



## Use of Waterways for Reducing Transportation Cost

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### Why in News

Recently, the **Minister of State for Shipping** has informed in the Rajya Sabha that **significant savings** in the cost of transportation are expected **by using the Inland Water Transport (IWT) mode**.

- IWT mode is widely recognized as **environment-friendly** and **cost-effective** mode of transport.
- It **aims to create** for the shippers and logistic players, **an alternative** to the two dominant modes of transport viz. road and rail.

### Key Points

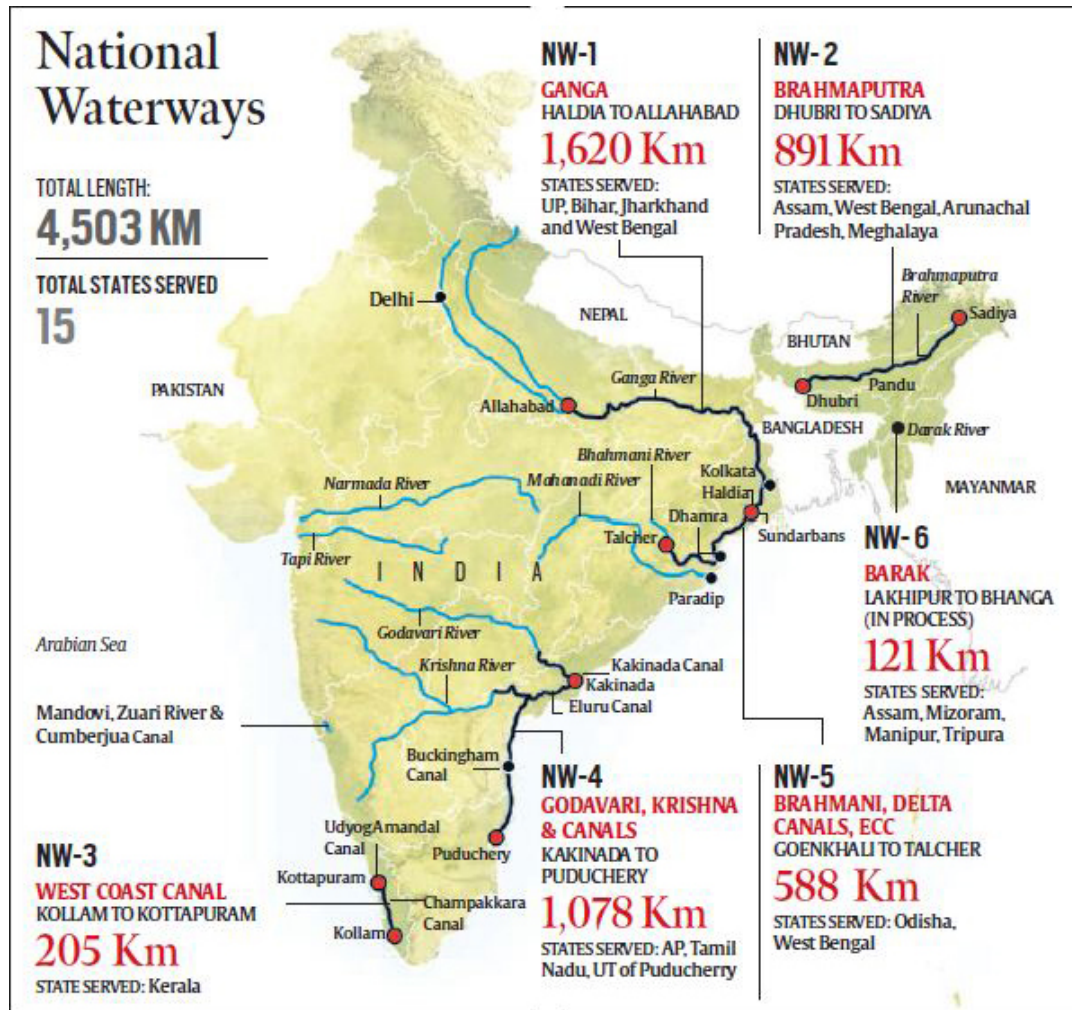
As per **RITES Report of 2014 on Integrated National Waterways Transportation Grid**, the cost comparison on the modes of surface transport is given below:

Mode	Highways	Railways	IWT
Freight (Rs./T.km)	2.50	1.36	1.06

- India has about 14,500 km of navigable waterways which comprise of rivers, canals, backwaters, creeks, etc.
- About 55 million tonnes of cargo is being moved annually by IWT, a **fuel-efficient and environment-friendly mode**.
- As per the **National Waterways Act 2016, 111 waterways have been declared as National Waterways (NWs)**.  
**National Waterway-1 (Prayagraj-Haldia)** with length 1620 km is the **longest National waterway in India**.
- The **Inland Waterways Authority of India (IWAI)** is implementing the **Jal Marg Vikas Project (JMVP)** at an estimated cost of ₹5369.18 crores for capacity augmentation of navigation on the **Haldia-Varanasi stretch of Ganga (part of NW-1)** with the technical and financial assistance of the **World Bank**.

### Integrated National Waterways Transportation Grid

- It plans to **link many of the national waterways to each other and also to roads, railways and major ports.**
  - Setting up of a large number of ports/terminals, riverside jetties, godowns, boat building workshops, repairing yards and ancillary industries will spur investment opportunities.
- The capital cost is estimated at ₹22,763 crores to be used in **phase-I (2015-18)** and **phase- II (2018-23).**



## Inland Waterways Authority of India

- It came into **existence on 27<sup>th</sup> October 1986** for development and regulation of inland waterways for shipping and navigation.
- It primarily undertakes **projects for development and maintenance of IWT infrastructure** on national waterways through grants received from the **Ministry of Shipping.**
- It is **headquartered at Noida** with **regional offices** at Patna (Bihar), Kolkata (West Bengal), Guwahati (Assam) and Kochi (Kerala) and sub-offices at other places throughout India.

**Source: PIB**