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INSTC–India Breaches: The Great Wall of Pakistan



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Introduction

For a long time, Indian policymakers remained introverted and were guided by outer influences rather than the nation's core interests. Post-independence, India chose to remain non-aligned and her diplomatic engagements operated in silos. The world, post-Cold War, has become level playing, increasingly multipolar and embraced globalisation. During this period, the means of power projection also changed from the erstwhile nuclear arsenals and oil wells to highways, ports and renewable energy technology. India's response during this period remained disjointed and half-hearted at best, whereas countries such as South Korea, Singapore and China, among others, witnessed meteoric economic rise on the back of their impetus on expanding road and port networks. China with her overcapacity in manufacturing and colossal forex reserves has embarked on one of the largest projects ever undertaken under a nation's aegis—the Belt and Road Initiative (BRI). Even the Western powers at the peak of their colonial era could not match the scale and grandeur of the China-led initiative. India, in this changed milieu, finally seems to have aligned herself with the necessities of the changing world. While the entire world is caught up with the monstrous BRI, India is quietly rolling out its own co-initiated project—the International North South Transport Corridor (INSTC). Away

Key Points

- While the entire world is caught up with the shrill of China-led Belt and Road Initiative, India is quietly rolling out its own co-initiated transport corridor—the International North South Transport Corridor (INSTC).
- The INSTC was initiated in 2000 by Russia, Iran and India. It comprises a 7200-km-long multimodal transportation system which shall connect the Indian Ocean and Persian Gulf to the Caspian Sea through Iran and onwards to Russia and North Europe.
- India's connectivity options on its west have long been foreclosed owing to Pakistan's stubborn resistance to cooperation and its control over the Pakistan-occupied Kashmir—INSTC stands to breach this wall.
- Chabahar Port is also inherently linked with the INSTC, and its recent operationalisation leads to the future 'INSTC Plus'.
- With INSTC, India is strongly pushing the 'Look West policy', and its rolling out is a watershed event for its diplomatic engagements.

The Centre for Land Warfare Studies (CLAWS), New Delhi, is an autonomous think-tank dealing with national security and conceptual aspects of land warfare, including conventional and sub-conventional conflict and terrorism. CLAWS conducts research that is futuristic in outlook and policy-oriented in approach.

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from the glare, serious diplomatic parleys and economic heavy lifting is under way to make the project see the light of the day. This paper aims to study the various aspects of the INSTC which is bound to have far-reaching implications for India and the region.

Indian Context

India's geographic location has scripted perfection. Long warm water coastline sits atop one of the world's busiest sea routes. Landmass of India's west is contiguous with energy-rich nations while its east has the Tiger nations buzzing with economic activities. The significance of the region can be gauged from the geopolitical necessity of coining a new terminology – 'The Indo-Pacific'. However, due to a slew of reasons India has failed monumentally to capitalise on its geographic dividends. The energy-rich growing markets of West and Central Asia have always been elusive due to the Pakistan wedge. The South Asian region has the infamous tag of being the least integrated region in the world, which certainly is India's own failing. While India was timely in charting the contours of Look East Policy, it failed to convert promises into deliveries.

Reorientation Underway

The dismal state of integration with both the neighbourhood and the adjacent region forced policymakers to reorient their world view and shrug off snail-pace development. The erstwhile non-aligned nation is now working tirelessly to intertwine with the neighbourhood and beyond. It would be worthwhile to take note of the key developments in the past few years.

India–Myanmar–Thailand (IMT) Trilateral Highway

Work is progressing well on this approximately 1400-km-long highway which shall link India with South East Asia by land and is expected to boost trade, business, education and tourism ties among the three nations. As per recent remarks by the Union Minister, Nitin Gadkari, the project is likely to get operational by December 2019. There are plans to extend the trilateral highway to Cambodia, Laos and Vietnam.

South Asian Sub-Regional Economic Cooperation (SASEC) Road Project

The seven-member SASEC was formed in 2001 comprising India, Bangladesh, Bhutan, Maldives, Nepal, Sri Lanka and Myanmar. The forum focuses on road infrastructure to improve regional connectivity between Bangladesh, Nepal and India and connect it with the Asian Highway network, which starts from

Tokyo and connects South Korea, China, Hong Kong, South East Asia, Bangladesh, Bhutan, India, Nepal (BBIN), Pakistan, Afghanistan and Iran to the border between Turkey and Bulgaria, west of Istanbul, where it joins with the European route E80.

Kaladan Multimodal Transport

Kaladan Multimodal Transport is a network of shipping, inland water and road communications. The longest among them is the shipping segment from Kolkata to Sittwe Port in Myanmar. India has already completed constructing Sittwe Port in the restive Rakhine State of Myanmar. The extension of the Aizawl-Saiha National Highway of 90 km to the international border at Zorinpui at the Indian side is also nearing completion. The four-laning of 300-km Aizawl-Tuipang highway is also nearing realisation.

Military Infrastructure in Seychelles

India and Seychelles recently signed a revised agreement that may allow India to build military infrastructure on the Assumption Island for the Seychelles People's Defence Forces. This agreement, however, is now shrouded in controversy.

Mattala Rajapaksa International Airport, Sri Lanka

India is set to pay approximately \$300 million for a joint venture granting it a 40-year lease over the nearly 2000 acre space in Southern Sri Lanka.

Asia–Africa Growth Corridor

India and Japan announced their co-envisioned project Asia–Africa Growth Corridor at the 52nd Annual Meeting of the African Development Bank (AfDB) summit in May 2017. The corridor shall focus on creating new sea corridors linking the African continent with India and other countries in South and South East Asia.

It is evident that India is leaving no stone unturned to stamp its influence in the vicinity and beyond. However, the litmus test for the success of India's policy shift shall occur in its turbulent 'West', where it has been long stuck in the Pakistan predicament. India is now investing an enormous amount of diplomatic, strategic and economic currency on the 'INSTC' – which aims to breach the great wall of Pakistan.

The International North–South Transport Corridor

Having gained a perspective on the urgency placed on connecting India with others, it is pertinent to take a holistic look at the most vital of them all – the INSTC.

The project in itself is a conglomeration of many subprojects, both existing and new. The project was initiated way back in 2000 and ratified in 2002 by Russia, Iran and India with an aim of establishing the shortest transportation network among the member states and enhancing connectivity with landlocked Central African Republic (CAR). Later, it was joined by another 11 countries, namely, Armenia, Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkey, Ukraine, Belarus, Oman, Bulgaria (as observer) and Syria. It comprises a 7200-km-long multimodal (ship, rail and road) transportation system which shall connect the Indian Ocean and the Persian Gulf to the Caspian Sea through Iran and thence to Russia and North Europe.

Background

The INSTC shall act as India's gateway to expand trade and investment links with CAR nations and Eurasia. In the absence of viable surface transport connectivity, Indian goods to Russia and Central Asia currently move either through the sea route via Rotterdam to St. Petersburg or from the Chinese port of Qingdao that takes over 50 days. Consequentially, India's trade volume with Central Asia is less than \$ 1 billion, which pales in comparison to Russia (\$ 30 billion) and China (\$ 50 billion), both of them have a shorter axis of transport. For decades, India's connectivity options on its west have been foreclosed owing to Pakistan's obstinate resistance to cooperation and control over Pakistan-occupied Kashmir (PoK). Moreover, given the long-standing frictions and unstable bilateral ties, it is naïve to reckon that connectivity through Pakistan/PoK would be smooth. Here, it is worth noting how, despite close strategic ties, Pakistan has used its connectivity access as a lever to bully the United States as it did by obstructing the passage of North Atlantic Treaty Organization (NATO) trucks into Afghanistan across the Torkham crossing in retaliation for the US attack on Salala. India is pragmatic enough to realise that the Pakistan conundrum is in for a long haul and resolving the trade impasse with Central Asia by other means is indispensable. Therefore, the only option left for India was to forge a different axis of transit.

Quagmire and Headway

The Quiet Era

The INSTC dragged for a yawning 17 years, to take shape only recently. The delay is primarily attributable to two major factors. First, Iran which is a major hub in this corridor got isolated globally and was slapped with sanctions on the pretext of developing nuclear

arsenal. The sanctions were only recently taken off. Second, this transport corridor is disjointed and includes various subprojects requiring bilateral and multilateral agreements, apart from funding issues which mired the project. Unlike the BRI, where China is doing the bulk of heavy lifting and herding the project, there was no helmsman for the INSTC. The two large players, India and Russia were reluctant to shoulder the responsibility for shaping and guiding the progress. The first requirement for any such project to see fruition is funding, which was in scarce supply as none of the participant countries had deep pockets to push the project.

However, changing geopolitics, Central Asia's energy abundance, tremendous shrill created by the BRI acted as tailwind for INSTC. In the past few years, a lot of progress has been witnessed. Surprisingly, India has emerged as a pathfinder and has orchestrated synchronous acts to take the Corridor to its logical shape and direction.

Rush to the Finish Line

Dry Run

The maiden dry run was conducted in 2014 by the Federation of Freight Forwarders Association of India (FFFAI) in order to ascertain the various issues related to transit along the proposed North-South corridor. The dry run established that until the formation of this corridor, sea route of the Persian Gulf and Indian Ocean Regions were generally used for transit of cargo to the central and north Europe and Russia. In this transportation method, the goods were transported to the Mediterranean Sea through the Indian Ocean, Oman Sea, Gulf of Aden, Red Sea and Suez Canal. The goods with the final destination as South Russia and Ukraine were transported to Adysa Port through the Black Sea, and those with the final destination as North Europe and North Russia were transferred to North Europe, Helsinki and St. Petersburg Port by passing through the Strait of Gibraltar, Atlantic Ocean, Manish and Baltic Seas.

The dry run concluded that this method of trade between the countries of Indian Ocean and North Europe is quite costly and time-consuming. The use of the INSTC was foreseen to accrue both time and cost benefits.

As per the dry run report, Asian and European countries can exchange their goods in the North-South Corridor with a doubled speed as compared to the Suez Canal route. This corridor currently begins from the Indian Ocean Region (Mumbai Port) and connects to Bandar Abbas in the south of Iran through the sea.

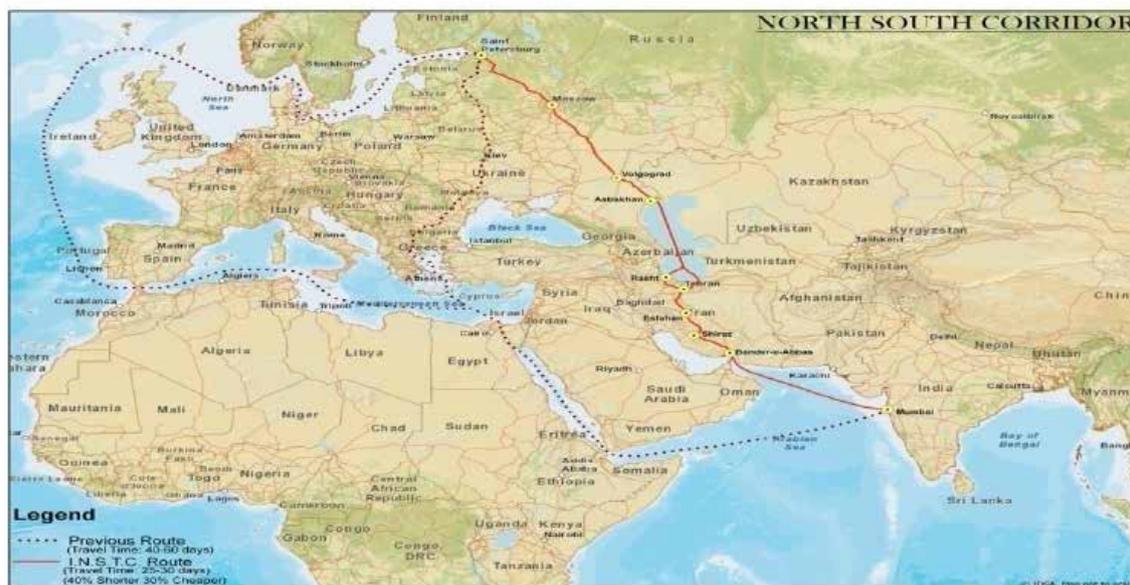
In the Iranian territory, the goods are transported to ports in the north of the country (Anzali and Amirabad Ports) through road or railroad transportation and then, they are transported through the Caspian Sea to the Astrakhan and Lagan Ports in Russia. By completion of the Qazvin–Astara Railroad in Iran, road and railroad access to the countries within Caucasian and Russian zones will be possible.

Apart from these rail links, countries in the region are also building bilateral railway connections, as is the case between Armenia and Iran.

Transport Internationaux Routiers

The Transport Internationaux Routiers or International Road Transports (TIR) Convention has an established set of internationally valid transport documents

Map 1. Comparison – Previous and the INSTC Routes.



..... Previous Route (Transit Time 40 to 60 days)

----- INSTC Route (Transit time 25 – 30 days; 40% shorter, 30% cheaper)

The Vice Chairman of FFAI pointed out that “the infrastructure was available and the security was not a real concern, however, streamlining and coordinating [passage of cargo] with some of the allied agencies was a major concern.” The report of the dry run of 2014 has been taken note of and an all-encompassing approach has been adopted, thereby achieving major tangibles. Some of these are discussed below.

Key Developments

Rail Links

To expedite connection of all the dots of the Corridor, India has agreed for Kazakhstan–Turkmenistan–Iran (KTI) rail link, already operationalised in December 2014, to be linked to the corridor of the INSTC. This will enable deeper Central Asian connectivity. In addition to the KTI rail link, India is also exploring the inclusion of Iran–Uzbekistan–Kazakhstan alignment and the Trans-Afghanistan rail line with further possibility of being developed by Iran, India, Afghanistan and Uzbekistan.

called ‘carnets’. Among participating nations, the ‘carnets’ are required for streamlining and securing of the border crossings. The carnets act as agents for avoiding of the otherwise severe bottlenecks at national checkpoints, leading to reduced cost and time for the freight forwarders and boosting the competitiveness index. India, in an effort to bolster prospects of the multinational and multimodal INSTC, ratified the TIR convention in June 2017. As per Boris Blanche, the COO, at the International Road Transport Union (IRU), a global road transport organisation, “India’s decision to implement the TIR system will have far-reaching benefits for trade and will save significant time and money by streamlining procedures at borders, reducing administration and cutting border waiting times.” India has also ratified the Trade Facilitation Agreement of the World Trade Organisation.

Ashgabat Agreement

The formal joining of India into the Ashgabat

Agreement in February 2018 is a path-breaking event. India's intention to accede to the Agreement would now be conveyed to the Depository State (Turkmenistan). India has got the consent of the founding members (Turkmenistan, Oman, Uzbekistan and Iran) of the agreement and has secured formal entry into the Agreement. The objective of this agreement is to enhance connectivity within Eurasian region and synchronise it with other transport corridors within the region, including the INSTC. The agreement also aims to develop the shortest trade route between Central Asian countries and ports of Iran and Oman.

Transit and Customs Agreements for INSTC

In 2015, officials from Iran, India, Russia and the other 11 countries met in New Delhi and approved the draft of Transit and Customs Agreements for the INSTC. This will provide the legal framework for moving freight on ship-rail-road route linking India, Iran, CARs, Russia and Europe.

Eurasian Economic Union

The EEU has five member countries – Russia, Belarus, Kazakhstan, Armenia and Kyrgyzstan. Government of India, in keeping with the INSTC trade flow, has worked out details of a possible free trade agreement with the EEU. Hectic efforts are under way as this piece goes to print to get the agreement formalised. Discussions are also underway on a free trade agreement between India and the EEU, which shall advance the transport corridor's utility in facilitating trade.

Shanghai Cooperation Organisation

Meanwhile, India's accession to the Shanghai Cooperation Organisation (SCO) in June 2017 is likely to get it included for ratifying the Intergovernmental SubRegional Road Transportation Facilitation Agreement that the SCO drafted for itself in 2014. Most of the member states being on the North-South corridor route map shall ensure efficient transportation through common border crossing.

All these developments will limit paper hurdles, stimulate efficiency of transportation, notch up financial viability of the project and hasten fruition of the corridor. These developments have already ensured that India gets integrated with the Eurasian region. India is now pedalling to intertwine Afghanistan and CAR with the North-South corridor. Development of the Chabahar Port is a major initiative in this direction.

Chabahar Port

The Chabahar Port development has been deliberately de-hyphenated from the other infra-developments being undertaken. As not only does it stand out in terms of its immense strategic value, but also is closely linked with the INSTC. Chabahar Port is situated on the Makran coast and is the only Iranian port on the Indian Ocean. It has a deeper draft compared to Bandar Abbas.

The first phase of expansion of the Chabahar Port, in the south-east of Iran, was inaugurated by Iranian President Hassan Rouhani in December 2017. During the event, he aptly called the day to be celebrated as "the Day of Chabahar," which brought spring to the three countries – Iran, Afghanistan and India. The inauguration came just 18 months after the agreement to expand and upgrade the port was signed by Prime Minister Modi with Iranian President Rouhani in May last year. These 18 months have seen more tangible work vis-à-vis all previous 13 years' work put together. This speaks of the urgency that the current regime in New Delhi places on this vital region. Completion of the first phase implies that the capacity of the first berth has been increased from 2.5 million tons per year to 8.5 million tons. Capacity to handle ships has been increased from 40,000 tons haulage to 100,000 tons. This has provided a significant uplift to the handling capacity of the port. In tandem with the construction activity, a trilateral Trade and Transit Agreement between Iran, Afghanistan and India has already been signed.

Both India and Afghanistan along with Iran stand to gain immensely from the port, few of which are illustrated below:

- India, since long, has been denied the overland access to Afghanistan and Central Asia by Pakistan. India has till date been linked with Afghanistan only through the mode of airlift cargo, constraining her interaction with the country. In 2009, India completed construction of a 215-km-long highway linking Zaranj with Delaram and several other cities on Afghanistan's 'Garland Highway'. Chabahar opens up enormous untapped opportunities and shall act as a conduit to the overland trade corridors linking India to resource-rich Central Asia and European markets.
- For Afghanistan, access to the sea via Chabahar shall ease its dependence on Pakistan. The port is ideally located to provide an alternative for trade between India and Afghanistan as well as with Central Asia. This port is approximately

800 km closer to Afghanistan than Pakistan's Karachi Port. As per recent reports of Asia Times, Afghanistan has already shifted 80 percent of its cargo traffic from Karachi Port to Iran's Bandar Abbas and Chabahar Ports.

- Iran already has a pivotal role in the INSTC with Bandar Abbas and Bandar-e Anzali being trade hubs. With operationalisation of Chabahar and its ensuing linking with Afghanistan and Central Asia, Iran could spread its prosperity evenly, which is currently biased towards its west. Industrial development around the Chabahar and expected development of economic zones along the corridor connecting Afghanistan, the 'Sistan-Baluchestan' province of Iran, in particular, is expected to get both economic and employment boost.

INSTC Plus: The Chabahar Impact

India has realised the potential of the Chabahar Port and now inherently links it with the greater North-South-corridor to dig deeper into Afghanistan and Central Asia. This has led to some expeditious efforts from India to fortify the gains made in Iran and Afghanistan and derive broader gains.

Connecting Iran and Afghanistan

In July 2016, India began shipping \$150 million worth

of rail tracks to Chabahar to develop the port container tracks and construct the \$1.2-1.6 billion Chabahar-Zahedan railway. This is being built by India's Irocon International for which India pledged an additional \$400 million and Iran allocated \$125 million in December 2016. This took the total allocation to \$575 million (out of \$1.6 billion needed for the rail route) till the end of 2016. The distance between Chabahar and Zahedan is 650 km by road and currently takes a travel time of about 7 hours. India is constructing a rail connection between these two stations. The Iran-Afghanistan border is further 250 km northwards with Zabol on the Iranian side and Zaranj on the Afghan side. Milak is the closest Iranian town to the Afghan border. Zaranj is a trading and transit hub in Western Afghanistan. Zaranj is connected well with all major cities and towns of Afghanistan. Connectivity with Kabul is provided through the Zaranj-Delaram Road that was constructed by the Indian Border Roads Organisation (BRO) in 2009 at a cost of \$135 million. It is one of the busiest highways in Afghanistan.

Other Central Asian nations, namely, Uzbekistan, Tajikistan and Turkmenistan will become accessible through Afghanistan. Kazakhstan, the largest and currently the most significant trade and economic partner of India will be accessible for two-way trade through a railway connecting Iran with Turkmenistan and Kazakhstan that was inaugurated in 2014.

Map 2. INSTC Plus: Linking Chabahar Port with Central Asia.



Bottlenecks

The INSTC appears to be a very viable option by accruing handsome savings of time and cost. However, it has to be kept in mind that the success of the corridor shall be realised only if the trade volume is high. There are various factors affecting the trade volume and traffic density. Some of the factors currently impeding the corridor are discussed below:

Multiple Trans-shipments

The corridor comprises multimodal transportation which includes movement by sea, rail and road. This will require several transshipment hubs leading to additional surcharges, requirement of dedicated facilities, time lag and issues of micromanagement at various levels.

Conglomeration of States

In view of several states of varied diversity and scale being involved in this mega-corridor, the issue of harmonisation of procedures and documentation among various countries becomes critical. This calls for several issue-based treaties and systems to be in place to avoid delays and additional overheads. As seen above, work on various quarters is still taking shape and shall impact on overall efficacy of the corridor.

Infrastructure Hurdles

As the North-South Corridor involves various modes of transportation stretched into several countries, this has led to the mash-up of a plethora of subprojects. Although some cargo consignments have commenced movement, the overall state of corridor still remains in 'underdevelopment stage'. The region encompassing the corridor is plagued with mismatched rail gauge problem which restricts seamless railway connectivity. This has resulted in the reduction of efficacy and requires development of efficient wheel set replacement measures to reduce waiting times at the border areas. It is a costly and time-taking affair. Similar such infrastructure bottlenecks are required to be identified and addressed at the earliest.

Funding

Lack of adequate funding is the albatross around the neck of this enormous project and holds it from taking off. Neither India nor Russia, two of the largest participants, have the appetite for funding projects of such scale. It also does not help that the Trump administration has taken a tough stance on Iran and has led to drying up of large-scale private investments. Several efforts are

being made to make the corridor an economic success. Post the 22-day trip of the first Bombay–Moscow test train recently, Iran decided to cut the rail freight tariffs by 50 percent. India and Iran have also recently agreed to set up a Joint Committee of officials to examine feasible options, including Rupee-Rial Arrangement. More such initiatives are necessary to offset the lack of heavy funding.

INSTC versus BRI

With the INSTC soon getting operational, there are a growing number of voices pitching it against the BRI. There are enough evidence and arguments, however, to negate the possibility of a clash of the two megaprojects. Few of them meriting attention are as given below:

- The INSTC in terms of genesis is more than a decade older than BRI, thus ruling out any history of rivalry.
- Both these projects have a common elephant in the room – Russia, which is considered a shrewd player of geopolitics. It would be puerile to consider that Russia shall choose to pitch its own two heavily invested projects against each other.
- BRI envisages an overall outlay of approximately \$1 trillion, the North-South Corridor pales in comparison and costs only a fraction of that amount. None of the participants of INSTC, including India, have deep enough pockets to rival the scale of the BRI.
- While BRI mostly involves the creation of a fresh corridor, INSTC attempts to connect existing transport facilities by stringing alliances and memorandum of understandings (MoUs), and ends up creating only a few fresh projects.

INSTC versus China-Pakistan Economic Corridor (CPEC): Brewing Rivalry

From India's perspective, the INSTC–Chabahar axis is closely tied with the CPEC, only a subproject of BRI, from both security and economic sense. India from day one has been highlighting the issue of infringement of its sovereignty by the joint Sino-Pak project. The Prime Minister of India recently remarked during the Raisina Dialogue that "only by respecting the sovereignty of countries involved, can regional connectivity corridors fulfil their promise and avoid differences and discord." The argument holds water as the CPEC passes approximately 300 km across the Gilgit-Baltistan, a region claimed by India. This infringement is compounded by serious security concerns posed by the project. It is amply clear that the potential of Gwadar

Port is acutely short of the requirements of China. In this context, conservative assessments of India's options call the CPEC a 'disguised political disturbance' with a high level of 'strategic content' that is set to challenge India. The statement is probably derived from the context that China plans to secure Gwadar Port to mark its naval presence in the Indian Ocean, which will definitely undermine India's influence in this part of the Indian Ocean Region. India's interplay with Central Asia and Afghanistan not only opens economic vistas but also gives a strategic edge over the Sino-Pak nexus.

Gains of INSTC

Having discussed the project, a holistic assessment from India's perspective is required to be made. A few pertinent fallouts are deliberated below.

Bypass Pakistan

The corridor assists India to overcome the obstacles and hindrances placed by Pakistan from realising direct and seamless access to Afghanistan and Central Asian States. This is bound to open up newer avenues and catalyse other long-delayed projects like Turkmenistan-Afghanistan-Pakistan-India (TAPI) Pipeline, submarine pipeline from Oman, and so forth.

Economics Gains

INSTC being primarily an economic corridor, it is but natural to gauge its impact in terms of its economic potential. A few of them are listed below:

- The INSTC aims to increase trade connectivity between major cities such as Mumbai, Moscow, Tehran, Baku, Bandar Abbas, Astrakhan, Bandar-e Anzali and others. The estimated capacity of the corridor is 20-30 million t of goods per year. Transportation costs for these goods between countries within the Indian Ocean and North Europe zones are expected to be 30 percent cheaper through the INSTC and shall cut approximately 40 percent of transit time.
- The corridor will facilitate free trade agreements with the EEU comprising of 5 resource-rich nations with combined gross domestic products of over \$4 trillion and potential trade values of approximately \$62 billion. India currently trades only \$11 billion worth of goods with the region, cornering less than 18 percent of its true capacity.
- Further, with the linking of Chabahar Port with INSTC, India's trade with the Eurasian region is expected to grow to a staggering \$170 billion.

- As per reports of Asia Times, Afghanistan also stands to gain a windfall with the INSTC-linked Chabahar as over \$5 billion worth of Afghan trade is expected to be routed through this corridor.
- The INSTC is expected to give a fillip to the 'Make in India' which is desperately seeking new prospects.

Wane Islamabad's clout over Kabul

Economy being a primary tool of geopolitics, and Kabul evidently moving out of Pakistan's economic orbit, the sway that Islamabad holds over Kabul is bound to loosen. It is also expected to have a cascading effect on other domains of the relationship as well.

Prospect of Future Expansion

With the rollout of INSTC and the IMT corridors nearing fruition, there is a brewing possibility of a longer transport belt that connects South East Asia to Europe. It makes economic sense as Association of Southeast Asian Nations (ASEAN) and the European Union (EU) are each other's third- and second-largest trading partners. Further, it should be noted that the prospect of expansion also lies on the west of the corridor. The German railway company, Deutsche Bahn, has recently expressed interest in using the INSTC to deliver goods from Europe, though Azerbaijan, to Iran. Estonian Foreign Minister, Sven Mikser, also expressed interest in joining the INSTC in January this year.

Counter Chinese Outflank

It would be naïve to assume that China is investing heavily in CPEC and leasing the strategically located Gwadar Port for economic reasons only. Rather, a robust naval presence at a key location that may put China in a 'commanding position at the mouth of the Gulf' in India's perceived 'home ground' is fraught with implications for India. A foothold for India at Chabahar, located just 72 km west of Gwadar, is an outstanding move. With Russia showing interest in investing in the CPEC and Japan communicating its willingness to invest in the Chabahar Port, the region now assumes greater significance and is bound to become playground for the next great game.

Re-engage with Russia

Russia, in the wake of India seemingly gravitating towards the US sphere and its own geopolitical designs, has been engaging on both political and military fronts with Pakistan. It has also shown inclination towards investing in the CPEC, which India is opposed to since its conception. The INSTC gives India an ideal platform

to re-engage with Russia and redefine the contours of the relation, which is fast turning into one-dimensional buyer-seller interplay.

The Way Ahead

The corridor allows India to manoeuvre to its west and offers immense economic, political and geostrategic capital. There are, however, some missing links and under-progress works that India needs to address with urgency. Few of these aspects are discussed below.

- The corridor shall gain from getting knit with other existing transport initiatives in the Central Asian Region. The two such initiatives being – the Organisation of the Black Sea Economic Cooperation (BSEC), which is primarily Europe leaning and the recent ‘Ashgabat Agreement’, which is a more Central Asia-centric initiative allowing to take advantage of the elaborate rail network. Work on implementation of the Ashgabat Agreement, which India is a participant now, is already underway.
- It is pertinent to note that in view of expanding trade volumes between the INSTC members, fast-tracking of the India-Eurasian Economic Union (EAEU) Free Trade Agreement is a crucial next step.
- Frequent shipping (cargo) movements between the ports in India (Mundra, Kandla and Mumbai) and Chabahar, Bandar Abbas and beyond has to be undertaken. The corridor has to move beyond dry runs and catch up with initiatives like BRI which are miles ahead in terms of deliverables.
- India needs to pitch in to enable realisation of the proposed joint Afghan-Uzbek project of extending the approximately 700-km-long Mazar-i-Sharif to Herat railway line. This would link all the Central Asian countries, thus enabling close integration of the region with the Chabahar Port. It is touted to be the biggest breakthrough in Asian transport connectivity.
- It would be beneficial for the corridor to integrate at least one or more of the Central Asian countries apart from Afghanistan to allow Chabahar as a gateway between Eurasia and the Indian Ocean. Cooperation in the area of connectivity with these countries could also be pursued under the SCO framework.

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- India and Russia have begun formal negotiations on a free trade agreement between India and EEU. This needs to be expedited to enable seamless movement of exports from India to the vast Eurasian market.
- India should look beyond and integrate with other transportation initiatives also like Russia’s ‘Greater Eurasian’ corridor of Baikal-Amur Mainline, Trans-Siberian Railway and the North-east Passage to connect to the Far East and even Japan. This shall create options for India in addition to the INSTC and enable greater strategic and economic area of influence.
- Decoupling and deft handling of diplomacy will be required to deny the corridor from getting affected by the region’s inherent political precariousness.
- The corridor shall remain vulnerable as it passes through regions infested by terrorist- and piracy-related activities. Comprehensive MOUs among participating nations for security and insurance cover is a prerequisite.

Conclusion

A plethora of transport corridors being undertaken by India affirms her willingness to engage with others politically and economically. With the recent path-breaking visit of state heads from all the ASEAN nations on the eve of Republic Day, India announced its seriousness to engage holistically with the Eastern neighbours without prejudice. Similarly, with the ensuing roll-out of the INSTC, India strongly pushes for an ‘Act West policy’ driven by concrete actions. There is also a lot stacked up to keep the western front buzzing with both economic and political activity. For example, the maiden visits to Israel and Palestine by any Indian Prime Minister set the tone for a revamped diplomatic engagement with the Middle East. Similar effort was made earlier with the visit of the Prime Minister to all five CAR states which helped shape the North-South Corridor and went beyond too. The operationalisation of the North-South Corridor is a watershed event for India’s diplomatic engagements and should propel her to engage in similar projects of global scale with a benevolent outlook and greater economic prospects.

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