

PROTOCOL ON INLAND WATER TRANSIT AND TRADE

In pursuance of Article VIII of the Trade Agreement entered into between the Government of the People's Republic of Bangladesh and the Government of the Republic of India on the 21st March 2006 wherein the two Governments agreed to make mutually beneficial arrangements for the use of their waterways for commerce between the two countries for passage of goods between two places in one country through the territory of the other, in accordance with the laws of the country through the territory of which goods are moving, it is further agreed as follows:

1. Definition:

For the purpose of this Protocol unless the context otherwise requires:

1.1 The term "Competent Authorities" will mean the authorities authorized by the respective Governments:

1.2 The term "route" will refer to the routes:

- (1) Kolkata - Haldia - Raimongal - Chalna - Khulna - Mongla - Kaukhali - Barisal - Hizla - Chandpur - Narayanganj - Aricha - Sirajganj - Bahadurabad - Chilmari - Dhubri - Pandu.
- (2) Pandu - Dhubri - Chilmari - Bahadurabad - Sirajganj - Aricha - Narayanganj - Chandpur - Hizla - Barisal - Kaukhali - Mongla - Khuma - Chalna - Raimongal - Haldia - Kolkata.
- (3) Kolkata - Haldia - Raimongal - Mongla - Kaukhali - Barisal-Hizla - Chandpur - Narayanganj - Bhairab Bazar- Ajmiriganj - Markuli - Sherpur - Fenchuganj - Zakiganj - Karimganj.
- (4) Karimganj - Zakiganj - Fenchuganj - Sherpur - Markuli - Ajmiriganj - Bhairab Bazar - Narayanganj - Chandpur - Hizla - Barisal/Kaukhali - Mongla - Raimongal - Haldia - Kolkata.
- (5) Rajshahi – Godagari - Dhulian
- (6) Dhulian - Godagari - Rajshahi

(7) Karimganj - Zakiganj - Fenchuganj - Sherpur - Markuli - Ajmiriganj – Bhairab Bazar -Narayanganj - Chandpur - Aricha - Sirajganj - Bahadurabad - Chilmari - Dhubri - Pandu.

(8) Pandu - Dhubri - Chilmari - Bahadurabad - Sirajganj - Aricha - Chandpur - Narayanganj – Bhairab Bazar - Ajmiriganj - Markuli - Sherpur - Fenchuganj - Zakiganj - Karimganj.

or such other routes as may be prescribed by the Competent Authorities from time to time.

1.3 The term "Vessels" will mean the watercrafts which are registered under the Inland Shipping Ordinance, 1976 as amended from time to time in case of Bangladesh vessels and Inland Vessels Act, 1917, as amended from time to time in case of Indian Vessels. This will cover vessels which carry only commercial goods as stated in the preamble of the Protocol.

2. Conservancy and Pilotage:

2.1 Each country will maintain the river routes falling within its territory in a navigable condition and provide all the essential pilotage and conservancy services, including hydrographic surveys and supply of charts, if prepared and available for commercial navigational use to inland water transport operators, and aids to night navigation where facilities for such navigation already exist.

2.2 Acknowledging that there may be routes or parts of routes in one country, primarily being used by the transit traffic of the other, the country maintaining such routes will provide aids to night navigation on such routes, provided the country using such routes pays, by mutual agreement, for the installation and maintenance of such aids. The amount to be paid and the manner of its payment shall be mutually agreed upon by the two sides.

3. Port dues and other charges:

3.1 Port dues may be levied by the competent authorities in either country on the vessels belonging to the other country and engaged in inter country trade.

- 3.2 The competent authorities in either country may also levy on the vessels of the other country charges for conservancy, pilotage and other specific services at par with those charged from the local vessels. The charges will be determined with reference to cargo carrying capacity of the vessels, as applicable to local vessels.
- 3.3 Acknowledging that one country may be required to maintain routes or parts of routes primarily on account of the transit traffic of the other, the country utilizing such routes will provide to the other country an agreed sum of money for the maintenance of such routes including conservancy and pilotage.
- 3.4 The route between Sirajganj and Daikhawa in the Northern Delta Section of the River Jamuna - Brahmaputra and the route between Sherpur and Zakiganj in the North Eastern Delta Section of the Kushiara river are recognized by both sides as routes being maintained primarily for the use of Indian transit traffic.
- 3.5 For the maintenance of the above mentioned services on these routes, the Government of India has been paying to the Government of Bangladesh at the rate of BD TK 200 lakh per year till 30th April 2007. It was agreed that an upward revision of these rates will be considered by the Government of India in consultation with the Government of Bangladesh.

4. Handling Facilities

Each country will permit the vessels of the other country to utilize all available cranes and other handling facilities on the same terms and conditions as are applicable to local vessels.

5. Supply of bunkers:

The vessels of either country plying between the two countries and also between places in the same country through the other country will be permitted to purchase the fuel required by them for the purpose of their operations on payment in convertible currency. Inland vessels registered in Bangladesh may be bunkered at Kolkata, Budge-Budge, Haldia, Karimganj, Dhubri and Pandu in India. Likewise, vessels registered in India may be bunkered at Mongla industrial belt, Khulna Barisal, Chandpur, Narayanganj and Sirajganj in Bangladesh. Any

alteration/ addition in respect of bunkering points may be decided through mutual consultations.

6. Purchase of essential stores:

The vessels operating in either country will be allowed to purchase in convertible currency the stores which they may require for their operation during the voyage in the other country at places of bunkering. In order to do so, conversion facilities will be provided at the bunkering points.

7. Purchase of provisions by the fleet personnel during voyage:

Fresh food and other provisions essential for fleet personnel will be allowed to be purchased in either country to meet the requirements of voyage. The purchase will be made in convertible currency at the points of bunkering. In order to do so, conversion facilities will be provided at the bunkering points. In exceptional circumstances only purchases may be made at places other than the bunkering points. The appropriate authorities of either country may prescribe the manner in which such purchases may be made should it be deemed necessary.

8. Repair facilities

Vessels of either country calling for urgent repairs en route will be allowed to have repairs done at the Government owned and/or public sector marine workshop in either country. The expenditure incurred on such repairs will be reported by the operators to the concerned foreign exchange authorities for their clearance in accordance with the provisions of Article 25.

9. Assistance to be provided by either country to the vessels of the other in distress:

Each *country* will provide all the necessary facilities to the vessels of the other, which may be grounded or otherwise in distress during their voyage in its waterways. Expenditure incurred on salvage operations, if required on such occasions, shall be cleared in accordance with the arrangements to be made under Article 25.

10. Submission of voyage forecast for voyage permission to use waterways:

The vessels of one country before using the waterways of the other country will obtain the permission of the other country for entry. In such cases the voyage forecasts, in the prescribed form, for the vessels of one country will be submitted to the competent authority of the other country at least four days before the expected date of entry into the country of entry.

11. Nomination of "Ports of Call" on equal basis:

One country will provide the facilities of "Ports of Call" to the vessels of the other country engaged in inter country trade and number of such Ports of Call will be equal in both countries. Both sides agreed that the following would be treated as 'Ports of Call' in their respective country.

Bangladesh

India

Narayanganj

Kolkata

Khulna

Haldia

Mongla

Karimganj

Sirajganj

Pandu

12. Recognition of survey certificates and other documents:

The survey certificates and other documents issued by the appropriate authorities in one country for the vessels registered in it and running to or through the other will be recognized and accepted as valid by the other. These certificates or documents shall be produced by the Master of the vessels concerned at the points of entry and at the other points, as may be required, during the voyage.

13. Flying of Flags:

The vessels of each country will carry its national flag and the national flag of the country through which it is transiting besides its house flag.

14. Use of radio-telephone by river craft:

Inland vessels will be allowed to be equipped with radio- telephone for facilities of speedy commercial communications, specially in emergencies, in conformity with the current regulations of the country through which the vessels are in transit.

15. Registration and issue of identity cards:
The personnel manning vessels plying through or between the two countries shall carry certificate of employment and permits with a photograph of the concerned individual duly authenticated by the authorities to be nominated by the respective countries in regard to their personnel. Officers supervising or controlling the fleet of the operators in either country shall carry passports endorsed with multiple entry visas.

16. Permission to fleet personnel and travelling officers to go by rail, road or air in special circumstances:

Fleet personnel and travelling officers posted to any of the vessels carrying transit cargo in either country will be allowed to travel by rail, road or air, whenever they are required to join duty on the vessels, or when they have to leave their duty on the vessels by reason of sickness or other urgent contingencies. Such movements will be simultaneously reported to the appropriate authorities of either country.

17. Prohibition on vessels carrying transit cargo:
Vessels carrying transit cargo through one country will not be engaged in inter country trade and will not take or discharge cargo or passengers in the country through which they are passing. All necessary facilities for inspection will be accorded by each country to the Customs and other agencies. No undue delay will be caused to the voyage of any vessels on account of such inspections.

18. Sharing of inter-country trade and transit cargo:
The two Governments agree to sharing of the carriage of inter country trade and transit cargo on an equal tonnage basis (i.e. 50:50) by the vessels of signatory countries to and from ports of call/ customs stations including extended places of loading and unloading under customs formalities and supervision. The competent authorities of the two countries will take steps to operationalise the sharing through appropriate measures keeping in view that expeditious transportation of cargo is in the mutual interest of both countries.

19. Common freight rates:
The operators in both the countries will charge to the extent practicable uniform freight rates for both inter-country trade and transit traffic. Such rates will be fixed by the competent authorities by mutual consultations.

20. Evolving uniform documentation for vessels:
The document issued in accordance with the regulations in one country, in respect of the cargoes carried by vessels going to or through the other country will be accepted by the other. Efforts will be made to evolve uniform documentation in both the countries as early as possible.

A Manifest in duplicate for in-transit goods in addition to the Manifest Book shall be submitted to the Customs Officer at the point of entry. One copy of the Manifest will be retained by him and the other, duly endorsed will be sent in sealed cover through the Master of the vessel to the Customs Officer at the exit points.

21. Customs checks and documentation:
Both the countries agree to reduce customs documentation and other requirements to the essential minimum for the purpose of transit and to have custom stations at or near the points of entry and exit in each country.

22. Freight remittance facilities:
The freight earned by the vessels of either country from the traffic, originating in the other and carried by them, will be allowed to be remitted to the owners of the vessels in accordance with the arrangements for remittance of surplus collection between the two countries that may be in force from time to time in accordance with Article 25.

23. Permission to operate trucks between places in India and river stations in Bangladesh:
 - 23.1 Bangladesh Truck and/or Tractor-Trailers may carry cargoes transshipped from river crafts at Sherpur to the Indian border.

23.2 Cargoes brought by deeper draft vessels from India upto Sherpur or any other point on the waterways in Bangladesh may be transshipped into shallow draft vessels for destination in India. Conversely, transshipments can also be made from shallow draft vessels to deeper draft vessels. Transshipments will be carried out under the supervision of BIWTA and Customs authorities of Bangladesh.

24. Opening of branch offices and appointment of agents:
The operators of vessels in one country will be allowed to open their branch offices or appoint their agents only at major inland ports and secondary river ports in the other. However, such branch offices will be opened with due approval from the country concerned.

25. Arrangements for settlement, clearance & remittance:
Subject to their respective foreign exchange regulations, the competent authorities of Bangladesh and India, shall, through mutual consultations, establish a comprehensive system for quick settlement, clearance and remittance of all sums, claims, or dues on account of goods supplied, services rendered or facilities accorded to the vessels of one country in or by the other.

26. Setting up of a Standing Committee:
For evaluation and reviewing the working of this Protocol and for the purpose of improvement of inland water transportation between the two countries, there shall be a Standing Committee, including representatives of the Ministry of Shipping of Bangladesh, and the Ministry of Surface Transport, Department of Shipping of India, the representatives of the Ministries of Finance of Bangladesh and of India, the representatives of BIWTA and BIWTC of Bangladesh and CIWTC and IWAI of India, the concerned Customs officials of both countries and two representatives of the operators one from each country.

The Committee may co-opt members whose participation is considered necessary by it. The Standing Committee shall meet at least once in six months and its findings shall be forwarded to the respective Governments for further necessary action.

27. Addition of new Routes and more Ports of Call

Additional Routes and new Port of Call may be added through an Addendum to this Protocol by mutual consultation between the two countries.

28. Term of the Protocol:

This Protocol shall come into force from the 1st May 2007 and shall remain in force upto 31st March 2009. It may be extended for a further period through mutual consent subject to such modifications as may be agreed upon.

Done in New Delhi on the First day of May Two Thousand and Seven in two original copies, both in English.

(Sheikh Enayetullah)

Secretary to the Government of
Bangladesh
Ministry of Shipping
On behalf of the Government of the
People's Republic of Bangladesh

(A. K Mohapatra)

Secretary to the Government of India
Ministry of Shipping, Road Transport and
Highways,
Department of Shipping on behalf of the
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