

**Press Information Bureau
Government of India
Cabinet**

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**Implementation of the Kaladan Multi Modal Transit Transport Project in Myanmar at the Revised Cost Estimate of
Rs 2904.04 Crore**

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi, today gave its approval for the Revised Cost Estimate (RCE) of Rs.2904.04 crores for the Kaladan Multi Modal Transit Transport Project in Myanmar.

The project will provide an alternate access route to the North-Eastern region of India and contribute towards the region's economic development. Being a key connectivity project, it will promote economic, commercial and strategic links between India and Myanmar.

Background:

The Kaladan Multi Modal Transit Transport Project was jointly identified by the India and Myanmar to create a multi-modal mode of transport for shipment of cargo from the eastern ports of India to Myanmar as well as to the North-Eastern part of India through Myanmar. This project, which will connect Sittwe Port in Myanmar to the India-Myanmar border, is expected to contribute to the economic development of the North-Eastern States of India, by opening up the sea route for the products. It also provides a strategic link to the North-East, thereby reducing pressure on the Siliguri Corridor. In the absence of an alternate route, the development of this project not only serves the economic, commercial and strategic interests of India, but also contributes to the development of Myanmar, and its economic integration with India. Since the project is of political and strategic significance, it

was decided to execute it through India's grant assistance to Myanmar.

Following preparation of the Detailed Project Reports (DPR) for the waterways component comprising Port and Inland Waterways Terminal (IWT) in April 2003 and the road component in March 2005, M/s RITES Limited, a Public Sector Undertaking under the Ministry of Railways, suggested a waterway route from Sittwe Port to Kaletwa (225 kms) along the Kaladan River and thereafter a roadway from Kaletwa to the India-Myanmar border (62 kms). The Cabinet approved the project at a cost of Rs. 535.91 crores in its meeting held in March 2008.

NW/AKT/SH