



## NEWS



# Containers pile up in Shanghai port on China's COVID lockdowns

The strictest COVID -19 lockdown in China since the pandemic began has resulted in container goods sitting at Shanghai's port for nearly two weeks.

Over 470 ships are reportedly waiting to deliver resources into China. These ships carry materials from grains to metal ore. Ships started to line up outside Shanghai port after authorities initiated a city-wide lockdown last month to control the spread of COVID-19. Global supply chain has also been affected due to this marine congestion outside Shanghai as it is one of the world's busiest ports.

In more than two weeks, the congestion has expanded to Ningbo-Zhoushan. It is because ship owners divert their ships to other ports of the country. Notably, the port is operating normally under a "closed loop". However, trucks entering and leaving the city are facing difficulties. The city is cut off from the rest of the country due to an increase in COVID-19 cases.

Due to the increase in COVID-19 cases, there is a shortage of port workers at Shanghai port. This led to slowing the delivery of documentation due to which cargo ships are taking time. Only those export containers that were at the port of Shanghai could be loaded on the ships.

Meanwhile, goods booked on outbound vessels are stranded at warehouses as shuttle trucks can not operate due to lockdown.

According to a Bloomberg report, a total of 197 container ships are either loading or waiting to load in the combined anchorage of Shanghai with Ningbo. It is reportedly 17 percent higher than the last week.

People in the business sector have expressed concern over the impact of the COVID-19 lockdown on the economic growth of the country.

Wait times at Shanghai marine terminals has increased nearly 75% since the lockdowns began. Delays at the Shanghai terminal have sent ships to neighboring ports in Ningbo and Yangshan, but those ports are beginning to get congested as well.

The global impacts of this current bottleneck are still pending and depend greatly on the length of Shanghai's lockdown. This could turn into the biggest supply chain issue since the start of the pandemic if China's marine shipping congestion isn't cleared up soon.

#### Reference:

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