

M. Rahmatullah

COOPERATION BETWEEN BANGLADESH AND THE INDIAN BORDERING STATES IN TRANSPORT, INCLUDING PORT FACILITIES

Abstract

A more liberalised regime of trade and transport coupled with advances in international logistics, information technology, electronic documentation, cross-border facilitation measures, streamlined customs procedures, etc., have greatly expanded the scope for international trade in goods and services with consequent increased demand for movement both within and across the national boundaries. This is part of a globalisation phenomenon, which requires more integrated and efficient means of transportation to reduce travel time and cost. Bangladesh and the Indian bordering states perhaps face less formidable a challenge than many other sub-regions in the matter of physically integrating their transport infrastructures. This is because such integration, to a substantial extent, would only involve the restoration, improvement and consolidation of old transport links in the context of the present and projected transport demand and technological standards. The benefits from restoration of such transport linkages can be measured both in terms of savings in the form of reduced transport costs as well as in terms of the new economic opportunities that such restoration would open up. The untapped

Dr. M. Rahmatullah, Former Director, Transport Division, UN-ESCAP is currently Programme Director, Transport, Centre for Policy Dialogue (CPD), Dhaka. His e-mail contact is: rahmatullahmohammed@hotmail.com.

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resources in the bordering states of India, like fertile soil, water, minerals and energy could have been used for much more productive purposes leading to industrial development, employment creation and trade in services.

INTRODUCTION

The globalisation of economies is now a universal phenomenon, which has resulted in the integration of national economies at the regional and sub-regional levels. The international production system is being increasingly characterised by a new division of labour, which often involves the breakdown of production into sub-activities that are spread across national boundaries. This is making production and consumption of goods and services increasingly multinational in character and individual economies increasingly interdependent. A more liberalised regime of trade and transport coupled with advances in international logistics, information technology, electronic documentation, cross-border facilitation measures, streamlined customs procedures, etc., have greatly expanded the scope for international trade in goods and services with consequent increased demand for movement both within and across the national boundaries.

The globalisation process, however, implies increased competition, which in turn requires more efficient means of transportation to reduce travel time and cost. Global trade and the associated economic growth of a country or a region depend critically on developing an efficient transport and logistics system, which can provide just-in-time and reliable delivery and ensure quality of cargo. Efficient transportation system has a direct bearing on Foreign Direct Investment (FDI). Countries which have well developed transport and communications system are better placed in attracting FDI, compared to those which suffer from chronic

shortage of such infrastructure. To date, maritime transport has been the principal facilitator of globalisation. Land transport however has started to play an increasingly important role.

The last decade marked the end of a number of civil wars, sub-regional conflicts and the international cold war, thereby creating an environment conducive to development of intra- and inter-regional land transport linkages. An integrated land-cum-sea transport system can unleash the potentials of land-locked countries and areas; bring less developed areas into the mainstream of economic development and thereby facilitate more equitable spatial distribution of benefits of liberalised trade; provide more efficient transport linkages between certain pairs of origins and destinations; and introduce cost effective logistics chains between the production, distribution and consumption centres.

Bilateral and multilateral initiatives regarding land transport linkages in Asia started in the 1950s and substantial progress has been made in some of the sub-regions. For various historical, political and economic reasons, surface transport networks in several parts of Asia still continue to remain fragmented, and their potentials as engines of economic growth at the regional/sub-regional levels remain largely unrealised. This is despite the fact that basic infrastructures and facilities already exist in many countries to establish mutually beneficial intra- and inter-regional transport linkages. In this context, East and Southeast Asia provide encouraging examples of such growth-promoting economic integration at work. While the integration in East and Southeast Asia has been largely driven by market forces, the respective national governments provided the crucial policy environment for investment, production and trade to take place. In sharp contrast to East and Southeast Asia and also some other economic sub-regions, South Asia has not made any significant progress in terms of economic co-

operation and integration, and has remained, in economic terms, one of the more "internally disconnected" sub-regions in the world.

In a highly competitive world economy of today, transport cost is a significant determinant of competitiveness, which makes an integrated and efficient surface transport network an essential element of the enabling environment for economic integration at any level. In this context, it also stresses the importance of efficient and reliable transport systems which are capable of meeting the exacting demands of modern management systems such as, "Just-in-Time" delivery. Considering its vital role in facilitating economic opportunities, countries that are lagging behind in the economic integration process need to develop a forward-looking and long-term vision of an integrated Asian transport system. The provision of an integrated transport network is however, a necessary, but not a sufficient condition for efficient international movement. It would be essential to have adequate facilitation measures to ensure that goods and vehicles can move freely across international borders and through countries.

Thus in order to turn the long-term vision of an integrated Asian transport system into reality, it would be necessary to take, in a coordinated manner, bold and imaginative steps, starting with, wherever possible, the forging of a political will which is essential. Among other things, greater public awareness about the benefits of, and support for such integration, and a more balanced pattern of mutual trade, based on greater complementarity among the neighbouring economies, big or small, will make the process of transport integration economically, commercially and politically more sustainable. To meet this challenge, co-operation and understanding have to extend beyond national governments to include all stakeholders involved in international transport in each

country. Finding the appropriate institutional mechanisms to coordinate relevant policy-making at the government-to-government level and the implementation of specific actions by different stakeholders are the crucial challenges ahead. Unless these challenges are addressed soon, most developing countries, land-locked regions in particular, stand the risk of foregoing many of the economic opportunities that the process of globalisation is opening up.

I. COOPERATION IN TRANSPORT: EXPERIENCE ELSEWHERE IN ASIA

Initiatives to integrate transport systems for international movement came in after the Second World War and following the creation of the United Nations in 1945. Initially the initiatives were confined in Europe, until late 1950s when Asian countries started taking similar initiative. Indicated below are some of the experiences within Asia.

1. ESCAP REGION

The idea of developing road links in the form of the Asian Highway and rail links in the form of the Trans Asian Railway across the countries in Asia was first initiated by ECAFE, the forerunner of present UN ESCAP in 1959 and 1960 respectively.

A region-wide framework for an integrated transport network was conceived later and the Asian Land Transport Infrastructure Development (ALTID) project was approved by ESCAP in 1992, having 3-components, namely the former Asian Highway (AH), the Trans-Asian Railway (TAR), and a new component called facilitation measures for international traffic.

The AH network has already been formulated for the whole of Asia with the exception of Bhutan, the Russian Federation and the

Korean Peninsular (see Map 1). The network is composed of five international routes (40,000 km) and 37 sub-regional routes (50,000 km) spanning over 25 countries. The standards for the Highway were revised in 1993.

The TAR network has also been formulated covering the same group of countries. There are however some missing links on the TAR route which could be served by road-bridging for the time being till the rail links are established.

While progress has been made in implementing various components of the ALTID project, these still remain to be formalised through the signing of agreements, similar to the formalisation of the transport networks in Europe through AGR, AGC, AGN, AGTC, under the aegis of UN-ECE. In the absence of similar formal agreements, the Asian transport networks remain somewhat ad-hoc in character, a situation not conducive to either their incorporation into long-term national transport planning, or to the creation of an international mechanism for co-ordinating the planning for and investments in eliminating missing links and the upgrading of such networks. ESCAP is currently studying the various aspects related to formalisation of the Asian Highways and the Trans Asian Railways routes.

2. ASEAN SUB-REGION

The Association of South East Asian Nations (ASEAN) has adopted a long-term vision (Vision 2020) for an integrated and harmonised trans-ASEAN transportation network. The ASEAN Framework Agreement on the Facilitation of Goods in Transit has accordingly been developed, signed and entered into force in October 2000s. The ASEAN Ministers have already signed four

relevant protocols covering aspects of the framework, while steady progress has been reported with respect to five other protocols no. 1, 2, 6, 7 and 9 so that the whole Framework Agreement on the Facilitation of Goods in Transit could become operationalised.

The Fifth ASEAN Transport Ministers Meeting held in September 1999 adopted the Ministerial Understanding on the Development of the ASEAN Highway Network. The ASEAN Highway Network has been built on the AH network and includes 23 routes covering some 38,400 km of highways. The sub-regional initiatives may be viewed as important building blocks for realising the long-term ALTID goal of a fully integrated Trans-Asian transportation network with efficient interface with other regions.

3. GREATER MEKONG SUB-REGION (GMS)

At the initiative of the Asian Development Bank (ADB), and with active involvement of the six participating countries (namely Cambodia, People's Republic of China, Lao PDR, Myanmar, Thailand, and Vietnam), the Greater Mekong Sub-region (GMS) programme was launched in 1992. Subsequently, three sets of proposed networks, namely, road, rail and inland waterways were adopted by the six countries for development.

Realising that infrastructure development is only part of the solution, for efficient international transportation of goods and people, the GMS countries are in the process of simplifying and streamlining cross-border regulations/procedures. The draft framework Agreement for the Facilitation of the Cross-Border Movement of Goods and People in the GMS is ready and expected to be signed by all GMS members by 2001, and implemented by 2005.

4. ECONOMIC CO-OPERATION ORGANISATION (ECO) SUBREGION

The Economic Cooperation Organisation (ECO) comprising countries of Central Asia, Turkey, Pakistan, Iran and Afghanistan adopted the Almaty Outline Plan for Transport Sector Development in 1993 and the Programme of Action for the ECO Decade of Transport and Communication (1998-2007) in 1998 for the development of transport sector in that Region. Considerable progress has been made towards connecting the road networks of Central Asian Republics with the networks of Iran, Pakistan and Turkey. The Transit Transport Framework Agreement, signed by the five Central Asian member countries of ECO in 1998 is another important development towards improving land transport facilitation measures at the sub-regional level. The Transport and Communications Ministers Meeting of ECO countries held in Islamabad in April/May 2000 adopted eight protocols in support of the above Framework Agreement.

To further improve the facilitation measures at border crossing and to introduce multimodal transport operation in the sub-region, the ECO secretariat, in collaboration with UN-ESCAP and UNCTAD, is currently (2001) implementing a project funded by the Islamic Development Bank (IDB).

II. RATIONALE FOR TRANSPORT COOPERATION BETWEEN BANGLADESH AND ITS NEIGHBOURS

New ways of sourcing raw materials and component parts by manufacturers, and the growing interdependence of individual economies have resulted in a demand for better and more efficient intra- and inter-regional surface transportation system and renewed interest in seeking alternatives to traditional maritime transport linkages. Detailed analysis shows that for certain pairs of origin and

destination, the surface transport can be more efficient than traditional sea transport. ESCAP studies and recent demonstration runs between North-East Asia and Europe have shown that the transit time by rail would be about 7 to 10 days shorter compared to the sea route. The overall rationale for transport integration in Asia is highlighted below.

In an era of increased regional economic co-operation, the condition of landlockedness changes, for many countries, from being a disadvantage to an advantage. This arises because the land-locked country becomes a vital link to the land transport system. The development of inter-country land transport linkages provides the opportunity for not only increased inter-country trade but also the development of inter-industry trade. It also introduces the potential for the development of economic corridors and growth poles, which are located away from the traditional coastal cities.

There has been a fundamental change in the traditional way of looking at transportation of goods and people. Transportation is increasingly considered as a link in the supply chains between the centres of production, distribution and consumption so that the overall transit time and cost can be reduced. With the advent of the container, multimodal transport and international logistics, multimodal transport operators and logistics service providers seek alternative routes by road and rail to provide door-to-door services involving a number of transport modes including sea transport. This has prompted the trade to look at land transportation in the overall context of considering transportation as a component of supply chains.

Bangladesh, and its South Asian neighbours perhaps face less formidable a challenge than many other sub-regions in the matter of

physically integrating their transport infrastructures. This is because such integration, to a substantial extent, would only involve the restoration, improvement and consolidation of old transport links in the context of the present and projected transport demand and technological standards. The transport network centring around Bangladesh was once an integrated system radiating outwards from international seaports of Kolkata and Chittagong. The inland water transport system also served parts of undivided India, particularly the northern and eastern part, with connections to the ports of Kolkata and Chittagong.

The benefits from a restoration of such transport linkages can be measured both in terms of savings in the form of reduced transport costs as well as in terms of the new economic opportunities such restoration would open up. If traffic could have moved freely through the transport systems in India, Bangladesh and Myanmar, it would have produced huge cost saving thereby creating an impetus for exploring new opportunities. Similar benefits would have accrued to Nepal and Bhutan, if their traffic could use the shorter route across Bangladesh to the seaports of Chittagong and Mongla. The untapped resources like fertile soil, water, minerals and energy could have been used for much more productive purposes leading to industrial development, employment creation and trade in services.

The establishment of the South Asian Preferential Trading Arrangement (SAPTA) in 1995, and subsequent decision to establish, through an accelerated process, a South Asian Free Trade Area (SAFTA) by 2010 within the SAARC framework would not be relevant from a practical point of view unless a forward-looking approach is taken towards integrating the transport networks in South Asia.

One of the World Bank publications of 2001 prepared by Messer's Uma Subromanian and her team¹ has identified key transport and logistics impediments that have left the South-Asian Sub-region comprising Bangladesh, Bhutan, eastern India and Nepal, lagging behind in economic growth, by obstructing the seamless flow of their goods and services to regional and global markets. The study offered an innovative analytic framework and a comprehensive analysis of the hidden costs associated with logistics barriers in South Asia. Detailed commodity case studies provided a strong quantitative argument that the flows and cost of goods traded within and outside the region are adversely affected by physical infrastructure bottlenecks as well as by policy anomalies.

If individual countries fail to follow the trend of linking national land transportation systems with the emerging global network, and the network in neighbouring regions and sub-regions in particular, they may end up as an isolated country and constitute a "missing link" in an otherwise integrated global surface transportation network.

III. ISSUES TO BE ADDRESSED

In the light of the experiences highlighted in chapter II and the rationale for transport co-operation provided in chapter III, a number of issues need to be addressed in order to promote co-operation between Bangladesh and the Indian bordering states. Indicated below are some of the major issues:

1. ESTABLISHING ECONOMIC COMPLEMENTARIES

British India constituted an integrated single economy and the transport system in the subcontinent was developed to support such

¹ Uma Subramaniam, John Arnold, *et. al.*, Forging Sub-regional Links in Transportation and Logistics in South Asia, (World Bank, Washington, DC, 2001).

an integrated economy. After 1947, the emergence of independent states in the South Asian sub-regions greatly altered the locational patterns of production and processing activities and new international markets were created. The decline in economic interactions within the sub-region in turn led to a "de-integration" of the transport system. In order to promote co-operation for re-integrating the transport system, it is necessary to create new economic complementarities among the countries of the sub-region. An integrated transport system at the sub-regional level can be economically and politically sustained only if there are relatively even flows of traffic on a reciprocal basis. Since traffic flows are derived from underlying economic activities, a greater balance in the distribution of trade-generating activities within the sub-region becomes an important issue in promoting transport integration. When investment activities mostly take place in the public sector, there can be a planned approach to this issue through bilateral co-operation at the governmental level. With increasing role of the private sector in investment decisions, there is now a strong need for greater collaboration among them in promoting trade-creating complementarity in the production structures of these sub-regional economies².

The north-eastern states of India bordering Bangladesh are endowed with abundant natural resources such as fertile soil, water, minerals, and energy resources – which are more or less untapped because of poor connectivity and lack of market access. This land locked region is a natural hinterland to Chittagong port. Opening up of its access to outside world could provide great incentive to exploit the natural resources for the economic benefit of both Bangladesh

2 The Issue has been discussed in Muchkund Dubey, Lok Raj Baral and Rehman Sobhan (eds.), *South Asian Growth Triangle: Framework for Multifaceted Co-operation*, (Macmillan, 1999).

and the N.E. states of India and contribute substantially to the creation of complementarities. Due to highly unbalanced trade flows at this movement between India and Bangladesh, the people of Bangladesh have the impression that integration would mean facilitation of Indian trade only, at the cost of great damage to their transport infrastructure. So far it has not been possible to come up with any realistic facts and figures as to what benefit (in quantified terms) Bangladesh could get from the potential traffic generated by new investment based on untapped mineral resources in the North-East India. Similarly other countries in the sub-region, namely Nepal, and Bhutan which could be considered as the natural hinterland of Chittagong, and which are also the member countries of SAGQ need to understand clearly as to how they are going to be benefited by this initiative of regional co-operation, and at what cost? We need to come up with facts and figures and supporting analysis, which provide a clear picture of win-win situation for all members of SAGQ.

It is therefore essential to commission a study to estimate the potential traffic, the potential benefit that could be envisaged and the cost to be incurred by each of the countries involved. Based on the outcome, the results should be widely publicised through seminars, dialogues, consultation with media etc for creation of public support within Bangladesh towards integration of its transport system with the neighbouring countries.

2. OUTWARD LOOKING APPROACH IN DEVELOPING TRANSPORT SYSTEM

Traditionally, development of transport system in the South Asian countries has been considered only as a national issue and did not take into account seriously the cross-border issues of compatibility, uniformity of standards, infrastructure and equipment

design, which are vital to cater for today's increasing travel activities across national boundaries. Even if a system serves primarily domestic traffic, these issues cannot be ignored by any country, if it is to remain competitive in the global context. Unless compatibility with transport systems of the neighbouring countries is built in as early as possible, it may become extremely costly for a country to provide inter-country transport services when situation demands.

The waterways and the rail network of Bangladesh were, prior to the partition of the Indian sub-continent in 1947, integrated with the greater Indian Railway and Indian Waterway system. The railway and waterway links between India and Bangladesh survived the partition of India, but these communication links got disrupted following the Indo-Pak war of 1965. However, river transit traffic between Kolkata and North-East India resumed after a protocol was signed between Bangladesh and India in 1972. This protocol has been revised and renewed every two years and is still in force.

Similarly, agreement for rail transportation between India and Bangladesh was renewed after 1972 providing for both inter-country and transit traffic. While inter-country operation by railway has been going on, transit movement by railway did not start. There is no agreement for inter-country and transit facilities by road.

The first trade agreement between Bangladesh and India, signed in 1972, provided, for transit of goods from one point to another of the same country through the territory of the other. The trade agreement of 1980 also provides for such a facility. Finally, in 1993, the SAPTA (South Asian Preferential Trading Agreement) provided for transit facilities among the member countries of the SAARC (South Asian Association for Regional Co-operation). Mostly due to political reasons, transit has not materialised as yet.

Subsequently, in the 9th SAARC summit, held in 1997 in Male, the Member countries made a declaration for smooth transition from SAPTA to SAFTA (South Asian Free Trading Agreement). This has provided a solid background for sub-regional co-operation between the four countries/territories namely Bangladesh, Bhutan, Nepal and North-East India, which is also known as South Asian Growth Quadrangle (SAGQ).

Under the UN-ESCAP initiated Asian Land Transport Infrastructure Development (ALTID) project comprising the Asian Highway (AH), the Trans-Asian Railway and facilitation of international traffic, the member countries have already taken measures to improve inter-country road and rail links among the countries in the neighbourhood of Bangladesh. Construction of Bangabandhu Bridge over Jamuna has completed the much-needed missing link between South Asia and South East Asia.

As indicated earlier, because of its unique geographical location, Bangladesh could play a pivotal role by providing road and rail linkage to the sub-region comprising Nepal, Bhutan, and North-East India. Ports of Chittagong and Mongla with improved management could provide the much-needed maritime exit to the outside world. This is particularly significant since major part of the above mentioned sub-region is land locked. Further development in the above sub-region would require efficient access to the sea in order to become and remain competitive in the global economy. Given the limited resource potentials of the country, Bangladesh should try providing transport services to the sub-region as a "trade in services" and as a potentially important source of foreign exchange earning. Accordingly, future development strategies of Bangladesh should include a regional role for the national transport system.

The potential that Bangladesh could serve the entire hinterland comprising SAGQ countries, a role similar to Rotterdam (in the Netherlands) in Europe, should be widely publicised for creation of public support within the country for developing its transport system to serve the sub-region.

In this context, it is perhaps necessary to emphasise that time is opportune now. If action is not taken immediately to prepare Bangladesh transport system to take care of the regional role, it may become too late to take any fruitful step. The awareness creation of the civil society for increased sub-regional co-operation could in turn persuade the political leadership to come forward with their blessing to support various policies including allocation of necessary resources.

3. DEVELOPING CHITTAGONG AS THE "TRANSPORT HUB"

In South Asia, the ports of Chittagong, Kolkata, Haldia and Mongla are all feeder ports in the context of international shipping. Haldia is a container port and caters to the export/import needs of eastern India and being optimally used, although its performance could be further improved. The port of Kolkata is highly congested and the efficiency level is quite low. The port has draft limitation and faces rapid siltation. It handles almost all international traffic of Nepal, but with associated delays and costs. An initiative was taken to handle westbound import/export traffic of Nepal through the Jawaharlal Nehru Port Trust (JNPT) near Mumbai, on the west coast of India. For this a direct BG rail link from Birganj (Rauxal) to JNPT was made operational. But this route has not been very attractive to Nepal, due to long distance and high cost.

Bangladesh has offered to handle Nepal traffic through both Chittagong and Mongla. If India allows BG rail route from Birganj

(Rauxal) through Singhabad on Indian side/Rohanpur in Bangladesh to the port of Mongla, (and later to Chittagong port when Bangabandhu Bridge links, as well as dualization programme upto the port are completed), this route could provide an efficient and cost-effective service to Nepal, even with a transshipment from rail to road or rail to IWT at Khulna for moving the cargo to Mongla Port. Under Phulbari treaty signed in 1998 between India, Nepal and Bangladesh, some Nepalese traffic move through Bangladesh Ports. But the route is not attractive, because road condition on Indian side is poor, and customs offices on both sides are not well organised as yet. These result in delays with associated additional costs.

Chittagong and Mongla are the two major seaports of Bangladesh. They together handle about 95% of total international trade, of which over 80% is handled by Chittagong port. The present volume of containers being handled by the Chittagong Port is around 500,000, 20-ft containers every year. This is increasing at about 15% to 20% every year so it is expected that in five years about 800,000-900,000, 20-ft containers must be handled. Currently containers are being handled not only in the 450 metre long Chittagong container terminal built in 1992, but also a number of general cargo jetties are being used to handle the container at the cost of delays for general cargo.

To overcome some of the above problems and to enhance efficiency and productivity with a view to establish Chittagong as the "transport hub" to take care of national as well as the regional traffic from North-East India, Nepal and Bhutan, Chittagong Port Authority (CPA) has already taken a number of steps. These include:

- (a) acquisition of modern equipments to improve cargo handling efficiency at the existing Chittagong Container terminal and general cargo jetties;

- (b) Construction of a 1000-metre long container terminal at New Mooring within Chittagong Port area based on own resources. The terminal when completed would be leased out to private sector for provision of 'handling equipments and for its operation and management';
- (c) A private sector container terminal proposed to be built at Patenga, on BOO/BOT basis. In this context, most of the background studies have been completed. The proposal is under active consideration of the Government. A decision is expected soon.

Once the private sector container terminal at Patenga is completed by the year 2005, it will be able to handle 300,000 containers per year efficiently. By that time, the container terminal at New Mooring should get ready to handle containers, and it should be able to capture all new growth of container traffic, because the management will be with the private sector. With these new facilities, Bangladesh should be able to handle all container traffic upto 2010 and beyond.

In the interest of establishing Chittagong as the "Transport hub" of the sub-region comprising Indian bordering states in the west and north-east, as well as Nepal and Bhutan, Government of Bangladesh should urgently take all necessary steps in this regard. This should include establishing the private sector container port in Patenga and public sector container port at New Mooring, besides modernisation and acquisition of handling equipments for the existing container terminal and general cargo jetties, as well as improving management efficiency and productivity.

Chittagong port handles 95 percent of the total containers received in Bangladesh, and 70 to 80 percent of these are bound for Dhaka. However, only 10 to 15 percent (less than 40,000 ton

equivalent units) are moved by rail to an inland container depot (ICD) in Dhaka. This ICD has a capacity of 100,000 ton equivalent units. The remaining container traffic (85-90 percent) is unpacked at Chittagong and moved in break bulk by small trucks. There is no container movement by road due to axle load limitation on bridges. The reason behind limited use of railway for moving containers is partly due to unfavourable rail charges and regulations between Chittagong and Dhaka. If Bangladesh Railway could have provided cargo insurance as part of its tariff, substantial container traffic could get diverted to rail. This would benefit all the three parties, the shipper, as well as the port and the railway. The congestion at the port would be reduced, the turnaround would improve, and there would be better utilisation of available space at Dhaka ICD.

In the context of container movement to and from Chittagong, Indian experience could be quite relevant. In India, the movement of containers by rail-road has increased substantially following the establishment of an autonomous "Container Corporation (CONCOR)" within the framework of Indian Railways and the procurement of a large fleet of flat cars for transporting containers. In Bangladesh, the transport of containers by rail is limited due to lack of flat cars and the operating commitment of Bangladesh railway. Bangladesh railway should seriously explore various ways of increasing its share of carrying container traffic between Chittagong and Dhaka, which is a captive traffic. For this purpose some of the actions among other, may include, acquisition of a fleet of flat cars, creation of a container corporation like CONCOR, etc.

Although, Bangladesh is a riverine country and Dhaka is well connected with Chittagong by inland waterways, no container moves as yet by barges. There is a proposal to build a container terminal and ICD at Pangaon, Dhaka on the bank of Burigunga River. Some

land has been acquired for the purpose on the riverbank by SSA Bangladesh on the opposite side of Mary Anderson Jetty, about 4.5 km from Chinese Friendship Bridge. If SSA Bangladesh has difficulties in building the terminal within a timeframe, the government of Bangladesh has the option to construct it by itself or by a third party.

If Chittagong is to become the "Transport hub" of the sub-region in the hinterland of Bangladesh, the proposed Pangaon container terminal should be built on an urgent basis to serve both the national and regional requirements. Similarly Bangladesh railway should also be prepared to carry containers destined to other states/countries in the hinterland of Bangladesh. The capacity should be built accordingly. As the traffic builds up some more inland container terminals/ICDs would have be built around Dhaka/Narayanganj.

4. NEED FOR CO-ORDINATED DEVELOPMENT OF INDIAN AND BANGLADESH RAILWAYS

Before the partition of India, the hinterlands of both Kolkata and Chittagong ports were well served by the integrated system of the then Indian railways. Most railway links between India and Bangladesh are not operational now except the links on the western side of Bangladesh.

The rail networks in India and Bangladesh are a mix of broad (1.68 meters) and meter gauge. India has made a concerted effort to convert its network to broad gauge and Bangladesh is currently undertaking some conversions to dual gauge. Bangladesh has rail connection with Nepal through India by both broad gauge via Birganj/Rauxal, and by metre gauge via Biratnagar/Jogbani. Conversion work is in hand in 108 km section Jogbani-Katihar-Radhikapur near the western side of Bangladesh for which

Government of India has already approved budget. This section currently provides railway connection between Biratnagar in Nepal with Biral in Bangladesh.

The corresponding section in Bangladesh between Biral and Parbatipur is still metre gauge and currently not covered by any programme for conversion to dual gauge, for possible future movement of thorough train between Nepal-India-Bangladesh along this link.

The network in Northeast India is meter-gauge, except for a broad-gauge line going upto Lekhapani through Lumding. Conversion work is in progress in Lumding-Silchar (198 KM), and Silchar-Jiribum section, near the eastern side of Bangladesh. The corresponding section in Bangladesh between Shahbajpur and Akhaura is still metre gauge and there is no plan as yet to convert it to dual gauge. On the Indian side, another new line from Kumarghat-Agartala (119 KM) in Tripura State near the eastern side of Bangladesh is under construction, initially MG on a BG formation. This section when completed will connect Agartala with rest of India by rail, through Assam.

In Bangladesh Railway, dualisation is going on, on the western side of Jamuna river, from Parbatipur to Jamtoil (245 KM) on the Westside of Bangabandhu Bridge. On the eastern side, dual gauge railway tracks are being laid from Bangabandhu Bridge to Joydepur (99 KM) which is expected to be completed by mid-2002. Further dualisation from Joydepur to Dhaka (35 km) is expected to be completed by 2003.

Some preliminary discussions are underway to extend dualisation of track up to Chittagong in the near future. With the

dualisation of that section, Bangladesh Railway would be able to handle Nepalese traffic by BG through Chittagong without any transshipment.

The principal rail link, which could be considered on the western side between Bangladesh and the State of West Bengal include Benapole-Petrapole, Darshana-Gede, Rohanpur-Singhabad, and Biral-Radikapur. On the eastern side, the important links could include Shabajpur-Maishassan, and Akhaura-Agartala.

A protocol exists for the interchange of rail wagons across the -- India-Bangladesh border and inter-country trade had been moving by rail through a number of points on the western side of Bangladesh. It sets out the charges for the exchange of wagons and establishes a target wagon balance. Rail track does not appear to create a physical constraint for the movement of trains across the border, but Indian and Bangladeshi wagons have different coupling and braking systems that restrict operating speeds for Indian trains hauling Bangladeshi wagons. In Bangladesh there is a significant problem with track maintenance, especially in areas prone to flooding. Although the strength of the track and type of sleepers differs between Bangladesh and India, this does not present any problem for the movement of rail cars across the border.

The freight trains in India are typically 40 wagons in length, whereas those in Bangladesh are 35 wagons long. The Indian trains must be broken into two sections, with the second section waiting for up to a week for another locomotive. Since the rakes travelling from Bangladesh to India usually carry consignments for a variety of locations, the wagons must be reassigned to other trains shortly after passing into India. According to an World Bank estimate about 2,000 Indian wagons in transit through Bangladesh have been "lost" over the last decade.

The recent move to start passenger train service between Dhaka and Kolkata across Bangabandhu Bridge is a welcome initiative. A Bangladeshi train in fact moved from eastern side of Bangabandhu Bridge upto Kolkata. Once the dualisation of the rail track is completed upto Dhaka by 2003, regular train service between Dhaka and Kolkata is expected to operate.

Bangladesh railway however has been suffering from poor utilisation of equipments and rolling stock, because of its declining market share due to distortions in pricing of services by different modes, which favours road transportation. However, for a number of commodities, such as bulk cargoes between India and Bangladesh and transit cargo from Nepal, Bhutan and north-east, rail would have a competitive advantage. In fact for whole of North-East India, Chittagong Port is the natural outlet to the outside world, and railway would be the most efficient mode of transport to use. The establishment of a dual-gauge rail link across the Jamuna Bridge is also expected to generate a significant level of container traffic.

In order to ensure that traffic can move smoothly by railway between Bangladesh and the bordering states of India, as well as to the countries of SAGQ, there is a need to co-ordinate the conversion programme of Indian Railways with the dualisation programme of Bangladesh Railway. In addition coupling and braking system shall have to be standardised. This would be essential for providing smooth rail corridors upto Chittagong and Mongla Port for traffic to and from Nepal, Bhutan and North-East India including Agartala.

5. ASIAN HIGHWAY ROUTE THROUGH NORTHEAST INDIA TO BE STREAMLINED

Bangladesh and India together with 26 other countries of Asia and Europe are currently members of the Asian Highway (AH). The

AH routes are formulated and reviewed at certain intervals. The last formulation was in 1993 and the review is currently underway.

The AH routes in Bangladesh and in the bordering states are continuously being upgraded. Nearly 92% of AH roads in Bangladesh are 2 lanes (5.5 to 7 metre wide). The AH in West Bengal, particularly the portion between Petrapole to Kolkata is narrow, only 5.5 metre wide, and is being upgraded. The AH route in the North-East India are partly 2 lanes and partly 1 lane. There is a major upgradation programme underway in that part of India, and all AH routes are expected to be upgraded to 2 lanes within a short time.

Regarding AH links between Bangladesh-India-Myanmar, the present route goes through Sylhet-Tamabil (Bangladesh) – Shillong-Guwahati – Nowgong – Dimapur – Imphal (India) to Tamu (Myanmar). This route is about 400 KM longer than the ESCAP's originally recommended route through Sylhet-Austragram (Bangladesh) – Karimganj – Shilchar – Imphal (India) to Tamu (Myanmar), which was also the initial offer of India. However, the present route was accepted due to insistence from Bangladesh at that time, to which India agreed.

Subsequently, Bangladesh looked into this AH route very carefully and a number of seminars/workshops were arranged to debate on this issue. Finally, Bangladesh decided to revert to the original ESCAP recommendation for the AH route from Bangladesh to Tamu in Myanmar to go through Austragram (Bangladesh) and Karimganj (India). Based on an official request of Bangladesh, ESCAP had written to India to consider the latest request of Bangladesh and agree to establish Sylhet-Austragram-Karimganj-Shilchar-Imphal-Tamu as the AH route of international importance while retaining the presently designated AH route through Tamabil (Bangladesh), Shillong, Guwahati, Nowgong, Dimapur to Imphal, as

an Asian Highway route of sub-regional importance. As indicated earlier, the new route would be 400 KM shorter and would provide shortest possible international link between capital to capital and pass through Mainpur State, southern part of Assam and Mizoram state of India. It is understood that the issue is still pending with India, which needs to be sorted out urgently.

6. USING FULL POTENTIAL OF IWT FOR INTER-COUNTRY AND TRANSIT TRAFFIC

Bangladesh has an extensive inland water ways that links West Bengal with Assam and Northeast India. The Class I routes operate throughout the year with a minimum draft of 12 feet. However, shifting rivers, increasing levels of siltation, which need continuous dredging make it difficult to maintain stable depths on the secondary routes.

India and Bangladesh have well-developed private and public sector barge operations. The barge fleets include both self-propelled and dumb barges, which are almost 10 to 15 years old. The capacity ranges from 150 tons for self-propelled and up to 1,200 tons for dumb barges. There is a significant overcapacity, which has led to severe competition and low freight rates.

A protocol was signed between Bangladesh and India in 1972, under which both inter-country and transit traffic was allowed to move by Inland Water Transport. This protocol is being renewed every two years, and improved provision made to facilitate smooth movement of goods by IWT. Initially, the protocol prohibited transshipment of any cargo enroute, but later allowed a transshipment point enroute at Sharper, but it is being rarely used.

Although under the current protocol, IWT route is the only link along which transit traffic through Bangladesh between N-E India

and the rest of India is allowed, India, apparently is not making full use of this opportunity. Table I indicates that transit traffic has remained very low, around 10,000 M/Tons per year during the period 1995-2000.

Table 1. Inter-country and transit traffic Between bangladesh and india Carried by iwt (1995-2000)

Year	Inter-country traffic (M. Tons)			Transit Traffic (M. Tons)	Total Traffic (M. Tons)
	Carried by Indian Vessels	Carried by Bangladesh Vessels	Total		
1995-96	73,536	30,066	103,602	11,400	115,002
1996-97	46,620	24,628	71,248	8,850	80,098
1997-98	7,451	8,113	15,564	6,415	21,979
1998-99	12,475	2,247	14,722	12,470	27,192
1999-2000	8,324	11,817	20,141	9,590	29,731

In October 1999, a revised protocol was introduced that allowed Indian barges to transport cargo between the two countries, provided that both countries share the transportation of cross-border trade and transit cargo on an equal tonnage basis. But this has not produced any fruitful result because of at least two reasons. One is that the total volume of transit traffic available is very low, in the order of 10,000 M/Tons only and the other is the question of freight rates for transit traffic per ton-km which is almost half of what is being paid for inter-country traffic per ton-km. This aspect has been discouraging Bangladesh IWT operators to carry Indian transit traffic.

Some of the problems, which might have contributed to low level of inter-country traffic by IWT, include: difficulties of round the year navigation along certain major routes, due to draft limitation; and absence of facilities for night navigation. It is important to recognise that there is a cost implication to provide

facilities for night navigation. Unless there is significant quality of assured traffic, the cost involved in providing the required facilities cannot be justified.

Lack of sufficient ports of call is also discouraging movement of inter-country trade by IWT. At this point of time, ports of call in India are: Kolkata, Haldia, Pandu and Karimganj. On the Bangladesh side the ports of call are: Khulna, Mongla, Narayanganj and Sirajganj. Traffic destined for other location such as Barisal, Bhairab Bazar etc., need additional transshipment cost from the nearest port of call. There is also some problem in the procedure being adopted to calculate the customs tariff and taxes, which takes into consideration the element of distance.

Although water transport has the lowest charge per ton KM of freight, and does not need any cross-border transshipment, it is still at a competitive disadvantage because of its low travel speeds, in the range of 50 kilometers per day due to the limitations on night navigation and physical constraints on routes. The above mentioned issues need to be looked into with a view to make water transport really competitive for low value bulk cargo with efficient logistics linkages to provide door to door services.

7. CHOICE OF MODE FOR INTER-COUNTRY AND TRANSIT TRAFFIC

To strengthen co-operation in transport, between Bangladesh and Indian bordering states, in principle, all modes of transport namely roads, railways, IWT and air transport should be used as far as possible.

However, considering that road transport is already a dominant mode of transport in Bangladesh carrying about 63% of freight and 73% of passengers, compared to 9% and 13% respectively by rail, it would be highly undesirable to overburden the road transport which

is already polluting the environment to a great extent. In addition, considering the physical condition of roads in Bangladesh, and their axle load limitation, which is 8.2 tons per axle, compared to 10.2 tons in India, Nepal and Bhutan, it would be a bit premature to open Bangladesh roads to any substantial movement of international traffic without strengthening the road network. Damaging effect of an overloaded vehicle to a pavement increases exponentially to the power of four while the axle loads exceeds standard axle load for which it is designed. If an overloaded vehicle having axle load of 11 tons passes through a road which was designed for standard axle load of 8.2 tons, the damaging effect would be 3.83 times (ie nearly 4 times) higher than that of standard axle load.

Again 92% of the Asian Highway (AH) routes in Bangladesh are only 2-lane (5.5 to 7 metre wide), and rest are one lane. Roads are used extensively by mixed traffic of which quite a high percentage is non-motorised transport. As a result, motorised traffic usually, cannot move very fast, and overtaking becomes very risky at times. In the recent years number of road accidents are also on the rise.

On the other hand, keeping in view the distances involved, railway and IWT should naturally be encouraged to carry the main share of the international traffic between Bangladesh and bordering states of India. As indicated earlier, there exists a protocol on IWT and railway is already in use to carry inter-country traffic (please also see issues number 4 and 6) along certain routes. In the context of air-transport, Government of Bangladesh has already allowed the private sector airlines to open air links between Dhaka - Guahati, Dhaka - Shillong, and Dhaka - Agartala.

8. FACILITATION OF INTERNATIONAL TRAFFIC

Facilitation of international traffic may cover land transport, maritime transport as well as land-cum-sea transport. Since different

sets of conventions are in use for facilitating movement by land and maritime ports, these are being dealt with separately.

A. Facilitation of Land Transport

i. Difficulties at the border crossing

Considerable inefficiencies exist at the land border crossings between Bangladesh and bordering states of India. Significant time delays and logistics cost are incurred due to a combination of impediments. The basic constraints are the lack of efficient customs operations, including lack of transparency of procedures for inspection, informal payments, and inadequate preparation of customs documents by the shipper, etc. Long delays also occur at the less developed crossings such as at the Banglabandh border crossings in Bangladesh for Nepalese traffic, for which the governments of Bangladesh, Nepal and India signed the Phulbari treaty in 1998. The road condition on Indian side is still very poor. Neither communications nor custom facilities are available at the border. One is required to come to Siliguri to avail of these facilities. Custom official of Bangladesh has to be called from Panchagarh to clear the cargo at the border.

At places there is no synchronisation of working hours of Customs officials on the two sides of the border. Unusually long time is taken for scrutiny, checking and completion of documents and for completion of formalities with the banks. Banking facilities are inadequate; medical, communication, warehousing, security and fire fighting facilities are deficient; wayside amenities are absent. For want of parking terminals, vehicles are parked on the road creating acute congestion. There is only one exit both for passengers and goods creating congestion at the border crossing.

Bangladesh has already created improved physical facilities at Benapole to handle imports from India. A truck terminal on 18 acres of land has been constructed to accommodate 1000 trucks. Corresponding facilities on the Petrapole side is missing. Indian trucks are allowed to come upto the Benapole truck terminal. On Indian side at Petrapole, Bangladeshi trucks are allowed only upto noman's land where these are unloaded. In case of India-Nepal trade, Nepalese vehicles can come to the nearest rail head in India without a permit, and with permit to any point subject to certain conditions. Indian vehicles are however, allowed to any part of Nepal provided they return to the border within seven days.

To expedite the process of paying customs duties, at Benapole, Bangladesh has introduced pre-shipment inspection (PSI) on a mandatory basis since spring of 2000, by appointing Inspectorate Griffith India Ltd., a Kolkata based international surveyors.

ii. Bus services between Dhaka-Kolkata

To facilitate movement of passengers over land between Bangladesh and the state of West Bengal, based on a bilateral agreement for bus service between Dhaka-Kolkata, signed in June 1998, between the two governments, two VIP buses run each way daily except Sunday. About 1500-1600 passengers are reported to cross the border at Benapole, of which 92%, are Bangladeshi and 7% are Indians. After crossing over to Indian side on foot, passengers are required to travel to Kolkata by taxi only, as there is no bus service available from border point. In addition, passengers are required to carry their own luggage and move on foot from the bus stand to the check post and then to the taxi stand. The road from Kolkata to Petrapole is narrow 1.5 metre wide and needs to be widened. It is understood that State PWD of West Bengal has undertaken a feasibility study for widening this road to 4-lane and work is underway.

It is understood that a proposal for opening up bus route between Agartala and Dhaka is under active consideration of the governments of Bangladesh and India.

iii. International facilitation conventions

To facilitate movement of international traffic, there are international conventions. Taking lessons from European experience, UN-ESCAP resolution 48/11 of April 1992, urged member governments to accede to seven international land transport facilitation conventions mentioned in the resolution.

The obligations under these conventions do not impinge on sovereignty of a country, yet except for adoption of one convention by India and two by Pakistan, the other sub-regional countries including Bangladesh have not yet officially acceded to these conventions. The situation in other sub-regions, particularly in central Asian countries is quite satisfactory.

iv. Transit Transport Framework Agreement (TTFA)

Recognising that countries may take sometime not only to accede to the international conventions but to implement them in practice, a number of sub-regional countries have started adopting as an interim measure, some Transit Transport Framework Agreements (TTFAs). Important provisions from the international conventions are being included in the protocols of these TTFAs. These are expected to facilitate movement of goods and people among the countries in the sub-region who are signing such agreements. TTFA could contribute to harmonisation, simplification and standardisation of policies and legal instruments, which best lend themselves to action at the sub-regional level. Measures envisaged in TTFAs such as the mutual recognition of driving permits, the issuance of multiple entry visas to transport operations and harmonised customs

documents and procedures, would minimise delay at border crossings to the benefit of transporters and traders.

Till such a time that Bangladesh and the other neighbouring countries like Bhutan, Nepal and India can accede to the international conventions included in UN-ESCAP resolution 48/11, they may like to consider going for a Framework Agreement for movement of inter-country and transit traffic by different modes of transport. When all SAARC countries become active in implementing the provisions of SAFTA, this agreement could be expanded to cover other members of SAARC.

B. Facilitation of Maritime Transport

The convention on facilitation of international maritime traffic 1965 (FAL convention) was developed to reduce use of excessive documentation for merchant shipping, so that ships could be quickly cleared at the port. Traditionally large number of documents are required by customs, immigration, health and other public authorities pertaining to the ship, its crew and passengers, baggage, cargo and mail. Unnecessary paperwork is a problem in most industries, but the potential for red tape is probably greater in shipping than in other industries, because of its international nature and the traditional acceptance of formalities and procedures.

The Annex to the FAL Convention contains rules for simplifying formalities, documentary requirements and procedures on the arrival and departure of ships and, in particular, it reduces to six the number of declarations which can be required by public authorities. These are: (i) the General Declaration (ii) Cargo Declaration (iii) Ship's Stores Declaration (iv) Crew's Effects Declaration (v) Crew List, and (vi) Passenger List. In addition, two other documents are required to be completed under the Universal Postal Convention and

the International Health Regulations. IMO has developed standardised forms for the first six of these declarations.

ESCAP, in conjunction with International Maritime Organisation (IMO), had organised a number of national workshops and sub-regional seminars in Asia to promote accession to the Convention on the Facilitation of Maritime Traffic 1965, as amended, (the FAL Convention) and the implementation of its provisions which are to simplify the procedures for inward clearance of ships, cargoes, passengers and crew, on arrival in port during the course of an international voyage. Bangladesh and India being two of the beneficiary countries, they should seriously start using only six-forms introduced under FAL conventions, and not continue using both old forms and the six-new forms.

C. Increased Private Sector Co-operation

Adequate financing is crucial to the development and upgrading of transport infrastructure. International financing institutions such as the World Bank, the Asian Development Bank, the Islamic Development Bank (IDB) and the Overseas Economic Co-operation Fund (OECF), Japan and several European countries have been providing loans for highway/railway upgrading in Asia. There is however, vast gap between investment requirements and available financial resources. This has created the need to search for new sources. To address this issue, many governments have begun to focus their attention on private sector resources to develop transport infrastructure as well as to enhance efficiency in their operation and management. New approaches such as public-private partnership through arrangements like BOT/BOO are being explored more seriously for the purpose.

The success of involving the private sector largely depends on the creation of a conducive and favourable environment and an

institutional framework for the private sector. A host of support activities and policies need to be introduced by national governments. These actions may include domestic policy and legal system reforms, restructuring of existing public transport agencies, and creation of new regulatory regimes to protect social and environmental interests at large.

In case of international/regional transport networks, the commitment/co-operation of respective governments are necessary to create an environment. If such co-operation is not forthcoming at track I level, the matter should be pursued at Track II and private sector levels.

In South-Asia, with economic liberalisation, there is growing domestic and international private sector interest. The Indo-US Joint Council Summit in December 1997 in Kolkata brought prominent private sector groups from the United States and South Asia to explore opportunities for investment. On January 15, 1998, the prime ministers of Bangladesh, India and Pakistan, accompanied by business delegations from each of the countries, met at a business summit in Dhaka to discuss issues related to the establishment of regional energy grids, as well as improvements in trade relations and transport logistics to ensure a smoother flow of goods and services among the countries. Members of SAARC Chamber of Commerce and Industries are pursuing improvements in trade and transport logistics to facilitate smooth flow of goods and services and enhance communications among the countries in the subcontinent.

There is an emerging East Initiative of private sector within the SAARC sub-region to promote economic growth, development through improved investments, trade and transportation in the sub-region. In 1998, the chambers of commerce of Bangladesh, Bhutan, India, and Nepal signed a joint memorandum of understanding to this effect.

Another major initiative of the private sector was the convening of the "International Conference on Sub-regional Economic Co-operation" in Kolkata, 28-29 November 2001 by the Indian Chamber of Commerce. This initiative supported by ADB focused on four SAGQ countries, namely Bangladesh, Bhutan, India and Nepal. The private sector participants and representatives of chambers discussed co-operation, in various fields including trade, transport and tourism. Various national chambers are currently pursuing the recommendations of the Kolkata conference to enhancing co-operation in specific area. Such co-operation among private sectors of the sub-region should be further strengthened in the form of concrete projects to be pursued.

CONCLUSIONS

The South Asian countries, given their physical and cultural proximity and shared history and heritage, form a natural area of integration. Most of these countries once formed part of an integrated economy, and yet they probably constitute one of the less "internally connected" sub-regions in the world today. Lack of trust, misconception and wrong information have, no doubt, been the stumbling block to meaningful co-operation among SAARC and/or SAGQ countries or between Bangladesh and its bordering states. There is a need to have political commitment and support to overcome such an undesirable situation in this age of ongoing globalisation. This has been the experience in other sub-regions of Asia namely ASEAN, Economic Co-operation Organisation (ECO) and Greater Mekong Sub-region (GMS), where political commitment led to economic integration.

But in many sub-regions, there are other types of experiences as well, where political difference between neighbouring countries did not foreclose the establishment of full commercial and economic

relations. We all know that such relations exist even in the absence of mutual recognition at the political level! In fact, stronger *economic ties, once established, can themselves be the building blocks for increasing understanding at political, cultural and social levels, which in turn give impetus to further development and consolidation of such economic ties.* The member countries of the Andean Community (Bolivia, Colombia, Ecuador, Peru and Venezuela) in Latin America- despite instability of political regimes and border conflicts or frictions- have managed not only to increase trade among themselves, but also to achieve important progress towards multidimensional integration³.

Once it is possible to come up with realistic facts and figures as to what benefit (in quantified terms) Bangladesh and other bordering states could get from the potential traffic generated by new investment, joint ventures, etc. based on untapped mineral resources in the bordering states, it would be necessary to widely publicise the results to create public opinion in support of transport co-operation.

Since availability of an efficient and integrated transport system has a direct bearing on competitiveness and ability to attract Foreign Direct Investment (FDI), there is a need to identify certain corridors for inter-country traffic movement, so that attention could be focused there for removing all physical and non-physical barriers. This initiative could however, build upon the significant progress already achieved under the ALTID project of UN-ESCAP. This highlights the fact that we need the co-operation and involvement of each and every country/states, rich or poor, big or small, as each of them provide a vital link along the corridor, without which the integration would not be effective.

3 The Latin American experience suggests that more rapid progress towards integration of markets can be achieved when such a process takes place in the context of multidimensional integration, particularly within regions that form natural areas of integration.

Considering that the SAARC process is deadlocked at the moment, it is highly important that the initiatives at TRACK II and private sector level are strengthened to keep the process of multilateral co-operation moving forward. Such a process could promote mutual trust, goodwill and understanding, and gradually create a more congenial atmosphere and awareness among the civil society for increased co-operation. This in turn could persuade the political leadership of these countries to come forward with their blessing for increased co-operation among the neighbouring countries and states, which could revitalise the process of SAARC co-operation.

Finally, I would like to conclude that during the last several years, we have had enough of discussion on possible co-operation between Bangladesh and the bordering states of India. Time has come now to follow up those possibilities, with concrete action in the form of inter-country projects. At the same time initiatives should be taken to address the issues I have highlighted in this paper. Concerted efforts of all concerned stakeholders would be necessary to achieve tangible results.