

## **Minutes of the 122<sup>nd</sup> Meeting of the National Shipping Board held at “Hotel Taj Palace” Mumbai on 31<sup>st</sup> August, 2013.**

The 122<sup>nd</sup> Meeting of the National Shipping Board (NSB) was held under the Chairmanship of Capt. P.V.K. Mohan on 31<sup>st</sup> August 2013 at Hotel Taj Palace, Mumbai. The list of participants is enclosed at Annexure – I.

2. The meeting began with the invocation, “Ganesh Vandana”, by the staff of DG Shipping, followed by the presentation of floral bouquets by Shri N.N.Kumar, Chairman I/c., Jawaharlal Nehru Port to the Chairman, NSB, Hon'ble Members of Parliament and all the members and special invitees of National Shipping Board.

In his welcome address, Shri N.N.Kumar, highlighted that under the dynamic leadership of Capt.P.V.K.Mohan, The NSB, has played a critical role in formulating operational guidelines and policy framework for Shipping as well as Port Sector. The efforts and pro-active measures initiated by Capt.P.V.K.Mohan for deployment of ETV at Mumbai Harbour will be of great help to Shipping Industry and Trade. Highlighting the achievements of JN Port, Shri N.N.Kumar pointed out that by handling 4.26 million TEUs and 64.5 million tonnes of cargo in the year 2012-13, JN Port has established itself not only as the No.1 Container Port of the country, but also as a Port having highest throughput of solid cargo in India. Subsequently, he provided a brief on various future development projects viz. Extension of Container Berth by 330 mtrs., 4<sup>th</sup> Container Terminal project, ongoing dredging contract enabling draft of 14 mtrs., Development of Marine Terminal for liquid cargo, 5<sup>th</sup> Expansion – Container Terminal at Nhava Island. He informed that under the guidance of Ministry and with the help of Trade, JN Port will be able to reach within the 25 top class Ports in the world.

- 3 Capt. P.V.K. Mohan in his speech welcomed the Hon'ble Members of the Board and special invitees present in the meeting. He thanked Chairman, JNPT and his team for the excellent arrangements made for hosting the NSB meeting. He informed that the previous NSB meeting was a historic event which was held under the Chairmanship of Hon'ble Minister Shri G.K.Vasan, Union Minister of Shipping, wherein various landmark decisions were taken and accordingly

recommendations have been implemented. As decided, two ETVs on the Indian Coasts have already been actionalised and Training on Trading Vessel (TTV), is being conceptualized. He informed that a proposal of purchasing a secondhand capsized vessel and suitably modified for training as well as, for, commercial purposes is being examined. He stated that Modal shift of cargo from road/rail to sea route need to be incentivized. Capt. Mohan informed that the Govt. has been requested for one time corpus of Rs.500 crores which will be utilized for marine pollution, tier one capability enhancement and wreck removal etc.

Capt. P.V.K. Mohan further informed that in this meeting, discussion will be held mainly, on four issues;

- Modal Shift of Cargo,
- Training on Board Trading Ship,
- Second Registry for Indian Ships, and,
- Preparedness of Ports for Tier 1 Pollution Contingency;

#### 4. **Confirmation of minutes of 121<sup>st</sup> NSB Meeting:**

There being no issues raised with respect to minutes of the last meeting, the Minutes of the 121<sup>st</sup> NSB meeting, as circulated, were confirmed in order.

#### 5 **Review of Action Taken Report,**

##### Pre-Sea training curriculum of the deck cadets :

Recommendation: Suitable training aids (simulators) to set up at IMU and an optional paper on dredging to be included in the Pre-sea training curriculum of the deck cadets.

Capt. L.K.Panda, Nautical Advisor (I/C), informed that proposal of introducing optional paper on dredging in pre-training curriculum of engineering courses is under consideration, and DCI has been requested to provide details of the training that would be required to impart to the cadets. A meeting in this regard was held with M/s. DCI, Tolani Maritime Institute and MANET Training Institute. Preparation of course outline, syllabus, and detailed lesson plan is being worked out by the Tolani Maritime Institute in consultation with

M/s. DCI. Adding to the discussion, The Chairman (I/c), JN Port informed that JNPT has installed a simulator for training of Pilots.

[Action: DGS]

6. Permit dredgers to load to higher draft :

Recommendation: DR 67/68 Rules circulated by IMO through circu.2285 dated 17.01.2001, that permit dredgers to load to higher draft, to be examined and favorably considered for Indian dredgers.

Shri Arun Sharma, Chairman & Managing Director, IRS, explained that the matter has been examined keeping in view the requirements of DR 67/68 Rules. He stated that IRS will need to examine the proposal on a case to case basis and depending on whether it satisfies the DR-68 criteria or otherwise, decision will be communicated to the Flag Administration accordingly. He further added that the revised RSV notification for Coastal Vessels is in the final stage and will be issued shortly.

[ Action : DCI / IRS]

7 Clearance issued by Indian Navy :

Recommendation: NSC Clearance issued by Indian Navy needs to be streamlined and expedited and issued on 24x7 bases.

Cmde S. J. Singh informed that, earlier, Navy was taking about 4-6 weeks for clearance, however, this period has now been reduced to 3-4 weeks. Possibility of E-clearance is also being explored to save the time.

He further informed that NSC has been given to more than 2000 vessels during last fiscal. In the current year, as on date, more than 1000 vessels have already been cleared so far Cmde. Singh requested that since there is no specific pending issue as regards to issue of clearance, this agenda point may be closed. The INSA representative seconded his views and mentioned that the issue of clearance is well within the time frame and hence the issue may be closed.

[Action : NSB Secretariat ]

8 Concerns of the fishermen regarding drilling activities :

Recommendation: Petroleum Ministry is to be sensitized regarding concerns of fishermen while drilling activities are undertaken.

Shri Sunil Mishra, Joint Secretary, MoS, informed that Ministry of Petroleum has been informed of the issue. However, response from MoP is awaited. Capt. Mohan directed that the issue is long pending and should be attended to on war-footing and action concluded may be intimated in the next meeting.

[Action : MoS ]

9 Implementing the PBIS:

Recommendation: Road map with timelines for implementing the PBIS to be prepared and discussed with Secretary (Shipping)

Member Secretary informed that MD, IPA has requested for leave of absence to attend the meeting, due to certain urgent Pre-commitments. As per the communication received from IPA, it was agreed in principle that budget will be provided by MoS in the Annual Plan and IPA has requested Ministry to take necessary steps at their end for approval of budget of the aforesaid concept for implementation. Capt. Mohan advised that the matter be expedited.

{Action : IPA/MoS}

10 Re-examine the existing technical and manning standards for coastal ships:

Recommendation: In order to support coastal shipping, there is a need to re-examine the existing technical and manning standards for coastal ships.

It was informed that a notification has already been issued.

11 D.G. Shipping pointed out that there may be some issues which were deliberated in previous meetings but are still pending and therefore

such issues need to be also taken up for discussion/follow up. Capt.P.V.K.Mohan appreciated the suggestion and advised Member Secretary to examine outstanding issues, if any.

{ Action : NSB Secretariat }

12 **AGENDA POINTS:**

13 Modal Shift of Cargo :

A power point presentation was given by Capt.L.K.Panda, Nautical Adviser (I/c.), DG Shipping, on the subject, highlighting the present Mode of Transport, Coastal Cargo Movement (Sea) & (IWT), Coastal Traffic at Ports, Growth in Container Traffic etc. He informed that logistic cost, world over, is 7% while it is 15% in India. He brought out that incentives in one form or other are being given, world over, for modal shift. In India, Kerala state Govt. has also provided incentive for shifting cargo from road to water transport, at Re.1 per ton/per km.

Capt. Mohan while appreciating the presentation informed that M/s. KPMG is also carrying out study in this regard. Hon'ble Member of Parliament Shri M.B.Rajesh also appreciated the presentation and opined that there is need for modal shift to waterways.

14 Training on Board & Training Ship:

Capt.Sunil Thapar, Director (B&T) Shipping Corporation of India made a detailed presentation on the subject, highlighting, Type of Pre-Sea Maritime Courses for Deck Officers, "Training on trading ship" concept and its advantages, proposed fee structure and available options, viz. Option-1 –Second Hand Cape size vessel and Option-2 New Eco Design Cape Size Vessel, Option-3 Two New Vessels (A – Two new Kamsarmax or B – One new Kamsarmax with one new Aframax/Suezmax).

Detailed deliberations were held on the various options and modalities suggested by Capt. Thapar. Shri B.K.Mandal, CMD SCI was delighted with the presentation and suggested that it should be *industry initiative* instead of *industrial initiative*. Capt.M.M. Saggi, former Nautical Advisor to Govt. of India, opined that IMO can be

approached for issuance of a resolution, which encourages ports to reduce their port dues for ships which provide training berths. Capt. Mohan appreciated the presentation made by Capt. Sunil Thapar and informed that the Board will take up the issue with the Government to look into all the aspects in detail and if required, an expert committee to be set up.

15 Second Registry:

Capt. M. M. Saggi former Nautical Advisor to Govt. of India, and Director, NMIS, presented a paper for proposal on "Second Registry," showing all aspects of registration of ships and different types of Registers. He explained about the options for structuring "second register". He suggested that existing Indian Law has enabling provision which can be used to set up "second registry". Capt. P. V. K. Mohan appreciated the presentation and sought the comments from IRS. Mr. Arun Sharma CMD, IRS explained that this issue has been earlier discussed and IRS is of the opinion that we should look into the shortcomings, if any, in the existing laws, instead of creating another regime for registration and therefore, stated that IRS is not with this proposal. Shri Harish Mittal, representatives of INSA, wanted that Govt. should give some relaxation in the existing Indian Law.

[Action : MoS to examine the proposal]

16 Tier-1 Oil Pollution Response Capability of Ports:

A power point presentation was made by Mr. Hebber, DIG, ICG, on Tier-1 Oil Pollution response capability of Ports. He informed that an amount of Rs. 27.58 crores has been remitted as oil pollution call" during the period 2005-06 to 2011-12, by India to IOPC, Fund. However till, date, India has not claimed any money from the Fund. It was pointed out that existing formula for collection of contribution to the fund is violating the principles of equity and fairness and India should propose to IOPC Fund, to amend the formula. It was highlighted that ports, including major ports, lack reception facilities for slops from the visiting ships.

(Action: DGS/ICG}

17 Draft Rules for Indian Coastal Vessels :

A power point presentation was made, on the subject, by the representative of IRS highlighting Rules for Indian Coastal vessels, its application, Gross Tonnage limits, Main Propulsion Power limits, Cargo Types, Important concessions/exemptions, Manning, Construction, Fire detection, Certification, Domestic Safety Management Code etc.

**18. Other Business:**

Hon'ble M.P. Shri Shripad Y. Naik informed that the ship, sunk near Mormugao Port waters, should be removed on top priority, to avoid mishap. He informed that Ship owners are not coming forward to remove the same, as lot of financial implications are involved. He further pointed out that Mormugao Port Authorities are reluctant to give clearance for removal of wreckages.

Capt Mohan and Shri Gautam Chatterji informed that they will look into the matter.

Concluding the meeting, Chairman, NSB thanked Hon'ble Members Parliament, NSB members and special invitees for their valuable contribution and recapitulated the deliberations in the following resolutions of the Board.

18.1 All Major Ports to provide for slop reception facilities for vessels, visiting their ports.

{Action: IPA/ ICG}

18.2 Training on Trading Vessel (TTV) concept to be implemented expeditiously.

(Action: MoS)

18.3 Tier 1 facility to be set up in all the ports in the country

Action (MoS)

18.4 Incentive scheme for coastal shipping to be announced at the earliest.

(Action MoS)

18.5 The Meeting ended with vote of thanks to the Chair.