SEMINAR ON

"Importance of Waterways for Economic Development"

Friday, 7th June 2013 at 10.00 a.m. at Williamson Magor Hall

The Bengal Chamber of Commerce and Industry

(6, Netaji Subhas Road, Kolkata – 700001)

Recommendations

Matters of Navigation

- NW 1 is definitely navigable and already in regular use from Sandheads upto Farakka Barrage throughout the year. The average draft Sandheads to Tribeni is about 4-5 mtrs and thereafter upto Farakka is average 2.5 Mtrs. However, beyond Farakka the drafts are rather poor and thus a lot of work has to be done for 'round the year navigation'.
- IWAI should ensure that the above depths do not deteriorate any further.
- Depths on the stretch north of Farakka covering Barh and onwards to Patna and Allahabad are indeed pathetic. Though you had stated in your presentation in the seminar that Rs. 100 Crores had been sanctioned for improving the depths on this stretch, perhaps a PPP Modal may also need to be considered.
- While the stretch Sandheads to Farakka is navigable, however unfortunately, there are hardly any good infrastructure facilities set up at suitable locations on the river banks. In view of such lack of infrastructure, only small capacity bargesupto1500DWT are now plying from the Hooghly Estuary / Sagar deep water anchorage & Haldia up to Farakka. This is because drafts after Tribeni is 2.5 Mtrs. However Trade is not able to take advantage of the higher drafts of 4.5 / 5.0 mtrs upto Tribeni because of lower drafts thereafter. Specialized barges of 9000 DWT are available having 4.5 Mtrs max draft which could be very suitable for the sector Sandheads to Tribeni. In this regard, one of our recommendations is to consider setting up a major Transhipment Hub at Tribeni. This will allow such 9000 DWT Barges to ply between Sandheads / Konica Sands upto Tribeni. At Tribeni each large barge can off load 9000 MT Coal which could be again re-loaded into smaller

barges having 2.5 mtrs draft for the sector TRIBENI - FARAKKA. Thus Tribeni could be an important Transhipment Point and a great facilitator to the Trade for economical movement of Bulk Coal from Sandheads to Farakka and later onto Barh when River Depths above Farakka is improved.

- In the event Your Ministry / IWAI is not keen to invest in Tribeni as a Transhipment point, then Kolkata Port Trust's Kidderpore Docks are readily available for such a Transhipment Operation. In this case, suitable Barges of 10000 - 12000 DWT having drafts of upto6.2mtrs can be procured and operate between Sandheads / Konica Sands and Kidderpore Docks. Thereafter, smaller "push type barges in multiples of 4" can pick up the Coal at Kidderpore Docks and sail to Farakka. However in such a operation, KoPT will have to invest suitably to have efficient modern Shore Handling equipments for promptly off loading the Coal from these large Barges onto the shore and again re-loading same into smaller barges. With such modern equipments, it will ensure that the larger quantity coal being brought into K.P.Docks for Transhipment on to smaller barges is not lying there for long. In other words, the "turn around time of both the larger as well as the smaller barges must be an extremely fast operation", otherwise the larger quantity Coal being brought into K.P. Docks will start piling up and block all storage space ashore.
- Needless to record that the Barges of 9000 DWT and others proceeding beyond Sagar upto Sandheads / Konica Sands should all be certified as RIVER-SEA BARGES of categories I - IV as per DG Shipping Rules.
- Night navigation facilities does not exist in the river upto Farakka. This is very important to ensure round the clock navigation, to reduce Transit costs. Non-pilferable type night buoys are available overseas and needs to be procured and placed in the appropriate positions. This is only a initial requirement from the point of navigation facility requirement. In due course, facilities for GPS and other modern river navigation systems must be in place.

Farakka Barrage

• Understand from the experts at the seminar, that huge maintenance is urgently required for the Barrage Machineries and the Lock Gates need major overhauling. The Barrage Machineries spares are

not easily available which could be a major problem in the near future. This matter needs urgent attention.

- The lock gate operation needs to be upgraded from the present old Mechanical System to sophisticated Hydraulic System.
- In view of above maintenance issues, currently only 35-40 barges per month can transit the Farakka Locks. With switching over to the sophisticated Hydraulic System, it will be able to handle over 100 barges per month.
- The requirement of a 2nd Lock Gate was stressed. This will enable have separate locks for upriver and down river barge movements. This will considerably increase the number of barges being handled through Farakka Locks and thus increase in cargo volumes.

RIVER-SEA VESSELS

There seems to be a general lack of knowledge about such vessels and the various advantages of the River Sea Vessel Types I - IV. It appears that only 27 River Sea Vessels have been registered till date with D.G.Shipping - ALL ONLY ON THE WEST COAST OF INDIA. Perhaps suitable publicity & wide circulation of the facilities & advantages of such vessels for IWT cum coastal transportation needs to be highlighted periodically by Director General of Shipping, Marine Department of Ports or even by Indian Ports Association for that matter.

Difficulties Expressed by Some Barge Owners

- Barge Owners currently operating regularly from Sandheads to Farakka and beyond, have listed their grievances in the seminar on quite a few irregularities in permits / procedures / operations at Farakka Barrage and same are listed here:
 - Staff who receive lock gate transit applications, payments etc do not come to office before 12 noon and beyond on weekdays.
 - Above formalities cannot be done on weekends as there are no staff attending Office. Thus Barges are delayed during weekdays and idling on weekends awaiting 'Transiting the Locks'.
 - Lock Gate opening / closing operation is stopped in the afternoons. Thus only morning operations.

The above complaints have been indicated as genuine by some speakers and needs immediate attention of IWAI Officials and Ministry of Shipping.

MOVEMENT OF CARGO TO NORTH EAST BY RIVER

- Food and other commodities from Kolkata & other parts of India are now moving by Road to the North East States at very high Trucking costs. Secondly, during monsoons trucks have a difficult time and also during regular floods, there are no movements, causing much hardship to the North East States. Hence Food grains and all other commodities can move on regular basis through Inland Waterways via Bangladesh's Ashuguni. Thiswaterway route is most suitable. However, unfortunately the existing Indo-Bangladesh Trade Treaty does not have this transit facility. But understand from Chairman, IWAI that such transit permits are being allowed on a consignment to consignment basis. Government of India needs to take up with their counterparts in Bangladesh and have this important Transit facility incorporated in the Treaty as a permanent solution. Ashuganj in Bangladesh to the Indian Border at Akhura is 50 kms by roadways and the problem faced as of now is that there is no legal notification either from the Indian Customs or from the Bangladesh Customs for transhipment of cargo.
- Since, initially the 50 kms road transport from Ashugunj to Akhura Indian Border will have to be done by Bangladesh Transporters, it will be an incentive to that country. Hence these formalities need to be implemented at the earliest.

FACILITIES ENJOYED BY BANGLADESH BARGE OWNERS

- Bangladesh Barge owners are allowed to operate from one Indian Port to another, but this facility is not there for Indian Barge Owners. This anomaly needs to be rectified.
- Another anomaly is that Bangladesh Barges get subsidized Fuel which is not the case for Indian Barges. Government of India need to provide subsidized Fuel to Indian barges to encourage this mode of cargo transportation which has a lot of economical and ecological benefits.

ASIAN DEVELOPMENT BANK

ADB is taking a lot of interest in Inland Waterways in all developing countries including India and Bangladesh. IWAI needs to co-ordinate very closely and take advantage of their funding and go all out for development of our Inland Waterways.

UNEMPLOYED BARGES IDLING IN GOA PORT

- In view of the ban on mining in Goa, 400 Barges are totally unemployed and idling in the port area. These barges are of capacity 750 3000 DWT having a draft of max 3.3 Mtrs. These barges could be very suitable for the Coal Movement of NTPC on the Hooghly River upto Farakka. If need be, they could with minimum modification be converted into River Sea Vessels and certified accordingly to enable proceed beyond IWT limits for loading Coal from large Ocean Vessels at Sandheads / Konica Sands and transporting to Farakka.
- We urge Ministry of Shipping to suitably address this major unemployment problem of barges in Goa and look into the possibility of NTPC taking the initiative to employ part of the barges.

PPP MODAL

This committee is of the opinion, that since development of Inland Waterways needs huge investments with very long term returns, government needs to adopt the PPP Modal, without which the progress will be rather slow.

CORE COMMITTEE - IMPORTANT

IWAI used to have a Core Committee several years ago which also included a member from the Trade. The objective of this Committee was to interact at regular intervals and update the Trade on the progress on developments of India's Waterways. The Trade Representative which was a Senior and knowledgeable person from The Shipping Committee of Bengal Chamber of Commerce & Industry used to act as a interface between IWAI and Trade Bodies. For some reason this practice has been discontinued now for years. We are of the opinion that it is very important to resume this Core Meeting in order to educate Trade and the

Public in general on the progress on development of India's Waterways. The Bengal Chamber of Commerce and Industry (BCC&I) being premier Chamber will be able to assist IWAI in updating Trade & Public on a regular basis through its diverse network and Media exposure.

The above outcome of the Seminar on "Importance of Waterways for Economic Development" held in Kolkata on 7th June 2013 was extremely positive. The Speakers, Participants, etc are all convinced, that transportation of goods via Inland Waterways especially NW 1 & 2 is definitely the best mode of carriage of Goods especially Bulk Cargoes, OD packages, heavy Machineries, etc. Hence we look upon the Shipping Ministry, under your able guidance to go all out on top priority in making our waterways safe for navigation and comparable to the waterways in all the developed countries.
