

Government of India
Ministry of Ports, Shipping and Waterways
(Development Wing)

Transport Bhawan
1, Parliament Street
New Delhi-110001

No. PD-13/52/2017-PPP Cell

Dated: 16th March, 2023

Sub: Addendum to the Dredging Guidelines for Major Ports issued vide letter dated 18.06.2021 - reg.

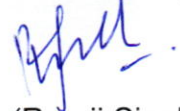
Madam/Sir,

In continuation to this Ministry's letter of even number dated 18.06.2021, the addendum to Dredging Guidelines for Major Ports is enclosed herewith for information and further necessary action.

This issues with the approval of Competent Authority.

Enclosure: As above.

Yours faithfully,



(Ramji Singh)

Deputy Director (Engineering)

Telefax: 011-23711021

To,

1. The Chairpersons of Major Ports.
2. Chairman, Inland Waterways Authority of India.
3. MD, IPA.
4. MD, DCIL.

Copy to:

1. PS to Hon'ble Minister for Ports, Shipping and Waterways - for information.
2. PPS to Secretary (PSW)/ PPS to JS (Shipping & Admin)/ PPS to JS (Ports), PPS to JS (SM) - for information.
3. Managing Director, Indian Ports Association, 1st floor, South Tower, NBCC place, Bisham Pitamah Marg, Lodi Road, New Delhi 110 003.

Addendum to the Dredging Guidelines for Major Ports issued by the Ministry of Ports, Shipping & Waterways

The Dredging Guidelines (2021) were issued by the Ministry in 2021. The Guidelines provide the methodology to be followed for Dredged Material Management and recommends Recycling and Reusing of the dredged material wherever possible. Use of dredged material for beneficial use leads to saving in equivalent amount of resource thereby adding to the environmental conservation achieved through recycling of waste and conservation of fresh resources. There is therefore, a need to incorporate suitable provisions in the Dredging Contracts / Proposals for promoting reuse / recycling of dredged material generated out of the contract and also rationalize the cost of dredging through monetization of the dredged material resulting in '**Waste to Wealth**'.

2. The Chapter 5 on Environment Code of Practice for dredging and dredged material management has been included with recycle and reuse of dredging material. The dredging material can be used for beneficial use based on the environmental impact of the proposed use and taking regulatory permissions with more detailed project planning for the dredging projects while formulating the projects. The reuse of dredging material provides an option for environmental sustainability and also boost economic performance of the dredging operation.

3. The wide range of beneficial use of dredged material include engineering use for construction purposes in addition to the earth work and related activities, environmental enhancement, agriculture and product use. The process requires extensive study of the characteristics of the dredged soil with the help of Geo-technical data of the dredging area consisting of the channels, the basin, turning circle and the berthing areas. On undertaking the study on the beneficial use of the dredged material, the project authorities have to consider inclusion of an enabling clause in the bidding documents for submission of quotation for the dredging cost and also the cost of the dredged material.

4. In this regard, the following factors need to be suitably incorporated in the bidding process by the Major Ports and IWAI while framing Dredging Contracts:

(i) Data on soil type and characteristics, approximate quantity of dredged material likely to be generated, Disposal sites (onshore / offshore) etc., should be provided by the bidding authorities to the potential bidders in advance as a part of bid documents. This will help them in assessing the potential for reuse of the dredged material, also estimate its market value and accordingly quote the price for dredging and also the dredged material. This is subject to conditions in the EC for disposal of dredged material after taking due permission from the competent State Authorities, as required, by the dredging contractor.

(ii) The final quantity of the dredged material may vary from the estimated quantity. Final quantity can be based on actual/physical verification based on the third party survey to avoid conflicts and litigation.

(iii) The environmental clearance for the project by Bidding Authorities on dredging and disposal should be obtained with an option to dispose onshore or offshore based on beneficial use and sustainability to enable reuse of dredged material possible. Necessary permission, wherever applicable, may be taken by the dredging contractor for disposal for beneficial use of dredged material from the competent State Authorities as required.

(iv) Bidders can be given an option to submit quotes in two parts, one for the execution of Dredging Work and the other for the estimated value of the Dredged Material (offered cost or valuation of the dredged material). The bid evaluation parameter can be taken as the net cost (i.e. Net quoted price which is the cost of dredging work minus the quoted price for the value of the dredged material) for evaluating the offers submitted by the bidders.

(v) The Dredging Companies may be provided with dumping yard for temporary storage of dredged material, if needed, before final disposal. The responsibility of dumping of dredged material, storing at yard, treatment of the dredged material and subsequent disposal to prospective users will be the responsibility of the Dredging Firm. This would also free the Bidding Authorities from the onus of disposal of the dredged material at their level, an activity which is different from their core area of competence while also creating " **Waste to Wealth** " for them.

5. In order to have a better understanding of the matter, the following illustrative examples are self explanatory: -

(i) The Major Port 'A' provides the clause on bidding with the quotation in two parts one for the dredging cost and the other for valuation of the dredged material. The dredging companies after assessment of the characteristics of the dredged material and the beneficial use of the dredged soil makes the following quotation:

Estimated cost of the Dredging project: Rs. 100 Crores:

S.No.	Name of the Company	Dredging cost quoted (Rs. in crores)	Valuation of dredged material quoted (Rs. in crores)	Net cost quoted (C-D) (Rs. in crores)
A	B	C	D	E
1	X	105	15	90
2	Y	102	10	92
3	Z	98	5	93

In the above example, the company 'X' has quoted the highest rate of Rs. 105 crores for dredging cost and has Rs. 15 for dredged material and the net cost is Rs. 90 crores. The other Companies namely; 'Y' and 'Z' quoted lower price for Dredging Cost but after deduction of the valuation of dredged material, the net cost is higher than the net cost by Company 'X'. The net outgo for the dredging for the Port would be Rs. 90 crore.

In view of this, the company 'X' with the lowest net cost would be eligible for award of the dredging project.

6. The above addendum is being issued as additional guidelines for formulating and implementing the dredging projects. This issues with the approval of the Competent Authority.