

Vizhinjam Port Project [UPSC Notes]

The Vizhinjam Port is an **International Transshipment Deepwater Multipurpose Seaport** being developed under a **Public Private Partnership (PPP) model** with **Adani Ports Private Limited** at Vizhinjam near Thiruvananthapuram, Kerala. Fishermen in the area have been protesting against the project for the past four months (starting in August 2022), claiming that it is causing major marine erosion and destroying their homes and means of subsistence.

Vizhinjam Port Project

The Vizhinjam Port Project, which started in 2015, is a large-scale project undertaken by the Kerala government. It is primarily intended for container transshipment, as well as multi-purpose and break bulk cargo.

- The Vizhinjam port is developed as an all-weather port by Adani Vizhinjam Port Private Ltd in a landlord model on a design, build, finance, operate, and transfer (DBFOT) basis.
- Once completed it will be India's first Mega Transshipment Container Terminal with 30 berths and the capacity to handle massive "megamax" container ships.
- The port is expected to compete for trans-shipment traffic with Colombo, Singapore, and Dubai.



Source: Indian Express

Image: Vizhinjam Port location

Issues with the Vizhinjam Port

There are a few issues and concerns associated with the project and they are discussed below.

Concerns of fishermen:

- Fishermen were protesting against the project, alleging that its construction is causing massive sea erosion, destroying their livelihoods and homes.
 - The protests which started in August 2022 went on for about 138 days and ended only when the Kerala government said it will accept the demands of the agitators while maintaining that the construction activity at the port will not be stopped.
- Last year, 350 families in the region lost their homes due to [coastal erosion](#), and those living in makeshift schools and camps are vulnerable to coastal erosion and extreme cyclone events.
- According to them, the port work has exacerbated coastal erosion and they have made seven demands before the government to consider.
 - An impact study is to be conducted, and the project will be halted until the study report is completed.
 - Rehabilitation of families whose homes were destroyed by sea erosion.
 - Effective measures to reduce coastal erosion.
 - Financial assistance is provided to fishermen on days when weather warnings are issued.
 - Compensation for the families of those who lost their lives in fishing accidents.
 - Subsidy on kerosene.
 - The kerosene subsidy has been demanded on the grounds that the project requires fishermen to venture deeper into the ocean for their catch, increasing the fuel cost burden.
 - Dredging the Muthalapozhi fishing harbour in Anchuthengu, Thiruvananthapuram district.

Coastal erosion:

All types of construction along a coast exacerbate sea erosion (beach loss) and accretion (gain of beach). The Thiruvananthapuram coastline experiences more severe coastal erosion than other areas of Kerala.

- The protesters claim that high-intensity erosion began in the area only after the construction of a breakwater as part of the port.

Ecological impact:

- According to environmental activists, the dredging required for the project would endanger marine life by reducing habitat, particularly breeding grounds for mussels and lobsters.
- Vizhinjam port requires the reclamation of approximately 66 ha of coastal waters as well as the construction of a 3.2-kilometre-long breakwater. This massive intervention has the potential to result in significant shoreline shifts and other morphological changes in the region.

Financial feasibility

- The report of the [Comptroller and Auditor General](#) of India tabled in the Kerala assembly in 2017 pointed out that the conditions of the concession agreement were not favourable to the state government.
- The report also noted that the standard concession period for PPP projects was 30 years, but with an additional 10 years of the concession period, Adani Ports Private Limited will be benefited with additional revenue of Rs 29,000 crores.
- A project feasibility analysis carried out in 2015 revealed that the project is not economically viable on a standalone basis even after financial support with government funding.
- Vizhinjam port will also face stiff competition, mainly from Sri Lanka's Colombo Port, which accounts for 35% of Indian Subcontinent transshipment traffic

Advantages of Vizhinjam Port

The advantages/benefits of Vizhinjam port are discussed below.

- Vizhinjam Port is located on the southern tip of the Indian Peninsula, 10 nautical miles from the major international sea route and East-West shipping axis.
 - Once developed, It will be the only transshipment hub in the Indian subcontinent closest to international shipping routes and centrally located along the Indian coastline.
- Vizhinjam port has a natural depth of 20-24 m with minimal littoral drift and minimal sedimentation.
 - Minimal dredging is required to maintain the port which significantly reduces the operating cost of the project.
 - With only 15m of depth at Colombo port, Vizhinjam port has more advantages and, if developed, can accommodate Panamax class and futuristic vessels.



Source: Indian Express

Image: Vizhinjam port location with respect to International East-West shipping route

- The port has the potential to attract a significant portion of container transshipment traffic and is expected to leverage the growth of minor ports in Kerala and other regional ports, creating thousands of job opportunities.
- Once the port is developed, Indian exporters are expected to save Rs 1000 crores in cargo transshipment fees.
 - Currently, approximately 61% of Indian export/import containers are transshipped through nearby foreign ports such as Colombo, Singapore, and Salalah (Oman).
- Vizhinjam port, with a capacity of 4.10 million TEUs per year, is expected to more than double India's port capacity, which is currently 4.61 million TEUs per year.
 - China's capacity is nearly 11 times that of India, at 50 million TEUs.

Way Forward

Vizhinjam is an ambitious project which has the potential to put India on the global maritime map by stimulating hinterland gateway traffic and creating new supply-chain networks. In order to make the project successful a proper mechanism should be in place to compensate displaced people and restore their rights. An acceptable [Environmental Impact Assessment](#) needs to be carried out to address the gross neglect of the damage to valuable marine biodiversity.

FAQ related to Vizhinjam Port Project

Q. What is the Vizhinjam port project?

Ans: The Vizhinjam Port Project which started in 2015, is a large-scale project undertaken by the Kerala government to develop an International Transshipment Deepwater Multipurpose Seaport in Vizhinjam Thiruvananthapuram Kerala. It will be developed under a Public Private Partnership (PPP) model with Adani Ports Private Limited on DBFOT basis.

Q. What is a Transshipment port?

Ans: A transshipment port is a hub that handles a lot of cargo between multiple vessels. A transshipment is when cargo or a container is moved from one vessel to another while in transit to its final destination.

Q. Why are fishermen protesting against the Vizhinjam Port?

Ans: Fishermen in the area have been protesting against the project, alleging that the Vizhinjam Port construction is causing massive sea erosion, and destroying their livelihoods and homes.