



## **All Pakistan Shipping Association**

7<sup>th</sup> Floor, Business Centre, Mumtaz Hassan Road, Karachi-74000, Pakistan.

Tel: (92-21) 32417933 Fax: 32414492 E-mail: [apsa@mrgc.com.pk](mailto:apsa@mrgc.com.pk) / [secretary@apsa.org.pk](mailto:secretary@apsa.org.pk)

Web: [www.apsa.org.pk](http://www.apsa.org.pk)

REF: APSA/ONDOC/OFFDOCK/COVID-19/001

Dated: 26<sup>th</sup> March 2020

Mr. Syed Ali Haider Zaidi  
Federal Minister of Maritime Affairs,  
Ministry of Maritime Affairs  
Islamabad.

**SUBJECT: WORKING OF ON-DOCK/ OFF- DOCK TERMINALS DURING LOCKDOWN AND UNFAIR BUSINESS APPROACH/ CAMPAIGN BY TRADE BODIES.**

Dear Sir,

With reference to the aforementioned subject the following is submitted for your kind consideration:

- (1) In order to maintain the supply chain effectively and without any gaps, it is imperative that the terminals, both on dock and off-dock, remain operative during the lock down period. For this purpose, despite the great risk to lives of the personnel on the terminals, the terminals are open for business and the deliveries are being affected promptly and without any delay. The concerned personnel are also at risk keeping the goods safe and available for processing and clearance.
- (2) In these times of distress, many factors which inhibit the smooth working of the terminals, like unavailability of public transport and several other services have been overcome by extra cost being incurred.
- (3) In order to keep the terminals operational, the normal cost of running a terminal has to be borne by the terminals. These include electricity bills, water bills, fuel for generators and machines like lifters etc. This is apart from wages and other benefits of its working strength.
- (4) Since several years, a specific group of trade bodies, clearing agents and freight forwarders has formed a collusion against the shipping lines and terminals with the sole purpose of pressurizing and browbeating the shipping lines and the terminals to obtain unjustified and unfair waivers in storage and demurrage charges. They have again reared their head and have attempted to misuse the



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current situation for monetary gains regardless of the fact that they are not willing to cut down their own service charges. Their sole purpose is to close their own warehouses and use the costly space of off-dock terminals for warehousing their goods which is not only unfair but also against the policy of the Government to keep the supply chain active to avoid shortages and scarcities particularly those of raw materials.

- (5) It is a matter of great regret that the office bearers of trade bodies are writing ill-conceived letters wherein a completely false and fabricated scenario has been given. If their ulterior motives and these false fabricated scenarios are given consideration then the impact on terminals shall be irreversible which may lead to closure of terminals.
- (6) These unwarranted, unjustified and needless attempt not only reflects that the lobby of Clearing Agents and Freight Forwarders has made another surreptitious attempt to undermine the terminals and has played upon uncertainties to make financial gains out of situation of fear and distress caused by the pandemic. It is indeed a very regrettable action which can only be termed as unfortunate and unethical.

Due the reasons stated above, it is felt that the demand being made for waiver of storage and demurrage charges of the terminals are not only unreasonable and irrational, but can lead to closure of terminals. The terminals are already in severe economic stress as they are operation with skeletal staff and the remaining staff is on paid leave. Hence, the terminals are in need for support from government and following are our requests:

- a) Hiring of Portable Cabins to ensure safe distances;
- b) Hiring of Temporary Storage areas;
- c) Facilitating transport of cargo to temporary storage area;
- d) Hiring of additional equipment to handle cargo;
- e) Hiring of additional security to ensure safety; and
- f) Hiring of additional transportation in order to maintain safe distances.



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The above requests are made to ensure safety of the employees and cargo following the directives issued by the government. The terminals bearing all the additional cost and burdens at this time are not able to provide the above safety measure required on their own and request the government for aid and support in this matter to ensure the supply chain and safety of the staff deployed.

It is therefore prayed, in the larger interest of justice and fair practice, that the unreasonable demand to waive of demurrage should not be acceded to and the normal storage/service charges of the terminals shall remain in place. Moreover to facilitate the terminals by entertaining the aforementioned requests at the time of such crisis.

Regards,

  
Abdullah Farrukh  
Chairman – APSA

CC:

1. The Honourable Prime Minister of Pakistan, Prime Minister Secretariat, Islamabad.
2. The Federal Minister of Finance, Ministry of Finance, Islamabad.
3. The Federal Minister of Commerce, Ministry of Commerce, Islamabad.
4. Chairman FBR, FBR House, Islamabad.
5. President, Federation of Pakistan Chambers of Commerce and Industry (FPCCI), Karachi.