

MONTHLY UPDATES ON NATIONAL INLAND WATERWAYS OF INDIA

UPDATE-2

DEVELOPMENTS IN OCTOBER 2018

This update covers the following:

- [Varanasi Multi-modal Terminal on river Ganga inaugurated; Serious concerns raised by the environmentalists](#)
- [India's first container movement on Ganga \(NW-1\): PepsiCo moved 16 containers from Kolkata to Varanasi](#)
- [Ghaghara Waterway \(NW-40\): Non-viable waterway to be developed by 2019-20](#)
- [Several agreements signed by India and Bangladesh for enhancing inland and coastal waterways connectivity](#)
- [PPP model in Inland Water Transport: IWAI hands over inland terminals to SAPEL](#)
- [Make in India: Foundation laid for India's largest Dry Dock at Cochin Shipyard in Kerala](#)

1. Varanasi Multi-modal Terminal on river Ganga inaugurated; Serious concerns raised by the environmentalists



Prime minister at the inauguration of the multimodal terminal for NW-1 on Ganga river at Varanasi. Source: [PIB](#)

Prime minister Shri Narendra Modi on 12th November 2018 dedicated the Multimodal terminal on river Ganga at Varanasi to the nation ([PIB](#), PMO, 12.11.2018). Multi-modal terminals are being made as a part of Jal marg Vikas Project (National Waterway -1) on Ganga river from Haldia to Varanasi. Two

more multi-modal terminals (terminals which have connectivity to road, river and rail) are under

construction at Sahibgunj in Jharkhand and Haldia in West Bengal for NW-1, along with two intermodal terminals at Kalughat and Ghazipur.

According to the PIB dated 8.11.2018, Operation, management and further development of the Multi-Modal Terminal is proposed to be entrusted to an Operator on PPP model. Selection of the PPP Operator through an International Competitive Bidding is at advanced stage and expected to be completed by December 2018.

Protests for the requirement of mandatory environmental clearance for waterways have been going on in [many parts of the country](#). Shripad Dharmadhikary in his [latest article](#) has said that, “MOEFCC has done many flip-flops to get Ganga and other waterways exempted from the requirement of environmental clearance. He added that, “Despite claims that they are “environmentally friendly”, these waterways have huge adverse impacts on the ecology of our rivers. Moreover, the advantages of waterways are not automatic. Every waterway is not by default a cheap, viable and desirable transport option.”

Read more at <https://thewire.in/environment/inland-waterways-flagship-project-varanasi-ganga-environment>

2. India’s first container movement on Ganga (NW-1): PepsiCo moved 16 containers from Kolkata to Varanasi

Background

Since 2016, pilot movements on NW-1(Ganga), NW-2 (Brahmaputra) have been taking place. According to a recent [PIB](#) release dated 29th October 2018 by ministry of shipping, more than 15 of them have already been successfully completed, including integrated movements through NW-1 (Ganga), Indo-Bangladesh Protocol Route and NW-2 (Brahmaputra).

Also, see [Update-1](#) which discusses integrated movement on NW-1, 2 through Indo-Bangladesh Protocol Route where the vessel carrying fly-ash ran into obstacles like “heavy current in the river near Chandpur to upstream Baluchar, run-ins with the fishing boat in Bangladesh waters, blockage by the fishing boat as the barges inadvertently cut through the fishing nets”

Update



MV RN Tagore for the first container movement by PepsiCo on NW-1. Source: [IWAI](#)

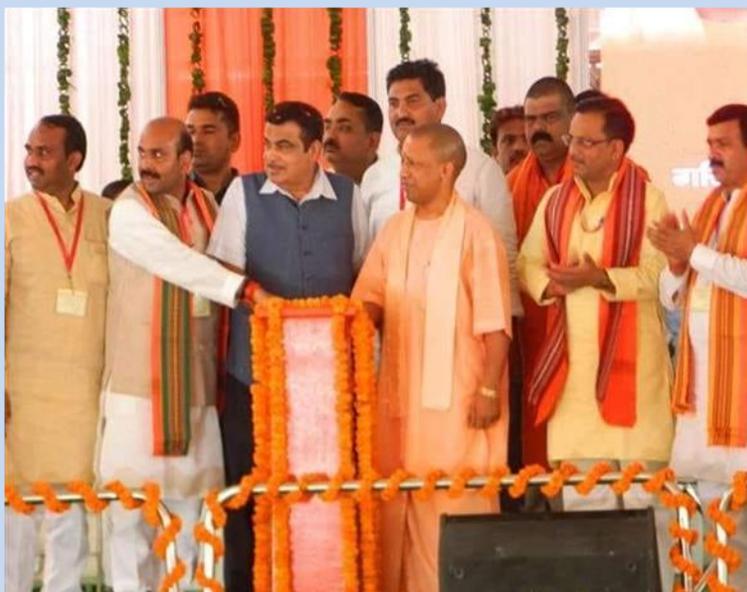
According to the PIB (29th October 2018), this would be the country’s first container movement on inland vessel post-independence, and a milestone moment in the history of India’s IWT sector. PepsiCo (India) will move 16 containers –equivalent to 16 truckloads- filled with food and snacks in the vessel MV RN Tagore which will reach Varanasi in 9-10 days. MV RN Tagore will make its return journey with fertilizers belonging to IFFCO that will be procured from its Phulpur plant near Allahabad.

3. Ghaghara Waterway (NW-40): Non-viable waterway to be developed by 2019-20

Background

345 km of river Ghaghara from Faizabad to Manjhi Ghat (Ganga-Ghaghara Confluence) was declared as National Waterway-40 in April, 2016. In November 2016, [IWAI](#) floated a tender for dredging and for other navigational infrastructure to develop this waterway for 165 km from Manjhi Ghat to Dohri Ghat. Further, in response to an RTI filed by Manthan in 2017, it was revealed that waterway on Ghaghara was found 'non-viable' after the techno-economic feasibility study conducted by IWAI. Even the tender for dredging on NW-40 was consequently cancelled in 2017.

Update



Shri Nitin Gadkari and Chief Minister of Uttar Pradesh Shri Aditya Yogninath at the foundation stone laying ceremony for NW-40 at Basti.
Source: [IWAI](#)

On 9th October 2018, foundation stone for the development work of Ghagra river as NW-40 was laid at Basti in Uttar Pradesh by Shri Nitin Gadkari, according to the Press Information Bureau (PIB) release dated [8th October 2018](#). The PIB release further added that, "IWAI, under Ministry of Shipping has already initiated work in Phase –I with project cost of Rs. 11.6 Cr and has constructed the floating terminal at Tanda/Kalwari to facilitate cargo & passenger movement on River Ghagra & River Ganga. Under Phase 1, the draft of 2 metre and width of 45 metre will be constructed in addition to floating terminals through Pontoon-Gangway at two locations- Tanda/Kalwari and Manjhighat.... The first phase works are scheduled to be completed by 2019-20. This

waterway is being classified as class-III waterway which envisages movement of up to 1000 ton capacity vessels."

The earlier tenders which were released by IWAI as well as the Detailed Project Report prepared by RITES for this waterway has quoted the length of this waterway as 345 km. However, the recent PIB release and IWAI's facebook page declares NW-40 as a 354 km long waterway.

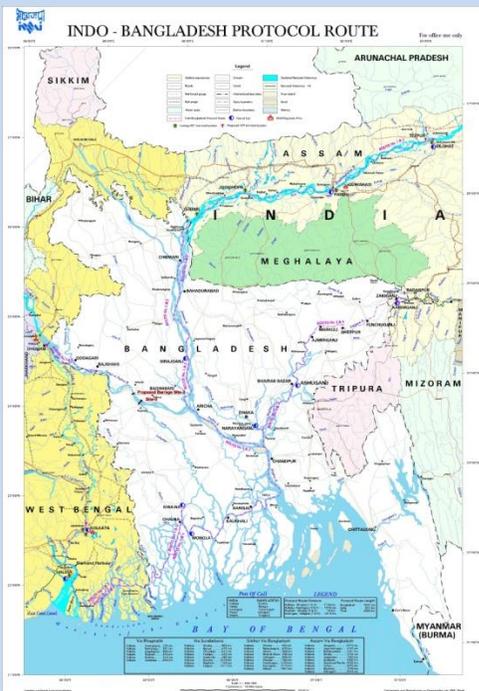
The feasibility of inland water transport (to be extended into Nepal) in Ghaghara (Karnali in Nepal) was also discussed in a meeting on inland waterways connectivity between Nepal and India held in Kathmandu on 15-16th July 2018.

4. Several agreements signed by India and Bangladesh for enhancing inland and coastal waterways connectivity

Background

In 1972, the Indo-Bangladesh Protocol on Inland Water Transit and Trade (PIWTT) was signed under a trade agreement between Bangladesh and India for commerce between the countries and for passage of goods between two places of one country through the territory of the other. As on [6th June 2015](#), it was decided that this protocol shall be automatically renewed in line with India-Bangladesh Trade Agreement, and would also be automatically extended for successive five years. In 2017, a [Memorandum of Understanding](#) was also signed between the respective ministry of shipping of India and Bangladesh in which India agreed to bear the 80% of the cost for dredging required for the development of fairway from Sirajganj to Daikhowa and Ashuganj to Zakiganj on the Indo-Bangladesh Protocol Route.

Update



Map of Indo-Bangladesh Protocol route.

Source: [IWAI](#)

According to the [PIB](#) release, 19th Standing Committee meeting under 'Protocol on Inland Water Transit and Trade' (PIWTT) was held at New Delhi on 24th October 2018. The meeting was attended by high level delegations that included representatives of Ministries of Shipping, External Affairs, Home, Finance, DONER and Inland Waterways Authority of India (IWAI) and officials from Bangladesh belonging to Ministry of Shipping, Board of Revenue, DG (Shipping) and Bangladesh Inland Water Transport Authority (BIWTA).

[PIB](#) on 25th October 2018 revealed that three agreements were signed between India and Bangladesh, and various discussions on enhancing inland and coastal waterways connectivity took place. The agreements which were signed include -

1. An agreement to use Chattogram and Mongla Ports in Bangladesh for movement of goods to and from India.
2. A Standard Operating Procedure (SOP) has also been signed for movement of passenger and cruise services.
3. An addendum to 'Protocol on Inland Water Transit and Trade' (PIWTT) between India and Bangladesh

has been signed for inclusion of Dhubri in India and Pangaon in Bangladesh as new Ports of Call.

According to the same [PIB](#) release, India and Bangladesh also took decisions on the following –

- The two sides agreed to consider inclusion of Rupnarayan river (National Waterway-86) from Geonkhali to Kolaghat in the protocol route and to declare Kolaghat in West Bengal as a new Port of Call; Chilmari was agreed to as a port of call in Bangladesh. The new arrangement will facilitate movement of flyash, cement, construction materials etc from India to Bangladesh through IWT on Rupnarayan river.

- Both sides agreed to declare Badarpur on river Barak (NW 16) as an Extended Port of Call of Karimganj in Assam and Ghorasal of Ashuganj in Bangladesh on reciprocal basis. The Standard SOP for movement of passengers and cruise vessels on Inland Protocol route and coastal shipping routes have been finalised. These river cruise services are likely to commence between Kolkata– Dhaka - Guwahati – Jorhat and back.
- Both sides have also agreed for development of Jogighopa as a hub/trans-shipment terminal for movement of cargo to Assam, Arunachal Pradesh, Nagaland and Bhutan and notifying Munsiganj River terminal by Bangladesh Customs for routing third party Exim cargo through Kolkata Port.
- Discussions were also held to make Nakugaon Land Port in Bangladesh and Dalu ICP (India) operational and to connect Gelephu (Bhutan) as tripartite cross-border route.

Indo-Bangladesh Protocol route is also a part of NW-97 proposed (and partly operational) in the Sunderbans. The DPR and other related documents for this waterway have not been put in the public domain by the IWAI.

5. PPP model in Inland Water Transport: IWAI hands over inland terminals to SAPEL

The terminals GR Jetty-I & BISN and GR Jetty-II of Inland Water Transport (IWT) will be handed over to SAPEL for equipping, operating and managing on a revenue sharing model, as per the [PIB](#) release dated 29th October 2018. Summit Alliance Port East Gateway (India) Ltd (SAPEL) is a [subsidiary of Bangladesh’s](#) Summit Alliance Port Ltd. The PIB further stated that, “the operator will have the right to collect user fees from the users as per the tariff rates notified by IWAI. The contract will be valid for a period of 30 years. M/s SAPEL was awarded the contract in August, 2017 under a revenue sharing arrangement of 61.70% to itself and 38.30 % to IWAI through a global tendering process for this work for Garden Reach Terminal in Kolkata and Gaighat and Kalughat Terminal in Patna. The development of both Kolkata and Patna terminals is being undertaken with a view to tap the huge potential of Nepal bound containerised cargo on NW-1. While the available cargo upstream (for Nepal) at present is 44,000 TEU, the cargo potential downstream stands at 12,000 TEU. The Kolkata terminals will also facilitate domestic bound and EXIM cargo for North Eastern Region and Bangladesh even as it will prove advantageous for shippers plying on the Indo-Bangladesh Protocol route.”

6. Make in India: Foundation for India’s largest Dry Dock at Cochin Shipyard in Kerala

Ministry of Shipping in another [PIB](#) dated 29th October 2018 announced the laying of foundation for the largest dry dock at Cochin in India. The PIB stated that, “The new Dry Dock is being constructed at a cost of Rs 1799 Crore. It will be 310 m long, 75m wide, with a depth of 13 m and draught of 9.5m. The dock will be designed to handle both ship building and repairs, and bear a load up to 600 T/m.

..The Dry Dock will give an impetus to “Make in India” initiative under Sagarmala and raise India’s share in global shipbuilding to 2 percent. India currently occupies 0.66 % share in global shipbuilding market. The project is expected to be completed by May 2021 and generate employment opportunities for about 2000 people.”