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

29-30 October 2019



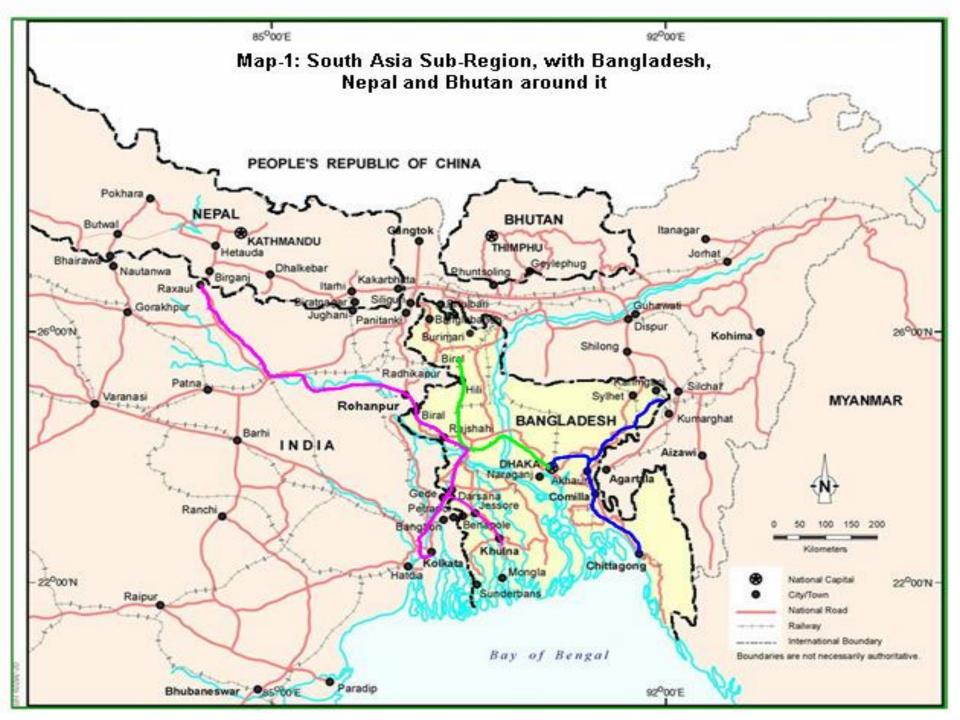


Outline

- 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
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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.



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.
- Strenthen Regional Connectivity.
- Integrrating 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!