

Voluntary Report – Voluntary - Public Distribution

Date: May 04,2020

Report Number: IN2020-0029

Report Name: COVID-19 in India - Weekly Port Situation Update

Country: India

Post: Mumbai

Report Category: Agricultural Situation, Agriculture in the News

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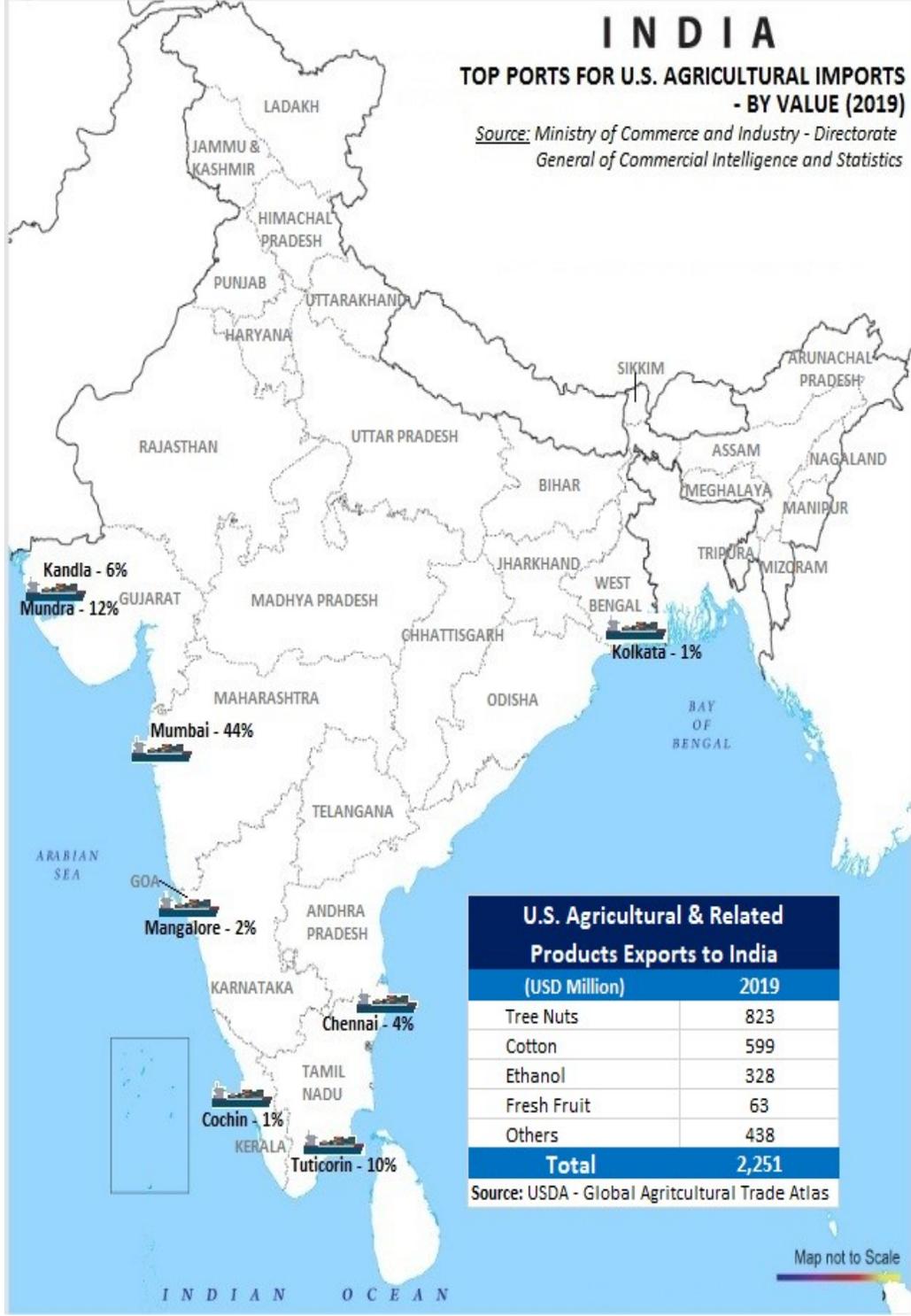
Report Highlights:

Weekly report as of May 1, 2020, of COVID19 impact on Indian port operations.

INDIA

TOP PORTS FOR U.S. AGRICULTURAL IMPORTS - BY VALUE (2019)

Source: Ministry of Commerce and Industry - Directorate General of Commercial Intelligence and Statistics



U.S. Agricultural & Related Products Exports to India (USD Million)	
	2019
Tree Nuts	823
Cotton	599
Ethanol	328
Fresh Fruit	63
Others	438
Total	2,251

Source: USDA - Global Agricultural Trade Atlas

India Port Situation Update as of Friday, May 1, 2020

- Mumbai:** Media reports that 70 percent of the truckers serving Jawaharlal Nehru Port (JNPT) had abandoned work and returned to their villages at the onset of the lockdown. Contacts indicate that truckers are gradually returning to work. Multiple container freight station (CFS) operators have warned the Indian government that its order to waive storage charges during the lockdown may lead to greater port congestion. Moreover, India's Container Freight Stations Association said in a letter to the JNPT on April 23 that such rules were turning out to be "counterproductive", saying its container storage facilities were "almost full to (the) brim."
- Mundra:** Port operations are slow due to truck movement restrictions outside the port. Unclaimed/uncleared containers continue to pile up as factories are unable to receive them because they are closed due to the lockdown.
- Tuticorin:** PSA SICAL Terminals Ltd, which operates a private container terminal at state-owned V O Chidambaranar Port Trust (VOCPT), has invoked force majeure in its license agreement with the port after its trade volumes slumped by up to 75 percent since April 1st due to the lockdown. PSA SICAL Terminals Ltd is now the second privately-run cargo terminal at VOCPT to invoke force majeure after Dakshin Bharat Gateway Terminal Private Limited.
- Kandla:** The lack of labor and trucks continues to slow down operations. Media reports that the Deendayal Port Trust is allowing limited and supervised exports of livestock to West Asian countries.
- Chennai:** Media reports a total of 75,000 containers remain in the city's three ports and four terminals with an additional 15,000 containers that could be accumulated in the coming weeks. Chennai-area CFSs are frustrated with the Director General of Shipping's instruction to waive demurrage and other penal charges. The Chennai Chapter of the National Association of Container Freight Stations has stated that these charges act as an incentive to importers to clear the container from the CFS at the earliest. The association has urged withdrawal of government directives to CFSs on the waiver of charges.
- Mangalore:** Container movement continues to be affected by the lack of trucks and labor.
- Kolkata:** According to media reports, Kolkata Port Trust (KoPT) chairman Vinit Kumar has said that despite logistical pressures, KoPT port facilities are operating at 80 percent capacity. Media reports that, acting on a complaint from the importers, KoPT barred, pending further investigation, non-vessel owning common carriers from operating at the port for levying container detention charges "in violation" of the government order to waive these fees during the lockdown.
- Cochin:** Media reports that port employees feel that recent concessions offered to port users (due to the lockdown) will result in a financial loss of INR 100 crore (approx. \$13.2 million) which will bring the port "to its knees." Port and dock workers' federations under the Cochin Port Joint Trade Union Forum have written to the Union government, questioning the order to waive demurrage and related charges due to the lockdown.

Note: Each featured port includes air freight imports arriving at that city.

Attachments:

No Attachments.