

Sagarmala Project [Government Schemes for UPSC]

Latest Update – Sagarmala Development Company Limited is set to implement the Sagarmala Seaplane Services with potential airline operators. Read more about this initiative in this article.

The Sagarmala Project has been initiated by the Government of India after Cabinet approved it in 2015 to promote port-led development in India. The project aims to harness the 7500 km long coastline of the country to unleash its economic potential. The project also seeks to boost infrastructure for transporting goods to and from ports quickly, efficiently, and cost-effectively.

Latest Update about Sagarmala Project

Sagarmala Seaplane Services (SSPS) – It is an ambitious project, announced in January 2021, which is being implemented by the Sagarmala Development Company Limited. The project is being initiated under a Special Purpose Vehicle (SPV) framework through prospective airline operators.

Aim of SSPS: Facilitation of faster and hassle-free travel across the country.

Previous Seaplane Service: On 31st October 2020, the Prime minister inaugurated a seaplane service operation between Kevadia and Sabarmati Riverfront in Ahmedabad.

The routes under the Sagarmala Seaplane Services may be operated under the government's subsidised 'Ude Desh ka Aam Nagrik (UDAN) scheme'.

The list of origin-destination pairs under the Hub and Spoke model is given below:

1. Andaman & Nicobar and Lakshadweep Islands
2. Guwahati Riverfront & Umranso Reservoir in Assam
3. Yamuna Riverfront / Delhi (as Hub) to Ayodhya, Tehri, Srinagar(Uttarakhand), Chandigarh and many other tourist places of Punjab & Himachal Pradesh
4. Mumbai (as Hub) to Shirdi, Lonavala, Ganpatipule;
5. Surat (as Hub) to Dwarka, Mandvi & Kandla; Khindsi Dam, Nagpur & Erai Dam, Chandrapur (in Maharashtra) and/or any other Hub & Spoke suggested by the Operator.



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Significance of Sagarmala Seaplane Services:

1. Connectivity to Remote Locations – Through seaplane services under the hub and spoke model, the remote locations would be easily accessible and inter-connected.
2. Boost tourism – Various remote religious or tourist places will be connected under the SSPS. It will also be an aid in the economic prosperity of the remote locations.
3. Employment Generation

Sagarmala Project Components

1. Port Modernization & New Port Development – extending the capacity of existing ports and developing new ports
2. Port Connectivity Enhancement – improving port-hinterland connectivity, optimizing cost and time of cargo movement through multi-modal logistics solutions including domestic waterways
3. Port-linked Industrialization – Developing industrial clusters close to ports and developing Coastal Economic Zones
4. Coastal Community Development – Promoting sustainable development of coastal communities through skill development & livelihood generation activities, fisheries development, coastal tourism, etc.
5. Coastal Shipping & Inland Waterways Transport – To move cargo through sustainable inland and coastal waterways mode.

Sagarmala Project Objectives

Reduction of logistics cost of EXIM is the vision of the SagarMala project. The objectives of the project are:

- Decreasing the cost of transporting domestic cargo by optimizing the modal mix.

- Identifying future industrial capacities near the coasts to reduce the logistics cost of bulk commodities.
- Developing discrete manufacturing clusters close to ports to enhance export competitiveness.
- Optimizing the time-cost of export-import container movement.

The project also seeks to lower the logistics cost of domestic cargo through optimized investment in infrastructure. The scheme also seeks to create up to 40 lakh new direct jobs and 60 lakh new indirect jobs.

Sagarmala Development Company Limited

The Sagarmala Development Company Limited (SDCL), established in 2016, develops and formulates projects borne out of the National Perspective Plan of the Sagarmala project. The SDCL is incorporated under the Companies Act, 2013.

The objectives of SDCL are:

1. It develops the projects that are formulated under NPP.
2. The Special Purpose Vehicles (SPVs) set by the central, state government or State Maritime Boards or ports for the projects that are in alignment with the SagarMala project are supported by the SDCL.
3. It provides funding windows to the residual projects and also raises fund as per the project requirement.
4. SDCL makes a detailed master plan for Coastal Economic Zones (CEZs) that are identified under NPP.

Coastal Economic Zone

To implement the Sagarmala project, a National Perspective Plan (NPP) for the entire coastline has been prepared to identify potential geographical regions to be called Coastal Economic Zones (CEZs). The living standards of the people living in the CEZs are expected to improve considerably by the Sagarmala project.

Questions related to the Sagarmala Project for UPSC

How many states are there in the Sagarmala project?

The Sagarmala Projects are being undertaken in the states of Gujarat, West Bengal, Odisha, Andhra Pradesh, Kerala, Goa, Karnataka, Maharashtra and Tamil Nadu.

How many projects have been identified under the Sagarmala Project?

For 2015-35, 574 projects have been identified under the Sagarmala Project.

What is the ultimate aim of the Sagarmala Project?

The Sagarmala project aims to transform the existing Ports into modern world-class Ports and integrate the development of the Ports, the Industrial clusters, and hinterland and efficient evacuation systems through road, rail, inland, and coastal waterways resulting in Ports becoming the drivers of economic activity in coastal areas.

How many projects have been completed under the Sagarmala Project?

121 projects have been completed as of 31st September 2019. 439 projects are under various kinds of implementation.

