

Transboundary Rivers of South Asia (TROSA) Meghna Knowledge Forum 2021

Engaging the private sector for inclusive cross border navigation and trade in the Meghna river basin

June 23, 2021

Event Report

This session aimed to bring together the voices of business communities, government authorities and traders from India and Bangladesh to explore specific issues concerning cross border trade via waterways. The session focused on two transboundary navigation routes: a) Karimganj - Ashuganj (Protocol Route 3 & 4); and b) Sonamura - Daudkandi (Protocol route 9 and 10), in promoting transboundary trade and poverty reduction in the Meghna river basin.

Key takeaways

1. Historically, cross border trade was one of the major economic activities through the tributaries and distributaries of Meghna river in the northeast region of India and Bangladesh. These activities got disturbed through political reasons; therefore, efforts have been made to revive them. However, there are certain challenges such as reluctance of private sector engagement, infrastructural issues, administrative issues, and lack of awareness among the producers and consumers regarding the gains from cross-border trade through waterways.
2. Some factors that critical for businesses/private sector to plan their logistics are cost-effectiveness, reliability, convenience, and time effectiveness. Among these reliability is the most important factor. The inland water transport should be reliable, convenient, and easy to access so that people can use it for their day to day activities. Scheduled services are essential for the effective use of inland water transport. Government agencies together with the private sector should be able to run these vessels.
3. The private sector only gets involved if there is profit and enough volume of trade. Therefore, the government should provide incentives to engage the private sector in inland water transport. For instance, northeast Industrial Policy provides capital investments subsidies for investments in the northeast. However, it does not include vessel building or operating vessels. Hence, it is recommended that subsidies that are allowed for industrial purposes in the northeast should be allowed for building and buying vessels.

4. Sedimentation and deforestation are the major problems that need to be taken into consideration. Due to deforestation source of water diminished, and even during monsoons, the navigation is very less. It is important to have a long term vision of afforestation in the river basin areas.
5. Documentation, data, facts, and figures should be included in the agenda so that it can be taken further to the politicians at various levels. Furthermore, a detailed study is required regarding the types of goods and size of vessels that can be ferried between north-eastern states and Bangladesh.
6. There should be continuous awareness programs and campaigns among the media, traders, and other stakeholders. Local-level newspapers, radios, and others can play a major role in generating continuous awareness about the benefits of cooperation. Initiatives such as organising talk shows and creating WhatsApp groups among the journalists of Bangladesh, Tripura, Assam, and Meghalaya should be taken, and regular updates, literature, and documents should be shared with them. People to people connectivity also play a major role in generating awareness about the benefits of local trade.
7. Huge investment is required by the government in water navigation and the development of other logistical infrastructure. Tourism can also be flourished involving the waterway connectivity between Bangladesh, Tripura, Assam, and Meghalaya to enhance the use of waterways by tours operators, tourists, and others.
8. Between India and Bangladesh, the bilateral transport arrangement does not allow access to the people at border areas nor does it permit the operations of non-standard vessels. Small boats and non-registered vessels are not allowed to participate in the bilateral transboundary inland navigation due to certain technical conditions and documentation in obtaining work permits. Therefore, stretches need to be identified in PIWTT where small boats can be permitted for cross border trade. It will create employment opportunities and also help in reducing poverty.
9. Steps that should be taken to develop inland waterways: identify a specific location; look at the economic feasibility of its development; and reach local government and agencies to take forward the agenda.

Way forward

1. Private sector involvement is required mainly for logistics including using waterways and providing logistics services for these rivers. Therefore, the government should provide incentives to engage the private sector in inland water transport. It is recommended that subsidies that are allowed for industrial purposes in the northeast should be allowed for building and buying vessels.
2. Continuous awareness programs and campaigns among the media, traders and other stakeholders are required. Initiatives such as organising talk shows and creating a WhatsApp group among the media should be taken.
3. Huge investment is required by the government in water navigation and the development of other logistical infrastructure. And stretches need to be identified in PIWTT where small boats can be permitted for cross border trade. It will create employment opportunities and also help in reducing poverty.
4. Steps that should be taken to develop inland waterways: identify a specific location; look at the economic feasibility of its development; and reach local government and agencies to take forward the agenda.