Inland Water Transport Sector

Inland Waterways Authority of India

19th August, 2009
Inland Water Transport (IWT) is a fuel efficient, environment friendly and cost effective mode of transport; controls global warming.

IWT is a good option for movement of bulk cargo like coal, steel, cement, POL, fertilizers, food grains, stone chips, project cargo, edible oil, ODC, silica sand etc.

IWT developed well in British India; suffered in 20th century when focus shifted to rail and road modes.
IWT scenario

- 14500 kms of navigable inland waterways in India
- IWAI – the infrastructure provider, developer & regulator was set up in October 1986
- Only National Waterways come under the purview of Central Govt. / IWAI
- Other waterways are in the domain of respective State Governments
- Goa, West Bengal, Assam, Mumbai, Kerala have organized movement of cargo
IWT scenario  ....snapshot

• Cargo movement by IWT showing increasing trend: 55.82 million tonne in 2007-08 from 32.48 million tonnes in 2003-04
• However, this is just 0.34% of the total inland cargo of about 1000 btkm!!
• Target of about 2% by 2025
There are five National Waterways

- NW-1 – Ganga (1620 km)
- NW-2 – Brahmaputra (891 km)
- NW-3 – West Coast Canal (205 km)
- NW-4 – Kakinada - Puducherry canals with Godavari & Krishna rivers (1095 km)
- NW-5 – East Coast Canal with Brahmani river (623 km)

Total length of 4434 km. declared National waterways
What has been done so far

Fairway

✓ 2.5 m depth maintained in Haldia-Farakka (560 km), 2.0 m in Farakka -Patna- Varanasi (823 km) on NW-1 & in Dhubri- D’garh (768 km) on NW-2 for 9 -10 months and 2.0 m in Kottapuram- Thakazhi jetty (140 km) on NW-3 for 10 months

✓ IWAI has 6 CSDs* & 2 HSDs**

✓ 8 CSDs &1 HSD to be added this year

✓ LAD set to further improve once new Dredgers are operational

✓ *CSD – Cutter Section Dredger **HSD – Hydraulic Section Dredger
What has been done so far

Navigational aids

• Entire 2716 km of 3 NWs is surveyed every fortnight
• River notices are issued fortnightly for use of cargo movers
• State of art navigational charts have been prepared
• DGPS stations being commissioned
• River Atlas has also been prepared
• 24 hrs navigation aids provided in 364 km in NW-1, 630 km in NW-2 & full 205 km of NW-3
• 10 Survey vessels for NW-1, 6 for NW-2 and 1 for NW-3 added
• Pilots available for NW-1 & 2
What has been done so far

**Terminals**

- RCC terminals capable of handling containers set up at Patna and Pandu
- RCC terminals set up at 7 locations on NW-3
- Floating terminals provided at 13 places on NW-1 and 7 places on NW-2
- RCC terminals under construction at Kollam, G.R.Jetty and Varanasi
- Roll on – roll off (ro-ro) & load on –load off (lo-lo) terminals under construction at Bolarghatty & Wellingdon in Kochi on NW 3
- Decision taken to set up Haldia terminal as a PPP project
What has been done so far

Cargo handling equipments

- Mechanised equipments available at Patna, Pandu and all 8 terminals on NW 3
- Nine crane mounted floating terminals available at nine locations
- Four shore cranes available at four terminals
- A coal handling terminal at Jogighopa is to be developed in PPP mode
- Five cargo vessels bought for demonstration movement of cargo on NWs – one more this year
Major Challenges

- Measures to increase cargo movement through IWT from 0.3% to 2% (7 times) by the year 2025
- Limited number of IWT vessels suitable for operation on NW 1 & NW 2 available
- Measures for providing an impetus to IWT vessel construction activity in India
- Measures for optimum utilization of infrastructure created on existing NWs
- Development of NW 4 & 5 proposed in the next eight - ten years
To promote Project specific cargo

- NW-1 – Coal for power plants
- NW-2 – POL from refineries and project cargo for projects in North Eastern States
- NW-3 – Container Cargo

Subsidy for movement of coal, POL through IWT will be helpful

Govt. may also consider providing subsidy for ‘modal shift’ from road to IWT
NTPC coal project

- IWAI & NTPC signed a MoU on 24.9.08
- Transportation of 2 - 3 mnT of coal by IWT for their Farakka, Kahalgaon & Barh plants
- Project being developed by IL&FS on PPP mode
- FR given to NTPC on 16.02.09
- Project cost – Rs.317 crore
- Transportation can commence from 01.01.2011
- 3 mn T (2.1 btkm) for Farakka / Kahalgaon alone will give fuel savings of Rs.84 crore and other economic savings of Rs.306 crore (As per NCAER- 2008 Report)
Distances

Phase 1: Haldia-Farakka (Water)-526 Km.

Phase 2: Farakka-Kahalgaon (Water)-148 Km- Barh- 190 Km

Phase 3: Paradip-Haldia (Coast)-220 Km.
   Talcher-Paradip (Rail)-195 Km.

NTPC coal project
Strategy to realize Potential

- Scope for movement of POL from refineries through IWT on NW 2
- Movement of POL products from Silghat to Baghbari feasible
- Introduction of freight subsidy of 20 paise per tonne per km moved through IWT by Indian vessels (excluding lighterage) by GoI will yield good dividends
- Revival of Inland Vessel Building Subsidy scheme under consideration
Opportunity

• Private Sector needs to chip in with investments for overcoming scarcity of IWT vessels
• About 40 barges of 1500 t capacity will be required for NTPC project
• Movement of steel to NE states, POL, cement, edible oil, fertilizers, food grains etc on NW 1, NW 2 & Indo – Bangladesh Protocol route may require another 60 vessels
• Vessels can be bought from abroad – Bangladesh - at cheaper prices
• Multi-modal logistics solution alone can lead to economic growth
• IWT is an emerging field – pioneers will reap rich rewards
THANK YOU