

PROTOCOL ON INLAND WATER TRANSIT AND TRADE

In pursuance of Article VIII of the Trade Agreement entered into between the Government of the Republic of India and the Government of the People's Republic of Bangladesh on the Sixth day of June, 2015 wherein the two governments agree to make mutually beneficial arrangements for the use of their waterways for commerce between the two countries and for passage of goods between two places in one country and to third countries through the territory of the other under the terms mutually agreed upon.

In such cases, fees and charges, if leviable as per international agreements, conventions or practices, may be applied and transit guarantee regime may be established through mutual consultations. It is further agreed as following:

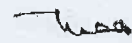
1. Definition:

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 Government:

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

(1) Kolkata- Haldia- Raimongal- Chalna- Khulna- Mongla- Kawkhali- Barisal- Hizla- Chandpur- Narayanganj- Aricha- Sirajganj- Bahadurabad- Chilmari- Dhubri- Pandu- Shilghat.



(2) Shilghat- Pandu- Dhubri- Chilmari- Bahadurabad- Sirajganj- Aricha- Narayanganj- Chandpur- Hizla- Barisal- Kawkhali- Mongla- Khulna- Chalna- Raimongal- Haldia- Kolkata.

(3) Kolkata- Haldia- Raimongal- Mongla- Kawkhali- Barisal- Hizla- Chandpur- Narayanganj- Bhairab Bazar- Ashuganj- Ajmiriganj- Markuli- Sherpur- Fenchuganj- Zakiganj- Karimganj.

(4) Karimganj- Zakiganj- Fenchuganj- Sherpur- Markuli- Ajmiriganj- Ashuganj- Bhairab Bazar- Narayanganj- Chandpur- Hizla- Barisal- Kawkhali- Mongla- Raimongal- Haldia- Kolkata.

(5) Rajshahi- Godagari- Dhulian.

(6) Dhulian- Godagari- Rajshahi.

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

(8) Shilghat- Pandu- Dhubri- Chilmari- Bahadurabad- Sirajganj- Aricha- Chandpur- Narayanganj- Bhairab Bazar- Ashuganj- 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 Inland Vessels Act, 1917, as amended from time to time in case of Indian Vessels and the Inland Shipping Ordinance, 1976 as amended from time to time in case of Bangladesh vessels. This will cover vessels which carry only commercial goods stated in the preamble of the Protocol.

2. Conservancy and pilotage:

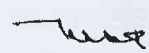
2.1 Each country will maintain the river routes falling within its territory in a navigable condition and provide all the essential pilotage and conservancy services, including hydrographic surveys and supply of charts, if prepared and available for commercial navigational use to inland water transport 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. Charges for such services shall be paid within 30 (thirty) days of receipt of the bills by the Competent Authority, failing which further voyage will not be permitted.



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 routes between Sirajganj and Daikhawa in the Northern Delta Section of the River Jamuna-Brahamaputra 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 in convertible currency (in USD) at the rate of BD taka 1000 lakh for the period April 1, 2015 to March 31, 2016. The sum may be enhanced considering prevailing market prices of operational aspects as and when required on mutual agreement.

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 of the convertible currency. Vessels of one country may be bunkered at the following points of other country:



<u>India</u>	<u>Bangladesh</u>
Kolkata	Sheikbaria
Budge Budge	Mongla
Haldia	Khulna
Namkhana	Barisal
Karimganj	Chandpur
Dhubri	Narayanganj
Jogigopa	Sirajganj
Pandu	Chilmari

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

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 on route will be allowed to have repairs done at the Government owned or any reputed marine workshop in either country with the prior permission of the respective Competent Authority. 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 in 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.

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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.

<u>India</u>	<u>Bangladesh</u>
Kolkata	Narayanganj
Haldia	Khulna
Karimganj	Mongla
Pandu	Sirajganj
Shilghat	Ashuganj

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 passport 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) 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 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 and Ashuganj to the Indian border.

23.2 Cargoes brought by deeper draft vessels from India up to Sherpur and Ashuganj 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 India and Bangladesh, 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 Department of Shipping, Ministry of Shipping, Road Transport and Highways of India and the Ministry of Shipping of Bangladesh, the representatives of the Ministry of Finance of India and of Bangladesh, the representatives of IWAI and CIWTC of India and BIWTA, BIWTC of Bangladesh and, 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 necessary action.

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

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

28. Term of the Protocol:

This Protocol shall be automatically renewed in line with India - Bangladesh Trade Agreement. This Protocol shall come into force from the Sixth day of June 2015. It shall automatically be extended for successive five years unless either Government terminates the Protocol by giving a written notice of its intention to terminate to the other Government at least 6 months before end of term. In case of termination, it shall cease to operate on the expiry of the respective term. But termination shall not affect the actions taken or agreements reached pursuant to this Protocol.

To assess the progress of operation of PIWT&T as well as to take instant decision considering the circumstances, Shipping Secretary of both the countries will meet at least once in every two years.

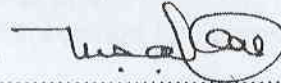


Done in Dhaka on the Sixth day of June, 2015 in two original copies, both in English.

For the Government of the
Republic of India



For the Government of the
People's Republic of
Bangladesh



Shafique Alam Mehdi
Secretary
Ministry of Shipping
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