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Multi-Stakeholder Dialogue

On

Promoting Cross-border Trade through Trans-boundary Waterways between Bangladesh, Bhutan and India

Wednesday, September 29th, 2021

Time: 10:00 to 14:30 (IST)

The Lily Hotel, Guwahati, India

(Also virtually on Zoom)

Background Note

India and Bangladesh share fifty four common trans-boundary rivers and waterways. These rivers can generate opportunities for the local communities in the sub-region through economic, political and socio-cultural interactions between the two countries. Cross-border trade, tourism and connectivity between these two countries through these rivers and inland waterways hold immense socio-economic potential. However, these have not been utilised to their fullest potential owing to several political, navigational and regulatory challenges.

Although several efforts to engage the local communities in the production and trade of locally produced agricultural commodities, cultural artefacts, cuisine and historical artwork have been made in the past but limited attention has been paid to the use of these trans-boundary waterways for the trade of these products. CUTS International's efforts have highlighted that the sub-regional connectivity and networking linkages between Bangladesh, Bhutan and India can be enhanced through the exchange of such products across borders on small stretches along the trans-boundary waterways.

Under this context, cross-border trade and tourism on smaller stretches through local country boats can lead to inclusive, eco-friendly and sustainable development in the sub-region. This promises enhanced economic opportunities for local communities on both sides of the border, for example, local boatman, women and local traders can have improved access to the markets on the opposite side of the border with lower transportation costs and in minimum time. Furthermore, these transportation services can boost significant tourist attraction activities, due to the increasing people-to-people connectivity between the countries.

However, the existing set of river routes via multiple ports of calls in India and Bangladesh, under the Protocol on Inland Water Transit and Trade (PIWTT), are being used for transshipment of bulk cargo to India's north-eastern states and that too only occasionally.

Thus, there is a need to connect and acknowledge such routes and rivers for trade of niche and locally originated commodities at a small scale. For instance, Dhubri in Assam to Chilmari in Bangladesh or Daudkandi in Bangladesh to Sonamura in Tripura are essential link for the nearby town and villages and for further utilisation of the increased gains from cross-border navigation.

But these smaller steps have not translated to creating enough momentum for the cross-border trade, tourism and connectivity between both the countries. Needless to say, there are a number of gaps in regulations and policies and a critical review of several other linked issues is required (for example, infrastructure, marketing, price, availability of water, visa and customs issues etc. among others) along with awareness generation between relevant stakeholders.

Given this backdrop, CUTS International in collaboration with Oxfam and the Federation of Indian Chambers of Commerce and Industry (FICCI) is organizing this multi-stakeholder dialogue in Guwahati, India with an aim of “improving policies and practices of governments that protect the rights of river basin communities to water resources” and emphasising the “importance of the cross-border trade between Bangladesh, Bhutan and India”.

This multi-stakeholder dialogue is being organized under a regional project titled “Trans-boundary Rivers of South Asia” (TROSA), which is supported by the Swedish International Development Cooperation Agency (Sida) and managed by Oxfam. The project aims to reduce poverty of marginalized and vulnerable river basin communities through increased access to, and control over, water resources, over which their livelihoods depend. The details of the project can be accessed [here](#).

Objectives of the dialogue:

- i. To build consensus among stakeholders in Bangladesh, Bhutan and India to have an inclusive approach in cross-border trade and tourism via trans-boundary waterways, thereby contributing to enhanced sub-regional socio-economic cooperation;
- ii. To enhance buy-in for small haul cross-border navigation between Bangladesh, Bhutan and India mainly for women, youth, indigenous communities, local traders, fisherman, boatman and local marginalized communities through trade of locally produced goods;

Expected outcomes of the dialogue:

- i. Government policies and practices in water resources management become more inclusive of community concerns and meet national and international standards;
- ii. Development of an outcome statement for dissemination to relevant ministries, private sector, financial institutions including multilateral development banks (MDBs) and other stakeholders in these countries for creation of an enabling environment for informed discussion on trans-boundary waterways.