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## India Connects Bangladesh and Bhutan

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The Minister of State for Shipping, digitally flagged off a **ship of the Inland Waterways Authority of India (IWAI)**, carrying **stone from Bhutan** to be delivered in **Bangladesh**.

- This is the first time an Indian waterway is being used as a channel for transport of cargo between the two countries, implying using **India for transit**.
- This is beneficial to India as well as Bhutan and Bangladesh, and will strengthen relations between the neighbouring countries. Also, waterways are more friendly mode of transport.
- The ship, MV AAI, has set sail from Dhubri in Assam and will travel to Narayanganj in Bangladesh, over river Brahmaputra and the **Indo Bangladesh Protocol Route**.

The stone aggregates were transported by trucks from Phuentsholing in Bhutan which is 160 km from IWAI's Dhubri jetty in Assam.

- The transport of cargo through this route will cut short travel time by 8 to 10 days, and reduce transportation cost by 30%, bringing down logistics costs.
- It also opens up an **alternate route to the North Eastern states**, making it easier and cheaper to reach goods to these places from other parts of the country.
- Till now, Bhutan has been exporting significant quantity of stone aggregates to Bangladesh through the land route.



## The Indo Bangladesh Protocol Route

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- An **inland water transit and trade protocol** exists between India and Bangladesh under which inland vessels of one country can transit through the specified routes of the other country.
- The existing protocol routes include Kolkata-Pandu-Kolkata, Kolkata-Karimganj - Kolkata, Rajshahi-Dhulian-Rajshahi and Pandu-Karimganj-Pandu. The other routes can be prescribed by the Competent Authorities from time to time.
- For inter-country trade, equal number of **ports of call** have been designated in each country and includes Haldia, Kolkata, Pandu and Karimganj in India and Narayanganj, Khulna, Mongla and Sirajganj in Bangladesh.
  - A port of call is an intermediate port where ships customarily stop for supplies, repairs, or transshipment of cargo.
- Under the Protocol, 50:50 cargo sharing by Indian and Bangladeshi vessels is permitted both for transit and inter country trade.
- **IWAI is the Competent Authority** on Indian side.
  - The Inland Waterways Authority of India (IWAI) came into existence on 27th October 1986 for development and regulation of inland waterways for shipping

and navigation.

- The Authority primarily undertakes projects for development and maintenance of Inland Water Transport (IWT) infrastructure on national waterways through grant received from **Ministry of Shipping**.
- The head office of the Authority is at Noida.

## Initiatives to increase the use of Inland Waterways

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- The Government is taking various initiatives to increase the use of inland waterways and coastal shipping for greater cargo shipment. These include providing **assured depth** of water in the channels, **navigation aids** like GPS and **River Information System**, terminals at regular intervals, facilities for mechanized handling of cargo handling etc.
- A minimum **40% discount** and priority in berthing is being given to coastal vessels at major ports.
- **Licensing relaxations** have been made under section 406 and 407 of the Merchant Shipping Act 1958 for fertilizers, agricultural products, fisheries, horticultural, and animal husbandry products, empty containers and containers being transhipped from another Indian port.