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Sethusamudram Project: It's all a matter of faith

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When the Sethusamudram project was revived, for the nth time, environmentalists expressed their concern that it would cost far more than the project documents suggested. The dredging costs have been highly underestimated, many say. Their concerns came out of recent scientific literature that suggested that the annual sediment load in the Palk Bay causes a sea depth reduction of 1 cm per year.

Further studies have even suggested that the sedimentation rate could, in fact, be 25-75 times higher! But, every new document of the Sethusamudram Ship Canal Project (SSCP) seemed to ignore all literature after 1989. Not surprisingly, many of the more recent scientific papers suggested that the sedimentation siltation rates in the Palk Bay and surrounding areas were far higher than what was earlier believed.

Like the literature review of the SSCP project documents that stops at 1989, the hydrodynamic modelling studies measure only 'normal' wind speeds (up to 31.5km/h) to calculate various other parameters like sedimentation and siltation. Cyclones are a common occurrence on the south Tamil Nadu coast.

An analysis of the Global Tropical and Extra Tropical Cyclone Climatic Atlas (GTECCA) by experts validates this position by highlighting that the project area is visited by a cyclone with wind speeds greater than 64.82 km/h every three years. Again, it seems ingenious that the project documents could ignore the cyclones and its effect on siltation in the SSCP area.

The method followed in the project documents helps create a project that significantly underestimates the amount of dredging required — both capital and maintenance — by using data that allows it to peg the cost to around Rs 2,500 crore. In fact, the project documents go so far as to suggest that the Palk Bay region of the canal will not need any maintenance dredging, ignoring scientific studies of the last 15 years!

This structure of the project documents is important as the practice in India is that once a project is approved, it stays approved. While academics and scientists might come in post-hoc to analyse the cost over-runs that have taken place, the current project approval system does not allow for a review (leading to rejection) of the project due to significant cost increases.

This makes the pre-project phase the only viable time to protest. Even at this time, project documents seem to be selective in their use of data to support favourable conclusions. The reality of SSCP could be dredging contractors delight as it will probably be necessary to dredge for posterity in the entire project area, making it an excellent method of spending government money indefinitely.

For opposing SSCP on legitimate and rational grounds, many environmentalists were branded 'anti-national'. They could not understand the economics of the project and the significant benefits for shipping that SSCP would bring about. The benefits

the documents said would be for 70% of the ships in the world with draughts less than 10 m.

But the Paradip and Jawaharlal Nehru Port Trust ports do not seem to believe them as they are deepening their draughts to 16 m and 15 m respectively. Nor does the reality that 62% of the bulk cargo carried today is carried in vessels of 60,000 DWT and above! A KPMG report on India's shipping says that "the trend has been that the maximum size of the bulk carriers has increased steadily from 75,000 DWT in 1970s to approximately 183,000 DWT in 2005".

The project proponents argue that bulk cargo will only be a small part of the cargo that uses the canal. It will be petroleum and tankers that would use the canal. DPR, chooses however, to ignore the fact that most very large crude carriers (VLCCs) and tankers in ballast (when empty) have draughts that are in excess of 12 m. Even most of the coastal tanker traffic consists of what is called LR-I size tankers which load to about 11.1 metres draught, and hence will not be able to transit the canal (which allows only 10m draught).

Rational arguments and scientific method do not support the conclusions drawn by the project documents. The shipping purpose as highlighted by many, including ET earlier, is very limited as it benefits just 30% of those the project documents claim it will benefit — those using coast-to-coast shipping. On the job creation front, never mind that a large part of the jobs created will be on dredging, which, in addition to be an extremely limited creator of jobs, is practically a monopoly of non-Indian firms.

And as a Port Authority official said, thanks to the Dredging Corporation of India being so involved in the Sethusamudram project, many other ports have been forced to start hiring foreign contractors for maintenance dredging in the ports. The other benefit of the project is in the development of the 'most backward' areas of Tamil Nadu and the unmeasurable creation of jobs through the development of ancillary industries. The livelihood job losses of fishermen do not seem important enough for them to be quantified in the detailed project report (DPR).

What seems appropriate is a comment in response to an earlier article in ET on the public purpose of SSCP. A reader suggested that projects like SSCP cannot be justified on the basis of such 'baniya economics'.

The public purpose was so mystically large that it was impossible for us to quantify the benefit or justify a project of such national importance! It is then when you I understood! Projects like this are after all a matter of faith — you believe them to be so beneficial despite all data suggesting otherwise.

It is important to reject all the negatives and costs of the project like high sedimentation rates, low draught, limited use for coastal and non-coastal vessels and just blindly believe that the benefits are greater than the costs. From now on, there is no need for expensive consultants, project reports, techno-economic feasibility studies and environmental impact assessments. It is just sufficient to believe that a project is a good one! It's all a matter of faith...isn't it?

(This article is based on a larger report titled 'Review of the Environmental and Economic Challenges of the Sethusamudram Ship Canal Project' by Sudarshan Rodriguez, Jacob John, Rohan Arthur, Kartik Shanker and Aarthi Sridhar)

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