# Holistic Approach for Developing Inland Waterways

## What is the issue?

\n\n

\n
- Due to heavy cargo movement India’s transportation landscape is facing congestion in arterial roads.
\n
- A holistic and concerted effort for tapping the potential of inland waterways will resolve such issues.
\n

\n\n

## What is the potential of Inland waterways in India?

\n\n

\n
- India has nearly 14,500 km of navigable waterways, yet inland water transport (IWT) accounts for less than 1 per cent of its freight traffic, compared with 35 per cent in Bangladesh and 20 per cent in Germany.
\n
- Inland waterways has better cost arithmetic and materially less polluting nature.
\n
- The cost of transporting one tonne freight over 1 km by waterway is Rs.1.19 compared with Rs.2.28 and Rs.1.41 by road and rail, respectively.
\n
- The cost of developing an inland waterway is barely 10 per cent of a four-lane highway of similar capacity.
\n

\n\n

## What are the measures taken by the government?

\n\n

\n
- Union cabinet recently has passed an amendment to the Central Road

Fund Act, 2000.proposing to allocate 2.5 per cent of the funds collected for development of waterways.
\n
- This support, amounting to Rs.2,000 crore annually, is significant considering that the cumulative allocation till 2014 was Rs.1,500-1,700 crore.
\n
- Union budget for next fiscal has allocated Rs.228 crore to the sector and allowed the Inland Waterways Authority of India (IWAI) to raise Rs.1,000 crore from the capital market.
\n

\n\n

## What are the challenges with inland waterways?

\n\n

\n
- The sector’s investment requirements are Rs.90,000 crore over the next few years to develop navigable routes, connectivity infrastructure to and from hinterland, terminals, vessels and repairing facilities.
\n
- In many States, there are ferry services on national waterways, but these are mostly unorganised country boats.
\n
- Terminal facilities are also woefully inadequate in states like Kerala and Assam.
\n
- Due to unplanned infrastructures along the river banks there are threats to biodiversity.
\n
- Industries are hesitant to use the inland water ways to lack of promotion and incentives from the government’s part.
\n

\n\n

## What holistic approach must be followed?

\n\n

\n
- **Private Partnership -** The government should focus on developing navigation, channel operation and maintenance, and external connectivity infrastructure.
\n

- Private players can undertake terminal development, cargo and passenger handling, and building low-draft vessels and related repair facilities.
\n

\n\n

\n
- **Industrial Incentives -** The Government can mandate/incentivise industries in the proximity of national waterways to use this mode for a portion of their shipments.
\n
- Public sector entities such as Food Corporation of India, power plants and refineries can be similarly mandated.
\n

\n\n

\n
- **Sustainable transport model -** For synergy, the government can promote industrial corridors along riverbanks and foster waterways-based industrialisation.
\n
- This will not only ensure captive IWT cargo, but also tackle erosion of riverbanks as industries will tend to protect the land allotted to them.
\n
- **Promoting tourism -** Along with passenger terminal development, the government needs to offer financial support to ferry operators to improve safety, and facilitate insurance coverage.
\n
- The Centre and States need to join hands to package and market river tourism in a big way to trigger a virtuous cycle.
\n

\n\n

\n\n

### Source: Business Line

\n\n

\n



SHANKAR
IAS PARLIAMENT
*Information is Empowering*