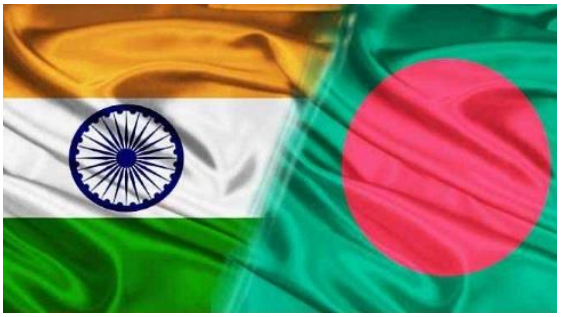
# Key Findings from Neighbourhood Connectivity Initiatives

## *Lessons for the BBIN Sub-region*

## India-Bangladesh Coastal Shipping Agreement



1. 'Agreement on Coastal Shipping' between India and Bangladesh reduced delivery time from 25 to 7 days, with an estimated savings of approximately US$300 per container.
2. Vessel size should be dictated by the route itself (based on the depth of ports and route) and not separately by tonnage. For specific routes and consignments, it is more cost-effective to deploy large ships.
3. The return of empty cargo from Bangladesh can be resolved if Bangladesh allows third-country EXIM cargo transportation from Bangladesh through these coastal routes.
4. There is a need to generate awareness among exporters and importers in India and Bangladesh about the prospects and benefits of utilising coastal routes to trade between India and Bangladesh.
5. The concept of third-party logistics providers should be promoted in both India and Bangladesh to consolidate small consignments to fill the entire vessel.

## Multimodal Transport Connectivity in GMS Region through Railway Network

1. Prepare a long-term regional transport connectivity plan which should include costs and benefit analysis in different traffic scenarios, future projections, finance and investment requirements, debt repayment method and potential losses, etc.
2. Connectivity initiatives must be studied from every aspect (e.g. environment, social, loss of job from one sector to another, labour, etc.) in the local context. Only then it should be clubbed into a national or regional plan. Otherwise, it will get derailed due to local political or social opposition.

3. It is also necessary to study the existing routes (including dormant routes) and how those can be revived. Suddenly jumping on a new initiative will make connectivity expensive.
4. Regional connectivity or transport initiatives should not be commenced just in the name of development, for the sake of political gain or personal propaganda. Economic viability, long-term requirement and indirect losses should be examined first.
5. Regional connectivity initiative can only work if there is one reference point or regional body to manage, plan and execute. The involvement of several bodies will create chaos, and results will be delayed.

## Learnings from CAREC Corridors and Connectivity Prospects for the BBIN Sub-Region


1. The development of transport corridors is instrumental in lowering the high transaction costs, bringing economies closer and improving people's mobility in the region.
2. The BBIN sub-region requires a knowledge-sharing institute like the CAREC institute to enhance the quality of the sub-region's developmental initiatives. India can take the lead in establishing a similar research institute for providing evidence-based research and capacity-building services in the sub-region.
3. BBIN has to make the necessary amendments to make things hassle-free at borders. They should bring together governments, policies, institutions, infrastructure facilities, regulations and investments to spur a broader socio-economic development.
4. A federation of freight forwarders and multimodal transport operators of the entire BBIN region can be made. They should be provided with the platforms to interact with public sector regulators, such as Customs, Food Safety Authorities.
5. BBIN countries can establish their own Transport Sector Coordinating Committee, Customs Cooperation Committee and Regional Trade Group, taking the CAREC institutional structure model for coordinating all transport sector-related activities.

## Framework for Multimodal Connectivity in the BBIN Sub-Region: Lessons from the ASEAN

1. The transport framework for multimodal, intermodal, or single modal facilitation should include easing customs transit process, single document procedure, granting of visas to facilitate people-to-people connectivity, and coordinating operating hours, digitalisation, vehicle standardisation, identification of driving licences, and roll-on/roll-off services.
2. Secondly, the BBIN sub-region requires innovation in containerisation as river water in this sub-region depends heavily on monsoon rains and suffers silt sedimentation. This phenomenon deters the yearlong movement of big vessels.
3. There is a need to put an overarching guiding framework for integrating trade facilitation, trade logistics infrastructure and institutional arrangements in the sub-region.
4. Allowing the vehicles of member states (Goods in Transit) to ply through any other member state without fulfilling complicated transshipment procedures is imperative. Additionally, integrating this facility through a robust and integrated electronic data interchange system, such as ACTS should be contemplated over.
5. Knowledge sharing and capacity-building frameworks similar to ARISE Plus should be executed in the sub-region.