

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:3984
ANSWERED ON:20.03.2015
DRY RUN STUDY OF INSTC TRADE ROUTE
Azad Shri Kirti (JHA)

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the dry run of the International North-South Transport Corridor (INSTC) conducted by the Federation of Freight Forwarders of India (FFFAI) was successful and if so, the details thereof;
- (b) whether there were any possible malfunctions or inefficiencies detected during this dry run and if so, the details thereof;
- (c) the measures being taken to mitigate these inefficiencies; and
- (d) whether a tentative schedule or timeframe has been fixed for operationalising the NSTC and if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

- (a): Yes. As per the recommendations of the 5th Coordination Council meeting of the International North South Transport Corridor (INSTC) held in Baku, Azerbaijan in 2013, a dry-run of the INSTC was successfully conducted by the Federation of Freight Forwarders of India (FFFAI) in 2014 on the routes;
 - (i) Nhava Sheva(Mumbai) Bandar Abbas(Iran)-Tehran-Bandar Anzali(Iran)-Astrakhan(Russia); and
 - (ii) Nhava Sheva(Mumba)-Bandar Abbas(Iran)-Baku (Azerbaijan). The objective of dry run study was to identify the bottleneck/missing links in the INSTC route.
- (b) Some of the deficiencies identified by the dry run are irregular shipping services from India to Iran, lack of insurance coverage for Bill of Lading, Non Vessel Owner Container Carrier(NVOCC) required etc.
- (c) & (d): Since INSTC Agreement is a multilateral agreement, the measures to rectify these deficiencies and tentative timeframe decided for operationalizing the INSTC require discussion with the concerned stakeholders.