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Government of India
Ministry of Textiles
Textiles Trade Promotion Section

Udyog Bhawan, New Delhi
July, 2020

OFFICE MEMORANDUM

Subject: Record Note of Webinar on Inland Waterway Transport (IWT) Corridor for Textile Exports to Bangladesh - reg.

The undersigned is directed to refer to the subject mentioned above and to forward herewith the record of discussion (RoD) held through Webinar on Inland Waterway Transport (IWT) Corridor for Textile Exports to Bangladesh on July 22, 2020 at 11:30 AM for necessary action at your end as indicated in the (RoD).

2. This issues with the approval of Competent Authority.

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To

- I. Dr. Amita Prasad , Chairperson of the IWAI
- II. Shri Rajesh Jindal, Commissioner , Customs (preventive)
- III. Trade Advisor, TTP Division, M/o Textiles.
- IV. Dr. K.V Srinivasan, Chairman, TEXPROCIL-(*with a request to circulate the RoD to all the participants*).

Record Note of Webinar on Inland Waterway Transport (IWT) Corridor for Textile Exports to Bangladesh

TEXPROCIL in association with IWAI and the guidance of the Ministry of Textiles organized a Webinar on Inland Waterway Transport (IWT) Corridor for Textile Exports to Bangladesh on July 22, 2020 at 11,30AM .

The objective of the webinar was to evaluate the possibility of using the Inland Waterway Transport (IWT) as a supplementary mode of transport to export Textiles from India to Bangladesh in addition to roadways and railways .

Shri Ravi Capoor, Secretary (Textiles) , Dr. Amita Prasad, Chairperson , IWAI , Shri Rajesh Jindal , Commissioner of Customs (Preventive) , Kolkata , Shri J.K..Singh , Trade Advisor , Ministry of Textiles and Shri Shashi Bhushan Shukla , Member (Traffic & Logistics) participated in the discussions .

Chairman of various Textile Export Promotion Council, President FIEO along with Representatives of a large number of Export & Trading Houses and MSME's attended the Webinar. List of participants is enclosed herewith.

Dr. Siddhartha Rajagopal, Executive Director, TEXPROCIL moderated the discussions.

Dr. K.V Srinivasan, Chairman, Texprocil welcomed Shri Ravi Capoor, Secretary Ministry of Textiles, Dr. Amita Prasad , Chairperson of the IWAI and Shri Rajesh Jindal, Commissioner , Customs (preventive) to the Webinar. He stated that Secretary Textiles was the motivating force for organising this event which is very timely. Bangladesh continues to be India's largest trading partner in South Asia with a bilateral trade worth US\$ 10 billion in 2019. In view this, developing alternative routes of transport including multimodal transportation systems is the need of the hour for considering especially, the bottlenecks and delays at the Petrapole land border with Bangladesh.

In her introductory remarks, Dr. Amita Prasad , Chairperson , IWAI said there is good potential to trade in textiles between India and Bangladesh . She also mentioned that due to congestion problems at Petrapole and Benapole there is good scope to divert cargo through the Inland Waterway route. She said the cost of transport will be less as compared to Roadways and Railways. However, she pointed out that the time taken may be more. She also clarified that there was no issue of depth through most of the route. Dr. Amita Prasad invited the exporters to use the waterway route to export textiles to Bangladesh as a pilot project.

In his keynote address, Shri Ravi Capoor, Secretary (Textiles) said due to congestion problems faced by the exporters at Petrapole and Benapole, IWT can become an integral part of transport of cargo to Bangladesh. He informed that India is in the process of signing an MOU with Bangladesh for trade in textiles & clothing and IWT

can be used to ship more Cotton and Yarns to Bangladesh. He urged IWAI to set up a quick response system with a Nodal officer who can provide all the information which the exporters the exporters are likely to require. He said, dissemination of information to the users must be fast and smooth to ensure greater usage of waterway transport.

The Secretary (Textiles) also stated that Jute is an important sector as lot of jute goods are being imported from Bangladesh . Secretary (Textiles) also mentioned that Ready made Garments are being imported from Bangladesh into India and the containers instead of coming back empty from Bangladesh can be filled with textile goods like jute and garments.

The Secretary Textiles) also suggested that a Committee should be set up consisting of representatives of TEXPROCIL, CCI , IWAI and other stakeholders and TEXPROCIL should take the lead in this regard. He further suggested that the Committee should prepare a Report in one month which should include the potential to move cargo through the Waterways , the likely volumes that could be shipped , the challenges , issues , problems being faced at the other end in Bangladesh etc. which need to be resolved. The Secretary (Textiles) suggested that a follow up Webinar should be held in a month's time and the Indian High Commission in Dhaka should also be invited.

**(Action: AWAI/ Jute Board/
TEXPROCIL/ TTP(MoT)**

In his address, Shri Rajesh Jindal, Commissioner of Customs (Preventive) , Kolkata informed about the initiatives taken by Kolkata Customs to make clearance of export goods meant for Bangladesh smooth and fast. He informed that due to problems at Petrapole and Benapole , Kolkata Customs carried out a pilot project for shipping goods by IWT. The transit time including Customs clearance took about 12 days in which the actual sailing time was 7 days. He said Kolkata Customs have got plans to reduce this entire transit time to 8 days. He said since the last 6 months, factory stuffed containers are shipped through the IWT. He further informed that there are 10 points of loading and the documentations can be done at the Land Customs. He said all documentations are fully computerized and Let Export Orders, Out of Charge orders are sent to the exporters on their Email IDs and from January 2020 onwards even LCL cargos are allowed to be exported. The Commissioner assured that he alongwith his officers at Kolkata Customs will provide all possible support to the exporters while exporting through the IWT .

Shri Shashi Bhushan Shukla, Member (Traffic & Logistics) made a presentation on "Development of Inland Waterway Transport (IWT) for Indo - Bangladesh Textile Trade . The presentation highlighted the following benefits of using IWT mode of transport:

- a. Capacity to carry more cargo at lesser cost as compared to roadways and

railways.

b. Lesser Air, Noise, Soil and Water pollution.

The presentation also covered the following:

- i. Increase in Transportation using the IBP (Indo- Bangladesh Protocol route every year demonstrating enhanced trade between Bangladesh and India.
- ii. Customs procedure for movement via IBP route.
- iii. Use of technology and digital initiatives to boost overall performance.

Shri Anil Kishore Singh, CEO, Adani Logistics Ltd and Shri Prashant Kumar, AGM - Inland Waterways made a presentation on "Containerized Cargo Exports for Textile to Bangladesh using Inland Waterways. The presentation covered details on vessels, approved port of calls both in India and Bangladesh, timelines achieved for the maiden voyage, expected timelines for upcoming voyages and list of documents needed from the shipper.

Shri P.K.Agarwal , Chairman ,CCI said there is very good potential to export Cotton from India to Bangladesh. He further mentioned that if exports can take place through the IWT route it will help CCI also since more Cotton can be exported.

(Action: CCI)

Shri Rishi Jalan representing Jute Product Development and Export Promotion Council mentioned that lots of jute goods are being imported from Bangladesh through the land route. He said he will encourage the members of his Council to import through the IWT route.

During the Question Answer Session Shri S. K. Saraf, President, FIEO suggested that necessary facilities should be created for exports to Bangladesh through IWT from places like Mumbai by providing through Bill of Lading.

(Action:

CBIC/Customs)

Dr. Shaktivel, Chairman, AEPC said development of IWT will help textile exports. Shri Ronak Rughani, Chairman, SRTEPC said exports through IWT will help the exporters especially in the context of problems at Petrapole / Benapole.

Shri Rahul Mehta, Chief Mentor, CMAI pointed out that very high import duties are levied in Bangladesh on Garments exported from India. He requested the Secretary (Textiles) to take up this issue while discussing MOU with Bangladesh . He said reduction in import duties will increase exports of Garments especially ethnic wear from India to Bangladesh. As regards, shipments through the Inland Waterway, he wanted to know whether goods can be shipped as LCL cargo as there will be very limited FCL cargo. Shri Sagar from SAPL clarified that while there are no restriction on exporting goods as LCL cargo from India there are however restrictions in Bangladesh where LCL cargo are not allowed to be cleared .

(Action:

MoT/MEA/DoC)

Shri Rahul Mehta suggested that IWAI should make a comparison of cost of shipment by the land route, railway and IWT and the time taken on end to end basis and make the details available to the Export Promotion Councils who in turn can inform their members.

(Action: IWAI)

Shri Aditya Narain from Arvind Ltd said that in order to encourage shipments to Bangladesh by IWT route, the overall transit time and the cost of shipment must be reduced.

In his concluding remark, Shri Ravi Capoor, Secretary (Textiles) stated that IWAI should provide cost details to move export goods from far off places for shipments through the IWT route which can be shared with the exporters. The Secretary (Textiles) also emphasized on the need to create a roadmap for textile exporters to migrate from the roadways to IWT while exporting to Bangladesh.

(Action:

IWAI)

Shri Manoj Patodia, Vice Chairman, TEXPROCIL proposed a vote of thanks.