## Logistics in ports slowing down China turnaround times; force majeure available



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The Chinese Ministry of Transport on Friday urged port operators to keep ships moving, but the reality on the ground was that a lack of stevedores and truck drivers was slowing down vessel turnaround times. As a result, storage yards were beginning to fill up.

Agents and brokers were reporting that operations were slowing down at Chinese ports and shipyards as the coronavirus takes its toll and the Lunar New Year holidays are extended.



With the number of confirmed coronavirus victims (as of Sunday February 2nd) at nearly 15,000, with more than 300 fatalities (including one in the Philippines) and impacting all of China, the crisis has now seen Chinese shipyards turning away vessels from scheduled drydocks because of a lack of available labour. The normally busy deliveries of newbuildings in any given January has slowed drastically.

Scrubber retrofits – which had been taking up to twice as long as the originally scheduled four weeks even before the virus broke out at the beginning of the year, – were falling further behind a revised six-to-eight-week schedule. That said, the delay in the delivery of about 40 container ships might be more than outweighed by a decline in global traffic in the near future.

The China Council for the Promotion of International Trade has offered force majeure certificates to businesses in China that have been affected by the outbreak, and many shipyards have applied for it.

There were rumours on Friday January 31st that Beijing was contemplating ceasing cargo operations at many of its ports. As yet there has been no confirmation or denial.

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