

MARITIME BILLS – POLITY

Parliament Passes Five Key Maritime Bills to Boost Blue Economy: Union Minister Sarbananda Sonowal. India has replaced its outdated colonial-era maritime laws with five new bills to modernize the sector and boost the Blue Economy. These reforms aim to enhance efficiency, align with global standards, and overcome infrastructure and logistics challenges.

Introduction – A New Legislative Framework

Legislative Action – The Indian Parliament has passed five key maritime bills during the recent Monsoon Session.

Primary Objective – This legislative package is designed to overhaul and replace outdated, colonial-era maritime laws.

Economic Goal – The modernization aims to provide a significant boost to India's Blue Economy by enhancing efficiency, modernizing the legal framework, and aligning national laws with contemporary global standards.

The Five Foundational Maritime Bills of 2025

This suite of new legislation addresses distinct areas of the maritime industry to create a more efficient and modern ecosystem.

The Bills of Lading, 2025

Focus – To simplify and clarify the legal documents essential for the sea transport of goods.

Intended Impact – By standardizing these documents, the bill aims to:

1. Significantly reduce commercial disputes.
2. Cut down on the time and cost associated with litigation.
3. Improve the overall ease of doing business in the maritime sector.

The Carriage of Goods by Sea Bill, 2025

Modernization Step – Replaces a century-old Act from 1925.

Key Action – Officially adopts the Hague-Visby Rules, which are the accepted international standard governing the rights and responsibilities of parties involved in cargo shipment.

Intended Impact – Reduces legal complexities in international trade. Strengthens India's trade relationships by creating a predictable legal environment for global shipping companies.

The Coastal Shipping Bill, 2025

Strategic Goal – To strategically revitalize and promote India's domestic coastal shipping network.

Target – Aims to increase the modal share of coastal shipping from its current level of 6% by shifting cargo from road and rail.

Intended Impact –

Projected to save approximately ₹10,000 crore annually in logistics costs. Yields significant environmental benefits by reducing pollution and road congestion.

The Merchant Shipping Bill, 2025

Modernization Step – Overhauls the outdated Merchant Shipping Act of 1958.

Key Feature – Introduces modernized provisions that facilitate the expeditious removal of wrecks and streamline salvage operations.

Intended Impact – Crucial for maintaining the safety, security, and navigability of India's vital shipping lanes.

The Indian Ports Bill, 2025

Modernization Step – Replaces the Indian Ports Act of 1908.

Governance Reforms – Introduces a modern administrative structure for ports by:

Establishing a Maritime State Development Council for integrated and cohesive national planning.
Delegating more authority to State Maritime Boards for the effective management of smaller ports.
Creating a state-level mechanism for efficient dispute resolution.

An Overview of India's Maritime Sector

India's maritime sector is a cornerstone of its economy and strategic influence.

Strategic Position – India is centrally located along the world's busiest shipping routes, making it a natural hub for global trade. It is recognized as a rising power in the Indo-Pacific region.

Economic Significance – The sector is the backbone of the nation's commerce, handling 95% of India's trade by volume and 70% by value. The efficiency and capacity of its port infrastructure are directly linked to the country's overall economic growth.

Impressive Growth & Performance

Coastal Cargo Traffic – Witnessed a remarkable 119% surge between 2014 and 2024.

Future Target – Aims to handle 230 million tonnes of coastal cargo by 2030.

Merchandise Exports – Grew significantly from USD 417 billion in FY22 to USD 451 billion in FY23.

Global Standing and Achievements – India is globally ranked as the 16th-largest maritime nation. The Ministry of Ports, Shipping, and Waterways has successfully increased the cargo handling capacity of its ports by 103% in the last decade.

Ambitious Future Goals – An investment of US\$ 82 billion has been outlined for port infrastructure projects by 2035. Plans are underway to establish a new national shipping company to expand India's fleet by at least 1,000 ships within the next ten years.

Challenges Confronting the Maritime Sector

Despite significant progress, the sector faces several key challenges that the new reforms aim to address.

Infrastructure Gaps – Many ports continue to operate with inadequate infrastructure and outdated facilities, which restricts their handling capacity and operational efficiency.

Port Congestion – High traffic volumes at major ports frequently lead to delays, which increases vessel turnaround times and reduces overall productivity.

Environmental Concerns – The sector faces pressure to address sustainability issues, including managing emissions from ships and mitigating the environmental impact of port operations.

Logistics Bottlenecks – Inefficient "last-mile" connectivity between ports and the national road and railway networks remains a significant obstacle to the seamless movement of cargo.

Global Competition – India is in rising competition with other highly efficient maritime hubs in the region, which makes continuous investment and modernization essential to maintain a competitive edge.

Key Government Initiatives Driving Maritime Growth

The government has launched several flagship programs to modernize the sector and overcome these challenges.

Sagarmala Programme – A cornerstone initiative focused on port-led development. It supports modernizing port infrastructure, developing coastal communities, and enhancing connectivity through projects like new coastal berths, rail/road links, and cruise terminals.

Maritime India Vision 2030 (MIV 2030) – A comprehensive 10-year blueprint with over 150 initiatives across ten key maritime sectors. Its primary goal is to make India a top 10 shipbuilding nation and create a world-class, sustainable maritime ecosystem.

Inland Waterways Development – The Inland Waterways Authority of India (IWAI) has identified 26 new national waterways. This initiative aims to develop a sustainable and cost-effective alternative transport network to relieve congestion on roads and railways.

Green Tug Transition Program (GTTP) – A forward-looking program to replace all existing fuel-based harbour tugs at major ports with eco-friendly tugs powered by sustainable fuels. The target for this transition is 2040.

Sagarmanthan Dialogue – An annual strategic dialogue established to position India as a global center for maritime conversations, bringing together national and international stakeholders.

Maritime Development Fund – A substantial ₹25,000 crore fund created to provide long-term, low-cost financing for the modernization of port and shipping infrastructure.

Shipbuilding Financial Assistance Policy (SBFAP 2.0) – A modernized policy designed to provide crucial financial support to Indian shipyards, enabling them to compete more effectively with global shipbuilding giants.

Conclusion: A Voyage Towards Global Leadership

Poised for Growth – With a new legal framework and a robust suite of strategic initiatives, India's maritime sector is on a trajectory for significant growth.

Global Engagement – The inaugural Sagarmathan dialogue in 2024 reinforced India's ambition to become a global maritime leader by fostering discussions on critical themes like sustainability, connectivity, and governance.

Future Outlook – These concerted efforts are steering the sector towards a sustainable, innovative, and future-ready ecosystem, ensuring India solidifies its position as a central and influential player on the global maritime stage.

Source: <https://www.newsonair.gov.in/parliament-passes-five-key-maritime-bills-to-boost-blue-economy-union-minister-sarbananda-sonowal/>

