

Chabahar Port

This editorial is based on <u>"Reinvigorating the Chabahar port"</u> which was published in The Hindu on 23/08/2022. It talks about India's strategic and economic vision for the Development of Chabahar Port in India.

For Prelims: Chabahar Port, Shahid Beheshti, India Ports Global Limited, India-Iran Bilateral Relations, Gwadar Port, International North-South Transport Corridor, NSG (Nuclear Suppliers' Group), G20 presidency in 2023

For Mains: Significance of Chabahar Port for India, International North-South Transport Corridor, Roadblocks in India's Endeavour Towards Development of Chabahar Port, G20 presidency in 2023

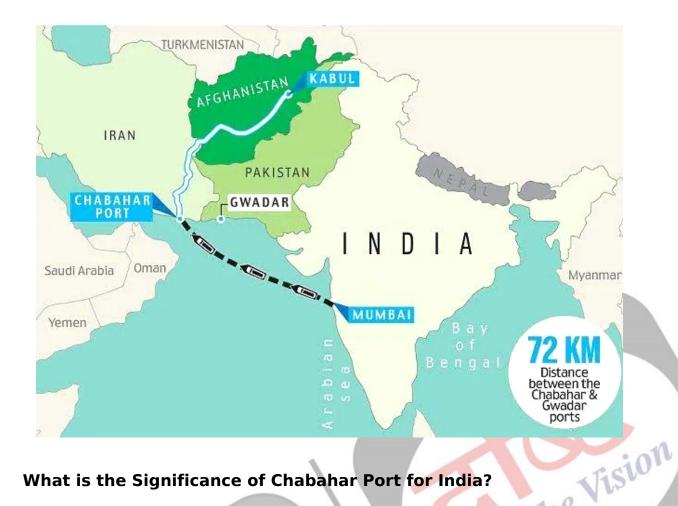
The port of <u>Chabahar</u> is located in **South eastern Iran in the** <u>Gulf of Oman</u>. It is the only Iranian port with direct access to the ocean.

It is considered a **gateway to golden opportunities** for trade by **India, Iran and Afghanistan** with **Central Asian countries**.

The Chabahar port actually contains two separate ports called **Shahid Kalantari** and **Shahid Beheshti**. Indian firm **India Ports Global Limited** took over operations at the **Shaheed Beheshti Port**. The port development should not be viewed in isolation but also from the prism of other opportunities which India can derive from this venture.

However, <u>India-Iran bilateral relations</u> **are complex,** and a variety of additional variables need to be considered in order to predict the viability of Chabahar Port from an Indian perspective.

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What is the Significance of Chabahar Port for India?

- Direct Route to Afghanistan: It will ensure the establishment of a politically sustainable connectivity between India and Afghanistan. This will, in turn, lead to better economic ties between the two countries.
 - Pakistan denies the use of its territory by Indian trucks bound to Afghanistan.
 - Chabahar Port will also help Afghanistan for its trade with other countries.
 - The result will be less Afghan dependence on Pakistan and, hence, less Pakistani influence over Afghan domestic politics, which will benefit India strategically.
- Countering China: Chabahar port will be beneficial to India in countering China Pakistan **Economic Corridor (CPEC)** as well as Chinese presence in the Arabian Sea which China is trying to ensure by helping Pakistan to develop the Gwadar port.
 - Gwadar Port is just 72 km away from Chabahar Port.
- Trade and Commerce: With Chabahar port becoming functional, there will be a significant boost in the import of iron ore, sugar and rice to India.
 - The import cost of oil to India will also see a considerable decline.
 - According to the Ministry of Commerce, Chabahar port, along with INSTC, offers 30% cheaper imports than the Mediterranean-Suez route.
 - Natural gas from Central Asia can be exported to India via the Chabahar port. India is already a part of projects like **Turkmenistan**, **Afghanistan**, **Pakistan**, and India (TAPI) pipeline.
 - Also, India has already increased its crude purchase from Iran since the West imposed ban on Iran was lifted.
- Humanitarian Operations: From a diplomatic perspective, Chabahar port can be used by India as a point from were **humanitarian operations** in Central and South Asia can be coordinated.
- Link to International North-South Transport Corridor: Chabahar port will boost India's access to Iran, the key gateway to the International North-South Transport Corridor that has sea, rail and road routes between India, Russia, Iran, Europe and Central Asia.

What is the International North-South Transport Corridor?

- It is a 7,200-kilometre multi-modal transport corridor that combines road, rail and maritime routes, connecting Saint Petersburg (Russia) to Mumbai.
- International North-South Transport Corridor offers a platform for India to collaborate with Russia, Iran, and the Central Asian Republics towards fostering a Eurasian Free Trade Area.
- Once fully operational, INSTC is expected to reduce freight costs by 30% and the journey time by 40% compared to the deep-sea route via the <u>Suez Canal</u>.

What are the Roadblocks in India's Endeavour Towards Development of Chabahar Port?

- Growing Iran-China Ties: Iran has moved closer to China in recent times.
 - China is also developing relations with Iran, as evidenced by the Chinese President's 2016 visit to Iran, dubbed the <u>'Comprehensive Plan for Cooperation between Iran and China'.</u>
 - Iranian approval of the much-hyped draft strategic partnership with China, whereby both countries propose to take their long-term partnership to a new level through the USD 400 billion agreement.
- Iran-US Conflict: Progress in Chabahar may depend on which way relations develop between Iran and the United States.
 - As India seeks to revitalise its relations with Iran, it also needs the US' support
 on the international stage, including its membership bid in the NSG (Nuclear
 Suppliers' Group).
- Balancing Relations with Middle Eastern Countries: Development of Chabahar port depends on healthy India-Iran relations.
 - India's relations with Iran will require a delicate balancing act on India's part, given its
 own relations with countries such as Saudi Arabia, the United Arab Emirates, and
 Israel, which has a fraught history with Iran.

What Should be the Way Forward?

- G20 in 2023: By holding the G20 presidency in 2023, India will have the opportunity to weave geoeconomic themes with its geopolitical interests.
 - Until now, India has been regarded as an emerging power attempting to become a global nower.
 - In 2023, India will have the opportunity to articulate the significance of Chabahar Port in improving the North-South transit.
- Chabahar Ticket to India's Global Presence: India cannot confine itself to South Asia and has a lot to gain from an extended neighbourhood (Iran-Afghanistan), which not only contributes to trade and energy security, but also plays a crucial role in Indian aspirations to become a superpower.
- Enhancing India-Iran Bilateral Relations: For smooth development of Chabahar port and economic prosperity for both countries, <u>strong bilateral political and economic ties between</u> <u>India and Iran</u> will be critical.
 - India is currently using the port to ship pesticides to help Iran counter a locust invasion is a good step in this direction.
- Balancing ties with Iran and US: India can play a balancing act between the two countries and take proactive measures to promote global peace as a peace stabiliser in line with its firm national interest.

Drishti Mains Question

"The Chabahar Port should not be viewed in isolation but also from the prism of other opportunities which India can derive from this venture." Discuss

UPSC Civil Services Examination, Previous Year Question (PYQ)

- Q. What is the importance of developing Chabahar Port by India? (2017)
- (a) India's trade with African countries will enormously increase.
- **(b)** India's relations with oil-producing Arab countries will be strengthened.
- (c) India will not depend on Pakistan for access to Afghanistan and Central Asia.
- (d) Pakistan will facilitate and protect the installation of a gas pipeline between Iraq and India.

Ans: (c)

