

French shipping firm CMA CGM mulls ops in India's waterways

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CMA CGM, the world's third-largest shipping company, is exploring possibilities of operations in India's inland waterways along with plans to expand its logistics presence, according to a senior global executive of the company.

The \$55-billion French conglomerate, which also undertakes river barge operations in various parts of the world in addition to its ocean network, sees an opportunity in developing inland waterways in India. It is exploring an offer for its customers in India, said Ludovic Renou, senior vice-president, commercial agencies network, CMA CGM, in an interaction with *Business Standard*.

Renou, representing the French carrier, met Prime Minister Narendra Modi at the Global Maritime Leaders Forum last month in Mumbai during the India Maritime Week.

"During the India Maritime Week, the matter of inland waterways was brought up by Modi and (Ports, Shipping and Waterways) Minister Sarbananda Sonowal. There is a focus in India to develop this. And at CMA CGM, we are looking at it, and trying to find ways to develop Indian waterways," he said, adding that the idea was only at the stage of consideration now.

Earlier this year, the Marseille-headquartered carrier became the first global shipping company to tie up with an Indian shipyard for a major container vessel order after it announced a letter of intent with state-owned Cochin Shipyard to develop six dual-fuel LNG vessels, which can carry 1,700 twenty-foot equivalent

units (TEUs) each.

The company will be among the global players serious about developing a terminal at the upcoming ₹76,200 crore Vadhavan Port in Maharashtra, he said. Vadhavan is expected to be among the top 10 global ports. "Vadhavan Port could represent a catalyst for growth. The day India delivers Vadhavan, the country will enter the premier league of global shipping," he said. The company operates terminals at Nhava Sheva (Maharashtra) and Mundra Port (Gujarat), and sees the upcoming project as a catalyst for its business. "It would be an opportunity to provide our customers more options. We are committed to this project (Vadhavan)," said Renou.

The company began developing a "strategic road map" for India after Modi, along with French President Emmanuel Macron, in February visited CMA CGM's headquarters and met the company's leadership.

"We agreed on a few ideas that could be powerful for India and CMA CGM. And this alignment of visions enabled us to design a strategic road map for India, around which we agreed, at that time, to use the talent of India, the Indian flag and, if possible, shipbuilding in India," said Renou. The firm is close to employing 1,000 cadets within nine months. They will be trained to operate on ships in India and overseas. "We will trigger a second batch of additional 500 cadets next year."

He also said India could increase its maritime heft in ship registration by leveraging Gujarat International Finance Tec-City (GIFT City). "The power of GIFT City should not be limited to flagging a ship. It should be expanded to become a shipping hub of the world, leveraging access to capital and international carriers. The question was,

could we make India a big shipping nation, where international carriers register a fleet without necessarily having the need to flag a ship in India? Many countries in the world are doing that. India too could be doing it," he said.

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Ludovic Renou,
Senior V-P, Commercial Agencies
Network, CMA CGM

