

# PROMOTION OF COASTAL SHIPPING IS THE TOP MOST PRIORITY OF MY MINISTRY: MINISTER OF STATE FOR SHIPPING

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Ministry of Shipping

## Promotion of Coastal Shipping is the top most priority of my Ministry: Minister of State for Shipping

### Minister Shri Mansukh Mandaviya inaugurates 'International Maritime Conference and Exhibition 2018' in Mumbai

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Minister of State for Road Transport & Highways, Shipping and Chemicals & Fertilizers Sh. Mansukh Mandaviya inaugurated the International Maritime Conference and Exhibition 2018, organized by Institute of Marine Engineers (India) in Mumbai today.

Speaking on the occasion, the Minister said that promotion of **Coastal Shipping is the topmost priority** of the Ministry of Shipping. The Government wants to increase the share of freight transport through coastal route from 7% at present to 10% by 2020; he said that this will result in a saving of Rs. 20 – 25 billion.



Speaking about **Sagarmala Programme**, the Minister said that the main focus of Sagarmala is Port-Led Development, to reduce logistics cost and enhance last-mile connectivity. Under this programme, more than 600 infrastructure projects with an investment of approximate Rs. 8.78 lakh crore have been identified, out of which 89 projects worth Rs. 14000 Cr. have

been completed and 436 projects worth Rs. 4.18 lakh crore are under various stages of implementation. He added that after completion of these projects, logistics cost is expected to reduce by Rs. 30,000 - 40,000 crores and it is expected to create 1 Crore jobs including 40 Lakh direct jobs.

Shri Mandaviya said that the Ministry is working on **developing 14 Coastal Economic Zones (CEZs)**, which will provide huge employment opportunities in coastal areas and will lead to Port-Led development of such regions. Once operational, the CEZs will bring employment opportunities and economic upliftment of people of in coastal regions.

He stated that with a view to promote cruise tourism along Indian Coast, Government has revised Standard Operating Procedures (SOPs) to facilitate Cruise Tourism like e-visa facility at 5 Sea Ports (Mumbai, Goa, Mangalore, Cochin and Chennai), exemption of e-visa tourists from the requirement of biometric enrolments for a period of 3 years and reduction of Port Charges and construction of a new Cruise Terminals in 5 Major Ports in the country. As per estimates it is likely to generate employment for 2.5 lakhs persons and generate revenue to the tune of 35,500 crores, the minister added.



He further informed that the Government has amended the 147-year old Admiralty Act passed by the British; it will now be dealt in accordance with domestic Indian legislation, giving powers to High Courts of respective states. "With the proposed amendment in the existing Merchant Shipping Act, 1958, there would be huge change in the Indian Shipping / Maritime Sector. This would facilitate Indian citizens having more than 50% share of the vessels to register under Indian Flag, said the Minister.

Speaking about the India – Bangladesh agreement for use of Chittagong and Mongla Ports for cross-border movement of goods, the Minister said that it would be a game-changer for Eastern India. It will open new routes for cargo movements to central Asia and Europe and will promote co-operation between the two countries in respect of Economic, Social and Cultural Advancements. He said that the development of Chabahar Port will provide a direct route to Afghanistan, while bypassing Pakistan.

Due to significant initiatives of the Govt. of India in last four year, a steep growth of 42.3%

has noted in the number of Indian Seafarers i.e. from 108,446 (2013) to 154,349. Now, India is providing 9.35% of the seafarers and ranked 3<sup>rd</sup> in the list of largest nations in the world. Our Government is aiming to enhance this share to 15 – 16 % in the near future.

DG Shipping is taking a lot of steps including development of e-portal, online examination and assessment, rating system of MTIs and assigning responsibilities to RPSLs for enhancing the number of Seafarers.

Cochin Shipyard Limited (CSL) has emerged as front-runner in the shipbuilding and ship repair industry and has a shipbuilding order book of over Rs 8000 cores. CSL has exported around 45 high tech ships to international clients worldwide and is constructing Indigenous Aircraft Carrier.



The new Dry Dock to tap the market potential of building and repairing specialized and technologically advanced large vessels such as LNG vessels, larger aircraft carriers, drill ships, and dry-dock repairs of semi-submersibles, jack-up rigs, etc. The facility is targeted to be commissioned by June 2021.

The Minister said that there is **huge scope for development of Ship Repairing Facilities in the country**. The potential ship repair market in India is estimated to be in the range of Rs. 2,600-2800 Crores, assuming that all Indian fleet will be repaired in India.

He said that the MoU between Cochin Shipyard and Mumbai Port Trust for operation, maintenance and development of ship-repair facility at Indira Dock would provide a professional ship repair ecosystem, that would be beneficial for the commercial as well as Defense Ship Repair Industry in India. Cochin Shipyard is in the process of development of Ship Repair Facility in joint venture with HDPEL on the Eastern Coast and with the Mumbai Port on West Coast in the country.

In order to strengthen the shipbuilding industry, our Government has given infrastructure status to the ship yards to make them eligible for financial assistance at reasonable rates.

The Government of India has introduced a Rs. 4000 crore Financial Assistance Policy (FAP) to shipyards for 10 years, for contracts secured between 01.04.2016 and 31.03.2026.



The world's premier ship recycling facility is located at Alang Sosiya, in Gujarat, where nearly half of the world's scrapped ships are recycled. To make ship recycling industry safe for its workers and the surrounding environment, a draft legislation to implement the Hong Kong Convention is now undergoing pre-legislative consultations; the Minister expressed confidence that the convention would be ratified in the not-so-distant future.

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