

Shri Nitin Gadkari Holds Meeting with Deputy Prime Minister of Belgium : Seeks Greater Belgian Participation in the Maritime Sector

The Minister of Shipping and Road Transport & Highways Shri Nitin Gadkari met the Deputy Prime Minister of Belgium Mr. Alexander De Croo, in Mumbai yesterday to discuss bilateral issues concerning the maritime sector. Shri Gadkari sought greater participation of Belgian companies in Sagarmala projects, inland waterways and development of industrial clusters. He talked about the immense opportunities that exist in India in the areas of coastal shipping, inland water transport, cruise, new port development, smart-port industrial city and development of green ports and urged the Belgian delegation to further strengthen the cooperation that already exists between the two countries in the maritime sector.

The Deputy Prime Minister of Belgium recalled the expeditious steps taken by Government of India in setting up the JNPT Antwerp Port Training Centre, which is now functioning well. He assured that Belgium would extend full cooperation for the development of the maritime sector in India. He further said that these issues can be discussed in detail in the forthcoming Belgium-Luxembourg Economic Union (BLEU) meeting, which is slated to be held in May 2017. Another high-level visit of Belgian delegation is also scheduled to visit India in November 2017.

The meeting was attended by Shri Ravindra Agrawal, Joint Secretary (Sagarmala), Ministry of Shipping, Shri Neeraj Bansal, Chairman In-charge, Jawaharlal Nehru Port Trust, Mr Jan Luykx, Ambassador of Belgium to India, Mr Peter Huyghebaert, Consul General of Belgium to India, Mr. Marc Van Peel, President of Port of Antwerp, Mr Kristof Waterschoot, Managing Director APEC & PAI, , Mr Luc Arnouts, Commercial Director Port of Antwerp, Baron Mr Eddy Bruynickx, Honorary CEO of the Port of Antwerp and Mr Jürgen Marchand, Trade Commissioner, Flanders Investment and Trade.

Sagarmala – Sailing towards a Vibrant Gujarat

Shri Mansukh Mandaviya, Minister of State, Shipping, Road Transport & Highways, inaugurated the state-of-the-art exhibition display of Sagarmala, Ministry of Shipping at Vibrant Gujarat Global Investors Summit, 2017, today. The central focus of the 8th edition of the Global Summit organized by Government of Gujarat is “Sustainable Economic and Social Development”.

Gujarat has been at the forefront of the maritime development in India. Under the Sagarmala Programme, More than 40 projects with estimated cost of approximately INR 85,000 Crore have been identified across the four pillars of Port Modernization & New Port Development, Port Connectivity Enhancement, Port-led-Industrial Development and Coastal Community Development

A) Port modernization: Projects have been identified for capacity augmentation at existing ports especially Kandla to meet the future growth in cargo volumes. These include mechanization of cargo handling process, development of multi-purpose berth and setting up of barge and coastal jetty to name a few.

b) Port connectivity: For enhancing port-connectivity to hinterland and creating optimal mode of evacuation to/from ports connectivity projects have been identified. These include

- Port- rail connectivity projects including connection of western DFC to Hazira, Pipva & Mundra; providing broad Gauge Rail linkages to Old Bedi Port and other internal rail connectivity projects for Kandla port.
- Port-road connectivity projects like constructing alternative road from Bhavnagar to Sosiya - Alang Ship Recycling Yard and other internal port road connectivity projects
- Freight expressway: connecting Sarkhej in Ahmedabad to Mundra and Pipvav
- Expansion of Salaya Mathura Pipeline

C) Port led- industrialization: To leverage the ports for aiding industrialization and facilitating export oriented manufacturing in the state 7 projects have been identified. These include:

- Building major industrial clusters like petrochemical cluster, Cement cluster, an export based apparel cluster in Saurashtra; an auto cluster in Sanand; a marble based furniture hub in Kutch and a Maritime cluster in Gujarat
- Development of a coastal economic unit (CEU) at Kandla

D) Coastal community development: To ensure sustainable socio-economic development in the State, projects have identified for development of coastal community. These include:

- Development of Gujarat Maritime University
- Dredging of Ro – Pax Ferry Services between Gogha and Dahej in Gulf of Cambay
- Training Program for skill development/capacity building of workers involved in ship recycling activities at Alang
- Dedicated coastal berth for passenger/cargo by sea at Porbandar Port

Sagarmala, an initiative taken by the Ministry of Shipping is one of the strategic plan to promote port led development in India. It aims to leverage India’s 7,500 km long coastline, 14,500 km of potentially navigable waterways and strategic location on key international maritime trade routes. Sagarmala will also boost development of coastal economy, save logistic costs, balance modal mix for cargo movement, leading to growth in manufacturing sector and facilitating ease of doing business

Setting up of Coastal Economic Zones

The National Perspective plan of the Sagarmala Programme has identified two maritime clusters for development, one in Tamil Nadu and other in Gujarat. Fourteen Coastal Economic Zones(CEZ) have been identified along the coastline of the country in the National Perspective Plan of the Sagarmala Programme. These CEZs are aimed at promoting development of port-proximate industrial clusters, encourage port-led development, reduction of logistics cost and time for movement of EXIM and domestic cargo and enhance the global competitiveness of Indian manufacturing sector. The details of the CEZs identified under Sagarmala Programme are as under:-

CEZ	State	Linkage Port	Potential Industries
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CEZ-1	Gujarat	Kandla, Mundra	Petrochemicals, Cement, Furniture
CEZ-2		Pipavav, Sikka	Apparel, Automotive
CEZ-3		Dahej, Hazira	Marine clusters
CEZ-4	Maharashtra	JNPT, Mumbai	Power, Electronics, Apparel
CEZ-5	Goa	Dighi, Jaigarh, Mormugao	Refining, Steel, Food processing
CEZ-6	Karnataka	New Mangalore	Petrochemicals
CEZ-7	Kerala	Cochin	Furniture
CEZ-8	Tamil Nadu	VOCPT (Tuticorin)	Apparel, Refining
CEZ-9		Karaikal	Leather processing, Power
CEZ-10		Chennai, Kamarajar (Ennore) and Katupalli	Steel, Petrochemicals, Electronics, Shipbuilding
CEZ-11	Andhra Pradesh	Krishnapatnam	Electronics
CEZ-12		Vizag, Kakinada	Food processing, Petrochemicals, Cement, Apparel
CEZ-13	Odisha	Paradip, Dhamra	Petrochemicals, Marine processing
CEZ-14	West Bengal	Kolkata, Haldia	Leather processing

Fourteen Coastal Economic Zones to come up under Sagarmala

The Ministry of Shipping has identified fourteen Coastal Economic Zones (CEZ) along the coastline of the country under National Perspective Plan (NPP) of Sagarmala Programme. The CEZ are spatial economic regions spread over multiple coastal districts with strong port linkage. Within each CEZ, there could be multiple industrial clusters that could contain industrial units with requisite support infrastructure. The details of identified CEZs are as under:-

CEZ	State	Linkage Port	Potential Industries
CEZ-1	Gujarat	Kandla, Mundra	Petrochemicals, Cement, Furniture
CEZ-2		Pipavav, Sikka	Apparel, Automotive
CEZ-3		Dahej, Hazira	Marine clusters
CEZ-4	Maharashtra	JNPT, Mumbai	Power, Electronics, Apparel
CEZ-5	Goa	Dighi, Jaigarh, Mormugao	Refining, Steel, Food processing

CEZ-6	Karnataka	New Mangalore	Petrochemicals
CEZ-7	Kerala	Cochin	Furniture
CEZ-8	Tamil Nadu	VOCPT(Tuticorin)	Apparel, Refining
CEZ-9		Karaikal	Leather processing, Power
CEZ-10		Chennai, Kamarajar(Ennore) and Katupalli	Steel, Petrochemicals, Electronics, Shipbuilding
CEZ-11	Andhra Pradesh	Krishnapatnam	Electronics
CEZ-12		Vizag, Kakinada	Food processing, Petrochemicals, Cement, Apparel
CEZ-13	Odisha	Paradip, Dhamara	Petrochemicals, Marine processing
CEZ-14	West Bengal	Kolkata, Haldia	Leather processing

Based on the land parcels available in close proximity to a deep draught port and with strong potential for manufacturing, four CEZs have been identified to be taken up in the first phase of development. These are in Gujarat, Andhra Pradesh, Maharashtra and Tamil Nadu. No special provision regarding tax holiday, employment and extent of investment has been made so far.

Shri Nitin Gadkari inaugurates the Sagarmala Development Company: says the company will play a major role in realizing India's maritime potential

The Minister of Shipping and Road Transport & Highways Shri Nitin Gadkari has said that projects worth Rs. 1 Lakh Crore under Sagarmala programme are at various stages of implementation and development. He was speaking to the press at a ceremony to inaugurate the Sagarmala Development Company in New Delhi today. The Sagarmala Development Company (SDC) has been incorporated under the Companies Act, 2013. The company has an initial Authorized Share Capital of Rs. 1,000 Crore and a subscribed share capital of Rs. 90 Crore.

The main objective of the company is to identify port-led development projects under the Sagarmala Programme and provide equity support for the project Special Purpose Vehicles (SPVs) set up by the Ports / State / Central Ministries and funding window and /or implement only those residual projects which cannot be funded by any other means / mode.

The Cabinet had approved the formation of the SDC under the administrative control of the Ministry of Shipping in July 2016. The company would help in structuring activities, bidding out projects for private sector participation, identifying suitable risk management measures for strategic projects across multiple States / Regions and obtaining requisite approvals and clearances.

The implementation of the identified projects would be taken up by the relevant Ports, State Governments/Maritime Boards, Central Ministries, through private or PPP mode. The Company

would act as the nodal agency for coordination and monitoring of all the currently identified projects under Sagarmala as well as other projects emerging from the master plans or other sources.

It would also undertake the preparation of the detailed master plans for the Coastal Economic Zones (CEZs) identified as part of the National Perspective Plan (NPP) SDC would be raising funds as debt/equity (as long term capital), as per the project requirements, by leveraging resources provided by the Government of India and from multi-lateral and bilateral funding agencies. It would also aim to increase the scope of private sector participation in project development.

The incorporation of SDC is part of the ambitious Sagarmala Programme by the Government of India which aims to harness India's 7,500 km long coastline, 14,500 km of potentially navigable waterways and strategic location on key international maritime trade routes. The concept of the Sagarmala Programme was approved by the Cabinet in March 2015. The CIN number of the company is U74999DL2016GOI305194.

Speaking on the occasion, Shri Gadkari also informed the press about the status of work done so far under the Sagarmala programme and plan for the future

Sustainable Inclusive Growth of Coastal Community under Sagarmala

The Ministry of Shipping has sanctioned Rs. 30 Crore for capacity building and providing safety training of 20,000 workers engaged in ship recycling activities at Alang-Sosiya recycling yard in Gujarat. In addition, Rs. 13.77 Crore has also been sanctioned for skill training in 27 coastal districts in convergence with Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY).

In addition to this, to support the development of fishermen community, the Ministry is funding select fishing harbor projects under Sagarmala in convergence with Department of Animal Husbandry Dairying & Fisheries (DADF). In this regard, Rs. 13 Crore has been sanctioned for the modernization of the existing fishing harbor at Sassoon Dock, in Mumbai. In-principle approval has also been obtained for upgrading the 9 fishing harbors across Maharashtra, Karnataka, Kerala, Tamil Nadu and Gujarat costing over Rs. 50 Crore. The Ministry will also be supporting the development of deep sea fishing vessels and fish processing centres in convergence with DADF.

The above action has been taken in consonance with the Ministry's objective for sustainable development of the coastal areas as part of the Sagarmala programme. A well-defined action plan to ensure holistic and sustainable development has been drawn as part of its National Perspective Plan. The coastal communities are recognized as critical stakeholders in the Sagarmala's "port led development" agenda.

Modernization of ports, port-led industrialization and enhancement of port-connectivity will be the key drivers for socio-economic development of coastal areas under Sagarmala. More than 200 projects have been identified for implementation in the coastal regions which are expected to generate employment opportunity of approximately 1 crore, including 40 lakh direct jobs by 2025. The programme, through its skill development initiatives, will broaden the livelihood options especially for coastal communities and adequately equip them with enhanced skill set to increase their employability and standard of living.

In this regard, the Ministry of Shipping is undertaking a skill gap analysis in 23 coastal districts in phase one to understand the demand-supply gap in these districts with special emphasis on skill requirements in the ports & maritime Sector. To provide skilling for port & port user community, the Ministry will organize cutting-edge skill training in ports & maritime sector and is evaluating the proposal for setting up of Multi-Skill Development Centres linked to Major Ports.

The Ministry of Shipping is also promoting coastal tourism for providing more livelihood opportunities for coastal communities by developing lighthouses as tourist destinations and promoting cruise tourism in India. The Ministry will provide funding grants, under Sagarmala, for capacity building, infrastructure, and social development projects related to coastal communities. Guidelines have been prepared for the same.

Globally, ports have proved to be the engines of sustainable growth for coastal communities providing direct and indirect benefits to the coastal region. The port of Seattle is one such success story. The marine cargo activity of the port combined with fishing, cruise operations, recreational activities, and port-real estate etc has created more than 2 lakh direct and 7 lakh indirect jobs and mobilized upto 10 USD Billion of income. In addition to this 1,76,000 jobs have been created related to port cargo movement via terminals. In 2013, the movement of cargo through the port accounted for 11.6 percent of the Washington state. As per the OECD report, one tone of port throughput is associated with USD 100 of economic value addition and an increase of 1 mn tones of port throughput is associated with an increase in short-term employment of 300 jobs in port region.

Sustainable inclusive growth is an integral part of Sagarmala, with emphasis on economic development, nurturing communities as well as preserving the ecological balance. With about 18 percent of India's population living in the 72 coastal districts, comprising 12 percent of India's mainland, the 7500 km long coastline of India has the potential to become an engine of growth for the whole country. However, the pace of socio-economic development among the maritime states has not been uniform in terms of per capita income, poverty reduction and infrastructure development. Therefore, there is a need for holistic and sustainable development of coastal communities, especially fisherman population.

Under Sagarmala, modernization of existing ports, enhancement of connectivity of coastal areas, port-led industrialization and development of infrastructure for fisheries will be the key drivers for socio-economic development of coastal community. These initiatives are expected to generate job opportunity of about 60 Lakh direct and 40 lakh direct jobs. Sagarmala is a holistic development plan for the overall growth of the economy. Along with generation of job opportunities, the programme is set to be a game changer in saving logistic cost upto Rs. 35,000 - 40,000 crore per annum, enhancing modal mix for cargo movement.

12 Major Ports Identified Under Sagarmala for Future Cargo Handling

Port Master Plans for 12 major ports have been prepared keeping in view the requirements for cargo handling till 2035. A total of 142 Port Modernization and 30 Port Connectivity projects have been

identified in the Master Plans. The objectives of these projects are to promote port led development and to provide infrastructure to transport goods to and from ports quickly, efficiently and cost effectively and efficient evacuation to and from hinterland.

These identified projects will be taken up over the next 20 years (till 2035) for implementation in phases. The details of 10 Projects received from the State Government of Gujarat, action taken thereon and funds allocated for the purpose are given below-

S.No.	Project Name	Project detail, Action taken and Funds allocated
1	Ro – Pax Ferry services between Ghogha and Dahej in Gulf of Cambay	Gujarat Maritime Board (GMB) requested Ministry of Shipping to fund 50% of the cost of Capital Dredging project for Ro-Pax Ferry at Gogha and Dahej in Gulf of Cambay under Sagarmala Programme. The capital dredging cost is Rs. 234 Crore. The proposal was appraised by the Standing Finance Committee in the Ministry of Shipping on 30 th August 2016, and after approval Rs. 58.5 Cr. (50% of Rs 117 Crore) has been released, as first instalment, to GMB on 21st September, 2016.
2	Training programme for skill development/capacity building of workers involved in Alang Ship Recycling activities	Proposal was submitted by Gujarat Maritime Board (GMB) for Rs 30 Crore for 3 year training period. Rs. 10 Cr. has been released to GMB on 19 th Sept. 2016 for FY 2016-17 for safety training at Alang Ship Recycling yard.
3	Creation of dedicated coastal infrastructure i.e. Berth to promote movement of coastal cargo/passenger by sea at Porbandar Port	Proposal with DPR, for 50% of project cost of Rs 37.0 Crore was submitted to the Ministry of Shipping (MoS). This project is being processed in the Ministry of Shipping under Coastal Berth Scheme. Under the scheme 50% of the cost of the project is provided by the Ministry of Shipping. The proposal is under process for approval of the project.
4	Providing Broad Gauge Rail linkage to Old Bedi Port	Pre-feasibility report has been submitted to Ministry of Shipping for 50% funding of total project cost of Rs 26.64 Crore. Gujarat Maritime Board (GMB) has been advised to submit the Detailed Project Report (DPR); thereafter GMB will be provided the requisite funds for the project under Sagarmala Programme.
5	Providing alternative road from Bhavnagar to Sosiya – Alang Ship	Proposal along with Detailed Project Report (DPR) having total project cost of Rs 70.55 Crore was submitted to the Ministry of Shipping for 100%

S.No.	Project Name	Project detail, Action taken and Funds allocated
	Recycling Yard	<p>financial assistance to the project.</p> <p>Ministry of Road Transport & Highways (MoRTH) has confirmed that this is one of the 18(Eighteen) projects considered under Bharatmala, and the same has been informed to GMB vide letter dated 11th July 2016.</p>
6	Jetty for coastal movement of cement, fertilizer at Navlakhi	<p>Gujarat Maritime Board(GMB) has been informed that following documents are required before taking a decision with respect to funding of the project:</p> <ul style="list-style-type: none"> · Detailed Project Report (DPR); · sanction of the Competent Administrative Authority; · commitment letter for remaining 50% funding from GMB <p>The documents are awaited from GMB.</p>
7	Development of Marine Shipbuilding Park	<p>In a meeting held on 16th May 2016 in the Ministry of Shipping, Gujarat Maritime Board (GMB) was suggested to ascertain the demand for shipbuilding in the current market situation.</p> <p>GMB has appointed consultant for preparation of Detailed Project Report (DPR) for Marine Ship-Building Park at Old Port, Bhavnagar. GMB has stated that, upon receipt of DPR, which is due in December 2016, technical feasibility and financial viability of the project would be known and thereafter it will be submitted to the Ministry of Shipping for consideration.</p>
8	Central Scheme for providing assistance to Major ports and Oil Handling non-major ports under State Maritime Boards/State Govt. for combating Oil Pollution and for mitigating measures.	<p>Proposal under the scheme for the identified Gujarat Port was submitted for Rs. 65 Crore for procurement of Pollution Response Equipment.</p> <p>The proposal received from Gujarat Maritime Board (GMB) has been forwarded to Indian Coast Guard for categorisation of ports for extending assistance under the Oil Pollution response for procurement of Pollution Response Equipment.</p>
9	Maritime Cluster in	The Government of Gujarat proposed to locate the country's first Maritime Cluster within the GIFT City,

S.No.	Project Name	Project detail, Action taken and Funds allocated
	Gujarat	<p>Gandhinagar.</p> <p>The draft master plan for the maritime cluster is prepared under Sagarmala Programme and is under finalisation. Of the two sites selected, GIFT City and Bhavnagar region in Gujarat is one of the sites for development of maritime cluster. The draft master plan has been shared with GMB for their observations and their inputs are being incorporated in the final master plan.</p>
10	National Maritime Heritage Complex (NMHC)	<p>Proposal is to establish a world class National Maritime Heritage Complex (NMHC) to showcase India's rich and diverse maritime heritage.</p> <p>Expectations from Govt. of India:</p> <ul style="list-style-type: none"> · Appointment of a Consultant for International Maritime Museum; · Statutory permission and No Objection Certificate(NOC) from Archaeological Survey of India(ASI) for development of Archaeological Museum; <p>To consider this as a special project and financial assistance from Ministry of Shipping, Ministry of Culture and Ministry of Tourism;</p> <ul style="list-style-type: none"> · To provide guidance on the project planning and implementation. <p>Ministry of Shipping (MoS) has already initiated the process of selection of consultant for NMHC. MoS is also constituting a sub-committee for content development. The action for selection of Director NMHC has also been initiated. Maritime and Heritage Complex Committee under Chairmanship of Secretary (Shipping) will provide guidance on project planning and implementation.</p>

This information was given by the Minister of State for Shipping Shri Pon. Radhakrishnan

Sagarmala: Funds Released for Modernization of Fishing Harbour in Mumbai

As part of its Coastal Community Development under Sagarmala, the Ministry of Shipping has provided Central financial assistance of INR Rs. 6.52 crore as part of the first installment to the Government of Maharashtra for modernization of the existing fishing harbor at Sassoon Dock, in Mumbai. The project has been identified as one of early bird projects under Sagarmala Programme to enhance the livelihood of the coastal communities.

The total proposed cost of the project is INR 52.17 Crore and will be funded in a convergence mode of implementation under Sagarmala Programme of Ministry of Shipping and Central Sector Scheme on Blue Revolution: Integrated Development and Management of Fisheries of Department of Animal Husbandry, Dairying and Fisheries. The remaining 50% of the project cost will be funded by the State Government of Maharashtra.

Sassoon Dock Fishing Harbour is one of the seven major fishing harbours in the country. The dock operates around 1,000 fishing vessels and lands an average of 48,000 tonnes of fish annually under the management of Mumbai Port Trust. The initiative will modernise the fish handling facilities to improve the hygiene and sanitation standards in the harbour and develop a fully integrated fishing harbour with all modern amenities like ice plant, cold storage, modern auction hall, etc. This would help in maintaining sea food export quality as per the international quality requirements and food safety standards.

The old and new Sassoon Dock area is a major Fish Landing and marketing centre of Mumbai, Metropolis, serving the needs of both Domestic and Export market. The Mumbai Port Trust (MbPT) would also be undertaking the work of Dredging of Sassoon dock basin at a cost of INR.60.00 lakhs. MbPT has also taken initiative of developing the Sassoon Dock Complex and repairing of Gate House and clock tower. Setting up a Marine Food Park, Sea Food Restaurant and an Art Gallery in the premises has also been proposed.

Proposed enhancement:

- **Renovating the existing two fish auction sheds** in the new and old Sassoon Dock area into modern fish handling and auction halls to meet international food standards.
 - Construction of **new fish auction hall** with facilities for the hygienic fish handling and sanitation in the new Sassoon Dock area.
 - Designating fish loading area behind fish handling and auction halls.
 - Designating parking area for wooden push carts and vehicles distributing ice to fishing boats and carrying fish, out of fishery harbor.
 - Seawater supply and distribution system supported by pump house etc., exclusively for fish handling and auction halls for cleaning of fish and auction hall premises.
 - Providing electrical panel control room and standby diesel gen-set room to ensure smooth operation of fish handling and auction halls even during night hours.
 - Strengthening the existing quay structure in the old Sassoon Dock area.
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- Designating quay area in Old Sassoon Dock for outfitting boats and providing the required facilities like fuel, freshwater and ice to fishing boats.
- Setting up of tube ice plant including conveyor belt system for transferring tube ice to fishing vessels and chilled storage facility of suitable capacities in new Sassoon Dock area.
- Providing ice crushing facility in the old dock area.
- Overall modernizations to existing quays in old and new Sassoon Dock and Victoria Basin by fishing bollards, mooring rings and tire fenders.

Ministry of Shipping sponsors safety training programme for ship recycling workers under Sagarmala

As part of its Coastal Community Development Programme under Sagarmala, the Ministry of Shipping has sanctioned Rupees 10 Crore as part of the first instalment to the Gujarat Maritime Board for capacity building and safety training of 20,000 workers involved in the ship recycling activities at Alanag- Sosiya recycling yard in Bhavnagar district in Gujarat. The total project cost is estimated to be Rupees 30 Crore over a period of 3 years.

The initiative has been identified in the National Perspective Plan (NPP) of Sagarmala for the upliftment of the coastal community and aims to provide health and safety training to the skilled and semi-skilled workers which is required while performing their work at ship recycling yards. Due to the accident prone nature of the ship breaking activity, Gujarat Maritime Board has been running an indigenous Safety Training and Labour Welfare Institute at Alang and has trained about 1.10 lakh labors over the last 12 years. However, with the increased volume of ship recycling over last decade and to bring the training standards at par with the international regulations like UN Body - International Maritime Organization, it is imperative to enhance the capacity build-up and upgrade the existing training standards.

The safety training programme under Sagarmala has been specifically designed and conforms to the Common Norms for Skill Development Schemes under National Skill Qualification Framework notified by the Ministry of Skill Development & Entrepreneurship in Gazette Notification dated 8th August, 2015. A new module has been proposed which would impart comprehensive training to workers about Occupational Safety & Hazards at workplaces that are likely to cause injuries, death or chronic occupational diseases.

In India, ship recycling has emerged as an activity of sizeable volume, supplying raw material to steel industry for both re-rolling and re-melting. The Alang Sosiya Recycling yard is the largest ship-recycling yard in Asia, which employs an average 15000,-25000 labourers at a time and generates about 35 lakh LDT (Light displacement) per annum. On an average 350 numbers of ships are recycled every year in which more than 3 million MT of steel is generated through recycling route.

Sagarmala: Revolutionizing logistics in India through port led development

Sagarmala, the ambitious programme for 'Port-led development' in the country is all set to change the logistics sector performance by optimizing India's logistics modal mix. The flagship programme by the Ministry of Shipping will help in reducing the logistics cost for both domestic and EXIM cargo with optimized infrastructure investment. An overall cost savings of INR 35,000 to 40,000 Crore per annum by 2025 is estimated from the same.

According to a study conducted under the Sagarmala programme, there lies a significant potential for moving raw materials and finished products using coastal shipping and inland waterways which is 60-80% cheaper than road or rail transport. Although the share of coastal shipping and inland waterways in the country's modal mix remains low, an emphasis on coastal shipping to complement road and rail transport can lead to overall logistic cost savings.

The programme aims to increase movement of coal through coastal route from 27 MTPA in FY 2016 to 129 MTPA by 2025 and increase the share of inland waterways and coastal shipping in modal mix to increase from 6% to 12%. The programme envisions reduction in the cost of power generation by Rs 0.50 per unit of power.

It is estimated that for power plants located 800 to 1,000 km away from coal mines, the cost of coal logistics can contribute up to 35 per cent of the cost of power production. Particularly in the case of the Coastal power plants in Andhra Pradesh and Karnataka, that currently receive coal from Mahanadi Coalfields by Railways, significant savings can be achieved by taking coal through the rail-sea-rail (RSR) route. It is estimated that coastal movement of coal to these plants can result in annual savings of over INR 10,000 Crore to the power sector.

In addition, up to 50 Million tonnes of coal can be moved via coastal shipping for non-power thermal coal users (for example steel plants). Other commodities such as steel, cement, fertilizers, POL and food grains could also be moved via coastal shipping to the extent of about 80-85 MN tonnes by 2025. Additionally, an estimated 60 to 70 MN tones of cargo can also be moved over inland waterways (with focus on NW1, NW2, NW4 and NW5) by 2025.

The concept of "*port led development*" is central to the Sagarmala vision. Port led development focuses on logistics intensive industries (where transportation either represents a high proportion of costs, or timely logistics are a critical success factor). The population in adjoining areas would have to be sufficiently skilled to participate in economic opportunities on offer. The synergistic and coordinated development of four components, namely logistics intensive industries, efficient ports, seamless connectivity and requisite skill-base will lead to unlocking of economic value.

India, where the logistics cost (19% of GDP) is amongst the highest in the world will undergo complete transformation under the Sagarmala Programme, by unlocking the full potential of India's coastline and waterways.

Fig:

S No	Country	Logistics Cost as % of GDP
1	India	19%
2	China	12.5%
3	Indonesia	15.72%
4	UK	13.43%

Source: World Bank

Sagarmala funds flagship project of Ro Pax Ferry Service in Gulf of Cambay, Gujarat

As part of promoting coastal shipping in the country under Sagarmala programme, the Ministry of Shipping has sanctioned the Capital Dredging Project for Ro Pax Ferry Services between Gogha & Dahej, in Gulf of Cambay in Gujarat. The Ministry released Rs 58.50 Crore as first installment of grant-in-aid to Gujarat Maritime Board (GMB). The total project cost is estimated to be Rs 234 Crore and of which 50% will be funded by Centre Government under the Sagarmala programme.

The project would result in reduction in motorable distance of 231 kms between Gogha & Dahej to mere 31 kms and reduce the travel time from 7 hours to 1 hour only by crossing the Gulf in Cambay in 17 Nautical Miles. The initiative would not only reduce the travel time but also result in savings in fuel, reduction in CO2 emission and reduction in road congestion.

The project is first of its kinds in India as it will be executed in the area of world's 2nd highest tidal range. The project would open up new avenues in coastal shipping & tourism and help in socio-economic development of proximate areas. It would also help in utilisation of inland waterways through River Narmada for shipping goods from industries located upstream.

It is one of the flagship projects under Sagarmala which aims to increase share of waterways transportation in modal mix to 10 per cent from present level of 7 per cent by year 2025.

Incorporation of Sagarmala Development Company

As part of the efforts to promote port-led development in the country, the Sagarmala Development Company (SDC) has been incorporated under the Companies Act, 2013. The company will have an initial Authorized Share Capital of Rs. 1,000 Crore and a subscribed share capital of Rs. 90 Crore, the Ministry of Shipping announced today.

The main objective of the company is to identify port-led development projects under the Sagarmala Programme and provide equity support for the project Special Purpose Vehicles (SPVs) set up by the Ports / State / Central Ministries and funding window and /or implement only those residual projects which cannot be funded by any other means / mode.

The Cabinet in July had approved the formation of the SDC under the administrative control of the Ministry of Shipping. The company would help in structuring activities, bidding out projects for private sector participation, identifying suitable risk management measures for strategic projects

across multiple states / regions and obtaining requisite approvals and clearances.

The implementation of the identified projects would be taken up by the relevant ports, state governments/Maritime Boards, central ministries, through private or PPP mode. The Company would act as the nodal agency for coordination and monitoring of all the currently identified projects under Sagarmala as well as other projects emerging from the master plans or other sources.

It would undertake the preparation of the detailed master plans for the Coastal Economic Zones (CEZs) identified as part of the National Perspective Plan (NPP) and provide a framework for ensuring the integrated development of Indian maritime sector. It would also manage the funding of coastal community development projects identified under Sagarmala. This will include projects related to value addition in fisheries, aquaculture, cold chain development, skill development, livelihood generation, local tourism and recreational facilities etc. which would be beneficial to the livelihoods of the coastal communities. The projects considered would be specific time-bound local interventions, innovative in nature and not covered under other existing Central / State Government schemes.

SDC would be raising funds as debt/equity (as long term capital), as per the project requirements, by leveraging resources provided by the Government of India and from multi-lateral and bilateral funding agencies. It would also aim to increase the scope of private sector participation in project development.

The incorporation of SDC is part of the ambitious Sagarmala Programme by the Government of India which aims to harness India's 7,500 km long coastline, 14,500 km of potentially navigable waterways and strategic location on key international maritime trade routes. The concept of the Sagarmala Programme was approved by the Cabinet in March 2015.

As part of the programme, a National Perspective Plan (NPP) for the comprehensive development of the coastline and maritime sector has been prepared. The NPP has identified more than 150 projects across the areas of Port Modernization & New Port Development, Port Connectivity Enhancement, Port-led Industrialization and Coastal Community Development.

The CIN number of the Sagarmala Development Company is U74999DL2016GOI305194.

Maritime clusters & CEZ to bolster India's maritime sector growth under Sagarmala

Maritime clusters are to be one of focal points for economic development along India's coastline, says a draft report prepared under Sagarmala Programme of the Ministry of Shipping.

The report on port-led-industrial development of the coastal economic clusters identifies two major maritime clusters in Tamil Nadu & Gujarat similar to the global success stories in Japan and South Korea.

Globally the shipbuilding market is dominated by China, Korea and Japan which cumulatively account for 90 per cent of the world's shipbuilding capacity. In spite of the downturn with excess

capacities; this demand is expected to go up to 150 mn DWT by 2025 and 300 mn DWT by 2035 with the growth in global exports.

According to the report, India currently accounts for only 0.45 per cent of the global shipbuilding market and could target 3–4 mn DWT of the global shipbuilding capacity by 2025. With the recent policies & initiatives by the Government of India, the unfavorable cost differential faced by the Indian shipyards is expected to reduce. Subsequently, opportunity in defence sector, growth in coastal shipping and replacement of existing vessel fleet is expected to drive growth of the shipbuilding industry in India.

The report also states that India can target to achieve a 0.2 per cent share of maritime services in overall GDP by 2025. Given an expected GDP of USD 6 trillion in India by 2025, and a services share of 50 per cent, the maritime services industry is expected to be worth around USD 6 billion by 2025. Even the INR 5,000 Crore worth ancillaries market for maritime cluster can prove to be a huge opportunity for the Indian economy with engineering, fabrication and machining offering the greatest potential by 2025.

With the given potential, Gujarat and Tamil Nadu can emerge as major maritime clusters for India with scope of developing various components of the maritime cluster like ship building & ancillary services, maritime services, promoting maritime tourism and marine products.

In Gujarat, the potential marine cluster could leverage the existing ecosystem and steel supplies from Hazira. It can also utilize existing shipyards at Pipavav, Dahej & Hazira ports and ship breaking yard at Alang. The cluster will consist of existing shipyards, ancillary cluster at Bhavnagar with retail and leisure components, services cluster in Ahmedabad / Gujarat International Finance Tec-City (GIFT) and existing fish landing centres as identified by the Gujarat Maritime Board (GMB).

The maritime cluster in Tamil Nadu is proposed to be developed near Chennai due to enabling conditions like existing shipyards, major ports, steel cluster, automotive and engineering industry, universities and colleges. A 100-acre land parcel owned by Kamrajar Port Limited has been identified for cluster development in Tamil Nadu. This site is also in proximity to Kattupalli Port and shipyard.

Given the manufacturing strength, size of the ports with high traffic and synergies with other steel ancillaries, both the identified locations for maritime clusters can provide positive synergistic effect by attracting business for the maritime industry and improving the economics for the cluster participants.

Placing India as an ideal destination for developing marine tourism, the report also suggests developing aquariums, water parks, marine museums, cruise tourism and water sports. The fishing

industry would provide employment and contribute to the overall maritime economy of the State, says the report.

The report also captures overall opportunity of port-led industrial development for the country through 14 CEZs proposed along the maritime states and industrial clusters under Sagarmala. The competitive location of these CEZs will help reduce logistics costs, thus, enabling Indian trade to be more competitive globally. These proposed CEZs with proximity to ports have been envisioned to tap synergies from the industrial corridors to provide a thrust to manufacturing and industrialization under the 'Make in India' initiative of the Government of India.

Given the vast scope of Sagarmala, the Ministry of Shipping being the nodal Ministry is driving this port-led- development initiative. It is also reaching out to relevant stakeholders through workshops and meetings with the project development consultants for alignment on proposed ideas to finalize on various plans under the programme.

The report has been released on the Ministry of Shipping website.

Link: <http://shipping.nic.in/showfile.php?lid=2334>

Promoting coastal shipping in India under Sagarmala: Ministry enlarges the scope of Central Sector Scheme

The Ministry of Shipping has formulated a revised Central Sector Scheme to provide financial support to Major/ Non-Major Ports/ State Governments for creation of infrastructure for movement of cargo/ passenger by sea or National Waterways. This is in line with the Ministry's port-led-development programme-Sagarmala for creating better infrastructure and promoting costal shipping for saving logistic costs.

Under the Scheme, projects for construction/ up-gradation of exclusive coastal berths for coastal cargo and berths/jetties for passenger ferries; mechanization of coastal berths; capital dredging for operating non-major ports; construction of breakwaters for existing & Greenfield Non-major ports; construction of berths/ jetties in National Waterways and islands by State Governments/UT; and construction of platforms/ jetties for hovercrafts/seaplanes will be considered for assistance.

Financial assistance under the revised scheme would be given up to 50% of the total cost of the project, subject to following, while the balance cost will have to be borne by respective ports/concerned State Govt. from their internal/own resources.

- a) a maximum of ~~₹25 crore~~ ^{₹15 crore} of construction/ up-gradation of exclusive coastal berths for coastal cargo and passengers in ports' water
- b) a maximum of ~~₹10 crore~~ ^{₹10 crore} in National Waterways and islands of platforms / jetties,
- c) a maximum of ~~₹15 crore~~ ^{₹15 crore} Mechanisation of coastal berth

- d) a maximum of ₹5000 crore for capital dredging for operating non-major ports
- e) a maximum of ₹5000 crore for construction of breakwater for existing and Greenfield Non-Major Ports.

The main objective of the revised scheme is to promote coastal shipping and increase its share in domestic cargo movement, which is currently only as low as 7%, compared to other developed countries in Europe and Asia. Better infrastructure for coastal shipping in terms of handling facilities will decongest rail and road network as well as ensure cost competitive and effective multi-modal transportation solution. The country has high potential to use coastal shipping for its internal cargo movement given its 7500 kms long coastline. The National Perspective Plan of Sagarmala envisions the potential to save around INR 21000-27000 Crore through coastal shipping of 230-280 MMTPA of key commodities like coal, cement, fertilizers, iron & steel, food grains and POL by 2025.

Under the scheme, the creation of exclusive berths for coastal shipping and its mechanization will reduce waiting time for coastal vessels resulting in reduced cost. The capital dredging and construction of breakwaters shall help in smoother navigation of large vessels into the ports and thus facilitate development of existing and Greenfield ports. With coastal shipping being more environment friendly mode of transport compared to rail and road, it would also help in reducing pollution.

The revised scheme brings appropriate synergy & convergence with the Sagarmala Programme which too aims at promoting coastal shipping along with port modernization and new port development, port connectivity enhancement, port-led industrial development and coastal community development. The revised scheme is also in conformity with Plan Priorities and National objectives of the Government as in the 12th Five Year Plan which emphasises on the need for incentivizing coastal shipping.

The financial assistance (grant-in-aid) given under the Scheme will be subject to audit by the CAG of India. The revised scheme has been released on the website of Ministry of Shipping

<http://shipping.nic.in/showfile.php?lid=2340>

India set to seize big opportunity in logistic costs saving through Sagarmala

Augmenting operational efficiency of ports & optimizing logistics evacuation can give boost to Indian trade and help seize the big opportunity of growth in Indian cargo traffic at ports which is estimated to increase to 2.5 bn MMTPA by 2025, says a report prepared under the Sagarmala port-led development programme of Ministry of Shipping. The Origin Destination study on cargo traffic projections & logistics bottlenecks emphasis on the need for creation of efficient infrastructure at requisite demand and logistic chain centres.

Currently 95% of India's trade by value and 70 % by volume take place through maritime transport. Globally, maritime nations such as China, South Korea and Japan have effectively used their coastline for 'port-led development'. It is therefore essential for India to optimize logistics cost and identify

capacity additions required at different ports to prepare for future traffic flow. Focusing on the total demand and supply situation of major EXIM flow of key commodities currently being handled by ports, the report suggests i) the opportunities to optimize logistics cost for existing and future cargo capacities and ii) Capacity additions or reconfigurations needed at various ports to prepare for future traffic flow, including new ports development.

The study estimates the potential to save around INR 35,000-40,000 Crores per annum by optimizing logistics flows for key commodities by 2025. Some of the key drivers identified for this are promoting coastal shipping of bulk commodities like coal, setting-up coastal clusters for bulk commodities like cement & steel and providing last-mile connectivity of ports with National Highways and Railway network.

Identifying the opportunity of increase in cargo traffic to 2.5 bn MMTPA by 2025, the report suggests various enablers for unlocking this opportunity under Sagarmala. Establishing new transshipment port, creating dedicated coastal berths ports for coastal shipping, setting up storage capacities at origin-destination ports to shorten turnaround time and developing adequate ship-repair facilities in the maritime states are some of these key enablers suggested in the study.

It also captures the overall opportunity with India to save on logistic costs, make Indian goods more competitive in the global markets and hence drive its port-led-development agenda under Sagarmala. The programme aims to change the way logistics evacuation happens in India, save logistics costs nationwide for cargo handled and evacuated through seaports, boost overall economic development through ports and empower coastal communities.

The vast scope of Sagarmala implies that partnership with and support from key stakeholders is essential for success of the programme. Aligning with the government's 'Make in India' campaign, private-sector participation through PPP models will be explored for developing port infrastructure, railway infrastructure and coastal shipping. The Ministry is also reaching out to relevant stakeholders through workshops and meetings with the project development consultants for alignment on proposed ideas under the programme.

The report has been released on the Ministry of Shipping website.

Link: <http://shipping.nic.in/showfile.php?lid=2333>

Sagarmala Project Reports Released: Invitation to various Stakeholders to Provide Feedback

Under the Sagarmala Programme of Ministry of Shipping, five reports have been prepared to provide implementation of roadmap for holistic port-led development in the country and to engage with various stakeholders. The reports have been posted on the Ministry of Shipping website. The Ministry is reaching out to relevant stakeholders to apprise them of the findings / recommendations in these reports and to obtain relevant feedback on the same.

The reports include the cargo traffic projections in the ports and related logistics bottlenecks, plans for port capacity enhancement, perspective plans for the Coastal Economic Zones proposed under Sagarmala and the policy level recommendations to make port-led development successful in India.

The Sagarmala Programme aims to change the way logistics evacuation happens in India, make Indian manufacturers globally competitive, boost overall economic development through ports and empower coastal communities. The vast scope of Sagarmala implies that active participation of and

support from key stakeholders (Central Ministries, State Governments, Industry Bodies and other agencies) is essential for the success of the programme.

All comments/suggestions on the various reports of Sagarmala can be sent on or before 31st August 2016 to:

Sagarmala Cell, Ministry of Shipping,

1stFloor, Right side, Press Trust of India Building,

Parliament Street, New Delhi - 110 001

Phone: 011-23714715, Fax: 011-23714716, Email:sagar.mala@nic.in

Reports can be accessed at the following

link: <http://shipping.nic.in/index1.php?lang=1&level=0&linkid=99&lid=2332>

Sagarmala: Making Food Processing Industry Competitive

As part of the Sagarmala Programme of the Ministry of Shipping, two Mega Food Parks (MFP) projects are being implemented in Kakinada, Andhra Pradesh and Southern Maharashtra by the Ministry of Food Processing. The projects are strategically situated in CEZs (Coastal Economic Zone) with proximity to ports and will give boost to the EXIM trade for food processing sector.

The Andhra Pradesh Industrial Infrastructure Corporation Mega Food Park at Krishna with its proximity to Vizag and Kakinada port will draw its synergies from Vizag Chennai Industrial Corridor (VCIC) in North Andhra Pradesh. The total cost of the project is estimated to be Rs 184.88 crore. The other project, Satara Mega Food Park is being set up in the coastal economic zone of South Konkan in Maharashtra with proximity to Dighi, Jaigarh and Marmugao Port. The total cost of the project is estimated to be Rs 139.33 crore and is expected to be completed by February next year.

With the growing global demand of the food processed in India, the food processing sector needs to be efficient in terms of logistic costs, transit costs and infrastructural facilities in order to be competitive. Considering this need, an integrated plan for port-led industrialization has been developed under the Sagarmala programme in line with global best practices, which combines the growth potential of port-linked industries with the competitive location for various industries. The proximity to various ports for these industrial clusters & CEZs will provide necessary infrastructural facilities and connectivity to the hinterland, thus ensuring reduction in logistic costs.

The Ministry of Food Processing is considering setting up other Mega Food Parks (MFP) projects in the areas earmarked under the Sagarmala National Perspective Plan.

Sagarmala Project

Sagarmala is a long term programme, which was approved by Union Cabinet on 25th March, 2015.

The programme involves drawing up a National Perspective Plan (NPP) for Port Modernization & New

Port Development, Port Connectivity Enhancement, Port-Led Industrial Development and Coastal Community Development as a first step for an integrated approach to port led development. This planning process which involved extensive interaction and consultation with concerned states/UT governments, stakeholder Ministries and related PSUs, has been completed and the NPP is developed, has been approved by the National Sagarmala Apex Committee on 9th April,2016.

To exploit the potential of India's approximately 7,500 km long coastline and 14,500km of potentially navigable waterways the Sagarmala Programme aims to promote port-led development in the country. The concept of the Sagarmala Programme approved by the Cabinet on 25th March, 2015. The objectives of the Sagarmala Programme are Port modernization & new port development, enhancing port connectivity to hinterland, port led Industrialization and coastal community development.

The status of major works under Sagarmala programme is as follows:

i. Sagarmala Cell was set up on 1st May, 2015. ii. The setting up of Sagarmala Development Company has been approved by the Cabinet.

iii. Twelve Early Bird Projects have been taken up for implementation in FY 2015-16 which relate to hinterland connectivity, port operations, skill building and development of breakwaters.

iv. The perspective plans of 14 Coastal Economic Zones (CEZs), identified as part of NPP, have been prepared which will lead to formation of detailed master plans.

As part of the NPP, total 173 projects have been initially identified across the programme objectives which will result in significant investment in maritime infrastructure, create employment, reduce logistics cost and boost merchandize exports over the next decade.

The implementation of these projects is to be done by the relevant ports, Central Government Ministries, State Governments and State Maritime Boards preferably through private sector or PPP route. Sagarmala Development Company will provide equity support for the project SPVs (State/Port/Central Ministry Level SPVs) and take up residual projects that cannot be funded by any other means/mode.

A projection has been made that the identified industrial cluster projects once implemented will enable creation of approximately 1 crore new jobs, including 40 lakh direct jobs and 60 lakhs indirect jobs in the next 10 years.

Workshop on Multi-modal Model under Sagarmala

The Ministry of Shipping organized a workshop on 'Multi-modal Model' under its Sagarmala Programme, at New Delhi recently. The workshop deliberated upon the key constraints in logistics movement based on actual & projected EXIM traffic flows. The workshop was attended by representatives from Niti Aayog, Indian Railways and CONCOR.

The workshop apprised the participants of the need for a national freight flow model for better logistics planning in the country.

As part of the programme a multi-modal model has been prepared based on the extensive origin-destination (OD) analysis for key traffic categories to identify opportunities for reducing logistics cost. The Multi-modal model has been developed to revalidate key constraints in logistics movement. These constraints have been analysed to evolve projects to address bottlenecks. The model optimises the flow of the commodities moving to and from the ports. For the optimized scenario, it identifies the road and rail routes, ports and multi-modal hubs which need to be debottlenecked to handle existing and future cargo traffic. The model provides flexibility to add any new ports, multi-modal hubs and traffic origination points.

The participants were of the unanimous opinion that insights from the model created under Sagarmala programme could benefit the freight flow model and can be helpful in reducing the logistic costs. The need for an institutional mechanism for locating and operating such model was also deliberated upon during the workshop.

One of the key objectives of the Sagarmala programme is to reduce the cost of transporting cargo by optimizing the modal mix. It has been estimated that the cost per tonne kilometre of moving cargo by sea or inland waterway routes can be 60 to 80 percent lower than road or rail. However, the modal share of coastal shipping and inland waterways remains low. Several production and demand centres in India lie close to the coastline and rivers, yet the waterways are under-utilized. The National Perspective Plan of Sagarmala envisions projects which have potential for moving raw materials and finished products between these centres using coastal shipping and inland waterways instead of rail or road. The change in modal mix could lead to large amount of savings in logistic costs.

Port Rail Connectivity Projects Under Sagarmala

Twenty six (26) port-rail connectivity projects have been identified in National Perspective Plan, April, 2016 under Sagarmala at a total estimated cost of Rs 29,500 Crore.

Twenty two (22) rail connectivity projects have been identified by Indian Port Rail Corporation Limited (IPRCL) for implementation.

Out of the 26 projects identified under Sagarmala, 2 projects are completed and 16 projects have been awarded for construction by Railways.

Out of the 22 projects taken up by IPRCL, 4 projects have been awarded for implementation by IPRCL

The details of the projects undertaken by Railways with timeline and details of projects undertaken by IPRCL, with timeline are given below respectively:

Details of project undertaken by Railways, with timeline

Sl. No	Name of project	Port	Completion Timelines
1	Connection of western DFC to Hazira	Hazira	To be completed by 2019
2	Connection of western DFC to Pipavav	Pipavav	To be completed by 2019
3	Connection of western DFC to Mundra	Mundra	To be completed by 2019
4	IB signalling for RV line	Vizag	To be completed by 2017
5	Decongesting RV line (Vizag &Gangavaram port) - 2nd line	Vizag	To be completed by 2018
6	Heavy Haul railways corridor from Talcher to Paradip port	Paradip	Under discussion with Ministry of Coal and Ministry of Power
7	3rd line from Bhadrak to Nergundi	Dhamra	To be completed by 2020
8	3rd and 4th line from Budhapank-Salegaon via Rajatgarh	Paradip	To be completed by 2020
9	Doubling of line from Rajatgarh to Barang	Paradip	To be completed by 2017
10	Doubling of line from Sambhalpur to Talcher	Paradip	To be completed by 2019
11	Doubling of line from Titlagarh to Sambhalpur	Paradip	To be completed by 2019
12	New Line from Angul to Sukhinda Road	Paradip	To be completed by 2020
13	New Line from Haridaspur to Paradip	Paradip	To be completed by 2019
14	Rail evacuation from port to Hospet and Bellary (Hubli - Ankola link)	Mangalore	Will be taken up after environment clearance of the project.
15	Rail connectivity between Krishnapatnam to Obulavaripalle	Krishnapatnam	To be completed by 2019
16	Hospete-Hubballi-Londa-Tinaighate-vasco da gama at Mormugao	Mormugao	To be completed by 2020
17	Third line from Sukhinda Road to Jakhapura	Paradip	To be completed by 2016
18	New line from Jharsuguda to Barpalli	Paradip	To be completed by 2016

Details of project undertaken by IPRCL, with timeline

Sl. No	Name of project	Port	Completion Timelines
1	Upgradation of the Track Nos. 10,12,14,16,18,19,20,21,22 and 23 at EJC yard	Kolkata Port Trust	To be completed by 2018
2	Modernization and up-gradation of the existing railway network at Kolkata Dock System (KDS)	Kolkata Port Trust	To be completed by 2018
3	Doubling of Railway line from Durga Chak to Haldia Dock Complex	Kolkata Port Trust	To be completed by 2019
4	Single line Rail connectivity project from Basulaia to Shalukkhali	Kolkata Port Trust	To be completed by 2019
5	Providing railway connectivity from the port to the Power Plants	V.O. Chidambaranar Port Trust	Detailed Project Report to be finalised
6	Last mile rail /road connectivity for development of Enayam Port in Kanyakumari, District.	Colachel Port	Survey Work is under way
7	Providing railway track between Marshalling Yard and Hare Island	V.O. Chidambaranar Port Trust	To be completed by 2018
8	Northern rail link from Minjur station	Kamarajar Port	Land Acquisition is under process
9	Laying of new railway track at west of western yard I and providing paving block platform in between new track and western yard I	Chennai Port Trust	To be completed by 2018
10	Extension of rail track No. 13, 14, & 15	Kandla Port Trust	To be completed by 2019.
11	Providing rail connectivity to berth No. 13, 14, 15 & 16 from take –off point to west end of berth	Kandla Port Trust	To be completed by 2019.
12	Heavy Haul Corridor for Salegaon to Paradip Port Trust.	Paradip Port Trust	Detailed Project Report is under preparation
13	Additional Line no IE on the eastern side of the R&D Yard	Visakhapatnam Port Trust	To be completed by 2018
14	Extension of line No.11to 15 to full length at R&D yard	Visakhapatnam Port Trust	To be completed by 2018
15	Signalling works : i) RRI at R&D yard.	Visakhapatnam Port Trust	To be completed by 2019

	ii) Panel interlocking at 'B' Cabin. iii) Panel interlocking at 14 Level goompty. iv) Panel interlocking at dumper cabin. v) Service building and glued joints		
16	Electrification of VPT railway line 45.143 TKM	Visakhapatnam Port Trust	To be completed by 2019
17	Providing direct connection between OEC and Western sector joining at NAD curve from E. Co. Railway	Visakhapatnam Port Trust	To be completed by 2018
18	Connection of dead end line at North of R& D yard to Eastern Grid (Third line) from E. Co. Railways	Visakhapatnam Port Trust	To be completed by 2018
19	Direct connectivity to Mindi Yard from E. Co. Railways/ SC Railways	Visakhapatnam Port Trust	Under discussion with NHAI and Ministry of Railways regarding cost sharing
20	Up-gradation of Platform no.2 & 3 in the Port Marshalling yard	New Mangalore Port Trust	To be completed by 2018
21	Up-gradation of Railway Line 1 & 2		To be completed by 2018
22	Up –gradation modifications of ICD yards	Jawaharlal Nehru Port Trust	To be completed by 2019

Workshop on 'Freight Traffic Potential' for inland waterways under Sagarmala

The Ministry of Shipping organized a workshop on 'Freight Traffic Potential In Inland Waterways' under its Sagarmala Programme, at New Delhi. The workshop focused on the ways to increase the share of inland waterways in India's modal mix to reduce logistics costs with minimal investment, as envisioned in the Sagarmala National Perspective plan.

The workshop was chaired by Shri Amitabh Verma, Chairman, Inland Waterways Authority of India (IWAI) and was attended by representatives from the Government (Ministry of Shipping, IWAI), private and public sector companies like Tata Steel, SAIL, Ultra-tech and IFFCO.

The workshop deliberated on the freight traffic potential in National Waterways 1, 2, 3, 4, 5 and 6 additional inland waterways identified for early development.

The scope for leveraging the Indo-Bangladesh agreement on coastal shipping and extended protocol routes on inland water transit was also discussed. This will enable cheaper movement of cargo to

and from North East India and will decongest the road and rail networks, via Siliguri corridor, which are currently being utilized for the same.

IWAI representatives highlighted the infrastructure development work currently being undertaken to increase the navigability of the National Waterways and the business development efforts to increase the freight traffic volumes. It was also informed that IWAI will take forward the discussion with the private sector and public sector companies who have expressed long term interest in utilizing the National Waterways for freight movement. The main challenges and issues faced by the potential shippers in utilizing the inland waterways for freight movement were also discussed during the workshop.

India has an extensive network of inland waterways in the form of rivers, canals, backwaters and creeks. Of the total navigable length of 14500 km, 5200 km of the rivers and 4000 km of canals can be used by mechanized craft. However, approximately 90 percent of freight in India currently moves via land transport (road, rail, pipelines). Share of waterways (coastal shipping and inland waterways) in India's modal mix is lower as compared to countries like USA and China.

Development of Multi-Modal Logistic Parks under Sagarmala Programme to benefit containerized cargo movement in India

As part of the National Perspective Plan, prepared under the Sagarmala Programme of the Ministry of Shipping, 7 Multi-Modal Logistic Parks (MMLPs) were proposed in Madhya Pradesh, Chhattisgarh, Rajasthan, Odisha, Telangana, Uttarakhand and West Bengal. The potential sites were identified based on comprehensive study of the container cargo movement across the country and are located in the proximity of important industrial clusters. This will be advantageous for the transportation of containerized cargo.

Taking this forward, Container Corporation of India (CONCOR) has informed that domestic operations have already commenced at 1 MMLP in Pantnagar (Uttarakhand) and MMLPs at 4 proposed locations - Nagulapally (Telangana), Siliguri (West Bengal), Naya Raipur (Chhattisgarh) and Jharsuguda (Odisha), which are under development stage. For the other 2 locations – North Madhya Pradesh / Chhattisgarh border (Singrauli) and Nagaur (Rajasthan), action will be initiated with a detailed area-wise analysis.

While the MMLPs in Telangana, Odisha, Chhattisgarh, and Uttarakhand, are being developed by CONCOR, the MMLP in West Bengal is being developed under PPP mode. At Nagulapally (Telangana), 16 acre of the proposed 60 acre MMLP is being developed at a total investment of Rs.120 Crore. The MMLP at Jharsuguda (Odisha) is under construction over an area of 27.41 acre with an investment of Rs.100 Crore. In Raipur (Chhattisgarh), the MMLP is under construction in an area of 103 acre with an investment of Rs.207 Crore. The MMLP in Uttarakhand has been commissioned at Pantnagar with an investment of Rs.120 crore in a joint venture between CONCOR and SIIDCUL (State Infrastructure Industrial Development Corporation of Uttarakhand)

For the other 2 proposed MMLPs in Rajasthan (Nagaur) and Madhya Pradesh/Chhattisgarh (Singrauli), detailed traffic assessment would be conducted to assess the potential of the multimodal hubs.

Sagarmala is the flagship programme of the Ministry of Shipping for promoting port-led

development in India. It aims to achieve capacity expansion and modernization of sea-ports along India's coastline, enhance port connectivity to the hinterland, facilitate port led- industrialisation to promote trade and sustainable development of coastal communities. The National Perspective Plan (NPP) prepared under Sagarmala Programme was released in April 2016 by the Prime Minister. More than 150 projects have been identified which will mobilize investment of over Rs. 4 lac Crore and generate close to 1 Crore new jobs, including 40 lac direct jobs, over a period of 10 years. These projects are expected to generate annual logistics cost savings of close to Rs 35,000 Crore and provide boost to India's merchandise exports by \$110 billion by 2025.

Development of Port-Rail Connectivity Projects approved under Sagarmala Programme

The Ministry of Railways will be taking up 21 port-rail connectivity projects, at an estimated cost of more than Rs.20,000 Crores, as identified under the port-connectivity enhancement objective of Sagarmala, the flagship programme of the Ministry of Shipping. These projects are aimed at strengthening the rail evacuation network and the last mile connectivity to the ports. In addition, another six projects are being considered by the Indian Port Rail Corporation Limited (IPRCL).

The Indian Port Rail Corporation Limited (IPRCL), which has been incorporated by the Ministry of Shipping, would take up the projects after prioritizing them. IPRCL has already awarded 3 port connectivity projects for Vishakhapatnam and Chennai ports for quick evacuation of cargo, and another 19 projects are in the pipeline.

Many port-rail connectivity projects have been identified as part of the National Perspective Plan, April 2016, under the Sagarmala programme including development of heavy haul rail line from Ib Valley/Talcher to Paradip. The project will help in transportation of thermal coal from Mahanadi Coalfields Limited (MCL) to various coastal power plants in southern India via coastal shipping. Other rail connectivity projects to major ports like Tuticorin and non-Major ports like Dhamra, Gopalpur, Krishnapatnam have also been proposed.

These projects will enhance port connectivity to the hinterland and help in reducing logistics cost and time for cargo movement making Indian trade more competitive.

Sagarmala is the flagship programme of the Ministry of Shipping for promoting port-led development in India. It aims to achieve capacity expansion and modernization of sea-ports along India's coastline, enhance port connectivity to the hinterland, facilitate port led- industrialization to promote trade and sustainable development of coastal communities.

The National Perspective Plan for Sagarmala Programme which was released in April by the Prime Minister identifies projects under the 4 major objectives of the programme - i) Port Modernization & New Port Development, ii) Port Connectivity Enhancement, iii) Port-led Industrialization and iv) Coastal Community Development. More than 150 projects have been identified which will mobilize investment of more than Rs. 4 lac crore and generate approximately 1 crore new jobs, including 40 lac direct jobs, over a period of 10 years. These projects are expected to generate annual logistics cost savings of close to Rs 35,000 crore and provide boost to India's merchandise exports by \$110 billion by 2025.

Big Push on Coastal Shipping of Thermal Coal under Sagarmala

The State Government of Odisha will partner the Ministry of Shipping for taking ahead the 'port-led development' agenda under Sagarmala, the flagship programme of the Ministry. The State Government has confirmed 10% equity participation in the Special Purpose Venture (SPV) of Indian Port Rail Corporation Ltd (IPRCL) that will be formed for development of a heavy haul rail corridor from Salegaon to Paradip port. This initiative will strengthen supply-side connects from mine to port and will boost coastal movement of 140 MTPA of coal, as envisioned in Sagarmala National Perspective Plan.

The rail link will serve as the last mile connectivity to transport bulk cargo of thermal coal from the Mahanadi Coalfields Ltd (MCL), via coastal shipping at Paradip, to power plants in coastal regions of southern states. It will also serve the 4 major industrial clusters- Jharsuguda-Sambalpur; Angul-Talcher-Dhenkanal; Kalinganagar Steel Hub; and port based industrial area of Paradip.

Including the 3rd and 4th line development between Budhapank and Salegaon by Indian Railways, the project estimates an investment of Rs.4500 Crore. The project will be executed by the SPV between Indian Port Rail Corporation Ltd (IPRCL), RITES, Paradip Port Trust, the State Govt of Odisha and Mahanadi Coalfields Ltd.

As a precursor to this, an Inter-Ministerial Committee (IMC) meeting chaired by the Chairman, Rail Board, comprising the Secretaries of Shipping, Coal and Power was held to firm up the actionable plan for harnessing the coastal shipping potential. The IMC has awarded the approval for preparation of the Detailed Project Report (DPR) by RITES along the finalized alignment.

The project is part of the port-led-development programme of Sagarmala by the Ministry of Shipping to enhance port connectivity and encourage coastal shipping of commodities to reduce overall logistic costs, thereby enabling ports to become drivers of country's overall economic growth.

In order to efficiently handle the additional volume of coal, the Paradip port is taking up a number of projects to enhance its capacity to handle coal. In the short term it is undertaking berth mechanization projects. The development of the outer harbour as a new port and capacity augmentation of the existing terminals are now being prepared by the port.

Three rail connectivity projects awarded under Sagarmala

Three rail connectivity projects under the Ministry of Shipping's flagship programme 'Sagarmala', worth Rs 38.71 crores have been awarded by Indian Port Rail Company Limited (IPRCL). These projects will help to increase connectivity and efficiency of ports. The port wise details of the connectivity projects are:

- 1) **Visakhapatnam Port Trust:** IPRCL has sanctioned a project for providing direct connectivity between OEC and Western Sector joining at NAD curve from Eastern Coast Railways. The estimated cost of this project is 16.75 crores. The work for this project has been awarded and is likely to be completed by December 2016.
- 2) **Visakhapatnam Port Trust:** Another project which has been sanctioned by IPRCL is for connecting the dead end line at North of R&D yard to Eastern Grid (third line) from Eastern Coast Railways at a cost of 9.28 crores. The work for this project has been awarded and is expected to be completed by January 2017.

3) **Chennai Port Trust:** The third connectivity project that has been approved by IPRCL is the laying of new railway track at west of western yard 1 and providing paving block platform in between new track and western yard 1. The overall cost of this project is 12.68 crores and the work is expected to be completed by April, 2017.

IPCRCL is also working towards executing 18 more port connectivity projects. All these projects will help in better port connectivity and quick evacuation of cargo.

Sagarmala National Perspective Plan Released

Prime Minister Shri Narendra Modi today released the National Perspective Plan detailing the contours of Sagarmala, the government's flagship program to promote port-led development in the country at the inauguration of the Maritime India Summit in Mumbai.

The National Perspective Plan has been crafted after detailed consultations with key stakeholders in the central and state governments, public sector companies as well as private players from shipping, ports, ship-building, power, cement and steel sectors. It takes forward Sagarmala's vision of substantially reducing export-import and domestic trade costs with a minimal investment.

Union Minister of Shipping, Road Transport and Highways Sh. Nitin Gadkari later talking to newsmen said promoting water transportation is priority of the Government as it will considerably reduce the logistics cost which is very high in India compared to China and European nations.

The report estimates that the program could lead to annual logistics cost savings of close to Rs 35,000 crore and boost India's merchandise exports to \$110 billion by 2025. About one crore new jobs are estimated to be created, of which 40 lakhs will be direct employment.

This plan is based on four strategic levers – optimizing multi-modal transport to reduce the cost of domestic cargo, minimizing the time and cost of export-import cargo logistics, lowering costs for bulk industries by locating them closer to the coast, and improving export competitiveness by locating discrete manufacturing clusters near ports.

With a coastline of about 7,500kms covering 13 states and Union Territories, India enjoys a strategic location on key international trade routes. Nations like the United States, Japan, Korea and more recently, China, have leveraged their coastline and waterways to drive industrial development. The Sagarmala programme, led by the Ministry of Shipping, aims to replicate these successes in India.

The potential for port-led development has for long been constrained in India by high logistics cost, long lead-times and poor linkages between industrial and logistics infrastructure. Growth was hindered by inadequate and poor port capacity. Transportation by waterways has historically remained under utilised in India although waterways are significantly cheaper compared to road and railways. The Sagarmala National Perspective Plan identifies specific opportunities for transportation of commodities such as thermal coal, fertilisers, foodgrains, cement and steel by coastal shipping and inland waterways.

Sagarmala aims to deliver impact through over 150 projects and initiatives in four broad areas. To modernize India's port infrastructure, 5 to 6 **new ports** have been proposed to be built. Additionally over 40 port-capacity enhancement projects will be taken up. Besides increasing capacity, these projects will result in a more modern port infrastructure through the mechanization of berths and deepening of drafts to accommodate larger vessels.

The second focus area is **port connectivity**, where over 80 projects are being planned. These include connectivity infrastructure projects like a heavy-haul rail corridor to evacuate large volumes of coal in Odisha, freight-friendly expressways to enable efficient movement of containers on key routes, and the development of strategic inland waterways.

The third set of projects aims to tap into the potential of **port-led industrialization** to boost industrial and export growth along the coastline. This will be realized through 14 Coastal Economic Zones (CEZs) along the coastline, each of which will house a number of industrial clusters. The clusters will have industries from the energy, bulk materials as well as discrete manufacturing segments, all of which will be able to use high-quality infrastructure which is fully-integrated with the corresponding ports.

Finally, the potential of **coastal communities** will be harnessed by focused skill-development to support port-led industrialization. The set of initiatives under this head also includes developing opportunities for fishermen and other coastal communities as well as development of the numerous islands along India's coastline. In terms of economic impact, the program envisages investments of close to Rs 4 lakh crore to flow into infrastructure.

The Sagarmala program has taken shape using the government's core philosophy of cooperative federalism. Keeping this in mind, the National Perspective Plan was drawn up with stakeholder consultations in parallel. Momentum on some key projects and initiatives has already picked up even as the plan is being released. Detailed project reports are being drafted for some of the new ports identified in the plan as well as for the connectivity projects like the heavy haul rail corridor. A separate perspective plan for the CEZs and a detailed master plan for major ports are also in the works.
