MINISTRY OF SHIPPING

MAJOR ACHIEVEMENTS FOR THE MONTH OF MARCH, 2020

1. Ports

- (i) Action taken in light of outbreak of COVID -19
 - a) The Port operations (declared as essential service) continued with up to 75% of Port employees and up to 90% of non-port employees reporting for duty in some Ports.
 - b) The 11 Hospitals at the Major Ports are equipped with the PPEs/N-95 masks with doctors and para medical staff to work round the clock. In some Port Hospitals, arrangements made for earmarking area for Covid-19 with separate entry and exit.
- (ii) Orders/directions issued to Major Ports in view of the Lockdown

The Ministry issued Guidelines to Major Ports on (i) Exemptions/Remission on penalties etc. and (ii) Issues relating to Force Majeure by No. PD-14300/4/2020-PD-VII dated March 31, 2020 which entailed:-

- a) In the light of the MHA order No. 40-3/2020-DM-I(A) dated March 25, 2020 and by invoking power under Section 53 of Major Port Trust Act 1963; each Major Port shall ensure that no penalties, demurrage, charges, fee, rentals are levied by the Major Ports on any port user (traders, shipping lines, concessionaires, licensees etc.) for any delay in berthing, loading/unloading operations or evacuations/arrival of cargo caused by the reasons attributable to lockdown measures from March 22, 2020 to April 14, 2020.
- b) Each Major Port shall exempt or remit demurrage, ground rent over and above the free period, penal anchorage/berth hire charges and any other performance related penalties that may be levied on port related activities including minimum performance guarantee, wherever applicable.
- c) Major Ports have been directed that the COVID-19 pandemic can be considered as a 'natural calamity' that would entitle invocation of 'force majeure' provision in as much as obligations under various contracts (involving the major ports) are concerned. The period of Force Majeure starts from the date of order of Ministry of Finance dated Febru19.02.2020 and will end when the competent authority so orders.
- d) The period of completion of any project under implementation in PPP mode or otherwise, can be extended by the Ports.
- e) The existing and operational PPP projects, the Major Ports can permit waiver of all penal consequences on a case-to-case basis along with deferment of performance obligations as per relevant provision of Concession Agreement.

(iii) Traffic at Major Ports

The Major Ports have handled total traffic of 704.63 MMT in 2019-20, as compared to 699.110 MMT in 2018-19, registering a growth of 0.82%. The total no. of vessels handled at Major Ports in 2019-20 was 20,837, as compared to 20,853 in 2018-19 registering a slight decline of 0.08%.

2. Shipping

Directorate General of Shipping

In the wake of COVID-19 pandemic, DG(Shipping) has taken the following proactive steps to ensure smooth running of shipping and port operations, ease the hardships and follow the restrictions imposed during the Lockdown.

(i) Seafarers

- a) The Directorate prepared a guidance document for shipping industry to help combat the spread of the Coronavirus. The document contains advice on managing port entry restrictions, practical protective measures against COVID-19 for seafarers, pre-boarding screening, and education and what to do in suspected cases of infection, hygiene measures for seafarers on ships, managing high risk exposure, case handling, isolation and cleaning, disinfection and waste Management etc.
- b) Seafarer training and examination have been postponed.
- c) It is ensured in co-ordination with e-governance team and other officers of the Directorate including Shipping Master's that every issue/ request received from seafarers/ RPSLs with regards to e-migrate/ updation of new vessels/ passport details etc. of the seafarers is responded/addressed and updated in the DG(S) database to ensure smooth sign-on/ sign-off of the seafarers.
- d) The validity of those Continuous Discharge Certificates which are expiring during February 01, 2020 to October 01, 2020, is extended for a period of 6 months, vide DGS of 10 of 2020 dated April 13, 2020.
- e) Payment of monthly subscription of Provident Fund of seafarer has been made online through RTGS/NEFT vide DG Shipping Circular 15 of 2020 dated April 13, 2020.
- f) The Certificates of Competency (COCs), Certificates of Proficiency (COPs) and Certificates of Efficiency (COEs) of seafarer currently sailing on Indian vessels and foreign vessels which are about to expire stand extended for a period of one month or till they sign off whichever is earlier.

(ii) Waivers for Importers and exporters

In order to ensure that the EXIM trade does not suffer due to certain unavoidable delays in loading and discharge of cargo due to the lockdown;

- a) The Shipping lines have been advised to not impose any container detention charge on export and import shipments of containerized cargo for the period from March 22, 2020 to April 14, 2020 (both days inclusive) over and above free time arrangement that is currently agreed and availed as part of any negotiated contractual terms. During this period, the shipping lines are also advised not impose any new or additional charge.
- b) In order to grant relief to the Indian EXIM trade the Shipping companies and carriers have been advised by DGS order No 8 to not charge any demurrage, ground rent beyond free period, storage charges in the port, additional anchorage charges, berth hire charge, or vessel demurrage or any other penal charge on cargo owners/consignees of non-containerized cargo (i.e. bulk, break bulk and liquid cargo) for the period March 22, 2020 to April 14,2020 (both days inclusive) due to delay in evacuation of cargo by reasons attributable to lockdown measures since March 22, 2020.

(iii) Relief to Shipping Companies

- a) Since all DGS approved Training Institutes have been closed down and the seafarers on board ships have not been able to sign off on completion of their contract, many of the CoC/CoE/CoP of seafarers on board or for those kept in reserve as replacement crew, have lapsed or are likely to get lapsed. In order to keep the validity of these certificates alive, DGS has on its own extended the validity of certificates expiring up to October 31, 2020 for a period of 6 months (It means all certificates will remain valid till March 31, 2020. International Maritime Organization has been informed accordingly.
- b) Similarly, the validity of safety certificates of Indian ships is lapsing. In view of the difficulties faced by ship surveyors in carrying out the requisite safety inspections of the ships during these times, the validity of ship certificates has been extended till 31st June, 2020 subject to the Master of the Ship certifying that the ship is safe to operate.
- c) To deal with the COVID-19 pandemic, DGS has developed revised guidelines for sanitization of all ships, PPEs requirements for ship staff and pilots boarding the vessels, sanitization and PPE requirements for ship and port staff for loading and unloading of cargo at all major and minor Indian Ports, protocol for management of sick crew and dead bodies on board, protocol for sign on and sign-off of crew in emergencies etc.
- d) Due to the proactive approach of the maritime administration all Indian ships have been kept in working condition with valid certificates, are adequately manned and are engaged in carriage of goods.

- e) Exemption on safe manning documents of ships in those cases where the owner/operator of the vessel is unable to repatriate the seafarer is being considered on case to case basis. No fee will be charged for these exemptions.
- f) Extension of mandatory surveys, audits and statutory certificates for a maximum period of three months under 'force majeure', provided necessary justification submitted for approval.
- g) Classification societies are allowed to carry out necessary inspection for the purpose of dry-docking, periodical, annual, renewal surveys. In case inspection is not practicable, Classifications societies are allowed to issue extension certificate after obtaining an undertaking from the Master about satisfactory condition of the vessel.
- (iv) Port Workers and Safety of Indians from Passengers on foreign ships visiting Indian ports
 - a) To prevent spread of COVID-19 by seafarers and ships coming to Indian ports, the DG Shipping issued Order 4 of 2020 on March 20, 2020 and imposed measures such as Masters declaration with regards to any seafarer or passenger exhibiting COVID-19 symptoms, procedure if such person is found on board a ship and mandatory 14 days quarantine of ships arriving from China and mandatory 14 days quarantine of ships which arrive to an Indian port after a direct voyage of less than 14 days from ports in countries affected by COVID-19.
 - b) Safety of pilots who bring the ship to ports are ensure through mandatory donning of PPE by ship staff in contact with pilot and disinfection of all areas to be accessed by pilot.
 - c) Waste delivered to port reception facilities can be a major source of COVID-19 infections. All such waste collections in ports have been stopped.
- (v) Facilitation of operation of foreign ships chartered by Indian entities and movement of cargo by them.

Directorate facilitated the movement of foreign ships chartered by Indian entities, for transportation of cargo on both the coasts of India to the tune of 63,43,069 MT by 48 vessels of trade. Beside 32 No. of vessels have been permitted for Offshore Work.

Shipping Corporation of India

The impact of the lockdown imposed to contain the COVID-19 was dealt with in accordance with the Business Continuity Plan (BCP) prepared by SCI. This included close monitoring of situation on board all owned and manned vessels by the Fleet & Operations Dept. to facilitate unhindered operations, constant communication between HODs/Group Heads/Operating Officers to ensure seamless functioning at the back office, ensure availability of essential items on-board our vessels, and work from home (WFH)

implemented by facilitating SCI Users (including Finance, for unhindered payment to the vendors) to function through remote access.

Cochin Shipyard Limited

Cochin Shipyard Limited has been under lock down since March 21, 2020 until further orders and except essential areas like electrical systems, water supply, fire and emergency staff, all other operations were stopped. Prior to lock down CSL had taken measures to prevent spread of Covid-19 infection in accordance with various orders issued by Ministry of Health and Family Welfare, GOI. Payment of wages and protection of employment has been complied by CSL. CSL subcontractors were directed to follow the same and to take care of accommodation, food and health care of workers from other states under their employment. All ship building operations and ship repair operations have been put on hold. Officers and staff have been asked to work from home, accessing SAP through VPN. Payments to suppliers, contractors and CSL employees and some of the banking operations were handled accordingly. CSL is conducting Video conferencing /tele conferencing to interact with top management and officers regularly.

3. <u>Inland Water Transport</u>

- (i) Under the Jal Marg Vikas project to augment the navigation capacity of NW-1 (Ganga), construction at two major sub projects viz. Multimodal terminal at Haldia and the new lock gate at Farakka was in progress. As part of the measures for containment of COVID 19, the construction work at these two projects was stopped by the IWAI by invoking the Force Majeure clause.
- (ii) Cargo is transported from India to Bangladesh and North Eastern Regions of India through Indo Bangladesh Protocol (IBP) route and vice-versa. Due to the outbreak of COVID-19, IWAI has suspended the inward permission for the Bangladesh vessels plying on IBP route w.e.f. March 23, 2020.
- (iii) 1755 Metric Ton of thermal coal transported by MV Ram Prasdad Bismil with dumb barges Kalpana Chawla and APJ Abdul Kalam carrying coking coal 502 MT & 1253 MT respectively from Haldia Dock Complex to Assam during March 2020 through the IBP route. These vessels have reached Chelakhura (5 km U/s Dhubri) & anchored on March 31, 2020. Dhubri District Medical staff has completed medical examination, no positive case found. Both vessels put under quarantine for 14 days.
- (iv) IWAI had placed an order on Cochin Shipyard Ltd. for construction of 8 nos Ro-Pax Vessels for NW-1 & NW-2. Each of these vessels can carry 200 passengers, 2 trucks and 6 cars at a time. These vessels have been taken over by IWAI from the CSL yard and have moved to Kolkata (via the sea route). The registration process for the Ro-Ro vessels shall be taken up by IWAI Kolkata office after the completion of Lockdown period.
- (v) The total cargo movement on NW 1 (Ganga) during FY 2019-20 is 9 Million ton (approx.) as compared to 6.79 Million Ton in FY 2018-19, registering an increase of 32%.

4. Resumption of Ghogha -Dahej Ferry Service

The Ghogha-Dahej Ferry service which was suspended since September 24, 2019 due to heavy siltation and non availability of suitable draft at Dahej end, resumed on February 21, 2020 under high tide condition due to intervention of Ministry of Shipping. An empowered committee under chairmanship of Additional Secretary (Shipping) was constituted to suggest a technically and financially workable solution to ensure running the Ro Pax services between Ghogha- Dahej route or any alternative route on sustainable basis, suggest changes in the Concession Agreement, if required, the role and responsibilities of various agencies and to propose the amount of funding required, if any, and the sources to achieve the desired objective. The empowered committee has submitted its recommendations and Ministry of Shipping is working with Govt. of Gujarat and Gujarat Maritime Board to start ferry service from Ghogha to Hazira at earliest possible by developing RO Pax Jetty and allied facilities at Hazira and signing of supplementary agreement with ferry operator.

5. <u>Contribution to PM CARES Fund</u>

The different organizations of Ministry of Shipping made a total contribution of Rs. 59 crore from their CSR funds and the salary contribution of their employees.