

STANDARD OPERATING PROCEDURE (SOP)

OF

AGREEMENT ON COASTAL SHIPPING

BETWEEN

**THE GOVERNMENT OF THE PEOPLE'S
REPUBLIC OF BANGLADESH**

AND

**THE GOVERNMENT OF THE REPUBLIC OF
INDIA**

STANDARD OPERATING PROCEDURE (SOP) ON AGREEMENT ON COASTAL SHIPPING BETWEEN BANGLADESH AND INDIA

1. Introduction

In pursuance of **Article XII of the Agreement on Coastal Shipping** between the Government of the People's Republic of Bangladesh and the Government of the Republic of India in the year 2015, with a view to making mutually beneficial arrangements for the use of their waterways for trade and commerce between the two countries in accordance with the laws of both countries, both parties agreed to adopt this SOP.

2. Scope:

This Standard Operating Procedure (SOP) is designed to promote and facilitate the day to day commercial operation on the vessels plying between the two countries in accordance with the agreement and to minimize any unnecessary hindrance in operation for the optimum benefit to the peoples of the two countries.

The purpose of SOP is to enhance the bilateral trade and commerce as well as to ensure credibility, accuracy, efficiency and transparency therein. The procedures mentioned in this SOP will remove unexpected problems that may occur. Any deviation must be discussed between the Joint Shipping Committee of two countries.

3. Applicability

3.1 The SOP is applicable to all related public authorities, shipping companies, enterprises and vessels involved in plying between two countries, under the Agreement on Coastal Shipping.

3.2 The SOP shall apply to vessels up to 6000 GT engaged on coastal shipping trade between the two countries.

3.3 For voyage of container vessels bound for Pangaon Container Terminal in the Inland Water of Bangladesh, maximum principal dimensions of the vessels are to be Length (LOA)-75.0m, Breadth (Molded)-13.5m and Draft 4.0m as applicable to domestic container vessels of Bangladesh. *(Comment: the above paragraph is included in accordance with the Department of Shipping Circular No. CE-114/Pangaon Container/5288, Dated: 04/07/2012)*

4. **Definition:**

4.1 For the purpose of this SOP unless the context otherwise requires:

The term "**Competent Maritime Authorities**" means the Department of Shipping, Ministry of Shipping, Government of the People's Republic of Bangladesh and the Directorate General (DG) of Shipping, Ministry of Shipping, Government of the Republic of India.

4.2 The term "**route**" will refer to the routes between:

1. **Chennai – Krishnapatnam – Kakinada – Visakhapatnam – Paradip – Haldia – Kolkata – Mongla – Paira – Chittagong**
2. **Chittagong – Paira – Mongla – Kolkata – Haldia – Paradip – Visakhapatnam – Kakinada – Krishnapatnam - Chennai**
3. **Chennai – Krishnapatnam – Kakinada – Visakhapatnam – Paradip – Haldia – Kolkata – Mongla – Khulna**
4. **Khulna – Mongla – Kolkata – Haldia – Paradip – Visakhapatnam – Kakinada – Krishnapatnam – Chennai**
5. **Chennai – Krishnapatnam – Kakinada – Visakhapatnam – Paradip – Haldia – Kolkata – Paira**

6. Paira – Kolkata – Haldia – Paradip – Visakhapatnam – Kakinada – Krishnapatnam – Chennai

7. Chennai – Krishnapatnam – Kakinada – Visakhapatnam – Paradip – Haldia – Kolkata – Pangao – Narayangonj – Ashugonj

8. Ashugonj – Narayangonj – Pangao – Kolkata – Haldia – Paradip – Visakhapatnam – Kakinada – Krishnapatnam – Chennai

Or such other routes as may be prescribed by the Competent Maritime Authorities from time to time. A vessel may commence a voyage from any port of one Contracting Party and terminate at any port of another Contracting Party using a full route or part thereof.

4.3 The term "**Vessels**" will mean the watercrafts which are registered in accordance with the national laws of both Contracting Parties and sailing under its flag. This will cover vessels which carry only commercial goods.

5. Conservancy and Pilotage:

5.1 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.

5.2 Acknowledging that there may be routes or parts of routes in one country, primarily being used for navigation purpose, 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 Parties.

6. Port dues and other charges:

6.1 Port dues may be levied by the Competent Maritime Authorities in either country on the vessels belonging to the other country and engaged in inter country trade, which will be treated as domestic vessel engaged in coastal shipping and not as Foreign Going (FG) vessel. *(Comment: the above words are included as per decision at sub-para 4.C of Minutes of Meeting held between India and Bangladesh, on 24th June 2014 at Dhaka, Bangladesh.)*

6.2 The Competent Maritime 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 domestic vessel engaged in coastal shipping. *(Comment: Same as above)*

6.3 The routes between Port Chittagong of the Karnaphuli river and Bay of Bengal Ports of India and the route between Port Mongla of the Pusure river and Bay of Bengal Ports of India and Port Paira of the Paira river and Bay of Bengal Ports of India are recognized by both sides as routes being maintained primarily for the use of Agreement on Coastal Shipping.

6.4 Each party shall maintain required draft and navigational aids for the above mentioned services on these routes.

7. Handling facilities:

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

8. 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 fuel required by them for the purpose of their operations on payment of the convertible currency. Vessels of one country may be bunkered at the following points of other country:

Bangladesh

Chittagong

Mongla

Khulna

Paira

Narayangonj

Pangao

Ashugonj

India

Chennai

Krisnapatnam

Visakhapatnam

Kakinada

Paradip

Haldia

Kolkata

or at any other points as determined mutually from time to time by the Competent Maritime Authorities of both the countries.

9. 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.

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

Fresh food, goods 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.

11. Repair facilities:

Vessels of either country calling for urgent repairs en-route will be allowed to have repairs done at the Private or Government owned or any reputed marine workshop in either country with the prior permission of the respective Department of Shipping/DG Shipping. The expenditure incurred on such repairs will be reported by the operators to the concerned foreign exchange authorities for their clearance.

12. Removal of Wreck:

The owner of the vessel will be responsible to remove the wreck (if any) in consultation with Department of Shipping/DG Shipping through their agent or through the vessel's insurer in accordance with existing national law of the Contracting Parties.

13. Settlement of Disputes:

If any dispute arises between the Parties relating to the operation or payment of freight or dues of ships or interpretation or application of this SOP, the Parties shall endeavor to settle by mutual understanding, if not reached in a consensus then through arbitration, or through the Court of the country, where the dispute has arisen.

14. 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 in salvage operations, if required on such occasions, shall be cleared in accordance with the arrangements to be made by the owner or his appointed agent in consultation with Department of Shipping/DG Shipping.

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

16. The vessels of one country before using the waterways of the other country will obtain the permission of the other country for entry. Such permission will be granted with a validity of 01 (one) year subject to renewal. However, the voyage forecasts, in the prescribed form, for the vessels of one country will be submitted to the Department of Shipping/DG Shipping of the other country at least 24 (twenty four) hours before the expected date of entry into the country of entry. *(Comment: The amendment is proposed as voyage forecast of a vessel is for taking necessary preparation at the port and related organization).* **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 the Parties agreed that the following would be treated as 'Ports of Call' in their respective country.

Bangladesh

Chittagong

Mongla

Khulna

Paira

Narayangonj

Pangao

Ashugonj

India

Chennai

Krisnapatnam

Visakhapatnam

Kakinada

Paradip

Haldia

Kolkata

Or any other port as decided by the Joint Shipping Committee or Competent Maritime Authorities.

17. Recognition of survey certificates and other documents:

17.1 Vessels under the SOP are to comply River Sea Vessel (RSV) – IV or equivalent standards or above. Vessels classified as per RSV – III equivalent standards or above may operate between Bangladesh Ports and Kolkata/Haldia (India) Port. However, such operations would be subject to permission and certification by Government of the People's Republic of Bangladesh with respect to trading area, requisite insurance and fair weather period of operation. *(Comment: In RSV, there are I, II, III & IV standards, but as agreed in Minutes of Meeting (sub-para 4.A.i & ii) on 24 June, 2014, only RSV III & IV will be allowed for Coastal Shipping).*

17.2 The survey certificates, statutory documents any Dispensation or Exemption

issued in accordance with RSV Notification or equivalent standards or above by the Department of Shipping/DG Shipping for the vessels under their flag / registry 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 other places, as may be required, during the voyage.

17.3 Applicability of Port State Control (PSC) will not extend to vessels operating under the Bangladesh India Agreement on Coastal Shipping. However, vessels may be inspected if required, as per RSV or equivalent standards under intimation to the respective Director General, Shipping of the two countries.

(Comment: It is included as per decision of sub-para 4.D of Minutes of Meeting on Coastal Shipping between India and Bangladesh, held on 24th June 2014 at Dhaka, Bangladesh.)

18. Flying of Flags:

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

19. Use of radio-telephone by river craft:

Vessels will be equipped with radio-telephone and other radio equipments as per RSV Notification and for facilities of speedy commercial communications, especially in emergencies, in conformity with the current radio regulations of the country through which the vessels are in operation or en-route.

20. Registration and issue of identity cards:

The Master and the crew manning the vessels sailing in the designated route between the two countries shall carry certificate of competency, employment and identity card with a photograph of the concerned individual duly authenticated by the Department of Shipping/DG Shipping or their nominated representative by the respective countries. Officers and personnel other than the master and crew, supervising or controlling the fleet of the operators, in either country shall carry passport endorsed with multiple entry visas, which will be issued by respective Embassy's for the purpose of facilitation of ship operation. Master and the crew carrying identity card issued by the Competent Maritime Authority will be allowed shore leave in ports of other country. *(Comment: To facilitate shore leave of crew)*

21. Insurance of Vessel and Cargo:

The vessels plying through or between the two countries on the designated route shall carry certificate of insurance with limited liability as agreed by both countries.

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

Fleet personnel and other officers attending the vessels at ports, in either country will be allowed to travel by rail, road or air, whenever they are required to attend the vessels. Ships Master and crew will be allowed to travel by rail, road or air for joining the vessel and after completion of duties—or when they have to leave by reasons of sickness or other urgent contingencies. Such movements will be simultaneously reported to the appropriate authorities of either country and shall be allowed to travel to their home country.

23. Vessels carrying transshipment cargo:

Vessels engaged in the designated routes will not engage itself in carrying transshipment cargo between the two ports of another country, without written permission from the Competent Maritime Authorities.

24. Sharing of inter-country trade and transported cargo:

The two Governments agree to share the carriage of inter country trade and cargo on an equal tonnage (50:50) basis as far as practicable 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 Maritime 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 interests of both countries.

25. Common freight rates:

The operators in both the countries will charge to the extent practicable, uniform freight rates for both inter-country trade and transported cargo which may be reviewed time to time by the Joint Shipping Committee. *(Comment: the same mechanism is applied under PIWTT)*

26. Evolving uniform documentation for vessels:

The document issued in accordance with the regulations in one country, in respect of the cargo carried by vessels going to 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 transported 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 Officers at the exit points for the designated routes.

27. Submission of Documents for permission to ply under Agreement on Coastal Shipping:

The following documents shall be submitted to the Competent Maritime Authorities for permission to ply and enter into the port of call under Agreement on Coastal Shipping:

1. Certificate of Registry;
2. Certificate of Class, Safety Equipment Certificate, Annual Survey Certificate issued by the approved Recognized Organization of the contracting government in accordance with RSV Notification or equivalent standards;
3. Tonnage Certificate;
4. Load Line Certificate;
5. Insurance Certificate;
6. Safe Manning Certificate (Document);
7. Crew List;
8. IOPP Exemption Certificate;
9. Competency Certificates of Crew;
10. Any other documents as prescribed by the Joint Shipping Committee.

28. Reporting of vessel at arrival:

Every ship plying under this agreement will report to the nearest seaport at the time of

arrival with necessary documents for port entry permission.

29. Customs checks and documentation:

Both the countries agree to reduce customs documentation and other requirements to the essential minimum for the purpose of easier cargo movement and to have custom stations at or near the points of entry and exit in each country.

30. 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, and any surplus collection between the two countries that may be accumulated from time to time.

31. Arrangements for settlement, clearance and remittance:

Subject to their respective foreign exchange regulations, the Competent Maritime 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.

32. 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 agents in the other country to carryout ship related activities. However, such branch offices will be notified to the Competent Maritime Authorities of country concerned and in accordance with national laws of the Contracting Parties.

33. Meeting of Joint Shipping Committee:

Meeting of Joint Shipping Committee may be held twice a year, or when necessary, or

any time requested in writing by any of the Contracting Party, to review the situation with regard to the execution of the Agreement on Coastal Shipping, or any other matter relating to commercial operation of ship under the scope of the Agreement.

34. Focal Point for the Execution of SOP:

The Director General of Department of Shipping or his designated representative in Bangladesh and the Director General of Shipping or his designated representative in India will act as the Focal Point to authenticate/declare a ship fit to ply under Agreement on Coastal Shipping and authentication of Seafarer ID card, shipping agency owner/manager ID card for vessels trading under this agreement or any other matter rendered by the Government.

35. Addition of new Routes and more Ports of Call:

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

36. Amendment to the SOP:

Amendment, alteration, addition, repeal of any provision of this SOP may be done by both the Governments by mutual consultations and through exchange of letters by the Joint Shipping Committee.


If for operational reason it is required to make amendments or supplements to this SOP, or one Contracting Party intends to make amendments or supplements to this SOP, it shall notify the other Contracting Party in writing and the Contracting Parties shall meet within 03 (three) months after such notification. The amendments or supplements agreed upon by the Contracting Parties through consultation shall enter into force after their mutual reconfirmation.

37. **Validity and entry into force of the SOP:**


1. This SOP shall enter into force immediately after the ratification of Agreement on Coastal Shipping between Bangladesh and India.
2. This SOP will remain valid till the validity of the Agreement on Coastal Shipping. It may be reviewed once a year by the Joint Shipping Committee. It shall be automatically renewed for next consecutive 05(five) years. However, the SOP may be terminated by either Contracting Party by notice in writing to the other Contracting Party, and the termination shall be effective 06 (six) months after the date on which the notice is served by the other Contracting Party.

Done in duplicate at New Delhi, India on 15th November 2015 in two originals in the English Language, both being equally authentic.


For the Government of the People's
Republic of Bangladesh



15.11.15
Fakhrul Islam
Chief Engineer and Ship Surveyor
Ministry of Shipping
Government of the People's Republic of
Bangladesh

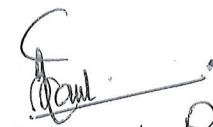
For the Government of the Republic of
India



Amitabh Kumar
Jt. Director General Shipping
Ministry of Shipping
Government of the Republic of
India

Witness:


1. Md. Shafiqul Haque
Director, MSTD, BIWTA.

2. 
Md. Saiful Islam
PS to Secretary
Ministry of Shipping


1. Chandramoni Rout
Director MOS

2. 
(Manas Kumar Saha)
Director, IWB