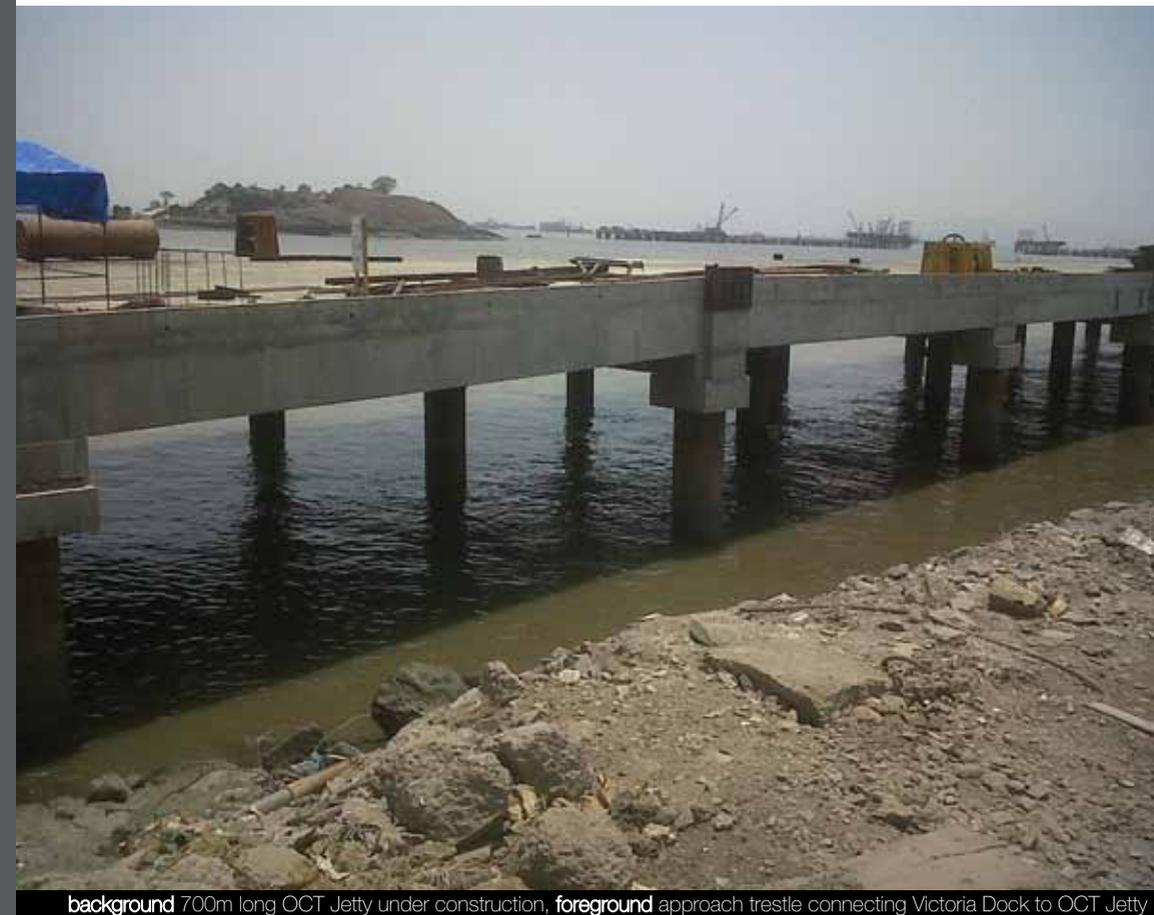


Extract from the draft - A Container Terminal for Mumbai Port in The 21st Century. A Flawed Project

24 July 09

Mumbai Docklands Regeneration Forum Note on Reasons for Requesting a Halt to the Proposed Offshore Container Terminal ("OCT") at Mumbai Port.



background 700m long OCT Jetty under construction, **foreground** approach trestle connecting Victoria Dock to OCT Jetty

location

01. A new container terminal for the 21st century should not be sited adjacent to a congested city centre like Mumbai, especially given that the city's container traffic needs are already met by JNPT which is only 10 miles from Mumbai.

02. The evacuation of containers is achieved economically by rail, sea, and road from JNPT, whereas the evacuation of containers from Mumbai port will increase the traffic congestion in Mumbai to intolerable and environmentally unacceptable levels (up to about 11,700 daily truck movements through the city and suburbs).

dredging

03. The natural depth of the seabed at the site chosen by MbPT is -5.3m chart datum. This cannot be deepened economically to -13.5m in the channel, and to -16.0m in the berths. Even if the dredging in silt, clay and rock is successfully accomplished, the rates of re-siltation will be extremely high due to the mud banks at Sewri only one mile away, and due to the strong currents and high turbidity in the tidal stream. The re-siltation is a major consideration and a very significant risk, yet the details of any study have not been made public by MbPT.

04. Over the years MbPT has been unable to maintain the design depth of 10.9 m in the port's main channel, even though the surrounding waters are at 8m to 9m depth. It is therefore highly unlikely that MbPT can create and maintain the OCT berths at -15m in an area where the natural depth is -5.3m. A contractual undertaking by MbPT to a private operator as per the BOOT Agreement, to maintain -15m at the berths will lead to enormous demurrage claims from the terminal operator. A case study by the Planning Commission of poor safeguards and regulation in the Concession Agreements highlights the risks to ports of manipulation by Private operators.

05. Repeated calls for bids from 13 major dredging co.s failed. After several tender postponements, three tender bids were received of which two were unresponsive/non-compliant tenders. The single surviving tender bid was well over budget. The Contract was placed by obtaining a waiver during the pendency of the model code of conduct of the Elections 2009. There are several clauses in the dredging contract which will almost certainly lead to disputes to the financial detriment of the MbPT.

container stacking area & filling-up of the docks

06. There is no land available to stack the containers landed from the OCT. Therefore MbPT intends to fill up the Prince's & Victoria Docks to provide a land area of about 55 hectares (about 135 acres). Filling up docks which are being used by the coastal fleet is a diabolical idea. Users include offshore supply vessels, Coast Guard vessels, ocean going tugs, and anchor handling vessels, including ships belonging to ONGC, SCI, Great Offshore, and 5 other leading shipping companies.

07. Filling up of P & V Docks requires 2.5 million cu m of sand. MbPT intends to obtain this sand from a shoal off Mandwa. This shoal area is protecting Mandwa jetty and the removal of the shoal may well make Mandwa Jetty unsafe for public use. It will also cause siltation in Dharamtar creek a busy waterway for import of iron ore to a steel plant and coal for thermal power plants.

08. Furthermore, this sand-winning area is perilously close to the ONGC's undersea pipe line which brings the entire output of gas and oil ashore from the Bombay High field. Incredibly, the surveying agency has already drilled 6 trial bore holes inside the prohibited hazard zone, a zone which has been shown on all charts issued since 1968 by the Chief Hydrographer to the Government of India. This cognizable offence has occurred inside Mumbai port, yet the MbPT appears to have taken no action against those responsible.

09. Filling up of Prince's and Victoria Docks will also result in permanent closure of the Merewether Dry Dock, the only commercial dry-dock in Maharashtra for repairs and mandatory inspections on ships of upto 150m. 140 vessels of the Indian coastal fleet depend on the Merewether Dry Dock for periodic mandatory underwater hull maintenance.

greening of the docks

10. Provision of recreation spaces for Mumbai city was a precondition in the clearance given in 1980 by the Prime Minister to MbPT for setting up JNPT. It was also a precondition in the Environmental Clearance by the MOEF in 1988. OM J-11013/21/88-IA dated 16 Sep 1988 of the Ministry of Shipping includes a visionary directive from Prime Minister Indira Gandhi which stated
 “.as a measure of decongestion of Bombay Port, the traffic in Bombay Port must be gradually reduced to...6.5 million tones....”

“.. the MOST and MbPT must take action to gradually make the land of Bombay Port, which is not required for operational purposes of the port, available for greening and recreation”

Between 1988 and 2008, the MbPT has blatantly defied the Prime Minister's edict, and has blatantly defied the conditions of the legally binding Environmental Clearance.

the alternative

11. The Prince's & Victoria Docks are heritage structures built in 1888, and they deserve to be preserved in their own right without having to lean on economic, technical or social compulsions. The Alternative to the OCT is for Mumbai Port to regenerate the Prince's & Victoria Docks as follows:

- Marinas.
- Parks, waterfront promenades, and other 'green' areas.
- Passenger ferry terminal.
- A centre for the performing-arts.
- Tourist facilities

conclusion

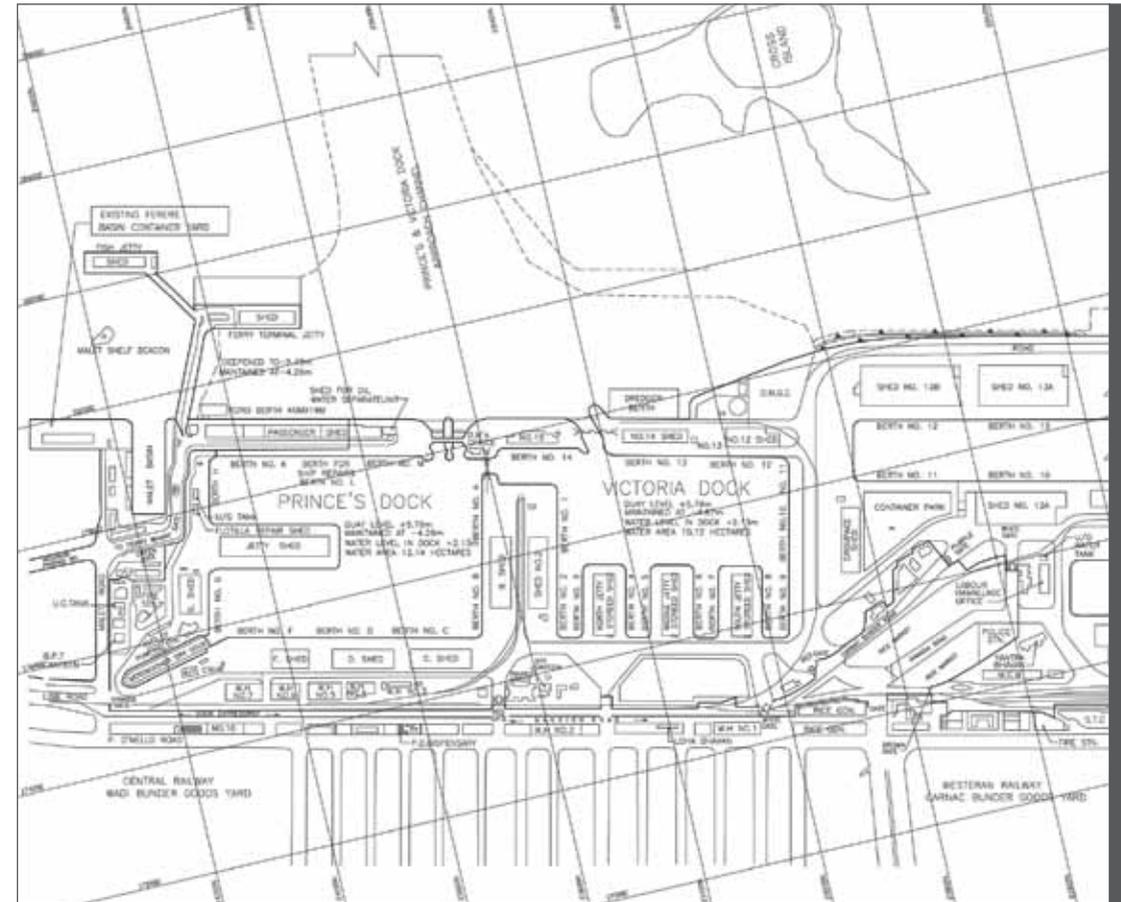
12. MbPT should indeed thrive and thrive gloriously for another few centuries, but it will not do so by pursuing the outdated and environmentally outrageous OCT project.

13. The MbPT should have no regrets about canceling the OCT project. The cost of cancellation will be far less than the penal depletion of its resources due to a flawed OCT project.

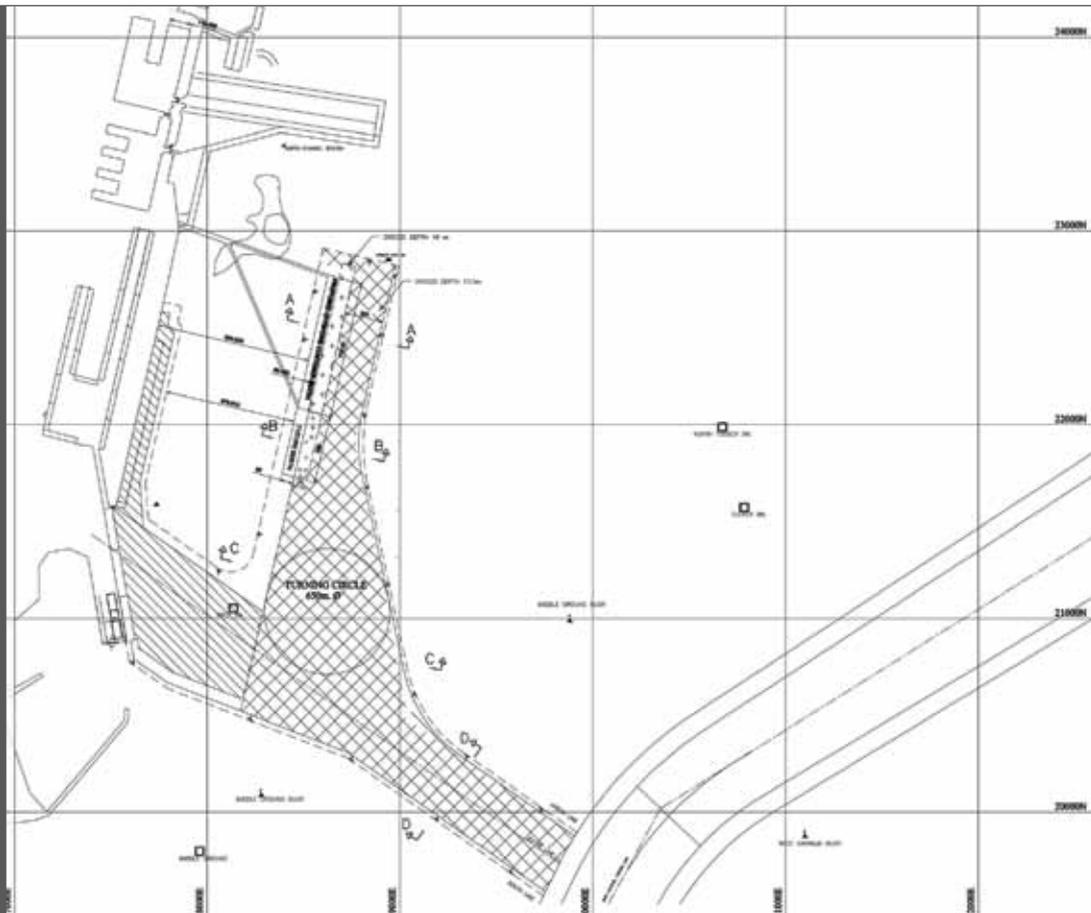
14. On the other hand the direct and indirect income flowing from the socially and environmentally appropriate tourism and leisure activities in a bustling metropolis will be worth far more to the MbPT and to the city than a container terminal which will be a drain on its resources in terms of both capital expenditure and ongoing operating expenses.

15. During her recent visit to Mumbai to inaugurate the Sea Link project, Mrs Sonia Gandhi promised to make Mumbai “the financial capital of India”. For Mumbai to become a financial capital it needs to improve its environment by more 'greening', and not by building a container terminal.

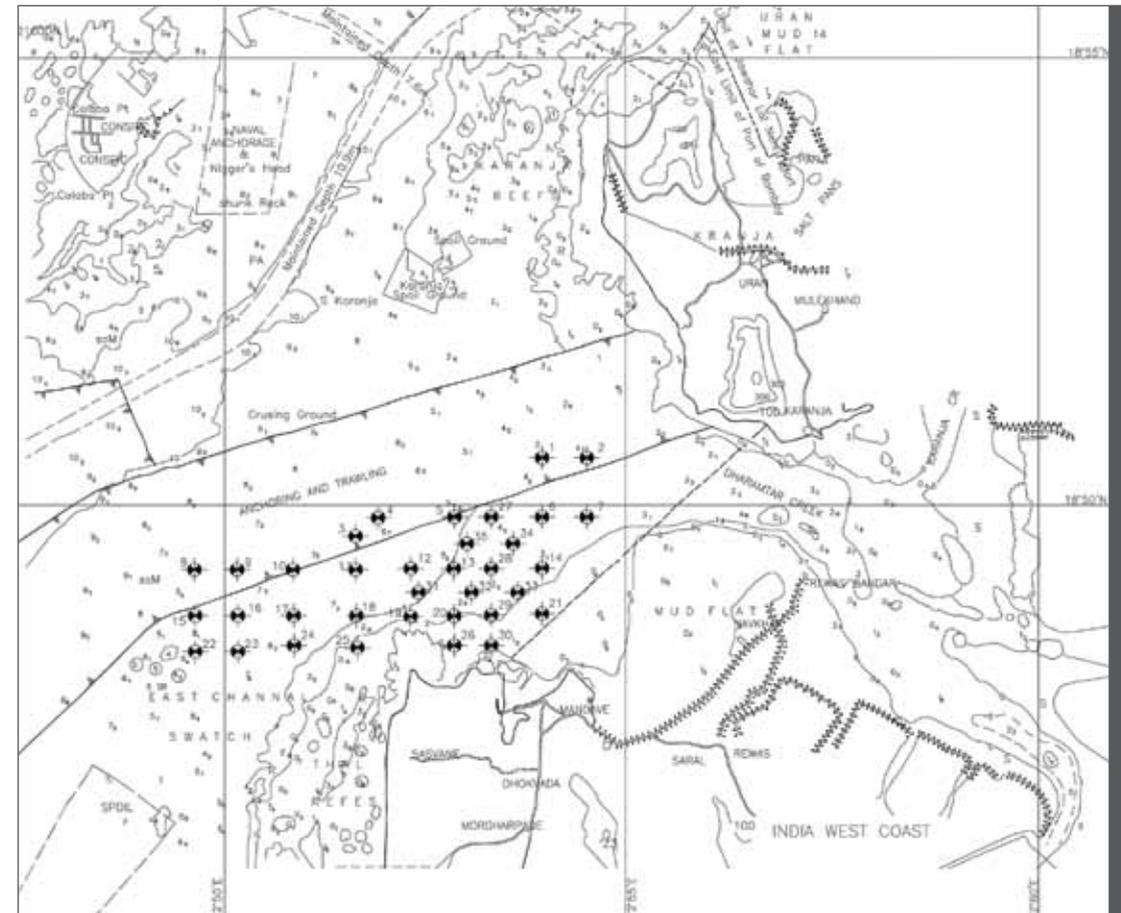
16. For all the above reasons the OCT project should be halted.”



Existing Layout of The Princes & Victoria Dock Basin (PMC services for Offshore Container Terminal At Mumbai Port)
 source: Mumbai Port Trust



Revised Dredging Layout Plan (PMC services for Offshore Container Terminal At Mumbai Port)
 source: Mumbai Port Trust



Location of Boreholes near The Dharamtar / Karanja Creek (PMC services for Offshore Container Terminal At Mumbai Port)
 source: Mumbai Port Trust

compiled by **Vice Admiral IC Rao PVSM, AVSM (Retd)**
 Member Mumbai Docklands Regeneration Forum

14 May 2011

"To
The Hon'ble Minister of Home Affairs
Government of India
New Delhi

Grave Concerns due to landing of Shipping Containers
At New Container Terminal under Construction at Mumbai Port

Dear Mr Chidambaram,

Kindly refer to my enclosed letter of 22 Jan 2011

There is a credible probability that terrorists will target Mumbai in retaliation to the recent actions by the U.S.A. This can take the form of introducing Weapons of Mass Destruction in Containers despatched from a foreign country being landed into a terminal in Mumbai port.

I once again urge the Department of Border Management to consider this risk and halt the construction of the Container Terminal inside Mumbai Port adjacent to a population of 2 million people in the immediate vicinity, and near iconic high value targets.

With our best regards
Yours sincerely

IC Rao
Member, Mumbai Docklands Regeneration Forum"

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22 Jan 2011

The Hon'ble Minister of Home Affairs,
Government of India,
New Delhi

**Grave Concerns due to landing of Shipping Containers
at Proposed New Container Terminal at Mumbai Port**

Dear Mr Chidambaram,

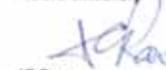
It is well recognized that Containers shipped from overseas can contain clandestine Weapons of Mass Destruction. The Containers cannot be inspected on board ships before they are landed into the receiving Port Terminals. To counter this risk, the U.S.A. exercises the right to inspect Containers **before** they are placed on board at the Exporting Port, any where in the world. India does not have the wherewithal to impose such a regime, world wide.

When the Containers are off-loaded at our receiving terminals in remote locations like Mundra, Dahej, JNPT, Vallerpadam, Paradip and Haldia, the risk is lower. However, Container Receiving Terminals should not be located in Metro Cities like Mumbai and Chennai. The Mumbai Dockland Regeneration Forum has opposed the construction of a **new** Container Terminal inside the heart of Mumbai city, 1.3km from the Chatrapati Shivaji Railway Terminus, 2km from the Reserve Bank of India, 2.5km from the Bombay Stock Exchange, 3km from the Naval Dockyard, 3.2km from the iconic Gateway of India, and immediately adjacent to the homes of at least 2 million citizens in Central Mumbai.

We therefore request that the Department of Border Management, Ministry of Home Affairs stops the establishment of this new Container Terminal at Mumbai Port, on grounds of unacceptable security risk, though this project has CCEA approval. Construction of a jetty has commenced, sanctioned by the Ministry of Shipping, but this jetty can be re-appropriated easily for alternative uses e.g. as a passenger ferry terminal to ease the endemic traffic congestion in Mumbai.

There are many reasons for not establishing a new Container Terminal in Mumbai port, but the risk of clandestine entry of weapons of mass destruction into the heart of the city should be of over-riding concern to the Government. We therefore urge your personal intervention in the matter.

With our best regards
Yours sincerely



IC Rao
Member, Mumbai Docklands Regeneration Forum