

Embassy of India
Thimphu

Press Release: Opening of new trade routes for Bhutan's bilateral and transit trade with India

In another milestone achievement, to boost trade relations between India and Bhutan, the Government of India has agreed to the Royal Government of Bhutan's request to open new trade routes for Bhutan's bilateral and transit trade with India at Nagarkata, Agartala, Jogighopa, and Pandu, to be operational shortly.

2. Prior to this, **Nagarkata** in West Bengal (India), bordering Jitti in Samtse (Bhutan), was notified as a 'seasonal' Land Customs Station (LCS) restricted for trade of certain commodities only (viz. orange, ginger, and cardamom). With this latest development, Nagarkata will now be notified as a '**permanent**' LCS **without any commodity restrictions**, thereby allowing Bhutan to export *inter alia* boulders and river bed materials to India and other third countries, throughout the year.

3. The notification of **Agartala** in Tripura (India) as a new trade route is expected to facilitate Bhutan's trade with Bangladesh through India. As on date, Dhubri in Assam (India) is the only riverine port designated for Bhutan's trade with India. With this latest development, two new riverine ports – **Jogighopa and Pandu**, both located in Assam on India's National Waterway 2 along the Brahmaputra River – will be included as additional trade routes for Bhutan's bilateral and transit trade with India. All of these developments are aimed at benefiting Bhutanese traders by increasing logistical efficiency in terms of both time and costs.

4. Recently, in response to a request from the Royal Government of Bhutan, the Government of India on 16 October 2020 formally allowed trade access through **Ahllay** in Bhutan, corresponding to Torsha tea garden in India, as an alternative to Phuentsholing. This has greatly mitigated disruptions in the movement of goods between the two countries, particularly given the congestion of traffic on the Jaigaon-Phuentsholing route and the evolving COVID-19 situation in the region.

5. The above developments are in the wake of commitments made during the visit of Indian Railway and Commerce & Industry Minister Shri Piyush Goyal to Bhutan in February 2020 and were accorded high priority in the three subsequent virtual meetings held this year at the senior officials level led by the Department of Commerce, Government of India; the Department of Trade, Royal Government of Bhutan; and the Embassy of India, Thimphu.

6. Bhutan is India's closest partner and friend and India's timely response is a reflection of the special bonds of trust and understanding between India and Bhutan that have existed over decades. India has also extended the fullest cooperation and support to Bhutan in terms of ensuring uninterrupted movement of commodities through the COVID-19 pandemic.

7. Going forward, India will continue to extend all possible support to Bhutan to minimize the health and economic impact of the COVID-19 pandemic.

Thimphu

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