

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS
RAJYA SABHA
UNSTARRED QUESTION NO- 3816
ANSWERED ON 05/04/2022

SHIPPING CRISIS

3816. SHRI JAWHAR SIRCAR:

Will the Minister of PORTS, SHIPPING AND WATERWAYS be pleased to state:

- (a) whether Government sees the easing of international port congestion after a very problematic year;
- (b) whether there is any visible improvement in the availability of international containers and equipment thereof; and
- (c) the immediate impact of the Ukraine crisis on international and Indian shipping?

ANSWER

MINISTER OF PORTS, SHIPPING AND WATERWAYS
(SHRI SARBANANDA SONOWAL)

- (a)& (b) Yes sir, there is improvement in the international port congestion.
- (i) To ease out the situation meetings are held periodically since December, 2020 with the stake holders. It was revealed that there was shortage of containers due to congestion at various ports, less turnaround of ships last year. A Task Force under the chairmanship of Additional Secretary (PSW) comprising representatives from the Ministry of Commerce and Industry, Ministry of Railways, Central Board of Indirect Taxes and Customs (CBIC) and stake-holders like the Federation of Indian Export Organisations (FIEO) has also been constituted by the Ministry to monitor evolving situation of shortage of containers.
 - (ii) On the advice of the Government, Federation of Indian Export Organisations (FIEO) had set up a portal to bring on-board EXIM traders and Shipping lines on a common platform where the exporters could place their requirements well in advance and shipping lines can also place the schedule for availability of containers. The portal is functional and many Exporters and Service providers have registered themselves on the portal.
 - iii) Regular interaction with the Shipping Lines and their Association has resulted in increasing the availability of the number of empty imported Twenty-foot Equivalent Unit (TEUs) containers. So far 1.84 million TEUs have been repositioned by shipping lines. New Services to West Africa, USA, Europe and Far East has been started by

Shipping Lines further increasing containers supply and availability of space on ships. The Shipping Corporation of India (SCI) has also diverted one 4500 TEUs container ship 'SCI Chennai' engaged in Coastal trade to EXIM trade from 03.10.2021.

- (iv) With the above mentioned proactive measures there had been improvement in the availability of containers.
- (c) The immediate impact of the Ukraine crisis on international and Indian shipping are:
- i. Shipping activities in northern black sea is closed.
 - ii. Insurance cover has been withdrawn by the P&I.
 - iii. Containers bound for Ukraine and Russian are lying at different transshipment ports.
 - iv. Payment affected due to blockage of Society for Worldwide Interbank Financial Telecommunications (SWIFT) in Russia.
 - v. Trade to Russia and Commonwealth of Independent States (CIS) countries have been affected and Shipping lines are not accepting goods for Russian ports.
