

GOVERNMENT OF INDIA
MINISTRY OF PORT SHIPPING AND WATERWAYS

LOK SABHA
UNSTARRED QUESTION NO- 2039
ANSWERED ON – 02/08/2024

PROMOTION OF COASTAL SHIPPING

2039. Dr. HEMANT VISHNU SAVARA:

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

- (a) whether the Government is actively pursuing the promotion of coastal shipping as an energy-efficient and cost-effective mode of transport;
- (b) if so, details thereof and the measures taken/proposed to be taken by the Government to enhance coastal shipping; and
- (c) the percentage increase in the cargo handling in the national waterways during last five years, year-wise?

ANSWER

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

(a) & (b) The Ministry of Ports, Shipping and Waterways is actively pursuing the promotion of coastal shipping as an energy-efficient and cost-effective mode of transport. In this regard, the Government has taken following measures to enhance coastal shipping:

- (i) Under the Sagarmala Programme, 15 projects worth Rs. 849 crores have been completed for the development of coastal berths, Ro-Ro/ Ro-Pax Jetties/Passengers Jetties.
- (ii) Licensing relaxation under section 407 of the Merchant Shipping Act is given to container vessels for carrying EXIM containers and empty containers at transshipment ports for outbound transport; and to foreign flag vessels carrying agricultural, fisheries, horticultural, fertilizers and animal produce commodities subject to the condition that these commodities constitute at least 50% of the cargo on board the ship at the beginning of the coastal leg.

- (iii) A discount of 40% is offered by major ports on vessel and cargo related charges to coastal cargo vessels.
- (iv) Priority berthing policy for coastal vessels has been notified to reduce turnaround time for coastal vessels and improve their utilization.
- (v) Reduction of GST on bunker fuels used in Indian Flag Vessels from 18% to 5%.
- (vi) Green channel clearance introduced for faster evacuation of coastal cargo at ports.
- (vii) Allowed reimbursement of freight subsidy on primary movement of subsidized urea and P&K fertilizers by coastal shipping or inland water transportation.
- (viii) The projects for improvement in the first and last mile road and rail connectivity with all the major and non-major ports have also been identified for faster cargo movement. The Ministry of Ports, Shipping and Waterways is working with the Ministry of Railways and Ministry of Road Transport and Highways to implement these projects.

(c) The percentage increase in the cargo handling in the national waterways during last 5 year is as under:

Sl. No.	Financial Year	Cargo handled on NWs	% increased
1.	2018-19	72.31 MMT	-
2.	2019-20	73.64 MMT	1.83%
3.	2020-21	83.61 MMT	13.54%
4.	2021-22	108.79 MMT	30.11%
5.	2022-23	126.15 MMT	15.96%
6	2023-24	133.03 MMT	5.45%
