

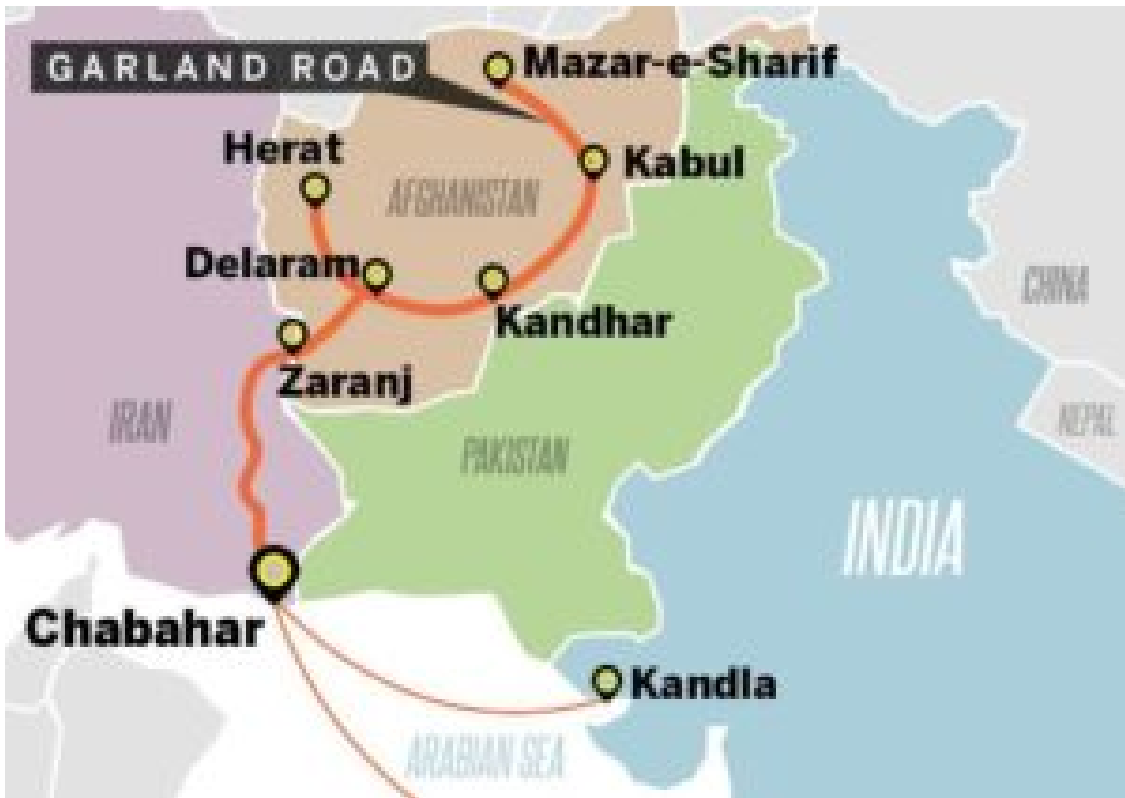
Chabahar port

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In News: Chabahar port located in the Gulf of Oman is a seaport in southeastern Iran.

About Chabahar Port

- Chabahar port agreement is a trilateral agreement between India, Iran and Afghanistan to develop railroad connectivity linking Chabahar port of Iran to Zahedan, across afghan borders.
- The project was conceived in 2003 during the prime ministership of Atal Bihari Vajpayee.
- However, the project did not materialise due to U.S sanctions on Iran.
- The project was revived under the initiative of PM Narendra Modi.
- According to the 2016 MoUs, India would be granted a 10-year lease to develop and operate two terminals and five berths, access to the Chabahar free trade zone, and the opportunity to build the 628 km rail line from Chabahar to Zahedan, just across the border from Afghanistan.
- Iranian government's decision to proceed with the construction on its own, dropping India, citing delays from the Indian side in funding and starting the project is a setback.
- India's loss in failing to develop the Chabahar project is China's gain.
- While India's influence is waning, China and Iran are in an advanced stage of finalising the 25 year strategic partnership agreement that would allow China to expand its presence in banking, telecommunications, ports, railways and several other sectors in the Islamic Republic in return for heavily discounted oil.



Chabahar port is important for India?

- With this, India can bypass Pakistan in transporting goods to Afghanistan.
- It will also boost India's access to Iran, the key gateway to the International North-South Transport Corridor that has sea, rail and road routes between India, Russia, Iran, Europe and Central Asia.
- It also helps India counter Chinese presence in the Arabian Sea which China is trying to ensure by helping Pakistan develop the Gwadar port. Gwadar port is less than 400 km from Chabahar by road and 100 km by sea.
- With Chabahar port being developed and operated by India, Iran also becomes a military ally to India. Chabahar could be used in case China decides to flex its navy muscles by stationing ships in Gwadar port to reckon its upper hand in the Indian Ocean, Persian Gulf and Middle East.
- Trade benefits: With Chabahar port becoming functional, there will be a significant boost in the import of iron ore, sugar and rice to India. The import cost of oil to

India will also see a considerable decline. India has already increased its crude purchase from Iran since the West imposed ban on Iran was lifted.

- From a diplomatic perspective, Chabahar port could be used as a point from where humanitarian operations could be coordinated.

