

# **Inland Water Transport Sector**

**Inland Waterways Authority of India**

19<sup>th</sup> August, 2009

# IWT scenario

....snapshot

- 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 20<sup>th</sup> century when focus shifted to rail and road modes

# IWT scenario

....snapshot

- 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

# IWT scenario

....snapshot

- 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 & Wellington 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

# Strategy to realize Potential

- 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)

# NTPC coal project

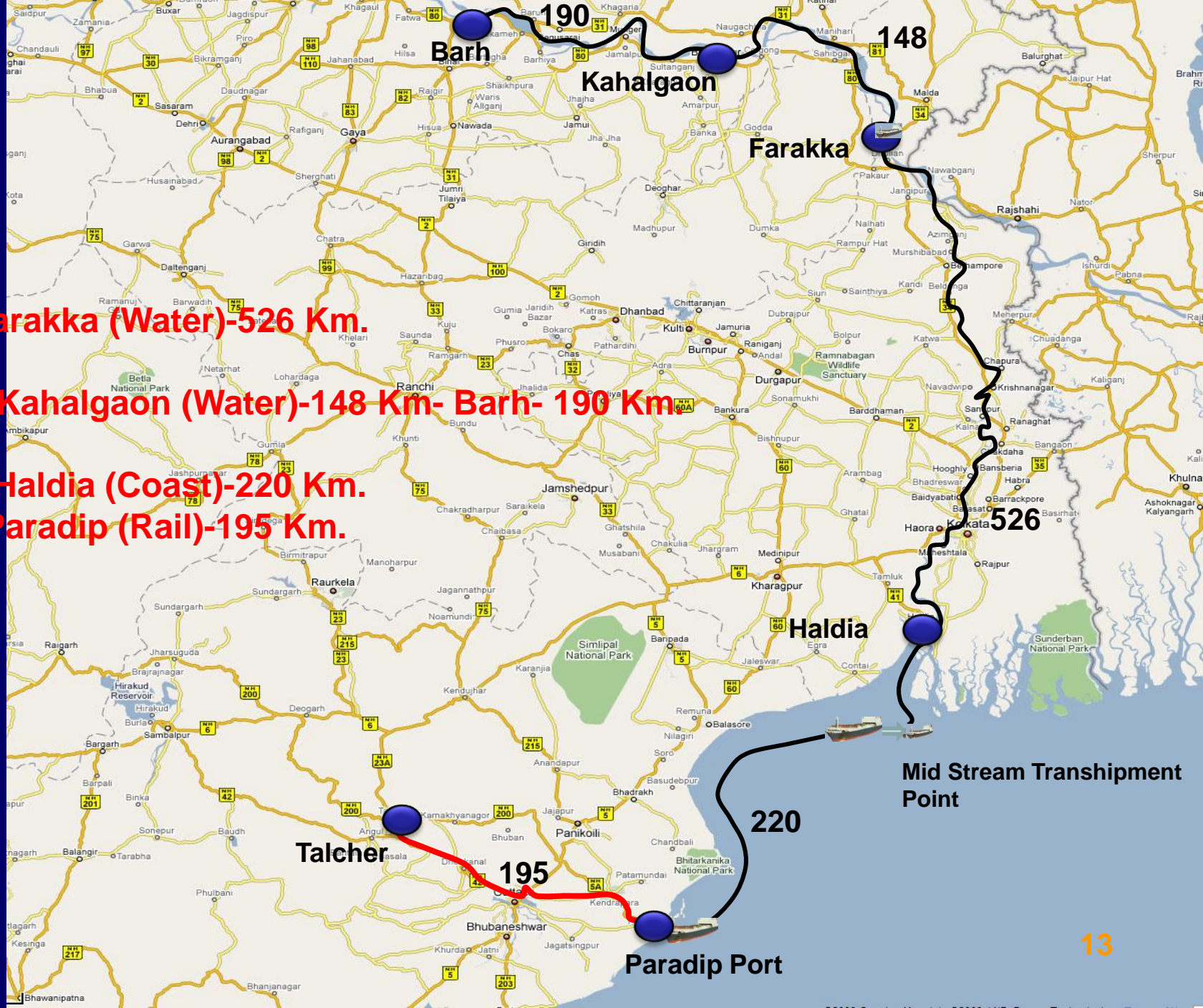
## Distances

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.





# 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**