

Stakeholder Consultation Meeting on Policy for Award of Waterfront and Associated Land to Port Dependent Industries in Major Ports

The Ministry of Shipping held a consultation meeting with various stake holders on 'Policy for Award of Waterfront and Associated Land to Port Dependent Industries in Major Ports' in New Delhi. The policy was approved by the Union Cabinet earlier this year and is aimed at bringing uniformity and transparency in the procedure for awarding captive facilities at ports. The meeting was attended by various stakeholders from companies such as Indian Oil Corporation Ltd, Bharat Petroleum, Mangalore Refinery and Petrochemicals Limited, Adani Ports, SEPC Power Pvt Ltd, NTPC and industry bodies ASSOCHAM and CII. In depth discussions were held on various aspects of the policy, and stakeholders were encouraged to submit proposals regarding their industrial requirements at various ports which will be studied and worked upon by the Ministry of Shipping. The meeting was chaired by Sh. Pravir Krishn, Joint Secretary (Ports), Sh. A. Janardhana Rao, Managing Director, Indian Ports Association was also present.

Under the existing guidelines for private sector participation in Major Ports issued by the Ministry of Shipping (MoS) in 1996 and 1998, provisions were made for allotment of waterfront and land on a captive basis to Port Based Industries including Central/State Public Sector Undertakings (PSUs) which fulfilled the prescribed eligibility criteria. Though some berths and facilities were set up in some Major Ports following these guidelines, the potential for development of such facilities is not yet fully realized. Hence the need for the new Policy for Award of Waterfront and Associated Land to Port Dependent Industries in Major Ports' .

Under the new policy, concession will be granted to Port Dependent Industries (PDI) for setting up dedicated facilities in Major Ports for import and/or export of cargo and their storage before transportation to their destination, for a period not exceeding 30 years. Extension of concession period on conditions including under-utilization of asset as per the concession agreement may be allowed. After a maximum of 30 years of operation, the waterfront and associated land in a Major Port will be allotted for construction of berths, offshore anchorages, transshipment jetties, single point moorings etc. It will be as per the terms and conditions of the Concession Agreement (CA) to be entered into between the Port Authority and the PDI concerned.

The ambit of the Policy includes creation of new assets as well as utilization of currently unutilised existing assets such as vacant berths. The Policy will be applicable to all the Major Ports.

The policy will enable optimal utilization of capacities in Major Ports and increase revenue to the Major Port Authority. . The policy will help generate committed business for the Major Ports on a long term basis by facilitating the development and operation of dedicated port facilities by industries which are substantially dependent on a particular Major Port for import and/or export of their cargo and thus play a catalytic role in the eventual realization of the objectives of Port led development.

Allocation of waterfront and associated land to port based industries on PPP/captive basis is one of the major areas which have been identified by the Ministry of Shipping for participation/investment by the private sector in Major Ports. Government of India has focused on Port led development through the Sagarmala program as a key enabler for economic growth. Optimal utilization of land and waterfront at the disposal of the Major Ports is of critical importance in this context.

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