

# OPPORTUNITIES FOR INCLUSIVE TRADE THROUGH TRANSBOUNDARY WATERWAYS OF THE BRAHMAPUTRA RIVER



# Opportunities for Inclusive Trade through Transboundary Waterways of the Brahmaputra River

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#2014

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# Acknowledgement

This research study titled 'Opportunities for Inclusive Trade through Transboundary Waterways of the Brahmaputra River' aims to generate evidence supporting a business case for traders in Dhubri, South Salmara-Mankachar districts of Assam (India) and Rowmari and Chilmari upazilas of Kurigram (Bangladesh).

While exploring the tradable commodities in the study locations, the study also gauged the perceptions of local communities including women, on the possible benefits of trade via waterways.

The project team would like to acknowledge all the support availed during the study from various individuals and organisations. We offer our sincere thanks to the Oxfam Novib for implementing TROSA and the Swedish government to support the programme. Special thanks to Jyotiraj Patra, Santanu Dam and Avinash Singh of TROSA's Programme Management Unit (PMU) for their continuous support throughout the entire project duration.

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Project Team  
CUTS Centre for International Trade, Economics and Environment  
(CUTS CITEE)  
CUTS International

# Abbreviations

CBIC	Central Board of Indirect Taxes and Customs
BHP	Brake Horse Power
BRRI	Bangladesh Rice Research Institute
CGI	Corrugated Galvanised Iron
FGDs	Focus Group Discussions
GUK	Gana Unnayan Kendra
IWAI	Inland Waterways Authority of India
KIIs	Key Informant Interviews
LCS	Land Customs Stations
MSMEs	Micro Small and Medium Enterprises
MT	Metric Tonnes
NERSWN	Northeast Research & Social Work Networking
NGO	Non-Government Organisation
PIWTT	Protocol on Inland Waterways Transit and Trade
PVC	Poly Vinyl Chloride
QT	Quintal
RCC	Reinforced Cement Concrete
INR	Indian Rupee
SDG	Sustainable Development Goal
SHG	Self Help Group
TEU	Twenty-foot Equivalent Unit
USD	US Dollar

## Contributors



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## Preface



**Bipul Chatterjee**  
Executive Director  
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Inland waterways that criss-cross the landscape of India and Bangladesh used to be a major means of transportation and trade in the sub-region during the colonial era. After decades of negligence, they have once again become a focal point of discussion on improving connectivity in eastern South Asia.

Inland water transport in this sub-region has two components: the organised sector, which is about big steel hull vessels pushed by major shipping firms, and the unorganised sector, comprising small mechanised boats and shallow draft barges, on which the riverine communities depend on trade and transportation.

The unorganised sector is mostly prevalent in parts of lower Assam and adjoining areas of Bangladesh, having numerous river islets called *chars*. Over the past few years, a new narrative of socio-economic development has evolved around the inland waterways as drivers of change in the marginalised border areas along the banks of the Brahmaputra River.

This narrative recognises that opportunities offered by trans-boundary inland waterways can be explored through mutual cooperation at sub-regional level. This concept of inclusive cross-border trade is pushed by civil society organisations like CUTS International and developmental agencies like Oxfam have been able to gather the support of Governments of India and Bangladesh.

The cross-border trade through trans-boundary waterways of India and Bangladesh is governed by the Protocol on Inland Water Trade and Transit (PIWTT). However, the inter-country and transit trade through PIWTT routes were limited to a few products such as fly ash and over-dimensional cargo, and, that too in selected stretches.

At the same time, significant progress has been made recently through the second addendum to the PIWTT signed in May 2020, in which new routes and Ports of Call have been included. This will act as an enabler for the rejuvenation of the local economy of the sub-region. Thus, the need of the hour is to improve infrastructure facilities, optimise policies and regulations and operationalise the cross-border trade through inland

waterways by developing linkages among traders and other relevant stakeholders.

It is in this context that CUTS International undertook a study on inclusive cross-border trade along the stretch between Dhubri (Assam, India) and Chilmari (Kurigram, Bangladesh) under the programme "Transboundary Rivers of South Asia" (TROSA). It explored the trade prospects of locally produced goods and possible benefits for traders, boatmen and local communities including women. This report captures major observations collected during the field work and has also come out with some specific recommendations for a wider benefit to the local communities.

I would like to thank Oxfam, Novib, the Netherlands for implementing the TROSA programme and the Swedish International Development Agency for its generous support. My special thanks to Jyotiraj Patra, Project Manager – TROSA, for his continued support, guidance and cooperation.

I extend my gratitude to Oxfam India, Oxfam Bangladesh, North East Research & Social Work Networking (NERSWN, Kokrajhar, Assam), Gana Unnayan Kendra (Gaibandha, Bangladesh) for their support and engagement at various levels and capacities. Sincere thanks are also due to Arun Roy, an expert on River Engineering & Inland Water Transport Operations, and Consultant, CUTS International for his inputs and overall guidance in conducting the study.

## Executive Summary

**T**ransboundary Rivers of South Asia (TROSAs) is a regional water governance programme implemented by Oxfam. The programme aims to reduce the poverty of riverine communities by increasing their access and control over water resources.

Rivers of Ganges, Brahmaputra and Meghna (GBM) provide a range of ecosystem services, including agriculture, fisheries, navigation, tourism and hydropower sustaining the lives and livelihoods of millions of riverine communities. The TROSA programme being implemented in the GBM and Salween basin, strive to protect the rights of riverine communities through multi-stakeholder engagement.

This report is an output of the study titled "Inclusive spaces for cross-border trade along the waterways of the Brahmaputra" led by CUTS International along with its local partners. CUTS field work in India was supported by Oxfam India, Northeast Research and Social Work Networking (NERSWN, Kokrajhar, Assam), whereas Oxfam Bangladesh and Gana Unnayan Kendra (GUK, Gaibandha) rendered support in Bangladesh.

The primary objective of the study was to generate evidence

supporting a business case for traders in Dhubri, South Salmara-Mankachar districts of Assam and Rowmari and Chilmari upazillas of Kurigram. While exploring the tradable commodities, the study also gauged the perceptions of local communities, including women, on the possible benefits of trade via waterways.

The study is based on a mix of qualitative and quantitative approaches. For example, focus group discussions (FGDs), and key informant interviews (KIIs) with local traders, boatman, members of local bodies (that is, members of *panchayats*, and unions), and civil society groups were conducted in the study locations for collecting qualitative information.

For quantitative analysis, a brief survey was conducted with around 50 respondents each in India and Bangladesh that included women entrepreneurs, traders, farmers, transporters and other relevant stakeholders. Secondary data on the production statistics of agricultural commodities produced in the Garo hills of Meghalaya as well as the export-import data through the adjoining Land Custom Stations of Mankachar and Golakganj were also collected from the database of Directorate General of Commercial Intelligence Statistics, India.

Five transporters from Bangladesh and 10 from India were contacted during the survey. Results revealed that 20 per cent of the Bangladeshi transporters were dissatisfied while the rest were satisfied with the existing transport infrastructure. On the other hand, most of the Indian transporters were moderate to very satisfied.

Out of the 31 traders interviewed, indicated that there is a lack of awareness among traders (and producers) about the potential benefits of inland waterways connectivity, as 75 per cent of them in India could not give their opinion on possible benefits of inland waterways transportation.

Our observations made it evident that there is no direct participation of women in trading activities. The lack of women participation in direct trade activities may be owed to information deficit with regard to regulations and procedures, and absence of incentives in engaging in cross-border trade, restricted mobility due to sub optimal infrastructure, safety-related challenges and socio-cultural barriers.

### Key Recommendations

- For trading perishables like pineapple, ginger and areca nuts through waterways, the main challenge is the low volume of cargo, absence of quarantine facilities, testing laboratories and cold storage facilities. To address the challenge of low volume, lockable chambers of varying capacities have to be made in a single boat of smaller size (20-25 tonne capacity) so as to carry multiple commodities in different quantities.
- Improvement of navigability conditions, setting up of an all-weather inland port at Jogighopa with multi-modal connectivity, up-gradation of the Dhubri port with better road connectivity and its linkage with railway line are some of the infrastructure related challenges that need immediate attention of the relevant government authorities.
- Declaring new routes and Ports of Call and allowing shallow draft vessels would enable marginal sectors to participate in cross-border trade. The employment generation for all service sectors like clearing and forwarding agencies, freight handling and infrastructural development will also contribute to the local economy.
- One-way cargo movement is an existing challenge that adds to the cost of transportation. To address this, efforts should be taken to facilitate dialogues between traders in both countries to establish business linkages.
- Since Hatsinghimari port is close to West Garo hills, it is the ideal location for loading perishables. Similarly, Rowmari is a chosen destination for Bangladeshi traders instead of Chilmari as it has better road connectivity. Hence, Hatsinghimari and Rowmari should be declared Extended Ports of Call for Dhubri and Chilmari, respectively.

# Introduction

**T**rans-boundary rivers of South Asia (TROSA) is a regional programme managed by Oxfam Novib, the Netherlands, which is being implemented in the river basins of Ganga, Brahmaputra, Meghna and Salween. It aims to achieve positive change in the lives of marginalised and vulnerable riparian communities. One of its objectives is to improve policies and practices of governments that protect and promote the rights of communities to water resources living along these basins.

Rivers have been an important means of transportation of goods and passengers. Navigation is one among the various other ecosystem services provided by rivers, like irrigation, fisheries, tourism, hydropower, among others. Historically, rivers have played a crucial role in shaping the economy of riparian countries and the lives of riverine communities.

In the context of the Indian sub-continent, the mighty rivers of Ganga and Brahmaputra along with its tributaries and distributaries act as a network connecting the riparian countries and sharing its

vast resources. The Brahmaputra, despite creating havoc through massive floods every year, is termed as the lifeline of Assam — the state, through which it traverses about 891 kilometres before entering Bangladesh. The stretch of Brahmaputra from Sadiya to Dhubri in Assam is the National Waterway 2 of India. On entering Bangladesh, it is known as Jamuna and flows downwards and confluences with river Padma (Ganga) near Aricha and with river Meghna, close to Chandpur and later merges with the Bay of Bengal.

India and Bangladesh have designated riverine routes for trade and transit as agreed in the Protocol of Inland Waterways Transit and Trade (PIWTT), 1972. Of the 10 Protocol Routes declared so far, the Kolkata-Silghat (Protocol Route-1) is the route experiencing highest trade volume.<sup>1</sup> The trade data along the Protocol Routes are given in the table below.

It is to be noted that only the lower stretch of the Protocol Route-1 (Kolkata-Naryanganj) has been used actively for inter-country trade with fly ash being the major

***India and Bangladesh have designated riverine routes for trade and transit as agreed in the Protocol of Inland Waterways Transit and Trade***

1. <https://iwai.nic.in/index1.php?lang=1&level=0&linkid=5&lid=14>

**Table 1: Cargo Transported under PIWTT in the Last Five Years (in metric tonnes)**

Year (July-June)	Inter-Country Cargo	Transit Cargo
2015-2016	2259654	6929
2016-2017	2624614	6178
2017-2018	2702571	4876
2018-2019	2401796	10512
2019-2020	2780416	11082

Source: Bangladesh Inland Waterways Transport Authority

traded commodity constituting more than 98 per cent of this trade. Other traded commodities include steel cargo, steel coil/rail and stone chips.

The braided nature of the river coupled with high sedimentation rate and inadequate navigable depths in specific stretches are the main reasons for low traffic movement in the upper stretches of this Protocol Route across the International border. Such a high rate of siltation leading to poor depth conditions (less than 1.5 metres) and narrow channel formation is not favourable for the movement of bigger vessels of more than 600 metric tonnes capacity.

Therefore, it was felt that vessels of smaller size need to be considered for short-haul trade along the

Protocol Routes. The movement of shallow-draft vessels would open up new trade opportunities for small-scale traders and benefit local communities, including women.

With this understanding, CUTS International conducted a study on 'Inclusive spaces for cross-border trade along the trans-boundary waterways of Brahmaputra' between a particular stretch, which is from Dhubri (Assam, India) and Chilmari (Kurigram, Bangladesh).

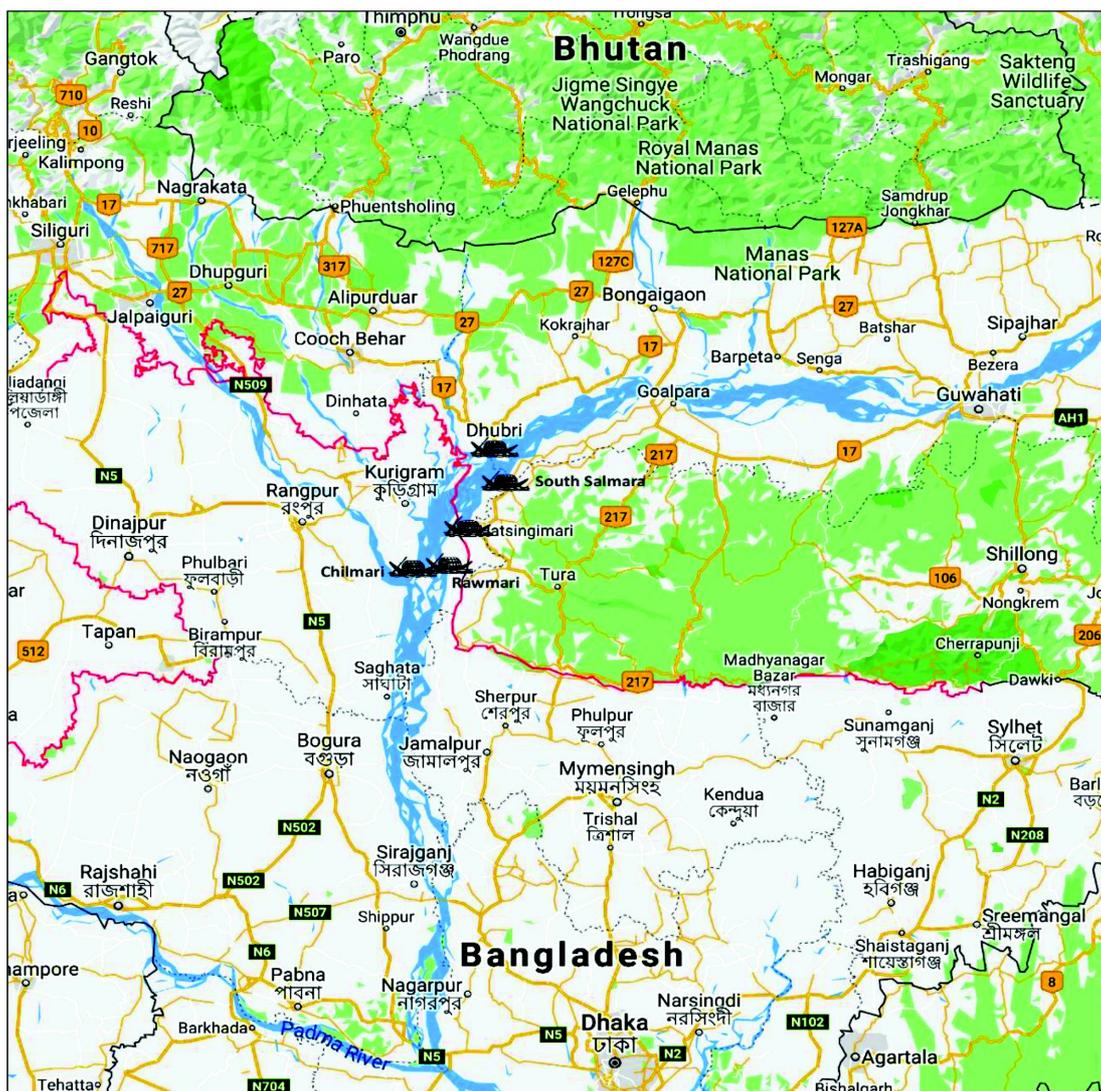
Field level interactions in India were facilitated by Oxfam India, Northeast Research and Social Work Networking (NERSWN, Kokrajhar, Assam), whereas Oxfam Bangladesh and Gana Unnayan Kendra (GUK, Gaibandha) supported CUTS in Bangladesh.

# Objective and Methodology

The primary objective of the study was to generate evidence supporting a business case for traders in Dhubri and South Salmara-Mankachar districts of Assam and Rowmari and Chilmari *upazillas* (sub-

districts) of Kurigram District (see Map 1). While exploring possible tradable commodities, the study also gauged the perceptions of local communities, including women on the possible benefits of cross-border trade via waterways.

Map 1: Study Locations in India and Bangladesh



***Dhubri is a designated Port of Call under the India-Bangladesh PIWTT and has an inland waterways terminal, customs and warehouse facilities***

The methodology constituted a combination of qualitative and quantitative approach. FGDs and KIIs with local traders, boatmen, members of local bodies (panchayats, and unions) and civil society groups were conducted in the study locations for collecting qualitative information.

For quantitative analysis, a survey was conducted with 50 respondents each in India and Bangladesh including women entrepreneurs, traders and transporters. Secondary data on the production statistics of agricultural commodities produced in the West Garo Hills of Meghalaya as well as export-import data from adjoining Land Custom Stations of Mankachar and Golakganj were also analysed.

## **Brief Profile of Project Locations**

Dhubri district, also known as the gateway of western Assam, has a blended culture due to mingling of various racial groups including locals and migrants. As per the Census of India, 2011, Dhubri had the highest population density of (896 persons per sq km) in India.

The economy is primarily dependant on agriculture and forest products. Paddy, jute and mustard are the main crops. Livestock, fisheries and poultry also contribute to its economy. The district is least developed in terms of industry but there is scope handicrafts, terracotta, pith and bamboo crafts.

South Salmara-Mankachar district was created in 2016. It is adjacent to Dhubri having borders with Meghalaya and Bangladesh. Earlier it was a sub-division of the Dhubri district. Its economy is more or less similar to that of Dhubri with agriculture and forest products being the major contributors. While Dhubri is a major trade centre of lower Assam, South Salmara-Mankachar acts as a major transit point for the movement of agriculture and mining products of the West Garo Hills of Meghalaya.

The adjoining areas of South Salmara-Mankachar and the West Garo Hills of Meghalaya produce raw cashew nuts and areca nuts. There are a number of processing units running in many villages. Women in the char areas work in these factories/processing units as wage labour.

Both Dhubri and South Salmara-Mankachar districts fall in lower Assam and are located along the bank of Brahmaputra river. They have numerous chars (islands formed in the middle of a river) and hence, waterways are a major means of transportation in these districts.

Hatsinghimari is an important river port falling in South Salmara-Mankachar district, which is almost next to the international border and about 30 kilometres (on the downstream side) from Dhubri.

Dhubri is a designated Port of Call under the India-Bangladesh PIWTT and has an inland waterways terminal, customs and warehouse facilities.

**Chilmari is the first customs station and Port of Call along the India-Bangladesh PIWTT route while entering Bangladesh**

Rowmari and Chilmari are two *upazillas* (sub-districts) of Kurigram district, which comes under the Rangpur Division of Bangladesh and is adjoining Assam. Chilmari is the first customs station and Port of Call along the India-Bangladesh PIWTT route while entering Bangladesh. Kurigram is primarily an agrarian district. Major crops are paddy, jute, wheat, potato, corn, chilli, peanut, bamboo, betel nut, betel leaf, pulses and vegetables.

Like Dhubri and South Salmara-Mankachar districts of Assam, industrial activity is low in Kurigram. Population density in Chilmari and Rowmari are 546 and 997 persons per square kilometre, respectively. The river Brahmaputra causes massive floods in lower Assam and Kurigram every year. Recurring floods and land erosion have crippled the lives of riverine communities engulfing them in endemic poverty (see Table 2 and Table 3)

**Map 2: The River Brahmaputra in Dhubri and South Salmara-Mankachar**



Table 2: Socio-economic Profile of Dhubri District

Population		Literacy Rate (%)		Poverty (%)
1949258		58.34		41.5
Male	Female	Male Literacy Rate (%)		Female Literacy Rate(%)
997848	951410	63.1		53.33
Rural	Urban	Rural Literacy Rate (%)		
1745557	203701	55.25		
Number of Households		Male Literacy Rate (%)	Female Literacy Rate(%)	
414674		65.06	45.44	
Rural	Urban	Urban Literacy Rate (%)		
371075	43599	82.28		
Population Density (persons/square kilometre)		Male Literacy Rate (%)	Female Literacy Rate(%)	
896		87.03	77.87	
Main Workers				
504998				
Cultivators	Agricultural labourers	Household Industry	Other	
179873	107424	16019	201682	
Marginal Workers				
164821				
Cultivators	Agricultural labourers	Household Industry	Other	
25432	63692	11803	63894	
Industrial area		Number of functioning units (2015)	Worker	
Gouripur		95	2762	
Registered MSME units (2015-16)				
Micro	Small	Medium	Total	
10	0	0	10	
Ferry Service (2015-16)				
Dhubri-Fakirganj, Phulbari-Dhubri, and Jaleswar-Dhubri				
Passengers (in Nos.)	Revenue (in INR)		Goods (in QTs)	
355454	680400		18475	

Source: Statistical Handbook of Assam 2016, Directorate of Economics and Statistics, Government of Assam  
All data are for the year 2011 with some exceptions, for which years are mentioned in the parenthesis of respective parameters.

**Table 3: Socio-economic Profile of Kurigram**

<b>Kurigram</b>			
<b>Population</b>		<b>Literacy Rate (%)</b>	<b>Poverty (%)</b>
2069273		42.5	70.8
<b>Male</b>	<b>Female</b>	<b>Male Literacy Rate (%)</b>	<b>Female Literacy Rate (%)</b>
1010442	1058831	46.5	38.8
<b>Rural</b>	<b>Urban</b>	<b>Number of Industry units</b>	
1883799	185474		
<b>Number of Households</b>		<b>Textile</b>	<b>Garments</b>
508045		1	1
<b>Rural</b>	<b>Urban</b>	<b>Rice mill</b>	<b>others</b>
464062	43983	468	12
<b>Population Density</b>		<b>Number of small-scale industries</b>	
922		3671	
<b>Total employment in large and small industries</b>			
4282			
<b>Total hired employment in small scale industries</b>			
9295			
<b>Total family persons engaged in small scale industries</b>			
12399			

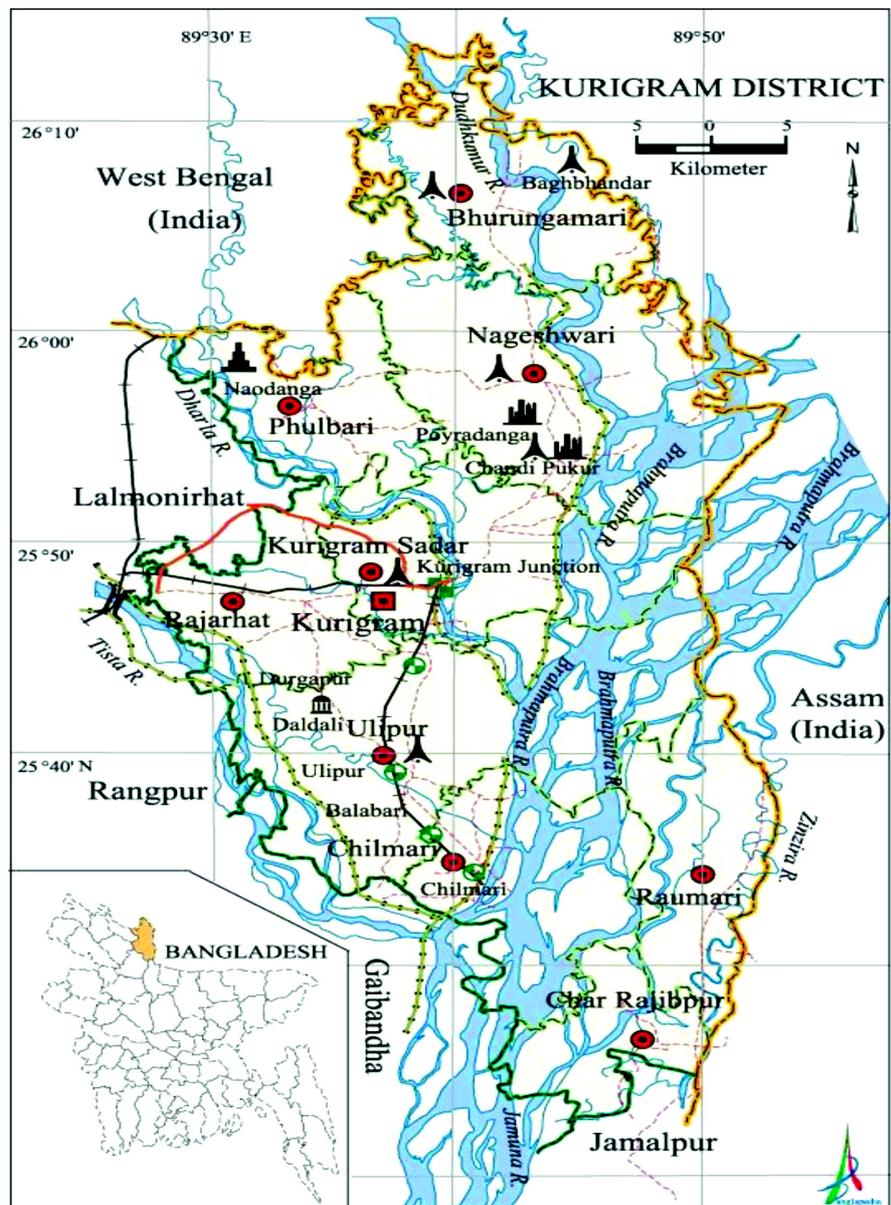
Source: District Statistics 2011, Bangladesh Bureau of Statistics

**Hatsinghimari Port, South Salmara-Mankachar**

Chilmari was a busy commercial hub from the colonial time and a major trading centre for jute. With new political boundaries following India's independence, commercial activities of Chilmari got scaled down, which have been further impacted by river bank erosion and navigability issues. This is a key river port along the India-

Bangladesh PIWTT on the Bangladesh side, which can be a nodal point to establish regional connectivity among India, Bhutan and Nepal from the Payra Sea Port in Bangladesh. The development of this port is expected to improve the economic prospects of this area in particular, and the country, in general.<sup>1</sup>

**Map 3: The River Brahmaputra in Kurigram District**



1 <https://www.dhakatribune.com/bangladesh/nation/2019/12/05/3-years-on-chilmari-river-port-yet-to-start-operation>

**Ginger produced in the West Garo Hills in Meghalaya are exported to Bangladesh, mostly through Mankachar LCS and Mahendraganj LCS in Meghalaya**

## Tradable Commodities

Land Customs Stations (LCS) at Golakganj (Dhubri) and Mankachar (South Salmara-Mankachar) are the two places in the geographical areas covered under this study, through which cross-border trade happens. Ginger produced in the West Garo Hills in Meghalaya are exported to Bangladesh, mostly through Mankachar LCS and Mahendraganj LCS in Meghalaya.

Coal and stone boulders/stone chips were the commodities exported through Golakganj LCS until 2018. In 2019, ginger and onions also found place among the exported commodities after the lifting of export restrictions.

CUTS field work in Golakganj highlighted that this LCS has sub-optimal infrastructural facilities, for example, absence of testing

laboratories, adequate number of staff and cold storage/warehouses for agriculture products etc.

Approach roads that connect this LCS from national highway are too congested and narrow. There are issues related to electricity and digital connectivity also.

Local traders also informed that due to low profit margin they do not send their agriculture products to the other side of the border. Apart from it, first they have to get them tested from Guwahati. Only bulk orders, which are received occasionally, can fulfil the profit margin of these traders.

Although the port restrictions were from this LCS in 2019,<sup>2</sup> it will take some to increase the volume of formal cross-border trade. This is primarily due to infrastructural-related challenges mentioned in the above paragraphs.

**Table 4: Export through Golakganj LCS to Bangladesh (in USD thousand)**

Product code	Description	2016	2017	2018	2019
251690	Monument or Building Stone	596.98	1423.22	1750.19	1458.48
270119	Coal	7.08	229.82	2635.43	723.81
70310	Onion				4.44
91011	Ginger				67.37

Source: Directorate General of Commercial Intelligence and Statistics, Department of Commerce, Government of India

Note: Only export of stone boulders, stone chips and coal were allowed from India from Golakganj LCS till 2018. Only in March 2019, permission for the export and import of all the goods were given by the Central Board of Indirect Taxes and Customs (CBIC).

Source: <https://www.cbic.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-1999/cs-nt1999/csnt63-94> and also see: <https://www.indiantradeportal.in/vs.jsp?lang=0&id=0,959,10581,13206,13803>

2 [https://www.taxmanagementindia.com/visitor/detail\\_circular.asp?ID=60390](https://www.taxmanagementindia.com/visitor/detail_circular.asp?ID=60390)

**Our fieldwork in South Salmara-Mankachar with local farmers, traders and custom officials revealed that this is a major production area of ginger**

Our field work in these areas have highlighted that Bangladeshi products such as dry fish, rice seeds (BRRI Dhan-28 and BRRI Dhan-29) have high demand in nearby areas and coming through various informal channels. Local farmers and traders informed that Bangladeshi farmers grow these seeds on the other side of the border and sell them on the Indian side on high prices with the help of informal agents. Local traders and farmers also informed that *jeera* (cumin seeds), red chilli, betel nut, salt, rice and *atta* (milled wheat flour) are exported to Bangladesh through various informal channels.<sup>3</sup>

As evident from Table 6, major products imported to India through this LCS are cement, plastic, sanitary items, yarn and cotton waste, clothing and textiles related products. Despite huge demand for Bangladeshi agriculture products, such as seeds and dry fish, their imports are not allowed.

It is evident from the Table 5 that coal and stone are major products that are exported to Bangladesh through this LCS while agricultural produce such as ginger are occasionally exported. Since 2017 no export consignments of ginger have been sent to Bangladesh through this customs station.

Our fieldwork in South Salmara-Mankachar with local farmers, traders and custom officials revealed that this is a major production area of ginger. However, in the absence of proper infrastructure and banking facilities traders are unable to export these products. They have to get their products tested in Guwahati or testing officers have to come to the nearest LCS to inspect the samples.

This process takes time and increases the cost. Such a delay causes the deterioration in the quality of ginger and hence, farmers and traders often opt to sell their products in local markets,

**Table 5: Export through Mankachar LCS to Bangladesh (in USD thousand)**

Product code	Description	2015	2016	2017	2018	2019
91011	Ginger	14.36	55.54			
251690	Monumental or building stone	166.73	295.46	62.70	374.39	206.30
270119	Coal	572.58			54.25	1.15
270111	Anthracite coal					1.22

Source: Directorate General of Commercial Intelligence and Statistics, Department of Commerce, Government of India

Note: The export of coal has declined significantly because of coal mining restrictions imposed by the Government of Meghalaya. Only a few traders now export their cargo of coal which was earlier stored by them.

3 [https://cuts-citee.org/pdf/Study\\_Report\\_Boating\\_towards\\_inclusivity.pdf](https://cuts-citee.org/pdf/Study_Report_Boating_towards_inclusivity.pdf)

**Infrastructure bottlenecks are the major hurdles in export and import of agriculture products with Bangladesh**

which fetch lower prices as compared to what they would have got in Bangladesh. Furthermore, there are no international banking facilities in the banks located in their vicinity. This makes international trade very difficult. Traders have to rely on banks based in other areas or in Guwahati for clearing their export bills.

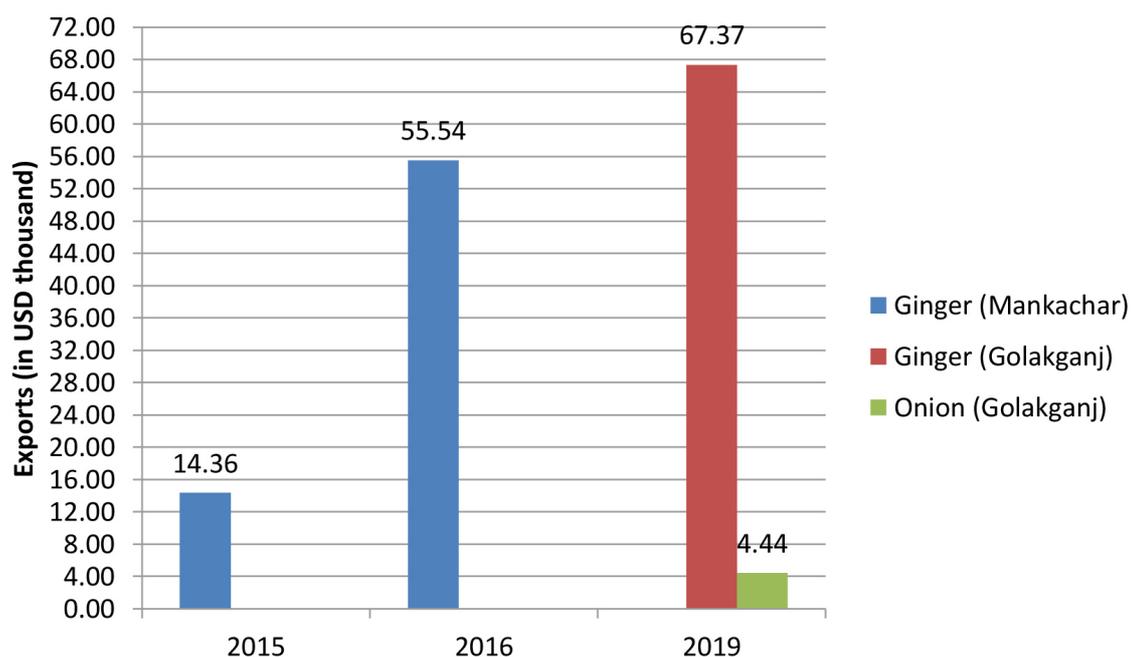
of agriculture products with Bangladesh.

Moreover, many traders are not convinced about using waterways as an alternate trade route as they have limited awareness. This is because the potential of riverine routes in exporting agricultural products using smaller vessels is yet to be demonstrated.

Table 6 shows that plastic products, textiles & clothing products and yarn and cotton waste are major commodities imported to India through Golakganj and Mankachar LCS. Our fieldwork with local farmers, traders and custom officials in these areas revealed that infrastructure bottlenecks are the major hurdles in export and import

There is a high demand for PVC (poly vinyl chloride) furniture, jute, cotton waste and mosquito nets from Bangladesh. The data in the table also reveals that cement is being imported through land routes. In order to gain the confidence of traders, many of these commodities can be imported through waterways.

**Figure 1: India's Export of Agriculture Commodities to Bangladesh through Mankachar and Golakganj (in USD thousand)**



Source: Directorate General of Commercial Intelligence and Statistics, Department of Commerce, Government of India

**Table 6: India's Import from Bangladesh through Mankachar and Golakganj (in USD thousand)**

Product code	Description	Mankachar				Golakganj	
		2015	2016	2017	2018	2019	
151190	Refined palm oil				8.53		1219.09
252310	Cement clinkers			6.30			
252329	Portland cement			79.33	538.46	37.24	
252330	Aluminous cement			2.60			
390920	Melamine resins		9.96	7.66			
392290	Sanitary articles			2.03	56.44	4.58	
392410	Plastic tableware and kitchenware	50.91	64.68	60.27	8.97	30.82	
392490	Plastic household and toilet articles		28.90	191.14	548.46	102.66	4.01
392510	Reservoirs tank		7.59				
392520	Door, and Window frames				83.07	1.87	35.12
392690	Other plastic articles			1.63			
420329	Leather, composition gloves and mittens	2.18					
480300	Household sanitary made by paper		2.41	7.68	3.21	2.55	
481810	Toilet paper			1.06			
490110	Printed books in single sheet	8.58	12.93	10.56	14.79		
520210	Yarn waste			1.67	107.83	5.88	
520299	Cotton waste			4.50	22.30		545.65
600634	Knitted crocheted fabrics				38.38	17.49	330.40
620590	Men's, boy's shirts	5.07					
680911	Plaster board etc not ornamental				2.13		4.51
701337	Drinking glasses			14.31			
940370	Furniture of plastics				29.56	50.93	100.33
441011	Wood particle board						37.45
441090	Particle board of ligneous materials						118.33
520852	Cotton fabrics						0.93
610349	Men's, boy's trousers and shorts						11.86
610910	Cotton T- shirts, singlets and other vests						89.98
630492	Furnishing articles of not knitted crocheted cotton						13.44
631090	Used or new rags textile material						12.14

Source: Directorate General of Commercial Intelligence and Statistics, Department of Commerce, Government of India

## Cross-border Transport via Waterways: Cost Analysis

In order to understand the potential cost of transportation by waterways, the following assumptions have been made.

- the cost of transportation of goods from Hatsinghimari-Chilmari has been analysed on a 20 metric tonne capacity mechanised boat;
- sailing distance covered each way is 36 kilometres with a downstream cruising speed of 15 kilometres per hour and upstream cruising speed of 6 kilometres per hour;
- total cruising time is estimated to be nine hours (rounded off) and loading/unloading time is estimated as six hours;
- in general, customs clearance and other formalities takes two hours;
- total engagement time of a boat per round trip is thus considered as 2 days; and a boat can make one trip per week considering all issues including sourcing of cargo and paperwork for customs clearance.



Jogomaya Ghat, Dhubri

SL NO	DESCRIPTION	UNIT	QTY	UNIT RATE	COST
<b>SCENARIO 1: COST ANALYSIS FOR ENGAGING A BOAT OF 20 MT CARRYING CAPACITY, ENGINE HORSE POWER OF 20 H.P. TIME OF DEPLOYMENT: 2 DAYS</b>					
	Capital Cost of a Locally made 20 MT wooden mechanised boat=10 lakh				
1	Interest on the capital cost of the boat = 10 lakh @ 18% =15,000 per month , hence interest cost for 2 days of deployment = (15000/30) X 2 = INR 1000				₹ 1,000.00
2	Depreciation cost considering life of a boat to be 10 years = 10 lakh /10 = {1 lakh per year /12/30} x2 = for 2 days 555.00				₹ 555.00
3	* Considering boat engine power of 20 H.P, Cost for fuel consumed for sailing during this 2 days (sailing time of 9 hours & assuming that the boat engine operates @ 60% of engine load factor) = {0.165 X 60% X 20 (BHP)}/0.9 litres X 9 hr = 2.2 litres x 9 hr = 19.8 litres @ INR 70/litre = 1386 (Standard empirical formula as per marine practice used for fuel consumption where 165 mg of fuel is consumed per H.P of engine power when an engine load factor of 60%)				₹ 1,386.00
4	* Cost of Lubricant Oil etc = 2% of above = 2% of INR 1386 = 27.42				₹ 27.42
5	<b>Cost of manning for 2 days</b>				
a)	1 <i>Manjhi</i> (pilot) costing INR 750 per day , cost for 2 days = 2 x 750 = 1500				₹ 1,500.00
b)	2 <i>Khalasi</i> cum labour , each costing INR 500 per days , cost for 2 days = INR 500 X 2 <i>laskar</i> X 2 days = INR 2000				₹ 2,000.00
6	Cost of boat maintenance = Assuming INR 2000/- per month , cost for 2 days = INR 134.00				₹ 134.00
7	Cost of food and out station charges for 3 persons @ INR 100 per day = 3 X 100 x 2 days = INR 600				₹ 600.00
	<b>Total cost for 1 trip movement of boat involving 2 days' time, 6 hrs sailing with 20 MT load</b>				₹ 7,202.42
	<b>Hence transportation cost per MT considering cargo transportation on one side movement only (not including labour cost for loading &amp; unloading)</b>				<b>₹ 360.12</b>
<b>SCENARIO 2: COST ANALYSIS FOR ENGAGING A BOAT OF 20 MT CARRYING CAPACITY FOR 2 DAYS &amp; COST PER TRIP WITH BOTH SIDE LOAD</b>					
<b>CAPITAL COST OF A 20 MT BOAT = 10 LAKH</b>					
1	Interest on the capital cost of the boat = 10 Lakh @ 18% =15,000 per month , hence interest cost for 2 days of deployment = (15000/30) X 2 = INR 1000				₹ 1,000.00
2	Depreciation cost considering life of a boat to be 10 yrs = 10 Lakh /10 = {1Lakh /12/30} x2 = for 2 days 555.00				₹ 555.00
3	Considering boat engine power of 20 H.P, Cost for fuel consumed for sailing during this 2 days (sailing time of 9 hrs & assuming that the boat engine operates @ 60% of its efficiency) = {0.165 X 60% X 20 (BHP)}/0.9 Litre X 9 hrs = 2.2 litres x 9 hr = 19.8 litres @ INR 70/litres = 1386 (Standard empirical formula as per marine practice used for fuel consumption where 165 mg of fuel is consumed per H.P of engine power when an engine load factor of 60%)				₹ 1,386.00
4	Cost of Lubricant Oil etc = 2% of above = 2% of INR 1386 = 27.42				₹ 27.42
5	<b>Cost of manning for 2 days</b>				
a)	1 <i>Manjhi</i> costing INR 750 per day , cost for 2 days = 2 x 750 = 1500				₹ 1,500.00
b)	2 <i>Khalasi</i> cum labour , each costing INR 500 per days , cost for 2 days = INR 500 X 2 <i>laskar</i> X 2 days = Rs 2000				₹ 2,000.00
6	Cost of boat maintenance = Assuming INR 2000/- per month , cost for 2 days = INR 134.00				₹ 134.00
7	Cost of food and out station charges for 3 persons @ INR 100 per day = 3 X 100 x 2 days = Rs 600				₹ 600.00
	<b>Total cost for 1 trip movement of boat involving 2 days' time, 6 hrs sailing with 20 MT load carrying on both side</b>				₹ 7,202.42
	<b>Hence transportation cost per MT considering cargo transportation on both side movement (not including labour cost for loading &amp; unloading) = INR 7204.11/40 MT</b>				<b>₹ 180.06</b>

# Stakeholder Analysis: Key Observations

In order to gauge the perceptions of various stakeholders on using waterways for trade and to identify the prospects as well as key challenges to take advantage of it, we did a survey of identified stakeholders, like transporters, traders, women groups and farmers/producers. The methodology involved focus group discussions and individual survey. The key observations from the interactions and the survey are presented below.

## Transporters

Five transporters from Bangladesh and 10 from India were contacted during the survey. Results revealed that 20 per cent of the Bangladeshi transporters were dissatisfied while the rest were satisfied with the existing transport infrastructure. On the other hand, most of the Indian transporters were moderate to very satisfied.

Though only a handful of respondents are actually trading across border they were of the opinion that there is sufficient product demand across the border and given the right push, new initiatives can help improving their trading capacity and in turn, their livelihood – all 15 respondents agreed with this observation.

**Results revealed that 20 per cent of the Bangladeshi transporters were dissatisfied while the rest were satisfied with the existing transport infrastructure**

## Producers

Only one out of 20 respondents from Bangladesh produced handicrafts whereas only two out of the 24 respondents from India were engaged in handicrafts sector for their livelihood. The rest are solely dependent on agriculture.

Our field interactions revealed that producers in the Indian side are engaged in the production of diverse commodities like betel nut, ground nut, potato, sugarcane and watermelon, whereas corn and mustard producers dominated the Bangladeshi side.

All 20 respondents from Bangladesh said sales and marketing are handled by the head of the family, while the Indian respondents said marketing is managed by themselves.

## Traders

51.22 per cent of traders in India and 79.41 per cent in Bangladesh agreed that inland waterways connectivity will be beneficial to sell their products across the border.

Our interactions with 31 traders also indicated that there is a lack of awareness among traders (and

**64 per cent of Bangladeshi traders agreed that land connectivity is not sufficient for trade and transportation purposes**

producers) about the potential benefits of inland waterways connectivity, as 75 per cent of them in India could not give their opinion on possible benefits of inland waterways transportation.

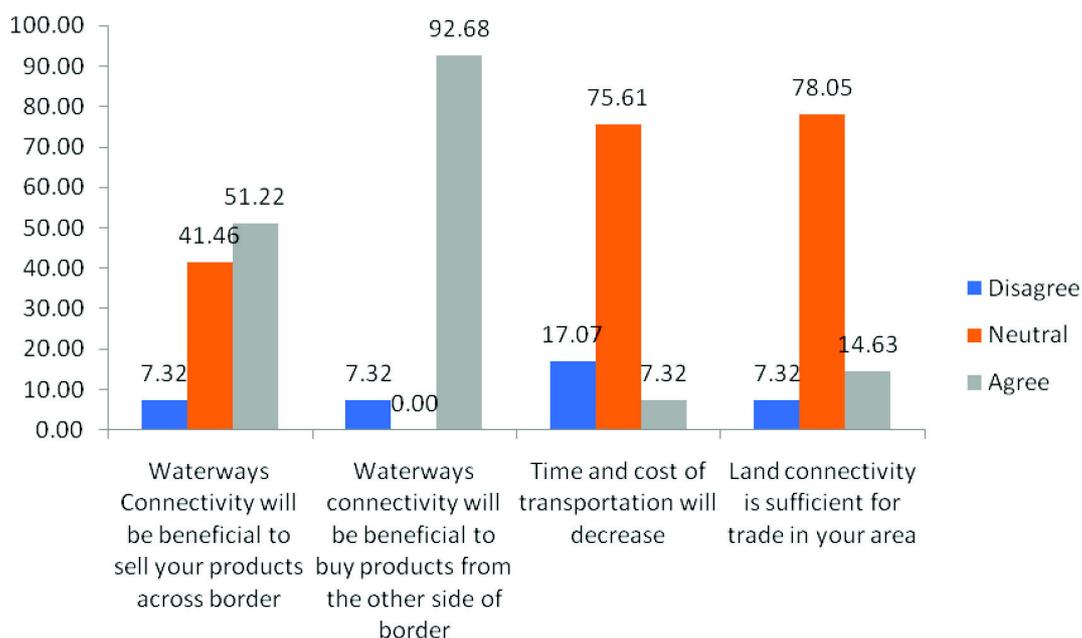
Similarly, 78 per cent of them could not state whether land connectivity is sufficient for trade in their areas or not. This signifies that they are

yet to realise the potential of waterways as an alternate mode of transportation for cross-border trade.

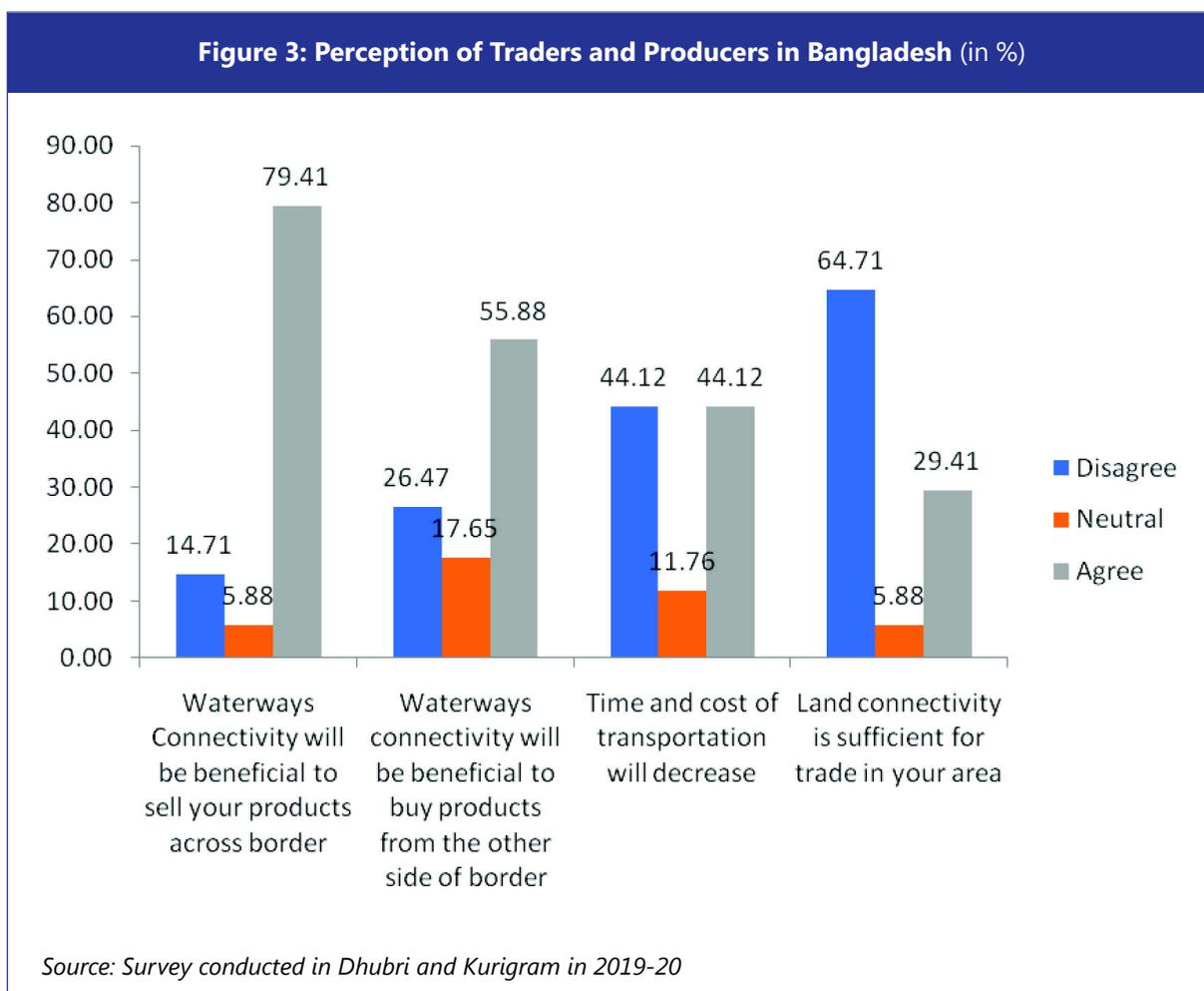
On the contrary, 64 per cent of Bangladeshi traders (and producers) agreed that land connectivity is not sufficient for trade and transportation purposes.



**Figure 2: Perception of Traders and Producers in India (in %)**



Source: Survey conducted in Dhubri and Kurigram in 2019-20

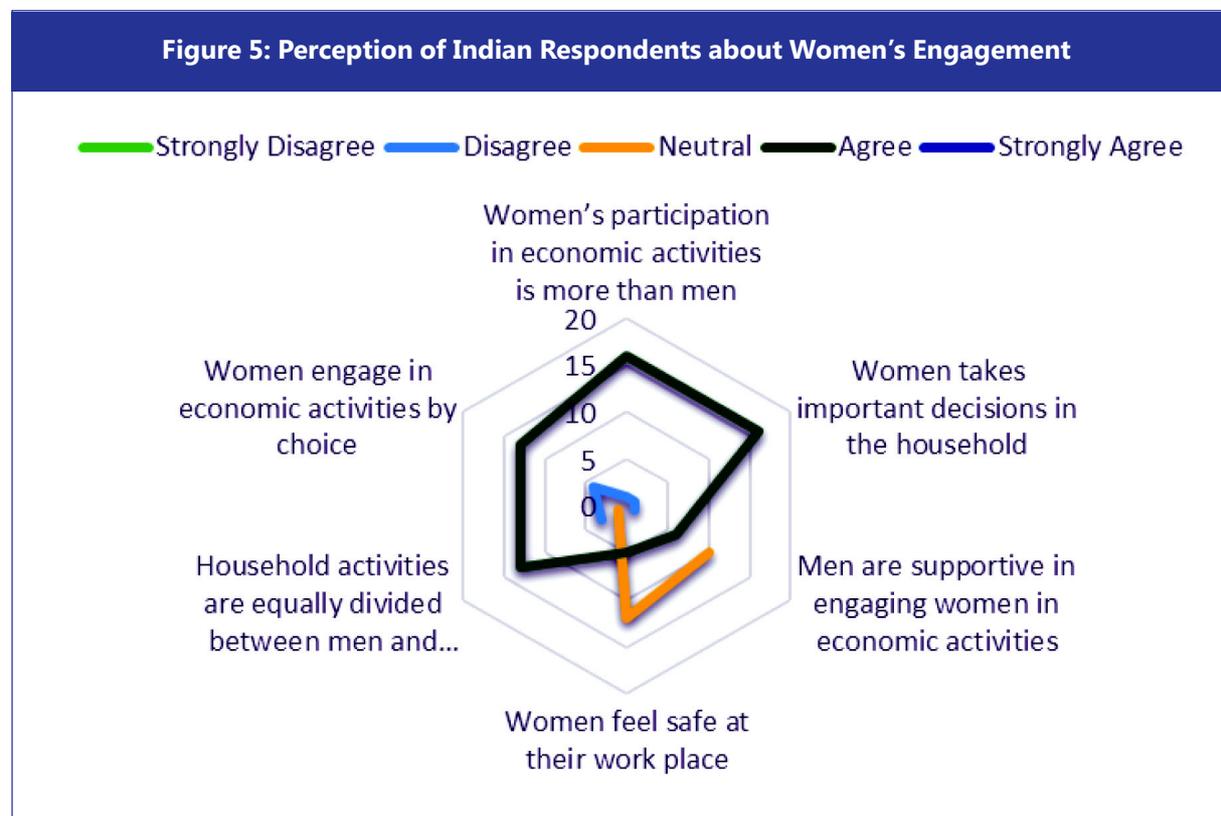
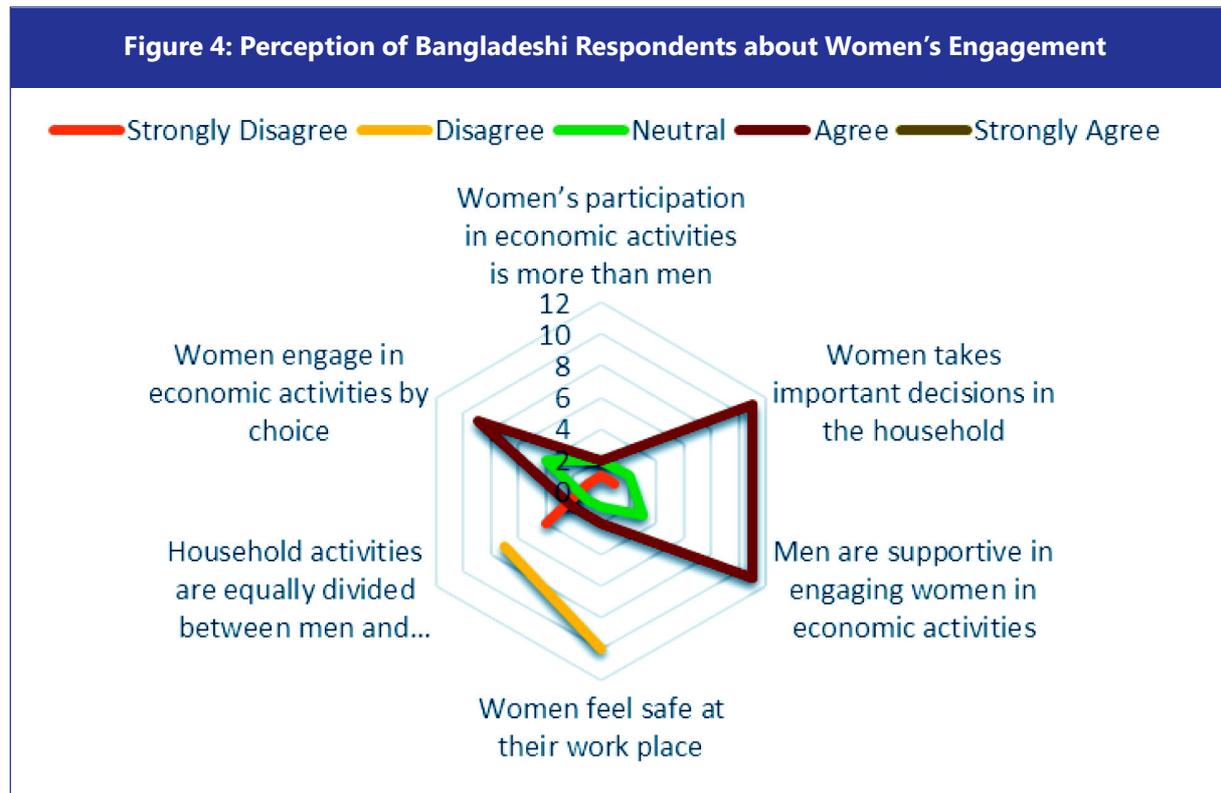


### Role of Women

Our observations made it evident that there is no direct participation of women in trading activities. Around 50 per cent of women surveyed do take important decision in their households and 45 per cent of male traders agreed that they were supportive of women’s participation in decision making.

The above figures suggest that women are involved in economic

activities and important decisions. Therefore, the lack of woman participation in direct trade activities may be owed to information deficit with regard to regulations and procedures, and absence of incentives in engaging in cross-border trade. Their mobility across border remains compromised by infrastructure deficits, safety-related challenges and socio-cultural barriers, all of which combine to perpetuate an unwelcoming trading environment.



## Case Study 1: Life in Banshi Char

**B**anshi Char is a river island located at the opposite bank of Dhubri, lying close to Phulbari on the northern bank close to Assam-Meghalaya border. This island being in the middle of the river Brahmaputra has to be reached by using a mechanised boat, popularly called *Bhutbhuti*.

It is a part of South Salmara-Mankachar district, located in lower Assam, which is stable and provides shelter to many riverine people. Bengali is the local language as the island is close to the Bangladesh border and most likely many of its dwellers had migrated from the then East Pakistan and belong to minority community.



During our discussion with the villagers, they revealed that every year the entire village, during the peak of flood, gets inundated by 3-4 feet depth of water at least for a few days. This compelled them to make their houses only with CGI (corrugated galvanised iron) sheeted roof erected either on bamboo/RCC (reinforced cement concrete) frames with bamboo mat/CGI sheet walls or in very few cases with brick walls.

Few houses are provided with subsidised toilet and community-owned tube wells, which are erected on a pipe projecting above the average yearly flood level. It was noted that community-based water filters have been provided to the villagers.

Menfolks of this village mostly work in the main land as labourer/rickshaw/thela pullers. A few of them are also engaged in cultivation. Most of the women are engaged as housewife, taking care of the family, cooking and kitchen garden.

Agricultural produce is mostly paddy, which is not sufficient for the families for the entire year and they have to buy food grains from the local market from their earning from other sources.

While the first impression of this Char to an outsider would be that of a non-descriptive riverine island, a close interaction with its extremely poor residents unfolded their struggle and determination.

### Women as handloom weavers

Our team came across two young entrepreneurs, each of whom have set-up handlooms in their houses and employed local women and girls for weaving traditional dresses for the Garo tribe women staying in the West Garo Hills of Meghalaya.





All parts of the handlooms are procured from mainland Assam. Raw materials are also procured from several markets of lower Assam. Finished products are sold through middlemen.

Though the women weavers enjoyed the freedom of flexible timing, they worked for long hours on production-based payments. While these types of riverine islands are mostly deprived of electricity, *Banshi Char*, being separated from the main land (South Bank of the river Brahmaputra) by a narrow secondary channel, has electric connection, like most of the villages of Assam and Meghalaya it is supplemented by solar power.

Our discussion revealed that none of the village residents use the products as they are specifically used by the Garo tribal women.

The workers indicated that they are confident to adopt and produce any hand-woven material that can have demand anywhere. The loom owners, however, were of the opinion that they are having sufficient orders from the West Garo Hills and the available local work force just suffices it.

### Experimenting into new ventures

A group of village women, who were inspired to set up a self-help group (SHG) under the guidance of a local NGO "NERSWN", have started producing oyster mushroom. This activity is new and has been undertaken as a pilot. The members of this SHG, however, are yet to gain confidence on cultivation, demand and marketing of this variety of mushroom.





Hatsinghimari is a popular destination for importing all types of finished products like groceries, medicine, furniture, plastic products and food grains like rice and pulses from Dhubri, Assam and also an exporting hub for agricultural products of the West Garo Hills of Meghalaya like bamboo, pine apple, ginger, oranges, jute, among others to Dhubri through the river route.

Most commercial and labour-oriented activities are noted to be male dominated except cashew-cum-betel nut factories lying very close to the river *ghat*.

Our interaction with one of the managers of those factories revealed that it produces processed cashew and betel nut while the raw materials are procured from adjoining West Garo Hills of Meghalaya. He stated that the cashew produced in that area is one of the best qualities of Indian cashew and after processing the same is sent to different parts of India through traders.

The final product is mostly shipped to Guwahati in Assam for its distribution through road network while part of it is also sent to the rest of India through Dhubri in Assam. The manager of that factory indicated that both cashew and betel nuts are seasonal produces and there are a few similar factories operating in Phulbari and in Hatsinghimari.



He also shared that weekly produce by all the factories of Phulbari and Hatsinghimari during the peak season would be around 200 metric tonnes while that during off season could be only a few tonnes.

## Case Study 2: Interests of Bhutanese traders in utilising inland waterways

**B**hutan, being a land-locked country, depends mostly on Kolkata/Haldia port in the West Bengal state of India for its import and export of goods. So far, most of the movements are in-bound barring some out-bound cargoes of a few agricultural products and minerals like lime stone and boulders through roadways.

However, with the growth of its economy coupled with an increasing standard of living, both in-bound and out-bound cargo movements of Bhutan have multiplied. The improvement of roadways in northeast India has also increased the traffic movement through the Siliguri Chicken Neck corridor, which has made Bhutan to look beyond the Kolkata/Haldia port as the only sea route access.

It has improved its trade relation with neighbouring countries, particularly Bangladesh and has found that the waterways of Bangladesh, particularly the Chattogram and Mongla ports as an additional sea route option.

In 2017, Bhutan signed a transit agreement with Bangladesh to access Chattogram and Mongla ports through Bangladeshi inland waterways.

It has a separate agreement with India to use the India-Bangladesh PIWTT routes and to access Jogighopa and Dhubri Ports of Call for the movement of Bhutanese cargo to/from India and Bangladesh.

The recent inclusion of shallow draft vessels in the PIWTT routes has enabled the export of boulders from Bhutan to Bangladesh using shallow draft barges. These stone chips are taken to the Dhubri river terminal in Assam by road and are loaded into the barges of 200-300 metric tonnes capacity.

It is interesting to note that while the upper part of the PIWTT route (Sirajgunj–Silghat) had remained morbid for a considerable time due to the fact that big barges encountered serious navigational problems, smaller barges sail with ease through this shallow section of waterway.

### Time and Distance

A discussion held with Bangladeshi barge crew members, barge owners, truck drivers of Bhutan and traders of India revealed that it takes about 132 kilometres from Gelephu in Bhutan to reach the Dhubri port in Assam.

While the port facility within the compound is very good, the road connecting the port with the highway is narrow and passes through congested localities of the Dhubri town.

The operators are, therefore, looking at Jogighopa port of the Inland Waterways Authority of India as an alternate option, which is only 92 kilometres from Gelephu and also has rail and road links.

In this context, it is to be noted that crew members of Bangladeshi vessels indicated that they take around three days to sail from Dhubri in Assam to Bahadurabad in Bangladesh, which is located 119 kilometres downstream. However, down sailing from Jogighopa will take another day, considering custom formalities at the Dhubri port.

It was also noted by discussing with river pilots that while the main transit channel to the Dhubri port is connected by a dredged link channel, it is having problems of frequent siltation, while the Jogighopa port is located right on the main channel and has a good depth condition. The sailing distance from Jogighopa to Dhubri is only 82 kilometres.



In our interactions with the members of the Bhutan Chamber of Commerce and Industry they stated that the Bhutan Government has initiated steps for enlarging the scope of export, not limiting to stone boulders, stone chips or lime stone, and they are looking forward to export other commodities such as organic agricultural products, apples, oranges and ginger among others.

Furthermore, the Bhutan Government has started taking actions for the setting up of industrial units closer to the border and is inviting business proposals from abroad for export-oriented industries. *"Once these facilities come up and start their production lines, it is certain that the movement of goods by inland water transport through Pandu, Jogighopa and Dhubri in Assam using the PIWTT routes will increase manifold,"* they said.

## Impending Challenges

As noticed during the field visits, there is ample scope of movement of different types of highland agro products, bamboo (from the Garo Hills of Meghalaya) and mining materials (from Bhutan) to Chilmari, Bangladesh. Not much cargo could be identified for transportation from Bangladesh to India.

The cropping pattern of adjoining North Bengal and the plains of Assam are very similar to that of Kurigram, Bangladesh and hence most of the agro products available in Bangladesh are also produced in India.

To ensure greater commercial viability of the movement, both side cargo movement need to be established through in-depth market study or else the volume of trade along the stretch under study may remain subdued.

### Participation of Indian Boats

At present only shallow barges of Bangladesh are participating in cross-border trade. For cross-border trade to be inclusive, it is important that the small mechanised boats in Dhubri, India also start moving along PIWTT

routes, particularly in the context of the forthcoming new bridge being laid across Brahmaputra near Dhubri.

Once the bridge is commissioned and it opens for traffic, a major portion of the traffic movement through waterways that is presently taking place between North and South Bank of Dhubri will be replaced by road transportation. Many of the boats presently engaged in ferry operations and cargo transportation in the Indian side shall become idle.

However, certain modification needs to be undertaken in the Indian boats for them to carry custom notified cargo in their holds for transboundary operation. As was in the case of Bangladeshi barges, the Indian and the Bangladeshi authorities need to be pursued to allow the Indian wooden mechanised boats for participating in the cross-border trade.

It is important to note that the agro commodities, many of which are expected to be perishable cargo will be of small parcel size of 10- 20 MT and will be more suitable for movement by Indian barges/ mechanised country boats of similar size than by 150-300 MT

***For cross-border trade to be inclusive, it is important that the small mechanised boats in Dhubri, India also start moving along PIWTT***

capacity Bangladeshi shallow barges (as operating presently).

This is because bigger vessels will require more waiting time at the terminal for getting full load, which may lead to damage of the perishable cargo.

## Improving Channel Condition

Though the smaller barges of Bangladesh and the Indian mechanised boats do not need deeper channel for movement with cargo but the channel between Dhubri to Chilmari is extremely braided. If the channel is laid in a planned way with introduction of semi permeable river training works and minor dredging, the sailing distance can be significantly reduced.

With the introduction of night navigation marks, the time required by the boats for every trip can be further reduced leading to cost saving.

## Adequate Infrastructural Facility for Vessel Berthing and Cargo Handling

Once the movement picks up, the vessels participating in transboundary movement will require sufficient berthing space, temporary storage of cargo carried and good approach road to the berthing location.

The present facility created at Dhubri is adequate only for few boats and other boats, which are already operating for movement of stone chips has to stand in queue for taking load.

Similarly, the road connecting the jetty is also suitable for movement of one truck at a time. Looking into the prospect of the movement and participation of smaller Indian vessels also, the jetty infrastructure on both sides need to be augmented considerably, particularly in the case of perishable cargo, which may have to be loaded from truck to barge and vice versa directly avoiding any transit storage at the terminal point.



Kachari Ghat, Dhubri

# Conclusion and Recommendations

**Recent amendments to the India-Bangladesh PIWTT have created a new avenue for small players to take part in cross-border trade**

The riverine communities of India and Bangladesh along the Brahmaputra river face similar challenges with respect to flooding and land erosion every year. River transport is an integral part of their lives. So far, the developmental activities along PIWTT routes have offered limited space for these communities and local traders.

Recent amendments to the India-Bangladesh PIWTT have created a new avenue for small players to take part in cross-border trade. However, several infrastructural, regulatory and capacity-related challenges are to be addressed for effective operationalisation of inclusive cross-border trade practices.

*Prima facie*, the prospects of cross-border trade through PIWTT routes look promising, particularly after the inclusion of new ports of calls and permitting the movement of shallow barges. For this to become a feasible mode of transportation, initiatives like the improvement of navigability conditions, setting up of an all-weather inland port at Jogighopa with multi-modal connectivity, up-gradation of the

Dhubri port with better road connectivity and its linkage with railway line need immediate attention of the relevant government authorities.

Furthermore, it is to be noted that Hatsinghimari being close to the West Garo Hills is a preferred location of the Indian traders to load their cargoes. Similarly, due to access to better road connectivity, Rowmari is a chosen destination of Bangladeshi traders instead of Chilmari. Hence, Hatsinghimari and Rowmari should be declared as Extended Ports of Call for Dhubri and Chilmari, respectively.

While low value cargo like boulders, lime stone and stone chips can move through shallow barges readily available in Bangladesh, for the movement of high value cargo container movement will certainly have to be looked into.

At least 75-100 numbers of 20 TEU containers will make some business sense, which will *inter alia* need a more navigable waterway suitable for the movement of barges of 1,500-2,000 metric tonnes capacity.<sup>1</sup>

1 The twenty-foot equivalent unit (TEU) is an inexact unit of cargo capacity often used to describe the capacity of container ships and container terminals. It is based on the volume of a 20-foot-long (6.1 metres) inter-modal container, a standard-sized metal box, which can be easily transferred between different modes of transportation such as ships, wagons and trucks.

***The prospects of cross-border trade through PIWTT routes look promising, particularly after the inclusion of new ports of calls and permitting the movement of shallow barges***

The waterway should also be suitable for round-the-clock movement in order to ensure a minimum turnaround time and be compatible with road and railways.

Therefore, capacity augmentation of this waterway will facilitate smooth movement of larger size vessels. The handling ports also need to be equipped with container cranes, Radio Frequency Identification-enabled tracking system and all-inclusive customs facility.

As such the most desirable option would be checking of customs documentation only at the origin and destination so that minimum time is needed for en route fulfilment of documentation and other formalities.

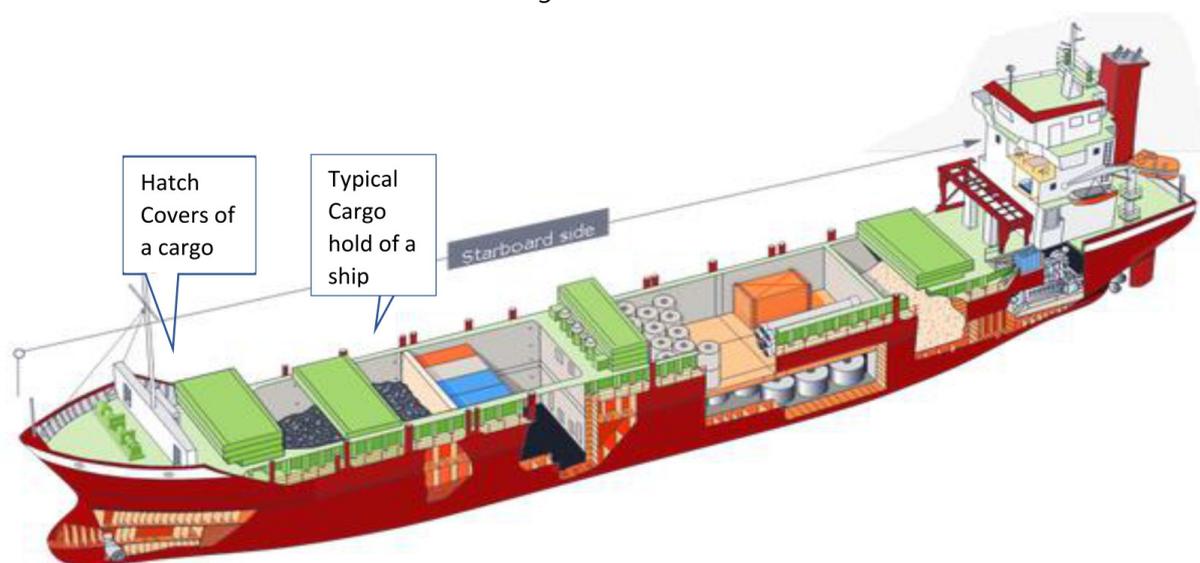
It is to be noted that since the market for organic fruits and vegetables is growing very fast and many farmers, especially from northeast India and neighbouring Bhutan are taking a keen interest to

enhance their produce and they are looking for new markets. However, quarantine facilities, testing laboratories, cold storage facilities are needed for facilitating their trade across border.

Other than that, low volume of production and non-availability of vessels of suitable size with the specification to ply in the PIWTT routes are major bottlenecks for trading agricultural commodities across border.

One way to overcome the challenge of low volume is to have lockable chambers of varying capacities in a single boat so as to carry multiple commodities in different quantities.

However, most of the farmers and communities living close to the banks of the Brahmaputra river are ignorant about the potential market and opportunities so as to take advantage of the recently amended protocol provision.<sup>2</sup>



2 <https://iwai.nic.in/showfile.php?lid=1973>



***Declaring new routes and the Ports of Call and allowing shallow draft vessels will enable marginal players to participate in cross-border trade***

Similar situation exists for local boat owners, boatmen and even traders and businessmen. Prolonged waiting time for border crossing due to procedural delays, sub-optimal road conditions, low capacity of bridges and speed money, which is to be incurred at various stages prompt them to look at alternate routes.

As a result of information asymmetry, there are many misconceptions, which are prevailing among traders around cross-border inland water transport. They are about the designated ports, the commodities, which can be traded, specifications of boats, the provisions of PIWTT routes and the procedures to be followed.

Thus, awareness generation and hand-holding of small traders, businessmen, farmers, particularly those from marginalised communities, are required to give the riverine movement of cargoes a major thrust.

Several opportunities and scope for expanding the business are clearly visible for the organised sectors of India, Bhutan and Bangladesh in the latest amendments of the PIWTT. Declaring new routes and the Ports of Call and allowing shallow draft vessels will enable marginal players to participate in cross-border trade. Jogighopa being a new Port of Call for Bhutan will surely attract Bhutanese traders to explore Bangladeshi waterways.

The resultant employment generation for service sectors like clearing and forwarding agencies, freight handling and infrastructural development will contribute to the development of the local economy.

For instance, the manager of the cashew factory in Hatsinghimari stated that he is interested in exporting processed cashew to Bangladesh. But, at present, no business linkage exists with cashew traders in Bangladesh.

**Allowing shallow draft mechanised vessels in the PIWTT routes has opened up several opportunities for small players**

For export purpose, the raw material has to be procured in bulk for processing, which will, in turn, provide more employment opportunities to local women in particular.

Allowing shallow draft mechanised vessels in the PIWTT routes has opened up several opportunities for small players. At present, Bangladeshi barges of 250-300 metric tonnes capacity are being used to carry stone chips from Dhubri in Assam. They come back empty.

In Dhubri, there is a significant demand for cotton waste from Bangladesh, which is widely used in Assam and other northeastern states for making mattress and blankets. Right now, it is being imported through Mahendraganj

in Meghalaya and Mankachar in Assam.

The origin of cotton waste is the garment factories near Dhaka, Bangladesh, from where it is loaded into Bangladeshi trucks and are brought to the Indian border. There it is transhipped onto the Indian trucks and are taken to Hatsinghimari *ghat* (jetty) where the cargo is then shifted to mechanised boats for Dhubri and carried to Dhubri. This multiple loading/unloading at several locations add to the cost of transportation significantly.

The problem of empty return cargoes from Bangladesh to India can be largely addressed if cotton waste is allowed to be imported to Dhubri by waterways. Therefore, the cotton waste importers in





**Optimising the rules and regulations governing inland water transport would enable better participation of local communities and small players**

Dhubri have expressed their interest to know if empty barges coming to carry stones from Dhubri can bring cotton waste on its onward journey.

Such opportunities need to be explored. For this, dialogues need to be facilitated between traders in both countries.

In addition, cruise companies using the waterways with luxury cruise ships and foreign tourists can boost local tourism in the form of home stays, promoting local cuisine and handicraft items.

Following the luxury cruise ships, local smaller cruise boats are likely to participate in river tourism catering to the needs of domestic/local tourist, which will not only add strength to the tourism sector but will also boost local boat building industry.

Inland water transport sector directly addresses Sustainable Development Goal 9<sup>3</sup>, Target 9.1 *“Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all”*.

Inclusive cross-border trade through inland water transport would benefit socially and economically marginalised producer communities and consumers along the banks of river including women.

Optimising the rules and regulations governing inland water transport would enable better participation of local communities and small players thereby building their confidence for trade through inland waterways.

3 SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

## About the Study

Inland waterways have been the major means of trade and transportation of the riverine communities of the Brahmaputra River, particularly in Lower Assam and the adjoining areas of Bangladesh. However, this movement was limited within the national borders of the respective countries. The declaration of Dhubri (Assam, India) and Chilmari (Kurigram, Bangladesh), as Ports of Call along Kolkata-Silghat riverine route, has created an opportunity for producers, consumers and traders in these border areas to participate in cross-border trade.

This study on 'Inclusive Spaces for Cross-border Trade through Inland Waterways' explores the trade prospects of locally produced goods and possible benefits for traders, boatmen and local communities including women. The study was undertaken as part of the regional programme 'Transboundary Rivers of South Asia' being implemented by Oxfam and supported by the Swedish government.

More details about the project are available at  
<https://cuts-citee.org/trans-boundary-rivers-of-south-asia-trosa/>

## CUTS International

Established in 1983, CUTS International (Consumer Unity & Trust Society) is a non-governmental organisation, engaged in consumer sovereignty in the framework of social justice and economic equality and environmental balance, within and across borders. More information about the organisation and its centres can be accessed here:  
<http://www.cuts-international.org>



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