

Centre in talks with states on shipbuilding clusters

Ministry launches maritime arbitration centre, policy think-tank

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Amid policy movements on India's lofty shipbuilding targets, the ports, shipping, and waterways ministry on Friday deliberated with coastal states on the possibility of establishing shipbuilding and ship repair clusters to promote the domestic supply chain.

This initiative aims to consolidate shipbuilding capabilities across regions, fostering greater efficiency and innovation, the ministry said in a statement after the conclusion of 20th Maritime State Development Council (MSDC) meet in Goa.

"By integrating resources and expertise from various states, the park is set to become a key hub for the maritime sector, driving growth and reinforcing India's position on the global shipbuilding stage," the ministry said.

According to officials present at the deliberations, the discussions with states are in a nascent stage, but all coastal states have shown keen interest in allocating resources to maritime development, including sizable shipbuilding commitments, citing the example of Andhra Pradesh, which has promised land parcels of around 20,000 acres for maritime development.

"States are also awaiting developments from the Union front on getting a major global shipyard to invest in the country. This will be a challenge, but once it is achieved, several states and investors are likely to follow suit and things will move much faster," an official said.

The Centre is already working on a national shipbuilding policy — a Cabinet note for which is currently under preparation — and is also working on a ₹30,000



► Over 100 key issues resolved across various states at 20th MSDC

► Mega shipbuilding park plans across the states discussed

► Launch of IIMDRC – a dedicated arm of the IIAC for resolution of maritime disputes

► Introduction of state and port ranking systems to drive performance and competition

► Radioactive detection equipment to be installed at ports for enhanced security

crore maritime development fund.

According to documents seen by this paper, at the Council, the Union sought states' support by means of facilitating pre-feasibility studies and identifying suitable locations for shipbuilding and repair clusters, allocation of 2,500-3,000

acres of land for such clusters with 1-2 kilometres of open waterfront, land commitments by way of equity investments or nominal lease rates, capital support for creation of shipyards, single-window approval systems, subsidies on utilities and stamp duty, and a 2-5 per cent subsidy on goods and services procured from MSMEs, among others.

Moreover, there were also major developments at the apex nationwide Council meeting on maritime affairs, such as the setting up of an Indian arbitration centre dedicated to maritime disputes, and launch of Indian Maritime Centre (IMC), a policy think tank designed to bring together maritime stakeholders currently operating in silos.

The Indian International Maritime Dispute Resolution Centre (IIMDRC), a specialised platform, will offer merit-based and industry-governed solutions to resolve maritime disputes efficiently, addressing the multi-modal, multi-contract, multi-jurisdictional, and multinational nature of maritime transactions. IIMDRC positions India as a global hub for arbitration, aligning with the "Resolve in India" initiative, the shipping ministry said.

The IIMDRC will be set up as a branch of the India International Arbitration Centre (IIAC), and will be based in Mumbai.

One of the objectives of the centre will be "Promoting India as a globally sought-after destination to capture a share of the international maritime mediation, conciliation and arbitration," according to the memorandum of understanding (MoU) document signed between IIAC and the shipping ministry.

The meeting saw the resolution of close to 80 critical issues involving state governments, the ministry said.