

After TN, Andhra Pradesh opposes Centre's Indian Ports Bill

Two maritime Bills recently advanced by the Union government have invited resistance from several coastal states. The Major Port Authorities Bill, 2020, which became an Act after it was passed by the Parliament in February 2021 seeks to revise the management model of the major ports in India. The Bill has kindled speculation of the privatization of ports. On the other hand, The Draft Indian Ports Bill 2021, seeks to centralize the governance of the minor ports, which were so far being directed by the state governments.

According to the Ministry of Ports, Shipping and Waterways, the Major Ports Trust Act of 1963 was deemed to be restrictive, with major ports "finding it difficult to operate in a highly competitive environment and respond to market challenges". Further, the board of trustees was felt to be too large and disparate to allow efficient decision-making. The newly passed Major Port Authorities Act, 2021, bestows upon the major ports an increased level of autonomy. With the diminished control of the TAMP, the authority boards for each port will now be vested with the power to frame their rates and charges by the market conditions, enabling them to vie with their private competitors. "To promote the expansion of port infrastructure and facilitate trade and commerce, the Major Port Authorities Bill 2020 bill aims at decentralizing decision making and infusing professionalism in the governance of major ports. It imparts faster and transparent decision making benefiting the stakeholders and better project execution capability.

The Bill is aimed at reorienting the governance model in central ports to landlord port model in line with the successful global practice." -Ministry of Ports, Shipping and Waterways "This will also help in bringing transparency in operations of major ports. This will empower the major ports to perform with greater efficiency on account of full autonomy in decision making and by modernizing their institutional framework," the ministry stated in an official release. Close on the heels of its neighbour Tamil Nadu, Andhra Pradesh on Thursday said it was opposed to the proposed Indian Ports Act, 2021. "The Bill provides for the constitution of a Maritime Port Regulatory Authority for all minor ports of about 160 in India whereas, for 13 major ports, there are 13 Regulatory Authorities under Major Ports Regulatory Authority Act, 2020, which is discriminatory. Therefore, the State Maritime Boards should be vested with the powers as in the case of major ports," he demanded. Stating that State governments should have supervision and full control over ports, he said that AP sought one

month to study and submit a report on the Bill. An expert committee would be appointed to study the Bill, the minister said.

Read More: <https://prsindia.org/billtrack/the-major-port-authorities-bill-2020>