AIR Spotlight - Land Ports Authority of India

AIR Spotlight is an insightful program featured daily on the All India Radio Newsonair. In this program, many eminent panellists discuss issues of importance which can be quite helpful in <u>IAS exam</u> preparation. In this article, the topic of discussion is Land Ports Authority of India Transforming India's Land Ports to Smart Ports.

Participants:

- Smt Rekha Raikar Kumar, Member Finance Land Ports Authority of India
- Mr Afaq Hussain Co-Founder and Director Bureau Of Research On Industry and Economic Fundamentals

Land Ports Authority of India:

- The Land Ports Authority of India (LPAI) is a statutory body created under the Land Ports Authority of India Act, 2010.
- It is working under the Department of Border Management, Ministry of Home Affairs.
- LPAI is responsible for creating, upgrading, maintaining and managing border infrastructure in India. It is entrusted with the task of building land ports on India's borders and providing state of the art infrastructure facilities to facilitate the seamless and efficient movement of cargo and passengers with an overall objective of reducing dwell time and trade transaction costs, promoting regional trade and people-to-people contact and imbibe the best international practices.
- It manages <u>Integrated Check Posts (ICPs)</u> all across the land borders of India. LPAI endeavours to provide safe, secure and systematic facilities for the movement of cargo as well passengers at its ICPs.

Integrated Check Posts:

- The ICPs are entry and exit points on the land borders and house various facilities such as customs, immigration, and border security, quarantine, among others, within a single facilitation zone.
- There are currently nine ICPs operational in India.
 - Pakistan: Attari and Dera Baba Nanak
 - Nepal: Raxaul and Jogbani
 - Bangladesh: Agartala, Petrapole, srimantapur and Sutarkandi.
 - Myanmar: Moreh
- 14 more ICPs are planned in the years ahead to take the total to 23.
- Also 66 LCS will be converted into ICPs in a phased manner.

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Significance of land ports:

- By providing for a wide range of facilities under one umbrella, they result in reduced time as well as costs for such cross border trade and hence they increase and promote the trade between the two border countries.
- The Land ports will help increase the otherwise low levels of intra trade between the South Asian countries.
- They help generate enough employment opportunities in the local areas. This is very important given that most border areas lack sufficient infrastructure as well as livelihood opportunities.
- The presence of border infrastructure boosts opportunities for investment avenues for industries in such areas. This aid the economic development of the region.
- They help boost tourism and travel and help enhance people to people contact.
- Land-based trade becomes important in geographies like South Asia where we have some locked countries like Nepal and Bhutan. Indian ICPs are being used as a transit for the export of these countries. Hence these land ports are beneficial to our landlocked neighbours as well. Increased interdependency with the neighbours via common markets will help these land ports become a bridge between the neighbouring countries.
- Such land ports will help curb illegal trade and formalize the trade. This will help reduce instances of smuggling along the borders.
- The various land ports have come in handy during emergencies. The Attari ICP is helping India connect to Afghanistan and arranging emergency aid. During the <u>COVID -19 pandemic</u>, ICPs were used for supplying vaccines and medicines to the neighbouring countries.

Challenges:

- Digital connectivity is still lacking. Still, manual process is being followed at the ICPs.
- Insufficient road infrastructure continues to be a major challenge.
- The lack of mirror ICP on the other side of the border reduces the effectiveness of such initiatives.

Recommendations:

- Need time-based clearances at the ICPs. This will lead to better margins for the traders and will act as a major incentive for more trade.
- Need to coordinate with neighbouring countries to ensure the existence of mirror ICP's on the other sides of the border to ensure the full effectiveness of these initiatives.
- The national trade facilitation plans should include separate and focussed policies on mainstreaming land-based trade via the ICPs.

Conclusion:



- India shares almost 15,000 km of land border. Promoting trade across these land borders will help provide impetus to not only the overall national economy but also to the local economy as well. This will also help improve India's relationship with the neighbouring countries.
- The land ports are ensuring that the borders are no Longer barriers but bridges connecting the countries.

