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## Industry to harness Ayush Ministry's expertise for seafarer's health

*MMA will liaise with Ministry and DG Shipping in order to promote and propose entry level programs for cadets and trainees as a compulsory course on mental well-being in close association with all stakeholders such as manning companies & training institutes*



They have been training for more than two decades at the art of living. They have hands on experience of training cadets and seafarers in the past. We will be having a lot of interaction with them and they will be sharing their experience with them.” The Panelists were Capt. Prashant Rangnekar – COO, India Operations at Elegant Marine Services Private Limited who is the CEO of Elegant Marine Private Limited, which is the largest management company managing more than 500 ships and he is also the Chairman of MASSA; Capt. Mohan Naik - Director, Dynacom Tankers Management which is the largest tanker company in the world. He is currently the Chairman of Mission to Seafarers of India which is an association mission to seafarers UK, which deals with the mental wellness issues of the seafarers; Capt M.P Bhasin-Managing Director at MSC Crewing Services PVT. LTD; is one of the world's largest container lines. He also happens to be the Secretary-General of CMMI. Mr. Uday Purohit, Founder-Managing Director at Neptunus Power Plant Services Private Limited & President Institute of Marine Engineers (India) and President IME(I), which has about 11000 members.

**Contd. on Page 2**

MMA organised Webinar ‘Role of Yoga Meditation Ayurveda and Mental Well-being”, the chief guest of the Webinar was Hon’ble Shri Shripad Naik Ji, Union Minister of State (Independent Charge) in the Ministry of Ayurveda, Yoga & Naturopathy, Unani, Siddha, and Homoeopathy (AYUSH), and Minister of State for Defence. The Guest of Honour was Shri Amitabh Kumar, IRS Director General Of Shipping.

The Webinar started with enlightening prayer ‘Saraswati Vandana’ by Aarti Patwardhan.



In his welcome address Capt. Kedar Chaudhary, on behalf of Maha Mariners Association welcomed the Chief Guest Hon’ble Shri Shripad Naik Ji (Bhau) who has been spearheading and promoting yoga in India and in world. Bhau has been a member of the Lok Sabha from North Goa since 1999 this is his fifth term as Member of Parliament and that speaks volumes about his contribution to the country and his state. He also welcomed the Guest of honour Shri Amitabh Kumar the Director General of Shipping and Additional Secretary, Government of India. He further said “the Directorate General of Shipping is the key institution for policy making and registrations in India. On behalf of Art of Living we have senior faculty members, Mr Shrish Erande & Mrs. Sujata Erande.

### SCI reported a net profit of Rs. 302.35 crore for FY 2019-20



The Shipping Corporation of India Limited (SCI) declared its audited financial results for the quarter and year ended 31st March, 2020, posting a net profit (PAT) of Rs. 113.75 crore for quarter ended 31st March, 2020 as against a net profit (PAT) of Rs. 45.99 crore reported for the quarter ended 31st March, 2019.

With this, SCI has reported a net profit (PAT) of Rs. 302.35 crore as against net loss (PAT) of Rs. 121.99 crore for the year FY 2018-19. Though the outbreak of COVID -19 has severely impacted business operations across all industries, timely and effective measures taken by SCI have helped to minimise disruption of operations. SCI emerges as the first public sector undertaking in Navratna/Maharatna category to declare its financial results in the challenging environment of the pandemic.

The Board of Directors recommended a dividend of Rs 0.75/- per equity share of face value of Rs. 10/- each. The outgo on this account will be approximately Rs. 35 crore, subject to the approval of members at the Annual General Meeting.

SCI, India's largest shipping company having DWT of 5.31 million (GT of 2.94 million) with a fleet of Fifty Nine vessels, also manages Fifty One vessels on behalf of various Government bodies, Administrations & Organisations.

# Industry to harness Ayush Ministry's expertise for seafarer's health

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**Finally he welcomed Capt. Shashank Jahagirdar – Global Head of Crewing & Marine HR, Maersk Tankers. Capt. Vaibhav Rupade – GM, ASP CMS India & Director Njordmark Ltd UK.**

The Chief Guest, Shri Sripad Naik, Minister Ayush, highlighted the vision of Prime Minister, about the well-being of all that is enshrined in India's philosophy of 'Vasudhaiva Kutumbkam', meaning 'the whole world is but one family'. He said India's Rishi Munnis had discovered the rich ancient traditions and benefits of Ayurveda, yoga, meditation and medicine which was practised over the millennia but not documented. He remembered the saints of Maharashtra and Mahatma Gandhiji's teachings on Ahimsa and peace.

**Shri Naik highlighted that in 2015 the UN passed a resolution with the signature of 117 countries to declare 25th June as World Yoga Day at the behest of India's appeal made by our honorable Prime Minister Shri Narendra Modi. Benefits of Yoga and Ayurveda have been proven to be beneficial during Covid19 pandemic. Kadha made of the herbs and spices like tulsi, cardamom, pepper, turmeric, ginger etc is proven to strengthen immunity and fight Covid 19. The effectiveness of Ayurveda has been proven 5000 years ago. However, India is doing scientific research on this, which will be released shortly.**

Talking about Seafarers working condition and what his Ministry could do to help them he said Seafarers have tough life at sea and Yoga and Meditation will be beneficial to help them lead a stress free life. He offered full support from the Ayush Ministry to include Yoga and Meditation in the curriculum in the syllabus of maritime training for seafarers. He also expressed desire to visit the ship soon. He urged everyone to adopt healthy life style and follow Indian traditions of going to bed early, waking up early, doing Yoga and Meditation and eating healthy food.

Guest of honour Shri Amitabh Kumar, the Director General of Shipping and Additional Secretary, Government of India addressing the Webinar participants said "When lockdown was announced on 23rd of March 2020 all other modes of transportation even though they fall under the parameter of essential services as per the Essential Services Maintenance Act of 1968 were closed except for shipping. Shipping was never closed in India whether before coronavirus or during coronavirus, but continued to work during the lock down also. This shows the importance of Shipping for the international community. You can do without other modes of transportation but you just can't do without shipping."

He continued "But, when the entire world is closed and only shipping operates it brings several new challenges for the shipping industry itself. It also tells us about the dependence on land based services to keep our shipping services operational. Today we are in a situation where all the support services are closed but the shipping services continue to operate. However, that has put immense challenges on those who are directly involved operation of shipping services."

**Shri Kumar further said "From government side we can keep on claiming that we have done so much for the shipping community in the coronavirus situation, and we have done a lot. But, whatever we have done in the last two to two and a half months has only helped in somehow keeping the shipping services operational at the minimal level. We have to achieve the optimal level of Shipping in the lockdown period, however, we have only been able to manage lockdown and coronavirus.**

Shri Kumar added "We have certainly managed it well, because all our ships are operational and all our ports are operational. All the activities are going on and there has been no delay or shortage because of the functioning shipping services or the ports. But, it is taking its toll on those who are operating shipping services today. The seafarers usually lead an isolated life, but at no time in its history, seafarers have been more isolated than today. Their shore leaves have been denied. Their sign offs have become uncertain, their contracts have increased. The workload on the ships have increased by 20 to 25 percent because of the increased requirement of sanitation, disinfection and reduced help from the shore, either from the management side, from the recognised organisations or from the charterers. So the entire

help they were getting from the shore side is now to be performed on board."

He also highlighted the plight of seafarers saying the World over, while the ship and the cargo is being welcomed and is being desired, the seafarers are not welcomed. The seafarers are welcomed to bring the utilities that they require but as a person they are not welcomed. Director General Shipping clearly mentioning that the period that the seafarer has spent on ship is to be considered as quarantine period as there cannot be a better place to be in the present situation than the ship itself. Many States are still insisting on quarantine for those who have come from the ship. For sign on the problem is they can't travel to join their jobs. Delay in joining is resulting in loss of opportunities for job. For individual seafarers it means unemployment. The families of seafarers are equally vulnerable. The families on shore are facing isolation. They don't have access to medical facilities. All this has resulted in increased challenges both on shore and onboard and there is a requirement of increased level of fitness. When you don't have any support from the shore side either from your supervisors or from your company human error is only going to be fatal and environmentally disastrous. He urged the industry stakeholders to sit and think about how to increase fitness level of the seafarers. This would be true for their families also, because the mental fitness of the families can affect the fitness of the seafarer onboard.

**Speaking of the country's achievements he said "India has managed physical fitness and particularly the mental fitness level much better than any other civilization anywhere in the world. At any point of history no civilization has managed mental fitness as well as we have done in India. It is time for us to utilise it in the shipping community."**

Amitabha Kumarji expressed gratitude for the proactive support offered by the Minister. Expressing his wish he said "In fact I wanted to use this platform to request the Minister to spare their experts who could study the life of seafarers, the problems they face and the duties that they have and of course the mental challenges that we discussed today and design a standard module for the seafarers that we can take to the international Maritime Organisation and offer it as India's contribution for safety and security of the Shipping around the world. He suggested that if yoga and meditation can internationally acceptable regime to be followed in our training institutes and on board ships then the world would be most willing to accept it as India's contribution towards safety security of the seafarer. It is time for all experts to sit together and agree on internationally acceptable formulation for the purpose of training training institutes and as a practice on board ship. As DG Shipping, he would be most willing to take this formulation to the International Maritime Organisation and request them make it a part of STCW Convention. So, in terms of training and practice it is utilised not only by Indians but by all nationalities on board a vessel. He thanked the honourable minister for his support and hoped the Webinar will help us formulate a strategy and a paper which can be submitted in IMO".

**The panel discussion was unique and the panellist asked relevant and pertinent questions, which were satisfactorily, answered by the honourable Minister and Director General of Shipping.**

**Capt Sanjiv Wagh Secretary, MMA was the moderator and Capt Swanand Patankar Joint President, MMA gave vote of thanks.**

## Logistics Policy

**India is working on a 'National Logistics Policy', which aims to promote seamless movement of goods across the country. Special Secretary in the logistics division of the Ministry, Pawan Agarwal, said the policy will look at several areas such as process re-engineering, digitisation, and focus on multi-modal transport.**

**It is also looking at exim trade and improving logistics in core sectors such as coal, fertiliser, cement and steel.**

**"We are working on the policy....The policy attempts to look at many of the issues in a wholistic manner," Mr. Agarwal said at CII's digital summit on exports.**

He said there is a huge opportunity for India to do process re-engineering or streamline processes, and logistics is one area where a lot of processes can be digitised which can hugely enhance efficiency.

"The country does not have large number of professional logistic service providers. Lot more attention is required in the area of modern warehouses, where things can be automated for better efficiency in loading and unloading," he said.

**On February 1, the government, in the Budget, had announced that it will soon release the National Logistics Policy.**

# FIATA and FFFAI assert global recognition to Freight Forwarding as essential services



Voice for recognition to Customs Broking and Freight Forwarding as essential services by respective governments is strengthening the ground worldwide. It was evident from the discussions in a Webinar on Global Perspective on Logistics at the backdrop of prevailing COVID-19 pandemic. The webinar was organised by Federation of Freight Forwarders' Associations in India (FFFAI) in association with International Federation of Freight Forwarders (known as FIATA) on May 29. Keynote speakers of this international webinar were Mr AV Vijaykumar, Chairman, FFFAI and Mr Basil Pieterse, President, FIATA. The webinar was also addressed by other FFFAI leaders including Mr Shankar Shinde, Chairman-Elect; Mr S. Ramakrishna, Immediate Past Chairman; Mr Samir Shah, Past Chairman; Mr Debashish Dutta, Past Chairman; Mr Alan Jose, Vice Chairman and Mr Dushyant Mulani, Honorary Secretary. Mr Tej Contractor, Managing Committee Member, FFFAI and President IIFF moderated the very interactive and successful virtual meet, which was participated by more than 400 audiences from across the globe including India, Europe, USA, Middle East Asia, Australia and Africa.

FFFAI is one of the members of FIATA which is the International body of logisticians and represent the industry in prestigious bodies such as United Nations Conference on Trade and Development (UNCTAD), United Nation Commission on International Trade Law (UNCITRAL), World Customs Organisation, World Bank, World Trade Organisation, International Chamber of Commerce and others.

In his speech Mr Vijaykumar shared experiences during last two months, navigating through the changes that not only a Customs Broker had to make, also constant representation to the government to ensure that the industry can adapt and improve processes to ensure safety. Underscoring the emergence of digital era drastically he referred to this webinar as an example: "Covid-19 crisis connected countries and continents electronically on a single platform through virtual meetings and conferences. Even though such facilities were available earlier, the necessity was not felt exponentially. This very video conferencing is a classic example on how we are together though we are divided by space and time. This trend is bound to continue and probably conquer the future of business models."

Commenting on the present crisis and challenges owing to Covid-19 pandemic and lockdown he assumed that it would be one more of the passing clouds. "We will, as have been our approach and past experiences, overcome with no damage. But the reality of the possible damage it could inflict on the human life and the human race changed the complexion of handling the pandemic on a global scale," he pointed out.

The FFFAI Chairman also commended the government for their timely efforts to maintain logistics and supply chain at this crisis time. "There was total lockdown and life came to a standstill. But we compliment the Government that within a day they listened to our voices and agreed open the doors for supply chain. On the third day of lockdown, international transport of cargo – export or import – was treated as essential and member of FFFAI were in the forefront of supporting movement of cargo for the nation," he pointed out.

Further mentioning the government's quick and pro-active intervention Mr Vijaykumar stated that Indian Customs rolled digital solutions at an amazing speed. "In fact, by the time the first phase of lockdown could end on the 14<sup>th</sup> April 2020, we had a fully electronically driven Customs platform. This enabled seamless, paperless, contactless transaction of cargo clearance. Other than physical handling of cargo rest was fully automated and implemented thereby literally maintaining real social distancing.

We need to recognize and we do recognize the efforts of Indian Customs to have stretched our limits beyond normal and to have literally worked 24 x 7," he added.

Mr Vijaykumar also applauded Ministry of Shipping's effective efforts in lessening burden on exim trade. Ministry of Shipping instructed all Ports, Terminals to evacuate the containers to outside facilities to ensure creation of any congestion. Round the clock, the Ports, the Container Freight Stations and Customs Brokers joined hands and methodically moved the containers to off dock Customs facilities. Thus, congestion at Ports and Terminals were eliminated. Ports also pursued with local authorities for all stakeholders to be accorded priority passes and facilities to keep the supply chain moving. The Ministry also advised Ports, Terminals and all Custodians to be supportive and waive all penal charges during lockdown to ease the financial pressure on the industry.

The air cargo custodians were also advised by the Ministry of Civil Aviation to waive storage charges. Commerce Ministry played a nodal role in connecting the stakeholder requirements and expectation with the related government authorities to balance the situation.

Mr Vijaykumar was confident of bouncing back. "Globally there is no exception to economic impact, but we are known for our resilience and hence will overcome this attack also," he said. The FFFAI Chairman, however, made a caution too. In his opinion future will be throwing a larger challenge – retention of business, contracting volumes, shrinking margins, expanding expenses, financial strains, credit terms, servicing debts, unpaid services and much more. "It is not that we are new to such environment but it just that we are to again rediscover ourselves. Tough times manifest the strength in us," he emphasized.

Mr Vijaykumar was concluded with very strong message to the global logistics industry as well as governments/authorities: "We recognize the frontline warriors of the corona virus crisis – the doctors, nurses, police force, hygiene workers. But the unsung frontline warrior to have moved the nation, to have supported the availability of essentials and to have maintained the supply is our fraternity – a proud group that always delivers irrespective of the adversities."

Clarifying FIATA's position Mr Pieterse applauds the inclusion of freight forwarding within many nation's definitions of 'essential services'. "However, more needs to be done. Greater consistency in global responses, together with the implementation of facilitative measures, are required to ensure the continuance of well functioning supply chains to move essential goods to where they are most needed throughout this crisis and beyond," he stressed. He pointed out to the facts that the fight to prevent the spread of COVID-19 has fuelled a host of measures by governments worldwide mandating the closure of many aspects of societal daily life and restrictions to the movement of people. In many countries, only certain designated 'essential services' are still permitted to remain in operation. However, there remains no coordinated worldwide approach, and definitions of what is an 'essential service' may vary.



FIATA considers these moves to be critical to national responses to COVID-19. Freight forwarders, well-represented by FIATA's 40,000 members, ensure the supply of the world's cargo to communities and economies around the world, including food and basic necessities. Disruptions to this activity will affect the national supply and stocks of necessities such as food, medicine, hygiene products and other important goods in the fight against COVID-19. Already, global reports indicate shortages of necessary equipment.

"It is therefore crucial that governments continue to recognise the freight forwarding industry as an 'essential service' and FIATA encourages them to continue to do so with greater consistency and coordination. It is internationally acknowledged that governments must first recognise the nature of the freight forwarding activity as an 'essential service', and then put in place policies that facilitate the effective rendering of these services," the FIATA President highlighted FIATA's stand.

Commending FFFAI's strength and its successful collaboration with the government Mr Pieteron calls on its worldwide members and national governments to collaborate, so that freight forwarding

industry can continue to perform its vital role in delivering the world's cargo, including essential goods, to those who need it most.

In his speech Mr Pieteron also elaborated on Global Perspective on the impact of COVID-19 on Logistics Industry including empowering the freight forwarding community in these difficult times, compliances, required support from government and industry stakeholders, increasing digitalization, skilling, WTO trade facilitation, rebounding national economy and survival of freight forwarders & logistics industry.

## Antakshri – Sur Milae Sabbka was organized by IME(I)



A booster dose was in the offing on the 24<sup>th</sup> May after the Mumbai Branch of IME(I) had brought Relief to Mariners and their families by conducting a practical session on "Meditation with Yogic Transmission" earlier on 2<sup>nd</sup> May 2020. This "Booster Dose" for wellness came as a melodious surprise on the Evening of 24<sup>th</sup> May 2020 as an online Event, first of its kind entitled "Antakshri - Sur Milae Sabbka" conducted on Zoom for and from the comfort of 108 very active and talented Participants from the 200+ who Registered for the Event.

Mr. V.K. Jain the Chairman of the Mumbai Branch of IME(I) kickstarted the Event without the associated formal proceedings to set the tone for the what came to be, an auctioned packed evening. Ms. Sonali Banerjee, the Co-Host and Mrs. Seema Srivastava, the Anchor got the participants into a sombre mood through some soulful singing. Set of Core Singers" heart rendering melodies then came as a blast from the past tingling the memories of all participants who were eager to get onto the mic thereafter. The enthusiasm of participants was soon rewarded in the second round which to surprise of all brought forward some very melodious voices and surprising singing talent from the maritime fraternity.

A well researched video conducted by Mr Saanjev Mehra the Head of "Social Initiatives SubCommittee" that organised this Event was a tough one and

guesses by the participants set the chat box on fire. A few smart ones guessed the song right from the first frame of the video, and a few got to second guess when fastest fingers led to sticky lips. Excitement peaked in the next two rounds where the guesses had to be from photos flashed from a movie as the Clue and the mix and match of music video with different song. The round went into a tizzy with participants able to spot the correct song and eager beavers managing to get their mics going thereby raising the entertainment level to a new high.

While it was all fun for the Participants, Mr Anupam Rajvanshi, a

film buff and himself an expert in the domain including singing, had his share of excitement trying to judge the Event from the comfort of his home in USA. His abilities came to the rescue of the Anchor and to the satisfaction of Participants as he picked gems out as winners of each round. While the Winners Ms. Jyotsna Tata, Ms. Nitisha Gupta, Ms. Tamalike Biswas and Ms Viranchi Kaushik took home Boat Speakers arranged by the Media House "Offing" a Surprise bonus round was held for specifically for IMEI members and their families. Mr. Shailendra Varma correctly guess the song and movie of "Rang-de-Basanti" from a representative image that as flashed for just 15 secs. A Carvan from "Offing" was for his to take with all honours as his son performed impromptu, the song from this iconic movie, beautifully on his behalf.

The Event could have well run into the night but after an overstretched evening that saw special performance from Mr. Prakash Iyer and Mandeep Lamba was brought to an end by Mr. Sanjeev Mehra by proposing his informal but humbling Vote-of-thanks around 7 PM, much to the reluctance of all Participants. He ceded to the demand of participants with a promise to return with an even better and bigger form of entertainment soon. Curtains were drawn to the joyful evening by a soulful rendering of the National Anthem by all participants from their homes.



**INSTITUTE OF MARINE ENGINEERS (INDIA)**  
Mumbai Branch Presents  
Antakshri – Sur Milae Sabbka – 24<sup>th</sup> May 2020 – Sunday 05:00 pm IST

Organizing Committee	
<b>Institute of Marine Engineers (India) - Mumbai Branch:</b>	
• Mr. V.K. Jain – Hon. Chairman	
• Mr. Bhupesh Tater - Hon. Secretary	
• Mr. Bryan D'sa - Hon. Treasurer	
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Seema Srivastava	Sharvani Mishra
Sangeeta Mohan	Ravi Saxena
Neeru Gupta	Anandita Sinha
M.B.Prasad	Subrat Mukherjee
Tamalika Biswas	Vishal Srivastava



## Labour Woes

As labourers are heading home states in the background of coronavirus outbreak, shortage of labour and containers at the ports started taking toll on India's exports. Indian logistics industries face the effects of the pandemic as the number of migrant labour returning to homes increases.

A report by Indian Port Association revealed that country's 12 major ports witnessed a 21% decline in cargo volumes to 47.42 million tonnes (MT) in April due to the pandemic. These include Deendayal; Mumbai, JNPT; Mormugao New Mangalore; Cochin, Chennai, Kamarajar (earlier Ennore), V O Chidambarnar, Visakhapatnam, Paradip and Kolkata (including Haldia). Of these, Chennai and JNPT ports saw the biggest decline of 38.17% and 33.97% in cargo handling respectively. Rating agency ICRA

projects contraction of 5-8% in general cargo and 12-15% in container segment throughout 2020-21.

Indian ports are facing a 50%-60% shortage in cargo containers. Vinod Kaul, executive director of All India Rice Exporters Association, stated that demand for basmati rice is high during Ramdan from Middle Eastern countries. However, basmati rice exports from India have halved to 2 lakh tonnes per month. Though exports could have taken place from other ports, all ports are witnessing a severe shortage of containers. Besides, import containers have not been emptied at the ports due to a shortage of labour. Consequently, the freight of containers has spiked by 32%.

## Yang Ming Holds Naming Ceremony for 2,800 TEU New Ships

Yang Ming Marine Transport Corp.(Yang Ming) held the naming ceremony for two of its 2,800 TEU class full container vessels 'YM Celebrity' & 'YM Continent' at CSBC's Kaohsiung shipyard on May 20th. The ceremony was officiated jointly by Yang Ming Chairman Bronson Hsieh and CSBC Corporation Chairman Cheng Wen-Lon. Mrs. Yang Yu-Chen, wife of Yang Ming Executive Vice President Michael Shih, and Mrs. Hung Ya-Lun, wife of Yang Ming Executive Vice President Patrick Tu, had the honor to officially name the two ships respectively during the ceremony.

The series of ten 2,800 TEU full container vessels constructed at CSBC shipyard is expected to be delivered and added to Yang Ming's fleet from this May throughout the second quarter of 2021. This type of vessels has a nominal capacity of 2,940 TEU and is equipped with 353 plugs for reefer containers. With a length of 209.75 meters, a width of 32.8 meters, a draft of 11.2 meters, the ships are designed to cruise at a speed up to 21 knots.

The new vessels adopt the energy-saving Sea Sword Bow technology and the exclusive Full Spade Rubber design to offer greater operational efficiency and eco-friendly advantages. The

newbuildings are equipped with Total Watch System (multifunction workstation for Radar/Chart radar/ECDIS/Conning/Route planning) to enable safer and more efficient navigation. In addition, they also have global satellite broadband and network layout capabilities which will enable Yang Ming's global fleet to attain more competitive advantages in environmental protection and fleet management.

In response to the steady growth seen in Asian markets, the new 2,800 TEU vessels are designed with the flexibility to cater for the requirement to call at major ports in the Asian region and will operate in Yang Ming's Intra-Asia services. These new ships with low fuel consumption features will further reduce the company's operating costs while replacing older or chartered-in vessels. With the delivery of these vessels, the competitiveness of Yang Ming's fleet will be greatly optimized.

YM Celebrity and YM Continent will be deployed to Yang Ming's JTS service and provide efficient delivery service. The port rotation of JTS is Nagoya – Tokyo – Chiba – Yokohama – Keelung – Kaohsiung – Hong Kong – Shekou – Xiamen.

### *The warehousing Prospects*

Warehousing industry is also likely to benefit from the shift in manufacturing units outside China. Many companies globally are in talks to reduce their dependence on one particular country (presently China) for the entire manufacturing needs and are planning to shift certain part of the activity elsewhere. There are 5-6 countries which are competing directly with India to attract

these companies. Each country offers its own set of advantages and challenges. However, even if 1/6th of them come to India, the gains for the nation and the industrial and warehousing sector would be immense.

"We may not witness investor activity in warehousing in the near term due to the Covid-19 related uncertainties. However,

as the dust of the pandemic starts settling, investors would return to the warehousing sector with renewed vigor in anticipation of the potential for renewed growth as these emerging trends start to unfold," experts at Knight Frank says.

### *The Pumpkin Challenge*

Assam government sent a consignment of pumpkins produced in the state on a cargo flight to Dubai.

Chief Minister Sarbananda Sonowal flagged off the flight at the cargo terminal of Guwahati's Lokapriya Gopinath Bordoloi

International Airport in the presence of agriculture minister Atul Bora and transport minister Chandra Mohan Patowary.

"The Covid-19 challenge has given us huge opportunities to explore our strengths. The efforts of Assam's farmers and government agencies are opening up new avenues for us in the post-COVID world," said Sonowal.

## *Mitsui O.S.K. Lines and LNG Terminal Wilhelmshaven sign a contract to build and charter an LNG terminal ship*

• Important milestone on the journey to establishing a floating terminal for liquefied natural gas (LNG) in Wilhelmshaven • The LNG terminal ship will be built by DSME in South Korea MOL (Mitsui O.S.K. Lines, Ltd., Tokyo, Japan) and LTW (LNG Terminal Wilhelmshaven) have signed a contract to build and charter an LNG terminal ship—known in the industry as a Floating Storage and Regasification Unit (FSRU)—for the planned LNG landing terminal in Wilhelmshaven on the North Sea. LTW is the project developer and operator behind the future LNG terminal in Wilhelmshaven and a fully owned subsidiary of Uniper S.E. The FSRU will be built in a shipyard belonging to South Korean company DSME (Daewoo Shipbuilding Marine Engineering Co., Ltd., Geoje, Korea), and then chartered by LTW for 20 years. It has been planned and custom designed by the two contracting parties in accordance with the local and environmental requirements for the German market and the Wilhelmshaven site. The FSRU constitutes the heart of the future terminal and will make it possible to offload, store and regasify LNG for the

German market. It will be moored off the coast not far from Wilhelmshaven and will handle incoming LNG tankers there. The regasified gas will then be pumped from the FSRU along a short connecting pipeline under the sea to the port facilities and finally fed into the German gas transmission network. This eliminates the need to construct complex regasification facilities on land. This optimized planning will minimize the environmental impact both on land and on the seabed by a non-disruptive crossing of the natural habitat identified in the environmental studies. Uniper Member of the Board and Chief Operating Officer David Bryson says: "The agreement to build and charter this FSRU is an important milestone for both parties on the journey to establishing an LNG terminal in Wilhelmshaven; it underlines the joint desire for collaboration on this ambitious project. This new agreement will build on the successful and trusting collaboration with MOL on previous major projects in the LNG ship market. The LNG terminal in Wilhelmshaven is a long-term project based on the prediction that demand for imported natural gas on the

German and European energy markets will increase significantly over the coming years. Based on Uniper's many years of experience in the European gas business and project management, LTW is pushing ahead with the terminal project in Wilhelmshaven to give companies from all over the world optimal access to customers in Europe — and, vice versa, to open up a new supply channel for customers." MOL Executive Officer Hiroyuki Nakano says: "We are excited to move one step further to materialise Germany's first Liquefied Natural Gas receiving project. Our Floating Storage and Regasification Unit of some 263,000m3 storage capacity is of a unique tailored design to meet all customer requirements to provide economical regasification service and comply with German Environmental Regulations. Our mission from this special moment is to execute the project and deliver the unit on time. MOL has expanded its global FSRU business over the past few years. We are confident that our operational and technical experience gained will enhance the project in Germany and provide a seamless, safe and efficient service to LTW."

## Yang Ming's 2,800 TEU Vessels to Receive Smart Ship Notations

Yang Ming Marine Transport Corporation's (Yang Ming) ten 2,800 TEU class container vessels, currently being constructed by CSBC CORPORATION, TAIWAN (CSBC), are going to receive Smart Ship notations from international

classification societies, American Bureau of Shipping (ABS), DNV GL, Bureau Veritas (BV) and Classification Society (CR). The notations mean that Yang Ming holds the leading position on the path to marine digitalization and intelligence.

Five of the series vessels – “YM Celebrity”, “YM Continent”, “YM Certainty”, “YM Credibility” and “YM Continuity” will be the first batch of vessels to be awarded ABS Smart notations in the world. The notations include Smart INF (Data INFrastructure for Smart Function implementation) & Smart SHM (Structural Health Monitoring). The recognition denotes that these vessels are equipped with smart information infrastructure of big data acquisition and cloud transmission, which enable ship structure endurance monitoring and future structural health awareness through ABS’s customized analysis program to ensure sailing safety. “We are proud to lead the industry in the development of smart functionality, which tends to enable owners and operators to improve their operation,” said Bronson Hsieh, Chairman of Yang Ming. “By working with ABS we are demonstrating that the Yang Ming vessels are at the forefront of today’s vessel technology.”

Three of the series vessels – “YM Centennial”, “YM Capacity” and “YM Cooperation” - will be the first vessels to receive DNV GL SmartShip notations in Taiwan. The notations, including SmartShip OE (Operating Enhancement) and PE (Performance Enhancement), mean that these vessels are equipped with advanced technologies such as improving container load flexibility with route specific container stowage and fuel saving with trim optimization. The technologies will greatly enhance vessel performance and effectively reduce GHG (GreenHouse Gas).

Two of the series vessels – “YM Credential” and “YM Constancy”- will be the first vessels to receive BV SMARTSHIP (MACHINERY 1) notation, which indicates the ships are equipped with integrated computer based system for the controlling and monitoring of the automated installations of periodically unattended machinery spaces, and they are equipped with monitoring devices allowing reduced scope of tailshaft survey.

Furthermore, seven of the series vessels including “YM Continent”, “YM Credential”, “YM Centennial”, “YM Capacity”, “YM Certainty”, “YM Credibility” and “YM Continuity” are also certified by CR with “Smartship H, Et, I” notations, featuring functions of smart hull-structural health estimation, smart energy efficiency-trim optimization, and smart integration platform.

With constantly evolving technology, smart ships have become an inevitable trend in the field of shipbuilding and maritime. To keep up with the development, Yang Ming has studied to optimize the company’s competitiveness and meet its environmental goals. Starting this year, these awarded ships will be delivered and deployed to Yang Ming’s intra-Asia services. With these smart ships, Yang Ming will improve operational efficiency and deliver more innovative and professional services to customers worldwide.

## How to Destroy Ships

Dubai

ZARA MARITIME partnered with the Institute of Marine Engineering, Science & Technology (IMarEST) UAE Branch, to host a successful Webinar attended by 110 participants, representing the world’s leading Ship Owning and Ship Management companies, suppliers, service providers, independent consultants, Classification Society executives, Port Officials, Flag State Administrators and Inspectors, joining from USA, Norway, UK, Greece, Singapore, Malaysia, Nigeria, India and the Middle East.

Mr. Nikeel Idnani, Honorary Secretary IMarEST UAE, delivered the opening and closing addresses. The enthusiasm exhibited during the lively Q&A session demonstrated an overwhelming buy-in from the participants of the out-of-the-box presentation. Nikeel remarked, “Experience is a good teacher but an expensive one. Intelligent people learn from others’ mistakes” and encouraged Ship Management stakeholders on the online seminar, to worry more about the micro realities of ship operation than the macro picture of the COVID-19

pandemic that cannot be changed. His advice was to call the ‘Doctors of the Maritime Industry’ e.g. ZARA MARITIME, to clarify any doubts or technical concerns at the onset of potential disruptions, cost-effectively, rather than after exhausting all options to restore functioning of failed equipment and get embroiled in a dispute for ‘fair compensation’ to a salvor.

Mr. Arvind Ahuja, Managing Director of ZARA MARITIME and Chief Operating Officer of CYBERNETICO, presented surreal case studies from ZARA MARITIME’s own experiences, satirically titled How to Destroy Ships. The authentic photographs used to

misunderstanding of well-intended instructions rang true amongst the technical managers in the audience, compromising Safety, Security & Efficiency of ship operation. The main takeaways for participants at this focused event to operate efficient ships, was to assess and manage situations, maintain regulatory compliance, diagnose trouble, choose appropriate Turnaround Strategies & Implementation of Close-loop Change Processes with diligent monitoring and enhanced training, to protect owners’ interests and minimize commercial losses from downtime and off-hire, caused by equipment failure. ZARA MARITIME ensures their malfunctions are rectified while the vessel continues to remain in operation, fulfilling its commercial obligations. To their credit, Zara Maritime has had a 100% success rate till date while identifying and solving problems within a controlled budget, conducting damage Surveys and investigations on behalf of ship owners, P&I and H&M insurers to protect the owner’s interests, assessing hull and machinery condition for life extension and assisting clients in making informed big-ticket ship Sale and Purchase decisions



support the presentation narrative made participants cringe as the sentiments of complacency, lethargy and

## IRClass overcomes challenges from global pandemic to launch of ADVAITA, in China

Advaita, a dedicated cement carrier under construction at Penglai Zhongbai Jinglu Ship Industry Co., Ltd, China was successfully floated out on 30<sup>th</sup> March 2020. The vessel is being built under classification of Indian Register of Shipping (IRClass). This event is exceptionally significant as many constraints were faced prior to the successful launch, in light of the COVID-19 global pandemic.

IRClass surveyors braved the constantly changing scenario of both global and local restrictions and immense challenges including movement of manpower, to ensure the float happened as scheduled. Advaita, is approx. 160m long, 22200 dwt, dedicated cement carrier and is designed to comply to all the latest IMO conventions and codes like SOLAS, MARPOL, Loadline etc for worldwide operations.

Mr. P K Mishra, Head (Operations) of IRClass commented: ‘I’m glad we were able to put into action and demonstrate our ability to adapt and respond quickly to the changing

environment. This is a true test of IRClass’ competence and I am extremely proud of our team for putting in the tremendous effort in the face of these challenges and continuing to soldier on even in such exceptional circumstances’.

‘The safety and well-being of IRClass’ surveyors is the top priority for us and all safety measures and precautions are in place for them to carry out their roles. IRClass remains truly committed to its members to support their business needs and will continue monitoring the changing circumstances to ensure that their needs are met’, he further added.

Indian Register of Shipping (IRClass) is an international ship classification society providing ship classification and certification as well as technical inspection services. IRClass is a Member of the International Association of Classification Societies (IACS).

Covering a wide range of shipping, offshore and industrial projects, their team of dedicated professionals brings international standardisation and assurance to your doorstep.

## Core Sector: April 2020

In view of the nationwide lockdown due to COVID-19 pandemic and the substantial production loss experienced by a number of industries, the core sector production in April’20 contracted at its fastest pace in the last 8 years. The production in the 8-core industries contracted by 38.1% in April’20 compared with 5.2% in

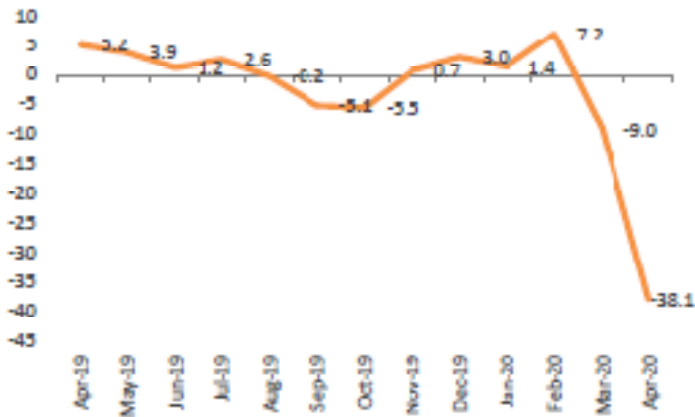
the corresponding month a year ago. All the 8 industries of the core sector have experienced negative growth in April’20. The contraction in March’20 has been revised lower to 9% from the earlier 6.5% largely on account of downward revision in steel output. The de-growth of much sharper level was seen in

July'2012 when the negative growth was 67.5%. The core sector growth for FY20 has been consequently revised lower from 0.6% to 0.4%.

#### Highlights:

- The growth in coal production declined to a 6-month low of 15.5% in April'20 compared with growth of 4% in March'20. Lower production can largely be attributed to lower power demand and build-up of inventories in the coal mines and power plants.

Chart 1: Monthly movement in core sector index (y-o-y%)



- Production of crude oil continued to witness a contraction for 29th consecutive month. Crude oil production contracted by 6.4% in April'20 largely on account of closure of some oil wells and restriction in labor movements for field operations.
- Natural gas and refineries both recorded double digit contraction of 19.9% and 24.2% respectively in April'20. Steep decline in the fuel consumption in April'20 and lower offtake of natural gas by consumers dragged production lower in April. The contraction in both has been the highest since the start of the 2011-12 series.
- The contraction in cement and steel production was the sharpest and the fall was more than 80% in both industries. Halt in production of user industries like auto and construction

led to contraction in steel production. Nation-wide lockdown and reverse labor migration had an impact on construction activities owing to which production of both cement and steel declined. Both the industries recorded the steepest fall since the start of the new series.

- Fertilizer production contracted by 4.5% in April'20 compared with 12% recorded a month ago. Shortage in raw material availability and labor constraints owing to the pandemic impacted fertilizer production.

Table 1: Growth in 8 core industries (y-o-y%)

	Apr-19	Mar-20	Apr-20
Coal	3.2	4.0	-15.5
Crude oil	-6.8	-5.5	-6.4
Natural gas	-0.8	-15.1	-19.9
Refinery products	4.4	-0.5	-24.2
Fertilizers	-4.4	-11.9	-4.5
Steel	13.3	-24.1	-83.9
Cement	2.3	-25.1	-86
Electricity	5.9	-8.2	-22.8
Core sector	5.2	-9.0	-38.1

Source: Office of Economic Advisor

- Electricity production also contracted at its fastest pace since the start of the new series at 22.8% in April'20 owing to the fall in electricity demand from commercial and industrial sector, which accounts for 50% of the demand.

#### CARE Ratings' View:

The nation-wide lockdown and the reverse labor migration have had an adverse impact on the production activity in the month of April'20. The continuation of the lockdown in May'20, albeit some relaxations means that the negative growth in core sector production will continue but could be marginally better than April'20. One can expect a noteworthy decline in IIP growth for April'20 given that core sector accounts for almost 40% of the total IIP basket.

## UN agencies call for urgent action on crew changes and keyworker designation for sea and air workers

From the middle of June 2020, around 150,000 seafarers a month will require international flights to ensure crew changeovers can take place. Half of these seafarers need to be repatriated home by aircraft, the other half will be joining ships.

The heads of the maritime, labour and aviation organizations of the United Nations have issued a plea for urgent action on crew changes and for keyworker designation so that sea and air workers can be relieved and repatriated in a safe way during the COVID-19 pandemic.

In a joint statement, the International Civil Aviation Organization (ICAO), International Maritime Organization (IMO) and International Labour Organization (ILO) advised that from the middle of June 2020, around 150,000 seafarers a month will require international flights to ensure crew changeovers can take place. Half of these seafarers need to be repatriated home by aircraft, the other half will be joining ships.

Due to COVID-19 restrictions, large numbers of seafarers, as well as crews of fishing vessels, have had to extend their service on board ships after many months at sea, unable to be replaced or repatriated after long tours of duty. This is unsustainable, both for the safety and wellbeing of seafarers and the safe operation of maritime trade.

**"For humanitarian reasons – and the need to comply with international safety and employment regulations – crew changes cannot be postponed indefinitely," the statement said. "We are seeking the support of Governments to facilitate crew changes, operations essential to maintain the global cargo supply chains and operations related to humanitarian aid, medical and relief flights."**

During the unprecedented COVID-19 pandemic, travel is being curtailed to prevent spread of the disease. Some ports and airports remain closed due to travel restrictions, with ships and aircraft denied entry, and/or have introduced restrictive measures for foreign nationals travelling to or from the country. As a result,



seafarers around the world are stranded onboard ships, unable to be repatriated home or replaced by relief crews

**The three Organizations urge "key worker" designation for seafarers, marine personnel, fishing vessel personnel, offshore energy sector personnel, aviation personnel, air cargo supply chain personnel, and service provider personnel at airports and ports, regardless of nationality. Governments are urged to exempt these personnel from travel restrictions, to ensure crew changes can be carried out and that they**

**have access to emergency medical treatment and, if necessary, to facilitate emergency repatriation.**

The joint statement says Governments and relevant national and local authorities should implement already-agreed guidance, issued by ICAO, IMO, ILO and the World Health Organization (WHO), including on keyworker designation. This includes permitting seafarers, marine personnel, fishers and offshore energy sector personnel to disembark and embark ships in port and transit through their territory (i.e. to an airport) for the purpose of crew changes and repatriation; and implementing appropriate approval and screening protocols.

**Earlier this month, IMO Secretary-General Kitack Lim endorsed a series of protocols developed by a broad cross-section of global maritime industry associations to ensure that ship crew changes can take place safely during the COVID-19 pandemic.**

More than 80% of global trade by volume is moved by maritime transport, which is the lifeblood of the global economy, and is dependent on the two million seafarers who operate the world's merchant ships.

Air transport carried about 4.5 billion passengers in 2019, according to preliminary ICAO figures, while airfreight represents 35% of the value of goods shipped in all modes combined. The total number of licensed aviation professionals, which include pilots, air traffic controllers and licensed maintenance technicians, was 887,000 in 2019, according to ICAO personnel statistics and forecasts.