

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS
LOK SABHA
UNSTARRED QUESTION NO- 4135
ANSWERED ON 24/03/2023

BAN ON OLD OIL TANKERS

4135. SHRI DHAIRYASHEEL SAMBHAJIRAO MANE:
SHRI SANJAY SADASHIVRAO MANDLIK:
SHRI BIDYUT BARAN MAHATO:
SHRI SHRIRANG APPA BARNE:
SHRI SUDHEER GUPTA:
SHRI PRATAPRAO JADHAV:

Will the Minister of PORTS, SHIPPING AND WATERWAYS be pleased to state:
पत्तन, पोत परिवहन और जलमार्ग मंत्री

- (a) whether the Government has decided to ban 25 years old oil tankers, bulk carriers and general cargo vessels, if so, the details thereof and the reasons therefor along with the action taken in this regard;
- (b) the details of criteria other than age followed/likely to be followed by the Government for banning Indian and foreign flag vessels;
- (c) whether certain carriers and vessels have been kept out of the ambit of age limit for operations;
- (d) if so, the details thereof along with the reasons therefor; and
- (e) whether the Government has given any winding-up period to tankers, carriers and vessels older than 25 years and if so, the details thereof?

ANSWER

MINISTER OF PORTS, SHIPPING AND WATERWAYS
(SHRI SARBANANDA SONOWAL)

(a) to (e) The Directorate General of Shipping has issued "DGS Order No. 06 of 2023" dated 24.02.2023 regarding the Age Norms and other Qualitative parameters for registration/ operation of vessels under Indian flag and for foreign flagged vessels that are required to apply for licence under Sections 406 & 407 of the Merchant Shipping Act, 1958.

The average age of Indian fleet is higher than that of the world fleet in most of the vessel categories. Further, to achieve the goal under International Maritime Organization Sustainability Development Goals, embracing technological innovation along with transition to low- and zero-carbon fuels and to alternative energy sources will be required to achieve these modernization of Indian fleet is pertinent.

In addition to the above, the order dated 24.02.2023 is expected to foster the growth of quality Indian Tonnage, as the Order creates an entry age criterion for registration. This would be applicable to foreign flag vessels that are required to apply for licence under Sections 406 & 407 of the MS Act, 1958. However, an Indian Flag vessel would continue to enjoy the cabotage after entry age until the prescribed exit age. No foreign flag vessel can compete under the same age category, thus, creating more demand for flagging of vessel under Indian flag.

Overall, this order would address the Tonnage and the quality simultaneously, of the vessels operating under Indian Flag and in Indian coastal waters.

This order is not applicable to Passenger Vessels, FSRU (Floating Storage Regasification Unit), FPSO (Floating Production Storage and Offloading), and Drilling/Production units certified under MODU (Mobile Offshore Drilling Units)/SPS (Special Purpose Ships) Code. The average age of the above vessels is high across the global fleet. FSRU, FPSO, and Drilling/Production units certified under MODU/SPS Code are in general designed to operate for 30 to 50 years and are stationed at one place for most of their respective life. For these reasons, this category of vessels has been kept out of the ambit of this age norms order.

However, the 'Existing Vessels' regardless of age on the date of issuance of this Order, affected by the maximum age prescribed in the Order, have been allowed to operate upto three years from the date of the issue of this Order in order to give sufficient time for transition. Similar provisions have been made for foreign flag vessels under existing charter as on the date of the said order.
