BRIEFING PAPER

#1/2023

Scope and Potential for Multimodal ICPs in the Northeast Region of India

Joining Dots • Connecting People • Shared Prosperity

Suresh P Singh and Deepmala Ghosh[1]

Improved infrastructure and transport connectivity at border points and improved logistics are helping countries of eastern South Asia, namely Bangladesh, Bhutan, India and Nepal (BBIN) trade more with each other. This is reflected by India's increasing export to these countries, which increased by 50 per cent in 2021 over 2019. Data shows gains for other countries as well. While India's imports from Bangladesh increased by 50 per cent in 2021 over 2019; India's imports from Nepal more than doubled in 2021 compared to 2019.

One major development that has significantly contributed to increased trade among the BBIN countries is the establishment of Integrated Check Posts (ICPs) at several border check posts, replacing the Land Customs Stations (LCS). Further, several other ICPs are under the implementation and planning stage. It is expected that these ICPs in India would positively impact trade, provided these are made multimodal, integrating railways and waterways based on feasibility and reciprocal trade facilitation measures undertaken by other countries in the BBIN Subregion.

This Briefing Paper attempts to explore the possibility of connecting operational ICPs in the Northeast Region (NER) of India with multimodal transportation – railways, waterways, and airways. It identifies two ICPs at Sutarkandi in Assam and Sabroom in Tripura, which has the potential to be connected with other modes of transportation in addition to roadways. Further, the paper also argues for making Dhubri river port in Assam a multimodal ICP based on its strategic location and its proximity to different modes of transportation.

[1] Fellow and Research Associate, CUTS International

Introduction

Improved infrastructure and transport connectivity at border points and improved logistics are helping countries of eastern South Asia, namely Bangladesh, Bhutan, India and Nepal (BBIN) trade more with each other. This is reflected by India's increasing export to these countries, valued at over US$24bn in 2021 compared to about US$16bn in 2019, the year preceding the COVID-19 outbreak. Data also shows gains for other countries as well. While India's imports from Bangladesh increased by 50 per cent to US$1.8bn in 2021 from US$1.2bn in 2019; India's imports from Nepal more than doubled to US$1.3bn in 2021 from US$0.6bn in 2019.

Integrated Check Posts (ICPs) have replaced the erstwhile Land Customs Stations (LCS) at several border check posts between India and neighbouring countries, particularly Bangladesh and Nepal, significantly contributing to India's increased trade with neighbouring countries. The ICPs are entry and exit points on India's land borders and house all required facilities and infrastructure such as customs, immigration, border security, and quarantine, among others, within a single facilitation zone to smoothen the functioning of international trade and passenger movement across the border.

Currently, there are nine operational ICPs – four at the India-Bangladesh border, two at the India-Nepal border, two at the India-Pakistan border, and one at the India-Myanmar border. Besides, several other ICPs are in the planning and implementation phase. Out of the operational ICPs, trade through Atari ICP bordering Pakistan went into a suspension mode in 2019 after the Pulwama attack and India imposed a 200 per cent import duty on imports from Pakistan. Pakistan also snapped the trading ties following the abrogation of Article 370 in Jammu and Kashmir in 2019.[2] Trade has reportedly opened up for a third country (Afghanistan). On the other hand, ICP at Dera Baba Nanak bordering Pakistan is used for the movement of passengers only.

Total trade through ICP used for the movement of freights was valued at ₹95,488 cr in 2020-21 (equivalent to US$12bn at the current exchange rate), a three-time jump compared to 2012-13 when it was valued at ₹32,746 cr (equivalent at US$4bn at current exchange rate).[3]

In addition, these ICPs also facilitated the cross-border movement of 2,62,396 persons. Trade through these ICPs can further increase through improved land-border connectivity and integrating these ICPs through different modes of transportation, including railways and waterways.

---

2 The Tribune, 13 September 2022. Allow trade with Pakistan via Attari, plead Amritsar-based veggie & fruit merchants https://www.tribuneindia.com/news/punjab/allow-trade-via-attari-plead-veggie-fruit-merchants-430761

3 Land Port Authority of India. Time Release Study at Seven Integrated Check Posts, 2022

This Briefing Paper attempts to understand the emergence and role of ICPs in India's trade with neighbouring countries. As a case study, the paper also explores how trade relations with neighbouring countries, particularly Bangladesh, could further be strengthened by connecting operational ICPs in the NER of India with multimodal transportation – railways, waterways and airways.

Evolution of Land Ports Authority of India and ICPs

Genesis of LPAI and ICPs

India shares over a 15,000 km long international land border with seven countries in South Asia. These are Afghanistan, Bangladesh, Bhutan, China, Myanmar, Nepal and Pakistan. For cross-border movement of persons, goods and vehicles, several designated entry-and-exit points have been established on a reciprocal basis over a period. These entry-and-exit points have served as points of trade and also for the movement of people across borders.

However, most of the designated entry and exit points have inadequate infrastructure and have hindered regional trade, impeding the cross-border movement of goods and passengers. It has been observed that support facilities like warehouses, parking lots, banks and hotels have been either inadequate or absent. Further, required regulatory and support functions are not available in one complex, and even in those located close, there is no single agency responsible for the coordinated functioning of various government authorities and service providers.[4]

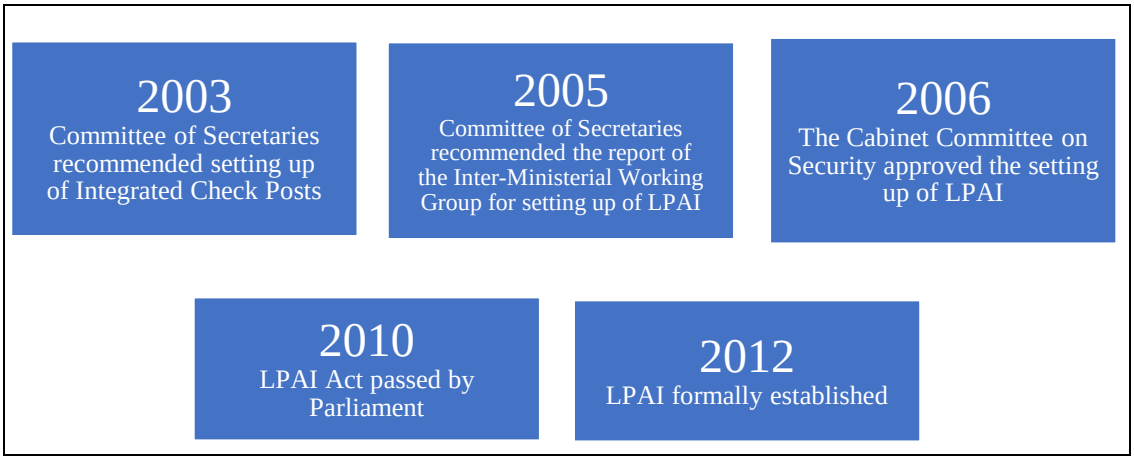
In recognition of the challenges faced at the entry and exit points and to facilitate cross-border trade and passenger movement across India's land borders, the Committee of Secretaries in 2003 recommended setting up of ICPs that would house all regulatory agencies in a single sanitised complex and provide complete state-of-the-art infrastructure

4 Land Ports Authority of India

facilities such as warehouses, examination sheds, parking bays, weighbridges among other facilities for cross border movement of passengers and goods at designated locations along India's international border.

Subsequently, in 2005, the Committee of Secretaries recommended setting up of Land Ports Authority of India (LPAI), which the Cabinet Committee on Security in 2006 approved. The Parliament passed the LPAI Act in 2010, which led to the establishment of LPAI in 2012 (Figure 1).

Figure 1: Genesis of ICPs and LPAI



India's first ICP at Atari at the international land border with Pakistan came into existence in April 2012. Housing all the necessary infrastructure and regulatory agencies, including Customs and Immigration Hall, Cargo and Passenger Terminal Building, Export and Import Warehouse, Cold Storage, Quarantine Block and Port Health Unit, Parking Facility and Security and Surveillance, it was to give the necessary boost to trade between India and Pakistan.

Since then, eight more ICPs have come up with similar and better infrastructure (Box 1). Data shows that the performance of these ICPs in terms of trade promotion and facilitation of regional cooperation has been exemplary, as indicated above. In addition to the operational ICPs, 13 more ICPs have been approved, and all of these, except one at Dera Baba Nanak at the India-Pakistan border, are under the development phase.

Eight of the approved ICPs are at the India-Bangladesh border – Changrabandha, Ghojadanga, Mahadipur, Fulbar, Hili, Kawrpuichhuah, Sabroom, and Nischintapur. As per the LPAI, India will have 25 operational ICPs in the coming period with adequate infrastructural facilities required for enhancing trade in the BBIN Subregion.

Box 1: List of Operational ICPs	
Name of the ICP and Location	**Operational since**
➢ Atari (Punjab) bordering Pakistan	13.04.2012
➢ Agartala (Tripura) bordering Bangladesh	17.11.2013
➢ Jogbani (Bihar) bordering Nepal	15.11.2016
➢ Raxaul (Bihar) bordering Nepal	03.06.2016
➢ Petrapole (West Bengal) bordering Bangladesh	12.02.2016
➢ Moreh (Manipur) bordering Myanmar	15.03.2018
➢ Sutarkandi (Assam) bordering Bangladesh	07.09.2019
➢ Dera Baba Nanak (Punjab) bordering Pakistan	09.11.2019
➢ Srimantapur (Tripura) bordering Bangladesh	05.09.2020
Source: LPAI	

Besides planning to set up more ICPs, efforts are also being made to improve the logistics efficiency of the installed resources. The LPAI is in the process of developing a Land Port Management System (LPMS) for the optimisation of ICP operations. It will be a Centralised Electronic Platform that would facilitate the end-to-end intelligent and secure exchange of information between public and private stakeholders to improve the competitive position of the land-port communities (Box 2).

Box 2: Digitalisation of ICPs in Process

Key features of the LPMS are:

- **Registration**: Single Registration Request for all Stakeholders Document Upload, Alert and Communication
- **Slot Management**: Planning for ICP slot booking based on resource availability and Vehicle Dwell Time Forecast
- **Gate Operations**: Provision to capture shipment details, transport details and gate in/out transactions; and Provisions for integrating with Full Body Truck Scanner (FBTS)
- **Business**: Data Analytics & visibility on Business Intelligence (BI) dashboards for all stakeholders; and Recording of shipment details of Cargo/container management
- **Custom Filing**: Provisions to create Shipping Bill and Bill of Entry (BOE) files with auto submit, online filing of customs clearance & EXIM Manifest
- **Unified Payment**: Single payment window for payment of customs duty and cargo terminal charges for parking, weighment, etc.

Source: LPAI

Developments over the last few years imply that India will have more than 20 ICPs at its border with neighbouring countries in the next few years. It also implies that the functioning of these ICPs would become crucial for determining India's trade relations with neighbouring countries. These could also greatly impact the cost of trade and logistics efficiency.

How ICPs are Contributing to Cross-Border Trade?

ICPs have emerged as a major contributor to India's improved trade with neighbouring countries. As these ICPs have integrated infrastructure and support services, including cargo and passenger terminals, and facilities for parking and transhipment, among others, these are contributing to increased trade efficiency in terms of time and cost leading to ease of trade. Ease of trading is even more at border points where reciprocal infrastructure has come up, for example at Raxaul-Birgunj and Jogbani-Biratnagar (India-Bangladesh borders),

A Time Release Study[5] at Seven Integrated Check Posts by LPAI reveals that an integrated trade facility at the border increases efficiency in terms of time, cost and ease of trade. The report further mentions that in 2020-21, ICPs in India facilitated trade worth ₹95,488 cr and passenger movement of 2,62,396 persons. As per another report,[6] in 2019-20, 40 per cent of India's total trade with Bangladesh, Nepal, Myanmar and Pakistan took place through the six ICPs at Agartala, Petrapole, Raxaul, Jogbani, Moreh and Attari.

Annual trade (import and export) data emerging from LPAI, however, reveal that trade through the ICPs has almost remained constant over the last four years from 2017-18 to 2020-21. It declined (Table 1). This could be because of the outbreak of COVID-19 in early 2020 and the ensuing restrictions on the cross-border movement of freights and people.

Table 1: ICP-wise Trade

ICP	Trade (₹crore) 2017-18	Trade (₹crore) 2018-19	Trade (₹crore) 2019-20	Trade (₹crore) 2020-21	Trade (₹crore) 2021-22
► Atari	4,148	4,370	2,772	2639	2999
► Agartala	235	356	585	581	448
► Jogbani	6561	8,519	7,623	7,270	10427
► Srimantapur	91.47	96	101	82	181
► Sutarkandi	-	-	329	238	492
► Raxaul	19,624	25,199	23,405	22,099	36468
► Petrapole	18,799	21,380	20,605	15,771	29308
► Moreh	0.4	3	356	12	4
Total (above ICPs)	49,459	59,923	55,776	48,692	80327

Source: LPAI (2022). Integrated Check Posts Gateway to India. Trade data for 2021-22 is from DGCIS

5 LPAI (2021), Time Release Study at Seven Integrated Check Posts

6 Riya Sinha (2022), Linking Land Borders – India's Integrated Check Posts

Trade through ICPs in the following year, 2021-22 reveals a definitive turnaround. It amounted to ₹80,327 cr, registering an increase of nearly 65 per cent. At the ICP level, trade data reveal that trade through all the ICPs witnessed significant gains, except in two cases of Agartala and Moreh. The increase in trade was relatively more pronounced in the case of Raxaul, Petrapole, and Jogbani ICPs, with trade increasing by 65, 86 and 43 per cent, respectively. It is also observed that trade through Sutarkandi and Srimantapur ICP catering to the NER has also increased by over 106 per cent and 120 per cent (respectively valued at ₹492 cr, ₹181 cr). This increasing trade reflects the scope and potential of these ICPs, including those in the NER, in increasing India's trade with neighbouring countries.

Major commodities traded through the ICPs

A large number of products are being traded through the eight functional ICPs. These include both agri-and-non-agri-products. A list of important items traded through these ICPs is shown in Table 2.

In the case of NER, agri-products, such as Cumin, Ginger, Wood Apple, Tamarind, Betel Leaf, Cereals, Orange, Pomegranate, Grapes, and Apples are emerging as major export items. These products are being exported to Bangladesh through Srimantapur and Sutarkandi ICPs in Tripura and Assam respectively.

Table 2: Major Traded Products Through ICPs

Name of the ICP	Products traded
Atari ICP	► **Import**: Soyabean, Chicken Feeds, Vegetables, Red Chillies, Plastic Dana, Plastic Yarn. ► **Export**: Dry Fruits, Dry Dates, Gypsum, Cement, Glass, Rock Salt, Herbs.
Agartala ICP	► **Import**: Crushed Stone, Coal, Float Glass, Cement, Fish & Edible Oil, TMT Bars. ► **Export**: Dry Fish, Arjun Flower, Wheat, Rice.
Jogbani ICP	► **Import:** PP Woven Fabrics, Mustard Oil Cake, Refined Oil (Soybean), Jute Sacking Bag. ► **Export:** Iron & Steel, Petroleum Products,), Food grains, Machinery & Parts, 2-4Wheelers/Tractors
Srimantapur ICP	► **Import**: Cement, Steam Coal, Fruit Drink, Carbonated Beverages, PVC Pipes & Tubes, Kitchen Racks of Iron, Agro Plastic Net, Brick Crusher, Thrashing Machine. ► **Export**: Cumin, Ginger, Wood Apple, Tamarind, Betel Leaf, Cereals.
Sutarkandi ICP	► **Export**: Palm/Soya Oil, Food Items, Soft Drinks, Plastic, Household Goods, Waste Cotton. ► **Export**: Limestone, Orange, Pomegranate, Grapes, Apple, Coal.
Raxaul ICP	► **Import**: Metal Scrap, Beverages, PP Woven, Refined Palmolein, Lead, Dabur Products.

Name of the ICP	Products traded
	► **Export:** Petroleum Products, Iron & Steel, Motor Vehicle, Machine & Machinery Parts, Medicine, Rice & Food Grains.
Petrapole ICP	► **Import**: Garments, Cotton Rags, Briefcases & Bags, Jute Yarn, Hydrogen Peroxide, Jute Cloth, Lead, Caustic Soda Flakes, Sacking Bag & Footwear. ► **Export:** Cotton Fabric, Chassis, Raw Cotton, Steel/Iron, Chemical/Dyes Synthetic Fabric, 2/4 Wheelers, Machinery/Parts, Cereals, P/Books & Papers.
Moreh ICP	► **Import**: Cement. ► **Export**: Bitumen, Sports Shoe, Automobile Spare Parts, Smoking Pipe Glass, HSD Oil.
Source: Land Ports Authority of India	

However, the current level of exports appears to be much below the NER's potential. Evidence suggests that barely one per cent of the region's agri output is exported. This is primarily because of the lack of infrastructure for long-term storage. A study[7] reveals that NER has a marketable surplus in a large number of perishable products, including rice, banana, potato, cabbage, pineapple and others (Table 3). Marketable surplus is very high in some of the products. For instance, it is more than 80 per cent in three products – pineapple (95 per cent), orange (85 per cent), and jackfruit (83 per cent).

Recent initiatives by the Central Government towards improving connectivity, transport and infrastructure facilities are enabling the NER to improve its resource use and increase regional exports. This is reflected by the region's current success in increasing its exports. The region has witnessed a more than eight-fold jump in the export of agricultural products over the last six years (2016-17 to 2021-22). Export reached US$17.2mn (equivalent to ₹136 cr at the current exchange rate) in 2021-22 from US$2.52mn (equivalent to ₹20 cr) in 2016-17.[8]

Interestingly, the major export destinations include two countries in India's neighbourhood, namely Bangladesh and Bhutan, besides the Middle East, the UK and Europe.

7 Sathguru Analysis (2017), Comprehensive Master Plan for Tapping the Export Potential of North Eastern States (study done for APEDA)

8 Press Information Bureau, 2 December 2022, https://www.pib.gov.in/PressReleseDetailm.aspx?PRID=1880468; others

Table 3: Trade Potential of NER in Select Agri-Products

(based on marketable surplus)

Product	Production ('000 tonnes)	Consumption (%)	Marketable Surplus (%)
Rice	6755	94.6	5.4
Banana	1208	20.2	79.8
Potato	1113	82.4	17.6
Cabbage	912	25.8	74.2
Pineapple	777	5.0	95.0
Orange	590	14.7	85.3
Tomato	517	32.3	67.7
Jackfruit	493	16.7	83.3
Cauliflower	479	30.7	69.3
Brinjal	398	79.0	21.0

Source: Sathguru Analysis (2017), Comprehensive Master Plan for Tapping the Export Potential of Northeastern States (study done for APEDA)

States, which have realised a significant increase in the export of agricultural produce are Assam, Nagaland, Manipur, Mizoram, Tripura, Arunachal Pradesh, Sikkim and Meghalaya. In addition to products at present being exported, several products are having a marketable surplus, which can be promoted for exports from the region. For instance, in the case of Mizoram, these include pineapple, hatkora (citrus), dragon fruit, oranges, passion fruit, squash, anthurium flower, Mizo Ginger, Mizo chilli and grape wine.

Given several initiatives taken by the Government of India through the Northeastern Regional Agricultural Marketing Corporation (NERAMC) and Agricultural and Processed Food Products Export Development Authority (APEDA) towards promoting exports from the region, ICPs are expected to give a huge boost to economic activities in the region. These could also help NER achieve its export potential. This calls for strengthening the connectivity of the operational ICPs, and LCSs catering to the NER, and further making these connections with other possible modes of transportation, such as railways, waterways and airways.

Making ICPs in NER Multimodal

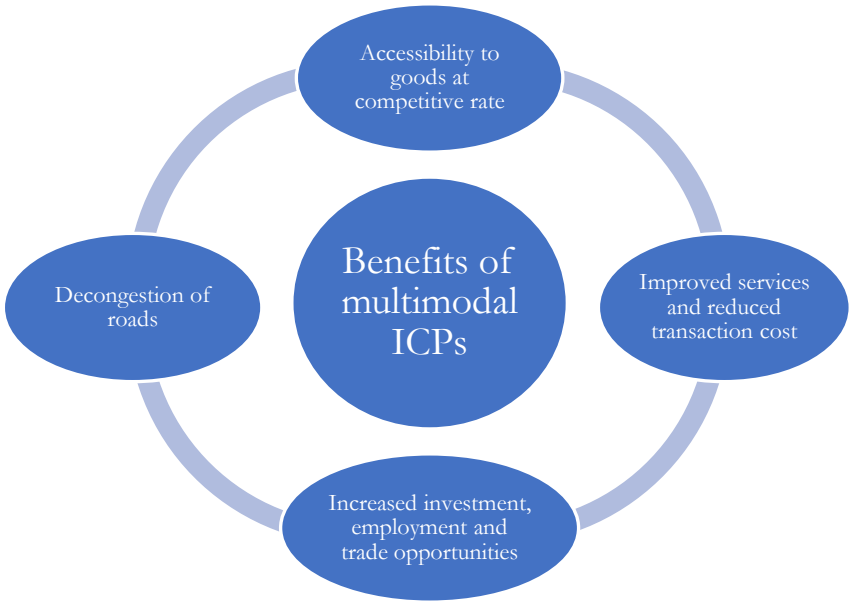
All the operational eight ICPs used for both cargo and passenger movement have presently unimodal connectivity (roadways). This unimodal connectivity appears to hinder the optimal use of resources and integrated infrastructure established at the border points for trade promotion. In recognition of this, the LPAI is considering upgradation and connecting many of these ICPs with other modes of transportation, namely railways and waterways. Such

multimodal connectivity is expected to provide better last-mile connectivity and help fully utilise infrastructure at ICPs. This is corroborated by a World Bank report[9] revealing that seamless transport connectivity between India and Bangladesh can increase national income by as much as 17 per cent in Bangladesh and 8 per cent in India.

Out of the eight ICPs used for cargo and passenger movement across the border, the LPAI is in the process of developing rail connectivity to three of its ICPs at Raxaul, Petrapole and Jogbani. A six km long railway line connecting Raxaul in India to Sirsiya Inland Container Depot (ICD) near Birgunj in Nepal is currently used to move freight between the two nations. Another 18.6 km long broad-gauge railway linking Biratnagar, Nepal's industrial area, is also being constructed to connect Jogbani, India, to Biratnagar, Nepal, and beyond. One major feature of these unimodal ICPs is their proximity to other modes of transportation.

In line with the above-mentioned ICPs, there are at least two other ICPs, namely Sutarkandi and the upcoming ICP at Sabroom in NER, which can be considered for upgradation and making these multimodal. It is mentioned that the LPAI is already looking at the prospect of linking this ICP with nearby waterways, including that of Chattogram and Mongla seaports in Bangladesh. In addition, there is another major trading point in NER at Dhubri river port, though not an ICP at present, which stands good prospects of getting connected to other modes of transportation, namely roadways and railways.

Figure 2: Benefits of Multimodal ICPs



9 World Bank (2021). Connecting to Thrive: Challenges and Opportunities of Transport Integration in Eastern South Asia,

Arguments and justifications for the upgradation of these three cross-border trading points are provided below.

Sutarkandi ICP

Sutarkandi ICP is one of the prospective ICPs suitable for upgradation and multimodal connectivity. This ICP is 15 km from the town of Karimganj and mirrors Shewla in Bangladesh. This ICP is found to be located closer to multiple modes of transportation, namely waterways, railroads, and roadways for trade and transit. Regarding road connectivity, Sutarkandi is connected by NH37 (earlier NH151), which links it to Sylhet in Bangladesh and Karimganj in India. It is mentioned that before independence, Assam's Karimganj district was connected to the rest of India and Myanmar by rail, road and river routes that all passed through Bangladesh.

Sutarkandi ICP has also in close proximity to Mahishasan railway station, defunct since 1966, and located just 10 km away from the ICP. This station can be extended to Shahabajpur in Sylhet, Bangladesh and to Akhaura in Bangladesh, which is close to Agartala, Tripura. This railway station is currently being revived to enhance trade between the two countries. Earlier, these railway tracks connected India and Myanmar through the Moreh-Tamu border. Revival of this line could rejoin the Trans-Asian Railway, an initiative of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), upon its resurrection.

For the uninitiated, this Trans-Asian Railway route commences in Kunming in China and then travels through Myanmar, Bangladesh, India, Pakistan, Iran and Turkey. It crosses into India at the Moreh-Tamu border and is connected to Jiribam in Manipur. From Jiribam, the network crosses into Bangladesh via Mahishasan-Shahbajpur and returns to India via the West Bengal border of Gede-Darshana. From there, the network continues along the trunk line of Kolkata-Delhi-Amritsar till it reaches the Pakistani border at Attari-Wagah.

Sutarkandi ICP, only 3 km away from Lakhipur, has also prospects for waterway connectivity via the Kushiara River. The nearest airport is Silchar, located 100 km from Sutarkandi.

The prospect for multimodal connectivity of this ICP makes it an ideal case for upgradation and the potential to bring huge benefits for the Barak Valley in Assam, as well as for western Tripura and surrounding parts of Bangladesh.

Figure 3: Sutarkandi ICP Potential for Multimodal Connectivity

Box 3: Infrastructure Required for Transforming Sutarkandi ICP into a Multimodal ICP

Though the Sutarkandi ICP is now functioning as an integrated establishment for cross-border trade and has the basic infrastructures, these are not enough.

Currently, the ICP has a main building housing customs officials and other stakeholders involved in facilitating trade. The ICP has three weighbridges of 100 Metric Tonne (MT) and 50 MT respectively. There are two Border Trade Centres (BTCs) in Sutarkandi, BTC-1 is in the ICP and BTC-2 is located half a km away from the ICP. Near BTC-2 there is an open yard of 18,000 sq. m. used for the storage of export goods (mostly limestone) and quarters for BSF staff.

There is a need for expanding the parking space. At present, this ICP has parking space for only 80 trucks, whereas, on average, 460 trucks (approximately 400 export trucks and 60 importing trucks) pass through the ICP daily. Due to a lack of parking space, trucks are parked along the roadside, which leads to congestion.

The Sutarkandi ICP lacks in machinery required for transhipment. Manual transhipment still takes place at this ICP. Only one crane is available for lifting heavy goods like boulders or machinery. For the transhipment of other goods, labourers are used. The ICP also suffers from a lack of warehouses, cold storage, transhipment yards, plant and animal quarantine offices and FSSAI lab required for the smooth trade flow. Due to the absence of laboratories, samples are sent to Kolkata, Guwahati, Agartala and Varanasi (for textiles), which causes a delay of around 15-20 days. Further, because of an inadequate telecom network and poor internet connectivity, this ICP is not yet Electronic Data Interchange (EDI)-enabled.

The above issues are expected to be duly addressed by the upcoming ICP planned by the LPAI on the acquired 82 acres near the ICP. Further, this ICP needs to be integrated with the existing steamer ghat near the ICP. The steamer ghat has an IWAI terminal, a closed warehouse and an IWAI vessel with a container handling facility. This steamer ghat is currently used for exporting small quantities of fresh fruits and ginger to Bangladesh.

Sabroom ICP

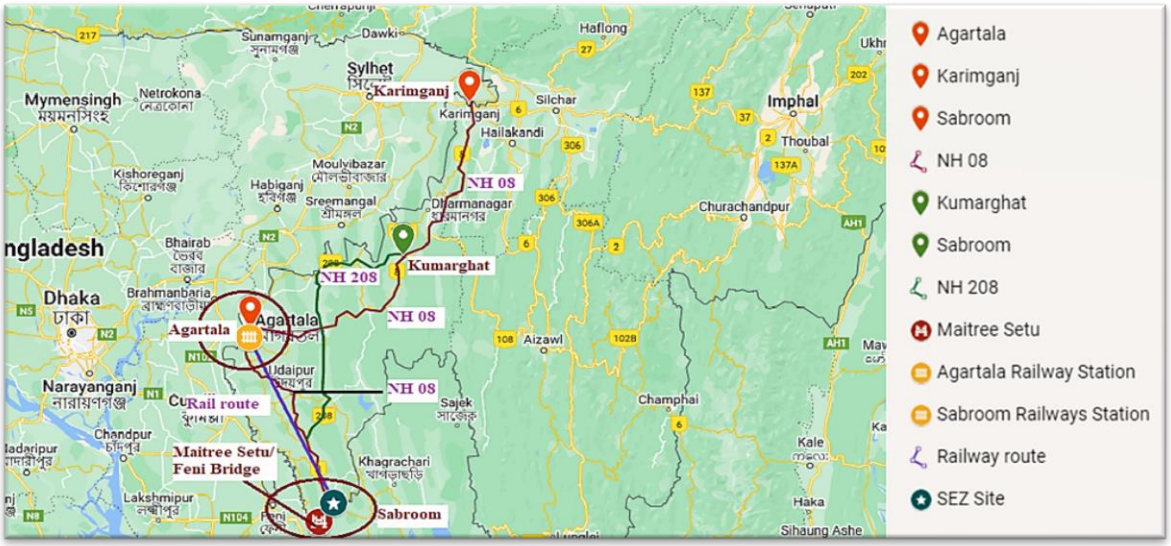
Sabroom ICP mirroring ICP at Ramgarh in Bangladesh is under construction and expected to be functional sometime in 2023. This ICP has proximity to different modes of transportation. It is connected by NH 08 and NH 208. NH 08 connects Sabroom with Agartala and further connects it with Karimganj. The 122 km long section of NH 08 between Agartala and Sabroom, which includes the Feni Bridge at the international border between India and Bangladesh, is currently under construction. Kailashahar, Khowai, Teliamura and Amarpur are other important places in Tripura that are connected to the Sabroom ICP by the 265 km long NH 208, which begins at its intersection with NH 08 near Kumarghat. It is important to mention that Sabroom is also connected to the Chattogram Port of Bangladesh roughly 75 km away from the ICP, through a 1.8 km long bridge over the Feni River.

The distance between the ICP and Sabroom railway station is less than 5 km. The capital of Tripura, Agartala, is easily accessible from there. Since October 2019, a 114.6 km long railway line connecting Agartala and Sabroom has been in use.

The Government of India has planned to establish a Special Economic Zone (SEZ) close to the Sabroom ICP. In this SEZ, there are plans to establish companies for rubber, bamboo, agricultural products and food processing units. In September 2020, the groundwork for the same was already completed.

In addition to giving the NER of India a huge boost in inter- and intra-regional connectivity, ensuring effective and efficient connectivity to the Sabroom ICP through various modes of transportation will also make it possible for the people and goods from the NER to have easier and economic access to the rest of the world through Chittagong Port in Bangladesh.

Figure 4: Sabroom ICP Potential for Multimodal Connectivity



Dhubri River Port

Dhubri in Assam features a river port called Dhubri Steamer Ghat and a land customs station on the banks of the Brahmaputra River. It is located about 244 km west of Dispur, the capital of Assam. Presently, it doesn't have an ICP. But its geographic advantage makes it a strong case for looking into the viability of creating a multimodal ICP integrating this, Steamer Ghat.

The Dhubri River Port is well connected by roadways, waterways, railways and airways. Its connectivity helps the port in playing an important role in facilitating communication and trade between northeast India and the rest of India in addition to promoting trade between Bangladesh and Bhutan.

The River Port is connected to the NH 17, which starts at the intersection of NH 10 at Sevoke, Darjeeling in West Bengal and travels through the districts of Siliguri, Golakganj, and Dhubri before coming to an end in Guwahati, Assam. It joins NH 27 at Guwahati, which runs from

Gujarat in western India to Silchar in Assam and connects several other states in west and north India with the northeast.

Regarding waterways connectivity, the port is located on National Waterway 2 on the Brahmaputra River, which runs along Routes 7 and 8 under the India-Bangladesh Protocol. It is also connected to Chilmari in Bangladesh and through this to the ports of Haldia and Kolkata, where it joins National Waterway 1 (the Ganga River). The Dhubri River Port is also important for third-country trade. Through this port, products from Bhutan using roadways are delivered to Chilmari, Bangladesh using waterways.

In the case of railways connectivity, it is found that Dhubri river port is about 7 km from Gauripur Railway Station, and is connected to both New Cooch Behar and Guwahati in the east and west, respectively. The recently built New Cooch Behar-Gauripur-Abhayapuri-Goalpara stretch, which is a part of the New Maynaguri-Jogighopa railway line project, is being used by the Northeast Frontier Railway for the movement of cargo trains. Besides, Dhubri river port is also connected to Jogighopa Multimodal Logistics Park (MMLP) located at a distance of about 90 km through waterways, further strengthening its connectivity and catering to the needs of freight movement, a new rail line is being laid. It is noted that Jogighopa MMLP is connected to Kokrajhar in Assam and Pasakha in Bhutan through roadways.

The Rupsi Airport, which is now running as part of the UDAN (*Ude Desk ka Aam Nagarik*) initiative and is located at a distance of 17 km from the Dhubri river port, is the closest airport to Dhubri. This airport has air connectivity to Guwahati, Assam, and Kolkata, West Bengal.

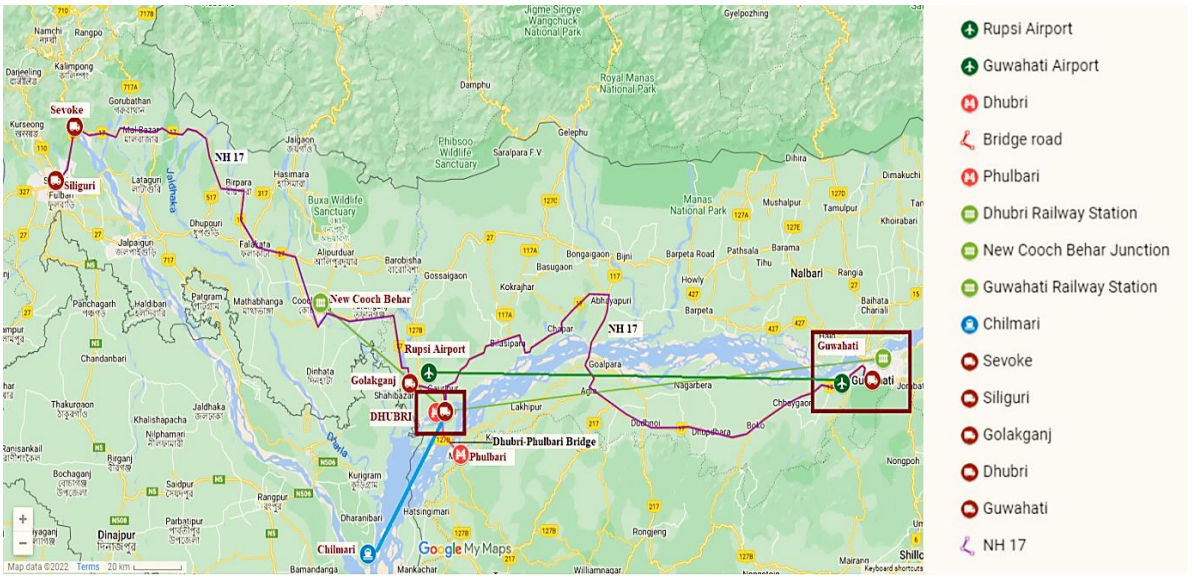
In other words, Dhubri river port is well connected by different modes of transportation to cater to effective inter- and intra-regional transport connectivity and logistics essential for northeast India to realise its full economic and trade potential.

However, Dhubri town is extremely congested, and there is limited scope for any new road connections to the river port. Building a new road network would require displacing a sizable population, whose rehabilitation would be extremely difficult. Therefore, it is necessary to construct a link road with the Dhubri-Phulbari River bridge, which is located within four km of this river port. The construction of this river crossing bridge is likely to be completed in 2026. A link road that connects Dhubri river port to this bridge will strengthen its roadways connectivity and help increase freight movement up to the river port. This, in turn, can help diversify the items traded through this port.

Box 4: Dhubri River Port: An Enabler to Trade in the BBIN Subregion
Since 2019, Dhubri riverport has emerged as a gateway for the export of boulders and stone chips from Bhutan to Bangladesh. Interactions with local stakeholders revealed that on average, five ships having 250 MT capacity each move daily from this riverport to Bangladesh. These stone chips are priced at US$20 per metric tonne. Thus, the value of Bhutan's per day export through this riverport is about US$25,000. If this trend continues and assuming that exports happen 20 days a month, the total value of Bhutan's export of stone chips through this riverport will be about US$6mn. This will constitute a little less than two per cent of Bhutan's total export, which was valued at about US$370mn in 2021 and more than 25 per cent of its total export of boulders and stone chips.
Source: Based on authors' interactions with local stakeholders in early September 2022

Dhubri is an excellent multimodal enabler for fostering subregional connectivity and trade due to its location and proximity to Bangladesh in the south, Bhutan in the north, northeast India in the east, and Nepal and the rest of India in the west. The port has the potential to develop into a web of connectivity and trade in the BBIN subregion.

Figure 5: Dhubri River Port Potential for ICP and Multimodal Connectivity



Conclusion and the Way Forward

Land ports facilitate India's trade with neighbouring countries. The availability of infrastructure and logistics efficiency of these ports is crucial not only for increasing India's trade with neighbouring countries but also for reducing trade costs and product competitiveness. The establishment of ICPs at designated border points in alignment with

the operations of LCSs on the other side of the border, particularly in the NER, will address many of the infrastructural and logistics efficiency-related challenges in terms of increased capacity, greater efficiency, maximum utilisation of resources and improved logistics. ICPs are considered to be a huge trade facilitation initiative and can have implications for trade in the BBIN subregion.

The NER, which has remained neglected for decades, is emerging as an important beneficiary from the establishment of ICPs. At present four ICPs at Agartala, Srimantapur, Sutarkandi and Moreh cater to NER, and these are making a significant contribution to the trade. Several others, including Sabroom ICP, are under the development and planning phase. All of these have unimodal transport (roadways) connectivity.

For ICPs to operate to their highest potential in the NER, what is required is strengthening these operational ICPs and also those which are under development. This can be done by exploring prospects of making these ICP multimodal, that is, connecting these with other possible modes of transportation – railways, waterways and airways. Though making these ICPs multimodal is necessary, it is crucial to first integrate these ICPs, that is, bringing all the stakeholders concerned like customs and immigration centres under one roof.

This paper identified two ICPs – Sutarkandi and Sabroom – which have prospects to be multimodal as they have proximity to other modes of transportation. Dhubri River Port, which is not an ICP but is used for bilateral trade between India and Bangladesh and also for third-country trade, appear to have prospects for converting this into a multimodal ICP. This could help integrate NER with the rest of India and also with the BBIN subregion. This calls for a detailed feasibility study to understand their connectivity and trade potential.

References

Bhattacharjee, J., (2019). Integrated Check Posts on the India-Bangladesh Border: A Field Survey and Brief Analysis. Available at: https://www.orfonline.org/research/integrated-check-posts-on-the-india-bangladesh-border-a-field-survey-and-brief-analysis-54559/

Bhattacharjee, J., (2019). Analysing Integrated Check Post in India's border with Bangladesh. Border Security Report. Available at: https://border-security-report.com/analysing-integrated-check-post-in-the-indias-border-with-bangladesh/

Ernst & Young LLP (2021). Land Customs Station Evaluation Report. Available at: https://www.lpai.gov.in/sites/default/files/2022-07/LPAI_LCS_Evaluation_Report_Vol1.pdf

Ernst & Young LLP (2022). Social Cost Benefit Analysis of ICPs in India. Available at: https://www.lpai.gov.in/sites/default/files/2022-07/Social_Cost_Benefit_Analysis_of_ICPs_in_India.pdf

Land Ports Authority of India (2022). Land Ports Gateway to India.

Sharda, K., & Sinha, D., (2021). A Network of Multimodal Logistics Parks in the BBIN Subregion: Proposing a Blue Quadrilateral for Enhancing Trade. CUTS Discussion Paper. Available at: https://cuts-citee.org/pdf/discussion-paper-a-network-of-multi-modal-logistics-parks-in-the-bbin-sub-region.pdf

Sinha, R., (2021). Linking Land Borders: India's Integrated Check Posts. CSEP Working Paper-09. Available at: https://csep.org/wp-content/uploads/2021/06/WP_Linking-land-borders-ICP-1.pdf

With the support of

UKaid Foreign, Commonwealth & Development Office

ADB Asian Development Bank

CUTS International

D-217, Bhaskar Marg, Bani Park, Jaipur 302 016, India
Ph: +91.141.228 2821, Fax: +91.141.228 2485, E-mail: cuts@cuts.org, Web: www.cuts-international.org
Also at Delhi, Kolkata and Chittorgarh (India); Lusaka (Zambia); Nairobi (Kenya); Accra (Ghana); Hanoi (Vietnam); Geneva (Switzerland); and Washington DC (USA).