

**Agreement on the use of Chattogram and Mongla Port for Movement of Goods to and from India between the People's Republic of Bangladesh and the Republic of India**

The Government of the People's Republic of Bangladesh and Government of the Republic of India (hereinafter also referred to as the Parties);

Recalling the Trade Agreement between Bangladesh and India, signed on 6<sup>th</sup> June, 2015, for promotion, facilitation, expansion and diversification of trade between the two countries on the basis of equality and mutual benefits;

In furtherance of the understanding that Bangladesh will allow the use of Chattogram and Mongla Ports for movement of goods to and from India through waterways, rail, road or multimodal transport, as reflected in the Joint Communiqué issued during the visit of Hon'ble Prime Minister of Bangladesh to India in January, 2010; and the Memorandum of Understanding signed on 6<sup>th</sup> June, 2015 between the Ministry of Shipping of the Government of the People's Republic of Bangladesh and Ministry of Shipping, Government of the Republic of India;

Referring to the Memorandum of Understanding (MoU) signed on the 6<sup>th</sup> June 2015, between the Ministry of Shipping of the Government of the People's Republic of Bangladesh and the Ministry of Shipping, Government of the Republic of India, relating to the Use of Chattogram and Mongla Ports for the Movement of Goods to and from India.

Pursuing the noble objectives set out in the Framework Agreement on Cooperation for Development signed on 6<sup>th</sup> September, 2011 between the Government of the People's Republic of Bangladesh and the Government of the Republic of India:-

Have agreed as follows:

**Article-1**

**Definitions:**

- (a) "Duties and Taxes" means such duties and taxes as are levied in Bangladesh on import and export of goods to and from India;
- (b) "Fee" means the fee to be paid for movement of goods to and from North-Eastern States of India through Bangladesh;



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- (c) "Cargo" or "Goods" means all goods excepting those which are restricted or prohibited under the national legislations of the Parties;
- (d) "Consignor" means the owner of the goods being transported from one part of India to another, through Chattogram port and Mongla port and shall include his authorized agent;
- (e) "vessel" means the vessel registered in accordance with the national legislations of respective Party and sailing under its flag, excluding:
- (1) war ships;
  - (2) other vessels performing services in the armed forces and paramilitary forces;
  - (3) research vessel (hydrographic, oceanographic and scientific);
  - (4) fishing vessels, and
  - (5) vessels performing functions of non-merchant character (governmental yachts, hospital ships, etc.);
- (f) "Port" means a customs station which is authorized for import and export of goods and includes a sea port and a Land Customs Station as defined under the Bangladesh Customs Act, 1969.

#### Article-2

##### Standard Operating Procedure:

Documentation, Procedure and Time Limits and extension thereof, for movement of goods to and from India through Chattogram and Mongla ports shall be laid down in the Standard Operating Procedure (SOP) to be framed under this Agreement.

#### Article-3

##### Transit:

Goods transiting the territory of Bangladesh shall be in accordance with General Agreement on Trade and Tariff (GATT) and National Laws and Rules of Bangladesh.

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**Article-4****En route Customs Transit Formalities:****(1) Exemption from regular Physical Inspection:**

Subject to the conditions laid down in the SOP, the goods being carried under this Agreement shall be exempted from routine physical customs inspection en route.

**(2) Document Check and External Inspection:**

The means of transport carrying the goods together with the Customs Transit Declaration (CTD) shall be presented to the Customs Authorities of Parties en route for processing documentation and inspection of the cargo compartment.

**(3) Exceptional Physical Customs Inspection and Examination:**

Customs Authorities en route may, however, by way of exception and in particular when they suspect irregularities, place the cargo to a physical inspection and examination.

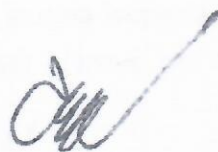
**(4) Tracking of transport of cargo:**

Customs Authorities may apply appropriate additional measures (e.g. electronic means like e-lock and e-seal, Global Positioning System, Information and Communication Technology) to monitor the movement of the cargo.

**Article-5****Port and other Facilities:**

(1) Chattogram Port Authority and Mongla Port Authority will provide facilities, to the goods being transported under the Agreement, no less favorable than which would be accorded to exports or imports from Bangladesh and shall endeavor to provide priority space at their ports for goods being transported under this Agreement, provided that such space and facility is available in the ports.

(2) The goods transported under the Agreement shall be subject to the levy of all charges by Port Authorities in accordance with the schedule of charges in force from time to time that would be charged in accordance with the use of port facilities.



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**Article-6****Provision with regard to Routes under the Agreement:**

(1) The movement of goods under this agreement through Chattogram or Mongla ports shall be, in accordance with the signed MoU, through the following routes and port of entry/exit:

- (a) Chattogram port/ Mongla port to Agartala via Akhaura;
- (b) Chattogram port / Mongla port to Dawki via Tamabil;
- (c) Chattogram port / Mongla port to Sutarkandi via Sheola;
- (d) Chattogram port/ Mongla port to Srimantapur via Bibirbazar;
- (e) Agartala to Chattogram port / Mongla port via Akhaura;
- (f) Dawki to Chattogram port / Mongla port via Tamabil;
- (g) Sutarkandi to Chattogram port / Mongla Port via Sheola;
- (h) Srimantapur to Chattogram port/Mongla port via Bibirbazar;
- (i) Any other route as approved by the Inter-Governmental Committee.

(2) Any transportation within Bangladesh shall be done using only Bangladeshi Vehicles or Bangladeshi Vessels (Subject to the provisions of the Protocol on Inland Water Transit and Trade, 2015) till the coming into force of the Motor Vehicles Agreement for the Regulation of Passenger and Cargo Vehicular Traffic between and among Bangladesh, Bhutan, India and Nepal (BBIN MVA).

**Article-7****Bond:**

(1) The consigner or the authorized agent, of the importer or the insurance company or the authorized transport operator, as prescribed by the Inter-Governmental Committee, shall execute, to the satisfaction of the Bangladesh Customs Authority, at the port of entry in Bangladesh, a Bond, to pay on demand, an equal amount of applicable duties and taxes or any penalty (where applicable) in the event of the goods not exiting Bangladesh.



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- (2) Once the proof of transit is presented to the Customs at the port of entry in Bangladesh, the bond executed for the said transit operation shall be discharged.

#### **Article-8**

##### **Exemption from Duties and Taxes:**

Movements of cargo under this Agreement shall be exempted from Customs duties or any other taxes other than administrative, operational fees and other charges as prescribed by the Inter-Governmental Committee, for transit of goods. Such fees and other charges admissible shall be as per the provisions of GATT unless Parties agree to more favorable terms as part of special trade Agreement.

#### **Article-9**

##### **Customs and Ports Sub Group:**

- (1) Both the parties shall designate officials for a Customs and Ports Sub Group. This Sub Group will agree upon the SOP as per Article 2 to this Agreement.
- (2) The Customs and Ports Sub Group shall meet as and when necessary but at least once in six months to discuss and resolve issues that may arise in the effective and harmonious implementation of the SOP.
- (3) Any issue that remains unresolved in the Customs and Ports Sub Group shall be taken up in the Inter-Governmental Committee.

#### **Article-10**

##### **Inter-Governmental Committee:**

There shall be an Inter-Governmental Committee consisting of the senior representatives of the parties, headed by the Shipping Secretaries or their equivalent, which shall meet at least once in a year, alternatively in Bangladesh and India to further the purpose envisaged in this Agreement.

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**Article-11**

**Amendment of the Agreement:**

- (1) Either party can propose an amendment to the Agreement, which shall be taken up by the Inter- Governmental Committee for further deliberations.
- (2) The recommendations of the Inter-Governmental Committee in this regard shall be submitted to the respective Government for approval.
- (3) Such amendments shall be subject to the approval of the Contracting Parties.
- (4) The amendments agreed upon by the Parties through above procedures shall enter into force after their mutual reconfirmation in writing through diplomatic channels.

**Article-12**

**Settlement of Disputes:**

If any dispute arises between the Parties on the interpretation or application of this Agreement, the Parties shall endeavor to settle that dispute by mutual understanding in the meeting of Customs and Ports Sub Group and then in the Inter-Governmental Committee, if not reached in a consensus, then the Parties shall endeavour to settle it by cordial and friendly negotiations.

**Article-13**

**Suspension of the Agreement:**

Each Contracting Party may temporarily suspend wholly or partly the application of this Agreement with immediate effect in the case of emergencies affecting its national security. The Party shall inform as soon as possible the other Party of such suspension, which will end as soon as the situation returns to normal.

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**Article-14**

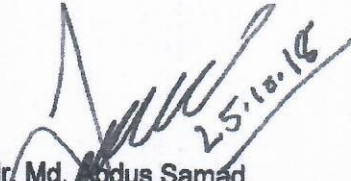
**Entry into Force:**


This Agreement shall enter into force on the 25<sup>th</sup> day of October, 2018 and remain in force for five years with automatic renewal for successive periods of five years unless either party gives six months' prior written notice of its intention to terminate this Agreement.

Done in duplicate in English at New Delhi, India, on the 25<sup>th</sup> day of October, 2018

For and on behalf of the Government of the  
People's Republic of Bangladesh

For and on behalf of the Government of the  
Republic of India

  
25.10.18  
Mr. Md. Rodus Samad,  
Secretary,  
Ministry of Shipping  
Government of the People's  
Republic of Bangladesh

  
25/10/2018  
Mr. Gopal Krishna,  
Secretary,  
Ministry of Shipping  
Government of the  
Republic of India