



# CMEC

Centre for Maritime Economy  
and Connectivity

समुद्री अर्थव्यवस्था व संयोजन केंद्र

## Maritime Briefing

Three high-level talks were held between the Government of India and the Government of Bangladesh at Dhaka including Shipping Secretary Level Talks (SSLT), 22nd Meeting of Standing Committee (SCM) under Protocol on Inland Water Transit & Trade (PIWT&T) and 3rd Meeting of Inter-Governmental Committee (IGC) on use of Chattogram and Mongla Ports for to-and-fro movement of goods, successfully concluded in Dhaka, Bangladesh.



CMEC seeks to provide policy inputs to MoPSW as per the Maritime India Vision 2030. This includes support for the growth and diversification of India's maritime sector & developing areas of cooperation and collaboration of the Indian Ocean nations.

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## **Collaboration for Green Inland Vessels Transition in Kochi, Kerala**

In collaboration with The World Bank, Cochin Shipyard Limited (CSL), conducted a workshop in Kochi, Kerala, bringing together representatives from the State Government and other stakeholders to discuss the 'Charting a Course for Green Inland Vessels Transition.' The deliberations during the workshop represent a significant stride towards realizing the goals of achieving net-zero emissions outlined in 'MIV 2030' and 'Amritkal Vision 2047.' MoPSW is actively implementing various measures to reach the target of net-zero carbon emissions, aligning with the government's commitment to have the maritime sector play an important role in sustainable practices.

## **MSC has taken a 49% share in Adani Ennore Container Terminal**

MSC Terminal Investment Ltd, the container terminal arm of Switzerland's MSC, acquires a 49% stake in Adani Ennore Container Terminal (AECTPL) for ₹247 crore. Adani Ports & Special Economic Zone Ltd (APSEZ), India's largest private port operator, retains a 51% stake post-transaction, raising AECTPL's enterprise value to ₹1,211 crore. This move deepens the partnership between APSEZ and MSC, expanding their collaboration in the container terminal sector. AECTPL currently has an annual capacity of 0.8 million TEUs.

## **DP World in Kochi plans to improve connectivity**

The container terminal operator DP World in Kochi introduces a new weekly mainline service SIG, operated by One Line in its efforts to improve connectivity to South East and West Asia. DP World, Kochi flagged off the new service by welcoming the first vessel M.V. Safeen Prism. It covers a port rotation between Singapore – Nhava Sheva – Mundra – Dammam – Jebel Ali – Kochi – Colombo – Singapore. The new weekly service has four vessels deployed with a capacity of 2800 TEUs providing direct connectivity between West and South-East Asia.



## **India re-elected to IMO with the highest vote tally**

In the elections held at its assembly for the 2024–25 biennium, India was re-elected to the International Maritime Organisation (IMO) Council with the highest tally. India falls within the Category of 10 states with "the largest interest in international seaborne trade," alongside Australia, Brazil, Canada, France, Germany, the Netherlands, Spain, Sweden, and the United Arab Emirates (UAE). Union Minister MoPSW, Shri Sarbananda Sonowal, expressed gratitude for the international community's support of the International Maritime Organisation, attributing the success to the concerted efforts made under the leadership of Honourable Prime Minister Narendra Modi.

## **Hijacked vessel headed for Somalia tracked by Indian Navy**

The Indian Navy is tracking a merchant vessel seized by unidentified attackers in the Arabian Sea, currently en route to the Somali coast. The Indian Navy was the first to locate and intercept the Maltese-flagged MV Ruen carrying 18 sailors. Officials said that a P-8I maritime patrol aircraft and a frontline warship are closely monitoring its trajectory. Additionally, the European Union Naval Force (EUNAVFOR) Operation Atalanta, responsible for maritime security in the western Indian Ocean, is actively working towards anti-piracy measures.

## **New military effort by US Navy Force to protect oil in Red Sea**

US Defense Secretary Lloyd Austin announces Operation Prosperity Guardian, a coalition effort to secure Red Sea, North Arabian Sea, and western Indian Ocean from Iranian-sponsored Houthi attacks on shipping. Led by US Navy's Task Force 153, nations including Bahrain, Seychelles, Canada, France, Italy, Netherlands, Norway, Spain, and the UK join to safeguard global trade routes.

## **Wilhelmsen Ship Management investment plans in India**

Wilhelmsen Ship Management (WSM), a leading third-party ship manager overseeing a portfolio of over 450 vessels and 11,000 active seafarers, has revealed plans to enhance its Indian operations. This involves the introduction of two new functions and an increase in the recruitment of cadets from India, along with additional employees for its India office. Currently, Wilhelmsen employs approximately 3,000 Indian seafarers, accounting for nearly 30% of its global seafarers' pool. The company also has 120 shore-based employees in India. Anticipated growth by the end of the next year is expected to raise these numbers by 10% and 25%, respectively.

## **Role of ship financiers in fostering sustainability in the maritime sector**

A new research paper published in Journal of Environmental Innovation and Societal Transitions by researchers from the UCL Energy Institute explores the role ship financiers can play in shipping's transition to zero emission fuels. Using a novel theoretical framework which categorises financiers into five enabling or disabling categories, it finds that most expressed an ambition to support incumbent shipowners (as Loyal Enablers) in the transition, but this is mainly due to the importance of their existing corporate relationships. With this financing approach, they place the responsibility of the energy transition with the shipowner.



## **Plans for net zero at the largest industry gathering in COP28 held in Dubai**

Following an active day of discussions at the Shaping the Future of Shipping Summit, a plan was established to implement the IMO's net zero strategy. The collaborative effort of more than 60 organizations aimed to discuss practical solutions for achieving ambitious net zero targets by or around 2050. Over 300 leaders, representing over 30 nationalities worldwide, from the entire energy-maritime value chain, came together to collaborate on delivering a robust regulatory outcome during the IMO negotiations in March 2024 at MEPC81. The summit, building upon COP28 discussions, sought ambitious solutions to advance infrastructure, fuel availability, and financing.

## **India affirms its position as second-largest coal importer**

In 2023, India has affirmed its position as the second-largest coal importer. From January to November 2023, global seaborne coal loadings surged by +5.8% year-on-year, reaching 1,224.5 million tons (excluding cabotage), as indicated by vessel tracking data from AXS Marine. This figure surpassed the 1,157.1 million tons loaded in the same period of 2022, the 1,154.9 million tons in 2021, and the 1,082.1 million tons in 2020. According to the most recent weekly report from shipbroker Banchero Costa, the global coal trade has regained momentum in recent months and is now fully restored to pre-COVID levels.



## **Advancing Bilateral Maritime Cooperation: India-Bangladesh Shipping Secretary Level Talks**

In a significant diplomatic milestone, the recent Shipping Secretary Level Talks (SSLT) between the governments of India and Bangladesh held in Dhaka concluded with ground-breaking decisions that are set to enhance trade, connectivity, and cooperation in the maritime domain between the two neighbouring nations.

Led by Shri T.K. Ramachandran IAS, Secretary, Ministry of Ports, Shipping & Waterways, from the Indian side, and Mr. Md. Mostafa Kamal, Senior Secretary of the Ministry of Shipping from Bangladesh, the high-level talks covered a spectrum of issues crucial for fostering a robust partnership. The meetings included the 22nd Standing Committee (SCM) under the Protocol on Inland Water Transit & Trade (PIWT&T) and the 3rd Meeting of the Inter-Governmental Committee (IGC) on the use of Chattogram and Mongla Ports for to-and-fro movement of goods.

One of the key outcomes of the talks was the decision to ease visa issuance, provide shore-leave facilities, and ensure repatriation for seafarers, addressing essential concerns in the maritime sector. Additionally, the land route at LCS Radhikapur (Biorol) and Hodibari (Chilahati) was declared to extend trade and connectivity, emphasizing the strategic importance of these routes.

The Indian side proposed the inclusion of Dhamra Port as a Port of Call under the Coastal Shipping Agreement, underlining the collaborative efforts to broaden the network of ports facilitating bilateral trade. Bangladesh reciprocated by agreeing to use the Pangaon container terminal for transshipment of containers until the Ashuganj Inland Container Terminal becomes fully operational, showcasing the adaptability and flexibility in addressing logistical challenges.

Noteworthy decisions included Bangladesh's commitment to extend the Indo-Bangladesh Protocol (IBP) route, declaring Safardighi as a new port of call under PIWT&T, and forming a technical team to study the inclusion of the Chandpur-Chittagong stretch as an IBP route. The discussions underscored the determination of both countries to enhance the efficiency and reach of maritime trade.

# Commentary

The SCM under PIWT&T resulted in the formation of a joint committee to implement a Common Automatic Identification System (AIS) on the IBP route, a significant step toward improving vessel navigation and tracking for better safety and efficiency. The Mongla-Jamtola stretch for passenger and cruise vessels to visit the Sundarbans area in Bangladesh further reflects the commitment to sustainable and responsible maritime practices.

In the Inter-Governmental Committee meeting, both sides agreed to examine the inclusion of Payra seaport in the ACMP for the movement of goods, demonstrating a forward-looking approach to expanding the network of ports. Discussions also covered issues related to faster berthing of vessels/barges using ACMP trade routes, emphasizing the need for streamlined processes.

India's collaboration with Bangladesh to develop segments of the IBP(India-Bangladesh Protocol) route is a significant investment in enhancing navigability in critical and shallow stretches. This includes the enhancement of navigability in critical and shallow stretches between Sirajganj and Daikhowa on protocol routes no 1 & 2 and between Ashuganj and Zakiganj on protocol routes no 3 & 4. The objective is to ensure year-round navigability with a Least Available Depth of 2.5 meters. Concurrently, fairway development activities are being undertaken on NW-97 in the Sunderbans (a 172 km route from Namkhana to AtharaBankiKhal in West Bengal) to facilitate seamless vessel navigation on the Indo-Bangladesh protocol route. The expansion of the PIWT&T to include seven additional Ports of Call on each side and two extra waterway routes reflects the commitment to continually enhance the accessibility of Inland Water Transport (IWT) for India-Bangladesh trade. This expansion is expected to further boost traffic on these waterways, fostering economic growth and regional connectivity.

India's substantial financial commitment to developing waterways along the Indo-Bangladesh protocol route, including dredging and route development, is estimated at ₹305 crore. The cost-sharing arrangement of 80:20, with India contributing 80%, highlights the collaborative nature of the efforts.

The trade volume between India and Bangladesh via the IBP route has witnessed remarkable growth, reaching approximately 35.59 million metric tons from FY14 to FY24 (until October 2023). Starting at 1.89 million metric tons in FY14, the trade volume surged to 5.20 million metric tons in FY23, and up to October of the current year, it has already reached 2.83 million metric tons.

In conclusion, the Shipping Secretary Level Talks between India and Bangladesh have set the stage for a new era of collaboration in maritime affairs. The decisions taken during these talks not only address immediate concerns but also lay the foundation for sustained growth, cooperation, and connectivity between the two nations in the maritime domain. As both countries continue to invest in infrastructure and streamline processes, the Indo-Bangladesh maritime partnership is poised to reach new heights, benefiting the economies and people of both nations.