Inland Water Transport Sector

Inland Waterways Authority of India

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Mumbai
Structure of Presentation

- IWT Scenario
- Essential requirements
- National Waterways
- Feeder routes
- Initiatives to attract private sector
- Other new initiatives
- Areas where Private sector/ other stake-holders can step in
IWT Scenario

- 14,500 kms of navigable inland waterways in the country.
- IWAI – the infrastructure provider, developer and regulator set up in 1986
- Only National Waterways come under the purview of Central Govt/IWAI
- Other Waterways are in the domain of respective State Govts
- 3 National Waterways, 3 more under process
IWT Scenario  ...snapshot

- Cargo movement by IWT showing increasing trend: 55.82 million tonne (3.38 btkm) in 2006-07; from 32.48 million tonnes (1.63 btkm) in 2003-04

- Like Motor Vehicles Act, operation of inland vessels is governed by Inland Vessels Act, 1917 (going to be amended soon)
Essential requirements

- Fairway
- Navigational aids
- Terminals
- Cargo handling equipments
- Inter-modal linkages
• The Ganga- Bhagirathi- Hooghly river from Haldia to Allahabad – 1620 km
• Declared as National Waterway in 1986
• IWAI provides/ maintains IWT infrastructure
• Action plan for making it fully functional prepared by IWAI

Fairway

• Least available depth (LAD) of 2 m maintained between Haldia-Patna (1020 km); 1.5 m between Patna- Varanasi (363 km)
National Waterway - 1

- IWAI has 4 dredgers; 2 more being constructed
- Talway survey of entire river being carried out every fortnight
- For this IWAI has 14 survey vessels
- Day navigation aids available in entire waterway
- Night navigation aids also available between Tribeni and Farakka (364 km)

.... (contd)
Project for providing 24 hrs navigation aids with a modern DGPS based system for entire waterway under implementation

**Terminals**

- Fixed terminals exist at Pakur, Farakka and Patna (low level)
- Floating terminals exist at Haldia, Kolkata, Rajmahal, Sahibganj, Manihari, Bhagalpur, Semaria, Ballia, Kaithy, and Varanasi

.... (contd)
New fixed terminals are planned at Haldia, GR Jetty (Kolkata), Patna (High level) and Varanasi

New floating terminals are planned at Diamond Harbour, Katwa, Tribeni, Behrampur, Jangipur, Doriganj, Gazipur and Allahabad
National Waterway - 2

- The Brahmaputra from Dhubri to Sadiya – 891 km
- Declared as National Waterway in 1988
- IWAI provides/ maintains IWT infrastructure
- Action plan for making it fully functional prepared by IWAI

Fairway

- Least available depth (LAD) of 2 m maintained between Dhubri- Dibrugarh (768 km); 1.0 m between Dibrugarh- Sadiya

.... (contd)
IWAI has 2 dredgers; 5 more being constructed.

Talway survey of entire river being carried out every fortnight.

For this IWAI has 6 survey vessels.

Navigational aids

- Day navigation aids available in entire waterway.
- Night navigation aids also available between Dhubri and Pandu (255 km).

.... (contd)
National Waterway - 2

- Project for providing 24 hrs navigation aids with a modern DGPS based system for entire waterway under implementation

**Terminals**

- Fixed terminal (low level) under construction at Pandu (Guwahati)- nearing completion
- Floating terminals exist at Dhubri, Jogighopa, Pandu, Tezpur, Silghat, Jamuguri, Neamati and Dibrugarh (Bogibil)

.... (contd)
National Waterway - 2

- A coal terminal is under construction at Jogighopa
- Construction of High level jetty at Pandu to start soon
- New floating terminals are planned at Sadiya and Saikhowa
National Waterway – 3

- Kottapuram-Kollam sector of West Coast canal with Champakara & Udyogmandal canals - 205 km
  - Declared as National Waterway in 1993
  - IWAI provides/ maintains IWT infrastructure
  - Action plan for making it fully functional prepared by IWAI

- LAD 2 m maintained in Kochi- Thakazhi sector of WCC and Udyogmandal & Champakara canals (121 km); 1.2 m LAD in rest

... (contd)
IWAI has 2 dredgers; plans to procure 2 more

Talway survey of entire river being carried out every fortnight

For this IWAI has 1 survey vessel; plans to procure 1 more

Navigational aids

Day navigation aids available in entire waterway

Night navigation aids also available in Kochi-Allapuzha and Udyogmandal & Champakara canals (104 km) – Being extended in entire waterway

.... (contd)
Terminals

Fixed terminals exist at Kayamkulam, Trikkunnapuzha, Viakom, Aluva, Kottapuram, Taneermukham and Maradu. Some captive terminals also exist.

Terminals also planned at Kollam and Allapuzha
Action Plan

- An Action Plan has been prepared to make 3 NWs fully functional by March 2010
- Investment for three NWs – Rs 800 Cr
- It includes provision of
  - Assured LAD
  - 24 hrs Navigational aids with DGPS
  - Judicious mix of fixed and floating terminals
  - Demonstrative cargo service by IWAI

.... (contd)
Action Plan

- It is felt that once NWs are made fully functional, shippers and IWT operators will have more confidence in IWT sector resulting in increased and effective utilisation of IWT infrastructure
Proposed National Waterway (No 4)

- Kakinada - Puducherry Canals integrated with rivers Godavari and Krishna
  - Length - 1095 km
  - Development cost - Rs 542 Cr (at 2002 prices)

- Status:
  - Bill introduced in Parliament
  - As directed further consultation with States underway
Proposed National Waterway (No 5)

- East Coast Canal with Brahmani river & Mahanadi delta
  - Length - 623 km
  - Development cost- Rs 1526cr (at 2002 prices)
  - Status: Bill introduced in Parliament
Proposed National Waterway (No 6)  
River Barak

- **Length**: 121 km
- **Development cost**: Rs 46 cr (at 2002 prices)
- **Status**: Bill introduced in Parliament
Development of feeder routes

- All the big rivers have several tributaries
- Many of these tributaries can also be developed for navigation
- When developed, they will act as feeder routes to Major Waterways (like a fish bone structure) and facilitate port-hinterland connectivity through inland waterways
For this, States are encouraged to develop smaller rivers/ canals (feeder routes)

Till March 07 there was a CSS for this, which has been discontinued by Planning Commission from 1.4.07. IWAI has requested the Planning Commission to revive this scheme
Encouraging Vessel Building by Private Sector

- The infrastructure created by Govt must be effectively utilised
- However, IWT sector having remained neglected for a long time, not many entrepreneurs are willing to invest in inland vessels
- This results in under utilisation of whatever infrastructure is created
- This puts brakes on creation of infrastructure/development of IWT sector
Encouraging Vessel Building by Private Sector

- Hence there was an Inland Vessel Building Subsidy Scheme under which 30% cost of an inland vessel built in an Indian shipyard for operation on National Waterways was being subsidised by IWAI.

- However, this scheme too has expired on 31.3.07 and IWAI is trying to get it extended.
Initiatives to attract private investment

1. IWAI Act amended in Sep’01 to enable it to enter into joint ventures concerning inland shipping by way of equity participation

- Efforts started in 2002-03 when IFCI Ltd was appointed as a consultant
- 17 priority projects identified (11 for infrastructure and 6 for vessels)
- 11 high priority projects (5 for infrastructure and 6 for vessels) were duly advertised for competitive bidding
Initiatives to attract private investment

- Through competitive bidding we have succeeded in 6 projects, 3 for infrastructure and 3 for vessels.
- MOU for one Joint Venture for setting up operation & management of 3 jetties for fly ash handling in West Bengal signed on 30.10.2006 [cost – Rs 270 lakh]
- Process for formation of JV on
Initiative to attract private investment

- Three JV projects for cargo vessels finalised (MoU’s signed on 25.01.2007)
  - Kolkata-Pandu - 6 Barges [cost- Rs 33 cr]
  - Kolkata- Mongla - 8 Barges [cost- Rs 44 cr]
  - Kolkata- Dhubri - 2 Barges [cost- Rs 10 cr]
- Process for formation of JV on
2. Existing unused high level jetty at Pandu was advertised for possible dedicated use by parties on 10.11.2006

- Based on competitive bidding, 7100 sqm of area in Pandu terminal is being given on lease to M/s. Vinay Cement from 1.1.08

- M/s. Vinay Cements will use this facility for 15 years to transport 0.7 mtpa cargo which may go up to 3 mtpa
PDO & PDF mechanism for development of IWT projects

3. Selection of a Project Development Organisation (PDO) through competitive bidding process based on success fee concept

- PDO to be a 50:50 partner with IWAI in developing and processing PPP projects
- Through competitive bidding, IL&FS has been identified and is being appointed as PDO
Other new initiatives

1. Movement of NTPC coal from Haldia to Farakka – Feasibility study completed

2. Movement of coal from Paradeep/ Dhamra to Farakka -
   - Will ensure integration of Coastal shipping and IWT

3. Movement of fly ash from Farakka to Pandu and clinker/limestone/ coal/ cement from Pandu to Kolkata — Vinay Cements Ltd
Other new initiatives

4. Possible IWT link from Kochi city to Kochi Airport

5. Decongestion of Mumbai- Evacuation of cargo by IWT/coastal mode – TEF study underway

6. Declaration of Goa Waterways as a National Waterway - Matter being discussed with State Govt of Goa
IWT is a Thrust Area

- PMO has identified IWT sector as a Thrust area. It is envisaged therein that its share to be enhanced from present level of less then 1% to at least 2%
- Thus IWAI and Govt are committed to develop this mode as an alternative/ supplementary/ complimentary mode in a Multimodal transport network/ logistic supply chain
Areas where private sector/stakeholders can step in

- Inland Vessels – Cargo/ passenger/ dredgers
  - New Technology
  - Joint Venture companies in shipbuilding
- River Training – NW-1 and NW-2
- Terminals – Container/ General Cargo/ POL terminal etc
- Fit in IWT in the multi-modal transport network wherever viable IWT corridors exist
THANK YOU
Main achievements of last 3 years

- Low level jetty at Patna capable of handling containers completed
- Construction of similar Low level jetty at Pandu progressed substantially (likely to be completed soon)
- Container cranes for Patna and Pandu procured
- Projects for high level jetty at these terminals sanctioned
- Seven terminals constructed in NW-3
- Work in progress for construction of coal handling terminal at Jogighopa
Main achievements of last 3 years:

- To facilitate mechanised handling of cargo at floating terminals, four shore cranes and nine floating cranes procured.
- With the advise of DGLL, projects prepared for providing state of art 24 hrs navigational aids in NW-1 and NW-2.
- Regular cargo movement (edible oil, POL, stone chips, iron dust, silica sand etc) on NW-1 & 2 under fixed schedule.
- For the first time regular cargo movement established between Haldia/Kolkata and Varanasi.
Main achievements of last 3 years

- One POL tanker and one container vessel acquired
- For three more NWs (Kakinada- Puducherry+ Godavari+ Krishna, ECC+ Brahmani+ Mahanadi and Barak river) bills introduced in Parliament
- Significant progress of projects under CSS. 33 projects of 14 States sanctioned and progressed till Feb.07
Main achievements of last 3 years

- Action Plan prepared for making 3 NWs, fully functional. Most of the projects sanctioned and under implementation.
- Private Sector Participation & initiatives of IWAI received positive response and four MoUs for setting up of JV companies signed.
Expenditure pattern

8th Plan: Rs 33 Cr
9th Plan: Rs 151 Cr
10th Plan (4 years): Rs 281 Cr
2006-07: Rs 105 Cr
2007-08: Rs 80 Cr