

Voluntary Report – Voluntary - Public Distribution

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

Country: India

Post: Mumbai

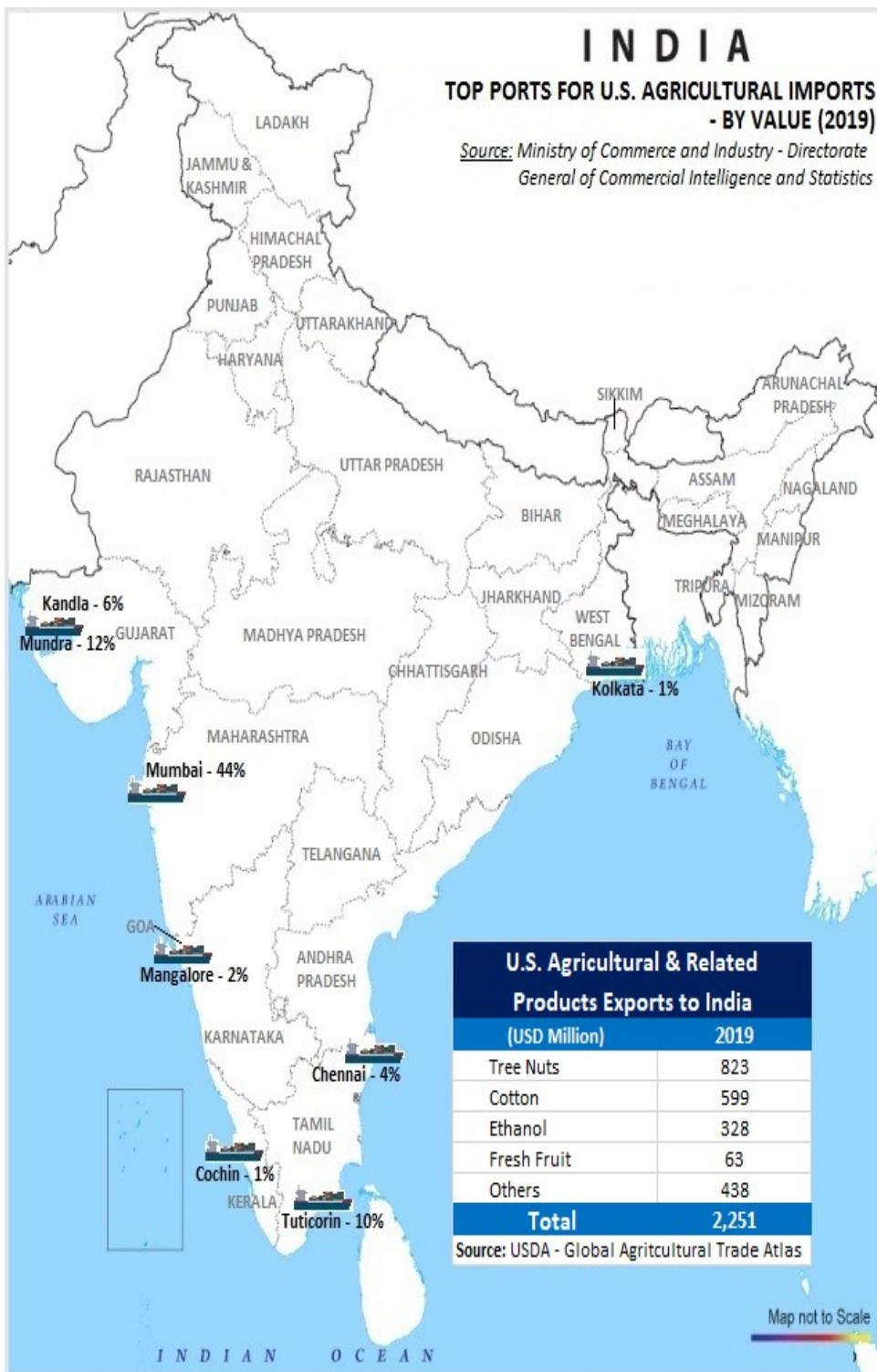
Report Category: Agriculture in the News, Agricultural Situation

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Report Highlights:

Weekly report as of June 12, 2020, of COVID-19 impact on Indian port operations.



India Port Situation Update as of Friday, June 12, 2020

1. Mumbai: According to recent reports, Jawaharlal Nehru Port Trust (JNPT) is still dealing with the effects of an exodus of migrant laborers who returned to their home states in May. This labor shortage has had an impact on both imports to, and exports from, JNPT, which declined in May, after 70 percent of the contracted labor force returned home. Exporters and port officials have made multiple efforts to entice workers into returning, including running television advertisements. Despite the labor shortages, port authorities have reduced container congestion over the past month. Reports indicate that 95,000 containers previously held at container freight stations (CFS) have been moved to inland container depots, which has reduced the backlog. JNPT has a storage capacity of 100,000 TEU (twenty-foot equivalent units) containers, while the port's five CFSs have a combined storage capacity of 121,000 TEUs. Exporters hope that new investments in loading mechanization will help them overcome labor shortage issues in the medium to long term.

2. Mundra: Truck freight rates have increased significantly. However, media reports that truck availability is increasing, nationwide. Approximately 870,000 trucks, or 58 percent, of trucks with registered national-permits are operating again as of the beginning of this week, up from 30 percent, or 450,000 trucks, on May 8. According to the All India Transporters Welfare Association, increased truck availability will depend on driver ability and greater freight volumes as economic activity slowly recovers.

3. Tuticorin: V. O. Chidambaranar Port Trust has finalized an agreement with the Central Warehousing Corporation to facilitate the direct movement of cargo from factories without intermediate handling requirements at any CFS, on a 24-hour basis. This should help accelerate cargo movement and reduce container backlog.

4. Kandla: COVID-19 was detected in two port employees. Truck movement continues to be slow and the lack of labor remains an issue for dry cargo operations.

5. Chennai: On June 8, the Chennai Port Trust implemented a series of measures to improve the ease of doing business at the port. These measures include the reduction of fees/charges, the elimination of select manual forms, facilitation of direct port delivery, and an expansion of the Food Safety and Standards Authority of India's (FSSAI) lab for cargo clearance.

6. Mangalore: No update available.

7. Kolkata: According to Nepal's Ministry of Agriculture and Livestock, 50,000 tons of fertilizer destined for Nepal are stuck at the Kolkata port. The holdup is due to the lack of labor, as well as the closure of the seaport authority office, which stopped cargo loading/unloading efforts over the past month and a half, as per Ministry officials.

8. Cochin: No update available.

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

Attachments:

No Attachments.