



Coordinated Border Management and Improvement of Border Services – SASEC Perspective





Border Management in SASEC subregion

- Around 8,300 kms of shared land border
- Around 90 border crossing points, includes ICPs and LCS
- Eight Indian states share international borders with Bangladesh, Bhutan, Myanmar; and Nepal
- Diverse terrain
- Annual Trade of over USD 25 billion
- Lack of basic trade infrastructure at borders
- Lack of coordinated development of facilities on both sides of border
- Inadequate use of technology (ICT, Scanners etc.) and testing facilities
- Poor connectivity
- Inadequate facilitation
- Human resource related issues





SASEC Studies

- Study on Coordinated Development of Border Infrastructure
 - ✓ 5 borders between Bangladesh and India
 - ✓ 4 borders between India and Nepal
- Study on Routes Initiative
 - ✓ Dhaka to Kolkata Route passing through 3 BCP pairs - Petrapole-Benapole, Ghojadanga-Bhomra, and Gede-Darsana
- Building a Road Map for Coordinated Border Infrastructure Development
 - ✓ All borders of India





Study on Coordinated Development of Border Infrastructure



Study on Coordinated Development of Border Infrastructure

- LCSs on both sides of border generally operate as a pair
- Coordination needed from the stage of establishment of LCSs and throughout their operation
- To develop complementary and need-based quality infrastructure
- Selection of land customs station for initial phase of the study
 - ✓ Inclusion of secondary border crossing points
 - ✓ Strategic locations with trade volumes and/or potential
 - ✓ No comprehensive development underway
- Prediction of medium and long-term demand of trade and traffic
- Gap analysis and recommendations

Physical infrastructure	Institutional
Connectivity	Systems, procedures and documentation



Study on Coordinated Development of Border Infrastructure - Example

Banglabandha - Fulbari

- BCP model: Hybrid - each BCP will have their own border office, which should house all agencies involved in cross-border transaction
- Physical infrastructure: Land Port should accommodate electronic declaration system; Improve the immigration facility; Improve the cargo facilities and truck terminal
- Soft infrastructure: development of a national single window; establish the whole integrated land port area as high-speed WiFi zone
- Sharing of some services: Weighment data, scanning images





Study on Coordinated Development of Border Infrastructure - Example



Banglabandha - Fulbari

- Connectivity: Improvement of Nepal-Bangladesh Corridor (AH 2); Construction of the missing railway link; Improvement of level of service for road links to border
- Single entity to oversee the development, operational planning, and management of the BCP
- Formal coordination mechanism with private sector
- Cross-border coordination in terms of data sharing and regular meetings
- Sector Development program for comprehensive development of BCPs under discussion





Study on Routes Initiative



Objective

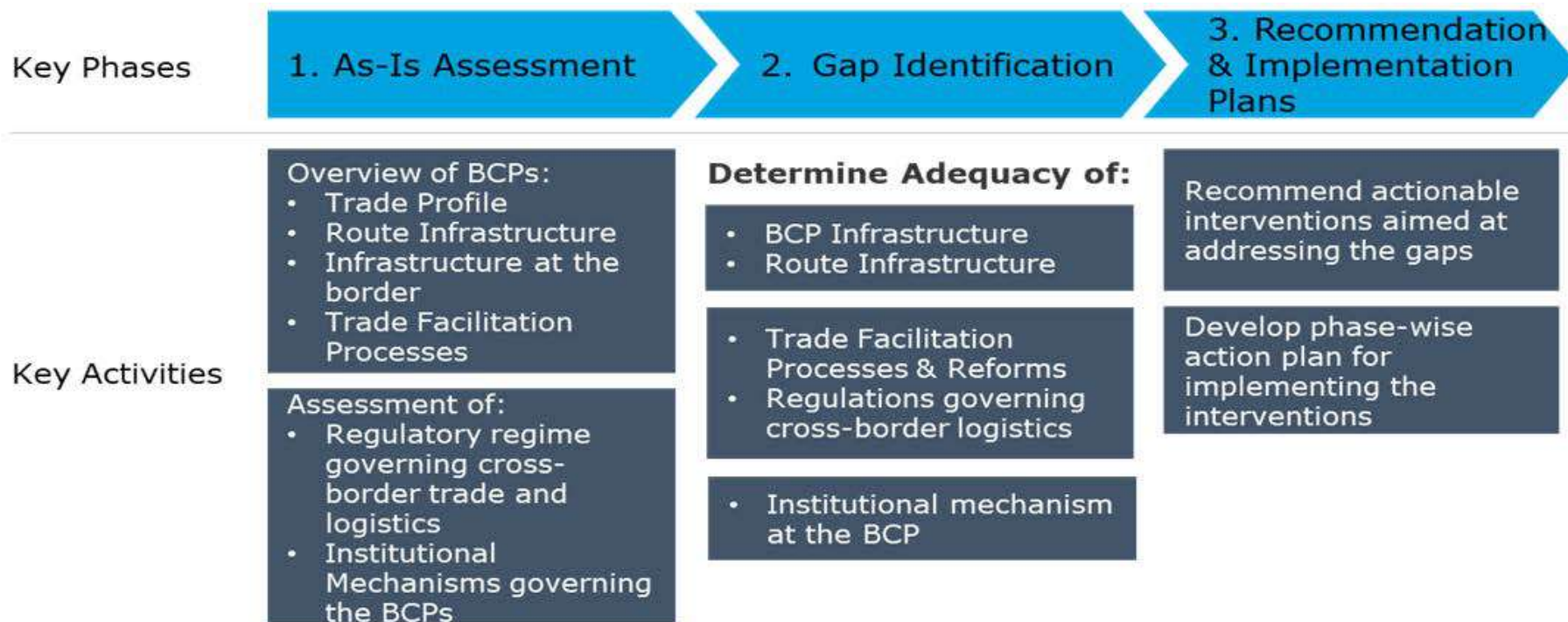
Improve **infrastructure, trade facilitation and logistics efficiency**

Kolkata (India) -
Dhaka (Bangladesh)
route passing through
identified Border
Crossing Points via
Petrapole-Benapole,
Ghojadanga-Bhomra
and Gede-Dharsana





Approach and Methodology





Assessment of Cargo Clearance Processes: Petrapole

Import Processes:

- Advance Bills of Entry comprise around 50-60% of total import declarations (BoE) filed
- Around 80-90% of BoEs are directly facilitated by Risk Management (RMS)
- Typically cargo is processed and “Out of charge” provided on the same day itself

Export Processes:

- 90% of export declarations (Shipping Bills) are filed in advance
- 90% Shipping Bills are directly facilitated by the RMS
- Typically cargo is processed and “Let Export Order” provided on the same day itself

Import and Export Processes:

- SWIFT is operational at Petrapole ICP for both exports and imports
- No part examination or part generation of “Let export order”
- Provision for goods which require testing and are awaiting test results to be released through execution of a bond is typically not exercised by the traders
- Only 1-2 large traders have been recognized as AEOs



Issues and Recommendations: Petrapole (hard interventions)

Key Issues	Proposed Recommendations	Responsibility
<p>1. High traffic congestion on critical road stretches (viz. NH 19, NH 112, SH 1) with NH112 and SH 1 providing connectivity between Kolkata and Petrapole ICP</p>	<p>Need for augmentation of the identified road stretches in terms of increase in number of lanes/ construction of road on a greenfield basis</p>	<ul style="list-style-type: none"> • National Highways Authority of India, GoI • West Bengal Highway Development Corporation Limited, GoWB • National Highway Wing, Public Works Department, GoWB
<p>2. Underutilization of the rail-link connecting Petrapole and Benapole for transportation of cargo traffic</p>	<p>Need for augmentation of the existing single-track rail infrastructure at the ICP in terms of (a) nos. of railway tracks and (b) railway sidings and goods yards to facilitate import of cargo traffic from Bangladesh</p>	<ul style="list-style-type: none"> • Eastern Railway, GoI
<p>3. High congestion at the existing gate within the ICP resulting in usage of alternate gate at the zero point outside the ICP premises for movement of cargo vehicles into Bangladesh</p>	<p>Need for construction of an additional gate within the ICP to facilitate (a) movement of all cargo vehicles within the customs premises and (b) passenger movement only at the existing zero point</p>	<ul style="list-style-type: none"> • LPAI, GoI



Issues and Recommendations: Petrapole (soft interventions)

Key Issues	Proposed Recommendations	Key Actions/ Interventions & Responsibility
1. Lack of awareness regarding testing facilities and norms	<ul style="list-style-type: none"> • Need for raising awareness amongst traders regarding presence of multiple NABL accredited & FSSAI notified laboratories in Kolkata • Need to mandate textile traders to undertake pre-shipment testing from BSTI for all consignments • NABL accredited laboratories in Bangladesh should be notified by FSSAI 	<ul style="list-style-type: none"> • CBIC, Gol • DoC, Gol • NBR, GoB • CBIC, Gol • DoC, Gol
2. Absence of usage of RMS by PGAs to facilitate clearances/ approvals	Need for adoption of compliance-based risk prioritization by PGAs to exempt testing procedures for select consignments	<ul style="list-style-type: none"> • CBIC, Gol and relevant PGAs
3. Car Pass System is manual leading to higher time and cost of trade	Introduce an automated car pass issuance system which may be integrated subsequently with Benapass to enable data sharing to further reduce processing time	<ul style="list-style-type: none"> • CBIC, Gol
4. Although the ICP is operational 7 days a week, there is no trade occurring on Fridays	Need for increased co-operation with Bangladesh authorities to ensure 24/7 operation at the ICP	<ul style="list-style-type: none"> • CBIC, Gol • LPAI, Gol • BLPA, GoB



Issues and Recommendations: All Gateways

Key Issues	Proposed Recommendations	Responsibility
<p>1. Multiple rounds of weighment of trucks are undertaken in both countries during border crossing as weighment data is not shared – leading to higher time and trade cost</p>	<p>Weighment slips should be mutually shared and accepted, accompanied by weighment of select import cargo (subject to risk parameters)</p>	<ul style="list-style-type: none"> • NBR, GoB • CBIC, GoI • LPAI, GoI • BLPA, GoB
<p>2. Absence of Regional Single Window System to expedite cargo clearance process and reduce paperwork</p>	<p>Need for integration of various existing systems (on either side of the border) on a common digital platform along with development of requisite regulatory framework to enable trade, transport and commercial data to be exchanged electronically amongst various government agencies and other key stakeholders</p>	<ul style="list-style-type: none"> • NBR, GoB • CBIC, GoI
<p>3. Low volume of containerized cargo across all the 3 identified BCPs resulting in higher time for customs clearance and congestion at the ports</p>	<ul style="list-style-type: none"> • Need to initiate discussion to reduce rental charges for containers and trailers and introduce aggregators to encourage traders to containerize cargo • Need to equip Land Ports / LCS / ICPs with the container handling equipment • Explore the feasibility of setting up ICDs/ dry ports in the vicinity of LCS/ ICPs/ Land Ports 	<ul style="list-style-type: none"> • NBR, GoB • CBIC, GoI • Logistics Division, Department of Commerce, MoCI • LPAI, GoI • BLPA, GoB



Building a Road Map for Coordinated Border Infrastructure Development



Prioritization of Border Points

Step 1

- Identifying and compiling all connectivity projects close or linked to border locations

Step 2

- Identifying Land Customs Stations and other border points linked or closest to project end/ start points

Step 3

- Scoring of identified Border Points

Step 4

- Ranking of scored Border Points

Step 5

- Prioritisation of ranked Border Points with recommendations for future Action



Connectivity scores

Connectivity to the border crossing points assessed based on:

- Existing connectivity - road, railway, and inland waterway
- Ongoing/Upcoming connectivity - road, railway, and inland waterway
- Road connectivity further divided into - national highway, state highway, and other state roads
- Railway is further divided into - broad gauge or others, double or single line, and electrified or non-electrified
- Inland waterway is further divided into - depth of the waterway, i.e., 3 meters or more, less than 3 meters but more than 1 meter, and less than 1 meter.





Infrastructure scores

- **Internal LCS infrastructure:** truck parking, storage and warehouse, office building, examination area, bulk cargo dump yard
- **Equipment and systems:** crane, reach stacker, X-ray machine, weigh bridge, Electronic Data Interchange (EDI) system
- **Immigration facilities:** immigration, passenger terminal
- **Certification/Testing-related infrastructure:** Plant Quarantine, Animal Quarantine, Central Drugs Standard Control Organization Office, Food Safety and Standards Authority of India Office
- **Banking facilities:** bank/ATM, currency exchange
- **Communications facilities:** landline telephone, mobile phone signal, fax, internet connectivity, postal and courier services





Analysis and Possible Way Forward

Category	Possible Way forward
Border Points with reasonably good connectivity but low overall infrastructure at the border	Build demand-driven infrastructure at specific Border Points; Explore options for off-border clearance
Border Points with low or minimal internal LCS infrastructure but relatively high trade volume	Prioritizing for development of internal infrastructure at the border points
Border Points with reasonably good internal LCS infrastructure but relatively lower trade volume	Resolving non-tariff Barriers and Improve connectivity and other facilities like certification & testing, banking, immigration, communication, etc.

Roadmap for development prepared



Lessons and Way Forward

- Comprehensive development of infrastructure and connectivity (behind the border and cross-border)
 - To meet trade needs
 - For effective enforcement
- Concomitant trade facilitation reforms
- Data-driven prioritization of border points
- ‘Whole of the logistics chain’ approach
- Use of SASEC as an effective coordinating platform





Thank you.

