



India

38 Haldia Port Modernization Project

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The project's objectives were to increase the cargo handling capacity and improve operational efficiency at Haldia Port, West Bengal, which is the main port at the mouth of the River Ganges, by developing an oil jetty and other facilities, and thereby contribute to economic growth in the region.

Loan Amount/Disbursed Amount: 3,791 million yen/1,933 million yen

Loan Agreement: December 1986

Terms and Conditions: Interest rate, 3.25%; Repayment period, 30 years (grace period, 10 years); Partially untied

Final Disbursement Date: December 1992

External Evaluator: Ryujiro Sasao (IC Net Limited)

Field Survey: August 2003



Evaluation Result

The reinforcement of the No. 1 oil jetty and improvement of cargo handling facilities were financed and executed by the project's executing agency (Calcutta Port Trust). The construction of the No.2 oil jetty and incidental facilities were constructed almost as planned. However the construction schedule was extended due to bidding procedures and the effects of tidal currents meaning that the execution period was significantly longer than planned, but project costs were essentially as planned. Cargo handling volumes surpassed the planned level (17.42 million tons) in Fiscal Year 1999, and in Fiscal Year 2002 increased to 28.6 million tons, which is more than the 22,69 million tons handled at Osaka Port in the same year; increases in the volume of crude oil handled are particularly marked. Average waiting time was reduced from 2.0 days in Fiscal Year 1992 to 1.6 days in Fiscal Year 1999, and then to 0.9 days in Fiscal Year 2002, evidencing that port operations have become more efficient. Manufacturing added value for the Haldia area increased 87% between Fiscal Year 1997 and Fiscal Year 2002, which is significantly higher than the average national increase of 18%. In a beneficiary survey to the major companies operating in the Haldia Port area,

many respondents stated that the project is helping to promote the region's economy. The following comments are representatives: "It's now possible to import large volumes of crude oil, which has increased capacity operating rates at the refinery." "Handling capacities have increased and waiting time was shorter." "There are more jobs." There are no problems in the technical capacity, operation and maintenance system of Calcutta Port Trust, and its financial condition is also favorable.

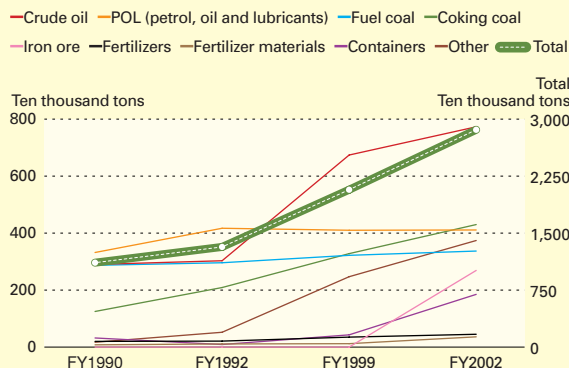
Third-Party Evaluator's Opinion

Haldia Port is one of the major ports in India. The refinery at Haldia has led to development of petrochemical and fertilizer industry in its vicinity and the port has been catering to the needs of these industries.

Third-Party Evaluator: Ms. Pushpa Trivedi

Obtained a doctorate in economics from University of Bombay. Presently holds the post of Professor in Economics, Department of Humanities and Social Sciences Indian Institute of Technology-Bombay.

Cargo Handling Volumes at Haldia Port



Source: Calcutta Port Trust

The handling volumes of commodities such as crude oil have increased by the project.

The No. 2 oil jetty at Haldia Port



Many of the respondents in the beneficiary survey stated that the project is helping to promote the region's economy. The following comments are representatives: "It's now possible to import large volumes of crude oil, which has increased capacity operating rates at the refinery." "Handling capacities have increased and waiting time is shorter." "There are more jobs."