



भारत सरकार / GOVERNMENT OF INDIA
पत्तन, पोत परिवहन और जलमार्ग मंत्रालय
MINISTRY OF PORTS, SHIPPING AND WATERWAYS
नौवहन महानिदेशालय, मुंबई
DIRECTORATE GENERAL OF SHIPPING, MUMBAI

File No. E: 6752: 15-14011/1/2021-MSL – DGS

Dated: 01.10.2024

To,
The Stakeholders and Members of the Public,

Subject: Invitation for Public Comments and Stakeholder Consultation on the Draft Notification on Regulations for Vessel Sharing Agreements (VSAs)

Sir/Madam,

The Directorate General of Shipping, under the Ministry of Ports, Shipping, and Waterways, has prepared a draft notification on the **Regulations for Vessel Sharing Agreements (VSAs)** in accordance with the provisions of Section 54 of the Competition Act, 2002. This draft notification aims to promote fair competition, enhance transparency, and ensure better representation of Indian shipping lines and Non-Vessel Operating Common Carriers (NVOCCs) in the global container trade, while balancing the interests of all stakeholders in the maritime sector.

As part of the regulatory process, comments, suggestions, and inputs from stakeholders and the general public are sought to ensure that the final regulation takes into account the perspectives of all parties involved in maritime trade, logistics, and shipping. A particular focus is on ensuring that the conditions outlined in the notification address current market challenges, including those related to fair space allocation, anti-competitive practices, and the inclusion of Indian flag vessels.

To facilitate structured feedback, a **Questionnaire** is enclosed along with this letter. We kindly request your thorough consideration of the questions and invite your responses and recommendations. Your insights will be invaluable in finalizing a regulation that fosters a more equitable and competitive shipping environment.

Public comments and responses to the enclosed questionnaire should be submitted to the Directorate General of Shipping by **08-October-2024** through the following google-form <https://forms.gle/JYzZpvApcHqUXcVd8>, alternatively printed response may be sent to : shitesh.ranjan@gov.in. We look forward to receiving your valuable inputs and thank you in advance for your time and attention to this important matter.

This is issued with the approval of the Competent Authority.

Yours sincerely,

It is hereby announced that the due date for public comments and response, is now extended to 20.10.2024.[08.10.2024]-Shitesh Ranjan [SS-cum-DDG [Tech/MSL/Shipping Development]]

Shitesh Ranjan
SS-cum-Dy. DG [Tech/MSL/Shipping Development]

Enclosures:

1. Draft Notification on Regulations for Vessel Sharing Agreements (VSAs)
2. Questionnaire for Stakeholder Consultation- <https://forms.gle/JYzZpvApcHqUXcVd8>

Copy to:

1. MG Section, Ministry of Ports, Shipping & Waterways, Government of India &
2. IIFT(Kolkata)

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EXTRAORDINARY

PART II—Section 3—Sub Section (II)

MINISTRY ----- New Delhi, the xx October, 2024 S.O. xxxx(E).—In exercise of the powers conferred by clause (a) of section 54 of the Competition Act, 2002 (12 of 2003), the Central Government, in public interest, hereby exempts the Vessel Sharing Agreements (VSAs) of the Liner Shipping Industry from the provisions of section 3 of the said Act, for a period of three years from the date of publication of this notification in the Official Gazette, in respect of carriers of all nationalities operating ships of any nationality to and from any Indian port, subject to the following conditions: (i) at least 5% of the total space available within such VSAs is provided through Indian flag vessels; and (ii) at least 5% of the total space available in such VSAs shall be allocated to Indian Non-Vessel Operating Common Carriers (NVOCCs) entity. The space allocation mandated herein, shall be reviewed every three years.

During the said period of three years, the Director General, of Shipping, Ministry of Ports, Shipping and Waterways, Government of India shall monitor operation of the VSA including adherence to the outlined terms and conditions. For this purpose, the Director General may call for any information deemed necessary from the relevant parties and initiate enquiry based on complaints or on practices that contravene Indian laws. Such information may include, but is not limited to, refusal to negotiate with shippers, non-transparent fees, discriminatory practices, or anti-competitive behaviour. The report of such enquiry shall be communicated to the Competition Commission of India for determining whether such VSA has an appreciable adverse effect on competition.

The Director General shall submit an annual report on the operation of VSAs. Persons responsible for operations of such ships in India shall file copies of existing and new VSA's along with relevant documents as may be specified by the Director General, Shipping within thirty days of the publication of this notification in the Official Gazette or ten days of signing such agreements, whichever is later, with the Director General, Shipping.
