

India's Act East Policy and Maritime Connectivity in Northeast India: Prospects and Challenges

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Structured Abstract

Article Type: Research Paper

Purpose—This paper explores the potential maritime connectivity avenues and linkages in Northeast India, especially emphasizing Tripura and its connectivity to Bangladesh and Myanmar. The paper then re-envision the challenges associated with maritime connectivity in realizing potential opportunities.

Methodology—The research paper followed content analysis as a primary approach to consolidating the arguments.

Findings—This study shows how India's attempt to utilize potential maritime connectivity via Northeast India to Bangladesh and Myanmar serves geo-economic and geopolitical dynamics to increase India's outreach and presence. There is mutual benefit for India, Myanmar, and Bangladesh in enhancing connectivity. These connectivity drivers will be significant for India's outreach to Southeast Asian countries.

Practical problems—This paper attempts to point out that Northeast India, with national waterways and riverine traverse to neighboring countries, has the potential to connect neighboring countries' ports and provide opportunities for economic growth. Growing maritime outreach can also strengthen India's maritime power to check China's growing presence.

Originality, value—This study presents an analysis of relatively unexplored areas of study on the maritime dimension in India's relations with Bangladesh and Myanmar.

Keywords: inland waterways, maritime connectivity, outreach, re-envision

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I. Introduction

Maritime trade and connectivity are the oldest forms of cross-civilizational interactions among countries having maritime boundaries. Connectivity through port and inland waterways remains a catalyst for international trade and economic growth. Maritime transport is not only time- and cost-efficient but also a more environmentally friendly means of transportation than land transportation. Here, shipping industries play a key role in developing trade and commerce. Northeast India shares almost 99% of its boundary with neighboring countries, which is around 5182 km. It shares international boundaries with Myanmar (1640 km), Bangladesh (1596 km), China (1395 km), Bhutan (455 km), and Nepal (97 km).¹ It is connected with other parts of India with a mere 22 km strip of land called the Siliguri Chicken Neck corridor.² This resulted in isolation and underdevelopment of the region for a long time. These perils of isolation remain in the maritime domain, mostly due to the non-utilization of maritime avenues that already existed and the sharing of international borders with unfriendly neighbors. Northeast India remained unstable due to the witnessing of border conflicts, insurgency, ethnic clashes, and migrations of the people at regular intervals throughout history. But in the 20th century, things began to change as India implemented a trade liberalization policy and integrated the Look East policy into its foreign policy to promote friendly ties with Southeast Asian and South Asian nations. Northeast India has historical linkages with the south and southeast countries, so reinventing old connectivity and trade has brought euphoria to greater social and economic relations among Northeast Indian communities.³ Maritime connectivity via Northeast India to neighboring countries will strengthen India's outreach to the Bay of Bengal and the Indian Ocean, which has become a geopolitical theater of power rivalry between India and China.

India reformulated and upgraded the Look East policy as the Act East policy, which was adopted in 2014 to intensify economic, strategic, and diplomatic relations with neighboring countries. It has also prescribed the northeast as a gateway to south and southeast Asian countries. Due to the growing presence of China and rapid economic growth opportunities with southeast countries, the changing geopolitical and geo-economic dynamics in India's neighborhood and southeast nations have opened a space for strategic opportunities and challenges. There are several connectivity infrastructure projects have been in progress under the Act East policy and Neighborhood First policy of India to achieve its preset objectives to foster relations and connectivity with a collaborative approach. Foreign Secretary S. Jaishankar articulated that the Neighborhood Policy "puts a premium on connectivity, contacts and cooperation."⁴

Bangladesh and Myanmar have emerged as of paramount importance to the northeast in the domain of maritime connectivity. As both countries share land borders, there is also a potential to connect and access both countries' maritime trade and transit routes through regional waterways to seaports; several rivers traverse to the northeast and Bangladesh. This not only helps with the convenient transfer of goods but also plays a crucial geopolitical role in competition with China in these states. The nearest seaport to connect Tripura with other parts of India via the Chicken Neck corridor is Kolkata Port, which takes a 1700-km-long journey. However, this isolation is reduced by a mere 200 km if connectivity is strengthened via the Chittagong Port of Bangladesh. Mizoram's capital, Aizawl, feels

the same fate of 1512 km of long distance via the Chicken Neck corridor to Kolkata Port. It can be reduced to 600 km via Myanmar's Sittwe Port and 545 km via Chittagong Port of Bangladesh to connect other parts of India. However, political turmoil in Bangladesh and regime changes have significantly impacted the dynamics of maritime connectivity between India and Bangladesh. The fate of connectivity projects is hanging in uncertainty. A new government is more cozy toward China and Pakistan and is opposed to India. In this changing political dynamic and narrative, this study can significantly explore the prospects for future relations. With emphasis on the economic and geopolitical significance of maritime connectivity, this paper explores the potential maritime connectivity avenues and linkages in Northeast India, especially emphasizing Tripura and its connectivity to Bangladesh and Myanmar. The paper then re-envision the challenges associated with maritime connectivity, realizing potential opportunities.

II. Reframing Geography and Connectivity Integration Through Act East Policy: A Maritime Passage to Strategic and Economic Growth

"It is definitely within our ability to overcome geography and rewrite history if only we can get the politics and economics right," said S. Jaishankar, referring to the Indian Act East Policy objective.⁵ Since coming to power in 2014, the Indian government under PM Narendra Modi has rebranded the Look East policy, adopted in 1991, to the Act East policy, which aimed at fostering economic and maritime partnerships to trigger economic growth. This policy shift seeks both to bring structure to New Delhi's foreign policy and to achieve its domestic developmental goals, specifically within India's northeastern region. The area has been of key concern as its landlocked geography and inadequate infrastructure, along with its history of separatist insurgencies, have often hindered its development. Through the framework of AEP and the Neighborhood First Policy, India seeks to achieve deeper political and economic integration and development goals for the region by reframing the dynamics of geography and establishing sophisticated market networks and connectivity links between the region and Southeast Asia. The importance of potential investment from ASEAN is also considered a strategically important step in addressing the region's grievances about not enjoying the benefits of economic and industrial growth occurring in other parts of India. ASEAN countries situated in the midst of the Indian and Pacific oceans, with historical and cultural linkages and with no significant boundary disputes with India, occupy central positions for convergences and collaboration in the vision for the Indo-Pacific. In this context, Northeast India occupies the strategic role of connecting with ASEAN countries. Northeast India has faced geographic vulnerabilities and connectivity issues for a long time. Northeast does not have direct access to the seas. So, reinforcing Inland Water Transport (IWT) connectivity between India and Bangladesh and port connectivity with Myanmar will improve trade relations and reduce logistics costs. Bangladesh will even get market access to the Northeast region, which will open India's way to Southeast Asia.

India, under its Act East policy, has started developing connectivity with neighboring countries, South Asia, and southeast countries. Water connectivity has emerged as a

new driver to foster relations with these countries. India's Act East policy focused on connectivity projects not only for economic flows but also for strategic cooperation. Maritime connectivity has two types: inland waterways and port connectivity. IWT offers a feasible carrier of goods, especially for bulk cargo. Its cost-effective and convenient development characteristics attract inland waterways as an alternative to the transportation of goods, which are highly dependent on road and railway networks. Meanwhile, ports have played a very important role in economic and strategic calculations in international relations. Sea-ports provide an interface between land-based and water-based transport, including ocean transport, for transporting commodities.

Amita Prasad, the chairman of the Inland Waterways Authority of India (IWAI), said that India is exploring crushing activity to offer cultural connectivity and business opportunities for navigational aids, terminal developments, etc.⁶ There are around twenty national waterways in North East Indian states; India recently disbursed US\$1.04 billion in grants projects besides concessional loans of US\$478.9 million, including US\$750 million to Myanmar, and also offered more than US\$8 billion of lines of credits to Bangladesh.⁷ Further, the government sanctioned the following projects for the development of the IWT infrastructure on National Waterways in the Northeastern Region (NER) for a period of five years, from 2020–21 to 2024–25: (i) NW-2 (Dhubri-Sadiya stretch of river Brahmaputra) at the cost of Rs.461 Crore; The development of NW-2 enables waterway connectivity of the northeast region with Kolkata/Haldia ports via the Indo-Bangladesh Protocol Route, and NW-16 (river Barak) & Indo-Bangladesh Protocol (IBP) route at the cost of Rs.145 Crore.⁸

Union Minister Sonowal, on February 20, 2024, launched several waterways projects in Northeast India worth Rs 308 crore. It includes passenger-cum-cargo terminals at Bogibeel, which is near Dibrugarh, upgraded terminals at Karimganj and Badarpur of Assam, and an IWT terminal at Sonamura in Tripura, which occupies a very strategic place near Bangladesh Chittagong Port.⁹ All these terminals, especially Sonamura, have the potential to be linkage points for transboundary trade, including commodities such as horticulture, cement, etc., between India and Bangladesh. This project will have a greater impact and influence on the whole Northeast Indian region and major industries such as the cement industry, food processing units, stone crushers, tea estates, and coal deposits are well present in the region, which can be transported more conveniently to other parts of India as well as neighborhood countries via maritime connectivity. The Indian government, to enhance the tourist industry, has decided to deploy six tourist jetties on the river Brahmaputra (National Waterways-2).

Maritime connectivity in Northeast India will also enable India's more convenient access to the Bay of Bengal and increase its presence to deal with growing Chinese encroachment in the region. India's maritime connectivity vision tries to expand the horizon for convergence and collaboration with ASEAN countries, which also strengthens India's Indo-Pacific vision. Northeast India is also emerging to attract extra-regional powers such as the US and Japan. There is a synergy between India's and Japan's visions of shared interest based on a free and open Indo-Pacific. Both countries also established the Japan-India Act East Forum. Japan is also taking a proactive role in providing assistance to develop Northeast India.

III. Maritime Connectivity and Northeast India

Northeast India has the feasibility of having an efficient inland water network, and connectivity can be justified for several reasons. The first largest inland waterways network lies in the northeast state of Assam, with navigable inland waterways of 1983 km comprising 44 rivers, including the Brahmaputra and Barak.¹⁰ Out of 111 national waterways, around twenty waterways are in Northeast India. Second, the northeast has remained an issue of poor road infrastructure and no proper extended network of roads and railways due to neglect by the government for a long time, and the difficult geographical terrain, cross-border state issues, ethnic issues, and so on. Third, waterways do not involve challenges associated with land acquisition, which remain a sensitive issue in road and railway connectivity. Lastly, it is recognized as a cost-effective, fuel-efficient, and environmentally friendly way of transportation. NEI is situated at the shortest distance from neighboring countries. Very little cost is needed for the construction and maintenance of maritime routes. In this scenario, maritime connectivity through waterways and seaports provides an alternative and cost-effective way to develop Northeast India.

The National Waterways Act 2016 declared 111 inland national waterways with a length of 20,275 km, and twenty out of those are in Northeast India, including the Brahmaputra River–NW2, the third largest waterways of the country, used by steamers, cargo and large country boats.¹¹ IWAI provide necessary grants or aids for 24-hour navigation between Dhubri and Silghat. also maintains terminal facilities for the loading and unloading of cargo to strategic locations in Dhubri, Pandu, Dibrugarh, Silghat, Jogighopa and Neamati.

3.1 Inland Waterways and Port Connectivity: Bangladesh and Myanmar

It is crucial to identify ports in India and bordering countries that can serve as an immediate nodal point of sea connectivity and provide easy access to the sea. Chittagong Port in Bangladesh, Sittwe Port in Myanmar, and Kolkata and Haldia port of West Bengal can be linked with the Northeast India region and the rest of India. All these ports have facilities of easy access to the sea and can enhance Northeast India's connectivity to South and Southeast Asia Countries.

Northeast India and Myanmar. Myanmar occupied a strategically significant position in India's Look East policy, which is now reformulated as Act East Policy. Myanmar is the only Southeast Asian country India shares a land border and cross-border road with. Despite India not having any common inland waterways sharing with Myanmar, the proximity of the Northeast India region to the seaports of Myanmar makes it a significant driver in the maritime dimension. India is engaging with Myanmar very pragmatically to foster cordial relations and harness geo-strategic opportunities. India is very keen on the materialization of the US\$484 million Kaladan Multi-Modal Transport Project (KMMTP).¹² This project acts as a trade and logistics link by connecting the eastern state of Mizoram to Paletwa by road and then integrating the IWT constituent, which extends up to 158 km along the Kaladan river from Sittwe to Paletwa.

Sittwe Port development is part of the Kaladan Multimodal project; once it's operationalized, it can act as a multimodal transit connectivity with Southeast Asia. Sittwe

Port connects Paletwa in Myanmar through inland waterways and from Paletwa to Zorinpui in Mizoram through a road component. This project, once completed, can provide an extra outlet for the movement of goods other than the Siliguri Corridor Myanmar via Sittwe. Other than this, goods from Kolkata to Sittwe Port can be shipped to Teknaf Port, Bangladesh, which is just 60 nautical miles from Sittwe. From Teknaf Port, goods can be transported by road to Sabroom, which has an integrated customs border between Bangladesh and Tripura. So, Tripura can benefit from the Kaladan project and Sittwe Port by transportation time and logistics costs. This connectivity would lead to a 50 per cent reduction in the cost and time of goods transportation between Kolkata, Agartala, and Aizwal. While Sittwe Port and IWT Paletwa Jetty are operational, the progress of the project is slow, especially since the road networks connecting Zochawchhuah with Paltewa have been affected by the insurgencies of the Arkan army in the Rakhi Province of Myanmar.¹² Northeast India's river Barak has small ports at Karimganj, Badarpur, and Silcher, as well as ferry services in different places. Barak falls into Bangladesh, but the Barak River basin is also linked to Myanmar. This opens a new opportunity if utilized. China has access to Myanmar's port, and this helps increase its influence in the Bay of Bengal. Myanmar serves as a land bridge to connect with South Asian and Southeast Asian countries. There is also a trilateral connectivity project going on with Northeast India and Thailand through Myanmar.

Northeast India and Bangladesh. There is a maritimization shift in Bangladesh's foreign policy in order to meet the growing economic development via trade. With the resolution of maritime border disputes with Myanmar and India, Bangladesh now has more access to the Bay of Bengal and sea lines of communication in the Indian Ocean. India and Bangladesh share a land boundary of 2979 km and a riverine boundary of 1116 km. Maritime connectivity is very significant in economic and trade developments for both countries. So, not only maritime development of infrastructure but also access to the sea will be significant in this direction. The average distance between important cities of Bangladesh and Northeast India is around 20–200 km.¹³

The Indo-Bangladesh Protocol on Inland Water Transit and Trade (PIWTT) was first signed in 1972 and was to be renewed every two years. In April 2015, both countries decided to renew the protocol automatically every five years, which enables the use of inland waterways for the passage of goods between two places of one country through the territory of another country, including trade. On the 2nd Addendum to Indo-Bangladesh Protocol (IBP) on 20th May 2022, IBP routes were increased from 8 to 10.¹⁴

Agreement on Coastal Shipping (ACS) in 2015 enabled both countries to facilitate trade directly by agreeing to allow the sailing of small vessels between both countries' ports. Further, the same year, Standard Operating Procedures (SOP) were finalized and operationalized in 2016. One remarkable development in this cooperation was when the use of Chittagong and Mongla ports in Bangladesh also came under the SOP for the movement of goods by multimodal transports on four road, rail, and water routes in Agartala (Tripura) via Akhaura, Dawki (Meghalaya) via Tamabil, Sutarkandi (Assam) via Sheila and Srimantpur (Tripura). In this direction, the first trial run took place in 2020, where cargo from Kolkata to Assam via the Agartala and Srimantapur LCS in Tripura through Chatterama and Mongla ports in Bangladesh.¹⁵ Several trial runs have been conducted, which have given positive prospects for the relations. However, it is not yet fully operational. Northeast

states of Assam, Meghalaya and Tripura will get access to the Chattogram and Mongla ports of Bangladesh.

Badarpur was declared as an extended port of call for the town of Karimganj in 2018, as both are situated 25 km apart along Assam's Barak River. At the same time, Ghorasal of Bangladesh identified a significant extended port for Ashuganj.¹⁶ These additional ports of call have the potential to augment the transportation of cargo via inland waterways. India has planned to make the Gomati and Haora rivers of Bangladesh's side navigable through funding for dredging works and ultimately connect it with the protocol route of 1 & 2.¹⁷ To facilitate the movement of freight or cargo from Kolkata to Northeast India via Bangladesh, India is also sponsoring the creation of a shared fairway and paying 80 percent of the total cost; the project includes 175 km of dredging work from Siriganj to Daikhawa and an additional 295 km from Ashuganj to Zokiganj in the Kusiara-Meghna basin.¹⁸ India and Bangladesh, under the Inland Shipping Ordinance of 1976 of Bangladesh and 1917 Inland Vessels Act of India, have planned to start trade between Chilmari (Bangladesh) and Dhubri of Assam (India) through the use of shallow draft mechanized vessels.¹⁹ This initiative has a prospect to enhance the local economy in Bangladesh and the lower Assam region of India, as this agreement allows the export of stone chips and other Bhutanese and northeast cargo to Bangladesh and easy access for the traders to the vicinity of Bangladesh.²⁰ PIWTT and ACS provide a significant boost for economic development as it not only enables the movement of bulk commodities and large cargo for industrial projects in the northeast region through the port of Chittagong and Mongla but also reduces the cost and time for trade. Carriage of goods from Bangladesh to Kolkata or vice versa took around 30–40 days, which has now been reduced to 10 days via transportation from the northeast to Kolkata port.

The statistics provided by Bangladesh's Assistant High Commission in Guwahati indicate that commerce between Bangladesh and northeastern India is progressively growing. Over Tk 367 crore worth of commodities were exported from Bangladesh to the area in the 2019–20 fiscal year. There, Bangladeshi goods were exported for Tk 40 crore during the preceding fiscal year 2018–19. Conversely, during the 2019–20 fiscal year, Tk 390 crore worth of products were imported into Bangladesh from Seven Sisters; over Tk 472 crore worth of goods were imported from there during the 2018–19 fiscal year.²¹

IV. Tripura: A Linchpin of Maritime Connectivity with Neighboring Countries

In recent years, Tripura has developed as a commercial and transit hub for connectivity driver initiatives in India. Tripura not only acts as an arc to reduce the isolation of Northeast India from the rest part of India but also strategic connectivity with other neighboring countries, especially Bangladesh. India and Bangladesh, after a decade of signing a memorandum of understanding, recently inaugurated the Akhaura-Agartala cross-border international rail connectivity in November 2023. This is a path-breaking development as this railway connectivity connects Agartala, capital of Tripura, a geographically strategically located northeast state, with Akhaura, located in Upazila, Bahmanbaria district of Bangladesh. This railway link will provide an alternative to the narrow and congested passage in the Siliguri corridor known as Chicken's Neck, the only viable way to connect the

Northeast to the remaining part of India via land.²² The journey, which used to be 1600 km, particularly from Tripura to Kolkata, will be reduced to 500 km, so the duration will also decrease from around 31 to 10 hours.

There are several industrial sectors of Dhaka, Chattogram, and Sylhet, which are connected to Akhaura via road, rail, and river networks. Besides this, Ashuganj Port, near Akhaura, can be used to ferry goods to the Chattogram port and vice versa. Consequently, there is the prospect for growing trade between both, India and Bangladesh. Other than this, the transit route of Haldia dock can be connected to Chittagong Port of Bangladesh to Assam and then to Tripura. This has the potential to be an alternative option for linking India to Southeast Asian countries via Northeast India.²³ The Indian government spent a total of Rs. 230 crore building a land port at Sabroom. It will make it easier for people and goods to travel between Bangladesh and India. Rather than travelling around 1700 km away via Kolkata or Haldia port in West Bengal, it may link straight to the Chittagong Port of Bangladesh, only 75 km away.²⁴

India and Bangladesh, in keeping with the economic growth and development, have taken several connectivity projects between both countries and recently, Maitri Setu has been very crucial in the cross-border movement of goods and people, as it connects the Sabroom of Tripura to Chattogram port of Bangladesh. So, it eases transportation from Cox Bazar to Tripura. There is a potential avenue for trade relations between Northeast India to South Asia and Southeast Asia if Maitri Setu and the third integrated check post of Sabroom function. Akhaura-Agaratala rail connectivity and Maitri Setu have the potential to create multi-modal connectivity to key economic and strategic places between both countries.²⁵ India has been working on a multi-modal transport hub and SEZ at Tripura's Sabroom that can help goods destined to the ports in Bangladesh in a few hours. The Sonamura-Daoukandi route was included in the Indo-Bangladesh Protocol routes, which connects Tripura with other national waterways in India through Bangladesh. The Gumti River travels approximately 93 km across Bangladesh before joining the Meghna River on IBP Routes 3 and 4 at Daudkhundi, Bangladesh. Consequently, it offers significantly quicker access to ports such as Haldia, Kolkata, and Narayanganj.

Sonamura-Daudkandi waterways operationalized with its first trial run taken on the 3rd to 5th of September; it started from Munshiganj and sailed via Meghna River (Bangladesh) to reach Daudkandi and then Sonamura port in Tripura.²⁶ Former CM of Tripura Biplab Deb said, "A new horizon opened for us. Today is a historic day for Tripura because the state, for the first time, has been connected to Bangladesh by a waterway. This route will later be extended till Varanasi in Uttar Pradesh."²⁷ This can increase the trade volume for both countries. However, for the continuous functioning of the route, eight bridges situated on this route need to be increased. Other projects, such as a logistics hub and an integrated check post, are in construction near Sabroom to better facilitate the movement of various goods.²⁸ The Matarbari deep-sea port in Bangladesh, being developed by the Japan International Cooperation Agency, is very important due to its capacity to handle larger cargo ships; it will ease the burden of Chittagong Port, and once it is operationalized it will connect with the Northeast, especially Tripura, and thereby potential to connect with Bhutan and Nepal. This port also acts as a balance to China's growing presence through investment projects and investments as a part of the Belt and Road Initiative. For better transshipment

and transit of goods, Bangladesh and India should work together in trade facilitation and build corridors from Northeast India to the Chattogram port.

New routes to be explored: A feasible way to reduce the time and distance travelled between Kolkata and Northeast India, development of the Aricha-Dhilian-Rajshahi-Dacca route. An extra direct connection to the mainland via NW-I will be facilitated if the development of the Farakka-Dhilian-Rajshahi-Aricha route can be completed. The Indian government has financed a canal link between the Gomti and Hooghly Rivers in Tripura and the Meghna River in Bangladesh in an effort to help improve business with the northeastern states via Bangladesh. However, it's unknown how far the project is going right now. It could be possible to incorporate River Surma into the Protocol Route. Vessels with a draft of 2.5 meters may navigate the River Surma between Ashuganj and Chatak. An extensive survey of the Zakiganj area from Chatak is necessary. It will be necessary to dredge from 22Z Akiganj to Karimganj.

Japan's role in Northeast India: Japan's increasing engagement in Northeast India is impacted by the strategic interests as the Northeast India region is a vital space between India and Southeast Asian, which aligns with India's Act East policy and Japan's Free and Open Indo-Pacific vision. Japan has made significant investments in Northeast India through a number of programs, including healthcare, education, infrastructure, and cultural preservation. The Japanese government has pledged to provide a JPY 232.209 billion Official Development Assistance loan for nine projects across many industries.²⁹ Japan is helping with people-to-people connectivity and the development of several connectivity projects, supporting maritime connectivity and trade between Bangladesh and India. For instance, the development of the Maitri Setu helps link the Sabroom port to Northeast India. Japan is also a partner in developing the Northeast Road Network Connectivity Improvement Project (Assam-Meghalaya). Japan also supports developing the National Waterway 2 (Brahmaputra) and National Waterway 16 (Barak River), which will eventually help Northeast India connect to Bangladesh's ports (e.g., Chattogram, Mongla) through the India-Bangladesh Protocol Route. Japan is also investing in infrastructure development in Bangladesh as part of its Indo-Pacific vision. Japan's strategic foresight is to "connect the connectivities." As a result, it is creating an economic corridor that would connect Bangladesh's Matarbari deep-sea port to Northeast India, with Tripura serving as one of the anchors via Chattogram and Dhaka. Additionally, it will connect to Nepal and Bhutan. Therefore, amidst changing political dynamics in Bangladesh, Japan's role will be significant in synergizing India and Bangladesh's policies, as both countries are strategically important in Japan's free and open Indo-Pacific policy and vision.

V. Political Turmoil in the Neighborhood and the Fate of Maritime Connectivity Projects: An Era of Ambiguity or a Shift in Relations?

A dramatic regime change in Bangladesh in August 2024, the temporary shelter of Sheikh Hasina in India and the establishment of the interim government under radical Islamist Muhammad Yunus, has severely impacted the bilateral relations between Bangladesh and India. With this change, the fate of various maritime connectivity projects and

potential opportunities between countries has stalled since then. India and Bangladesh had shared a cordial relationship during Sheikh Hasina's government. India was allowed to use Chattogram and Mongla ports that provided Northeast India a maritime outlet and operational rights to a terminal in Mongla Port in 2024, of which services are yet to be started. India helped in developing the Ashuganj Inland Container port in Bangladesh, which is also stalled.³⁰ Following the Bangladeshi coup, India increased border security, shut down the six main land ports between Bangladesh and India, and permanently halted train service. To normalize commerce, the biggest land port, which links Benapole, Bangladesh, and Petrapole, India, was reopened a few weeks later. This quick return to normalcy was caused by economic interdependence and many connections. As the culmination of its attempts to foster economic interdependencies and physical ties in the area to support overall regional stability and security, this episode represents a long-awaited victory for New Delhi in South Asia. Matarbari Port, developed by Japan, is very significant for Northeast India's economic growth and outreach to South Asia and Southeast Asia. In contrast to Chattogram (Chittagong) Port's 9.5-meter draft, the port will become the region's most important export-import center, enabling mother ships with a draft of over 16 meters to berth. However, regime change in Bangladesh makes the future of the projects uncertain.

We have witnessed a new shift in Bangladesh's foreign policy toward being more cozy with China and Pakistan. As the former Hasina government had limited relations with Pakistan, the Yunus interim government has chosen the opposite direction to have more cordial relations. It has been witnessed recently that, for the first time in 53 years of the relationship, a cargo vessel from Pakistan docked at the Chittagong Port.³¹ Even a cargo ship is allowed to dock at Mongla Port. A carrier vessel containing goods from Pakistan's Qasim Port was also allowed to anchor at the Mongla Port.³² Earlier, Pakistan's goods had to be rerouted through third-party countries' ports such as Sri Lanka, Malaysia or Singapore. In the first quarter of July–September 2024–25 fiscal year, Bangladesh's imports from Pakistan surged over 27 percent, whereas they fell 9.5 percent from India.³³ It is the direct shipping routes between Pakistan and Bangladesh that facilitate increased trade. All these set the foundation for a direct maritime connection between the two countries of Bangladesh and Pakistan. This has also shown Bangladesh's new regional approach in the South Asia and Indian Ocean region. Bangladesh's interim government leader Yunus sparked the growing uneasiness of relations by calling Northeast India a landlocked country and saying they do not have access to the oceans, and added, "We are the only guardian of the ocean for all this region. So this opens up a huge possibility. So this could be an extension of the Chinese economy. Build things, produce things, market things, bring things to China, bring them out to the whole rest of the world."³⁴ India EAM S. Jaishankar, in response to this provocative statement, said that Northeast India, with 6500 km of coastline in the Bay of Bengal, is emerging as a hub of connectivity by linking itself with BIMSTEC nations, the Association of South Asian Countries and does not depend upon Bangladesh: "Keeping this geo-strategic factor in mind, we have devoted increasing energies and attention to the strengthening of BIMSTEC in the last decade. We also believe that cooperation is an integrated outlook, not one subject to cherry picking." The government of India in April 2025 also terminated the transshipment facility, which allows Bangladesh to export cargo to third countries by using India's land customs.³⁵ This further sparks the growing disagreement between the countries.

India is concerned that with Hasina and her Awami League party out of office, radicalism may increase in Bangladesh. Some of Bangladesh's extremist groups have ties to Pakistan-based terrorist groups like Lashkar-e-Taiba (LeT), the Pakistan Army's spy agency InterServices Intelligence (ISI), and the Pakistan Army itself, which may want to increase its operations in India, its bitter rival to the east. There is an agenda-driven work of reimagination of the history of Bangladesh after the regime change. The contribution of Mujib in Bangladesh's liberation war is removed from the textbooks and emphasis is placed on the role of former army chief Ziaur Rahman for Bangladesh's independence, meaning denying the support that India provided to Bangladesh during a crucial juncture. This can also bring the challenge to India to face a three-front war dilemma, with Pakistan and China already representing a two-front war dilemma. Despite the political shift in Bangladesh's foreign policy, India-Bangladesh relations are at a crossroads. China and Pakistan are providing growth opportunities, but they also face several challenges. Direct connectivity to Pakistan is further than to India, which will impact the cost of trade and export companies. Bangladesh, being surrounded by India on three sides, cannot deny the geographical, strategic, and economic importance of India, as India provided easy access to third-party countries via its connectivity and trade growth.

VI. Prospects and Challenges

While re-envisioning the maritime connectivity dynamics of Northeast India to other parts of India and neighboring countries, other than the changing political dynamics, there are several challenges that need to be analyzed and explored in possible ways in this direction. Challenges include the issues related to the lack of maritime infrastructure facilities, the policies of the government for trade via waterways, and the behavioral attitude of the governments of Bangladesh and Myanmar.

India's own infrastructural inland connectivity constraints impact trade relations and potential opportunities. A vital mode of transportation for thousands of commuters in the Brahmaputra Valley's urban and rural communities, most of Assam's more than 361 ferry routes traverse the Brahmaputra or service its islands. Major rivers of Northeast India, such as the Brahmaputra (NW-2) and the Barak (NW-16), have issues of seasonal navigability due to fluctuating water levels. For instance, water depth falls below 1.5 meters during the lean season, making it unreliable for cargo vessels, which need water depth of at least 2.5–3 meters, impacting the trade routes. There are only a few functional terminals in Northeast India, such as Pandu in Assam and Karimganj in the Barak Valley, and no dedicated container handling facilities, leading to manual loading or unloading, resulting in delays at transshipment points. Goods often shift from ships to trucks at Bangladesh's Ashuganj port due to poor last-mile connectivity. This reduces efficiency, discourages exporters, and increases reliance on costlier road or rail routes. Theoretically, water transportation is 40–60% less expensive than driving. However, inefficiencies cancel out the savings. For instance, vehicles travel 3–4 days over land routes, while a trip from Pandu, Assam, to Narayanganj, Bangladesh, takes 7–10 days owing to delays. More than 700 million kg of tea are produced in Assam, most of which could be transported by rivers to Bangladesh. Due to a lack of designated tea terminals and frequent delays in waterways, the majority of tea is delivered by road or rail.

There is need of dredging in inland waterways. Dredging the rivers regularly is

necessary to promote the protocol pathways. For example, the Kusiara-Barak rivers and the Kolkata Port, which is an inland port, both need continuous dredging year round. As Kolkata Port is having difficulty accommodating large vessels due to its low draft of 7.2 meters, it needs continuous dredging.³⁶ On the Indo-Bangladesh Protocol route, in 2017, India and Bangladesh also signed a memorandum of understanding for the fairway development of the Ashuganj–Zakiganj section of the Kushiara River and the Sirajganj Dai-khawa portion of the Jamuna River.³⁷ Eighty percent of the expenditures are shared by India, and the rest by Bangladesh.³⁸ Though work has been gradual, considering the location and character of the rivers, maintaining the fairway all year round may prove to be exceedingly difficult and expensive. India and Bangladesh have agreed to employ automated vessels with modest drafts to facilitate navigation.

The lack of vessels for transportation in Northeast India can be a constraint to regional connectivity and economic growth. The dearth of vessels for transportation via inland waterways in Northeast India and the Eastern Part of India is owned by the West Bengal Transport Corporation, Central Inland Waterway Transport Corporation and the Inland Waterways Transport and Development Authority. As a result, the flexibility in trade remains limited to these authorities.

Maritime connectivity can flourish if trade relations between India and its neighborhood can be increased. There remain some issues that need to be addressed, such as the export imbalance between Bangladesh and India. India fulfills 11–12 percent of Bangladesh's total import needs, whereas India contributes less than 2 percent of Bangladesh's exports and less demand for items imported from India.³⁹ Despite the direct shipping agreement between both countries, cargo volume has not grown greatly. Indian traffic carries goods that travel on the way to Bangladesh but mostly return empty. As a result, private trading companies face higher costs and are discouraged from further trade. There is a need for an awareness program for stakeholders, especially for border area traders and businesses in both countries, regarding the usage and benefits of waterways transport for trade relations.

The issue that needs to be addressed between Bangladesh and India regarding trade via maritime connectivity is the restrictions regarding third-country trade facilities. India allows Bangladesh to export and import to Bhutan and Nepal via Indian transit routes through specified LCSs/airports/ seaports with free access, but at the same time, Bangladesh does not allow India to trade with third countries via Bangladesh. If allowed, it can reduce the time and costs for trade and open space for greater trade with other countries for both countries. Whereas Myanmar allows third countries' products to be reached in Northeast India and vice versa, it has to follow certain procedures and impose a customs fee of around 2.5 percent of the total volume of the cargo.⁴⁰ To calculate the import duty, the price in hard currency is converted into Kyat through the officially set exchange rate. The procedure causes the end destination's buyers to pay an artificially reduced price for the goods, fiercely competing with domestic producers.⁴¹

There is difficulty and a lengthy process in issuing a certificate of origin for products that need to be transported via Myanmar. An international trade document known as a certificate of origin (COO) attests that all commodities exported are acquired, produced, manufactured, or processed in a certain nation following the relevant origin regulations.⁴² To obtain favorable COOs, Indian exporters of the northeastern states of Manipur and Mizoram must look outside their own states, which adds to the expenses and delays. The

traders are driven by the rising expenses to deal through unofficial channels without appropriate COOs. Establishing the proper COO-issuing agencies close to the border regions is essential to promote cross-border trade between India and Myanmar.

Even though rice was transported to Tripura via the Ashuganj River Port after the SOP's drawing, the trade bulk is still minimal. Since Guwahati and Agartala's rail connectivity has improved, Indian businesspeople currently find the Ashuganj River Port to be unviable. In addition, the port is beset by a dearth of infrastructure. Nonetheless, it is anticipated that the Ashuganj port will turn a profit in the future after the Agartala-Akhaura train link is ready. The lack of terminals and cargo handling facilities remains a major issue. For example, National Waterways 16 doesn't have a fully functional terminal, and there are only two permanent and 11 floating terminals on the National waterways-2; Dhubri, Jogighopa, Silghat, and Pandu used floating terminals only for navigation. The inland container terminal at Ashuganj, when completed, is expected to increase transshipment. Despite the shipping agreement between Bangladesh and India, cargo volume did not grow as expected. One of the main reasons was the important seaport, Chittagong has a congestion issue. Northeast India has long-standing border disputes between states, such as Assam-Mizoram and Assam-Nagaland, making any connectivity development very critical to proceeding with either cancellation or delayed projects within the northeast and neighboring countries. Other than this, the political volatility of neighboring countries impacts the maritime policy dynamics of both countries.

The feasibility of projects involving another country relies heavily on that country's geopolitical interests. For instance, the development and transformation of Tripura was flourishing because of the positive attitude of Bangladesh's former prime minister Sheikh Hasina toward prioritizing development agendas. Rising discontent in Bangladesh against growing Hinduism by the Indian government under BJP rules and its policies of NRC, CAA has seriously impacted the public sentiment in Bangladesh. The growing maritime connectivity can strengthen the movement of formal goods and people in the border areas. But with the interim government under Yunus cozy towards China and Pakistan, and rising anti-India sentiments in Bangladesh, it generated serious challenges to India's national interest and security. The porous boundaries of Northeast Indian states with neighboring countries of Bangladesh, Myanmar, Bhutan, and Nepal are another challenging aspect, and this can be impacted by illicit elements such as drugs and illegal migration through the connectivity networks, which pose a serious challenge to Northeast India.

VII. Conclusion

Northeast India in changing geopolitics and geo-economics is occupying a strategic place in Indian foreign policy. Several maritime connectivity initiatives in recent years have been taken to realize the strategic and trade potential. These maritime connectivity drivers in Northeast India solve the long-standing issue of Northeast India's lack of connectedness to the rest of India. Maritime connectivity can overcome the transportation barriers of the region's lack of infrastructure and landlocked status. Connectivity via inland waterways and ports via Northeast India to neighboring countries, resetting the perception and potential opportunities narratives, which remain impacted by several

issues of intra-state, inter-state and historical conflicts. Northeast connectivity facilitates cross-border trade and the movement of people to Bangladesh and Myanmar, and it revives the dormant connectivity networks, which have remained dormant for a long time. This connectivity and access to Bangladesh and Myanmar ports help India to keep an eye on China's growing naval presence around the Bay of Bengal and the India Ocean region and act as a bridge to India's outreach to Southeast Asia. Southeast countries will be significant to India's Indo-Pacific vision and economic cooperation as there are no historical land or sea boundary disputes between India and Southeast countries. However, these emerging potential connectivity initiatives depended upon policymaking and its implementation, diplomatic and economic relations between respective connectivity partner countries to utilize and re-explore the potential connectivity among the countries. Regular dredging of rivers, reducing congestion, and maintenance of infrastructure facilities are needed. Reducing trade barriers and bureaucracy are the other challenges associated with it. Other than this, a tripartite connectivity agreement among India, Bangladesh, and Myanmar to revive old riverine links will be beneficial in achieving the economic growth aspirations.

Regime change in Bangladesh has introduced a new narrative to look at this maritime connectivity and strategic outlook of the relations between the two countries. It might show that Bangladesh is cozy to both China and Pakistan. But surrounded by India on three sides and the trade benefits that India provides cannot be replaced. Despite the current shift, both countries need to work together for mutual benefit. India faces a similar challenge in Myanmar due to the coup rule and the uncertainty it brought. India is monitoring the changing situations to diversify its diplomatic tools and re-strengthen its relations with Bangladesh and Myanmar. However, India's and neighboring countries perceptions and cooperative approach will be deterministic factors in realizing potential maritime connectivity and security cooperation opportunities.

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