

Most Immediate

**Government of India
Ministry of Shipping
(Minor Port Section)**

No. PD -26017/1/2012-MP

Dated, 23rd January, 2013

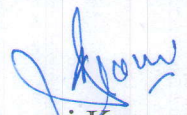
Subject :- Minutes of the 14th Meeting of Maritime States Development Council (MSDC) chaired by Hon'ble Minister of Shipping held at Mumbai on 7-8th January, 2013.

Sir/Madam,

I am directed to forward herewith a copy of the recommendations of the 14th Meeting of the Maritime States Development Council (MSDC) chaired by Hon'ble Minister of Shipping held at Mumbai on 7-8th January, 2013 for necessary action and compliance.

2. You are requested to take the necessary action on the action points pertaining to your organisation and furnished the Action Taken Reports to this Ministry at the earliest.

Yours faithfully,


(Ashwani Kumar)

Director

Tel:23710220

To,

As per list attached.

Recommendations of the 14th Meeting Maritime States Development Council (MSDC) held in Mumbai on 7-8th January, 2013

The 14th Maritime States Development Council Meeting (MSDC) held under the Chairmanship of Shri G.K. Vasan, Hon'ble Minister for Shipping, Government of India on 8th January, 2013 in the presence of Shri Sh. Milind Deora, Hon'ble Union Minister of State for Shipping and IT, Sh. Ganta Srinivasa Rao, Hon'ble Minister, Government of Andhra Pradesh, Sh. Subrat Tarai, Hon'ble Minister, Government of Orissa and Sh. Narayan T. Rane, Hon'ble Minister, Govt. of Maharashtra. Representatives from Maritime States/UTs/State Maritime Boards, Ministry of Shipping and other Central Government Ministries attended the session and participated in the deliberations.

2. After deliberations on various issues concerning the maritime sector, the following major decisions were arrived at:-

- i) **Formation of Maritime Boards:** At present, three Maritime States have formed State Maritime Boards. In the remaining Maritime States, the process of formation of such Boards is at an advanced stage. It was resolved to expedite the formation of such Boards in the ensuing financial year.

Action-State Governments

- ii) **Security up gradation of Major / non-major Ports:** DG (Shipping) will review the Security of Major/Non-Major Ports and suggest the level of security required in the ports. It was agreed to upgrade security and navigational safety in Major/Non-Major Ports by installing VTMS and making all the Ports ISPS complaint.

Action- DG(S)/DGLL/State Government/State Maritime Boards

- iii) **Receiving and Salvage of Wreck – Delegation of Power to State Maritime Boards:** Presently the wrecks outside the port Limits, but within the territorial waters are within the jurisdiction of the Directorate General of Shipping and the District Collectors are designated as receivers of the wrecks. On the request of the Maritime States, it was decided to delegate the powers of 'receiver of wrecks' outside the Port

limits, but within the territorial waters to the CEOs of the respective Maritime Boards.

Action- DG(S)

- iv) **National Waterway No.4 & 5 Project:** It was decided that IWAI should take necessary action on National Waterway No.4 & 5 Projects and as & when work will progress, IWAI will consider opening of regional offices to implement the works.

Action- IWAI

- v) **Registration, Survey and Certification of Fishing vessels – Delegation of Powers to State Authority:** It was decided to delegate powers of registration, survey and certification of all fishing vessels from Directorate General of Shipping, Government of India to concerned State Government Authorities. Further, it was also resolved that the State Fisheries Department should function as a nodal agency for all fishing related issues, including management of fishing harbours.

Action-DG(S)/State Government

- vi) **Development of New Fishing Harbour near New Mangalore Port:** It was decided to establish a new fishing harbour near New Mangalore Port at Kulai, decision for which has been pending for the last 10 years. Central Government will provide 75% assistance through Department of Animal Husbandry, Dairying & Fisheries. The remaining 25% of the project cost will be funded primarily by New Mangalore Port Trust and partially by the State Government, if feasible. Operation and maintenance of the new fishing harbour will be looked after by the State fisheries Department.

Action- D/o Animal Husbandry/NMPT/State Government of Karnataka

- vii) **Providing Places of Refuge for Disabled/Unseaworthy Ships:** It was decided to identify one or two disused Ports on either of the coasts to locate places of refuge for disabled/unseaworthy vessels. The decision will result in providing safety to the lives of the crew and also prevent marine accidents and pollution.

Action- DG(S)/State Government/SMB

- viii) **List of Non-Major and disused Ports:** It was decided that MD, IPA will collect the information of disused & non-major ports from the states and made it available to the Security agencies. This is required not only for

assessing security requirements in these locations, but will also be useful for taking initiatives to promote Coastal trade and Coastal Shipping.

Action-IPA/State Governments

- ix) **Model rules to be framed under inland vessels Acts 1917:** It was decided that all Maritime States should frame rules under Inland Vessels Act 1917, which will help in the development of inland waterways.

Action- State Government/SMB

- x) **New central scheme to support State Maritime Boards/State Governments:** On the request of the Maritime States, it was decided to evolve Central schemes to provide assistance in the areas of:-

- Support for capital dredging in State Government owned Non Major Ports. This will help in deepening the State Ports and facilitate larger vessels to call on these ports.
- To build the capacity of the State Maritime Boards to combat oil spills and oil pollution.
- To develop exclusive ports for Coastal trade and exclusive berths for coastal shipping.
- To install Vessel Traffic Management System (VTMS) and other navigational aids in State owned Non-Major Ports.

It was also decided that the MD, IPA will make an inventory of non-major Ports and disused Ports along India's coastline so that some of them can be identified and developed into exclusive coastal ports. Development of coastal ports will give a boost to coastal shipping which will help in decongesting roads and railways.

Action- MOS

The following important decisions made in the 14th MSDC's officers' level meeting of Maritime States Development Council held on 7.1.2013 in Mumbai

The officers level meeting of MSDC was held on 7th January, 2013 in Mumbai under the Chairmanship of Secretary (Shipping). Representatives from Maritime State Governments (except West Bengal), Chairmen of Major Port Trusts, Chairperson, IWAI, Vice Chancellor, IMU, DG (Shipping), DGLL, Chief Hydrographer, GOI and representatives from Indian Navy, Coast Guard and other Central Government departments attended the meeting. The following decisions were taken during this meeting:

Decisions made on old Agendas in 14th MSDC Meeting;

- 1. Constitution of Maritime Boards:** At present, three Maritime States have formed State Maritime Boards. In the remaining Maritime States, the process of formation of such Boards is at an advanced stage. It was resolved to expedite the formation of such Boards in the ensuing financial year. State Maritime Boards were requested to handle matters related to coastal shipping and inland waterways also so that there can be one nodal agency to handle maritime sector related issues.

Action- State Governments

- 2. Dedicated Berthing to Coast Guard Vessel:** It was decided to continue priority berthing facilities for the Coast Guard/Navy vessels at Major and Non-Major Ports. It was also decided that the possibility of providing dedicated berths for Naval/CG will be explored by Port/Maritime Boards on deposit-work basis, subject to availability of land and other considerations.

Action- Major Port/State Government/SMB

- 3. Establishment of VTMS in all Ports where EXIM cargo are being handled:** VTMS to be installed in Major and Non-Major Ports in a phased manner, based on volume of cargo-handled. DGLL has been directed to formulate a scheme for providing technical advice and financial support for implementation of VTMS in the State owned Non-Major Ports.

Action- State Government/SMB/DGLL

4. **Environment clearance of Port projects by State Authorities:** State Governments may expedite environmental clearances in time - bound manner in respect of Port projects. The State Government of Goa was requested to expedite clearances with respect to the development projects of Mormugao Port Trust.

Action- State Governments of Goa/SMB/State Governments

5. **ISPS compliance by all Major/Non-Major Ports:** DG (Shipping) had been asked to monitor the implementation of ISPS compliance and also directed to draw a plan for all Major & Non-Major Ports.

Presently, all Major Ports are operating at Security level- II. It was decided that DG (Shipping) would take appropriate steps to review the level of security requirement.

Action- DG(S)

6. **Tier-I Pollution Control Equipment:** Ministry of Shipping may review the current status of pollution control equipment (Tier-I level) available at Major and Non-Major Ports in India at the Ministry level. Appropriate action plan to be prepared for reaching the desired level of preparedness. Coast-Guard to suggest the required software for detecting oil-spill in mid sea.

Action- MOS/State Government/SMB

7. **Fixing of IV Limits:** This issue was flagged by GMB and Government of Goa. DG (Shipping) to examine afresh all such proposals, including those relating to extension of IV limits to the Port limits. The objective should be to facilitate seamless movement of barges/vessels, so that an integrated system can come into force. It was decided that a separate review meeting would be convened at the Shipping Ministry level on the issue.

Action-DG(S)

8. **Implementation of Port Community System (PCS) by Non Major Ports:** MD, IPA to follow up with all Maritime Boards/ Maritime States for implementing PCS.

Action-IPA

9. Installation of Radioactive Metal Detectors: It was decided to install Radioactive Metal Detectors in all Non-Major Ports on following basis-

- (a) Relevant traffic; and
- (b) To be made mandatory above a particular threshold in respect of container traffic.

Ministry of Shipping will clarify the threshold levels.

Action-State Government/SMB

Decisions made on New Agendas in 14th MSDC Meeting;

- 1. Receiver of Wreck Power to be delegated to Maritime Board:** Presently the wrecks outside the port Limits, but within the territorial waters are within the jurisdiction of the Directorate General of Shipping and the District Collectors are designated as receivers of the wrecks. On the request of the Maritime States, it was decided to delegate the powers of 'receiver of wrecks' outside the Port limits, but within the territorial waters to the CEOs of the Maritime Boards.

Action- DG(S)

- 2. To continue Shipbuilding Subsidy provided by Government of India:**

The Committee was informed that comprehensive proposal for providing support to Indian shipyards has been submitted to the Committee of Secretaries. This includes a request for grant of subsidy to the ship-building sector, linked to sourcing of domestic raw materials, as well as other tax-incentive measures.

Action-MoS

3. Waiver of Income Tax liabilities imposed on the State Non-Major Ports/ Tax exemption for Port Development. The Secretary (Shipping) informed that the issue was taken up with Ministry of Finance and the same was not agreed to. Therefore, the proposal need not be pursued further. However, Ministry of Shipping will once again request M/o Finance to re-examine the proposal.

Action-MoS

4. **Ship Entry Rules:** It was decided that DG (Shipping) will constitute a committee to examine the issues raised by the State Maritime Boards. Further, it was also decided that DG (Shipping) will take appropriate steps for early processing of applications of the remaining insurance companies.

Action-DG(S)

5. **Relaxation of Cabotage Law for Gujarat Ports:** Secretary (Shipping) stated that in Vallarpadam, the relaxation of Cabotage Law is in its initial stage of implementation. Therefore, other proposals can be considered in due course after seeing the impact in ICTT, Vallarpadam.

6. **Port Regulatory Authority Bill 2011:** It was informed that the Central Government has decided not to pursue the Port Regulatory Authority Bill taking into account the concerns of the State Governments.

7. **Development of Ports in Ratnagiri and Sindhudurg Districts of Maharashtra- Environment Clearance:** The representative of Ministry of Environment and Forest, Government of India informed that Ministry has set up a new Committee to examine the issue of moratorium imposed on development of Port projects along the coast of Maharashtra. The report of the Committee is expected by the end of February, 2013. A decision will be taken thereafter.

Action- Ministry of Environment & Forest

8. **National Waterway No. 5 Project:** It was decided that IWAI should take necessary action on National Waterway No. 5 Project and as & when work will progress, IWAI will consider opening of regional offices.

Action-IWAI

9. **Setting up and operating Satellite or Dedicated Quay / Fishing Harbour facilities.** Secretary (Shipping) stated that an integrated approach should be adopted by the Department of Fisheries, Govt. of India, after due consultation with State Governments and other stakeholders. Secretary (Shipping), also impressed upon the Department of Fisheries to act as the nodal agency and formulate a scheme taking into consideration the following aspects:-

- (a) Streamlining the process of registration of fishing vessels;
- (b) Development of dedicated fishing harbours;
- (c) Developing a suitable communication system for fishing vessels.

It was decided that the Department of Fisheries, Government of India will examine the reports on Pilot studies being conducted by the Coast Guard, DGLL and West Bengal Government and thereafter, select a suitable/appropriate technology. Further, the Department of Fisheries may explore the possibility of funding the selected technology through Rashtriya Krishi Vikas Yojna, as suggested by Chairman, KoPT.

Action- D/o Animal Husbandry & Fisheries/State Government/SMB

- 10. Policy on preventive measures for avoiding Accidents of Fishing Vessels:** It was decided that the Department of Fisheries, Government of India will work out a scheme for providing compensation in the event of loss of livelihood caused by such accidents. Further, it was also decided that the responsibility for implementing the scheme is to be vested with the State Fisheries Departments.

Action- D/o Animal Husbandry & Fisheries

- 11. Prohibition of Thuraya Phone:** It was decided that in view of the ban on Thuraya Phones, DG (Shipping) will issue necessary orders, including declaration of usage/possession of Thuraya Phones on board in the pre-arrival notice (PAN).

Action- DG(S)

- 12. Providing Places of Refuge:** It was decided to identify one or two disused Ports on either of the coasts to locate places of refuge for disabled/unseaworthy vessels. The decision will result in providing safety to the lives of the crew and also prevent marine accidents and pollution.

Action-DG(S)

- 13. Management of Fishing Harbours under State Maritime Board.** The matter was discussed and it was observed that it would be better if the management of fishing harbours and all issues relating to fisherman are handled by the fisheries department as the nodal agency instead of multiple agencies.

Action-State Government

14. **Fitment of AIS on Barges and Crafts registered under Inland Vessel Act Operating within Port Limits:** It was decided that DG (Shipping) would examine all the four Applicable acts, and suggest the appropriate amendments.

Action-DG(S)

15. **List of Non Major and Disused Ports:** The Secretary (Shipping) directed that MD, IPA will collect the information of disused & non-major ports and made available to the Security agencies. This is required not only for security requirements in these locations, but also for finalising the interventions to promote coastal shipping & coastal trade.

Action-IPA

16. **Laning of Ports for Management of Traffic:** It was decided that the demarcation of lane can be done by the Port authorities and the same can be communicated to all the stake-holders. It was also decided that enforcement and penal action for violation may be undertaken by the Fisheries Department of the respective States. Simultaneously, a drive should be launched to educate the fishermen, so as to create lane discipline.

Action- State Government/SMB

17. **Alternative Communication Channel for Fishermen.**

Discussed as in Agenda No. 9.

18. **Providing Security of Single Point Mooring (SPM):** Secretary(Shipping) directed that a Committee may be constituted for resolving the issues involved at the respective Port level. The said Committee is to be headed by the Chairman of the Port Trust concerned

with representatives drawn from Indian Navy/ Coast Guard and the participating Oil Company. The said Committee will draw up a detailed security protocol for each SPM. The cost for providing security of SPM will be borne by the oil company owning the SPM.

Action- Ports/CG/IN/Oil PSUs/Pvt. Companies

19 & 20. Financial Assistance from Government of India - (Oil Cess Fund) & Discussion on Scheme for providing Central Govt Assistance to Maritime Board/States:

The Committee was informed that the Government of India is presently formulating the following comprehensive assistance schemes:-

- (a) To assist the maritime states in developing capacity to combat oil spills/oil pollution.
- (b) Providing assistance for the development of coastal berths/ports;
- (c) Providing assistance for implementation of VTMS in State owned Non Major Ports.

Action- MoS

- 21. Allotment of land for security related buildings and jetties in the new coming ports:** It was informed that at present Land policy is under formulation. It will inter-alia, address the issue of land allotment for security agencies.

Action-MoS

- 22. Model rules to be framed under Inland Vessels Act 1917:** It was decided that all Maritime States should frame rules under Inland Vessels Act 1917, which will help in the development of inland waterways.

Action- State Government

- 23. Dual Registration of River Sea Vessels (RSV):** Presently, merchant ships can have registration under Merchant Shipping Act or under Inland Vessels Act at any point of time. When the vessels move from the sea to inland waters and vice-versa they have to surrender one of the registration certificates. This is a hindrance and bottleneck in promoting Inland Water Transport. To facilitate seamless operation in Inland waters and coastal waters in a single voyage, it was decided to permit dual registry and vessels can hold both the certificates of Registry at a given time. This decision will promote movement of cargo through Inland waterways.

Action-DG(S)

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Sh. Hage Batt, Secretary(Ports), Government of Goa
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Sh. Jalaj Srivastava, Secretary(Ports),UT of A. & N. Islands, Secretariat, Port Blair-744101				
Sh. H. Rajesh Prasad, Administrator, UT of Lakshadweep, Kavaratti.				
Sh. Bhupendra S. Bhalla, Administrator, UT of Daman & Diu and UT of Dadar & Nagar Haweli				
Sh. G. C. Pati, Secretary, Ministry of Agriculture (D/o Animal Husbandry & Dairying), Krishi Bhavan, New Delhi				
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Shri Sumit Bose, Revenue Secretary Department of Revenue, North Block, New Delhi.				
Sh. G. C. Chaturvedi, Secretary, Ministry of Petroleum & Natural Gas, Shastri Bhawan, New Delhi				
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Sh. Rakesh Singh, Joint Secretary (BM), NDCC-II,New Delhi				
Sh. R. P. Singh, Chairman, NHAI, G-5&6,Sector-10, Dwarka, New Delhi				
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