

EASTERN WATERWAY GRID

ENHANCING REGIONAL CONNECTIVITY IN SOUTH ASIA

Transport Global Practice

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The unrealized trade potential and barriers to trade in South Asia



Critical Challenge of Connected Infrastructure & Coordinated Management



Eastern Waterways Grid Concept

The Eastern Grid Concept: A system of inter-connected waterways and coastal routes in India, Bangladesh and Myanmar

Leverage a seamless IWT network of 3,500 km to connect the BBIN region through Indo-Bangladesh Protocol routes

Provision of last mile land connections to Nepal and Bhutan from designated ports

Connecting inland waterways with coastal shipping allowing improved India-Bangladesh-Myanmar trade

Establishing a regional framework, institution and shared management of inland waterways





Connectivity with Bangladesh through NW1 and Indo Bangladesh Protocol Route

Builds on long-standing dialogue, bilateral protocol routes & coordinated development

Leverages about USD 3.0 billion investment in last 5 years





Builds on new Bilateral Trade Treaty with India, Establishment of Shipping Office and dialogue to capitalize NW1 development





Connectivity with Bhutan

Builds on recent pilot movement facilitated by India, MOU with Bangladesh

Leverages proposed logistics infra development in Joghighopa (India) and Gelephu (Bhutan)





Integration Challenge

Trade Protocol

Adding Waterways in trade & transit agreement(s)

Designating Protocol routes and ports of call

Duration of bilateral protocols

Tariff and Non-tariff barriers (Customs, Insurance)

Multi-modal integration

Uniform navigation standards (draft and air height, berth size, handling facility)

Uniform Vessel Standard

<u>Harmonization</u>

Uniform operating condition (RIS, DMF, Night Navigation, crew standards) River-Sea Vessel Standards

Integration

Coastal- IWW

Dedicated berths, preferential treatment to coastal cargo

Application of Env standards (eg. MARPOL)



Regional Authority - intergovernmental partnerships



The <u>Nile Basin Initiative (NBI)</u> is an intergovernmental partnership of 10 Nile Basin **countries**, namely Burundi, DR Congo, Egypt, Ethiopia, Kenya, Rwanda, South Sudan, The Sudan, Tanzania and Uganda. Eritrea participates as an observer. Manges navigation within a broader framework of shared water resource management.



Born in 1815, the <u>Central Commission for the Navigation</u> of the Rhine (CCNR) has become a resilient and integrated regulatory institution, considered one of the best international cases. 5 Member States (MS) of Europe are represented in the different bodies of the organizational structure. Focused on all areas of IWT (navigation, vessel inspection, infrastructure, personnel) and highly institutionalized with rule-making powers.



River Basin Organizations (RBOs) have been established by riparian states as governance mechanisms of internationally shared waters, actively playing a role in cooperation, problem solving and dispute resolution.

Scope of Activities	Multiple options of functional scope (regulatory, observatory, advisory). Navigation only; Integrated Water Resource Management (IWRM) including navigation; only water resource management etc.
Mission and Structure	Decisive Mission & Mandate bestowed by Member States (MS). Efficient RBO requires great cohesion between institutional components influenced by regional character influenced by cultural, historical & political forces.
Institutionalization and Legal structure	Generally constituted as legal entity with rule or no-rule making powers. Wide spectrum of RBOs from acting as appendix of the MS carrying out procedures to fully holding competency areas & MS only implementing.
Funding Source	Primary funding support from MS and secondary donor organizations & countries. Stable contributions provide an indication of the efficiency of RBOs.



The Path Ahead

Road Map for Setting up a RBO Structure for BBIN Sub Region (Vision for next 10-15 Years)



II. Intermediate Consolidation

- Regulatory framework for market access within BBIN
- Harmonized standards for fleet, crew, navigation, waste management, RIS
- Standing Committee / Centre of Excellence as consultative body
- Regulatory power with riparian countries

Phase III

Memorandum of Understanding

I. Preparation and Development

- Preparatory structure working on basic principles for geographical scope, market access, equal treatment
- Based on existing "protocol routes"
- Implementation by Standing Committee

Administrative Arrangement



Regional Convention

III. Institutional Consolidation & Stabilization

- Convention based on international law
- Regulatory power with riparian countries **or** directed to RBO
- Independent legal status
- Harmonized customs procedures and civil liability and coordination of infrastructure planning / advising
- Independent permanent secretariat



Enhancing regional trade: 20% of unrealized potential of US \$ 49 billion



Significant Reduction in Logistics cost (~ 14% for SAR)



Economic rejuvenation of North East India, Eastern India, Nepal, Bhutan and Bangladesh - about 600 million beneficiary



Promoting 'Greener mode of Transport' - COP 21 and COP 26



Scale factor benefit leading to leveraging private investment & boosting user confidence



Thank you for listening





Discussion

