday and frequency increased.

Note:

- Southern areas of the country: delivery and pick-up services are suspended until further notice.
- Northern areas of the country and Tel Aviv: delivery and pick-up services have resumed.
- The three companies are moving shipments to their destinations as quickly as it is safe to do so, and continue monitoring the situation closely.

- **Seaports**

Backlog at Israeli ports grows

According to credible sources, Israeli ports are experiencing a growing backlog of ships as the nation intensifies its shipping operations.

Ashdod Port remains operational. A recent statement on its website emphasized its commitment to continue its operations, even in times of conflict. The port's message reassured the public that it was prepared to supply Israel's economy with essential goods around the clock to prevent shortages. Ashdod port applies strict entry procedures for vessels carrying hazardous materials.

The Port of Haifa, which handles various cargo types, including dry bulk goods, has affirmed its continuous operations. It aims to accommodate various cargo types, including diverted shipments from Ashdod.

Other Israeli ports are currently reported to be unaffected and operating as before the conflict escalated.

However, as the situation continues to evolve, the status of Israeli ports can also change.

- **The port of Ashdod** is currently operating in “emergency mode” status.
- **Hadarom Container Terminal (HCT)** working daily until 19:00.
- **The port of Haifa**, which also include the Haifa Bay port and Israel shipyard port, is operating as usual.
- **HaMifratz Port**, Haifa, is operating as usual.
- **Eilat** - The port of Eilat is operating as usual.

Ashdod

Following an announcement about “special situation in the hinterland” in the geographical area in which Ashdod Port is included, the Ministry of Transportation has directed the port to regulate the entry of vessels according to the hereby procedure:

1. Entry of vessels carrying Hazardous Materials (“HAZMAT”) of any kind into Ashdod Port, is subject to a prior approval of Israel’s Administration of Shipping and Ports.
2. Shipping agents are required to send detailed list of all HAZMAT of any type on vessels scheduled to arrive at the port of Ashdod, 48 hours prior its arrival at the port. The above applies to both container ships and general and bulk cargo ships.

Haifa

Home Front Command requires to control and regulate the amount of HAZMAT entering/outgoing/stored in the port and to act so that HAZMAT containers of certain classifications are stored in the port only in the protected areas. meanings The ship’s agent must send the declaration at least 24 hours before the ship carrying HAZMAT enters the port.

The Israeli Navy controls all the sea traffic in all areas around and near the ports of Ashdod and Ashkelon.

British maritime risk advisory and security company Dryad Global noted that “However, the entire situation remains unstable and demands vigilant monitoring. Should Hezbollah from southern Lebanon get involved, the threat level for the port of Haifa would instantly escalate. While not a direct target, the risk of collateral damage to ships and potential operational disruptions would be of significant concern”.

- **Shipping**

- The container liner company ZIM Integrated Shipping Services continues to operate and accept bookings to and from Israel.
- Mediterranean Shipping Co. (MSC) and Maersk, the biggest and largest container shipping companies by cargo volume, told clients they will continue to accept bookings to and from Israel.
- Maersk announced relief for customers with cargo in Israel or bound for Israel: *Free Change of Destination (COD) service fee – subject to re-stowage and shifting costs, plus any ocean freight price difference to the new destination; and *Detention and Demurrage (D&D) clock stop for all locations in Israel between October 8, 2023 and November 8, 2023.”
- Ocean Network Express (ONE) is closely monitoring the evolving situation and will continue to provide updates on any further developments. ”The ongoing safety and wellbeing of ONE’s employees and associates in the region remains our priority.

- **Insurance and war risk premium**

In light of the war situation, insurers have imposed an additional war risk insurance premium on all vessels calling Israeli ports, which we are now obligated to pay in order to maintain service to and from Israel. **Consequently, effective immediately, ZIM will charge the war risk premium, at cost, on all cargo to and from Israel, as detailed in the table below:**

Line/Service	War risk premium Surcharge
ZNI	\$50/TEU
ZMP, MGX, SAM, ZCA	\$100/TEU
TBX, LBX	\$80/TEU
ADE, TYR	\$50/TEU

- The war risk premium surcharge will apply to new Bookings and on-water cargo.

- As advised by insurers, the war risk premium surcharge is subject to changes every 24 hours and therefore Zim will update the war risk premium surcharge as per these changes.
- We have been informed that **Grimaldi lines** advised customers that it applies war risk – 10 % to Haifa , 15 % to Ashdod.(formal notice is yet to be published).
- **OOCL** - shipments to/from Israel to all destinations except US ports will increase to USD 35/TEU, effective immediately For USA shipments effective date of the increased WRP is November 15th.
- **Arkas Line**, - due to the situation in Israel, insurance companies apply an additional war risk insurance premium surcharge to all vessels calling at Israeli ports, so we are obliged to implement WRS to continue in/out Israel shipments. We will continue to accept in/out Israel bookings. Operations in Israel will continue as usual. As advise by our insurers, the war risk premium surcharge is subject to changes every 24 hours and therefore we will update the war risk premium surcharge aligned with these changes. WRS to be applied as of 18.10.2023 for all containers that have been gate - in to Terminal for from/to Israel is as follows: WRS USD 100 / teu (for all container types).
- **Akkon Lines**, informed the trade that: due to the tensions at Israel, insurers have imposed an additional war risk insurance premium on all vessels calling Israel ports, which we are now obligated to pay in order to maintain service to and from Israel. Therefore we are compelled to implement a War Risk Surcharge for all cargoes moving to / from Israel Ports (Ashdod & Haifa):
 - USD 125 per TEU as from M/V VENTO 0823 vessel
 The above charge will be payable by the Freight Paying Party.
- **Admiral** (Turkey and Black Sea) - Apply an extra war risk premium to all our vessels calling Ashdod and Haifa Ports. we are forced to apply EXTRA WAR RISK PREMIUM (EWP) valid for

ALL imports and exports from /to ASHDOD to HAIFA without any exception:

USD 91.-/20'

USD182.-/40'

New EWP will be applicable valid by:

TIX Service:

Admiral Galaxy v23/198 - eta Haifa/Ashdod 22-23/10/2023

- EBX Service:

Admiral Star v23/328 – eta Haifa/Ashdod 22-23/10/2023

Admiral Moon v23/246 - eta Haifa/Ashdod 22-23/10/2023

EPS would be collected from the party who pays the sea freight.

Turkon Line

WRS to be applied as of on the following dates for all containers that have been gate - in to Terminal for from/to Israel is as follows: WRS USD 90 for 20' and USD 180 40' and 45'.

Export from Israel

On 27.10.2023 from Haifa to Istanbul.

On 30.10.2023 from Ashdod to Istanbul.

Import to Israel (Ashdod/ Haifa)

On 24.10.2023 from Izmir

On 27.10.2023 from Istanbul *EVYAP. GEMLIK*

On 27.10.2023 from Iskendrun

- Insurance premiums for Israel-bound shipments/ cargo have risen.
- The Israeli Parliament is preparing to extend US\$6 billion in wartime insurance guarantees to three Israeli airlines, enabling carriers "El Al", "Arkia" and "Israil" to continue repatriating Israelis from abroad, amid widespread international flight cancellations to Israel.

- According to JCC's Global Cargo Watchlist, Israel's risk moved to Very High 3.2 from High 3.0: Rising risk of Hizbullah intervening in the current Israel-Gaza war, increasing risks on ground cargo and related infrastructure, probable targeting of ports and marine assets, airports, and accidental shutdown risks from rockets.

- **General**

Israeli companies involved along the international supply chain, have upgraded their activities in recent days in order to address the situation and have taken the necessary steps to enable local importers and exporters fulfill their commercial undertakings.

1. The Israel Defense Forces (IDF) have closed main roads near the border with the Gaza Strip.
2. Inland services – both road and rail – are fully operational in and around the country, except around the Gaza strip.
3. The conflict could also impose a severe maritime security risk in the area, with sources already claiming that vessels are changing their routes after being advised to do so.
4. Heightened security measures and disruptions to transport and business will almost certainly continue in central and southern areas of Israel over at least the short term.
5. Heightened security is likely at all Israeli ports of entry over the coming days, and the status of border crossings, airports, seaports, roads, and rail services may change on short notice in response to conflict developments. Precautionary measures, such as evacuations, are possible in areas impacted by the armed conflict.

Regards

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