WORLD BANK ASSISTED PROJECT ON DEVELOPMENT OF HALDIA – ALLAHABAD STRETCH OF NATIONAL WATERWAY-1 (RIVER GANGA) FOR NAVIGATION WITH LEAST AVAILABLE DEPTH (LAD) OF 3 METERS

1. Introduction

1.1 NW-1 is a waterway of truly national significance passing through four states and potentially serving the major cities of Haldia, Howrah, Kolkata, Bhagalpur, Patna, Ghazipur, Varanasi and Allahabad, their industrial hinterlands, and several industries located along the Ganga basin. The rail and road corridors of this region are already saturated. Hence, the development of NW-1 would result in a viable supplementary mode of transport and huge quantities of bulk cargo can be transported thereby helping in economic development of this region.

2. Background

2.1 In the recent past, a substantial demand for waterway transportation has emerged which includes coal, fly-ash, food grains, cement, stone chips, edible oil and over dimensional cargo. These are some of the cargoes which can be transported on NW-1 in large quantities.

2.2 There is an urgent demand for operationalization of the entire NW-1 right upto Allahabad as many potential shippers (thermal power plants, cement companies, fertilizer companies, edible oil companies, Food Corporation of India) have evinced interest to use NW-1, if it is developed with adequate infrastructure to facilitate navigation by bigger vessels of 1200-1500 Dead Weight Tonnage (DWT). Hence, it is necessary that NW-1 should be developed with IWT infrastructure of a level on which navigation by relatively bigger vessels is facilitated. The development of infrastructure on NW-1 would lead to increased cargo traffic on large vessels between Haldia and Farakka, also reduce transport cost for shippers, reduces congestion and accidents on highways and provide savings in carbon emissions for traffic on NW-1.

2.3 Depth on the navigational channel is the foremost requirement for making a waterway navigable and commercially viable. Large alluvial Himalayan rivers like Ganga typically have more depth in their lower reaches compared to upper reaches since these are joined by tributaries carrying discharge from their own catchment areas. Therefore, lower reaches of NW-1 naturally have more depth than the upper reaches.

2.4 To achieve adequate navigability standards on NW-1, a substantial capital expenditure would be involved. The expenditure would cover strengthening of open river navigation techniques, river training and conservancy, structural improvement and hardware which includes, dredging, modern river information system (RIS), Digital Global Positioning System (DGPS), night navigation facilities and modern methods of channel marking. Construction of terminals at Allahabad, Varansai, Gazipur in Uttar

Pradesh, Sahibganj in Bihar and Katwa in West Bengal would also be essential to facilitate transhipment and movement of bulk cargo on NW-1. The completion of the project would provide a reliable, large - barge fairway of about 1620 km.

3. Project Management Unit

3.1 It is estimated that the proposed project would require an expenditure of Rs. 4200 crore (US$ 700 million) for developing NW-1 from Haldia to Allahabad. World Bank was approached for Technical Assistance and Investment Support for the project. In July 2014, World Bank indicated their readiness to support the programmatic approach with an initial loan assistance of US$ 50 million including Technical Assistance.

3.2 A Project Management Unit (PMU) with a Project Director [Shri Pravir Pandey, Member-Finance, IWAI) and Project Manager (Shri Ravi Kant, Director (Traffic), IWAI] has been constituted for immediately going ahead with the project.