

Annual Shipping Conclave

on

"Changing Scenario of Indian Ports"

Friday 10th November 2017 at 10.00 a.m. at The Bengal Chamber of Commerce and Industry (BCC&I)

(Royal Exchange, 6, Netaji Subhas Road, Kolkata – 700001)

Recommendations

KoPT - Shri S Balaji Arunkumar, IRTS

Deputy Chairman, KDS addressed the various natural constraints of Kolkata and Haldia Docks and actions being taken to overcome them as best as possible. He had briefly touched upon the possibility of Tajpur Port coming up under the joint venture of Central Government and West Bengal State Government. It appeared that with all the actions being taken for infrastructure development, there would be continuous increase in Container throughput, Bulk & Break Bulk Cargoes. Nepal Import Traffic was gradually being lost to Visakhapatnam Port Container Terminal mainly due to frequent Yard congestion. However with the steps being taken to reduce yard congestion by developing additional land and other steps, he expressed confidence that Nepal Traffic would increase through Kolkata Port.

<u>Capt Farhat Imam - Resolve Marine Group, Florida, USA</u>

His address was a EYE OPENER TO ALL PRESENT AT THE SEMINAR — audience and Speakers and his speech started with "ARE WE READY". It was evident at the end of this address, that most Indian Ports were un-prepared to tackle emergencies in case of a serious Marine Accident. Some of the issues highlighted were:

1. NO SINGLE WINDOW AUTHORITY IN INDIA who could take stock of a Marine disaster and ensure "seamless rescue operations".

- 2. Several Departments like DG Shipping, Coast Guard, Indian Navy, Customs, Environmental Ministry etc ALL CAME INTO THE PICTURE IN THE CASE OF MARINE ACCIDENTS AND NO ONE WOULD GIVE CLEAR GUIDELINES NOR PROVIDE THE REQUISITE PERMISSIONS for a speedy 'clearance of imported rescue equipments / gadgets' which would result in 7-10 days delay in commencing rescue operations losing precious time.
- 3. Capt. Farhat stated unequivocally that in USA The U.S. Coast Guard was the ALL IN ALL AUTHORITY IN SUCH MARITIME ACCIDENTS AND RESCUE OPERATIONS.
- 4. Several of our Ports have LARGE SHIP WRECKS and the ships are SUNK short distance away from the main navigational channel. He said our Ports are complacent and accepts the fact that the wrecks are "outside the navigational channel". But they are not taking into consideration, that in case of a earthquake, Sunami, or rough seas due to Cyclones, ALL SUCH WRECKS COULD SOMEDAY shift back into the navigational channel and create a total blockade of the Port Channel. His suggestion is that "all such wrecks near navigational channels MUST BE BLASTED AND REMOVED TOTALLY FROM THE AREA. Several Professional companies worldwide are available including M/s Resolve Marine Group, USA to remove such marine wrecks / hazards and not allow them to be a 'continuous risk at the mouths of our Ports.
- 5. In case of Oil Spills near our Ports, the audience were shocked to learn that in India, normal unspecialized Labour are utilized to SCOOP UP OIL FLOATING ON THE SEA WATER BY MEANS OF HOUSEHOLD BUCKETS AND SCOOPS. Today well established companies worldwide have 'proper mechanized equipments to "SUCK UP ALL OIL FLOATING ON THE WATER', but such equipments are not employed by Indian Ports, due to which our beaches are destroyed.
- 6. Several examples of Oil Spill, Vessel Collisions, Sinking of Oil Rigs were displayed on the screen and our audience were explained how well all

such Marine Accidents were tackled overseas in and around developed countries without a major "Post Accident Damage". The world's biggest Oil Spill was the case of m.v. EXXON VALDEZ which ground off the coast of Alaska in 1989 and how the spill was CONTAINED.

- 7. Capt Farhat Iman expressed shock at the UNPREPAREDNESS OF OUR INDIAN PORTS TO TACKLE SEVERE MARINE ACCIDENTS.
- 8. In finality, Capt Imam also expressed serious concern on the fact, that Maritime Rescue Operators from Overseas "FIND IT DIFFICULT TO KNOW WHICH AUTHORITY IS TO BE APPROACHED FOR THEIR WORK' resulting in loss of precious time.

JNPT - Dr Unni Krishnan, Chief Manager Traffic

JNPT believes in being a catalyst in Economic growth of a Port and country.

SEZ / Export Centres being set up within 50 kms of JNPT so that Industrialists can manufacture here and use JNPT for their Exports and Import of raw materials. An excellent development and new idea.

Creating 2 Dry Ports at Vidhaba and Aurangabad which will assist Companies to set up Export Manufacturing units and use nearby JNPT for the exports.

Current 15 Mtrs draft in the JNPT Channel is being dredged to increase by another Mts.

JNPT with Kandla Port have signed a SPV to construct Chabahar Port in Iran to facilitate Indian Exports to CIS and European Countries to use the SEA — LAND ROUTE which will be considerably shorter than the present total sea route. It will also facilitate Exports to Afghanistan.

Engaged in simplification of "Ease of doing business".

Previously Customs were based inside the docks. Now Customs located at a office 4 kms away from port, such that "no congestion at Port". This passage is now termed as "Green Corridor".

Earlier Export Containers arrived in Port via CFS, now arriving direct into port thereby saving Rs. 15000.

IPRCL - Mr Anoop Kumar Agarwal

This is a two year old new company and a bi-product of Sagarmala.

Concentrating on "unfinished rail connectivity & new rail connectivity issues inside and outside Ports" mainly to de-block all bottlenecks and expedite evacuation from / to ports.

Several ports have single Rail Line. IPRCL is undertaking doubling of such rail lines.

<u>Paradip Port Trust - Mr B B Panigrahi</u>

Additional Railway Tracks being laid for anticipated growth in Traffic

Paradip Port has been declared as a SMART PORT along with Kandla Port which are also short listed as Smart City

Multipurpose / Container Terminal coming up under Private Operation of J.M.Baxi Group of Companies.

<u> Krishnapatnam Port – Ms Vinita Venkatesh</u>

One of the most professional ports with modern infrastructure facilities.

Vessels upto 18 Mtrs draft can be taken in port.

Complimentary service to encourage growth in container Traffic has been setting up of a company for "door to door service".

All Cargo Logistics Ltd - Capt. Sunil Thapar

While Coastal Shipping is being encouraged for shift of Road Traffic via Sea, yet only 6% of India's 90% Exim Traffic moves on Coastal Shipping.

Several difficulties of Coastal Shipping Operators which needs to be resolved soon if it has to grow:

Generally only ONE WAY TRAFFIC available currently for Coastal Shipping. Thus freight rates are high and unviable for attracting Road/Rail Cargo to SEA.

- 1. Port Charges still very high which needs to be a subsidized rate to make the shift from Road / Rail to Coastal Shipping possible.
- 2. Customs Port Clearance is still required for sailing out. This needs to be done away, as there is NO EXIM CARGO ON BOARD.

- 3. Ports should have 'SEPARATE BERTHS FOR COASTAL SHIPS IS ESSENTIAL AT EVERY PORT' and Customs should not have anything to do with them.
- 4. Ports are giving priority for inward movement of Coastal Ships, but not outward movements.
- 5. Very difficult to get Ship's Crew for Coastal Shipping, unless some Tax incentives are provided to such crews.
- 6. Import duty being levied for Ship's Spare Parts, making maintenance uneconomical.
- 7. Sea Immigration Officials are enforcing Rules of FOREIGN CREW TO THE CREW OF INDIAN COASTAL SHIPS. This should be totally done away with.
- 8. IMO rules for Coastal Shipping Infrastructure to be implemented e.g. Sludge facility to be provided.
