

**India Bangladesh Traders' Meet (Webinar)**  
***Emerging Trade Opportunities through Trans-boundary Waterways***  
**24<sup>th</sup> September 2020**

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**Introduction:**

CUTS International in collaboration with Jookto organised a virtual India Bangladesh Traders' Meet on 24<sup>th</sup> September 2020. The meeting was attended by over 45 stakeholders comprising from diverse set including private sector, industry chambers media, export associations, academia and other civil society organisations.

Key panellist included: Bipul Chatterjee, Executive Director, CUTS International; Jyotiraj Patra, Project Manager, TROSA, Oxfam; Subimal Bhattacharjee, Director, Jookto, Abu Taher Md. Shoeb, President, Sylhet Chamber of Commerce and Industry; Sujit Roy, General Secretary, India Bangladesh Chambers of Commerce and Industry (Tripura Chapter) and All Tripura Merchant Association; AKM Mosharaf Hossan, Director, M/S MH Enterprise and Member Bhairab Chambers of Commerce, Bangladesh; Dr. Shalah Uddin, Manager, Export Premier Cement Mills United, Bangladesh; and Niranjana Roy, Professor, Department of Economics, Assam University.

**Background:**

Cross- border trade between India and Bangladesh through inland waterways is governed by the Protocol on Inland Water Transit and Trade (PIWTT). It defines selected routes for the movement of goods between the two places in one country and to third country through the territory of the other.

Since its inception, the focus was on the movement of big steel vessels of 1500-2000 MT capacity. But such attention often neglects the local communities, more specifically the needs of local traders.

This is despite the fact that several locally produced goods (such as fruits, cumin, spices, dry chilli etc.) are in high demand in Bangladesh. The need of the hour is to: improve infrastructure, revise policies and regulations, operationalise the cross-border trade through inland waterways and develop significant linkages among traders and relevant stakeholders.

Keeping this view, CUTS international with support from Oxfam under the programme "Transboundary Rivers of South Asia" (TROSA) organised a webinar to promote cross-border trade of locally produced goods through inland waterways particularly in the stretches of Karimganj- Ashuganj (Protocol 3 and 4) and Sonamura - Daudkandi (Protocol route 9 and 10) using small mechanised boats.

The purpose of the webinar was to bring together traders, business communities in India and Bangladesh to discuss specific issues and problems that concerns them in order to switch to waterways while trading across border. While doing so, it would deliberate on the existing non-tariff barriers (regulatory and infrastructure related) that hinder cross border trade and explore how the producers and traders in India and Bangladesh can benefit by establishing linkages.

### **Highlights of the Panel Discussion:**

In his welcome remarks, Bipul Chatterjee stated that cross-border trade between Bangladesh and India will benefit the producers and consumers on both sides of the international border. Taking the example of CUTS study, he said that Bangladeshi agricultural products such as potato and tomato have high demand in many parts of India's North-East due to their quality, cheap price and easy availability. He stressed on the need for optimising the rules and regulations and facilitating its implementation for producer and consumer welfare.

Speaking in the context of Barak Valley, Subimal Bhattacharya opined that the cross-border trade opportunities are not fully utilised given the fact that the Valley connects other northeast states with Bangladesh. He pointed out that the major challenges are related infrastructure.

Recollecting the common legacy of history of Bangladesh and India, Niranjana Roy, said that wide opportunities for cross border trade through waterways should be reexplored. He emphasised on people-to-people connect and confidence building measures to sustain trade for a longer period.

Jyotiraj Patra in his remarks stated that trade is an integral part of India's Act East policy thus it is very important to materialise the benefits of it. Referring to the classical economic theories of trade that used to focus on cost and comparative advantages, he expressed his belief that the expansion of Protocol Routes will further reduce the cost. But the opportunities should be capitalised through people centric approach by building partnerships and ensuring participation of young business leaders including women.

Abu Shoeb argued that coal; ginger, onion and garlic are products that can be traded cross-border via using waterways. He said that traders in Sylhet are importing agriculture products from Meghalaya. However due to infrastructure related issue the import is very less. He argued that plant and animal quarantine facilities and testing laboratories need to be established at major border trading points and also stressed on the need to harmonize the regulations and standards.

According to Sujit Roy, the opening of new trade route between Sonamura in Tripura and Daudkandi in Bangladesh on a pilot basis has generated a huge excitement among the traders but the navigational challenges has to be addressed to realise its full potential.

Shalahuddin, opined that trade via waterways is cost effective and consumers get a better access to locally-produced low-cost products. Further he said that encouragement of such trade in local products will contribute to local areas development in the border areas of Bangladesh and India

### **Key issues emerged during open discussion**

- 1) Navigational challenges owing to poor water depth and siltation. There was a demand to maintain the depth by dredging.
- 2) Infrastructure related bottle necks like absence of quarantine facilities, testing laboratories near Sutarkandi LCS/ Karimganj steamer ghat and near the check posts in Meghalaya were highlighted by multiple participants. Though there is a great demand for illish fish and dry fish in the Indian side due to lack of testing facilities the trade is not happening.

- 3) Port restrictions prevailing at the Agartala – Akhaura border as well as the high tariff rates restrict opportunities for Tripura. Exempting locally produced items like pineapple and rubber from trade restrictions would benefit the local economy.
- 4) Considering the navigational challenges and the existing low-lying bridges along the Protocol Route, the possibilities of small mechanised boats of capacity 10-50 tonnes should be explored for short haul trade. These boats can ply even in low draft conditions.
- 5) Other than trade in goods, trade in services -particularlyly tourism has got immense potential. In this regard, Cross border tourism can contribute to state revenue and employment to local people.

## **Conclusion**

Concluding the programme, Bipul Chatterjee and Subimal Bhattacharjee said that CUTS and Jookto will prepare a memorandum covering the suggestions made by various chambers and submit that to relevant ministries in India (including at the state level in Assam and Tripura) and Bangladesh.

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