Maritime India Vision 2030

What is the issue?

- Indian PM recently inaugurated the 'Maritime India Summit 2021,' also releasing the e-book of 'Maritime India Vision-2030' (MIV-2030).
- In this context, here is a look at the maritime sector in India and the scope of MIV-2030.

Why is the maritime sector in India significant?

- India's coastline is 1.05% of the global coastline.
- The Indian maritime sector accounts for 95% of EXIM (export-import) trade by volume.
- It is a significant employment generator.
- India accounted for 10.4% of global maritime trade in FY 2019.
- It contributes 9.03% of the total seafarers (officers) globally.
- This makes Indian an integral part of the shipping ecosystem.
- India's position in the global maritime sector is fundamental for international trade.

How is the port capacity being utilized?

- The maritime trade is facilitated by the growing port capacity in India.
- In FY 2019, the capacity for Indian ports stood at 2,377 million tonnes per annum (mtpa).
- It handled traffic of 1,281 mtpa.
- Twelve major ports accounted for 1,514 mtpa of capacity.
- They handled 699 mtpa of traffic, leading to utilisation of a mere 46.2%.
- Non-major ports accounts for 863 mtpa of capacity.
- They handled 582 mtpa of traffic, which is an utilisation of 67%.
- Thus, key enhancements in policy, investment, operations and technology are crucial.
- These will facilitate bringing India to the forefront of global maritime trade.

What does the Maritime India Vision 2030 entail?

- The ministry of ports, shipping and waterways has launched the MIV-2030.
- MIV 2030 projects cargo traffic to reach 2,570 mtpa by 2030.
- The vision outlines 10 broad themes.

- It encompasses 150+ initiatives covering all the facets of the Indian maritime sector.
- It comes as an effort to define and meet national maritime objectives.
- These initiatives are broadly aimed at development of port ecosystem, port operations and services, waterways and, shipping and cruises.

What are the projects/initiatives being planned?

- **Mega-port clusters** - For ports, world-class infrastructure will form the backbone of the envisioned transformation.
- In line with global trends of mega-ports, development of four mega-port clusters with capacity of more than 300 mtpa is planned.
- These will come in the states of Gujarat, Maharashtra, Tamil Nadu and West Bengal-Odisha.
- These clusters were post evaluation of industrialisation and hinterland-connectivity potential.
- Since the sector has been moving towards mega vessels, an increase of the draft at all major Indian ports is targeted.
- **Transshipment hub** - India's strategic location has long required development of a transshipment hub for better efficiency in maritime trade.
- The ministry would thus work towards developing a transshipment hub (TS) in South India.
- At present, approximately 75% of India's transshipment cargo is handled by ports outside India.
    - These include Colombo, Singapore and Klang.
- This increases the cost/TEU for EXIM players.
    - [A TEU or Twenty-foot Equivalent Unit is an exact unit used to measure cargo capacity for container ships and container terminals.
    - A TEU is a shipping container whose internal dimensions measure about 20 feet long, 8 feet wide, and 8 feet tall.]
- Therefore, there are plans to increase the transshipment capacity through -
    i. accelerated operationalisation of such ports
    ii. development of green-field TS ports at Kanyakumari and Campbell Bay as additional transshipment hubs in a phased manner
    iii. increase capacity of existing ports like Cochin
- **Procedural measures** - Automation of ports, seamless movement of cargo and paperless transactions are basic needs now.
- Currently, lack of digitalisation, lack of availability of real-time information and limited standardisation of port procedures are negatively impacting seamless trade.
- Hence, steps have been identified in MIV to improve ease of doing business in the maritime sector.

- A National Logistics Portal (Marine) is to be launched as an integrated platform for all EXIM stakeholders enabling 100% paperless processes.
- It will be the focal point for domestic shipment tracking, cloud-based document management, digital payments, etc.
- Additionally, more than 50 smart interventions, like predictive maintenance, deployment of automated quay cranes, etc, have been identified to transform major ports into smart ports.
- **Manufacturing and logistics** - Concrete steps have been identified for driving Aatmanirbhar Bharat through increased manufacturing and decreasing logistics cost.
- Pockets with high potential to undertake port-led industrialisation, spread over 6,000 acres, have been identified.
- This would be complemented with projects aimed at reducing logistics cost.
- E.g. development of commodity-specific infrastructure at ports for promoting coastal shipping, automation/mechanisation of operations
- **Environment friendly** - MIV-2030 also aims at building safer and environmentally-sustainable ports.
- Some of the key measures to develop Green Ports include -
    i. increased share of renewable energy in port operations
    ii. sustainable use of dredging material
    iii. reducing freshwater consumption and emissions
    iv. promoting development of 'zero accident' ports
    v. real-time monitoring of HSE KPIs [Health and Safety KPIs (Key Performance Indicator)]

- **Shipping** - On the shipping front, MIV aims to make India the leading ship recycling and repair hub.
- It also aims to increase the gross tonnage of ships built in India by more than 15 times.
- This would be achieved through -
    i. channelization of domestic demand for ship-building and repair
    ii. leveraging Right of First Refusal (RoFR) rules under Aatmanirbhar Bharat Scheme
- India has already demonstrated strong ship-building capability with several shipyards delivering good quality vessels globally.
- Repair and recycling clusters would be developed.
- For this, usage of scrap material will be promoted through modification of BIS (Bureau of Indian Standards) regulations and re-development of ship recycling infrastructure at Alang.
- **Trade and cooperation** - To increase regional maritime cooperation and trade, a BIMSTEC centre is planned to be established in India.
    - BIMSTEC - Bay of Bengal Initiative for Multi-Sectoral Technical and

Economic Cooperation

- It would facilitate infrastructure investment and trade agreements with BIMSTEC countries.
- Efforts would also be made to develop and export India's core competencies like IT, naval architecture, and maritime training to support other developing countries.
- **Inland water transport** - India is endowed with various Inland Water Transport (IWT) options comprising rivers, canals, backwaters, creeks, and tidal inlets.
- These provide environmentally-friendly mode of freight logistics and passenger transport with lower operating costs.
- The government has prioritised development, over the next 10 years, of 23 National Waterways (NWs) with significant traffic potential.
- NW 1 (Ganga-Bhagirathi-Hooghly system) and NW 2 (Brahmaputra) hold immense significance as they connect neighbouring countries with India's hinterland.
- These waterways are to be connected to form the Eastern Waterways Connectivity Transport Grid.
- This would provide cost-effective EXIM with Bangladesh, Bhutan, Myanmar and Nepal.
- **Cruise tourism** - Development potential of sectors like cruise tourism (both river & ocean cruise) has also been identified as a part of the vision.
- To this end, government has already undertaken several measures like rationalisation of port charges, cabotage relaxation for foreign vessels, expedited immigration and development of cruise terminals.
- Themes-based coastal and island circuits have also been identified on a priority basis.
- In all, MIV 2030 aims to increase the share of Indian seafarers in the global talent pool.
- Advancements in maritime trade would lead to evolution in capabilities for on-shore operations.
- Accordingly, training programmes focusing on maritime skills would be launched in partnership with industry.

Source: Financial Express

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