A Session on:

“Connectivity and Transport Infrastructure Development”

Presented by,

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Economic Relations Division, Ministry of Finance
Bangladesh
Six Priorities areas of the VPoA, 2014

1. Fundamental Transit Policy Issues
2. Infrastructure Development and Maintenance
3. International Trade and Trade Facilitation
4. Regional Integration and Cooperation
5. Structural Economic Transformation, and
6. Means of Implementation
17 SDGs......

Goal 1: No poverty
Goal 2: Zero hunger
Goal 3: Good health and well-being for people
Goal 4: Quality education
Goal 5: Gender equality
Goal 6: Clean water and sanitation
Goal 7: Affordable and clean energy
Goal 8: Decent work and economic growth
Goal 9: Industry, Innovation, and Infrastructure
Goal 10: Reducing inequalities
Goal 11: Sustainable cities and communities
Goal 12: Responsible consumption and production
Goal 13: Climate action
Goal 14: Life below water
Goal 15: Life on land
Goal 16: Peace, justice and strong institutions
Goal 17: Partnerships for the goals
Progress of Bangladesh : At A Glance

• The average annual growth rate of real GDP per capita which is 5.14% in FY 2015 is targeted to be 7% by 2025 and by 7.5% by 2030.

• Poverty level in 2016 was 24.3% and targeted poverty level in 2017 stood at 22.3%.

• The total production of rice in FY 2015 was 34.71 million tonne, which rose to 35.01 million tonne in FY 2016. Production of all other agricultural goods except oilseeds also increased.
<table>
<thead>
<tr>
<th>Policy interventions to promote connectivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sixth Five Year Plan</td>
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<tr>
<td>Road Master Plan 2009</td>
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<tr>
<td>SAARC Motor Vehicle Act</td>
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<tr>
<td>National Core Committee on Transit</td>
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<td>National Multimodal Transport Policy</td>
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<td>Motor Vehicles Axle Load Control Station</td>
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<td>Implementation Policy, 2012</td>
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</tbody>
</table>
Integration of the transport network of South Asia is particularly crucial to countries such as Nepal and Bhutan and regions such as north-east India. Such integration, on the one hand, could serve to end their landlocked or semi-isolated status by providing shorter transport links to the sea ports and, on the other hand, could benefit Bangladesh through facilitation of trade with these regions. Effective integration of the transport system in South Asia could also contribute greatly in enhancing economic development.
Government efforts to achieve SDG 9 (Industry, Innovation and Infrastructure)

- The Government has undertaken various measures to build resilient infrastructure, promote inclusive sustainable industrialization and foster innovation.

- The Government sought to develop, maintain, and manage strategic road corridors, linking rural areas with National and District roads, improve Dhaka-Chittagong highway to six lanes, and other National Highway and corridors to 4/6 lanes, construct bridges, tunnels, overpasses, and flyovers and reduce road accidents.

- Steps have been taken to improve regional road connectivity with India, Nepal and Bhutan. The initial work for connectivity to the Asian Highway network has also been started.
Roads Infrastructures....... 

• The road density per 100 square kilometer increased to 14.61 kilo meters in 2017 from 14.41 kilo meters in 2010. Upgrade of existing roads by constructing additional lanes has been an important aspect of road infrastructure development.

• Government’s efforts to achieve SDG 9 rest, on the one hand, on providing infrastructure comprising all modes of transport and ICT infrastructure and, on the other hand, on providing policy support to private sector investment as well as foster public-private partnership.

• Financing, capacity constraints of implementation agencies, complexity of land acquisition, natural disasters which are worsening due to climate change are the key challenges in this sector.
### Major Road Network in Bangladesh

<table>
<thead>
<tr>
<th>Type</th>
<th>Length</th>
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</thead>
<tbody>
<tr>
<td>National</td>
<td>3570 km</td>
</tr>
<tr>
<td>Regional</td>
<td>4323 km</td>
</tr>
<tr>
<td>District</td>
<td>13,678 km</td>
</tr>
<tr>
<td><strong>Total Roads</strong></td>
<td><strong>21,571 km</strong></td>
</tr>
</tbody>
</table>

- **Bridges:** 4507 nos
- **Culverts:** 13,678 nos

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![Map of Bangladesh with road network]
Asian Highway and Bangladesh

- Intergovernmental Agreement on AH Network
  - US ESCAP adopted the agreement on 18 November 2003

- Bangladesh’s involvement in AH
  - Bangladesh signed the Instrument of Accession in 2009
Asian Highway 1

- Tamabil: 55 km
- Sylhet: 40.5 km
- Shaistaganj: 43.25 km
- Mirpur: 61 km
- Sarial: 53 km
- Nashingdi: 33.5 km
- Katchpur: 8 km
- Dhaka (S)

- Mawa: 6.15 km
- Charjanajat: 22.25 km
- Bhanga: 38 km
- Bhatiapara: 3 km
- Kalna FG: 24 km
- Narail: 32 km
- Jessore: 38 km

Total 492 km
Asian Highway 41

Mongla

Chittagong

Teknaf

Dhaka (N)

Joydevpur

Kaliakoir

Elenga

Hatikamrul

Banpara

Dasuria

Paksey

Kushtia

Jhenaidah

Jessore

Khulna

Mongla

Total 762 km

Dhaka (S)

Katchpur

Daudkandi

Moinamoti

Feni

Chittagong

Keranirhat

Cox’s Bazar

Teknaf

73.25 km

101.25 km

48 km

96 km

64 km

44 km

29.75 km

8 km

22 km

22 km

49 km

41 km

51 km

22 km

12 km

24 km

45 km

62.25 km

45 km
## SAARC Road Corridors

<table>
<thead>
<tr>
<th>Corridor</th>
<th>Countries</th>
<th>Basis of Selection</th>
</tr>
</thead>
<tbody>
<tr>
<td>SHC 1</td>
<td>Lahore–New Delhi–Kolkata–Petrapore/Benapole–Dhaka–Akhaura/Agartala</td>
<td>Potential to carry major intraregional traffic, shorter route leading to transport cost savings</td>
</tr>
<tr>
<td>SHC 2</td>
<td>Kathmandu–Birgunj/Raxaul–Kolkata/Haldia</td>
<td>Nepal &amp; India Access to landlocked Nepal to Indian ports</td>
</tr>
<tr>
<td>SHC 3</td>
<td>Thimphu–Phuentsholing–Jaigon–Kolkata/Haldia</td>
<td>Bhutan &amp; India Access to landlocked Bhutan to Indian ports</td>
</tr>
<tr>
<td>SHC 5</td>
<td>Sandrop Jongkhar–Guwahati–Shillong–Sylhet–Dhaka–Kolkata</td>
<td>Bhutan, India &amp; Bangladesh Potential to providing shorter route leading to saving costs</td>
</tr>
<tr>
<td>SHC 6</td>
<td>Agartala–Akhaura–Chittagong</td>
<td>India &amp; Bangladesh Shorter access to Chittagong port for Indian NE States</td>
</tr>
<tr>
<td>SHC 7</td>
<td>Kathmandu–Nepalganj–New Delhi–Lahore–Karachi</td>
<td>Nepal, India &amp; Pakistan Potential of the corridor to carry future traffic</td>
</tr>
<tr>
<td>SHC 8</td>
<td>Thimphu–Phuentsholing–Jaigaon–Burimari–Monga/Chittagong</td>
<td>Bhutan, India &amp; Bangladesh Access to landlocked Bhutan to Bangladeshi ports</td>
</tr>
<tr>
<td>SHC 9</td>
<td>Maldha–Shibganj–Jamuna Bridge (Bangladesh)</td>
<td>India &amp; Bangladesh Potential to provide direct connectivity to carry future traffic</td>
</tr>
<tr>
<td>SHC 10</td>
<td>Kathmandu–Bhairahawa–Sunauli–Lucknow</td>
<td>Nepal &amp; India Potential of the corridor to carry future traffic</td>
</tr>
</tbody>
</table>
Water Infrastructures.....

• During the 7th FYP period, 16.4 km of coastal sea dyke and 7,218 cyclone resilient houses have been constructed in the cyclone affected areas.

• About 352.12 km of embankments and 157 km of protective work have been completed to save the people from river bank erosion.

• For agriculture management and irrigation, 872 km of canals have been excavated/re-excavated and 65 water control infrastructure including.
Water Infrastructures..... Cont...

• River transport was the dominant transport in riverine Bangladesh and rapid expansion of faster road transport has substituted water transport services.

• The main focus was on maintaining year round navigability of inland waterways through dredging. A River Protection Commission has been formed under the River Protection Commission Act 2013 to protect rivers from activities such as illegal encroachment, river pollution, and illegal construction.
Railways Infrastructures....

• Railway provides a cheaper and user friendly means of transport for passenger and cargo in Bangladesh. The Government wants to reconstruct it as an attractive means of transportation.

• In this context necessary steps have been taken to renovate existing rail tracks, purchase locomotives, wagons and new coaches and modernization of signal system and level crossing gates, bring reform in railway and collection of Diesel Electric Multiple Unit (DEMU).
• Work is underway to connect Mongla port with Chittagong port and Ramu with Cox’s Bazar.

• Efforts are also being made to re-establish railway links with India renovating the abandoned but once busy lines as well as to establish international connections to Trans Asian Rail Network and SAARC network.
Fast Track Project name:

1) Padma Multipurpose Bridge Project.
   Ministry of Road Transport and Bridges/ Bridges Division

2) Dhaka Mass Rapid Transit Development Project.
   Ministry of Road Transport and Bridges/ Road Transport and Highways Division

3) Padma Multipurpose Rail Bridge Connected Project.
   Ministry of Railways

4) SASEC Chittagong-Cox's Bazar Railway Project (Construction of single Line Dual Gauge
   Railway Track from Dohazari to Cox's Bazar via Ramu and Ramu to Gundum near Myanmar)
Fast Track Project name:

5) Rampal Coal Based Power Plant Construction Project.  
   Energy and Mineral Resources Division/ Power Division
6) Ruppur Neuclear Power Plant Establishment Project.  
   Ministry of Science and Technology
7) Matarbari 2 x 600 MW Ultra Super Critical Coal Fired Power Project.  
   Energy and Mineral Resources Division/ Power Division
8) Deep Sea Port Construction Project.  
   Ministry of Shipping
9) Payra Deep Sea Port Construction Project.  
   Ministry of Shipping/ Payra Port Authority
Trade Between Bangladesh And Bhutan

# Commerce Minister of Bangladesh urges Bhutan to use Syedpur airport and added also both the countries could reap a boost in trade and tourism, while Bhutanese Ambassador Sonam Rabgye met him at his secretariat office (Dhaka Tribune, February 4th, 2019).

• Bangladesh exports food, RMG items, pharmaceuticals and few other products to Bhutan, but imports huge quantity of construction materials that poses a trade deficit for the country.
• In FY2017-18, Bangladesh’s export stood at $4.4 million against the import of $32.28 million.
Bangladesh is actively involved in several regional initiatives under UNESCAP, SAARC, SASEC, BIMSTEC, BCIM and BBIN. One of the key determinants of these initiatives is to facilitate connectivity with landlocked countries and territories. Located in an advantageous geographical location, Bangladesh can play a crucial and strategic role in providing landlocked countries/territories with seaport access. Geographically, Bangladesh is located in an advantageous position to provide connectivity between Southeast Asia and East Asia. Bangladesh can easily provide access to its seaports to the land-locked countries. These advantages allow Bangladesh to connect itself with global supply chain.
Port of Payra, Patuakhali

• The **Port of Payra** is a small seaport in southern Bangladesh. It was established by an Act of Parliament in 2013. The port was officially inaugurated in 2016. It is located on the Ramnabad Channel near the Bay of Bengal.

• The port was established after demands for a seaport in the coastal Barisal Division. A deep water port has been planned in the area which will serve southern Bangladesh, as well as neighbouring countries like Nepal and Bhutan.

• “**Payra Port will be a deep sea port in future, making the region a hub of economic activities,**” Prime Minister Sheikh Hasina said.
Recognizing the importance of strengthening relations and promoting international trade among member countries, it is crucially important to develop dry ports of international importance. Bangladesh signed the Instrument of Accession on 25 September 2014 for the *Intergovernmental Agreement on Dry Ports* pursued by UN-ESCAP. Bangladesh has already identified its Dry Ports/Inland Container Depot for development and operation.

Bangladesh is gradually upgrading its major economic corridors on Asian Highway network and SASEC Corridors to facilitate landlocked countries. The Roads and Highways Department has recently completed Feasibility and Detailed Design for around 1,800 kilometers of economically important corridors. Feasibility Study and Detailed Design for another 600 kilometers are going to be done by next 2 years. With Completion of the Padma Bridge and Kalna Bridge, two of the missing links on Asian Highway (AH-1) will be bridged.
Dohazari-Gumdum Dual Gauge Rail Line

• The 128km-rail-line would go through Chandanaish, Satkania and Lohagara of Chittagong, Chakaria, Ramu, Cox's Bazar Sadar, and Ukhiya of Cox's Bazar and Gumdum in Naikhyangchari of Bandarban.

• Under the project, an 88km track will be constructed from Dohazari to Ramu, 12km from Ramu to Cox's Bazar and another 28km track from Ramu to Gumdum on Myanmar border.

• According to sources in the railway ministry, construction of the project is likely to begin in July 2017 and it is expected to be completed by 2021 while the ADB team has completed the updated feasibility study of the project.
Dohazari-Gumdum Rail Line.. Cont.....

• According to the planning ministry, once the project is implemented, it would play an important role in raising the GDP growth, considering the economic hub of Chittagong and tourism capital Cox's Bazar.

• The project will establish a link with Trans Asian Railway Corridor that aims to serve cultural exchanges, trade and commerce within the region of south-east Asia.
Deep Sea port in Sonadia, Cox’s Bazar

• For Bangladesh there are at least four significant reasons for establishing a deep sea port in Sonadia, such as:
  * to facilitate uninterrupted coal supply for the power plants to be established in Moheshkhali;
  * to support the country's growing seaborne trade needs of the future;
  * to go along with the global shipping trend of moving towards larger tonnage; and
  * to utilise our geographical advantage to become a regional access door to the sea.
BBIN Motor Vehicles agreement

- Bangladesh, Bhutan, India and Nepal agreed on text of operating procedures for passenger vehicle movement (Passenger protocol) in sub-region in Thimphu, Bhutan in June 2015.

- The BBIN (Bangladesh, Bhutan, India and Nepal) Motor Vehicles Agreement would help boost economy of the four countries. The implementation of BBIN MVA is expected to promote regional connectivity with landlocked countries.

- The Asian Development Bank (ADB) is providing technical, advisory, and financial support to BBIN Motor Vehicles Agreement (MVA) initiative as part of its assistance to South Asia Subregional Economic Cooperation (SASEC) program.
SASEC-ADB

- SASEC- South Asia Subregional Economic Cooperation
- ADB- Asian Development Bank

SASEC program: It is projects-based economic cooperation initiative of ADB that brings together BBIN countries, Maldives, Sri Lanka and more recently Myanmar. ADB (Manila) is secretariat of SASEC....
SASEC Road Corridor

SASEC Programs
(Energy, Transport, Trade & Investment)

- SASEC currently targets six countries namely, Bangladesh, Bhutan, India, the Maldives, Nepal, and Sri Lanka

SASEC Road Corridors

- 3 Road Corridors namely, SASEC 4, SASEC 9, SASEC 5A involve Bangladesh, India, Nepal and Bhutan
BIMSTEC Corridors

BIMSTEC Transport Infrastructure and Logistic Study (BTILS) identifies 14 corridors of regional significance. Seven of them connects Bangladesh

<table>
<thead>
<tr>
<th>Sl</th>
<th>Road Corridor</th>
<th>Aligns with</th>
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<tbody>
<tr>
<td>1.</td>
<td>Kolkata-Petrapole/Benapole-Dhaka-Akhaura-Agartala</td>
<td>AH1, SHC1</td>
</tr>
<tr>
<td>2.</td>
<td>Kathmandu-Kakarvita-Phulbari-Banglabandha-Mongla / Chittagong</td>
<td>AH2, AH41, SHC4</td>
</tr>
<tr>
<td>3.</td>
<td>Samdrupjongkhar-Shillong-Sylhet-Dhaka-Kolkata</td>
<td>AH1, SHC1, SHC5</td>
</tr>
<tr>
<td>4.</td>
<td>Agartala-Akhaura-Chittagong</td>
<td>SHC6</td>
</tr>
<tr>
<td>5.</td>
<td>Thimphu-Phuenthsholing-Jaigon-Chengrabandha-Burimari - / Mongla</td>
<td>AH2, AH41, SHC8</td>
</tr>
<tr>
<td>6.</td>
<td>Maldha-Shibgang-JamunaBridge, Bangladesh</td>
<td>SHC9</td>
</tr>
<tr>
<td>7.</td>
<td>Chittagong-Ramu (Cox’s Bazaar)-Teknaf-Maungdaw</td>
<td>AH41</td>
</tr>
</tbody>
</table>
Key Challenges For Bangladesh.....

• Road transport improvement faces challenges from complexity of land acquisition along with resettlement and compensation complexity.

• Other pertinent issues which need to be aligned properly include road construction technology, adequate finance, proper data, and axle load.

• Road safety maintenance requires proper and adequate roads, accurate road accident data, and awareness of users.
Key Challenges For Bangladesh….

• A major challenge in project implementation in transport and communication sector is capacity constraint often leading to delays in project completion.

• Delays and underfunding result in cost escalation and lower rate of return on investment.

• Inadequate maintenance affects reliability and quality of infrastructure services with negative effect on growth.
Challenges

Missing links & Sub-standard sections
- The construction of Padma Bridge (6.15 km) will eliminate the longest missing link on AH1
- Construction of Kalna Bridge (680 m) is included in JICA assisted Cross Bridge Road Network Improvement Project

Financing
- Projects are financed by GoB and Development partners
- Where possible, PPP options is being explored
- Support from development partners need to continue to bridge financing gap

Infrastructure
- Road Geometry to allow regional traffic
- Harmonization of Standards
- Border facilities
- Multimodal integration
Key Challenges For All.....

*Road Infrastructure.* The governments of the Asian countries need to invest in road infrastructure to upgrade them. A regional fund can be created to overcome the funding constraints. It is also to be noted that we should set up a body to ensure uniformity in design standards of the road infrastructure. The improvement of substandard sections is crucially important for reaping the benefit of a cross-border road network.

*Port Facilities.* For efficient movement of goods, land port facilities need to be enhanced and customs procedures must be streamlined to facilitate easy movement of goods across borders.
- **Multimodal Transportation.** While we emphasize road transportation, we must appreciate the comparative advantage of each mode. Where possible, we should combine the trip of passenger and goods with other modes of transportation.

- **Enhancing Private Sector Participation in infrastructure.** Public Private Partnership (PPP) could be one of the best ways to attract private capital for commercially viable infrastructure projects. However, the experience of PPP projects in many South Asian countries has been very limited. South Asian countries therefore, can learn from the successful examples of PPP projects implemented by some countries such as India and Sri Lanka. The institutional capacity can be enhanced through exchange of knowledge and experience.

- **Prioritization.** The improvement of sections that can provide landlocked country with immediate access to nearest seaports should be given topmost priority. Hence, Bangladesh emphasizes improving those sections that allow landlocked countries such as Nepal and Bhutan to access two seaports in Bangladesh.
thank you