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Indian ports declare force majeure as coronavirus lockdown disrupts operations

Several major Indian ports, including those operated by Adani Ports, the country's largest private port operator, have declared force majeure as the country started a three-week lockdown in an attempt to contain the spread of the coronavirus. India's shipping ministry has issued a letter allowing ports to consider the coronavirus pandemic as valid grounds for invoking force majeure on port activities and operations. The decision follows the government of India announced a nationwide lockdown on March 24 and will affect all 1.3hn of its citizens. Adani Ports has declared force majeure at its facilities in Mundra, Tuna and Dhamra. "In view of the COVID-19 pandemic, port hereby notifies the force majeure event, wherein port will not be responsible for any claims, damages, charges, etc whatsoever arising out of and /or connected to the above force majeure event, either directly or indirectly, which without any limitation would include vessel demurrages, inter alia due to preberthing or any other delays of whatsoever nature and accordingly the discharge rate guaranteed under the agreement shall also not be applicable for all vessels to be handled at port for any delay or disturbance in the port services during the force majeure period." Adani Ports announced.

ICS welcomes extension of EU exemption for container vessel sharing agreements

The International Chamber of Shipping (ICS) has welcomed an extension of the EU Consortia Block Exemption Regulation (BER) for liner shipping until at least April 2024. The European Commission (EC) published the regulation confirming the extension on Tuesday in recognising the importance and benefits of vessel sharing agreements throughout the container shipping industry moving goods between EU and global trading partners. "The decision is very important because it will also influence the position taken by other competition authorities around the world as and when they periodically review the application of their own competition rules to international liner shipping" said Simon Bennett, ICS deputy secretary general. "While the Commission arrived at its important decision before COVID-19 took hold, the knowledge that co-operative vessel sharing arrangements can continue with legal certainty will assist the recovery of global maritime trade once the current crisis is over," Bennett added.

DP World's P&O Maritime Logistics orders ship pair for Papua New Guinea Operations

Dubai-based marine solutions and logistics company P&O Maritime Logistics (POML) has secured a contract to build two 5,400 dwt multipurpose vessels to support Ok Tedi Mining Limited's (OTML) growing export requirements. The vessels, designed by Wartsila Ship Design, will be built at Fujian Mawei Shipbuilding Limited in China. Once completed, the units will operate in Papua New Guinea (PNG) principally between Kiunga in the Western Province and Port Moresby. POML currently operates ten vessels in PNG, nine of which are operated in support of OTML's operations and the OK Tedi Development Foundation. Of its nine vessels, four are used to ship copper concentrate from Kiunga in the Western Province via the Fly River to Port Moresby for export. As explained, the fit-out and design of the existing vessels, as well as the bulk and container carrier newbuilds, have been optimized to operate on the Fly River. The vessels will maximize cargo lift, whilst also meeting the 'unique' environmental requirements and ensuring that the communities on the river are not impacted by the ships' operations.

Global shipping industry rocked by India lockdown

The Indian government's decision to impose a three-week lockdown across the country is expected to have a wide-reaching impact on global shipping channels, experts warn, with potential knock-on effects in the pharmaceutical and steel industries. Prime Minister Narendra Modi announced on March 24 that "to save India and every Indian, there will be a total ban on venturing out of your homes", part of efforts to stem the outbreak of Covid-19 in the country. The lockdown became effective on midnight of the same day and will initially last for 21 days. India, host to a fifth of the world's population, is a vital channel for transporting goods by sea. Tracking software provided by Windward Maritime Analytics shows that, around the time of Modi's announcement, there were 543 ships en route to the country, of which all but one are cargo vessels or tankers. An immediate effect of the country's lockdown is disruption to global supply chains for goods, according to James Valentine, a former branch chief at the US Coast Guard who worked on the agency's response to the outbreak of ebola in West Africa between 2014 and 2016.

Cargo Shipping to keep EU Antitrust Exemption until 2024

Cargo shipping companies will be exempt from antitrust rules against anti-competitive agreements for a further four years until 2024 because this leads to lower prices and better consumer services, EU antitrust regulators said on Tuesday. First adopted in 2009 and extended for five years in 2014, the consortia block exemption regulation will be prolonged for four more years to April 2024, the European Commission said in a statement. It allows liner shipping operators with a combined market share below 30% to cooperate to provide joint liner shipping services, known as consortia, but does not allow price-fixing or market-sharing, both of which are hallmarks of cartels. Following a consultation launched last year, the EU competition watchdog said feedback showed the regulation still offers benefits to the liner shipping industry. "The consortia block exemption regulation results in efficiencies for carriers that can better use vessels' capacity and offer more connections," the EU competition enforcer said. The International Chamber of Shipping (ICS), which represents over 80% of the world merchant fleet, welcomed the news.

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Piraeus port remains operational, no restriction on imports/exports

Measures introduced by Greece and other countries to contain the spread of COVID-19 are yet to impact trade in Greece's main port Piraeus, though the measures include the shutdown of a number of retail businesses, and a ban on cruise liners approaching Greek ports and restrictions on the movement of ferries. "Piraeus port has not yet seen any effects from the measures, or the virus itself," Piraeus Port Authority spokesman, Nektarios Demenopoulos, told Xinhua. "In fact we have already seen a strong start to the year, with cargo handled rising by 10% in the first couple of months compared to the same period last year," said Demenopoulos. "Since there are no restrictions on imports and exports, we do not see a decline in activity to come, although the future of the epidemic remains completely uncertain," Demenopoulos, who estimated the main impact on Piraeus will come from cruise tourism.



P.O. Box 261036, Plot No. S 20119, Jebel Ali Free Zone (South), Dubai. United Arab Emirates. Email: tgc@transworld.com Phone: +9714 8035400 Fax: +9714 8860086

301-305, Level -3, Tower -11, Seawoods Grand Central, Plot No. R1, Sector 40, Nerul Node, Navi Mumbai $-400\,706$. Phone: $+91\,22\,68110300\,$ Fax: $+91\,22\,68110333$

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