

THE PEOPLE'S REPUBLIC OF BANGLADESH



Meeting on Best Practices in Corridor Development and Management for the Benefit of LLDCs and Transit Countries

Ulaanbaatar, Mongolia
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Outline

- ❑ **The Reasons why transit is an important issue**
- ❑ **Concepts of Transit, Corridor Use, and Transshipment**
- ❑ **Need For Regional Connectivity**
- ❑ **Collaboration with Nepal**
- ❑ **Collaboration with Bhutan**
- ❑ **Collaboration with Seven Sister Country**
- ❑ **Major Challenges**
- ❑ **Some Major Initiatives**
- ❑ **Introducing Delta Plan**

The reasons why transit is an important issue

- BD is located between the western parts of India and its Eastern and North Eastern States, physically separating the two parts of India.
- Transportation between the two parts of India takes place by long-winding railways and hazardous mountainous roads along the Shiliguri corridor, causing huge cost to the Indian economy in terms of time and resources.
- Shiliguri Corridor (Chicken Neck) is about 17 miles connecting New Jalpaiguri in the West and Kuchbihar in the East.
- The potential of Trade with Nepal, Bhutan and China are under utilized.

Map-1: South Asia Sub-Region, with Bangladesh, Nepal and Bhutan around it



Concepts of Transit, Corridor Use, and Transshipment

- Transit is defined as “a passage through or across”. In international trade, it means that goods destined from one country to another country.
- “Corridor Use” has a distinctive feature vis-à-vis transit. The corridor is defined “as a strip of land forming a passage way between two otherwise separated parts of a country”.
- Corridor use refers to the use of a particular passage unlike transit, which does not restrict itself to a single or a particular land strip of a country
- In both “transit” and “Corridor Use”, goods are moved by the first country’s own transport vehicle or carrier.
- Transshipment relates to transfer of cargo from one carrier to another. These carriers may belong to the country which transships the cargo

Need For Regional Connectivity

- Regional connectivity is high on the agenda. The United Nations Economic and Social Commission for Asia and the Pacific-sponsored Intergovernmental Agreement on the Asian Highway network in 2009 where three Asian Highway routes traversing Bangladesh were identified.
- The South Asia Sub regional Economic Cooperation (SASEC) Program proposed ***six transport corridors connecting Bangladesh, India, Nepal, and Bhutan.***
- Mongla and Chittagong were designated as important regional gateways into Bhutan, India, and Nepal

Collaboration with Nepal

- ❑ Nepal is a landlocked and mountainous country and has high trading costs, which reduces competitiveness domestically and externally.
- ❑ Nepal and the People's Republic of Bangladesh enjoy excellent bilateral relations
- ❑ Nepal-Bangladesh commercial and economic relations are increasingly growing
- ❑ Nepal-Bangladesh Joint Economic Commission (JEC) was set up at the level of Finance Ministers in 1978.

Collaboration with Bhutan

- **Recognizing that physical isolation is the main cause of poverty in Bhutan, the country strategy devised by ADB supported road expansion, followed by assistance to promote integrated rural development.**

Collaboration with Seven Sister

Goods from Bangladesh are getting popularity in seven northern states of India, popularly known as `Seven Sisters` gradually, the trade between Bangladesh and those states is not reaching at desirable level due to lack of infrastructure.

Collaboration with Seven Sister

- Besides, businessmen of both Bangladesh and India are affected due to lack of improvement in ties with Assam's capital Guwahati, which is known as a `gateway` to the Seven Sister states. As a result, both sides are deprived of availing the potentials of trade and commerce.

Some Challenges

- Lack of Regional Cooperation
- Infrastructure Funding Crisis
- Protecting Natural water sharing right with neighboring countries
- Internal and external political issues

Introducing Delta Plan

- Comprehensive Inland transportation system integrating water and road connectivity.
- Strengthen Regional Connectivity.
- Integrating SDG

Some Initiatives of Bangladesh

- ❑ Asian Highway
- ❑ SAARC Highway Corridor
- ❑ SASEC Road Corridor 33
- ❑ BCIM-Economic Corridor 43
- ❑ BIMSTEC Road Corridor 51
- ❑ BBIN Motor Vehicles Agreement

Thank You!