



Research Paper

Role of INSTC & Enhancing Connectivity to Central Asia

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Abstract: In the year 2000, India, Iran, and Russia signed the INSTC agreement to establish a new transportation corridor. This corridor offers a direct route that connects the Indian Ocean and the Persian Gulf to the Caspian Sea through Iran, extending all the way to St. Petersburg. Covering 7,200 kilometers, it combines shipping, rail, and road systems to make freight transport more efficient. The regions involved include India, Iran, Afghanistan, Azerbaijan, Russia, Central Asia, and Europe. From St. Petersburg, to North Europe, is effortlessly accessible through, the Russian Federation. The vital objective of the corridor is primary to backing trade relations between, key cities such as Mumbai, Moscow, Tehran, Baku, Bandar Abbas, Astrakhan, and Bandar Anzali. The fulfillment of these objectives varies due to their intimate connection with the geopolitics of the complex regions and countries. These geopolitical dynamics, notably the evolving economic impact on Central Asia, play a crucial role. India's increasing emphasis on developing the International North-South Transport Corridor as part of its policy to link Iran with other Central Asian countries, by passing Pakistan, contrasts with China's efforts through the China-Pakistan Economic Corridor (CPEC).

Keywords: Chabahar port -Rail Project, Central Asia, India, Iran, Russia Etc;

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International North-South Transport Corridor (INSTC)

The International North-South Transport Corridor (INSTC) is a major multi-modal transport creativity that commenced on September 12, 2000, in Petersburg, involving Iran, Russia, and India. Its primary aim is to enhance transportation collaboration among these nations.

Since, The INSTC has extended to include additional members,; Azerbaijan, Armenia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkey, Ukraine, Belarus, Oman, Syria, and Bulgaria., (as an observer State). The corridor plans to develop a 7,200-kilometer network that integrates maritime, rail, and road transport to improve the efficiency of freight movement. This network is projected to lower transportation costs between India and Russia by around 30% and significantly reduce transit times from the current 40 days. Connecting the Indian Ocean and the Persian Gulf to the Caspian Sea via Iran, the corridor extends further through Russia to St. Petersburg and Northern Europe. The INSTC aims to lower costs and transit times for goods traveling between India and Russia/Europe via Iran while also offering a connectivity solution for Eurasian countries. and the Ashgabat Agreement, which involves several countries, India, Oman, Iran, Turkmenistan, Uzbekistan, and Kazakhstan, and pursues to found a comprehensive transport route to facilitate trade between Central Asia and the Persian Gulf.

The INSTC Route

Mumbai marks the southern terminus of the route. The route passes to Bandar Abbas in Iran, situated consciously on the narrow Hormuz Strait along, the southern coast of the Persian Gulf. On land in Iran, The route, from Bandar Abbas to (Bandar-e-Anzali), an Iranian port situated on the Caspian Sea. From (Bandar-e-Anzali), ships cross, The Caspian Sea., to Astrakhan, a Russian port on the Caspian Sea, located on both banks of the Volga River. Astrakhan is connected by Russian Railways to other regions of the Russian Federation and further into Europe.

Additional Routes:

The additional Azerbaijan route,: The INSTC helps in transport, to connect among India, Iran, Azerbaijan, Russia, and Kazakhstan. Iran, has started the efforts, to decide the Astara railway link. Chabahar INSTC.: In 2002, India and Iran entered into a long-term agreement to develop Chabahar into a major deep-sea port. The overfilled, Bandar Abbas port, Chabahar has a high volume and plans to enlarge to 12.5 million tonnes yearly. Future plans include integrating Chabahar into the INSTC. The link of railway, from Kazakhstan to Turkmenistan to Iran railway link, Known as the north to South Transnational Corridor,: The 677-kilometer railway links Kazakhstan and Turkmenistan to Iran and, the Persian Gulf. Southern Armenia-Iran Railway Corridor.: This railway is a crucial addition to the International North-South Transport Corridor, providing the shortest route from Black Sea ports to Persian Gulf ports. Trans-Iranian canal: The idea of constructing a canal linking the Persian Gulf with the Caspian Sea was first proposed in the late 1800s and was reportedly under consideration by the Russian and Iranian governments.

The route's benefits include:

The improved transportation, links between Russia, Central Asia, Iran, and India will significantly increase bilateral trade volumes. The International North-South Transport Corridor (INSTC) is particularly crucial in strengthening India's trade and investment ties with Central Asia.

The activation of the INSTC would allow India to connect with Russia in 16-21 days at competitive freight rates, potentially increasing trade along this corridor. Current routes through Rotterdam or China to reach Russia and Central Asia are lengthy, expensive, and time-consuming. Additionally, efforts aim to reduce the use of reefer containers for agricultural goods and bolster support for Russian supplies. The Researchers says it indicates, that the INSTC route is 30% cheaper and 40% shorter than traditional alternatives.

The India gains direct access to prosperous Central Asian markets, offering its exporters cost savings and faster delivery times, thereby enhancing their competitive edge. Given China's expanding regional influence through initiatives like the One Belt, One Road, the INSTC holds significant economic and strategic value for country. It helps benefits in Central Asia and, beyond, potentially protection its trade interests.

The INSTC, could unlock further potential if India can involve, its Southeast Asian neighbors. While transit from the Suez Canal takes 45-60 days, the INSTC offers a quicker route of 25-30 days. Turkey has expressed readiness to facilitate connectivity between the Black Sea Economic Cooperation (BSEC) and the INSTC.

The importance of Chabahar Port?

Direct Route to Afghanistan: This initiative aims to establish sustainable connectivity between India and Afghanistan, fostering stronger economic ties. The Pakistan has refused passage to Indian trucks bound for Afghanistan, making Chabahar Port crucial for Afghanistan's trade with other nations. Chabahar Port's significance lies in countering China Pakistan Economic Corridor (CPEC) and Chinese maritime presence in the Arabian Sea, given its proximity (72 km) to Gwadar Port. Trade and Commerce: Chabahar Port's operationalization will significantly enhance India's imports of iron ore, sugar, and rice, while reducing the cost of oil imports. The INSTC, offers imports,; that are 30% cheaper compared to the Mediterranean-Suez route. Furthermore, it provides a potential route for exporting natural gas from Central Asia to India, complementing ongoing projects like the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline. It has already increased crude purchases from Iran following the lifting of Western sanctions. Humanitarian Operations,; Chabahar Port can serve as a hub for coordinating humanitarian operations across Central and South Asia. Link to International North-South Transport Corridor,; Chabahar Port enhances India's access to Iran, a pivotal gateway to the International North-South Transport Corridor, which integrates sea, rail, and road routes linking towards India, Russia, Iran, Europe, and Central Asia.

Why Chabahar port is important? What is geopolitical significance

1. Enhances trade, diplomatic, and military relations with Iran.
2. Provides with direct connectivity to Afghanistan by passing Pakistan.
3. The key entry point to the International North-South Transport Corridor, integrating road, rail, and sea routes connecting Russia, Europe, Central Asia, Iran, and India.
4. Enables country to conduct humanitarian operations if necessary.

Conclusion: The INSTC can create a great boost for Trade economy of several countries and also directly, it can reduce the time of travelling in terms of trade relations and bilateral relation. The importance of the International North-South Transport Corridor (INSTC) is strengthening, India's trade and investment linkages with Central Asia. According to a research undertaken by India's Federation of Freight Forwarders' Associations, the route is "30% cheaper and 40% shorter than the present traditional route."

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