

A bridge across for ever

Bridging Infrastructural Gaps in Bangladesh for Improved Regional Connectivity

The Bangladesh, Bhutan, India and Nepal Motor Vehicles Agreement (BBIN MVA) is a step towards sub-regional economic cooperation. If implemented correctly, it is expected to increase the volume of trade in South Asia, leading to more employment opportunities and also, lower prices of products for consumers. Infrastructural impediments stand in the way of smooth movement throughout the sub-region. A field survey of CUTS International and Unnayan Shamannay in Bangladesh has studied key transport corridors and identified hurdles that are limiting the flow of goods in and out of Bangladesh. This Policy Brief offers recommendations to bridge the gap between the current status of infrastructure for the effective execution of the BBIN MVA.

Introduction

South Asian countries share a great deal of history and culture. However, integration and connectivity among these countries have remained weak. The BBIN MVA initiative seeks to achieve high levels of economic cooperation and connectivity among BBIN. Though it is a first major step towards connectivity but there are several infrastructural impediments in Bangladesh that will hinder the implementation of the MVA.

This Policy Brief highlights the major infrastructural concerns in Bangladesh and offers recommendations towards addressing them.

Main Findings

The major infrastructural concerns that have been identified in the study, are summed up as follows:

Sub-optimal road conditions

Poor road infrastructure is a prime issue in the routes proposed by the BBIN MVA. Road conditions deteriorate on account of heavy truck movements during the rainy season. Moreover, construction and repair work cause congestion, which results in high cost of transportation in terms of both financial and opportunity costs. In the Agartala-Akhaura-Dhaka route, road

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infrastructure is pathetic for a stretch of about 52.9 km in Bangladesh. In the Kolkata-Petrapole-Benapole-Dhaka route, road infrastructure covering 38 km is also bad. Similar is the case of road infrastructure from Burimari to Rangpur, which covers 134 km. The bridge over Korotowa River (Mahasthangarh) is damaged.

Due to pressure created by heavy truck movements during rainy season, a sizeable portion of roads are broken. This condition has been observed in routes like Agartala-Akhaura-Dhaka and Thimphu-Jaigaon-Siliguri-Changrabandha-Dhaka-Chittagong. In the Changrabandha to Chittagong route, truck drivers reported that poor

road conditions lead to delay and cause untimely damage to tyres.

The approach roads are the roads that connect national highways or other roads to Land Customs Stations (LCS). These LCSs include: Akhaura LCS to Ashuganj (Brahmanbaria), Panchgarh to Rangpur (Banglabandha LCS), Tamabil to Sylhet and Burimari to Rangpur Modern More. Moreover, the narrow roads also lead to accidents. In the Dhaka-Banglabandha-Fulbari-Panitanki-Kakarvitta-Kathmandu corridor such problems have been discerned by our survey team. If the approach roads are well-made and wide, then that will help easy movement of cargo vehicles.

Sub-optimal road infrastructure, unavailability of testing laboratories and inadequate warehouse, cold storage of parking facilities at the Border halt the trade.



Unavailability of testing laboratories

The presence of testing laboratories near LCSs helps in expediting clearance of cargo at the border points. Readymade garments exported to India from Bangladesh via Dawki-Tamabil require Azo dye test, which is done at Varanasi, Uttar Pradesh and India. This testing requires about two months and the consignment is stored at warehouses for the entire period leading to such a high cost that Bangladesh has stopped exporting garments. Thus, to revive and promote export of garments from Bangladesh through this Dawki-Tamabil LCS, testing laboratories need to be established at Dawki/Shillong.

There is no plant quarantine facility at Fulbari. It is necessary to establish a Food Testing Laboratory at this LCS since a lot of fruit juice and drinks enter India from Bangladesh through Fulbari. Two or three days are consumed in sending the samples to Kolkata and getting the clearance certificate. Establishment of a plant quarantine facility will speed up the trade process leading to higher volume and less unit cost for India-Bangladesh

trade in the concerned products through this route.

Lack of warehouse, cold storage and parking facilities at the border

Setting up weighbridges along with strengthening of capacities of existing ones is necessary. Warehouse facility is inadequate in all land ports, and this causes problems when higher volumes of trade take place. Warehouses, cold stores, rest rooms and parking areas are absent at most border points, except Fulbari and Benapole LCSs; these latter stations also have some limitations.

At Fulbari, warehouse and truck parking facilities exist but these are limited to 150 trucks at a time. At Benapole LCS, due to inadequate parking space, many private parking places have emerged. Owners of these private parking places charge truckers excessively. Additionally, if the capacity of the custom houses is not increased, the border points will be congested leading to higher opportunity costs.

Other Infrastructural Issues

Interrupted internet connection and power supply at land ports affects the operation of Electronic Data Interchange (EDI) system and delays custom officials operating at the border points. Therefore, uninterrupted internet connection and power backup facilities are needed in all land ports.

Policy Recommendations

To address issues pertaining to infrastructural inadequacies at the border, the following recommendations are proposed:

- Creation of a single window integrated check post is necessary to aid implementation of BBIN. This will reduce the time and cost of the trading process. It will also be helpful in removing the issue of delay in cargo movement due to infrastructural limitations at the border.
- Inland Container Depots (ICDs) have to be established for trade facilitation and easing of border crossing processes. All customs checking can be done at ICDs. At present,

majority of LCSs do not have ICD, and it is necessary to identify strategic locations for them and set them up.

- A single operating software has to be maintained under the BBIN MVA. This will create harmony in procedural matters observed across countries of the region. At the same time, it will help align services on both sides of the border.
- Electronic transfer of papers through EDI should also be initiated.
- Bangladesh government may take note of the importance of its strategic location in the region, and provide transit facilities to other partner countries.
- Quality of roads and bridges should be improved along all corridors. Proper maintenance should also be ensured.
- All LCSs should be provided with adequate parking facilities, warehouses, cold storages and testing laboratories to avoid delay, harassment and spoilage of goods.

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With the support of:



This Policy Brief has been published under the project entitled, 'Bangladesh-Bhutan-India-Nepal Motor Vehicles Agreement: Facilitating implementation and stakeholder buy-in in the BBIN sub-region' implemented by CUTS International with the support of U.S. State Department. This project is being implemented in partnership with Unnayan Shamannay, Bangladesh; Bhutan Media & Communications Institute; and Nepal Economic Forum.