

Minutes of the First Meeting
on
Inland Waterways Connectivity between Nepal and India
Kathmandu, Nepal, 15-16 July 2018

In pursuance of the decision taken by the Prime Ministers of Nepal and India during the visit of Prime Minister of Nepal to India in April 2018, the first meeting on Inland Waterways Connectivity between Nepal and India was held on 15-16 July 2018 at Kathmandu. The Nepali delegation was led by Mr. Madhav Belbase, Joint Secretary, Water and Energy Commission Secretariat, Government of Nepal and the Indian delegation was led by Mr. Pravir Pandey, Vice-Chairman, Inland Waterways Authority of India (IWAI), Ministry of Shipping, Government of India. The list of the members of delegation from India and Nepal is at Annex-I. The Agenda adopted for the meeting is at Annex II. The agenda-wise discussions and decisions taken are as follows:

1. Opening remarks by leader of Nepali delegation

Welcoming the Indian delegation, Mr. Belbase recalled the recent visit of Prime Minister of Nepal to India during which the Prime Ministers took the landmark decision to develop the inland waterways for movement of cargo, within the framework of trade and transit arrangements, providing riverine access to sea for Nepal. He mentioned that this initiative will have a profound impact on growth and economy of Nepal, tapering off some of the burdensome logistic costs that Nepal bears today. He expressed the views that the convergence of perennial rivers flowing from Nepal to the Ganges provides an opportunity for Nepal to have such access to Bay of Bengal through riverine mode by developing Inland Waterways in these rivers. He believed that this meeting would be a milestone to realize the cherished dream of Nepali people to have an access to Bay of Bengal through riverine mode.

Pravir Pandey

Pravir Pandey

2. Opening remarks by leader of Indian delegation

Mr. Pandey expressed sincere appreciation to the warm welcome extended to him and members of his delegation by the Government of Nepal. He expressed happiness that the inaugural meeting on inland waterways connectivity was being held in pursuance of the decision of the Prime Ministers. He expressed the willingness of India to extend full cooperation in sharing her experience and expertise for development of inland waterways connectivity between the two countries in the spirit of friendship, trust and goodwill. He further stressed that the inland waterway movement is the cheapest form of transportation in comparison to rail and road besides being ecofriendly.

3. Country presentation by Nepal on Inland Waterways Development

Mr. Belbase briefed the delegation on the background of Nepal's perspective on Nepal-India Inland Waterway Connectivity. During the presentation, he referred to the earlier studies on the possibilities of inland navigation conducted in 1967. He highlighted the characteristics of Nepali rivers for inland navigation and the possible challenges. He also deliberated the possibilities of navigation in three major rivers namely Koshi, Narayani and Karnali in Nepal.

4. Country presentation by India on Inland Waterways Development

Mr. Pandey briefed the delegation on various Inland Water Transport (IWT) projects undertaken by IWAI for the development of national waterways of India. He described the procedures and interventions for development of a waterway and elucidated the mandate of IWAI for developing 111 National Waterways (NW) in India. He made a presentation showcasing the development of NW-1 (River Ganga) for IWT under the Jal Marg Vikas Project. The development of NW-1 also has direct relevance to IWT between India and Nepal. He further briefed on various options available for Indo-Nepal IWT, including possible connectivity of Gandak and Koshi rivers to Nepal. He also presented the techno-economic aspects of bulk and container

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commercial cargo movements through waterways from Kolkata/Haldia/Garden Reach (GR) Jetty to Sahibgunj (Jharkhand) and Kalughat (Bihar) and subsequent movement to Biratnagar and Birgunj respectively in Nepal by road/river. He shared with the delegation the commercial aspects of such intermodal movements based on logistics savings and financials worked out by the International Finance Corporation wherein the above options were proposed for reducing the logistics costs of transshipment of cargo from Kolkata to Nepal.

5. Discussion on the process and modalities for Inland Waterways Development between Nepal and India

Nepali side requested for additional information on the safety aspects of the carriage of cargo through riverine systems of Koshi, Narayani (Gandak) and Karnali (Ghaghra) specifically during the high floods. The leader of Indian delegation explained the procedure for transportation of cargo during such period. The initiatives of the real time River Information System comprising Electronic Nautical Charts, Automatic Identification Systems, Radar, Hydro-meteorological systems, VHF/UHF two way communication systems, Aids to Navigation (AtoN) for aiding safe movement of ships was also described. He further emphasized that standard operating procedures are well prescribed for berthing of ships during such situations.

The delegation members were also informed about the pivotal role played by National Inland Navigational Institute (NINI), Patna in improving skills of the personnel engaged in IWT sector by providing state-of-the art trainings. It was indicated that IWAI could consider assisting Nepal for conducting techno-economic feasibility studies for the development of IWT in Nepal.

6. Discussion on techno-economic feasibility of Koshi, Narayani (Gandak) and Karnali (Ghaghra) Waterways

The feasibility of IWT in Koshi, Narayani (Gandak) and Karnali (Ghaghra) Rivers was also discussed. Mr. D.K. Tiwary, Project Manager (India), JPO-SKSKI made a

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detailed presentation on the navigational studies on Koshi River carried out by JPO-SKSKI through RITES in 2012. As per the RITES report, year round navigation in Koshi river requires augmentation of flow. However, with regard to low draft conditions, the innovative usage of pusher Tug and barge combinations to offset the depth limitations in Koshi river could also be considered.

Nepali side requested the Indian side to share the status of development of NW-37 (Gandak River) and NW-58 (Koshi River) by IWAI and the estimated time of completion. The Indian delegation briefed about the steps undertaken by IWAI for the development of these national waterways. At present, the first stage interventions of river training comprising of navigational aids, bandalling, temporary terminals and hydrographic studies - a prelude to commercial usage and river conservancy are being undertaken by IWAI. It was mentioned that the preliminary intervention works are expected to be completed by the end of 2019 for NW-37.

7. Trade and Transit Diversification

On the various options available for trade and transit diversification through IWT between India and Nepal, the Indian delegation briefed on the modalities and amendments required in the Treaty of Trade, Treaty of Transit and Rail Services Agreement between the two countries. Under the Treaty of Trade, entry/exit points on the border have been identified. In case any new location is identified for bilateral trade using inland waterway route, this new location needs to be incorporated in the Treaty, through suitable amendment in consultation between both the Governments.

Similarly for transit trade, entry/exit ports on Indian territory and the entry/exit points on the India-Nepal border are specified, along with the routes in which cargo is transported during such transit movement. In case the movement of transit cargo through inland waterways, using trans-shipment at Sahibgunj/ Kalughat/ Varanasi/ any other terminal on NW-1 is envisaged, the entire transit route and the requirement of trans-shipment would need to be incorporated in the Treaty of Transit. Similarly

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in case, the movement of cargo through national waterways takes place directly from/to the port to a location on the India-Nepal Border, the transit route as well as new location, if any, would also need to be incorporated.

8. Establishment of Bilateral Institutional Mechanism

It was agreed that there is immense potential for development of IWT in Nepal and its subsequent connectivity to NW-1, NW-37 and NW-58 in India which would have significant socio-economic, commercial and regional benefits for both the countries. It was informed that India had already been assisting IWT in Bangladesh and Myanmar and development of IWT in Nepal could also be considered. It was decided that a Technical Scoping Mission (TSM) comprising Nepali officials would visit Varanasi multimodal terminal and Kolkata/Haldia IWT terminals to have better understanding of the various infrastructures, river training, vessel movement, cargo handling and other related technical aspects involved in the development of IWT at a mutually convenient date. Subsequently, a TSM comprising Indian officials would visit sites on Narayani (Gandak) and Koshi Rivers in Nepal for on-site assessments. Based on the assessment and inputs from the above scoping missions, the discussion on establishment of a bilateral institutional mechanism would be considered at the appropriate level.

9. Any Other Business

No other matters were discussed under this agenda item.

10. Closing of the Meeting

In his concluding remarks, the leader of the Nepali delegation thanked the Indian delegation for sharing the insightful information and experiences of India in development of waterways. He believed that Nepal would benefit from the experiences of India in her effort to develop waterways in near future.

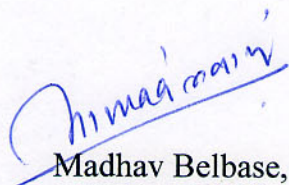
D. Masrui

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The leader of the Indian delegation observed that the first meeting on inland waterways connectivity was a landmark one which could open up immense possibilities for enhancing trade and connectivity between India and Nepal.

The meeting and discussions were held in a cordial atmosphere.

Done on the 16th of July 2018 in Kathmandu, Nepal.



Madhav Belbase,
Joint Secretary,
Water and Energy Commission
Secretariat

Government of Nepal



Pravir Pandey,
Vice-Chairman,
Inland Waterways Authority of
India, Ministry of Shipping,

Government of India

List of Delegation
First Meeting on Inland Waterways Connectivity
between Nepal and India
15-16 July 2018, Kathmandu, Nepal

S. N.	Nepali Side	Position	S. N.	Indian Side	Position
1	Mr. Madhav Belbase, Joint Secretary, WECS	Team Leader	1	Mr. Pravir Pandey, Vice-Chairman, IWAI	Team Leader
2	Mr. Gopal Prasad Sigdel, Joint Secretary, MOPIT	Member	2	Dr. Ajay Kumar, Deputy Chief of Mission Embassy of India	Member
3	Mr. Pravin Raj Aryal, Joint Secretary, MOEWRI	Member	3	Capt. Ashish Arya, Chief of Hydrography, IWAI	Member
4	Mr. Tarka Raj Bhatta, Under Secretary, MOICS	Member	4	Mr. N Ram Prasad, Counsellor Embassy of India	Member
5	Ms. Rita Dhital, Under Secretary, MOFA	Member	5	Mr. Dhirendra Tiwary, Project Manager, JPO- SKSKI	Member
6	Dr. Maheswor Shrestha, Senior Divisional Engineer, WECS	Member	6	Mr. Anurag Sharma, DS, FT(SA), Dept. of Commerce	Member
7	Mr. Pradip K. Sah, Project Manager, SKHDMP	Member	7	Mr. A. Amarnath, DS (North), MEA	Member
			8	Mr. Kapidhwaja P. Singh, Second Secretary Commerce, Embassy of India	Member

D. Maheswar

Pravir Pandey

**Adopted Agenda for the First Meeting on
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Kathmandu**

Agenda

1. Opening remarks by leader of the Nepali delegation
2. Remarks by the leader of the Indian Delegation
3. Country presentation by Nepal on Inland Waterways development
4. Country presentation by India on Inland Waterways Development
5. Discussion on the process and modalities for Inland Waterways Development between Nepal and India
6. Discussion on Techno-economic Feasibility of Koshi, Narayani (Gandak) and Karnali (Ghaghra) Waterways
7. Trade and Transit Diversification
8. Establishment of Bilateral Institutional Mechanism
9. Any Other Business
10. Closing of the Meeting

D. Misra

Ram Prasad