

Development of International Logistics Channel in the BCIM Economic Corridor: Focusing on Kurigram, Sylhet, Cox's Bazar, and Chittagong

Abstract

The formation of economic cooperation among four countries, namely Bangladesh, China, India, and Myanmar, also known as the BCIM economic corridor, was established in 1999. Despite the geopolitical rivalry between China and India, the prospect of BCIM is undeniable. With the establishment of China's Belt and Road Initiative (BRI), the importance of BCIM as a BRI route came to the fore in 2015. The BCIM-EC project has the potential to develop seamless cross-border connectivity, which might defy the present challenges resulting from the lack of sub-regional cooperation. Despite Bangladesh having a geographical benefit owing to the placement of its land ports at Kurigram and Sylhet and seaports at Chittagong and Cox's Bazar, it is undeniable that drawbacks like inadequate infrastructure, lack of adequate and efficient logistics channels, and regulatory bottlenecks act as an impediment to seamless connectivity and trade. As a result of the lack of impactful studies in the field and any substantial progress of the project, this mixed-method study aims to gain an in-depth understanding through the input of key informants and surveying the local residents to understand the project's social impact. The study will assess the current infrastructural capacity and setbacks, along with an analysis of the potential economic advantages and social implications of the BCIM-EC project. Additionally, it will provide a strategic plan and recommendations for developing a multimodal transportation system utilizing the land, air, and water pathways in the region, ensuring that they align with existing policies. The study findings can be crucial to securing significant economic gains for governments and investors.

Keywords: Bangladesh, BCIM, BRI China, Economic Corridor

Introduction

The proposed research focuses on developing an integrated multi-modal transnational transport route within the BCIM (Bangladesh-China-India-Myanmar) Economic Corridor, with particular emphasis on key regions in Bangladesh: Kurigram, Sylhet, Cox's Bazar, and Chittagong. This study aims to enhance regional connectivity and economic growth by leveraging the strategic locations of these areas in Bangladesh (Karim & Islam, 2018). The BCIM economic corridor is a significant initiative that aims to foster deeper financial and strategic linkages among these four countries. The BCIM passage forms a crucial segment of China's far-reaching Belt and Road Initiative (BRI). This initiative aims at bolstering regional ties and fostering economic growth by upgrading infrastructure, amplifying trade, and fostering cultural interactions. Particularly, the BCIM corridor is dedicated to establishing a linkage network that bridges the South Asian and Southeast Asian territories, thus simplifying and enhancing the flow of goods, services, and individuals across this varied geographic expanse (Jones & Liu, 2021).

Kurigram, Sylhet, Cox's Bazar, and Chittagong, located in Bangladesh, play a pivotal role in this corridor. Each region offers unique geographical and economic advantages: Kurigram is a strategic point near the India-Bangladesh border, making it a potential hub for cross-border trade activities. Sylhet, known for its tea gardens and natural resources, is crucial for agro-based trade and cultural exchanges, particularly with the northeastern states of India. Cox's Bazar, hosting the world's longest sea beach, has significant potential for developing maritime trade and tourism-related activities. With its major seaport, Chittagong acts as a maritime gateway for Bangladesh, connecting the country to international trade routes.

Despite the strategic locations of these regions, challenges such as inadequate infrastructure, regulatory bottlenecks, and underdeveloped logistics channels hinder their full potential in the BCIM Corridor (Marchang, 2020). Efficient logistics are the backbone of international trade and economic development; therefore, there is an urgent need to develop and upgrade the logistical framework in these areas to enhance their connectivity and economic output.

This research aims to analyze and provide comprehensive insights into developing the international logistics channel in the BCIM Economic Corridor, explicitly focusing on Kurigram, Sylhet, Cox's Bazar, and Chittagong. It seeks to identify the current state of logistics infrastructure, evaluate the socio-economic impacts of potential development, and recommend strategic interventions to optimize the benefits of the BCIM Corridor for these regions.

Significance of the Study

The findings of this research are expected to contribute to a better understanding of the logistics dynamics in the BCIM Corridor and aid policymakers, investors, and stakeholders in making informed decisions. By enhancing the logistics network, these regions can unlock new economic opportunities, foster regional integration, and play a significant role in the broader context of the BCIM Economic Corridor's development.

Objectives

- To evaluate the transport infrastructure's current state and potential in Kurigram, Sylhet, Cox's Bazar, and Chittagong.
- To develop strategies for effectively integrating these regions' road, rail, water, and air transport.
- To assess improved transport connectivity's potential economic benefits and social impacts.
- To analyze existing policies and provide recommendations for the proposed transport network.

Methodology

Mixed-method research will be adopted for the project. Initially, we will identify major regional stakeholders in four regions of Bangladesh, encompassing government officials, local business entities, logistics firms, and community heads. Subsequently, key informant interviews (KIIs) will be conducted with these stakeholders, including local authorities, entrepreneurs, logistics, and international commerce professionals, to gather their perspectives and insights on the BCIM corridor. Additionally, informal conversations with the residents will be pursued to comprehend their viewpoints regarding the BCIM corridor. Moreover, an evaluation of the geographical landscapes and a systematic analysis of the infrastructure in these areas will be undertaken. In addition, we will survey the local population to understand their attitude toward the BCIM corridor.

Key focus areas

Kurigram: Explore border trade facilitation and road-rail connectivity with India and the broader BCIM region.

Sylhet: Assess the potential for enhancing air and rail links, considering its strategic position near the Indian border and economic importance.

Cox's Bazar: Focus on port development and maritime connectivity, given its proximity to the Bay of Bengal and Myanmar.

Chittagong: Examine opportunities for expanding port facilities and improving road-rail links for better access to the Indian northeast and Myanmar.

Research Output

The research will produce a comprehensive report detailing the current state and potential enhancements for the logistics channel. It will include policy recommendations, strategic development plans, and an assessment of socio-economic impacts.