

TIME FOR A THINK TANK

MANSA advocates that the need of the day is a maritime think tank which is a lean policy machine

by Ritu Gupta



Over the next three decades, India will become the third largest economy by 2050 after China and the US. The India's merchandise export will also expand in the medium term and contribute significantly to cargo traffic at ports. Due to the surge in the cargo handling capacity at Indian ports, the traffic has increased substantially in the last one and half decade. Hence, shipping industry has a vital role to play in the growth of international trade to/from India, but many issues face the industry today. Therefore, in a recent white paper, the Mumbai and Nhava-Sheva Ship-Agents Association has envisaged that the formation of a maritime think tank to address the issues related to the maritime trade and its allied sectors. "It is a need of the hour to have an effective think tank. We hope our white paper will convince the government to act and deliver," says Vivek S Anand, president, MANSA. According to the white paper, the think tank would conduct research and engage in advocacy in public policy for the sector. It will also deliberate major issues with the government authorities, industry, and all other stakeholders and provide amicable solutions that would encourage ports and shipping industry and facilitate international trade.

Creating a maritime think tank will be an ideal solution for the government, as it will not only help officials to understand the ground reality and issues faced by the trade, but will bridge the gap between government and the industry through constructive dialogue on important policy related issues and solutions for issues faced by the shipping fraternity. There are a number of emerging issues and trends that will shape the development of think tanks and the role they play globally and in Asia in particular. Some of the issues are as follows:

- Port community system: A well known tool to reduce paper work is active interface and exchange of information electronically between various stakeholders and port actors. This can be achieved through a well designed port community system (PCS). Whilst there have been talks in this direction, there seems to be no comprehensive solution in sight for



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the next few years at least. A think tank can help in this direction.

- Mis-declaration of cargo by shippers/consignees in India: the authorities should take appropriate measures to stop this menace as it can have very dangerous consequences to port labourers/ship crew members and also to the ship.
- IMP requirement for container weight verification: The SOLAS container weight verification requirement will enter into force on July 1, 2016. But are all the stakeholders ready for the implementation of mandatory weighing of container verification? It seem unlikely that the target of July 1, 2016 will be met
- Poor port connectivity: lack of expressway connectivity between ports and industrial areas has made hinterland transportation slow and inefficient. The government should prioritise the development of port highways and expressways in a time bound manner.
- Underdeveloped coastal shipping: for the development of coastal shipping government support is needed in terms of tax benefits, easing of regulations governing acquisitions, permit reasonable reduced manning scales and operations of vessels to make the operations viable and competitive.
- Mechanisation of cargo handling equipment and machinery
- Customs simplification procedure
- Review and Update antiquated laws of the Indian maritime sector
- Ship building: India remains

focused on ship yards, and not the ancillary industry, which is the main contributor to the success of a ship yard. The government should plan to establish ship ancillary and ship building industry in a phased manner and open opportunities for PPP partnerships.

According to MANSA, a core group of industry professionals/specialists with a large and varied experience should be brought together to form the maritime think tank. It is envisaged that this core group would then engage with the fraternity to indentify the top 10-20 priorities within the maritime industry. The think tank should aim to make conducive business environment and highlight impediments being faced by the industry. It can also interact with various national/international agencies for making feasible measures to overcome impediments being faced by the industry. The stakeholders with whom the core group of the think tank can interact include the finance, law, corporate affairs, transport and other relevant ministries. While the think tank will be an independent and autonomous body it will not be able to function unless it is provided with adequate support and funding. Hence, it should be funded by the government, members, registered users and grants among other things. MANSA hopes that its white paper will make it imperative for the government and industry to establish an effective think tank which can produce timely and accessible policy-oriented research that effectively engages policymakers. [www](#)