

Voluntary Report – Voluntary - Public Distribution

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Report Name: COVID19 in India - Weekly Port Situation Update

Country: India

Post: Mumbai

Report Category: Agricultural Situation, Agriculture in the News

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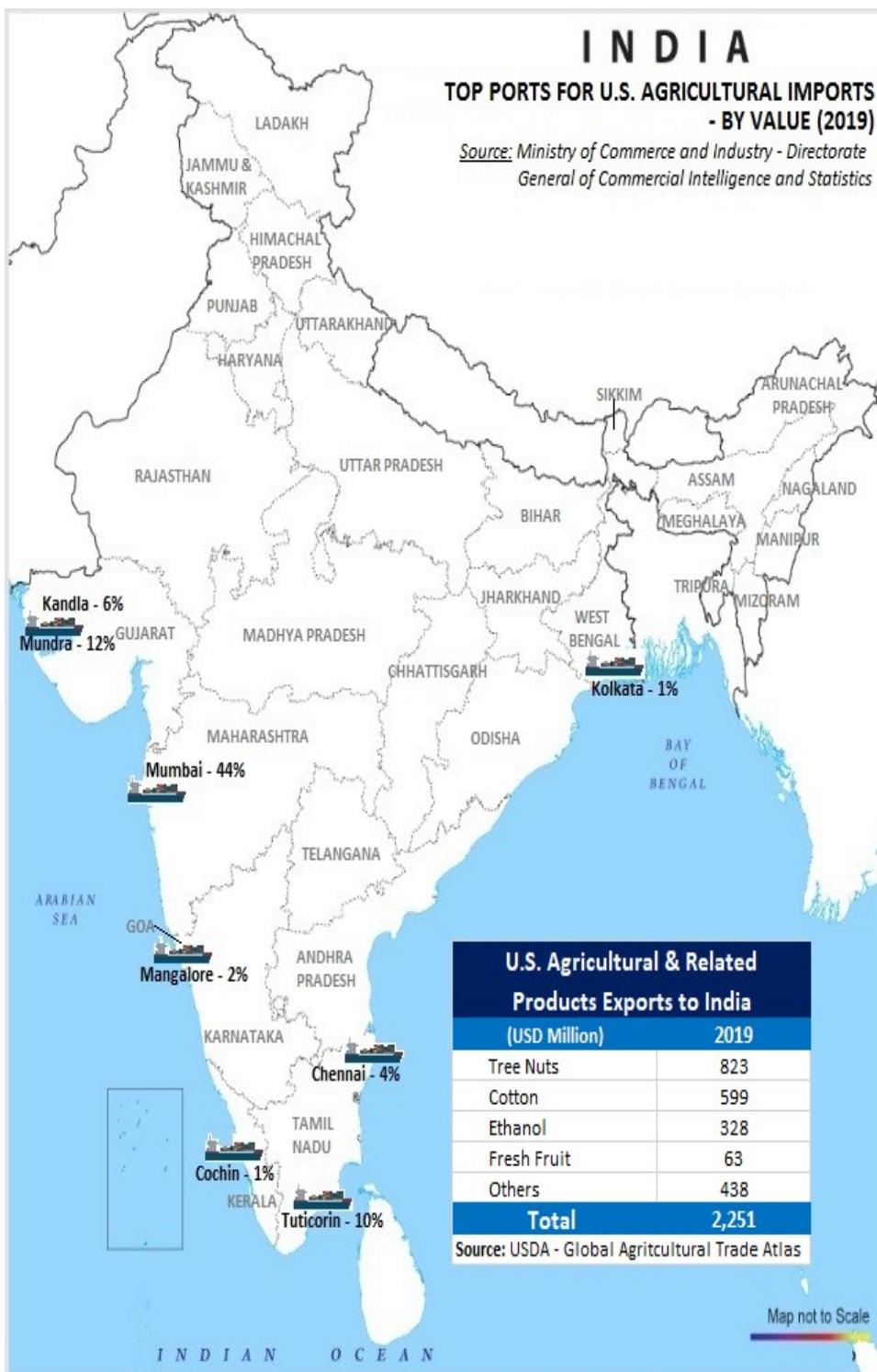
Report Highlights:

Weekly report as of May 15, 2020, of COVID-19 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 15, 2020

1. Mumbai: Media reports that container freight stations (CFS) are considering waiving up to 50 percent of ground rent charges to importers who have yet to collect cargo that arrived during April 1-15. This is in response to numerous notices from Customs asking CFSs to comply with a Shipping Ministry directive asking all ports to waive port usage charges due to delays caused by the lockdown. According to local reports, cargo volumes processed in India's 12 state-owned major ports fell 21 percent in April 2020 to 47 million tons, from 60 million tons during the same period a year ago. In Mumbai, Jawaharlal Nehru Port Trust (JNPT) and Mumbai Port Trust experienced a 34 and 18 percent decline in cargo volume in April 2020, respectively. The COVID-19 situation provides India an opportunity to improve the efficiency of ports and attract greater international cargo traffic, and some analysts believe that the recently introduced Major Port Authorities Bill 2020, which would provide greater autonomy to ports, could be the first step in such an effort.

2. Mundra: Movement restrictions and the lack of truck drivers led to a significant rise in the use of rail to transport goods at this port. This rise in rail usage is supported by the waiver of haulage charges for the movement of empty containers and flat wagons.

3. Tuticorin: V. O. Chidambaranar Port Trust (VOCPT) saw a drop in cargo volume of almost 26 percent in April 2020, to 2.29 million tons, compared to 3.08 million tons during the same period last year. Several factors could be contributing to this decline: 1) reduced demand for inputs due to COVID-19 impact on Indian manufacturers; 2) diversion of deliveries from India to other countries; or 3) delay in ships debarking, as a number of vessels from specific third country suppliers have to quarantine for up to 14 days before they can unload their cargo at port.

4. Kandla: Nearly 700 port workers blocked Gandhidham-Kandla highway demanding a train to their home states. The lack of labor continues to slow down truck movements. Deendayal Port Trust, the country's largest state-owned port by volume, reported a 23 percent decline in cargo volume during April 2020 at 8.67 million tons.

5. Chennai: Among the country's state-owned ports, Chennai Port Trust experienced the largest fall in cargo volumes at 38 percent in April 2020, to 2.44 million tons, compared to 3.95 million tons the same period last year. The state-owned Container Corporation of India has re-started a direct rail service connecting its inland container depot at Hyderabad with Chennai Port Trust after more than three years. This is an indication of the rising role of rail in the movement of goods amid the lockdown, due to shortage of drivers and trucks.

6. Mangalore: For April 2020, New Mangalore Port Trust reported a relatively minor decline of slightly more than 1 percent in cargo volumes at 3.22 million tons, compared to 3.26 million tons during the same period last year.

7. Kolkata: On May 11, Kolkata Port Trust (KPT) informed the public that the total number of COVID-19 cases at the port climbed to 15. KPT reported a cargo volume drop of 26 percent during April 2020 to 3.65 million tons, compared to 4.96 million tons during the same period last year.

8. Cochin: Truck movement continues to be slow. Cochin Port Trust saw a 34 percent fall in cargo volumes in April to 1.87 million tons, compared to 2.83 million tons during the same period last year.

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

Attachments:

No Attachments.