

# BANGLADESH-BHUTAN-INDIA-NEPAL MULTI-MODAL CONNECTIVITY IN THE SUB-REGION (M-CONNECT)



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## Field Diary

# Chattogram Port: Transition from National to Regional Transportation Hub

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### About the Field Visit

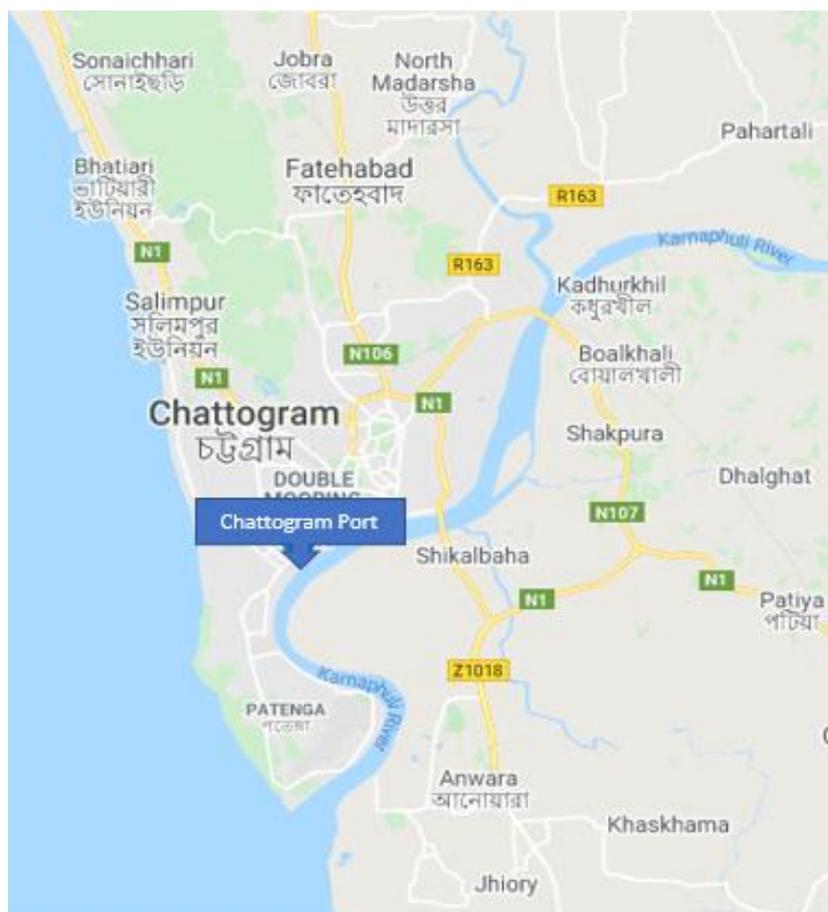
CUTS International, India, in collaboration with Unnayan Shamannay, is conducting a study entitled 'Enabling a Political Economy Discourse for Multimodal Connectivity in the BBIN Sub-region (M-Connect)'. Under the project, a team from Unnayan Shamannay visited Chattogram port and other critical infrastructure in the port city of Bangladesh.

The purpose of the visit was to understand policy, planning, and infrastructure related to connectivity that facilitates trade and commerce at Chattogram. With nearly 90 per cent of Bangladesh's trade taking place through Chattogram Port, it can be considered the maritime gateway of Bangladesh. Thus, it is poised to play an essential role in any multi-modal connectivity initiative in Bangladesh, Bhutan, India and Nepal (BBIN) sub-region.

### The Transportation Artery of Bangladesh

National Highway 1 connects the capital of Bangladesh, Dhaka, to the port city of Chattogram. The 4-lane highway, which is also part of Asian Highway 41, is Bangladesh's single most crucial highway. It was also the first 4-lane highway of Bangladesh.

Passenger transportation facilities from Dhaka to Chattogram are available in three modes: road, rail, and air. Though passengers, in general, prefer rail over the road due to the stress-free nature of train travel, the team took the road route to visit Chattogram as it was vital to experience travel through road to understanding the competitive advantages and disadvantages of roadways *vis-a-vis* railways in this route.



The journey from Dhaka started at Arambagh Bus Station, taking a mid-trip break at Cumilla before reaching Chattogram. The whole journey takes around 5-6 hours on average. According to Roads and Highways (RHD) officials, NH1 currently accounts for around 60 per cent of the commercial cargo movement in Bangladesh.

Though no traffic jam was encountered in NH1 during the field visit, conversations with bus and truck drivers revealed that they encounter 10-12-km long traffic jams quite frequently. The government has taken the initiative to construct a toll-expressway from Dhaka to Chattogram to ease the traffic pressure on this route.

## A Dawn at Chattogram

Entering Chattogram City at dawn provides one with a unique perspective about the city regarding trade and connectivity. Though trading activities in and around the city commence much later into the day, the trucks carrying commercial goods attempt to use the light traffic in the initial hours of the day.



Public transportation is available in the city, but the services are mostly restricted to the rush hours (07:00 am-12:00 pm). The most convenient mode of transportation in the area is hiring CNG Autorickshaw due to its ability to manoeuvre through traffic and power over hilly roads of Chattogram city.

### ***Early morning traffic in Chattogram***

Moreover, entering Chattogram during the early hours of the day also allows one to identify the primary reason behind the commercial importance of Chattogram, as workers of the Export Processing Zones situated in Chattogram travel to their workplace in droves. Bangladesh's most significant competitive edge in export trade is the young and abundant labour force, while its biggest drawback is in the transport infrastructure connecting various parts of Bangladesh.

Establishing their operations by centering around Chattogram allows businesspeople to enjoy the best of both worlds. It helps them utilise the productive labour force, while proximity to the port helps avoid the hindrances posed by the developing transportation infrastructure of the country.

## **Quest to Understand Policy Perspective on Connectivity**

Our field visit was designed to provide an overall perspective of the people whose lives and livelihoods are directly concerned with Chattogram Port. Then the team observed the physical infrastructure and finally identified the points of conflict between policy and practice.



*Containers being unloaded from a ship at Chattogram Port*

During the field survey, the team consulted the Chattogram correspondent of a renowned Bangla daily of Bangladesh. He and various other stakeholders pressed on over-utilisation as the biggest issue plaguing Chattogram port, while also opining that the solution to this problem lies not in Chattogram but at Matarbari Deep Seaport.

The team felt that there is minimal opportunity to increase the cargo handling capacity of Chattogram Port. Therefore the utilisation of Matarbari deep seaport can solve the over-utilisation problem in Chattogram port. People were also concerned with the discrepancies in policy and practice in regards to the paperless trade initiative.

It was felt that the most significant ongoing project to alleviate the issues of communication bottleneck in Chattogram Port is the Chattogram Elevated Expressway. The under-construction project, expected to be operational from 2022, will commence from Lalkhan Bazar and reach Shah Amanat International Airport and be put on the fast-track project list of the Government of Bangladesh. According to officials, around 45 percent of the project's work has been completed after the project started in July 2017. The estimated cost of the project is around Tk 3,250.84 crore.

## **Stakeholder Consultations**

Stakeholder consultations were held to maximise understanding of the policy planning and practices related to connectivity initiatives and identify the sentiments of each stakeholder.

In July 2020, a four-container shipment was shipped from Kolkata port to Agartala via Chittagong port. This consignment did not need to go through any customs formalities. From Chittagong port, four containers carrying lentils, rods and pulse were transported by trailers to Akhaura land port. The goods were then loaded into Indian trailers that carried them further inland.

The C&F agent was asked about the potential of regional multi-modal connectivity and the role Chattogram would play to facilitate such an effort. He stated that structural reforms are needed to ensure an integrated paperless trade regime before implementing any such plan. Otherwise, it would fail to be a commercially viable option.

In the following survey phase, consultations were held with Bangladesh Railway (BR) officials in the historic Railway Office in Chattogram. BR officials informed us about their insight into the low rate of adoption of the railway to transport cargo from Chattogram Seaport to Dhaka. They said rail loses the edge to the road when it comes to last-mile connectivity.



*Historic steam locomotive put on display in front of Railway Office Chattogram*

It was also learnt that BR is taking the initiative to turn its biggest station, Kamalapur Railway Station, into a multi-modal transport hub. Officials in Chattogram are also thinking on similar lines to utilise the potential of Chattogram as a multi-modal transport hub.

Truck drivers who were interviewed informed that a container can be brought out of port within one day. Customs clearance for imports usually takes three to four hours. Custom procedures take time mostly. Sometimes, it takes a day due to Rubber-Type Gantry (RTG) crane unavailability or mechanical error. After loading, the driver drives the vehicle through the scanner gate. It takes two hours to pass the scanner gate.



***Chattogram Port Authority Main Gate***

The consultation with Department of Environment (DoE) Officials revealed the relative priority given to development initiatives. The pollution from the ongoing construction of the Chattogram Elevated Expressway is the most significant environmental hazard facing Chattogram.

The Flyover Construction project has not received a final nod from the DoE as it is under construction and emits dust. The department notified the contractor of this project to minimise air pollution.

## **Visiting Bay Terminal**

The last stop of the field visit was the site of the under-construction Bay Terminal at Patenga. Construction work has commenced in the area as the land is currently being levelled. Though from afar, the beach does not look any more special than others, a closer observation leaves one in awe of the incredible biodiversity of the site.



***Designated site for Bay Terminal in Patenga, Chattogram***

Moreover, the site is adjacent to a restricted mangrove forest, which plays an important role in the area's ecological balance. The site for Bay terminal currently hosts nearly 1200 fishermen and they earn their livelihood from fishing in the area. This will be put to risk as the construction of the Bay Terminal goes to full swing. Along with that, the place is also a holy site for Hindus. All in all, policymakers will have to be very careful in handling the Bay Terminal construction and operation due to many issues.



*(Left) Mangrove Forest adjacent to a designated site for Bay Terminal. (Right) Consultation with a fisherman at Bay Terminal area*

Most stakeholders thought regional multi-modal connectivity initiatives would require substantial support in the practice phase as structural reforms in the trade and transport regulations are mandatory to ensure that these initiatives bear their promised fruit.

The team left the place with a strong belief that the M-Connect project will address issues at both ground and technical levels and bring inclusive and sustainable development in the BBIN sub-region.

