

**DRAFT POLICY FOR SETTING UP OF TRANSLOADING FACILITIES FOR
HANDLING DRY BULK CARGO AT HALDIA DOCK COMPLEX**

Kolkata Port Trust with a view to handle dry bulk cargo at deep drafted locations in the open sea capable of accommodating even Capesize vessels using Transloading arrangements and transportation of cargo between HDC and the Transloader by daughter vessels have formulated Transloading Policy for information and comments of all stakeholders concerned.

All stakeholders concerned are requested to send their comments on the Transloading Policy attached herewith to Manager (Administration), Haldia Dock Complex at the following address within 30th October, 2013 to enable us to improve/modify the policy and implement the same for providing efficient and cost effective logistics solutions to the all the trade.

Address for communication

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Manager (Administration)

Haldia Dock Complex

Kolkata Port Trust

DRAFT POLICY FOR SETTING UP OF TRANSLOADING FACILITIES FOR HANDLING DRY BULK CARGO AT HALDIA DOCK COMPLEX

Background -

Haldia Dock Complex (HDC), Kolkata Port Trust (KoPT) has a vast economic hinterland comprising major Steel Plants of SAIL and TATA Steel, Power Plants of NTPC, CESC, WBPDC, high grade Iron Ore & Coal mines, local Sugar, Coke & Fertilizer manufacturing industries etc. and has tremendous potential to handle substantial volume of dry bulk cargo consisting of Coking Coal, Non coking Coal, Coke, Lime Stone, Fertilizer Raw Materials, Raw Sugar, Iron Ore etc.

- ii) In view of the capacity augmentation plans of the existing industries as well as setting up of new industries including steel plants, power plants etc. in the hinterland of HDC, it has been projected that HDC has potential to handle close to 90 million tons of cargo by 2019-20 subject to availability of adequate draft, capacity etc.
- iii) Keeping with the above cargo potential, KoPT has initiated action for upgrading its cargo handling capacity at the existing location of Haldia Dock Complex by way of constructing riverine Jetties both for handling Ships and Barges. This apart the Concessioning Authority has also initiated action for setting up of a new Greenfield Dock System (Haldia Dock II) at deep drafted locations upstream of Haldia for handling vessels at a draft of about 9mtrs. On implementation of all the projects, the Concessioning Authority will be able to add additional capacity of more than 20 million tonnes of cargo.
- iv) In order to ensure materialization of the projected cargo at HDC while obviating the draft constraints for handling fully laden Mother Vessels. KoPT has decided to create transloading facilities at deep drafted location where round the year transloading operations are possible. The transloading operations envisaged by KoPT would comprise deployment of suitable Transloader together with adequate daughter vessels / barges. The fully laden mother vessels carrying import cargo would directly call at the Transloader and unload cargo into the Transloader. The cargo from the Transloader will be brought to Haldia by daughter vessels. The dry bulk cargo being imported at HDC viz. coking coal, non-coking coal, Lime Stone, Raw Sugar etc. can be handled in this mode. The reverse operation will be done in case of export cargo like iron ore, thermal coal (coastal shipment) etc.
- v) The transloading arrangement so envisaged by KoPT should would benefit the trade in increasing their cargo throughput at HDC at a reduced overall logistic cost because of the following advantages :-
 - a) To import/ export cargo by fully laden Panamax/ Capesize vessels and unload / load them from /to a single point viz the Transloader.
 - b) Low turn round time of the mother vessels by way of obviating existing system of two port handling mode.

- c) Low railway freight as well as better availability of rakes at Haldia for the Industries.

2. Transloading Facilities –

a) Transloading Facilities comprises a suitable vessel of about 75000 DWT (capable of both loading and unloading of cargo simultaneously) along with daughter vessels with tugs, fenders and other required infrastructure for the purpose of carrying out the following operations:-

i) For Import Cargo:

- * Unloading of cargo into the Transloader from the fully laden mother vessels carrying import cargo calling directly at the Transloader.
- * Loading of cargo from the Transloader into the daughter vessels and navigation of the daughter vessels so loaded upto HDC.

NOTE: In some cases, the mother vessels (Panamax / Handimax type) may also come to Haldia after partial unloading of cargo at the Transloader.

ii) For Export Cargo:

- * The reverse operation will be done in case of export dry bulk cargo.

The Transloader proposed to be deployed may preferably be able to transfer preferably @ 20000 tons of cargo per day between the Mother Vessel and the Transloader and preferably @ 15000 tonnes of cargo per day between the Transloader and the Daughter Vessels during transloading operations.

The daughter vessels shall be preferably of 20000 DWT so that the transloaded cargo is brought to HDC in minimum number of vessel trips to address the limitation of lock till such time riverine jetties are put in place at HDC to handle dry bulk cargo. This specification of daughter vessels will be reviewed once riverine jetties are set up at HDC to handle dry bulk cargo.

3. Location of Transloading-

The facilities for round the year transloading operations are to be set up within the existing limits of Kolkata Port Trust notified by the Central Govt. and if required, also within a radius of two nautical miles around the point designated by Lat 21° 08'12" N Long 087° 14' 00" E notified under the limits of Paradip Port Trust.

The service provider(s) will identify the location(s) within the above mentioned limits where he intends to undertake transloading operations. The transloading operations may be undertaken at different locations at different point of time. The locations so identified shall have to be intimated to KoPT by the service provider (s).

4. Timeframe for creation of Transloading Facilities –

Within 3 months from the date of according permission for creation of Transloading Facilities by KoPT.

5. Eligible applicant –

Any entity that has experience of undertaking midstream cargo transfer operations between vessels with the help of Transloader/ Transhipper/ Floating Cranes may only apply.

6. Identification / Selection of Service Provider(s)–

The eligible applicant quoting the lowest tariff for undertaking the Transloading operations including transportation of cargo by daughter vessels to and from HDC will be given the permission for setting up facilities and undertaking Transloading operations under the terms and conditions to be stipulated by KoPT.

If so considered by KoPT, the second lowest bidder may also be given similar permission provided he agrees to work at the rates proposed by the lowest bidder.

7. Period of permission –

The service provider(s) so selected KoPT may be permitted to undertake Transloading operations for a period of 3 years from the date of granting permission. During this period, the service provider(s) will have to undertake transloading operations at the rates quoted by them and accepted by KoPT.

8. Other conditions –

- a) It will be the responsibility of the service provider(s) to ensure adequate cargo for them by their own marketing initiatives.
- b) The Transloader, the daughter vessels shall have all required certificates issued by the competent authority.
- c) The service provider(s) so permitted by KoPT shall only do transloading operations of cargo to be delivered / originated to / from KoPT and any other port/ location mentioned by KoPT. In the event KoPT permits transloading operations in respect of cargo destined / originating to/ from other ports / places, the same will be as per terms and conditions and on payment of such charges as will be prescribed by KoPT on case to case basis.
- d) The terms and conditions of transloading will be prescribed by KoPT which the service provider(s) shall have to abide by. Besides, the service provider(s) shall also abide by all statutory provisions relating to environment, maritime laws etc.

- e) (i) In order to make the transloading operations viable and attractive in the face of requirement of substantial investment, KoPT may like to grant concession / not charging for the present any tariff on the service provider(s) for undertaking transloading operations at the identified locations within KoPT's limit. However, for undertaking transloading operations within the limits of Paradip Port Trust, the charges as may be decided by Paradip Port Trust will have to be paid by the service provider(s).
- (ii) KoPT will realize marine related charges viz. Pilotage charge, port dues etc. for the daughter vessels as per its SoR. However, KoPT may also consider for the present granting concessions in such marine related charges to make the project viable and competitive.
- f) The service provider(s) shall have transparent Scale of Rates (as quoted by them and approved by KoPT) for realization of charges from the vessels / cargo interest. The service provider(s) shall charge tariff as will be mentioned by him in his application to the port and duly approved by KoPT. The tariff shall remain unaltered for 3 years from the date of permission. Conditionalities shall also be approved by KoPT from time to time.
- g) If required under the law, TAMP may be approached for approval of the tariff to be charged by the service provider(s) including the conditionalities. Till such time this is done, the service providers may continue to charge tariff as per (f) above.
- h) KoPT may consider granting appropriate priorities to the daughter vessels /moving between Transloader and Haldia Dock to ensure lowest turn round time of the daughter vessels / barges which in turn would ensure low / minimum incident of waiting of mother vessels at the transloading point(s) as also increase transloading capacity.
- i) KoPT may also consider to grant appropriate priorities to the Mother vessels that will visit after partial discharge at the Transloader.
- j) KoPT may also consider granting concession in cargo related charges to importers/exporters based on volume of cargo handled through Transloading arrangements to attract the importers/ exporters to use the Transloading facilities..
- k) The Service Provider(s) may enter into long term contract with any user to increase utilization of the Transloading capacity and throughput of cargo at HDC. Such users may be given priority in cargo transfer to and from the Mother vessels and allocation of the daughter vessels. Apart from this, the

service provider(s) shall ensure management and operation of the transloading facilities and services on a common user basis and refrain from indulging in any unfair or discriminatory practices against any user or potential user thereof..

- l) The service provider(s) shall have to take prior permission of KoPT for removing / replacing / altering any of the facilities so arranged.
- m) The above guidelines may be reviewed after riverine facilities are set up for handling dry bulk cargo.