Sagarmala Project
State-Level Meeting
## Meeting Schedule

<table>
<thead>
<tr>
<th>Session</th>
<th>Session Description</th>
<th>Duration (Minutes)</th>
<th>Session Speaker</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inaugural Session</strong></td>
<td>Welcome Note</td>
<td>5</td>
<td>State Representative</td>
</tr>
<tr>
<td></td>
<td>Opening Address</td>
<td>10</td>
<td>Secretary – Shipping / AS-Shipping</td>
</tr>
<tr>
<td></td>
<td>Sagarmala Project Overview, Vision &amp; Benefits to the State</td>
<td>30</td>
<td>AS-Shipping / JS-Sagarmala</td>
</tr>
<tr>
<td></td>
<td>Open House Discussion on the Vision of Sagarmala</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td><strong>Tea Break</strong></td>
<td></td>
<td>15</td>
<td></td>
</tr>
<tr>
<td><strong>Stakeholder’s Session</strong></td>
<td>Presentation of the Maritime Board – Vision, Initiative and Future Plan</td>
<td>20</td>
<td>Maritime Board CEO</td>
</tr>
<tr>
<td></td>
<td>Presentation of Major Port</td>
<td>10</td>
<td>Port Chairman</td>
</tr>
<tr>
<td></td>
<td>Presentation of Minor Port</td>
<td>10</td>
<td>Port CEO</td>
</tr>
<tr>
<td></td>
<td>Open House Discussion</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td><strong>Break</strong></td>
<td></td>
<td>10</td>
<td></td>
</tr>
<tr>
<td><strong>Project Identification for</strong></td>
<td>Introduction of Project Archetypes, Examples &amp; Illustrative Projects in Sagarmala</td>
<td>15</td>
<td>McKinsey + AECOM</td>
</tr>
<tr>
<td><strong>Sagarmala</strong></td>
<td>Working Group Session for Project Identification (Working groups for Port Augmentation Projects, Connectivity Projects, Port-Led Development Projects)</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Presentation by each Working Group (10 minutes per group)</td>
<td>30</td>
<td>Working Group Member</td>
</tr>
<tr>
<td><strong>National Perspective Plan</strong></td>
<td>Work Plan</td>
<td>10</td>
<td>McKinsey + AECOM</td>
</tr>
<tr>
<td></td>
<td>Role of Stakeholder for Preparation of NPP</td>
<td>10</td>
<td>McKinsey + AECOM</td>
</tr>
<tr>
<td></td>
<td>Identification of Nodal Officers</td>
<td>10</td>
<td></td>
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<tr>
<td><strong>Wrap-Up</strong></td>
<td>Summary and Way Forward</td>
<td>10</td>
<td>JS-Sagarmala</td>
</tr>
<tr>
<td></td>
<td>Vote of Thanks</td>
<td>5</td>
<td>State Representative</td>
</tr>
<tr>
<td><strong>Lunch / Dinner</strong></td>
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</tbody>
</table>
Inaugural Session
Sagarmala Project Overview
“Our coastal area can be a channel for global trade...”

— The Prime Minister of India, Maiden Speech to Parliament
Importance of India’s Coastal Regions & Maritime Sector (2/3)

Importance of India’s Coastal Regions

- ~7,500 km of coastline spanning 13 maritime States and Union Territories
- ~20% of India’s population lives in coastal areas

Contribution of Maritime States to Indian GDP:
- ~60% (as of 2012-13)

SOURCE: MOSPI, Census of India, IBEF, Secondary Research
Significance of Indian Maritime Sector

India has **12 major ports** and about 200 non-major ports

~**95%** of India's trade by volume and **70%** by value takes place through maritime transport

Cargo traffic expected to grow from **976 MMT** in 2012 to **1,758 MMT** by 2017

SOURCE: MOSPI, Census of India, IBEF, Secondary Research
# Maritime Sector: India vs. China

<table>
<thead>
<tr>
<th>Category</th>
<th>India</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Container traffic (Mn TEU)</td>
<td>10</td>
<td>155</td>
</tr>
<tr>
<td>Number of ports in Global top 20</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td>Number of shipyards</td>
<td>7</td>
<td>70</td>
</tr>
<tr>
<td>Contribution of waterways in domestic transportation</td>
<td>2%</td>
<td>25%</td>
</tr>
<tr>
<td>Average Turn-around time (Days)</td>
<td>4.5</td>
<td>1</td>
</tr>
</tbody>
</table>

1 Over 2008-12

SOURCE: McKinsey research, Press search
Rationale for Sagarmala Project

Constraints to the Growth of Maritime Sector

- **No cohesive institutional arrangement**
  - Involvement of multiple agencies in development of infrastructure
  - Presence of a dual institutional structure leading to development of major and non-major ports as separate, unconnected entities

- **Weak infrastructure at ports and beyond**
  - Limited mechanization, lack of scale, deep draft and other facilities at various ports in India
  - Lack of requisite infrastructure for evacuation from major and non-major ports leading to sub-optimal transport modal mix
  - Limited hinterland linkages increasing the cost of transportation and cargo movement

- **Limited economic benefit to the region and to the community**
  - Limited development of centres for manufacturing and economic activities in hinterland
  - Limited conscious skill development & leverage to peripheral trades (fisheries etc.)

SOURCE: Ministry of Shipping
Objectives of Sagarmala Project

Focus Areas of Sagarmala Project

- **Port Led Development**
  - Undertake development of Coastal economic zones with projects like port based industrialization, coastal tourism, Logistics parks, warehousing, fisheries etc.

- **Port Infrastructure Enhancement**
  - Action points on transforming existing ports into world class ports by developing deep drafts, mechanization of existing berths, creation of new capacity & greenfield ports

- **Efficient Evacuation**
  - Expansion of rail / road network / inland waterways connected to ports & identification of congested routes
  - Find optimized transport solution for bulk and container cargo

*SOURCE: Ministry of Shipping*
Sagarmala Vision

1. Increase competitiveness of core industry and manufacturing: savings in input cost for power and steel by up to 5%
2. Utilize national resources: Increase volume of inland waterways and coastal shipping by 50 MTPA
3. IT enabled National multimodal logistics plan
4. Coastal Roads through maritime states: through at least two lane Highways
5. 2-3 port based smart cities & marine cluster/CERS over 10,000 acres creating 50,000 direct jobs.
6. 100 Early bird projects (including PPP) with Rs.100,000 crores of investment
7. Additional port capacity of 1200-1500 MTPA from strengthening existing ports and 3-4 new mega ports
8. World class transshipment port of not less than 5mn TEU’s capacity
9. Sagamala Development Company¹ to enable projects: national institution of excellence
10. World class PPP program in port, waterways and connectivity projects that will attract the best domestic and international investors
11. World class education/training though IMU as center of excellence
12. Maritime services clusters e.g., for ship building
13. Skill building in coastal communities (e.g., fisheries) and creating XX million jobs in maritime states
14. Comprehensive coastal community development potential from tourism in islands, light houses & cruises increasing GDP contribution of maritime states and sector
Potential Benefits for the Maritime States (1/3)

Development of Coastal Economy

- Integrating the coastal economy with the ports through development of Coastal Economic Regions & projects with synergies to Coastal Industrial Corridors

- Development of port-based smart cities and other urban infrastructure to improve standards of living

- Implementation of skill development/livelihood generation projects for coastal community development, E.g.
  - Coastal Tourism Development projects (Lighthouses & Mainland Islands)
  - Fisheries sector development
Potential Benefits for the Maritime States (2/3)

Maritime Sector & Infrastructure Development

- Modernization/capacity expansion of existing ports and creation of greenfield ports to reduce bottlenecks for future growth

- Development of port evacuation (road/ rail/inland waterways) and logistics infrastructure to reduce overall logistics cost and to increase cargo movement to-and-from the hinterland

- Development of maritime sector leading to new economic activity in the region - E.g. Ship Building and Repair Cluster
Potential Benefits for the Maritime States (3/3)

Easing the Project Development Process

► Integrated approach to project identification and implementation through coordination between Line Ministries, State / UT Governments and Private Agencies

► Easing of policy and institutional bottlenecks for
  - Obtaining project approvals
  - Accessing project funding and implementation partners
  - Project implementation and monitoring
**Expectation from State Governments & Maritime Boards**

**Project Identification**
- Identification & prioritization of potential projects which could be taken up as part of Sagarmala
- Providing inputs for the development of the Sagarmala National Perspective Plan

**Project Coordination & Implementation**
- State-level coordination & facilitation of Sagarmala projects (E.g. Funding, Clearances etc.)
- Undertaking implementation of Sagarmala related projects, falling under the ambit of State Government or State Maritime Boards, through State-level SPVs

**Project Monitoring**
- Monitoring progress of State-relevant Sagarmala projects through the State Sagarmala Committee
Case Study: Port-led Development in Shenzhen, China (1/3)

China established four SEZs in 1979 to experiment with new economic approaches:

- Original SEZ
- Major city

Beijing
Shanghai
Shenzhen
Xiamen
Shantou
Zhuhai
Hong Kong

The first SEZs were trail-blazers in successful economic strategies, which were adopted nationwide over time.

“I am of the view that we should allow some regions ... to be better rewarded and improve on their livelihood. ... [T]hey will engender powerful demonstrative effects on their neighbours and lead people in other regions ... to follow their examples. In this way, the national economy will, wave-like, surge forward, with all the people becoming relatively well-off.”

- Deng Xiaoping, leader of China, 1978

SOURCE: Knoth, “Special Economic Zones and Economic Transformation The Case of the People’s Republic of China” (2000);
Yeung et al., “China's Special Economic Zones at 30,” Eurasian Geography & Economics (2009); team analysis
### Shenzhen, 1980

- Export-led development
- Funded and pushed mostly locally, with local governments heavily incentivised on GDP
- Within overall national framework (SEZ)
- Capacity built well ahead of demand

### Shenzhen, 2015

- Multiple competing private operators: first investors made substantial returns
- Core driver of Shenzhen’s growth: from zero to a city of +10 mn
- 7 mn new jobs created
- GDP grew 50x to $180 bn, lock-step with port throughput growth (22 mn TEU)

**SOURCE:** McKinsey research, Press search
Shenzhen SEZ has created jobs faster than both China and Hong Kong

**Total employment**

*Millions*

![Graph showing employment growth in Shenzhen SEZ, China, and Hong Kong SAR from 1990 to 2010. The graph indicates that Shenzhen SEZ has a higher CAGR (Compounded Annual Growth Rate) compared to both China and Hong Kong.]*

SOURCE: World Bank; BEPZA; Shenzhen Statistics Bureau; team analysis
Open House Discussion
Sagarmala Project Progress Update
**Sagarmala Project Background**

- **9th June, 2014**: Decision to make Ministry of Shipping the nodal Ministry for Sagarmala initiative based on the Hon’ble President of India address to the Parliament.

- **27th November 2014**: “Sagarmala” concept and various issues related to its implementation deliberated upon by the Committee of Secretaries (CoS). Ministry of Shipping sought ‘in principle’ approval of the concept of Sagarmala project.


- **15th August, 2003**: “Sagarmala” initiative announced by then Prime Minister of India.

- **14th January 2015**: The CoS deliberated on issues relating to the area of responsibilities of the Ministry of Shipping, other line Ministries/Departments and State Governments / State Maritime Boards along with the timelines for execution of various activities envisaged under the “Sagarmala” initiatives.

- **19th February 2015**: Note for the Cabinet on “Sagarmala: Concept and Implementation” submitted by Ministry of Shipping.

**SOURCE:** Ministry of Shipping
Sagarmala Institutional Framework

National Sagarmala Apex Committee

Sagarmala Coordination and Steering Committee

State Sagarmala Committee

Sagarmala Development Company (SDC)

State level SPVs

Central implementing Ministries

Central-level SPVs

Port SPVs

SOURCE: Ministry of Shipping
Sagarmala Progress Update

Key Activities Currently Pursued

➢ NPP Study
  - Origin Destination Analysis (Bulk & Containers)
  - Transshipment Port Study
  - Greenfield Port Study

➢ Early Bird Project Identification
  - Port Projects & Projects from Other Line Ministries
  - Projects from States
  - Coastal District Skill Development
  - Lighthouse & Island Tourism Development

➢ Sagarmala Development Company (SDC) Set Up

SOURCE: Ministry of Shipping
Stakeholder’s Session
Presentation by Maritime Board
Presentation by Major Port
Presentation by Minor Port
Open House Discussion
Projects Identification for Sagarmala
### Sagarmala Project Archetype & Examples

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Project Archetype</th>
<th>Project Example</th>
</tr>
</thead>
</table>
| 1      | Port-led industrialization | ➤ For development of infrastructure in the industrial area/estate in vicinity  
  ➤ Connectivity projects e.g. roads within the ports, roads/ ROBs connecting to ports  
  ➤ Cargo handling facility and Customs facility at the port/ industrial area  
  ➤ Effluent/Sewerage Treatment Plant at the port/ industrial area  |
| 2      | Port based urbanization | ➤ Green-field and Brown-field urbanization project to promote healthy living  
  ➤ Water supply projects, storm water drainage  
  ➤ Smart City projects within the port area  
  ➤ Recreational facilities in the existing port based cities  
  ➤ Water sports, eco-tourism, recreational facilities, cruise terminal etc.  |
| 3      | Ship building, ship repair and ship recycling | ➤ Infrastructure for ship building / breaking yards - e.g. water gates  |
| 4      | Coastal Community Development | ➤ Skill development and livelihood generation projects  |
| 5      | Short-sea coastal shipping and inland waterways transportation | ➤ Jetties to promote coastal shipping and Inland Waterways  
  ➤ Backwater tourism  
  ➤ Capital and maintenance dredging for inland waterways/ coastal shipping  |
| 6      | Logistics parks, warehousing, maritime zones/services | ➤ Logistics Parks and warehouses within the port area or outside  
  ➤ Marine park/museum, fishing area, etc.  |
| 7      | Integration with hinterland hubs | ➤ Multimodal hubs along with road/ rail/ inland waterways for connectivity with ports  
  ➤ ICDs/ CFS  |
<table>
<thead>
<tr>
<th>S. No.</th>
<th>Project Archetype</th>
<th>Project Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>Modernizing existing ports &amp; development of new ports</td>
<td>▶ Strengthening of roads within port area&lt;br▶ Improved mechanization of cranes, gantries, etc.&lt;br▶ Upgrading the existing infrastructure at ports</td>
</tr>
<tr>
<td>9</td>
<td>Specialization of ports in certain economic activities such as energy containers, chemicals, coal, agro products etc.</td>
<td>▶ Infrastructure project to support specific industry developments - e.g., effluent treatment plan for chemicals industry, RFID projects for containers</td>
</tr>
<tr>
<td>10</td>
<td>Offshore renewable energy projects with base ports for installation</td>
<td>▶ Solar and wind energy generation projects</td>
</tr>
<tr>
<td>11</td>
<td>Offshore storage and drilling platforms</td>
<td>▶ Infrastructure for POL storage etc.&lt;br▶ Facilities for offshore bunkering</td>
</tr>
</tbody>
</table>
Decongesting the road connectivity from Vizag Port to NH 16

NH 16 - 4 lane road

2 lane road (to be 4 laned)

Vishakhapatnam Port

1 Project shown only for illustrative purpose and is not yet a finalized Sagarmala project
Illustrative Project\(^1\) in Sagarmala (2/6)

IW Terminal at Farakka for cost effective evacuation of coal

1 Project shown only for illustrative purpose and is not yet a finalized Sagarmala project
RoB cum Flyover at Raichak (Kolkata) to ease road transport evacuation

RoB cum Flyover (over Hoogly River)

Haldia Dock System

Raichak

Highway leading to Kolkata

1 Project shown only for illustrative purpose and is not yet a finalized Sagarmala project
Illustrative Project\(^1\) in Sagarmala (4/6)

Road & Coastal Shipping Connectivity from Surat to Pipavav Port

State Highway 6 connecting Hazira – Surat - Pipavav

1 Project shown only for illustrative purpose and is not yet a finalized Sagarmala project
Lighthouse tourism development in coastal areas

1 Project shown only for illustrative purpose and is not yet a finalized Sagarmala project
Illustrative Project¹ in Sagarmala (6/6)

1 Project shown only for illustrative purpose and is not yet a finalized Sagarmala project
### Project Identification for Sagarmala

#### Working Groups for Project Identification in the States

<table>
<thead>
<tr>
<th>Group</th>
<th>Theme</th>
<th>Potential Project Archetypes</th>
</tr>
</thead>
</table>
| 1     | **Port Augmentation Projects**      | ▶ Modernizing existing ports & development of new ports  
▶ Specialization of ports in certain economic activities (chemicals, coal, agro products etc.)  
▶ Offshore renewable energy projects with base ports for installation  
▶ Offshore storage and drilling platforms |
| 2     | **Connectivity Projects**           | ▶ Short-sea coastal shipping and inland waterways transportation  
▶ Logistics parks, warehousing, maritime zones/services  
▶ Integration with hinterland hubs |
| 3     | **Port-led Development Projects**   | ▶ Port-led industrialization  
▶ Port based urbanization  
▶ Ship building, ship repair and ship recycling  
▶ Coastal community development |
Project Identification & Prioritization - Short Term

Project Identification

Project Screening & Prioritization

Stage – 1
Project screening

All projects proposed by Ports/State/Central Agencies

Projects having fitment with overall Sagarmala vision

Projects with DPRs completed/on-going

Prioritised projects

Stage – 2
Project shortlisting

Readiness for execution

Project fundamental

Criticality

High

Low

High

Low

Medium
Project Identification & Prioritization - Long Term

Demand and supply modeling

2 Traffic scenarios
- End-use sector perspective (Domestic & global)
- Underlying drivers Discontinuities
- Scenario modeling

3 Multimodal transportation grid
- Operational benchmarking
- Connectivity bottlenecks; Berth enhancement
- Multivariate optimisation
- Coastal & inland waterways

4 2035 Port Master Plan
- Demand-supply gap
- Updated port master plans

Portfolio of initiatives

5 New mega ports
- Technical studies
- Transhipment potential

6 Marine cluster development
- Shipbuilding & repair
- Shipbreaking
- Marine tourism
- Marine products

7 Port-led industrial development
- Anchor industries
- Export-based manufacturing boost
- Skill development
- Island & Lighthouse Tourism development

Execution

8 Key imperatives for the govt.
- Regulatory enablers
- Financial plan and funding
- Sagarmala Development Corp

Sagarmala vision & strategy
- Maritime vision
- Sagarmala vision and objectives

SOURCE: McKinsey
National Perspective Plan Session
Sagarmala Project Working Model
Proposed Approach

- Leverage under-utilised and potentially economical modes of transport such as short sea shipping and inland waterways versus relying solely on conventional means of transport such as road and rail.
- Identify a shelf of projects across the value chain ranging from readily implementable “horizon 1” initiatives while identifying a few large strategic interventions that can have impact at scale but will take time.
- Propose fit-for-purpose development and financing solutions that take into account the unique financial and economic impact of ports (e.g. long term patient capital from the government for projects that have long term and tax linked payoffs).
- Design implementable solutions backed by a robust institutional set-up and get key stakeholders aligned and excited to execute the recommended strategy.
- Focus on key cargo categories to identify specific constraints in the logistics chain optimising for economic impact within the budget envelop.
- Optimise the overall “logistics network” instead of local optimisation based on “point to point” analysis which tends to be sub-optimal & leads to misallocation of resources.
- Leverage the huge economic multipliers of ports through focused economic master-plans for the port influence area.
- Focus on early job creation (At-least 25,000 jobs within the first 5 years) to reach the tipping point for industrial cluster to continue self-sustained growth.
- Maximise economic value of industrial clusters through an “anchor industry” back view of investor attraction; 30+ asset classes need financial analysis and comparison with supply-demand to maximise NPV.

SOURCE: McKinsey
**Project Plan**

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. OD studies-bulk/container</td>
<td>May-Jun</td>
<td></td>
</tr>
<tr>
<td>2. Coastal shipping/inland water</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Network optimisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Multimodal hubs</td>
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<tr>
<td>5. CER master planning</td>
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<td></td>
</tr>
<tr>
<td>6. Smart city</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Port master plan</td>
<td></td>
<td></td>
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<tr>
<td>8. New port master planning</td>
<td></td>
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<tr>
<td>9. Enablers</td>
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</tbody>
</table>

**Key Points:**
- **Design lab:**
  - May: Port #1
  - Jun: Port #2
  - Jul: Port #3 & #4

**Description:**
- **Enablers:**
  - Wave #1
  - Wave #2
  - Wave #3

**Network Optimisation:**
- Kandla
- Pradip

**Sources:**
- McKinsey
## Stakeholder Involvement Milestones

<table>
<thead>
<tr>
<th>Sagarmala milestones</th>
<th>Key stakeholders we could leverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Origin - destination and traffic study</td>
<td>Customs, IPA, CONCOR, Ministry of Road Transport, Food Corporation of India, Ministry of Railways, Ministry of Shipping, Ministry of Coal, Ministry of Power, Chemicals, Petroleum, Relevant State Govt. Agencies</td>
</tr>
<tr>
<td>2 National transportation grid</td>
<td>Customs, IPA, CONCOR, Ministry of Road Transport, Food Corporation of India, Ministry of Railways, Ministry of Shipping, Ministry of Coal, Ministry of Power, Chemicals, Petroleum, Relevant State Govt. Agencies</td>
</tr>
<tr>
<td>3 2035 port master plan</td>
<td>Ministry of Road, Ministry of Railways, IPA, CONCOR, Customs, All Ports trusts, State Maritime Boards</td>
</tr>
<tr>
<td>4 New mega ports</td>
<td>Ministry of Road, Ministry of Railways, IPA, CONCOR, Customs, All Ports trusts, State Maritime Boards, Relevant State Govt. Agencies</td>
</tr>
<tr>
<td>7 Key imperatives for govt.</td>
<td>Thoughts and sign-off needed from all stakeholders for each project they are involved in</td>
</tr>
</tbody>
</table>
# Stakeholder Engagement Mechanism

<table>
<thead>
<tr>
<th>Updates and meetings</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data and logistic support</td>
<td>Need based</td>
</tr>
<tr>
<td>Discussions for subject matter/expertise</td>
<td>Need based</td>
</tr>
<tr>
<td>Formal report reviews and meetings</td>
<td>Once a month</td>
</tr>
<tr>
<td>Sign-off on recommendations</td>
<td>Once a month</td>
</tr>
</tbody>
</table>

- **Data and logistic support**: Need based
- **Discussions for subject matter/expertise**: Need based
- **Formal report reviews and meetings**: Once a month
- **Sign-off on recommendations**: Once a month
Next Steps
Immediate Next Steps

- Identification & prioritization of potential projects, from the States, which can be considered for Sagarmala

- Nomination of Nodal Officers in State Government & State Maritime Boards for coordination with Sagarmala team

- Providing inputs and data (on a needs basis) for the development of the National Perspective Plan

- Creation of working group of State Government representatives for island development projects
Wrap Up
Session
thank you!
Appendix
## Strategies for Port-led Development

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Examples</th>
<th>Key considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Focus on solving supply-chain constraints for key export-import cargo</td>
<td>⚫ Needs coordinated efforts at ports, shipping, logistics, end-use sectors involving multiple stakeholders&lt;br&gt;⚫ Yields short-medium term GDP impact; up to 70% improvement without major capital investment</td>
</tr>
<tr>
<td>2</td>
<td>Port led development to drive industrialisation and growth</td>
<td>⚫ Needs heavy upfront govt. led investment, in core infrastructure - payoffs can take time and are uncertain&lt;br&gt;⚫ Long-term benefits of economic growth, new jobs</td>
</tr>
<tr>
<td>3</td>
<td>Marine clusters (Trans-shipment, Ship building, tourism)</td>
<td>⚫ Needs highly conducive regulatory and operating environment for shippers e.g., single entity for customs and ports&lt;br&gt;⚫ Creates secondary benefits to economy e.g., shipping consulting; financing sectors</td>
</tr>
</tbody>
</table>

**Examples:**
- Indonesia
- Malaysia
- Germany
- China
- South Korea
- Saudi Arabia
- UAE (Dubai)
- Singapore
- Hong Kong

**SOURCE:** McKinsey research
## Sagarmala Institutional Framework (1/2)

<table>
<thead>
<tr>
<th>Institutional Body</th>
<th>Function</th>
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<tbody>
<tr>
<td><strong>National Sagarmala Apex Committee (NSAC)</strong></td>
<td>- Overall policy guidance and high level coordination</td>
</tr>
<tr>
<td></td>
<td>- Approve the overall National Perspective Plan (NPP)</td>
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<tr>
<td></td>
<td>- Review various aspects of planning and implementation of the plan and projects</td>
</tr>
<tr>
<td><strong>State Sagarmala Committee (SSC)</strong></td>
<td>- State level coordination and facilitation of Sagarmala related projects</td>
</tr>
<tr>
<td></td>
<td>- Take up matters on priority as decided in NSAC</td>
</tr>
<tr>
<td><strong>Sagarmala Coordination and Steering Committee (SCSC)</strong></td>
<td>- Provide coordination between the efforts of various ministries, state governments and agencies connected with implementation</td>
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<tr>
<td></td>
<td>- Review the progress of implementation of the NPP, Detailed Master Plans and projects</td>
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<td>- Consider issues relating to funding of projects and their implementation</td>
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<td>- Examine financing options available for funding of projects, the possibility of PPP in project financing / construction / operation which may be needed to facilitate expeditious and smooth implementation of Sagarmala</td>
</tr>
<tr>
<td></td>
<td>- Appraisal and sanction of individual projects shall be done in accordance with the extant instructions of Ministry of Finance</td>
</tr>
</tbody>
</table>

SOURCE: Ministry of Shipping
## Sagarmala Institutional Framework (2/2)

<table>
<thead>
<tr>
<th>Institutional Body</th>
<th>Function</th>
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</table>
| **Sagarmala Development Company (SDC)**                 | ▪ Assist Central, State, Zonal, Port level SPVs with equity support for implementation of projects to be undertaken by them  
▪ Provide a funding window and / or implement only those residual projects that cannot be funded by any other means / mode  
▪ Get the Detailed Master Plans for individual zones prepared within a two year period |
| **Task Force**                                          | ▪ Work with State Governments for dissemination of knowledge and information regarding Sagarmala initiative, including information on best practices in port-led development available within the country as well as internationally  
▪ Provide recommendations for development of maritime activities in States including strengthening of State Maritime Boards |

SOURCE: Ministry of Shipping