



Suez Canal disruption calls for speedy development of INSTC

International trade got stranded when a 200,000-tonne mega container ship blocked the narrow but crucial global trade artery, the Suez Canal, in a sandstorm in March 2021. Industry estimates suggest that the blockage by the vessel held up an estimated USD 9.6 billion-worth of cargo between Asia and Europe each day it was stuck.

The Suez Canal is an artificial sea-level waterway in Egypt connecting the Mediterranean Sea to the Red Sea, and reduces the journey from the Arabian Sea to London by about 8,900 kms or 8-10 days. The canal separates the African continent from Asia, and it provides the shortest maritime route between Europe and the lands lying around the Indian and western Pacific oceans.

It is one of the world's most heavily used shipping lanes. About 12 per cent of global trade, around one million barrels of oil and roughly 8 per cent of liquefied natural gas pass through the canal each day.

The severe disruption to traffic flows caused during the Suez Canal choke up has led to considering the International North South Transport Corridor (INSTC) as an alternate mode of transport. The corridor will connect the Persian Gulf and India with Russia via Iran and will enable moving freight between India, Iran, Afghanistan, Azerbaijan, Russia, Central Asia and Europe.

The project envisions a 7,200 km-long multi-modal network of ship, rail and road for freight transport, aiming to cut carriage costs by about 30 per cent - 60 per cent and transit time from 40 days to about 20 days. India has proposed that the Chabahar port, which it is developing in Iran, be also included in the corridor.

While the corridor was proposed by India, Russia and Iran in 2000, geopolitical tensions have slowed down the progress on the corridor. However, the vulnerability of the Suez Canal calls for vigorous development of INSTC as an alternative transport route.

Notifications

PIB

Atal Innovation Mission & Dassault Systemes Fondation announce partnership

<https://pib.gov.in/PressReleasePage.aspx?PRID=1711783>

Inaugural Edition of The Hydrogen Economy – New Delhi Dialogue 2021

<https://pib.gov.in/PressReleasePage.aspx?PRID=1711805>

CBIC



WORLD TRADE CENTER®
MUMBAI



Anti-dumping duty on imports of Normal Butanol or N-Butyl alcohol

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd21-2021.pdf>