

Cross-Border Trade and Navigation through Trans-boundary Inland Waterways between India and Bangladesh

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Monday
11:00 - 13:00
(IST)

Report

Organised by: CUTS International

Date: Monday, February 28, 2022

Welcome Remarks and Moderator:

Bipul Chatterjee, Executive Director, CUTS International

Opening Remarks:

Jyotiraj Patra, Project Manager, Trans-boundary Rivers of South Asia, Oxfam

Special Address:

Jayant Singh, Vice Chairman, Inland Waterways Authority of India

Commodore Golam Sadeq, Chairman, Bangladesh Inland Water Transport Authority

Panellists:

Syed Monowar Hussain, Former Director, Bangladesh Inland Water Transport Authority (BIWTA), Bangladesh

Deborishi Bhattacharjee, Trader in Karimganj, India

Atowar Rahman, President, Dhubri Waterways International Traders Association

Vote of Thanks:

Veena Vidyadharan, Fellow, CUTS International

1. Background

India and Bangladesh share 54 trans-boundary rivers. These rivers can generate opportunities for the local communities in the sub-region through economic, political and socio-cultural interactions between the two countries. Cross-border trade and connectivity between these two countries through these rivers and inland waterways hold immense socio-economic potential. However, these have not been utilised to their fullest potential due to political, maritime and regulatory challenges.

CUTS International organised a Multi-Stakeholder Dialogue on 'Promoting Cross-border Trade through Transboundary Waterways between Bangladesh, Bhutan and India' in Guwahati, Assam, India on September 29, 2021. It was recommended in the dialogue that the inland waterways can be the backbone of development and cross-border trade, leading to the creation of jobs and increased livelihood opportunities. Participants opined that it is essential to consider the perspectives of relevant stakeholders for effective trans-boundary water governance along with increased and active participation of youth and local indigenous communities, particularly in the decision-making process.

In this context, CUTS International organised this virtual meeting with relevant stakeholders, particularly with traders of India and Bangladesh, with an aim to address the issues faced by the traders, the developments happening in the inland waterways and that requires prioritisation for cross-border trade and navigation between India and Bangladesh.

This virtual meeting was organised under a regional project entitled "Trans-boundary Rivers of South Asia" (TROSA), which is supported by the Swedish International Development Cooperation Agency (Sida) and managed by Oxfam. The project aims to reduce the poverty of marginalised and vulnerable river basin communities through increased access to and control over water resources, over which their livelihoods depend. Around 35 participants from India and Bangladesh participated in the webinar.

2. Key Takeaways

The major interests of India and Bangladesh overlap with some differences, but these differences are positive. Thus, it is vital to achieve possible agreement incrementally to develop vibrant waterway connectivity for trade, commerce, and tourism.

The trans-boundary rivers of India and Bangladesh can generate opportunities for the local communities in the sub-region through economic, political and socio-cultural interactions between the two countries. It is to be noted that the agenda on water governance must align with the one on climate change adaptation and mitigation through sustainable basin-wide management.

From the works of IWAI and various national and international organisations, it is evident that the benefits from the investments in trans-boundary waterways will outweigh its costs. Furthermore, many trans-boundary rivers stretch other than Dhubri-Chilmari and Sonamura-Daudkandi routes. Small-haul trade can be promoted, such as on river Ichchamati and Someshwari.

Employment opportunities in inland water navigation, trade, and tourism should be more inclusive for the informal economies in trans-boundary river basins. The benefits and opportunities can equitably be shared among the communities dependent on these river systems for their livelihoods, especially women and youth.

At present, trans-boundary river basins are more sensitive to climate change, such as floods, river erosions, and others. Intergovernmental Panel on Climate Change (IPCC) has released its sixth assessment report titled 'Climate Change 2021: The Physical Science Basis' that states the impact of climate change at a regional scale. Hence, it is important to consider and develop climate-resilient trade and tourism infrastructure on the river basins.

The policymakers need to note that it is essential to develop a vibrant and strong waterway connectivity grid for future generations.

Efforts should be made to reduce the total logistics cost of trade, further integrating the regions and making trade between the countries more comparative.

The Eastern Waterways Connectivity Transport Grid project implemented with the support of the World Bank will provide seamless connectivity between National Waterway-1 (NW-1) and NW-2 through the Indo-Bangladesh Protocol routes. This concept is adopted to leverage and connect waterways in a logistic grid transportation network.

River stretches like Maia, Padma, Sultanpur should be considered to further work upon. Currently, transportation is taking place via Haldia, which poses a major challenge of distance, time and ecological issues. Work has been started on Bhagirathi and Padma stretch to reduce distance and time in this context.

Dredging is also one of the important aspects that need to be taken into consideration. Initially, it is essential to start working on small patches for dredging and consider small projects. Also, there should be synergy and sequencing in route maintenance from both side.

Dhubri is India's fastest growing terminal; therefore, measures should be taken to up-scale the tonnage of the vessels and stretch beyond Chilmari. Moreover, informal trade can be systemised through waterways and symbiotic ecosystems can be created. The development of Dhubri port has led to cross-border and transit trade of stone chips, boulders and coal between India, Bangladesh and Bhutan. The local traders are now focusing on agricultural products like ginger, oranges and other products such as waste cotton.

Some strategies are embedded inside the Bangladesh Delta Plan 2100 regarding the inland waterways transportation system. Bangladesh features the world's largest river delta, formed by the junction of three great rivers – the Ganges, the Brahmaputra, and the Meghna.

The Government of Bangladesh has formulated this plan to focus on economic growth, environmental conservation, and enhanced climate resilience. The plan lays out holistic and cross-sectoral action needed to improve productivity and minimise disaster risks.

Effective implementation of the Delta Plan will eliminate extreme poverty, create more jobs and sustain gross domestic product (GDP) growth until 2041. It will increase trade and navigational opportunities. The target is to develop 10,000 km inland waterways navigable for all seasons by 2030. This will lead to better integration and connection between India and Bangladesh. Furthermore, initiatives should be taken to formalise informal trade.

The government is taking initiatives to reduce cargo load from roadways to waterways. Measures have also been taken to remove low-height bridges that pose a significant challenge in the movement of vessels and to design flat bottom or low superstructure base ships.

Integrating Yamuna Economic Corridor with the Eastern Waterways Connectivity Transport Grid project would expand the trade possibilities between the countries.

Currently, many contentious issues exist between the export and import through trucks, railway operators, and waterways. Thus, a positive approach should be adopted to carve out a positive incremental solution.

There are hard and soft challenges, such as navigation quality along the protocol routes, loading-unloading facilities at ports, night navigation facilities and others that need to be developed. It is expected that the completion of ongoing development activities will resolve these problems.

The Protocol on Inland Water Trade & Transit is a unique example of bilateral cooperation between India and Bangladesh continued without interruptions since Bangladesh's independence. However, there is a need for diversifying the trade basket to continue on a sustainable basis.

It was also highlighted that a level-playing field for the inland water transport sector could be achieved only by addressing the issues related to border management, customs formalities, loading-unloading facilities and the efficiency of the cruise.

Cross-border trade through inland waterways has the potential to generate employment in a post-COVID-19 period. With the development of the Karimganj river port, revival of the

Mahishasan railway transit point and the Integrated Check Post at Sutarkandi, Karimganj can connect Bangladesh with the rest of India and with the hinterlands of other north-eastern states.

Stretches, such as Kaptai Lake, Rangamati, and others should be recognised as a protocol route that will facilitate local trade, multimodal connectivity, and improve community livelihood. The speakers in this webinar highly praised the works undertaken by CUTS International on inland waterways.

Water governance needs to be more participatory; ground-level issues faced by traders require more attention. Importance is given to the enhancement of livelihood opportunities and participation of local people.

Key Messages

“The agenda on water governance through sustainable basin-wide management must align with the agenda on climate change adaptation and mitigation”

Bipul Chatterjee, Executive Director, CUTS International

“Inclusive cross-border trade and tourism through waterways would create employment opportunities for the local communities. There is a need for resilient infrastructure to overcome natural and man-made calamities in the Brahmaputra river basin”

Jyotiraj Patra, Project Manager, TROSA, Oxfam

“Leveraging history, geography and comparative advantage is the need of the time and in the common interest of the people. The actual cost and quantum involved in dredging is also coming down”

Jayant Singh, Vice Chairman, Inland Waterways Authority of India

“Riverine trade and tourism generate livelihood opportunities locally. Around 6000 km of waterways in Bangladesh are navigable in all seasons. Additionally, Bangladesh plans to design and develop flat bottom low draft vessels that can ply during every season. Integrating Yamuna Economic Corridor with the Eastern Waterways Connectivity Transport Grid project would expand the trade possibilities between the countries. There should be synergy and sequencing in the dredging operations upstream and downstream to ensure the water flow”

Commodore Golam Sadeq, Chairman, Bangladesh Inland Water Transport Authority

“The Protocol for Inland Water Trade & Transit is a unique example of bilateral cooperation between India and Bangladesh that is being continued without interruption since Bangladesh's independence. Emphasis should be placed on diversifying the trade basket for trade to continue sustainability”

Syed Monowar Hussain, Former Director, Bangladesh Inland Water Transport Authority

“Cross-border trade through inland waterways could generate employment in a post-COVID-19 period”

Deborishi Bhattacharjee, a local trader from Karimganj in Assam, India

“Inland water transport had benefited the local traders mainly living near the border regions. The local traders are now focusing on agricultural products like ginger, oranges, and other products such as waste cotton”

Atowar Rahman, President, Dhubri Water Ways International Traders Association, India

“Water governance with regard to inland water transport needs to be more participatory. Ground-level issues faced by the traders need attention. Importance should also be given to the enhancement of livelihood opportunities and participation of local people”

Anamika Barua, Professor, Indian Institute of Technology, Guwahati

3. Further Interventions for Future

A cost comparison study on the multimodal water transport system is required. For example, when cargo is loaded from a godown onto a truck and sent to another one, will this mode be more cost-effective than a mode wherein the cargo is loaded onto a truck, loaded in a vessel, unloaded at a port in a truck, and then sent to the godown. This study needs to be done by considering the time and cost involved in the process.

Developing a multimodal plan between Nepal and Bangladesh using the waterway routes is required. Trade is happening between Bhutan and Bangladesh through the multimodal mode of connectivity. This area needs to be focused on to make the region more integrated and connected.

4. Conclusion and the Way Forward

The Northeast region logistically plays a significant role between India and Bangladesh for trade and commerce and needs to be developed and focused on.

Dredging is the most important requirement on the stretches of waterways to float the vessels throughout the years.

Developing climate-resilient infrastructure for trade and tourism on trans-boundary waterways is important.

Initiatives should be taken to generate more employment opportunities for inclusive growth and formalise informal trade.

Agenda

11:00 – 13:00	<p><i>Welcome Remarks</i> Bipul Chatterjee, Executive Director, CUTS International</p> <p><i>Opening Remarks</i> Jyotiraj Patra, Project Manager, Transboundary Rivers of South Asia, Oxfam</p> <p><i>Special Address</i> Jayant Singh, Vice Chairman, Inland Waterways Authority of India Commodore Golam Sadeq, Chairman, Bangladesh Inland Water Transport Authority</p> <p><i>Moderator</i> Bipul Chatterjee, Executive Director, CUTS International</p> <p><i>Panellists</i></p> <ul style="list-style-type: none">• Syed Monowar Hussain, Former Director, Bangladesh Inland Water Transport Authority (BIWTA), Bangladesh• Deborishi Bhattacharjee, Trader in Karimganj, India• Atowar Rahman, President, Dhubri Waterways International Traders Association <p><i>Vote of Thanks</i> Veena Vidyadharan, Fellow, CUTS International</p>
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