ISSN: 2521-7135

NDC SEMINAR PAPER

Proceedings

Seminar on Regional Connectivity: Opportunities and Challenges

Date: 03 September 2018

VOLUME 03 NUMBER 04 SEPTEMBER 2018

NATIONAL DEFENCE COLLEGE
BANGLADESH

Seminar on
Regional Connectivity: Opportunities and Challenges

Jointly Organized by
National Defence College
with
Bangladesh Institute of International and Strategic Studies (BIISS)
and
Bangladesh Enterprise Institute (BEI)

NATIONAL DEFENCE COLLEGE
BANGLADESH

DISCLAIMER

The analysis, opinions and conclusions expressed or implied in this seminar proceeding are those of the presenters/authors and were presented as part of a course requirement of National Defence College for academic discourses and do not reflect any opinion or position or views of the College, Bangladesh Armed Forces or any other agencies of Bangladesh Government. Statement, facts or opinion appearing in this seminar proceeding are solely those of the presenters/authors/researchers and do not imply endorsement by editors, publisher or National Defence College, Bangladesh.

Foreword

An integrated transport system at the regional level is essential to facilitate and sustain the economic integration process in today's interdependent world economy. The absence of an integrated transport system adversely impacts on economic competitiveness and impedes intra-regional trade.

The transport systems in South Asia, particularly in this subcontinent, have developed only in a national context, with little consideration given to cross-border issues of compatibility, uniformity of standards in infrastructure and equipment design.

Bangladesh could emerge as a transport hub for the sub-region comprising Bangladesh, Bhutan, Nepal, India if it opens up its transport system to provide regional connectivity. Transport connectivity with India only will not create a win-win situation for all countries involved i.e. Nepal and Bhutan. We need to include China and Myanmar in the framework of regional connectivity to reap the highest benefit.

What is required is coordinated and focused commitment of sub-regional/regional member states to resolve the barriers, which requires substantial investment, to achieve improvements in regional transport connectivity. The transit/connectivity among South Asian countries should be conceived within the framework of regional economic integration, where all natural and environmental resources, facilities and opportunities should be exploited for the benefit of all countries in the region/sub-region.

I would like to thank the faculty members and college staff for their tireless effort in organizing the seminar and making it a success. Finally I appreciate the sincere efforts of the Research and Academic Wing and acknowledge the solemn endeavour of the editorial board to bring out the seminar paper.

Lieutenant General Sheikh Mamun Khaled, SUP, rcds, psc, PhD
Commandant
National Defence College

Editorial

In a globalized economy, transport cost being a significant determinant of competitiveness, it makes integrated and efficient transport network an essential element of the enabling environment. The integrated transport infrastructure, which South Asia inherited from the British, got fractured initially by the partition of India, and subsequently by its political aftermath and now needs to be rebuilt within the context of greater political harmony in South Asia.

Such integration is especially crucial to countries such as Nepal and Bhutan and the regions such as North East India, as this could serve to end their landlocked or semi-isolated status and provide shorter transport and transit access to sea ports.

It would be beneficial for all the concerned countries to go for regional transport connectivity at the earliest. It was, however pointed out that issues related to regional connectivity and transit cannot be resolved in isolation.

It needs to be considered together with other unresolved issues, in the areas of water sharing, environment, marine boundary, etc. What is needed for a long lasting solution is the political will and commitment of the leaders of South Asia, who should sit together with an open mind to resolve various issues once for all.

In fine, I would like to thank all concerned for whom publication of this paper was possible. I hope that this endeavour will satisfy the readers. I promise to continue this effort to bring more diverse and newer topic for the readers in future.

Air Cdre M Mortuza Kamal, GUP, ndc, psc, GD(P)
Senior Directing Staff (Air)
National Defence College

Chief Patron
Lieutenant General Sheikh Mamun Khaled, SUP, rcds, psc, PhD

Editor in Chief
and Seminar Sponsor SDS
Air Cdre M Mortuza Kamal
GUP, ndc, psc, GD(P)

Editor
Col (Now Brig Gen)
A K M Fazlur Rahman
afwc, psc

Associate Editor
Lt Col A S M Badiul Alam, afwc, psc, G+, Arty

Assistant Editor
Lecturer Farhana Binte Aziz, Research Fellow

Assistant Editor
Md Nazrul Islam, Assistant Director

Contents

Foreword by Commandant, NDC	05
Editorial by Editor in Chief	06
Editorial Board	07
Overview of the Seminar	09
Executive Summary	10
Address of Commandant, NDC	12
Address of Chief Guest	14
Keynote Paper-1: Regional Economic Connectivity: Opportunities and Challenges By Faiz Sobhan	19
Keynote Paper-2: Regional Energy Connectivity: Bangladesh Perspective By Lam-ya Mostaque	32
Keynote Paper-3: Regional Connectivity - Opportunity and Challenges: Bangladesh Perspective By National Defence Course Members 2018	42
Summary of the Interactive Session	85
List of Participants	87

Overview of the Seminar

As part of the course curriculum, National Defence College (NDC) arranges a good number of seminars and other individual and group research works for the course members.

The seminar on "Regional Connectivity: Opportunities and Challenges" was held at NDC on 14 August and 3 September 2018 as part of the course curriculum of National Defence (ND) Course-2018. The seminars were participated by four groups of Course Members of ND Course 2018. All groups presented their keynote papers on 14 August 2018 and critique groups provided their comments and suggestions to the respective groups.

The panel of presenters covered four sub-themes. Group-A: Importance of Regional Connectivity and Historical Perspective, Group-B: BBIN: Opportunities and Challenges - Options for Bangladesh, Group-C: BCIM and SAARC: Opportunities and Challenges - Options for Bangladesh and Group-D: OBOR: Opportunities and Challenges - Options for Bangladesh.

Dr Hossain Zillur Rahman, Former Advisor to the Caretaker Government of Bangladesh, and Executive Chairman, Power and Participation Research Centre graced the seminar as the Chief Guest. Ms. Lam-ya Mostaque from BIISS and Mr. Faiz Sobhan from BEI presented their keynote papers in 1st session and the session was chaired by Major General A K M Abdur Rahman, ndc, psc, Director General, BIISS. NDC team presented their paper in 2nd session and Ambassador Humayun Kabir, Vice President, BEI chaired the session.

The topic of the seminar was very much effective for the present context of Bangladesh. All the keynote speakers upheld important sides of the themes and the discussion contributed a lot to fulfill the aim of the seminar. At the end of the presentation there was an interactive session where Commandant NDC, Resource Persons, Faculty, Sponsor Senior Directing Staffs and all Course Members of National Defence Course 2018 participated and contributed.

Executive Summary

"…As for us, we will not be found wanting to cooperate with all concerned for creating an area of peace in South Asia, where we could live side by side as neighbours and pursue constructive policies for the benefit of our peoples… **let there be an end, once for all, to this denial policy of confrontation between neighbours…history will not forgive us if we fail in this challenging task."**

Bangabandhu Sheikh Mujibur Rahman
(Kolkata – 1972)

Connectivity as we see it today, is perceived to be an important driver of trade, transport, energy cooperation, investment, tourism and people-to-people contact. Present day's connectivity, owing to technological advances, industrialization and externalization has grown much beyond earlier comprehended boundaries of geography. For South Asian region to be progressive, it is quintessential to promote economic sustenance. Other concurrent areas would necessarily include the fields of energy, education, industrialisation, technological advancements and urbanisation etcetera.

Dr Hossain Zillur Rahman, Former Advisor to the Caretaker Government of Bangladesh, and Executive Chairman, Power and Participation Research Centre graced the seminar as the Chief Guest. Ms. Lam-ya Mostaque from BIISS and Mr. Faiz Sobhan from BEI presented their keynote papers in 1st session and the session was chaired by Major General A K M Abdur Rahman, ndc, psc, Director General, BIISS. NDC team presented their paper in 2nd session and Ambassador Humayun Kabir, Vice President, BEI chaired the session.

Session 1 - BIISS and BEI

During the first session of the Seminar, research officer of BIISS elaborately covered the energy connectivity and economic connectivity in the South Asian perspective. The core finding was lack of political will amongst different countries of the region, which needs to be addressed for enhanced progress and development.

Session 2 - NDC Panel

This session was a sequel to following four previously delivered presentations on:

- Importance of Regional Connectivity and Its Present State.
- BBIN / BCIM - Opportunities / Challenges: Bangladesh Perspective.
- SAARC / BIMSTEC - Opportunities / Challenges: Bangladesh Perspective.
- BRI and SAGAR - Opportunities / Challenges: Bangladesh Perspective.
- Scope. The panel presented its paper encompassing following:
  - Overview.
  - Challenges.
  - Opportunities.
  - Way Forward.

Summing Up

Ambassador Humayun Kabir chaired the session during a healthy and thought provoking interactive session. The Course Members of AFWC, NDC and research fellows from BIISS participated wholeheartedly. The Chair, thereafter, summed up the Seminar, concluding that, while there are numerous challenges confronting regional connectivity, the need is to be optimistic about the good steps being taken by the Bangladeshi government. He was hopeful that the coming future is bright and South Asia will soon achieve greater progress and development through enhanced connectivity.

"There is no point in having a glass top highway but still require trucks to line up for miles at a crossing because of cumbersome procedures and security checks."

Shyam Saran
Former Foreign Secretary of India (Jul 2004 – Sep 2006)
Hindustan Times (Apr 12, 2018)

Opening Address of Commandant, NDC

Lieutenant General Sheikh Mamun Khaled, SUP, rcds, psc, PhD

Bismillahir Rahmanir Rahim

Socratis great saying, "the only thing that I know is that I know nothing"

Respected Chief Guest, Dr. Hossain Zillur Rahman, Former Adviser to the Caretaker Government of Bangladesh and Executive Chairman, Power and Participation Research Centre,

Distinguished Guests, Ladies and Gentlemen

Asssalamu Alaikum and Very Good Morning

I am honoured and privileged to welcome you in the seminar. Bangladesh is aspiring to become a middle-income country by 2021. Very recently, the Prime Minister of the Peoples' Republic of Bangladesh declared her vision to take Bangladesh at par with the advanced countries by 2041.

We express our deepest gratitude and sincere thanks to Dr. Hossain Zillur Rahman for gracing this occasion as the Chief Guest.

We are grateful to Bangladesh Institute of International and Strategic Studies and Bangladesh Enterprise Institute for standing beside National Defence College to arrange the seminar. I am also thankful to Ambassador Humayun Kabir, Vice President, Bangladesh Enterprise Institute and Maj Gen A K M Abdur Rahman, ndc, psc, Director General, Bangladesh Institute of International and Strategic Studies (BIISS) for being the sessions chair for today's seminar.

Distinguished Guests, Ladies and Gentlemen

The National Defence College is dedicated to be the premier national centre of excellence on defence, security, strategic and development studies - meeting the challenges of the 21st century. Globalization, interdependence and rise of

Asian States underpinned by technological breakthroughs have forced a wider paradigm of security for the emerging states. Rapid and sustained development has become sine qua non for security of the developing countries. The college has always promoted a holistic appreciation of national security challenges that enables the course members to not only examine the individual components of the challenges but also search for systemic relationship and solutions to these problems. Past 19 years of track record attests to the practicability of the learning regime that has made this premier institution a centre of excellence at home and in the region. A very hearty welcome to our distinguished guests for their presence and for their support for the National Defence College. I thank you all, as your presence honours this institution and the participants of this seminar.

Thank you, Ladies and Gentlemen.

Speech of Chief Guest

Dr. Hossain Zillur Rahman
Executive Chairman, Power and Participation Research Centre (PPRC)

Commandant NDC Lt Gen. Sheikh Mamun Khaled and his colleagues, course members, leadership of the two support institutions; Bangladesh Enterprise Institute and Bangladesh Institute of International and Strategic Studies, Assalamualikum.

I am honored to have been invited here. I am sure there are more distinguished people who could have been present here, who could have filled this role of the chief guest. But I am honored and I want to appreciate the fact that NDC pursues its goal of adhering to higher standards of knowledge, and in this very rapidly changing world scenario, it's so important to keep abreast of all the new thinking which is going on around the world and how being applied in our context. I know the course members have done a fantastic job in preparing and those who have supported them in preparing these papers.

A few days ago, I think three or two of them came to discuss with me about the final paper that they had produced just before they were going to launch it, and I was happy to have a discussion with them. So, I am extremely happy that the issue which is been chosen, the issue of regional connectivity, is an extremely important issue for our times and it has multiple dimensions offcourse. I am sure the course members have really looked at all the important aspects of this issue, they have deliberated and I am sure we will hear a very excellent academic and strategic presentation. But I want to, for my part, I want to just stress just a few dimensions of this issue regional connectivity. I think at the very beginning, we want to keep in mind, why this issue is important. Because its not for just one dimension that this is important; for example, economists would see this as a very important issue for expediting growth processes, that's a very important issue.

Economic growth is a very important goal for that purpose, regional connectivity, expanding market opportunities, export, import etc are very very

important. At the same time, regional connectivity is in a way, a way when we talk about growth it is also very important in today's world to ensure that the nature of the regional connectivity that we are pursuing also ensures that the fruits of this endeavor reaches everyone. So, equity is also a very important issue. We need to conduct our regional connectivity ideas in a manner that it does not just benefit a small segment of the country or one small segment of the region, the benefits flow to all parts of the region; the equity goal, I think is equally important.

We have to keep that in mind. Off course, there is the peace and security aspect which is very very important and we have to keep that in mind and I think as long, when the regions are connected, the conflict avoidance begins to take a bad seat. So, these three aspects that economic growth, we want to ensure equity, and we want to ensure conflict avoidance and promote peace and security. I think it's important that regional connectivity; the multiple goals of regional connectivity, we keep that in mind. Another issue that I think is also important that regional connectivity is offering within a global context. It's not like, is an isolated event. So, the region and extra region; beyond the region, that connectivity also has to be kept in mind. Because the regional connectivity can be developed in a manner in which you are, as a region are also better connected within the global framework. So, the nature of the regional and the extra region interface is equally important and we have to bear with it and so many initiatives that are nowadays going on, keep that in mind. One other issue is that when we talk about regional connectivity is also of course important that all those who are in the region; what's called the 'all of us' approach, has to be prioritized.

As a basic philosophical driver of the cause of regional connectivity. Of course, at pragmatic level there may be some regional links which also need to be developed. But as a whole, this 'all of us' approach must underly the philosophical basis of pursuing regional connectivity. One issue which has come to the fore, which has caused a bit of concern is that regional connectivity must not land any particular country. You know it is meant for improving economy over the long run. But in the short run, we mustn't fall in what's called the debt trap. Because now a days there is a concern that if you over-

invest without appropriate safeguards in terms of sources of finance, you may fall into a sort of a debt trap. That is to be avoided when we pursue because it is easy to be ambitious but we have to be ambitious in a realistic manner. We mustn't set difficulties for us, as we become ambitious. So, debt trap is a growing concern that we need to pursue our regional connectivity while avoiding the issue of debt trap. That is a very important issue.

Some of the countries in our neighborhood have really brought this up as an important concern. The one other point that I would, very importantly highlight, this is not discussed much. But I feel for our part of the region in particular, this is a point that we have to take to heart. Which is that regional connectivity is essential about infrastructure, right? But, what is infrastructure? Infrastructure, in a developed global context, is not just the concrete, it is also the use protocols, the behavior protocols by which the concrete is used actually. Think of a bridge; a world class bridge, but if it's use protocols is of a backward village level culture; that you know, the busses are put in a haphazard manner while getting on the bridge.

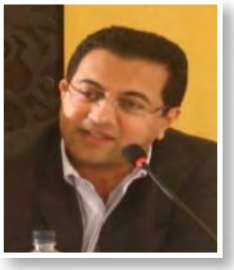
What is the value of a world class infrastructure if the use protocols and the behavior protocols are not developed. This is a gap particularly in our part of the world, we can pour the money to create the concrete but building the behavioral culture, building that specific protocols, by which concrete and infrastructure become usable in a very developed manner, that is I think very important. So, infrastructure is not just concrete, infrastructure is concrete plus behavior and use protocols. Together they constitute infrastructure. I think in our part of the world, it is very important we begin to embrace this idea of infrastructure rather than just the concrete part of it. Finally, regional connectivity obviously can be pursued in a multimodal context. Obviously, there is the road connectivity that attracts most of our attention. But, maritime connectivity has also become very important. Even digital connectivity is also very important.

So, when we talk of regional connectivity in today's world, it is very important to keep in mind that it is a multimodal connectivity that we are taking about, not just one particular type of connectivity. So, I don't want to pre-empt the excellence and the beauty of the presentations that are going to come. I just want to thank NDC again for honoring me to invite, to speak at this inaugural session and to congratulate in advance, all the course members, those who have supported them, NDC management in general for this very important topic and hopefully, ideas from such exercises will enter into the national and regional consciousness and make sure that the agenda like this regional connectivity, address those issues of growth, the issues of equity and the issues of security. Thank you.

Session-1

Session Chair: Major General A K M Abdur Rahman, ndc, psc
Director General
Bangladesh Institute of International and Strategic Studies (BIISS)

Keynote Speakers



Keynote Paper-1: Regional Economic Connectivity: Opportunities and Challenges
By Faiz Sobhan
Senior Research Director
Bangladesh Enterprise Institute (BEI)

Keynote Paper-2: Regional Energy Connectivity: Bangladesh Perspective
By Lam-ya Mostaque
Research Officer
Bangladesh Institute of International and Strategic Studies (BIISS)

KEYNOTE PAPER-1
REGIONAL ECONOMIC CONNECTIVITY: OPPORTUNITIES AND CHALLENGES

Faiz Sobhan
Senior Research Director, Bangladesh Enterprise Institute

Background

Over the past two decades, South Asia has averaged six percent economic growth annually, lifting millions out of poverty and improving the quality of life for hundreds of millions more. But in terms of economic development and linkages, the countries of South Asia remain very far apart, especially in contrast to other regions of the world. South Asia accounts for only 2.5 percent of GDP, 2 percent of world exports, and 1.6 percent of global FDI.

Bangladesh was one of the pioneers calling for greater South Asian economic cooperation when in February 1972 when the Father of our Nation Bangabandhu Sheikh Mujibur Rahman emphasized South Asian states working together for the betterment of its people.

In December 1985, SAARC was formally launched and the first Summit meeting was held in Dhaka. There was much hope that such a grouping would help bring about immense economic growth and development in the region, however, as it is well-known SAARC over the years has been beset by numerous challenges.

But there was a common understanding among member countries thatthey can still move forward on regional cooperation and connectivity through various sub-regional initiatives, and that improved regional connectivity and reduced trading costs would increase access to goods and markets; improve economic opportunities, including for the poor, and promote private sector development. All these factors would accelerate the region's economic growth and poverty reduction efforts.

Regional Connectivity Initiatives - The Case of Bangladesh

As you all know and have heard, South Asia is the least integrated regions in the world with only 5 percent intra-regional trade compared to 25 percent intra-regional trade in the ASEAN region (World Bank, 2018).

The intra-regional investment is also lower than 1 percent of overall investment which is 25 percent for ASEAN member countries.

During the tenth SAARC Summit in 1998 to draft the agreement on the South Asian Free Trade Agreement (SAFTA) which was eventually signed by the SAARC members on 6 January 2004 during the twelfth SAARC Summit in Islamabad. Unfortunately, even though SAFTA was signed over a decade and a half ago, intraregional trade within South Asia remains very low. Furthermore, despite 2010-2020 being recognised as the "Decade of Intra-Regional Connectivity in South Asia", progress made in terms of regional connectivity has fallen short.

Nevertheless, in view of the subject matter, it is pertinent to highlight the various regional connectivity initiatives Bangladesh is a part of. They are as follows:

- Asian Highway Network
- Belt and Road Initiative (BRI) or 'One Belt One Road' initiative
- Bangladesh, China, India, and Myanmar – Economic Corridor (BCIM-EC)
- Bangladesh, Bhutan, India, Nepal (BBIN) Motor Vehicle Agreement
- BIMSTEC Road Corridor
- SAARC Highway Corridor
- SASEC Corridor

Asian Highway Network

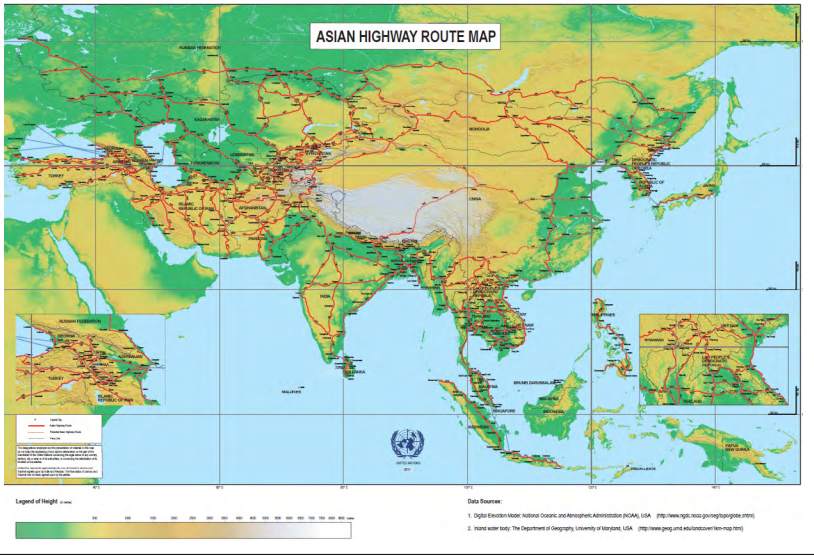
During the early 1990s, political and economic changes in the region spurred renewed interest in an Asian Highway network, an idea first mooted in 1959 by UNESCAP. In 1992, the Asian Land Transport Infrastructure Development Project (ALTIDP) was launched.

The project is foremost among existing Pan-Asian infrastructure initiatives. It consists of three pillars:

- The Asian Highway (AH)
- The Trans-Asian Railway (TAR), and
- The Facilitation of land transport projects through inter-modal transport terminals (dry ports and inland ports)

The Asian Highway network currently comprises about 144,630 kilometres of roads, including 15,400 kilometre of potential Asian Highway routes in China, passing through 32 Asian member States with linkages to Europe. As of July 2018, 29 Member States are party to the Agreement.

Map: Asian Highway Route Map



Source: https://www.unescap.org/sites/default/files/AH-map_2018-2.pdf

An Intergovernmental Agreement on the Asian Highway Network came into force in July 2005. Bangladesh's accession to the Asian Highway Network entered into forceon 8th November 2009, and it is a part of the following Asian Highway Routes:

- Asian Highway-1 (AH1)
- Asian Highway-2 (AH2)
- Asian Highway-41 (AH41)

Of these three routes, AH41 remains within Bangladesh, but could be extended to neighboring countries. The total length of the Asian Highway routes in Bangladesh is 1771 kilometres.

Table: Progress of the Asian Highway Network

AH1 Route inside Bangladesh: Guwahati (India) - Dawki (India)/Tamabil - Sylhet - Shaistaganj - Narshingdi - Katchpur - Dhaka - Mawa - Charjanajat - Bhanga - Bhatiapara - Kalna Ferry Ghat - Narail - Jashore- Benapole/ Petrapole (India). Total length of this route is 492 km.

Under this route, currently 8 projects are being undertaken. There are currently two missing links in this corridor: (a) the Padma Bridge gap and (b) Kalna Bridge gap. The roads need to be upgraded to standard I as well.

AH2 Route inside Bangladesh comprises: Guwahati (India) - Dawki (India) - Tamabil - Sylhet - Shaistaganj - Narshingdi - Katchpur - Dhaka South (Jatrabari) – Dhaka North (Banani Rail Crossing) – Joydevpur - Kaliakoir - Elenga - Hatikamrul - Bogura - Rangpur - Beldanga - Panchgarh - Banglabandha/Fulbari (India). The total length of the AH2 route inside Bangladesh totals 517 km (excluding common part of 294 km of AH1).

AH41 Route within Bangladesh: Teknaf - Cox's Bazar - Keranirhat - Feni - Moinamoti - Katchpur - Dhaka (Jatrabari) - Dhaka North(Banani Rail Crossing) - Joydevpur - Kaliakoir - Hatikamrul - Banpara - Dasuria - Paksey - Kushtia - Jenaidah - Jashore - Khulna - Mongla. Total length is 762 km (excluding common part of 162 km of AH2).

Source: Regional Road Connectivity: Bangladesh Perspective (2016)

Belt and Road Initiative

The Belt and Road initiative is a long-term grand strategy of China involving an area that encompasses 55% of the world's GNP, 70% of the global population and 75% of known energy reservoirs. According to China's estimates, total of $ 6 trillion dollars will be required for the BRI.

It is both an all-round opening-up strategy and an international cooperation proposal aimed at establishing a community of common interest, common

responsibility and common destiny with 4.4 billion people in 65 countries of Europe, Asia and Africa.

Table: List of Countries along the line of BRI	
Name of the region	List of countries
Russia, Mongolia, and 5 countries in Central Asia	Mongolia, Russia, Kazakhstan, Tajikistan, Kyrgyzstan, Uzbekistan, Turkmenistan
11 countries in Southeast Asia	Indonesia, Cambodia, East Timur, Malaysia, The Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Myanmar
8 Countries in South Asia	Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka
16 countries in Eastern Europe	Poland, Montenegro, Macedonia, Bosnia and Herzegovina, Albania, Lithuania, Latvia, Estonia, The Czech Republic, The Slovak Republic, Hungary, Slovenia, The Croatia Republic, Romania, Bulgaria, Serbia
16 countries in Middle East and North Africa (MENA)	Iran, Syria, Jordan, Israel, Iraq, Lebanon, Palestine, Egypt, Turkey, Saudi Arabia, UAE, Oman, Kuwait, Qatar, Bahrain, Yemen
5 other CIS countries and Georgia	Belarus, Ukraine, Azerbaijan, Moldova, Armenia, Georgia

The BRI has two main components

- Silk Road Economic Belt, and
- The 21st century Maritime Silk Road

The Silk Road Economic Belt is a land road designed to connect China with Central Asia, Eastern and Western Europe. It will link China with the Mediterranean Sea, Persian Gulf, the Middle East, South Asia and South-East Asia. The aim of the Silk Road Economic Belt is to develop six economic corridors; the BCIM economic corridor is of them.

China plans to invest up to US 4 trillion dollars in BRI-related projects in the next few decades. With proper policy co-ordination, Bangladesh can attract a large portion of this investment.

BCIM – EC

BCIM spans three Asian regions - South Asia, South-east Asia and East Asia – and includes Bangladesh, China, India and Myanmar. The corridor is 2,800 km long and starts from Kolkata passing through Bangladesh and Myanmar before ending at Kunming in China and envisages a network of modern roads, railways, ports, communication and trade connectivity

The idea of BCIM was originally thought of as a vehicle for economic cooperation, the above ideas formed the basis of launching the BCIM initiative in 1999 in Kunming, the capital of Chinese Yunnan province. Two prominent objectives had driven the BCIM initiative since the beginning - one is economic integration of the sub-region that would also enable integration of Asia and the other is development of the border regions.

The BCIM priority agenda has evolved over time. From the 3-T's of Trade, Transport, and Tourism, the BCIM priority agenda has moved to TTE (Trade, Transport, and Energy).

The idea of multi-modal transportation was also added to the BCIM connectivity agenda with the focus on Inland Water Transportation and the promotion of port development and coastal shipping.

The BCIM spans three recognized regions of Asia namely, South Asia, South-east Asia and East Asia. The Centre for Policy Dialogue (CPD) in Bangladesh, Yunnan Academy of Social Sciences (YASS) in Kunming, China, the Centre for Policy Research (CPR) in India and the Ministry of Border Trade of Myanmar were the pioneering institutions which agreed to launch the BCIM initiative in Kunming, capital of China's southwestern Yunnan province in 1999.

The Civil Society initiative (Track II) in Kunming sought to explore the possibilities of regional and sub-regional cooperation involving the BCIM countries with a view to identifying concrete modalities to implement the recommendations put forward by the initiative through intergovernmental efforts, private sector participation and public-private partnerships. With the 'Track II' engagement between researchers in the four countries, the BCIM

Forum took on a uniquely 'multi-track' character, involving government, business, civil society and academic institutions in partnership. Since 1999, meetings have been held in turn in India, Bangladesh and Myanmar, with a third round starting in Kunming in 2011.

In 2012, the BCIM forum attained a breakthrough in the mechanism establishment and entered the phase of Track I, basically a process whereby communications from one government go directly to the decision-making apparatus of another government. The BCIM Initiative is one of the few sub-regional initiatives to explore the prospects of cooperation of Bangladesh, China, India and Myanmar, specifically the land-locked and relatively backward regions.

The Bangladesh-China-India-Myanmar (BCIM) Forum for Regional Cooperation aims to recapture forcontemporary time the historic dynamism that had once characterized the flows of goods, people and culture over the famed "Southern Silk Route". With the aim of stimulating interest of people to revive the historic trade route, BCIM Forum at its meeting in 2006 in Delhi decided to organize a Car Rally from Kolkata to Kunming. In line with the decision, BCIM Forum at its meeting in Kunming in 2011 selected the following BCIM corridor:

Kolkata (India) - Petrapole (India)/Benapole (Bangladesh) – Jashore (Bangladesh) - Dhaka (Bangladesh) – Sylhet (Bangladesh) – Sheola (Bangladesh)/Sutarkandi (India) – Silchar (India) – Imphal (India) - Morreh (India)/Tamu (Myanmar) -Ka Lay (Myanmar) – Mandalay (Myanmar) – Mose (Myanmar)/Ruili (China) – Tengchong (China) – Erhai Lake (China) – Dali (China) – Kunming (China).

However, the 'Regional Road Connectivity: Bangladesh Perspective' proposes an alternative BCIM corridor as:

Kolkata (India) - Jashore (Bangladesh) - Dhaka (Bangladesh) - Chattogram (Bangladesh) - Cox's Bazar (Bangladesh) - Ghundum (Bangladesh) - Taungbro (Myanmar) - Bawlibazaar (Myanmar) - Kyauktaw - (Myanmar) - Mandalay (Myanmar) - Lashio (Myanmar) - Ruili (China) - Kunming (China).

BBIN Motor Vehicle Agreement

A sub-regional meeting of the Transport Secretaries of Bangladesh, Bhutan, India, and Nepal (BBIN) on Road Transport Connectivity in 2015 agreed on a draft framework agreement entitled, "Motor Vehicles Agreement (MVA) for the:

- Regulation of Passenger, Personal, and Cargo Vehicular Traffic between Bangladesh, Bhutan, India, and Nepal,
- To discuss and make recommendations to the BBIN Transport Ministers on general approaches to implementing the MVA and broad institutional arrangements, and
- To discuss a road map of future sub-regional road projects in the BBIN countries.

Air Connectivity in the Region

If we look at bilateral air connectivity in the region, it is weaker than the global average. Bilateral Air Service Agreements (BASAs) within the region are more restrictive than the average BASA. South Asian BASAs with non-South Asian countries are more liberal than intra-South Asian BASAs.

BIMSTEC Road Corridor

Turning now to BIMSTEC, or the Bay of Bengal Initiative for Multi Sectoral Technical and Economic Cooperation, a sub-regional initiative involving a group of South and Southeast Asian countries (Bangladesh, India, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal).

A BIMSTEC Transport Infrastructure and Logistics Study (BTILS) completed in 2008 which identified the following:

- 14 road corridors
- 4 rail corridors
- 2 in-land waterway corridors
- 11 maritime gateways and
- 15 aviation gateways

The regional corridors that involve Bangladesh are presented below:

BIMSTEC Road Corridor (BRC)	Length (km)	Countries	Existing Road Status (km)	Currently upgrading to class I (km)	FS & DD done (km)	FS/DD on-going (km)
Kolkata-Petrapole (India) / Benapole (Bangladesh) 478 India & Bangladesh - Dhaka-Akhaura-Agartala	478	India & Bangladesh	Class I – 51 km Class II or below – 405 km	405 km	310 km	95 km
Kathmandu - Kakarvita - Phulbari(India)/ Mongla 1314 Nepal, India & Banglabandha (Bangladesh)- Mongla / Chattogram	Mongla 1314; Chattogram 1394	Nepal, India & Bangladesh	Class I – 18 km Class II or below – 1029 km	312 km	398 km	314 km
Samdrupjongkhar (Bhutan)-Shillong(India)-Sylhet (Bangladesh)-Dhaka-Kolkata	906	Bhutan, India & Bangladesh	Class I – 51 km Class II or below – 499 km	499 km	442 km	57 km
Agartala-Akhaura-Chattogram	227	India & Bangladesh	Class I – 0 km Class II or below – 79 km	151 km	66 km	13 km
Thimphu (Bhutan)-Phuenthsholing-Jaigon--Chengrabandha (India)/ Burimari (Bangladesh)- Chattogram/ Mongla	Chattogram 966 Mongla 880	Bhutan, India & Bangladesh	Class I – 0 km Class II or below – 138 km	138 km	138	-
Maldha-Shibgang-Bangabandhu Bridge, Bangladesh	253	India & Bangladesh	Class I – 0 km Class II or below – 165 km	165 km	165 km	-
Chattogram-Ramu (Cox's Bazar)-Teknaf-Maungdaw	228	Myanmar & Bangladesh	Class I – 0 km Class II or below – 228 km	228 km	228 km	-
Source: Regional Road Connectivity: Bangladesh Perspective (2016)						

SAARC Highway Corridors

Recognizing the importance of transport integration in South Asia as one of the key elements to promoting economic cooperation, the 2004 SAARC Summit decided to strengthen transport, transit and communication links across the region. With financial and technical support from the Asian Development Bank (ADB), the SAARC Regional Multimodal Transport Study was initiated with the main objective of enhancing multimodal transport connectivity among SAARC member states.

The study recommended 10 road corridors for future development based on several criteria namely, volume and traffic trends, potential to provide direct connectivity, ability to provide access to landlocked countries/states to ports or to major transit transport networks, potential to reduce distance and thereby saving transport costs and revitalizing historical links.

Out of the 10 SAARC Highway Corridors (SHC), six corridors namely SHC1, SHC4, SHC5, SHC6, SHC8, SHC9 involve Bangladesh.

SAARC Highway Corridors involve Bangladesh			
	Corridor	Countries	Basis of Selection
SHC 1	Lahore - New Delhi - Kolkata - Petrapole/Benapole - Dhaka-Akhaura/Agartala	Pakisran/India and Bangladesh	Potential to carry major intraregional traffic and Potential to providing shorter route leading to transport cost savings
SHC 4	Kathmandu - Kakarvitta - Phulbari - Banglabandha-Mongla/Chattogram	Nepal, India and Bangladesh	Access to Iandlocked Nepal to Bangladeshi ports
SHC 5	Sandrop Jongkhar - Guwahati - Syillong - Sylhet - Dhaka-Kolkata	Bhutan, India and Bangladesh	Potential to providing shorter route leading to transport cost savings
SHC 6	Agartala - Akhaura - Chattogram	India and Bangladesh	Shorter access to Chattogram port for Indian North Eastern States
SHC 8	Thimphu- Phuentsholing-Jaigaon- Burimari - Mongla/ Chattogram	Bhutan, India and Bangladesh	Access to Iandloked Bhutan to Bangladeshi ports
SHC 9	Maldha - Shibganj - Jamuna Bridge (Bangladesh)	India and Bangladesh	Potential to provide direct connectivity to carry future traffic

Status: A number of SH corridors have missing links, and also lack plans for upgrading many existing parts of those roads to Class I category.

SASEC Road Corridor

Finally, the South Asia Sub Regional Economic Cooperation (SASEC) Program brings together Bangladesh, Bhutan, India, the Maldives, Nepal, and Sri Lanka. In a project-based partnership that aims to promote regional prosperity, improve economic opportunities, and build a better quality of life for the people of the sub-region by strengthening cross-border transport networks that boost intra-regional trade and open up trade opportunities with East and Southeast Asia. It emphasizes building modern and effective customs facilities to reduce time and rationalize the costs of moving goods, vehicles, and people across borders.

At a meeting of the SASEC Transport Working Group held in 2004, it was agreed that 21 transport corridors would form the SASEC framework.

Among these corridors the following three road corridors would involve Bangladesh.

SASEC Corridor 9: Kathmandu–Kakarvitta–Phulbari (India)/Banglabandha (Bangladesh)–i) Mongla (1,314 km) or/and ii) Chattogram (1,394 km)

SASEC Corridor 4: Thimphu–Phuentsholing (Bhutan)/ Jaigon (India)–Chengrabandha (India)/ Burimari (Bangladesh)–i) Chattogram (966 km) or/ and ii) Mongla (880 km)

SASEC Corridor 5A: Kolkata– Petrapole (India)/Benapole (Bangladesh) – Jashore - Khulna - Mongla/Magura - Rajbari - Dhaka – Chattogram

In 2013, a new SASEC Trade Facilitation Strategic Framework identified key non-physical barriers to trade in the SASEC sub-region in the areas of customs, standards and conformance, border facilities, transport arrangements, legislative, regulatory, and institutional issues.

Concluding Remarks

Why economic connectivity in the region has not seen more results in all these years?

Has political hostility alone, especially between two major partners, India and Pakistan kept intra-regional trade and investment flows among SAARC nations low? This question acquires significance when developed countries, faced with an economic slowdown and rising unemployment, are resorting to the growing use of non-tariff barriers.

This however is not an option for the developing countries. Developing nations have no other option but increase trade among themselves by taking advantage of their geography, population, shared culture, and trade potentials.

South Asia is a major economic force in the world. The quality and capacity of South Asia's infrastructure, both on the national and cross-border levels, is certainly a matter of concern. The lack of regional connectivity is one of the major constraints hindering the potential of regional growth and economic integration. With its geographical contiguity, South Asia has great potential for economic connectivity. To realize the benefits of regional connectivity and trade liberalization, South Asian countries have to follow policies that help them to reduce the costs of trade at the border, on the one hand, and to absorb new transportation technologies, improve productivity, and increase their labour force's knowledge and skills, on the other.

In the case of Bangladesh, Honourable Prime Minister, Sheikh Hasina, has made regional connectivity one of her government's top priorities. At the just concluded 4th BIMSTEC Summit in Kathmandu, the Prime Minister stressed the importance of focusing on the 14 core areas relevant for BIMSTEC (Trade and Investment, Transport and Communication, Energy, Tourism, Technology, Fisheries, Agriculture, Poverty Alleviation, Counter-Terrorism and Transnational Crime, Environment and Disaster Management, People-to-People Contact, Cultural Cooperation and Climate Change.

In order to encourage economic connectivity in South Asia, a comprehensive approach is required to address the physical infrastructure issues, including roads, rail, inland waterways, maritime transport, dry ports, airports, seaports, and information and communication technology, as well as the non-physical soft infrastructure issues, including cross-border transit facilitation measures, customs clearance, and other facilitating polices and regulations. Addressing these issues requires political will, financing and robust collaborative efforts among all the member states of the region.

Although there are obvious obstacles and political entanglements, it is nevertheless long overdue for governments and the private sector, as well as people of the region, to realize that economic connectivity is the best option available to countries in the region, which can lead to the building of a more prosperous, dynamic and socio-politically cohesive South Asian region.

KEYNOTE PAPER-2
REGIONAL ENERGY CONNECTIVITY: BANGLADESH PERSPECTIVE

Lam-ya Mostaque
Research Officer, Bangladesh Institute of International and Strategic Studies (BIISS)

Ensuring energy security has always been a concern for countries all over the world. With time, the use of energy has been increasing rapidly and people's life and national economy are becoming increasingly dependent on the usage of energy. So, to maintain a secured energy supply for future, the countries around the globe are taking different initiatives in the energy sector. The South Asian countries are also facing increased energy consumption, thus ensuring energy security for the countries has been an important concern for the policy makers. South Asian countries in general have in adequate availability of indigenous energy supplies, and most of them also have a large population base, so the region is significantly dependent on energy imports. As such, energy connectivity between the countries of the region is vital for its future prospects.

Given this backdrop, today's presentation will be divided into four major parts. It will start by giving a brief overview of the energy situation in South Asia plus including the development under major regional initiatives such as BIMSTEC, BBIN and SAARC. Following that, it will discuss Bangladesh's point of view in the regional energy cooperation. After that the presentation will focus on two case studies of regional energy cooperation: the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline and The Southern African Power Pool (SAPP) and what countries of this region can learn from those examples. Lastly it will talk about the opportunities and challenges in energy cooperation in South Asia and conclude with recommendations.

Energy Cooperation and Connectivity in South Asia Plus

If we look at the energy resource endowment in South Asia, it can be seen that the reserve and potential for energy resources comes from a wide variety

of options. India and Pakistan, along with Bangladesh, have large coal reserves. Oil reserve has always been a constraint for South Asian region which is rather inadequate to meet its oil demands. So, it is clear that, the region will remain dependent on oil imports. The natural gas reserves in Bangladesh, India and Pakistan are sizeable but they are not seen by experts as a dependable source for long term planning. Hydro-electric potentials are pretty high in this region with possible locations being primarily in India, Pakistan, Nepal and Bhutan. Two mountainous countries, Nepal and Bhutan, have the potential to produce power from hydro-electric plants which are far in excess of their current or projected demands. Traditional fuels such as biomass and animal waste continue to contribute handsomely in the region's energy mix, but at the same time, nuclear sources provide increasingly sizeable portions of power (in India and Pakistan), as do solar and wind power projects in India. Even though the region as a whole is enriched with assorted energy resources, with enough potential in renewable energy field, a lion's share of these resources are yet to be exploited, for a number of causes.

On the other hand the electric power consumption per capita continue to rise in the South Asian countries, and it is projected that the electricity demand of the South Asian countries will grow between 7% to 9 % annually. By 2020, in many South Asian countries the demand will be double or more than what it was in 2010. There are also some shared concerns for the South Asian countries that are key drivers for energy cooperation in South Asia. All of the countries need to increase the rate of access to electricity. They all want to reduce the loss of economic output due to power shortages. They all wish to lower their dependency on fossil fuel and reduce the carbon emission. And they are all have seasonal power demand hikes, which can be addressed through cooperation.

For the countries of South Asia, cooperation in energy sector is not new. Energy cooperation is one of the issues that most regional initiatives deal with. Major regional cooperation mechanisms like BIMSTEC, BBIN and SAARC has all undertaken initiative in this area.

Energy has been one of the main focus areas of BIMSTEC and it has always been very active in the energy sector. Throughout the years BIMSTEC has taken

many initiatives in this area. In 2004, a feasibility study for a trans-BIMSTEC gas pipeline project was undertaken and itorganised a task force meeting to decide terms of reference for a detailed study on 8 the proposed trans-BIMSTEC gas pipeline. Myanmar set up of an energy information centre, and developed 6 an energy trading network between members. India, Thailand and Myanmar, hosted ministerial meetings on energy and organised workshops in issues related to energy. There was also proposal of the construction of a trans-border BIMSTEC pipeline from the Shwe field in Andaman Sea to India across Thailand and Bangladesh. However, that proposal was not implemented due to a number of issues.

Since 2010, BIMSTEC has put greater attention on the integration of the electricity grid. After a series of meetings by the task force, a draft Memorandum of Understanding (MoU) for the establishment of BIMSTEC grid integration was finalised in 19 March 2015. Further to that the organsiation did a comprehensive study of the energy needs of the BIMSTEC countries and a study report titled "BIMSTEC Energy Outlook 2030" was published in 2017. The 4th BIMSTEC Summit that concluded in Kathmandu just recently ended with the member states inking a deal for cross-country energy grid interconnection which will facilitate power trade between member countries. The timeline of the BIMSTEC gives a view of progress on BIMSTEC energy cooperation over the years.

The sub-regional grouping of countries has also focused on energy; the focus for this initiative has been on hydropower for the reason that two of the member states namely Nepal and Bhutan have huge potential in this sector. BBIN has a number of Joint Working Groups on various issues. The second meetings of the Joint Working Groups (JWG)s on Sub-Regional Cooperation between Bangladesh, Bhutan, India and Nepal (BBIN) on Water Resources Management and Power/Hydropower held in New Delhi on 30-31 January 2015. It was agreed that joint efforts would be made to explore harnessing of water resources including hydropower and power from other sources available in the sub-region. In the meeting of JWGs in 2016, specific hydropower projects under BBIN framework that could be concretised on equitable basis were discussed.

As for SAARC, there have been a number of developments as well. Some of the major developments are as following: In January 2000, a Technical Committee on Energy was set up by SAARC. After that 2004, the Council of Ministers approved the creation of a specialised Working Group on Energy. The 13th SAARC summit decided to establish the SAARC Energy Center in Islamabad. The Energy Ministers in the third meeting held in Colombo, Sri Lanka, in January 2009, approved the concept of a South Asia Energy Ring. In its 17th summit, SAARC declared the formation of an Inter-governmental Framework Agreement for Energy Cooperation, and a Study on the Regional Power Exchange Concept and SAARC Market for Electricity. The SAARC Framework Agreement for Energy Cooperation (Electricity) was signed in November 2014.

Despite those efforts, the energy cooperation in South Asia is still to achieve its expected level. Most of the multilateral efforts have progressed well in theory, but could not show results in the field. Even BIMSTEC which has been more successful in energy cooperation than other arrangements could not realise the Trans-BIMSTEC pipeline due to disagreement between members. On the other hand, bilateral efforts are more successful than regional arrangements. Most of the countries in the region have some bilateral energy cooperation deal. In most cases the partner is India, due to its central location in the region.

On the other hand, there are some challenges in the regional cooperation as well. Energy cooperation initiatives need large scale investments for infrastructure development. In case of exploring hydroelectricity, which is of major importance especially for the BBIN sub-region, there are environmental concerns to be addressed. There are also technical barriers such as grid compatibility, and lack of technology and knowledge coordination.

Bangladesh and Regional Energy Connectivity

Looking from the Bangladesh point of view, it is clear that with a growing economy (GDP growth rate 7.78%) it has a growing energy need. The energy sector of Bangladesh is depended on natural gas. Around 62% of Bangladesh's power is generated from gas, though Bangladesh only has 0.10% of global gas

reserves. As such the government's vision 2021 focuses diversifying the fuel mix and increasing generation capacity to 24,000 MW. The present capacity as of July 2018 is 16,048 MW. Bangladesh has showed a growing interest in hydro and Nuclear energy. Clean or renewable Energy is also a priority for Bangladesh. In the "Power System Master plan 2010": Bangladesh expects 10% of power generation come from regional grid.

Bangladesh has been very active in energy cooperation initiatives. It has participated in the regional arrangements and a number of bilateral energy cooperation initiatives are already operational. From December 2013 and since then, India has been supplying 500 MW of power from the Bheramara-Bahrampur inter-connection. 160 MW power is also being supplied to Bangladesh using the Tripura-Cumilla interconnection. The doubling the capacity of the Baharampur-Bheramara transmission line from 500 MW to 1000 MW has been done and electricity import from India to Bangladesh has increased to 1,110 MW (As of June 2018).

There is also joint initiative by Bangladesh Power Development Board (BPDB) and Indian Reliance Power for 3,000 megawatt LNG-based power plant in Bangladesh with power plant at Meghnaghat (Narayanganj district), and a floating storage and re-gasification unit (FSRU) terminal at Maheshkhali Island (Cox's Bazar district).

Other than bilateral cooperation, a trilateral investment of 1,125 MW hydro-power project (Dorjilung hydropower project) in Bhutan by Bangladesh, India and Bhutan, is also under discussion. When Bangladesh Foreign Minister AH Mahmood Ali met with Myanmar's State Counsellor Aung San Suu Kyi at Suu Kyi on November 23, 2017, they discussed about exploring possibilities of energy cooperation with Myanmar under BCIM initiative.

CASE Study: TAPI and SAPP

In this section two example of regional cooperation in energy sector will be explored. One of them is example of an arrangement between four countries another on is cooperation under a regional arrangement. The reason for

choosing these two initiatives as the case study is that they both are examples of cooperation in an environment which is not ideal for cooperation. Both of these initiatives show that cooperation is possible despite the presence of negative factors. Another reason is that these are not examples of cooperation between developed countries, rather countries with somewhat similar politico-economic and geographical profiles as those in South Asian countries are cooperating in these arrangements. In case of TAPI, three of the four countries are in fact in South Asia.

In TAPI, Galkynysh and adjacent gas fields (Turkmenistan) are the starting point of the pipelines and it will go through Herat – Kandahar – Chamman – Zhob – DG Khan – Multan and end in Fazilika, India. It has to be noted that a large part of the pipeline goes through the UN declared extreme risk zone and the security concerns has been a major barrier in the implementation of the pipeline. However, due to the Turkmenistan's eagerness to diversify its exports routes and reduce dependency on its traditional buyers, the project is actually underway. The ADB is supporting the project, and on 23 February, 2018, the construction work on the Afghan section of TAPI gas pipeline was launched. In order to face the security concerns the Afghan President Ashraf Ghani had pledged a 7,000-strong force to guard the pipeline and its construction. The pipeline is expected to start its first gas flow in 2019, and will supply gas for 30 years. The total length of the pipeline is 1,814 killometre.

The TAPI experience shows that strong political will is necessary for any connectivity initiative, regardless of security risks. The countries are thinking about innovative ways to address the security risks, including involving the local population. Further there is hope that the pipeline and its benefits will help the overall stability of the region.

On the other hand the SAPP was founded in 1995, under the aegis of the Southern African Development Community (SADC). The 12 members of the SAPP have created common power grids between their countries and a common market for electricity in the SADC region. SAPP had constituted a capacity of 49,877 MW, including a share of 83 percent thermal and 17 percent hydro energy. It has combined two already existing power networks in that region. One is the Southern Network, which connected Namibia,

South Africa and Mozambique. This was dominated by thermal-based power generation. And the other one is the Northern Network, which connected the DRC, Zambia and Zimbabwe, and mostly supported mainly hydropower generation. In 2015, the net Import of the SAPP countries was 6393 GwH and the net export 9,854 GwH. From 2004, the SAPP started the development of a competitive electricity market for the SADC region and in 2015 the SAPP trading Platform was upgraded with Forward Physical Markets and the Intra Day Market SAPP is actually provides a forum for regional solutions to electric energy problems. It is considered an example of successful regional energy cooperation.

The SAPP experience demonstrates that trade in power, and the reliable and economical operation of the integrated system, is feasible even in the presence of a historical baggage of political differences. SAPP also shows the existing infrastructure can be starting point for further energy cooperation. They started as grid integration eventually upgraded to competitive regional energy market. The internal architecture of this arrangement can also useful. For example, it has SAPP has four working committees: the Environmental Sub-Committee, the Markets Sub-Committee, the Operating Sub-Committee and the Planning Sub-Committee under a Management Committee which in turn reports to the Executive Committee. Since, BIMSTEC is also attempting at regional grid integration, it can learn from SAPP's experiences.

Opportunities of Energy Cooperation in South Asia

The variation of energy resource endowment between South Asia and its neighboring regions presents prospects for interregional energy trade which will help to obtain the optimum advantages from available resources. Expect for Sri Lanka, which is geographically far off from most countries of the region, most countries have prospects of energy trade between them. However, it has to be noted that since India is geographically located at the heart of the South Asian region, its cooperation is extremely important in any kind of physical development.

There is a huge potential for cross border hydro power exchanges due to varying seasonal and daily load curves. In summer, Bhutan and Nepal usually have surplus power and Bangladesh can import power from these countries due to its high domestic demand. Indian could provide transit rights for building of dedicated transmission systems for power trading in the subcontinent. Sucharrangements would reduce investment requirements, lower transmission losses, improve reserve margin and enhance the reliability of supply.

A regional gas grid in the region could help the South Asian countries obtain gas from Myanmar, Central Asia and West Asia. India is considering reviving the 2,700 kilometre Iran-Pakistan-India pipeline that could transport 2.8 billion cubic feet of gas daily from Iran's South Pars natural gas fields to India across Pakistan. The TAPI pipeline will transport Caspian Sea natural gas from Turkmenistan through Afghanistan and Pakistan to India. Those pipelines could be linked with Bangladesh, which also wants to import natural gas. In fact Bangladesh has already expressed interest in joining the TAPI pipeline.

There are no questions that there are many opportunities of regional connectivity in South Asia. However, the geopolitics involved and competition from alternative energy markets makes interregional energy trade and connectivity a challenging proposition.

Thus the countries of the region should be focusing on issues where there is common ground. For example, focus can be on improved utilisation of unequally distributed resources such as seasonal complementarities among BBIN countries. Again, no regional energy connectivity is possible without having proper infrastructure. Attention should be given to soft aspects of cooperation such as Energy data collection and sharing. Countries can think about building a sub-regional knowledge repository, which would help countries understand the commonalities and dissimilarities of each other's grid system. There are also technical issues grid compatibility which needs also related to knowledge sharing. Since renewable energy is also a major priority now–a-days, the countries can think about a clean energy fund and technology incubation Centre, which will help them in long run. As for Bangladesh, it is already actively participating in energy diplomacy with its neighbours and exploring new possibilities of energy cooperation. In addition, it should also

focus on importing energy technology andexploring potential of bay of Bengal in terms of energy sources, not only traditional ones, but also renewable such as wave energy.

In conclusion, for any kind of connectivity initiative, including the energy, there needs to be a clear political vision.Taking a step-by-step approach is beneficial for countries regional energy connectivity process. The importance of technical and physical infrastructure is far greater in energy connectivity, which means that there is need of large investments. In this regard, involvement of all actors, including the private sector is also important. Despite the many challenges, cooperation in energy sector can bring ways to cooperate in other areas as well.

Session-2

Session Chair: Ambassador Md Humayun Kabir

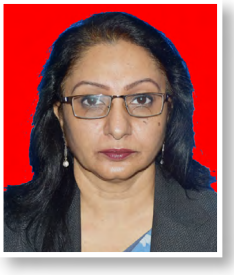
Vice President
Bangladesh Enterprise Institute

Keynote Speakers

Brigadier General Mohammad Omar Zahid, psc

Brigadier General Abdullah Al Yusuf, BSP, psc, G

Captain M Sharif Uddin Bhuiyan
(S), NGP, afwc, psc, BN



Joint Secretary Dr. Shahnaz Arefin

KEYNOTE PAPER OF NDC TEAM
REGIONAL CONNECTIVITY - OPPORTUNITY AND CHALLENGES: BANGLADESH PERSPECTIVE

Introduction

"Communication" has been a "key ingredient" in the progress of mankind, civilizations, and societies since pre-historic times to the present day nomenclature, called nations. Communication has evolved since early times between regions of the globe through linkages of cultures and settlements through languages, cultural understanding, and adaptation to one-another to derive respective interests of geography, foodstuff or wealth. These linkages have undergone several broad changes to include several more dimensions and the modern world has encapsulated these as "connectivity". Connectivity therefore, remains a core factor towards a country's communication and linkage both internally as well as externally.

Present day connectivity, owing to technological advances, industrialization and externalization has grown much beyond earlier comprehended boundaries of geography. The dimension of space, has further connected the entire globe for regional progress and development on a multitude of arenas.

Development and economic prosperity is achievable through industrial production, trade and commerce. The convergence of several aspects however, contributes to such 'development ambitions' of nations. These include education, industrialization, technological advancement, urbanization and so on. All these issues require continued exchanges with the region and world through connectivity, to be abreast of affairs and to keep pace with fast changing circumstances and conditions.

Connectivity as we see it today, is thus perceived to be an important driver of trade, transport, energy cooperation, investment, tourism and people-to-people contact. Strong physical, institutional and people-to-people connectivity brings economic prosperity to a region and its people. Economic integration however, also depends on the density and quality of connectivity. A stronger

connectivity strengthens intra and inter-regional trade and generates higher income and prosperity.

Bangabandhu Sheikh Mujibur Rahman, the father of the nation of Bangladesh in 1972 in Kolkata, urged all to work together for regional cooperation. He said, "…. As for us, we will not be found wanting to cooperate with all concerned for creating an area of peace in South Asia where we could live side by side as neighbours and pursue constructive policies for the benefit of our peoples……let there be an end, once for all, to this denial policy of confrontation between neighbours…..history will not forgive us if we fail in this challenging task."

Taking a closer look at South Asia, one realizes that the region was once "one" viz the Indian Sub-Continent with one larger identity and freedom of movement for trade, commerce and exchanges. Trade and commerce through land and maritime connectivity has been in existence since the 7th century. Most of the countries of the region were colonized by Western powers for reasons of abound resources of wealth. It is only later, in the mid-19th century that countries were shaped out from the sub-continent.

South Asia is one of the most dynamic regions in the world. It has a population of 1.9 billion and economic growth of 7.1 percent over the last decade. It inherited an integrated transport system from the British which was fragmented not only by the partition of the Indian Subcontinent, but by its political aftermath. At present, South Asia is one of the least integrated regions.

With changing tide, situations have improved in the region. Realization of the inescapable need for good "connectivity" for development and economic prosperity has descended on countries in recent times. However, there are several challenges as well as opportunities for the South Asia region as a whole, and Bangladesh in particular.

This paper is sequel to following four previously prepared papers:

- Importance of regional connectivity and its present state.
- BBIN and BCIM - opportunities and challenges: Bangladesh perspective.

- SAARC and BIMSTEC - opportunities and Challenges: Bangladesh perspective.
- BRI and SAGAR - opportunities and challenges: Bangladesh perspective.

This paper shall not elaborately address the energy connectivity and economic connectivity as the representative will address the issue.

Scope of the Paper

- Overview of Regional Connectivity and Initiatives
- Challenges of Regional Connectivity.
- Opportunities.
- Way Forward.

Overview of Regional Connectivity

What is Regional Connectivity? Connectivity is the cornerstone of regional economic cooperation and integration. It has assumed priority over the last few decades. Connectivity today is considered a growth driver for countries and regions as it creates additional domestic and aggregate regional demand. Connectivity unlocks the potential of interlinked production networks and value chains. Connectivity is usually not considered in isolation by sector, rather as part of an integrated whole. It can encompass but not limited to: development of corridors of prosperity through networks of trade, transport, ICT, energy, people, and technology. Connectivity has multiple facets-physical, socio-cultural, political and economic.

Why Regional Connectivity is Important? In order to make sense of South Asia perspective of connectivity including challenges and opportunities bestowed therein, it is important to see the rationales for connectivity in general. Some of these rationales underpinned by the scholars and practitioners are:

- **Economic Returns:** Returns from connectivity are primarily economy driven. It won't be inappropriate to say that the other dividends are

extensions of economic ones. Some of the economic returns of connectivity are: Firstly, it essentially generate higher income and prosperity. Secondly, it enhances economies of scale, i.e. lessening of price due to higher production. In turn it results in attaining competitive edge. Economies of scale is achieved by improving specialization, reducing monopoly and expanding markets. (Corden, 1972; Pigato et al., 1997; Madawela, 2003; Dubey, 2005). Indeed this is, and should be, one of the major yields from connectivity. Last but not the list, a good connectivity not only harnesses trade complementarities but also deepens integration through facilitative regulation and policy regimes. (e.g., Hirantha, 2003; Pitigala, 2005; Sobhan, 2006, Batra, 2004; Rahmatullah, 2006). The net result is reduced time and reduced cost of doing business.

- **Politico-Strategic Returns:** High end returns of connectivity are enormous. Connectivity vis-à-vis integration can melt icy blocks in relationship, resolve internal differences and enhancing mutual trust. (Dubey, 2005). A region, when connected, deals better with the global system of trade and finance. Challenges of globalization can be addressed in a collaborative manner. Also economically integrated blocs offer scope for effective use and management of shared resources like common water, communication and transportation, energy, tourism, etc (Sobhan, 1999; Batra, 2004).

- **Long-Term Integration Returns:** Connectivity is the precondition to integration on all tracks: economic, social, political and others. Integration can result in institution building, growth of quality infrastructure, resources sharing and capacity enhancement, shared management of common resources, inter-dependent growth of value chains, etc

- **Basic Developmental Returns:** Any country, developing ones in particular, strive to develop human skills and enhance human capital. Connectivity can further these endeavors. Human capital returns in gainful employment – thus effectively alleviating poverty. More so, reduced prices of consumer goods, which is an expectation of any community, is also an indirect outlay of connectivity. (Siriwardana and Yang, 2007; Ahmed and Ghani, 2010).

Defining South Asia: South Asia is not only a land mass. It is a repository of chequered history, rich culture, dynamic polity, and, a saga of people with interwoven destiny. An attempt is made here to briefly define South Asian.

- **Geographical South Asia:** South Asia, as it is generally understood today, covers the land mass between and including Afghanistan on the west and Indian NE in the east, Nepal and Bhutan in the North and island countries of Sri Lanka and Maldives in the south. Countries are unequal in size and diversely located. Almost all the countries have border with India but no two others, except Afghanistan and Pakistan, have border with each other. These physical dispensation with nonpolitical contiguity of landmass in one hand and division due to political boundary on the other, attribute heavily on the dynamics of mutual relationship of the region.

- **Historical and Cultural South Asia:** Historically, the frontiers that shape South Asia has been formed through ages of evolution. Age old frontiers are of agriculture, social norms and culture. The political frontier is the newest of all frontiers and has assumed religious undertone. Politico-religious and social sheds notwithstanding, South Asia has been a fairly monolithic social entity until the colonization took effect. The long period of colonization deeply shook its composure and led to the creation of fault lines. The region has been beset with ethnic and religious divisions and social disparities. Religious sentiments were overplayed between India and Pakistan, especially during partition in 1947. South Asia inherits similar cultural streams. Majority speak the languages belonging to Indo-European family. Such is the affinity of language that the Indian National Anthem is word for word same in Hindi and Bangla – decedents of Sanskrit. Rabindranath Tagore, the author of the Indian National anthem has also authored the National anthem of Bangladesh and his disciple has authored that of Sri Lanka. From the tunes of music to the notes of dance, from the curry recipe to the designs of attire, the region is more similar than otherwise.

- **Political South Asia:** Political implication to geography is well ascertained. Besides, South Asia, other than India in general, had experienced heaves and heights in democratic pathway. South Asia has been politically fragmented

for most of its independent existence since 1947, an attribute of post-colonial legacy, ethnic polarization, and, myopic political consideration. Ethnicisation, securitization and nationalization of issues have been quite apparent in the past.

- **Economic South Asia:** During the colonial rule of South Asia, it was extracted to the anemic extreme. From being one of the leading economic regions, it plummeted to being one of the poorest. It took nearly half a century for the countries to start renouncing. Despite admirable growth in recent years, economically south Asia remains least integrated. Economy of the region is still heavily dependent on agriculture in terms of accommodating the workforce. Lack of equity make limit aspirations and options. The region is containing with enormous challenges but also has endless opportunities. This is the core of this study and would be elaborated later.

Outline of Regional Initiatives

SAARC

The outline of SAARC are as follows:

- **Introduction:** The South Asian Association for Regional Cooperation (SAARC) is an intergovernmental regional cooperation among eight South Asian countries: India, Pakistan, Bangladesh, Afghanistan, Sri Lanka, Nepal, Bhutan and Maldives. Besides, Australia, America, China, Mauritius, Iran, Japan, Myanmar Korea and the European Union hold observer status in SAARC.

- **Initiative:** The idea of a trade bloc that would comprise all the South Asian countries first emerged in 1980. This idea was accepted by India, Bangladesh, Pakistan and Sri Lanka in Colombo in 1981. In 1983 there was a summit in New Delhi whereby the declaration regarding the formation of the South Asian Regional Cooperation was adopted. Later three other countries of Nepal, Bhutan and Maldives joined in. Finally, SAARC was formally established in the year of 1985.

- **Objective:** Cooperation aims to improve the quality of life of the peoples of South Asia by accelerating economic growth and social progress as well as to promote and strengthen collective self-reliance among the countries of South Asia.

- **Principles:** Cooperation is based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in the internal affairs of other states and mutual benefit. All decisions are taken on the basis of unanimity and all bilateral and contentious issues are excluded from its deliberations.

- **Areas of Cooperation:** There were mainly five areas in which these seven countries decided to cooperate:

    - Human Resource Development
    - Transport
    - Health and Population Activities
    - Telecommunications, Science, Meteorology and Technology
    - Agriculture and Rural Development

- **Evaluation of SAARC's Performance:** Achievement in any regional initiative is less concrete and measurable than usually thought. Often it takes a long time for the various agreements to take effect. Nonetheless, the very desire of the member states to cooperate on issues and sitting around the table to seek ways to do so are significant progress by any measure. From that perspective, SAARC has certainly achieved a lot. In last 33 years SAARC members have signed 12 major agreements.

- **Extra/Trans-Regional Cooperation:** For any regional cooperation to be fully productive, networking with other regional and international organizations is a necessity. SAARC members duly recognized this and included the trans-regional cooperation as one of its main objectives. SAARC has singed good number of memoranda of understanding and framework cooperation agreements with various UN components, WHO, WTO, ASEAN and EU.

- **Intra-Regional Trade Activities/Performance:** The magnitude and intensity of intra-regional trade activities are major indicators of success in any regional cooperation. Unfortunately, intra-regional trade in SAARC is the lowest compared to other regions of the world. The SAARC member-countries exchange more goods with countries outside the region than within the region. In contrast, the EU member states exchange more than sixty percent of their goods within the union. NAFTA and ASEAN have also achieved significant degree of success in this regard. On the contrary, the scenario in South Asia is quite different. For instance, in 2010, the intra-regional trade as a ratio of total foreign trade in South Asia was only 4.9 percent while in ASEAN the ratio was 26.1 percent. India, a key player for the economic integration in South Asia, shared only a very insignificant trade (2.7 percent) within the member-countries of SAARC. Despite the formation of South Asian Free Trade Area (SAFTA), trade flows within SAARC region remained far below the desired level. Geo-strategically, the countries in South Asia should have been natural trading partners which unfortunately they are not. The main trading partners of South Asian countries are non-Asian countries. North America and the EU are the two major trading partners of most of the SAARC member countries. Intraregional investment within the region, as well as trade, remains meager.

Reasons Underlying the Lack of Success of SAARC. Reasons are:

The Symbolic Boundaries: The countries of the South Asia have many unifying factors like, for instance, shared history, heritage and culture. However, they have divisive factors too, most prominent being religious. The colonial rulers, following the divide and rule policy, have helped the nations rediscover their religious identities. During the de-colonization process, the religious identities were conveniently translated into national identities by the nationalist leaders of the respective countries. Ideas like 'two-nation theory' were popularized. Religion became the defining marker of national identities. The legacy of symbolic boundaries so created among the nations with religious markers have proven difficult to negotiate. Such pursuit of distinctive national identities basing on religion, particularly by the powerful nations within the region, has been a significant barrier to meaningful cooperation.

The Geographic Boundaries: Geographic dependency of other member countries of SAARC on India is a critical issue for integration in the region. India has its borders with all member countries in SAARC except with Afghanistan and Maldives. Nepal and Bhutan are land-locked and they are absolutely dependent on India for access to the other member countries of the region. Bangladesh has access to international sea but is surrounded by India on all other sides. Consequently, the ease of intra-regional movement and trade depends, to a large extent, on the permeability of these borders as endorsed by India.

Asymmetric Economic Strength: The disparity in the market size of SAARC economies has been a major barrier to cooperation among members on equal terms. Trade deficit has often featured the trade relationship. The asymmetry between India and the other members in terms of demography, economy and GDP; and the traditional psyche of relative gain have discouraged profitable trade relations among the nations.

Unresolved Border and Maritime Issues: The region is still beset with many unresolved border and maritime issues. These unresolved borders have accentuated problems of terrorism, refugee crisis, smuggling and drug-trades. The unresolved issues continue to mar cooperative relations.

Trust Deficit: China, with its growing politico-economic ambitions and its unmatched strength of economy has been a major contender of regional influence. India, the other aspirant of regional influence, has been suspicious about any trade relations pursued by China with any of the SAARC countries. This has led to a trust deficit in the grouping.

Lack of Trade Diversification: Exports of this region are dominated by labor-intensive manufacturing, i.e., textiles and garments, due to the availability of cheap labor. Most members of the SAARC export similar products. The inevitable outcome is intense competition rather than cooperation.

Policy Barriers: On average, delays in crossing borders, cumbersome customs procedures, and restrictions on Foreign Direct Investment (FDI), tend to be

more significant in this region compared to other regions. Doing Business indicators how that it can take months to comply with all procedures to import goods in this region. It takes less than 10 days in G7 countries. Asian countries have more restrictive and burdensome FDI policies than high-income OECD countries, in terms of starting a foreign business, accessing industrial land, and arbitrating commercial disputes.

Non-Tariff Barriers and Long Negative List: Harmonization of standards, tariff elimination as well as dismantling of all para-tariff and non-tariff barriers are key for regional integration. South Asia still suffers from prohibitive tariffs and the distinction of having the highest interstate barriers to trade. SAFTA's annexed negative lists remain substantial and Interstate mobility is hampered by visa rules.

Limitation of the SAARC Charter: Article X (2) of the SAARC Charter mandates that decisions, at all levels in SAARC, are to be sought only on multilateral issues. In any SAARC meeting, only the issues that concern all the member states can be included in the agenda on the basis of unanimity. The SAARC platform thus cannot be used to resolve bilateral issues. This has undermined the scope and potential of SAARC.

Consequences/Results of SAARC. Consequences are:

Extra-Regional Alignment: While collective approach to extra/trans-regional cooperation could be beneficial to SAARC, isolated alignment of individual member states with extra-regional bodies has in fact weakened its effectiveness. For instance, India sees more prospects of its development by aligning its economy with the ASEAN countries. Pakistan has made serious efforts in developing close relations with west Asia and the gulf region. Bangladesh has begun to develop its relation with its Muslim neighbors in the Southeast Asia –Indonesia and Malaysia. Nepal has also made sporadic attempts to resist Indo-centrism by developing closer ties with China. All these extra-regional approach by individual countries had the effect of diluting the spirit of cohesion among SAARC countries.

Creation of Sub Regional Alternatives: The insistence of some of the SAARC countries on forming sub regional groupings has also reduced the importance of SAARC. India, Bangladesh, Nepal, Bhutan and Sri Lanka are the members of the Bay of Bengal Initiative for Multisector Technical and Economic Cooperation (BIMSTEC) and the South Asian Sub-Regional Economic Cooperation (SASEC). Pakistan and Maldives are not members of either of these sub regional organizations. Furthermore, under China's Belt and Road Initiative (BRI), the Bangladesh-China-India-Myanmar economic corridor (BCIMEC) paves the way for greater economic and trade integration between two economic giants in Asia, namely China and India. BCIMEC also provides an opportunity for Bangladesh to exploit huge potential benefits from such economic and trade integration. The China-Pakistan economic corridor (CPEC) has been at the most advanced stage among all the BRI initiatives. The economic growth potential of this sub regional initiatives for splinter group of countries notwithstanding, these are clearly undermining greater collective spirit of cooperation within the region as envisioned by SAARC.

Bilateralism: The failure of SAARC to provide a single effective thread to unite the politico-economic interests of the member states has ultimately led to the creation of a good number of bilateral agreements, for instance: the India-Sri Lanka bilateral FTA, India-Bhutan bilateral FTA, and Pakistan-Sri Lanka bilateral FTA.

Informal Economy: The absence of effective formal economic cooperation has led to the rise of informal economies. Economic agents of this informal economy are essentially rent-seekers who have gained from the non-transparency and inadequacy of the system. Any process to streamline trade and transport logistics can meet strong resistance from these economic agents and the local informal economies.

Ways Forward (for SAARC). For SAARC ways forward are as follows:

India constitutes 70 percent or more of SAARC's area and population. India has to redefine its role to being prepared to go the extra mile in meeting the aspirations of all other SAARC nations. India must invest in SAARC as Germany did in the EU, through structural funding for infrastructure.

The objectives and targets of SAFTA should be fulfilled as soon as possible. SAARC must then move beyond free trade area to enhance investment activity between its member states.

The article X (2) of the SAARC Charter should be amended so as to allow SAARC, to develop into a conflict-mediating or conflict-resolving institution both on multilateral and bilateral issues. Issues like illegal migration, terror attacks, drug trafficking could then be resolved at SAARC platform.

To broaden and deepen existing agreements and strategies, three parallel initiatives are necessary: deepening SAFTA by reducing not only tariff barriers but also nontariff barriers (NTBs); focusing on key industries to demonstrate the process and benefits of reforms more succinctly; and expanding the scope of SAFTA to include trade in services and investment.

BIMSTEC

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) launched in 1997 is an effort to integrate the countries around the Bay of Bengal. BIMSTEC comprising seven countries of South and South-East Asia. Besides the five littoral states- India, Bangladesh, Sri Lanka, Myanmar and Thailand, the bloc also includes the landlocked countries- Nepal and Bhutan. BIMSTEC brings together 1.5 billion people or 21% of the world population and a combined gross domestic product (GDP) of over $2.7 trillion and 3.8% of global trade. In the last five years, BIMSTEC member states have been able to sustain an average 6.5% economic growth trajectory despite global financial meltdown. FDI inflows in the region rose from 5 % in 1995 to 20% in 2011. Intra-regional trade is only 5.6% of the total trade.

Initiative: Initially known as the Bangladesh-India-Sri Lanka-Thailand Economic Cooperation (BIST-EC), it was formed in June 1997 through the Bangkok Declaration after representatives from the four countries met at Bangkok. With Myanmar joining the group as a full member in December the same year, the 'BIST-EC' was renamed as 'BIMST-EC'. In February 2004, when Nepal and Bhutan too joined, the group was renamed as the Bay of

Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation or BIMSTEC. As a land bridge between SAARC and ASEAN, BIMSTEC aims at promoting the regional cooperation and economic integration in the area around the Bay of Bengal.

Objectives: BIMSTEC aims to encourage cooperation at the multilateral level among member countries from two different regions of Asia and does not work as substitute to SAARC. The founding objectives of the sub-regional initiative were: 1) Creating an enabling environment for rapid economic development of the sub-region; 2) Encouraging the spirit of equality and partnership; 3) Promoting active collaboration and mutual assistance in the areas of common interests of the member countries; and 4) Accelerating support for each other in the fields of education, science and technology.

Principles: The cooperation within BIMSTEC is based on respect for the principle of sovereign equality, territorial integrity, political independence, non-interference in internal affairs, peaceful co-existence, and mutual benefit. This cooperation within BIMSTEC constitute an addition to, and not be a substitute for, bilateral, regional or multilateral cooperation involving the member states.

Areas of Cooperation: BIMSTEC aims at 14 priority areas of cooperation: Counter terrorism and transnational crime, telecommunication and transport, trade and investment, technology, energy, tourism, fisheries, agriculture, cultural cooperation, environment and disaster management, public health, people-to-people contact, and poverty alleviation. Each of the member states leads one or more area of cooperation in a voluntary manner.

Performance/Achievements: BIMSTEC member nations signed a Free Trade Agreement in 2004. The FTA encompasses three areas: trade in goods, trade in services and agreement on investment. So far, only the agreement on goods has been finalized. A draft text on services has been developed and discussion on the text is going on. A Convention on Cooperation in Combating International Terrorism, Transnational Organized Crime and Illicit Drug Trafficking was signed in 2009. Few working groups have also been formed. BIMSTEC has been particularly useful for India in connecting its landlocked

Northeast with the economic power houses of ASEAN. Bangladesh, a key member of BIMSTEC, has already decided to allow transit facilities to the North-Eastern provinces of India through its territory.

- **Factors Facilitating Progress:** A relative advantage of BIMSTEC over SAARC is that the former is not disturbed by any intractable conflict between any of its member countries. Besides, 5 out of 7 members being littoral states of Bay of Bengal, the need for overland connectivity has been significantly reduced.

- **Factors Impeding Progress:** Despite remaining free from bilateral tensions, as is the case in SAARC, BIMSTEC does not seem to have made much progress. Some of the factors impeding the progress are:

- **Absence of a Permanent Secretariat:** Absence of a permanent secretariat for a long time and lack of commitment to invest in several priority areas identified by the member states were seen as some of the key institutional factors holding the BIMSTEC back. It took 17 long years for BIMSTEC to finally establish its permanent secretariat in Dhaka in 2014.

- **Lack of Coordination:** However, despite its huge potential in terms of enhancing regional cooperation between parts of South and Southeast Asia, BIMSTEC has long suffered from lack of resources and proper coordination among its member states. The intra-regional trade and commerce have not grown substantially over the years and regional integration has also remained unfulfilled as infrastructural bottlenecks continue to persist.

- **Irregular Summit:** So far, BIMSTEC has held only three summit meetings. The first one was held in Thailand in 2004, seven years after the bloc came into existence. The second summit one was held four more years later in India in 2008; and the third one held six more years later in Myanmar in 2014. The fourth summit meeting is expected to take place later this year in Nepal, the current Chair of BIMSTEC.

- **Dissimilar Economic Growth:** Dissimilar economic credentials of the BIMSTEC member nations are also partly responsible for the slow progress of the regional forum. The economies of BIMSTEC vary in terms of resource base, size of market, level of industrial development and economic performance. BIMSTEC accommodates a fast-growing economy like Thailand as well as LDCs such as Nepal, Bhutan and Myanmar.

- **Complicated Cross-Border Procedures:** World Bank's Doing Business report 2015 shows that absence of common currency in border trade, restrictive visa regime, complex border crossing formalities and restrictions on the entry of motor vehicles has been some of the major impediments to trade facilitation in BIMSTEC.

- **Lack of Connectivity and Infrastructure:** Poor physical infrastructure-particularly the lack of telecommunication links, parking space, cold storage, accommodation facilities and power-is a major problem in the border station areas.

- **Dual Allegiance:** Both Thailand and Myanmar are criticized for having ignored BIMSTEC in favor of ASEAN. The creation of yet another sub-regional initiative, the Bangladesh-China-India-Myanmar (BCIM) Forum, with the proactive membership of China, has raised skepticism about the exclusive potential of BIMSTEC.

- **Rohingya Issue:** The Rohingya issue has emerged as yet another bilitating factor marring the future prospects of the forum; especially, given the fact that the issue is taking place at the physical cross-road between the South and South-East Asia.

Ways Forward: Ways forward are as follows:

Building Infrastructures: BIMSTEC initiative needs to be geared up through establishing required road, rail and air connectivity lack of which at present is hindering trade and investment.

Trade Facilitation: For easing up cross-border movement and establishing greater connectivity the existing trans-border formalities, vehicular movement and customs procedures need to be simplified. Use of modern technology could play an important role in speeding up the procedures. A BIMSTEC visa could also be introduced to facilitate movement of people particularly for the investors and the businessmen.

Conflict Mediation: In order to maintain a politically sustainable trade environment, BIMSTEC may expand its agenda into mediating bilateral political tensions; especially those emerging along the geographical fault lines between South and South-East Asia. Its political agenda may also include developing an internal dialogue on the role of democracy in promoting economic development, security, and stability among its member states.

More Focused Development Agenda: BIMSTEC needs to focus on fewer priority areas for the purpose of better implementation. It needs to undertake projects that are economically feasible and result-driven. This would add to the credibility of BIMSTEC.

Empowering the Secretariat: BIMSTEC needs to empower its secretariat with greater human and financial resources to proactively drive the organization's agenda. The organization and its staff cannot do so unless members agree to grant greater autonomy and delegate responsibilities.

BBIN

Introduction: BBIN, comprising Bangladesh, Bhutan, India and Nepal has been designed to facilitate safe, economically viable and environment-friendly road transport in the sub-region specially connectivity to North East India and to ASEAN following India's 'Neighbour First' Policy.

Objective: The Objective of BBIN is to accentuate the pace of regional integration in South Asia and its economic development.

Areas of Cooperation: The areas of cooperation of BBIN are: water resources management, connectivity of power grids, multi-modal transport, freight and trade infrastructure.

Performance/Achievement: The first achievement of the BBIN initiative has been the Motor Vehicles Agreement (MVA), signed on 15 June 2015 in Thimpu, Bhutan. The MVA looks at easing passenger, personal and cargo movement among the BBIN countries. It has been developed with the support of the ADB under its South Asia Sub-regional Economic Cooperation programme. The agreement will allow vehicles to enter each other's territory and eliminate the need for transshipment of goods from one country's truck to another at the border, thereby eliminating a time-consuming and costly process. This is not only going to reduce trade costs between nations and facilitate smoother transactions and boost trade, but it will also possibly reduce some of the informal trade that happens among these countries. BBIN countries have also agreed to begin discussions on the possibility of having a BBIN rail agreement.

Factors Impeding Progress

- The MVA agreement has been ratified by Bangladesh, India and Nepal. However, Bhutan did not ratify as it was rejected by its upper house in November 2016. Bhutan thinks the agreement would affect Bhutanese truckers and also cause environmental damage.

- On May 2017, India hosted a meeting of Joint Working Group (JWG) of the BBIN on Water Resources Management, Hydropower, Connectivity and transit. Bhutan expressed its inability to join the pact (Law, Abhishek, 2015). India is now examining the possibility of working with Bangladesh and Nepal to implement the BIN instead of BBIN.

- Within the BBIN countries there are political problems and mistrust. India's demand for transit through Bangladesh has been a domestic political issue for many years. Recently, India and Nepal experienced a political stand off where Nepal accused India of creating trade blockages. These controversial issues have not yet been tackled completely and may on occasion cause disruptions.

BCIM

Introduction: BCIM-EC, the idea of an economic corridor connecting Bangladesh, China, India and Myanmar was formalized through the 'Kunming Initiative' in 1999. However, the idea is yet to be materialized.

Areas of Cooperation: Members of BCIM were expected to cooperate in building modern connectivity networks, expanding intra-regional trade and investment, cooperating in energy sector, managing water resources, developing tourism, cooperating in science and technology, and cultural exchanges.

Factors Impeding Progress: Absence of any historical mobility corridor across the mountainous region along the western border of Myanmar has been the most critical limiting factor in materializing the BCIM initiative. Besides, security concerns stemming from the Rohingya issue has further eclipsed the possibility of materializing this initiative any time soon.

BRI

Introduction: The Belt and Road Initiative (BRI) is an ambitious effort to deepen regional cooperation and improve connectivity on a trans-continental scale. While the scope of the initiative is still taking shape, the BRI consists primarily of the Silk Road Economic Belt, linking China to Central and South Asia and onwards to Europe, and the New Maritime Silk Road, linking China to the nations of South East Asia, the Gulf Countries, North Africa, and on to Europe.

Potential of BRI: BRI economies are increasingly integrated with the rest of the world and with each other. BRI countries' contribution to global exports has nearly doubled in the last two decades. But a handful of BRI economies, most notably China, are responsible for the lion's share of these exports. Trade of many BRI economies such as Afghanistan, Nepal, Tajikistan, and Laos is below potential due to inadequate infrastructure, weak policy and other gaps. If successful, the BRI could contribute to fill these gaps, boosting international commerce, particularly for countries that have been unable to fully integrate in the world economy. It currently takes about 30 days to ship

goods from China to Central Europe, with most goods being transported by sea. Shipping goods by train can cut transit time in half, but costs much more. There is a trade off between saving time and saving money: each day's delay in getting an item from the factory gate to the consumer is estimated to reduce trade by one percent. Improving the capacity and network of railways and other transport infrastructure could lead to more cross-border trade, increased investment, and improved growth in BRI economies. Regional cooperation on infrastructure improvements is needed to solve this challenge. If successful, BRI projects stand to make trade easier in some of the world's most important economic corridors.

Challenges Facing the Initiative. Challenges are:

- On average, delays in crossing borders, cumbersome customs procedures and restrictions on Foreign Direct Investment (FDI), tend to be more significant in BRI countries compared to other regions.

- BRI countries have more restrictive and burdensome FDI policies than high-income OECD countries, in terms of starting a foreign business, accessing industrial land, and arbitrating commercial disputes.

- There are potential environmental, social, and corruption risks associated with any large infrastructure project. These could include, for example, biodiversity loss, environmental degradation, or elite capture. These risks may be especially significant in countries involved in the BRI, which tend to have relatively weak governance.

- For some countries, the financing required for BRI projects may expand debt to unsustainable levels. The Center for Global Development recently estimated that BRI projects will increase debt to GDP ratios for several BRI countries, putting eight at high risk. For instance, the construction of the Lao PDR section of the Kunming -Singapore Railway has an estimated cost of US$ 6 billion – nearly 40 percent of GDP of Laos in 2016.

SAGAR

In March 2015, India's Prime Minister Mr. Modi enunciated this vision of 'Security and Growth for All in the Region' (SAGAR) with the purpose of establishing extensive maritime links and trade routes with Africa, Gulf, Mediterranean, South East Asia and the Far East. However, the initiative has generally been perceived as a possible counter-move to China's planned maritime silk-road within the framework of BRI.

Objectives: The objectives of SAGAR are: deepening economic and security cooperation in the littoral; enhancing capacities to safeguard land and maritime territories and interests; promoting collective action to deal with natural disasters and maritime threats; engaging with countries beyond shores with the aim of building greater trust; and working towards sustainable regional development through enhanced collaboration.

Goals: The goals of SAGAR are: to create a climate of trust and transparency; respect for international maritime rules and norms; encourage sensitivity to each other's interests; peaceful resolution of maritime issues; and increase maritime cooperation.

Shared Interests: The shared interests perceived by the initiative are: preserving freedom of navigation for commercial shipping; sustainably and equitably harnessing the Indian Ocean's natural resources; establishing protocols for enhancing disaster prevention and relief as well as search and rescue operations; countering piracy, terrorism, smuggling and illegal weapons proliferation; and managing international naval competition.

Challenges. Challenges of SAGAR are:

- **Finance Issues:** The Formidable cost of the project as much as near Rupees 4 lakh crore investment worsened by lack of private investment is the major challenge in expanding and revamping India's Port infrastructure. It cannot be done without public-private partnership.

- **Regulatory Hurdles:** Major ports are under Central Government, while minor ones are under States. These lead to many regulatory hurdles.

- **Lack of Suitable Technology:** India is still lagging behind in the technology for creation of efficient and effective ports. For example, issue of dredging at ports, no entry of large vessels in Indian ports, poor tonnage capacity, lack of mechanization. Lack of professionalism among port authorities and staff are other major challenges.

- **Lack of Proper Hinterland Connectivity:** The transport connectivity of ports from mainland areas is inefficient and costly which hampers the easy flow of goods from and to the ports.

- **Social and Environmental Issues:** Many coastal communities will be affected and displaced due to the project. Some experts have raised that the project will involve huge construction activity which may disturb the marine ecology.

- **Traffic Bottleneck:** Increased traffic bottleneck is very common due to lack of suitable communication infrastructure is one of the major challenge as it leads to delay and congestion in the linkages.

Challenges of Regional Connectivity

Soft Challenges

There can be no escapism from the fact that there is an "extreme urgent need to establish 'better connectivity" within the region to ensure growth and development and thereby the wellbeing of the population. While several avenues or organizations have been in existence for some time now, they have not always been able to deliver with full-steam owing to a 'multitude of drags'. These 'drags' are indeed the 'challenges' that must be overcome to 'bring alive' the South Asian region towards a 'more involved, deeply-related and inter-twined vibrant region'. This could be made possible broadly by a series of commons, viz 'a common cause, a common interest, a common will, a common progressive intent, a common goal', but above all, 'a common bonding'. Over and above, the region as a whole has to look for collaborative approach towards connectivity and development. The challenges are tagged as 'soft' and 'hard' challenges and are briefly delineated here.

People, Politics and Governance. Challenges are :

- **Population with Large Middle Class:** The population of the region offers challenges and opportunities of reflective magnitude. This most densely populated region of the world houses 39.49% of Asia's population, over 24% of the world's population. The first and foremost soft challenge come from the expectation of these population, of which, a large share belong to middle class and rest are aspiring to rise there.

- **Political Uncertainty:** Politically, countries have not been steadily stable, to say the least. Due to political uncertainty in some of the countries, internal political agenda, prioritisation of issues, external outlook in foreign policy and relations, and so on, have largely remained inconsistent. In turn, lack of confidence led to undesirable shortfall in obligatory implementation of programmes and agreements. Furthermore, such lack in confidence has fuelled:

- Weak political will, mistrust of purpose, hesitation on intention, suspicion of aim, country-to-country contact deficits limiting understanding, Sluggish decision-making and poor movement on implementation, and overall misplaced international or extra-regional priorities rather than regional focus and well-being.

- **Leadership:** For the region to surge ahead in the 21st Century and the charted-path to see success, it is important to have 'enlightened' and 'progressive' leadership of global repute. Such a leadership have to be able to behold regional aspirations above any narrow considerations and rally support for it. However, this region has not been bestowed with such leadership. Luminaries, time to time, have remained handicapped and overpowered by nationalist and bigotry forces.

- **Diffused Relationships:** There have been diffused and dim relationships between several countries of the region. This is despite having their own 'commonalities of issues to overcome' such as poverty, hunger, shelter, employment, education and so on. Indeed, most of these issues originated

from common colonial rule and atrocities. There are fears of dominance, security misperceptions and opaqueness in many of these relationships.

- **Governance and Institutional Shortfall:** Most of South Asian nations have emerged as independent countries from colonial rule in the 20th Century and have traditionally continued with the colonial set-up and procedures for governance. They are all developing countries with multiple arenas demanding 'split-attention and focus'. These have led to bureaucratic capture, safe-guarding of domains, rigidity rather than larger good, and so on. Similarly, the institutional mechanisms have largely failed to deliver in coordination, implementations of policies, execution of agreements and framing of common tariffs or taxes, and so on.

- **High-Headed 'Glass Housed' Collaborative Structures:** The well-thought out regional organisations such as SAARC, IORA, BBIN, BCIM etc., have failed to deliver up to their expectations owing to disputed interests, lack of leadership, lack of political will, lack of regional cohesion and values, mistrust and so on. There is no standing Council or standing ministerial sittings of these organisations for frequent reviews and follow-up.

Physiological and Sensitivity Challenges. Challengers are:

- **Heavy Inward Mindset:** All countries of the region, as stated earlier suffer external mistrust and severe compelling internal challenges resulting in a predominantly inward-looking mindset rather than an outwardly-engaging or a well-balanced mindset outlook.

- **Prisoner's Dilemma:** Several programmes, agreements and procedures have either not fructified or remained on the drawing board for want of will to move-ahead with little, while waiting for more. Countries of the region have waited endlessly for their 'distorted share' rather than making-good of their 'fair share' and have therefore, failed to capitalize on their own interests to succeed so as to build competition in the region. Competition of success can become an important driver of development in the region.

- **Regional Growth and Concern:** The belongingness and cohesion within the region has much desirable scope than it displays currently. It is only recently, that Mr. Narendra Modi, Prime Minister of India proposed an India led Security and Growth for all in the Region (SAGAR) concept. This could enable collective growth in the region which is essential for regional stability, levelled opportunities for populations and overall improved quality of life.

- **Bilateralism vis-à-vis Multilateralism:** Bilateralism has often been held responsible as one of the causes of shortfall in multilateral platforms. It started from the SAARC charter. It is reckoned across the board that there are issues in the region, bilateral in nature that have actually contributed to lack of cooperation at the multilateral levels. Indeed this is a challenge that needs pragmatic answer.

- **Technology-Share:** South Asian nations have had global presence and prowess in the world technological arena. They have been great contributors to the Western world for high-end technologies, particularly in IT services sector. However, the prowess has not been availed to regional benefit, neither the regional IT value chain could be established.

- **Disconnected Trade and Investment Terms:** Intra-regional trade and inter-regional trade would be one of the key factors for development of the region. Lack of cohesive and cooperative mechanisms on mutually benefitting trade terms have inhibited production, partial-productions, and value-additions as also movement of goods, capital generation and overall progress of the region. This would also call for intelligent and well-thought of investments by rationalization within a regional framework.

- **Lack of Harmonization of Policy:** There is no credible convergence of policies at the South Asia regional level for realistic implementation. A regional framework would necessitate a strong consultative process to arrive at implementable policies on tariff, standardization processes, quality of products, taxes etc. The uplifting of the 'needy country' must deserve further relaxation for its accelerated rise to the "least common measure" levels.

Hard Challenges

Before identifying the hard challenges, it is to be acknowledged that the soft challenges stated thus far, have often contributed to the hard challenges. This means that, policy and cultural inhibitions have held back infrastructural and procedural developments. Hard challenges in this paper has been grouped under economic, geo-strategic and Human and HR category.

Economic Challenges

- **Infrastructural Challenges**

    - **Surface Communication:** Economic interdependence had existed among these countries for centuries till 1947. Partition disrupted the lines of communication, affecting the economy of the region. South Asia today is home to one of the poorest people in the world with significant population living below $1 a day. Also, it is one of the least integrated regions globally. At the time of independence, the transport networks of South Asia was one of the most integrated ones in the developing world. Most of these were snapped after partition. River systems of the region provided some of the finest means of communication and transportation. Poor management of water of the common rivers have led to drying this natural dividend. The status of surface communication is quite apparent. South Asian road network is not comparable to world standard. 60% of the roads fall below the world standard. More so, volume wise, people to road ratio in this region is lower than world average. The road and other communication infrastructures have fallen short of growth proportion and is only being addresses partially in the recent time. Rail link in the subcontinent has been quite extensive but lowered in relevance after the partition. Bordering communication nodes, once vibrant, lost relevance and rusted due to nonuse. Besides, compatibility between varying gauge of tracks and alignment also limits possibilities. Inland waterway in the east of the subcontinent once served as key arteries for transportation in the sub-region. Navigability has been largely

lost due to siltation caused by withdrawal of water upstream. Lack of draft - annual average of which is only 1.83 metre, that too due to higher flow in the monsoon, is causing serious constraints of river based transportation across the sub-region. Beside, lack of long-term protocol; port, terminals and berth facilities, and poor container handling are some areas that need attention.

- **Logistics Shortfalls:** The physical inadequacy remains of trade-related infrastructure at land border points. Some of these are painfully slowing down process and handicapping the cross-border trade and movement. Limitations include, quality of customs stations, parking and transshipment facilities, access roads, warehouses, banking facilities, communications services, x-ray scanners, container ports and services, transit and transshipment arrangement, etc. This is further complicated by costly transshipment protocol, non- tariff barriers, lack of harmonization of customs classifications, lack of coordination among agencies, lack of transparency in inspections, quality control and standardization, etc. Lack of computerization and digitization are also responsible for a slow-go system. Apart from these, SRMTS estimates that the transport corridors are suffering for need of small improvement. The study reveals that, less than 5% of the identified road corridors need physical improvement and another 5%, mostly near the border areas, need widening. These are some areas that can actually be addressed in no time, if willed.

- **Use Culture:** One of the rather under assessed challenge this region face is the way we use our facilities and maintain them. Poor traffic discipline, poor maintenance regime, lack of awareness and civic norms contribute to, and multiplies many challenges.

- **Non-Existence of Regional Value Chain:** For trade and economic development, the area needs to be purposefully connected between manufacturing hubs and market ends. Producer, transport, ware house, finance, indents, IT population, road, customs, logistics support etc. inter-linked in the trade cycle. These are interdependent areas. Since the intra-regional trade remains very low, so are the growth of these

facilitating logistics. A major reason why the region has not kept up with the rest of the world in terms of regional and global trade is the lack of a RVC network. The absence of value chains has prevented the region from generating stronger gains in terms of exports and employment generation.

- **Transit and Transshipments Potentials Inadequately Explored:** When this Motor Vehicle Agreement (MVA) will come into full effect, the distance between Agartala to Kolkata would reduce to 400 km from 1,645 km as most of the new route will pass through Bangladesh. As for road cargo, the cost would reduce from US$ 150 per ton to US$ 50 per ton. This would immensely help India to develop its NE states which in turn would help Bangladesh's economy. But Bhutan did not ratify Motor Vehicle agreement yet. Cost of trading across borders in South Asia is high. At the Petrapole- Benapole, one of the main borders between Bangladesh and India, trucks wait for more than 100 hours to cross the border. It takes 200 signatures in Nepal to trade goods with India, and some 140 signatures in India to trade goods with Nepal. The benefits of market integration, however, cannot be achieved without improving the infrastructure.

- **Lack of Exploration of Blue Economy Potentials:** South Asian countries are blessed with the Bay of Bengal, the largest Bay in the world. It has enormous potentials for the Blue Economy. The region has five coastal countries (Bangladesh, India, the Maldives, Pakistan, and Sri Lanka) account for less than 2 percent of the world's total coastline. The coastal zones also contain about 40 percent of the economic activities in the region and most of its critical economic infrastructure. Island countries with better sea - land ratios have more opportunities to benefit from the sea. These countries like Maldives and Sri Lanka also showing higher GDP volume and growth rate compared to other similar countries in the region. There are many opportunities in the blue economy like; Shipping, Port and Maritime Logistics, Marine Fishing, Marine Biotechnology, Offshore and Deep-Sea Mining, Marine Tourism and Leisure, Marine Construction, Marine Renewable Energy, Ship Building, Ship Breaking, Marine Commerce and ICT, Marine Education and Research. Many of them are labor

intensive but need skilled man power. Maritime tourism economy in the region is not as good as developed country except Maldives and India. Shipbuilding has the highest human input and no discharge, either gaseous or liquid. South Asia particularly Bangladesh has potentials and scope for implementing the Blue Economy. Besides, Bangladesh is the second largest in ship breaking in the world but cannot utilize best of its potentials because of right technology. Turn scrapping industry into a green industry is a big challenge at his moment. Shipping is the cheapest mode of transport, which carries 80% of the global merchandise. Shipping becomes more important means of transport for the South Asian countries as these regions are becoming popular in merchandise products particularly Bangladesh, India and Sri Lanka. Bangladesh has the least number of registered Ocean going ships which indicates the poorest fleet of the country compared to that of other countries like Malaysia, India, Singapore and China. In South Asia majority of fish productions are from Bay of Bengal. India is catching about 50% of fish (1.2 Million Tons/Yr). Compared to India and Myanmar, Bangladesh, Sri Lanka and Maldives catch fish 0.6 million tons/Year, 0.12 Million Tons/Year and 0.16 Million Tons/Year respectively. Above all, lack of right technology, investment, awareness, entrepreneurship, adequate data and research, skilled man power, maritime security, political will etc are major challenges for exploring potentials of blue economy of this region.

- **Spiraling Trade Regimes:** South Asia is the least economically integrated region in the world, with regional trade accounting for only 5% of the overall trade, which is again skewed in favour of India. It is 20% cheaper for India to trade with Brazil than with Pakistan. Intra-regional trade in SAARC is the lowest compared to other regions of the world. The SAARC member-countries exchange more goods with countries outside the region than within the region. In contrast, the European Union (EU) member-countries exchange more than 60% of their goods within the member-countries. In terms of trade openness, South Asian countries are not as open as their counterparts in other regions of the world such as ASEAN. On average, trade (both exports and imports) equals less than

30 percent of the GDP in the South Asian region compared with more than 75 percent for ASEAN. Hard challenges has important connotations for its regional cooperation and success. There are several challenges of trade facilitations such as ; standardization and harmonization of customs procedures, proper infrastructure, accelerating seamless connectivity, digitization, speeding up of customs clearance, electronic data exchange, funds for building trade facilitation and road connectivity. A key obstacle to regional trade is the high cost. Poor trade and transport infrastructure and restrictive rules and regulations for border trade are key reasons for high trading costs and resultant low levels of trade in South Asia. It is rather cheaper to trade with other regional countries instead of doing within the region.

- **Tax and Tariff Regime:** DCCI President Hossain Khaled said: "Trade potential of the BBIN four countries has been limited by inadequate trade infrastructure, dearth of supply chain network, tariff and non-tariff barriers and absence of regional cooperation. It is also equally applicable for other SAARC and BIMSTEC. Nepal maintains 25.5% of total product lines in sensitive list which means that 25.5% product lines are not contributing in regional trade with Nepal. Similarly, 22.6% of total products lines are included in the sensitive list of Pakistan, which means that they have no contribution in regional trade. Sri Lanka's list contains 20.3%, Maldives 12.8%, India 16.9% and Bhutan 3% of total product lines. Shifting of items from sensitive list to general category leads to reduction in duties and boosts trade. It needs to reviewed. India accounts for almost half of Bangladesh's trade deficit. Yet Bangladeshi exports have often faced various types of nontariff and para tariff barriers in India. In the famous case of lead battery exports, Bangladesh has gone to the Dispute Settlement Board of the World Trade Organization (WTO) to argue against India's imposition of antidumping measures. India allowed nonreciprocal duty-free access to goods manufactured in Nepal and Bhutan, but it has pursued restrictive trade policy relations with Bangladesh with various barriers to trade.

- **Financial Regime, Shortfall and Inhibition:** The reason lacks in strong financial infrastructure. The financial institutions are inadequately

equipped and poorly regulated with corruption and nonperforming loans. Cost of investment is one of the highest in the world as the interest rates are unexpectedly high. Human resources are also less skilled. As a whole, poor financial intuitions and their ill governance added further challenges to the economic development. Trade and investment go hand in hand. While there are general constraints to investment in South Asia, there are also non-economic undertones that restrict intra-regional investment, which have held back major as well as small and medium size companies from investing in the region. Besides, facilitating cooperation in banking, insurance, fiscal monetary policy, simplifying investment procedures among the member countries are also big challenge.

- **Absence of a Conducive Labor Regime:** Exports of this region are dominated by labor-intensive manufacturing, i.e., textiles and garments, for its very low cost labour. Most members of the SAARC export similar products. They compete rather than support each other. Again people of this region goes to neighboring countries for work. But since there is no labour regime or standard system of cross border employment, difficult work permit system, poor taxation etc; therefore most of the work force immigrate as illegal labour. Whatever they earn, mostly it is remitted through informal or illegal channel. As a result, legal income becomes illegal creating a black economy in the long run. Then this money is utilized for drug and human trafficking, arms trade etc purpose.

- **Lack of Initiatives to Explore Energy Potential:** Energy Deficit and Untapped Potentialities: The energy cooperation issue has been duly dealt by the BIISS representative. The region has serious energy deficiency. Yet, the potentials have not been explored. More so, the intra-regional supply has often not been possible due to lack of capacity of the transmission lines. Only recently, the cooperation has started see some light. The hydro-electric endeavours are still not effectively matured.

- **Informal Economy:** The other challenge is related to the informal economy, arising as a result of inefficiencies and trade facilitation problems (like transshipment). Economic agents of this informal economy are essentially rent-seekers who have gained from the non-transparency and

inadequacy of the system. Any process to streamline trade and transport logistics can meet strong resistance from these economic agents and the local informal economies.

Geo-Strategic Challenges

- **Varying Disposition on Availing Extra-Regional Initiatives:** South Asian countries has varying disposition availing extra regional initiates. India and Pakistan has limited interest in SAARC. India has support for BBIN, BCIM but not for BRI. Bhutan does not support BBIN MVA. BIMSTEC could not be materialized. India is moving with Sagarmala, Bharat mala, SAGAR initiates to counter BRI MSR. Access to Bay of Bengal. China's target is to connect with Chattogram or other ports in the Bay of Bengal along the Bangladesh shore. India may feel it is getting encircled in its eastern flank when it is already encircled in its western flank. As such, things tend to get compounded.

- **India Factor:** India is sixth largest economy in the world having GDP of USD 2.34 Trillion, 1.34 billion population with 3.27 million sq. km area. It shares boundary with all the 07 neighbors of SSARC. Indian such depth has tremendous impact on neighbor. India is in pivotal position as it shares common borders with her all neighboring countries. India by no means comparable to her neighbor. Therefore, her active role is most critical for success for any of this connectivity.

- **Disproportional Size:** Dissimilar economic credentials of the BIMSTEC member nations are also partly responsible for the slow progress of the regional forum. The economies of BIMSTEC vary in terms of resource base, size of market, level of industrial development and economic performance. BIMSTEC accommodates a fast-growing economy like Thailand as well as LDCs such as Nepal, Bhutan and Myanmar.

- **China Factor:** One of the main challenge is India's hesitation over China's dominance in South and Southeast Asia. India seems suspicious that the BCIM is a mechanism designed simply to facilitate Chinese imports of natural resources and exports of processed goods to the region which

would result in a massive trade deficit between India and China and Chinese dominance to Asian Market. BRI consists of Land route (the belt) and maritime route (the road). It has 06 trade corridors, 60 plus countries, 69% of world population and 51% of world GDP. The maritime "Road" will be a major opportunity for consumer and industrial firms as it accounts for 63% of world population and 44% of its GDP, excluding China. The landlocked "Belt" connects two of the world's largest economies; China and Europe. The route will emerge as a major logistics corridor and offers significant energy and mining opportunities. It is estimated that, BRI projects linked to China will be worth USD 350 billion over the coming five year. Its big challenge in terms of political, legal, financial and for implantation. Every other SAARC country has more trade with China vis-a-vis SAARC. They give priority to their vested interests. Such as China has invested hugely for different infrastructural developments in Bangladesh, Pakistan, Sri Lanka, Nepal and Maldives. Whereas, India has very small investment in these countries.

- **International Debt Trap:** For some countries, the financing required for BRI projects may expand debt to unsustainable levels. For instance, the construction of the Lao PDR section of the Kunming -Singapore Railway has an estimated cost of US$ 6 billion – nearly 40 percent of GDP of Laos in 2016. On the global front, concerns remain on questions of 'debt repayment' to China being faced by countries like Ukraine, Zimbabwe, Cambodia and Sri-Lanka. According to IMF report 2016, out of Cambodia's USD 3.9 billion bilateral public debts with China, 80 percent is owned by China.

Human and Human Resources Challenges

- **Lack of Human Resource Development:** To maintain the upcoming logistic and infrastructural challenges, the Human Resources preparation lacks compatibility. The region produce about 10 to 12 million youths as work force every year but hardly they can afford to get right skill necessitate for the employment. With 1.89 billion people in 510 million sq.km area, it is one of the highly densed area in the world. But the youths joining the

market needs employment opportunity. They need to be properly skilled and value added by appropriate education or training in order take the upcoming economic challenges. The youth bulge must be turned in to resources. Otherwise, they might remain as burden creating security and economic threats.

- **People to People to Integration:** Although the region belonged to one entity just few decades back and has common history, common culture, heritage but geographical and political divides have deeply fragmented peoples mind. India and Pakistan people have mutual deep respect and mistrust for decades. Similarly people have least integration and connectivity among the neighbors creating perpetual fault line.

Opportunities of Regional Connectivity

South Asia is an area of enormous opportunities. It is paradoxical however, that the challenges of South Asian region are heard louder than its bounties. South Asia has been a gifted expanse of the nature since antiquity. Economy wise, before the colonization, this was a leading region enjoying 23% of world GDP. The glow was lost amid colonial subjugation and post-colonial residues. Thankfully, the region is picking up pace and turning into one of the most prosperous regions of the world today, provided the opportunities are gainfully cashed-in.

Geo-Strategic Opportunities: South Asia is the southern gateway to the Asian landmass. It is the bridge between East Asia, SE Asia, ME and Central Asia. South Asia is also an agro-heaven with one of the best water cycles bestowed by the sea in the south and Himalayas in the north. The countries of South Asia share an almost unbroken landmass. Besides, the land-water frontier, with comprehensive network of rivers in the north and ocean in the south, provides this region with natural backbone of connectivity, within and worldwide. Until the partition, the countries shared an integrated transportation system, an infrastructure of common institutions and standards, a potential common market, the English language, and rail, road, and riverine links which need relatively little investment to reactivate. Bangladesh can particularly benefit from a reactivated transport

infrastructure. Bangladesh once had a major rail-road link connecting mainland India with both north Bengal and north-east India. Reactivating that old trail would provide north-east India access to the sea through the Bay of Bengal and integrate its market with Bangladesh. By extending this link further up north, the huge market of south-west China can also be integrated with this region. The existing and upcoming ports of Chattogram can provide an effective rendezvous for the overland and maritime trade routes, extending the regional market further into the global.

Demographic Dividends: South Asia is home to nearly one-fourth of humanity. Economic dividends from this huge population could be enormous. Affordable labor market, ease of marketing and low overhead cost due to proximity are some of the readily visible marketing advantages. Besides, South Asia today has the largest concentration of working age people. This resource is set to feed global market and attract investment. People of SA have shared history, affinity and culture. Irrespective of policy regime and political undertones, the people to people contact has remained good in this region. This is something to cash on. The movement of people can be a driver towards increased connectivity. Throughout the South Asian landmass, the geographical borders separating individual states are seldom aligned with the ethno-cultural fault lines. The resulting ethno-cultural overlap across geographical boundaries has traditionally been viewed as potential sources of tension. Ethnic majority in one country oftentimes constitutes the minority in the neighboring country. Conventional wisdom would discover the seeds of separatist movement in such minority enclaves. While such apprehensions could be true in an ultra-nationalist environment, things might look absolutely different when viewed from the perspective of regionalism. These minority enclaves can provide cultural bridges to connect the two people across the borders.

Economic Opportunities: In contemporary economic discourses, the 21st Century has often been featured as the 'Asian Century'. The initial moves towards Asian Century has been pioneered by China, East Asia and SE Asia. However, the growth trend of South Asia demonstrates strong potential for this region to take over the lead. As per the WB, since 1980, South Asia was

the 2nd fastest growing region, only after East Asia. The region has eventually overtaken East Asia and has consolidated its position as the global leader in economic growth. Other regions are growing either much more slowly or are even contracting. A study by US based think tank suggests that South Asia is expected to retain this position for next couple of decades. Most notably, almost all the South Asian countries have individually demonstrated this growth trend; with Bhutan, Bangladesh, and India leading the race. For Bangladesh, the growth was spurred by private investment and exports, with industrial production recently reaching a record high. Indeed, the trend of industrialization has increased throughout South Asia promoting intra-industry connectivity and accelerating intra-regional flows of investment. The concomitant inevitable economic optimism has been manifested through the bullish stock market in some South Asian countries. For instance in 2016, share prices in Pakistan rallied to levels never seen before. The persistently decelerating rate of inflation throughout South Asia is also worth-noting. Moreover, all four factors of production are plentifully available in South Asia. It has a vast contiguous land, a huge labor force, a notable capital in-flow spurred by rapid industrialization, and enthusiastic entrepreneurs. These all are definite signs of growing economy with expanding market opportunities.

The Value Chain Potential: The region has huge potential of forming a regional value chain for goods and services. Proximity and contiguity can be availed to this advantage. The study by the UN and Commonwealth Secretariat (2011) identified how Bangladesh, India, Pakistan and Sri Lanka can develop supply chains in textile and clothing sector to gain cost competitiveness. It was observed that demand and supply for inputs lie well within the region. Countries within the region have lowest cost export value. Countries in the region has already made remarkable progress in many areas with forward and backward linkages. Some examples include: IT, textile, ship-building, locomotive, medium and small engineering, renewable energy, etc. The region has the opportunity to rely on these backbones and develop a broader value chain. There are also plenty of opportunities for achieving synergies based on comparative advantages and investment in cross-border infrastructure projects. A ready example in this regard is the Lafarge Surma Cement plant. The raw materials for this plant, limestone, is extracted from Meghalya, India;

and transported through a 17 km long cross-border conveyer belt to Chatak, Bangladesh where the raw materials are finally processed into finished product. Similarly, coordinated use of other cross border natural resources can also deliver significant economic dividends. For instance, through proper planning, investment and integration between Nepal, India and Bangladesh, the hydro-electricity produced from the water resources originating from the Himalayas could well meet the energy needs of the entire South Asia region. The few hundred thousand metric tons of pulp available in huge bamboo forest in the bordering areas of Myanmar could feed raw materials for the paper industries in Bangladesh. Marine resources on the Myanmar side of the border could be collectively developed and processed on the Bangladesh side of the border where facilities exist for fish processing. The vast limestone deposit in the Rakhine state can provide raw materials for the joint venture cement clinkers factory in Myanmar with a ready market in Bangladesh.

The Enabling Political Environment: The lack of incentives for regional connectivity has generally been seen as emanating from security-driven apprehensions. In reality, securitization of potentially beneficial economic cooperation has been the common trick applied by the authoritarian regimes. They perpetuate imagined fear to legitimize their retention of political powers. Fortunately for South Asia, all the countries have by now transitioned in to democracy. Therefore, expectedly, the security-driven fears will disappear and the countries will rediscover the value of connectivity.

Opportunities of Other Descriptions: Profitable cooperation in the neighboring regions have by now created a positive collective psyche in favor of regional connectivity throughout South Asia. The ordinary people can now see the benefits of cooperation. There is a growing realization that complementarities, not unhealthy competitions, can help the regional countries to break free from the shackles of poverty and seek continued economic growth. People now are even aware of the untapped resources that constitute blue economy. Scholarly efforts are underway to examine how sea resources can be extracted profitably through mutual cooperation. Regional cooperation in areas other than physical infrastructures are also surfacing. Opportunities abound in the areas of digital connectivity, intellectual connectivity and common defense

against natural disasters. The submarine cables providing digital connectivity has long been vulnerable to disruption and damage involving complicated process of repair and maintenance. The overland road networks, as proposed by mega-projects like BRI, can incorporate cable networks without much additional efforts. Opportunities are also available for integrating intellectual resources. Every year, thousands of students of the South Asian countries are availing the higher education institutes of other countries of the region. This knowledge sharing does not only enhance the intellectual capital but also promotes better cross-cultural understanding. These trans-national learners will constitute future leadership of a region where cooperation, not myopic competition will feature the economy. The regional countries can also cooperate in the field of tarns-national disaster management. Ironically, the natural disasters do not respect political boundaries. They affect everyone alike. Often the impacts are far beyond the capacity of the affected country to manage unilaterally. There lies the importance of regional connectivity. The regional countries are good at disaster management. The knowledge and experience of fighting natural disasters can be combined through appropriate institutions to create a collective defense against this common enemy.

Cost of Lost Opportunities: Regional connectivity is no longer an option, but an imperative. The cost of non-cooperation is multifaceted and too high. The costs might manifest through illegal migration, drug-trafficking, women and child trafficking, arms smuggling, and the consequent loss of credibility among extra regional actors. Besides, the regional connectivity has now become an essential precondition for the global connectivity. Regional forum enables collective bargaining power in the global platform. Many of the SDGs, especially those pertaining to climate issues, require that the member-states act collectively through regional fora. The smart countries like, for instance, China recognizes the importance of connectivity and is now aspiring to develop economic in-roads into South Asian region. The South Asian countries now have to decide if they want to have their own regional forum or be a mere extension to a neighboring regional forum.

Way Forward of Regional Connectivity

Political will and Earnest Desire: To make any regional initiatives successful, first and foremost the regional leaders might have honest political will and earnest desire to develop collectively. To promote regional cooperation and solidarity in South Asia, a concrete plan of restructuring organization is a must and thereafter proceed with the implementation plan based on the "Political will and Earnest desire" of all countries.

Simplified Border Control Procedures: Cross-border trade procedures should be simplified and documents for cross-border trade used at ICPs and ports should be harmonized. Documents as used by the Singapore, Thailand and Malaysia model could be considered. Borders should not be barriers but connectors. Instead of duplicating infrastructure, countries may consider sharing border infrastructure. There is need to develop testing labs in border post area and encourage automation of ICPs. However, simplified border control should not be compromised regarding illegal migration, terror attack and drug trafficking. Effective steps must be invoke to jointly deter cross-border, illegal migration, terror attacks and block the narcotics trade and drug trafficking.

Develop Trust and Cooperation Between India - China: Countries in the region needs to collectively work to develop and improve cooperative relationship between India and China. Bangladesh and Myanmar may work for reducing the mistrust between China and India, making it easier for these two Asian giants to cooperate with each other in order to make the connectivity a reality.

Role of India: India is one of the fastest growing economy and rising global power. It has been suggested that expanding India's role as an informal leader which will make New Delhi back up its words by bolstering its investment in the organization without affecting the interests of other members. It seems necessary that India will have to go the extra mile to make any regional initiatives work because India is 70 percent of South Asia.

Identify Common Grounds: All the regional countries have to work on the common values and shared historical perceptions of the peoples of the region,

consciously sidestepping political differences. Economic cooperation in an increasingly globalized world economy can be the common platform despite continuing political differences. Issues can be set aside by each member country, while a more harmonious environment is created through healthy economic cooperation. Additionally, some more common areas could be: Technology, Education, Health, Culture, Value chain, Security, Trade and Investment.

Select Priority Areas of Engagement: Regional organizations must focus on fewer priority areas that are economically feasible and result-driven for purpose of better implementation. Let us bite, what we can chew. It needs to undertake projects that are economically feasible and result-driven. Countries should jointly address issues such as climate change, environmental degradation, and health hazards through control of communicable and infectious diseases, such as dengue, severe acute respiratory syndrome, and avian influenza. This would add to the credibility of cooperative engagement initiatives.

Establish sub-regional Trade Facilitation Body: Regional countries may consider setting up a sub-regional trade facilitation body. They could also consider setting up a mechanism to look at sub-regional development in a holistic manner. This could also examine better coordination of extra-regional assistance and investments.

Removal of non-Tariff Barrier: Various trade and commerce activities in the region will have to be complemented by the removal of non-tariff barriers, implementing appropriate policy, procedural and related interventions. Thus it will allow smooth operation of the entire supply chain.

Cooperate not Compete: Since most member countries in the region compete amongst themselves for the export of similar products, maybe they could consider expanding these organizations and utilize it to cooperate with extra-regional powers collectively, like Australia, the European Union, Japan, and the United States, as well as multilateral institutions like the Asian Development Bank.

Cooperation in Food Security: In the area of food security, many South Asian countries face similar issues of availability and nutritional security, which could partly be addressed by a long-term response revolving around the sharing of

information, knowledge on best agricultural practices and technologies, joint ventures for food security, and research on less input-intensive crop varieties, enhancing yields and disease resistant crops, and adaptation to climate change.

Value Addition and Develop Supply Chain: Region can exploit its position as a supplier of services, helped by India's credentials globally as a lead supplier of IT and computer-based digital services and position as a global hub for outsourcing of information and communications services. Other countries in the region, particularly Pakistan and Bangladesh, can latch on to Indian suppliers by offering to become part of the supply chain of services, providing lower level skills at competitive rates, also factoring in the advantage of young labor forces with relative proficiency in the English language (owing to a common history of British colonialism). Buyers of these services will also be able to reduce their risk through diversification of sources, without necessarily increasing their costs, doing so by opting for less sophisticated services and processes from India's neighbors.

Establish Physical Connectivity: Continue to prioritize sustained physical connectivity and high-quality infrastructure, so as to help facilitate greater regional flows of goods, services, and people. By up-scaling road and rail links, modifying rail meter gauges to broad gauge, and creating and improving warehousing facilities, or appropriately locating transshipment cargo and locomotive exchanges, trade and investment flows can be facilitated. A good example of such surface transport could be the development of an Afghanistan-Pakistan-India-Bangladesh-Myanmar transport corridor that could connect South Asia to Central Asia and East Asia. The provision and upgrading of quality physical infrastructure will speed up the integration of lagging sub regions with more prosperous areas, facilitating inclusive growth in the region.

Establish Collective Regional Power Grid: Considering the growing demand of power supply for the development of the region, energy sector should be linked together through a unified electric power grid system and countries could pool their technical and financial resources in collaborative projects. Additionally, there is a mismatch in the region between energy resource distribution and the growth in energy demand. Relatively smaller

economies like Nepal and Bhutan have energy resources well in excess of their energy demand, while energy demand in India or Pakistan outstrips respective domestic supplies. Two potential markets for energy trade and investment could serve South Asia-a western and an eastern market. To the west, Central Asia and Iran could sell electricity and gas to Afghanistan and Pakistan and possibly to India, while to the east, Nepal, Bhutan and perhaps even Afghanistan, could export hydropower to India. Myanmar could also export natural gas and hydropower to India.

Empower and Establish Autonomous Secretariat: Member states must agree to establish appropriate institution for regional cooperation by having Autonomous Secretariat. The Secretariat must be provided with greater human and financial resources so that they are able to implement the agenda.

Resolve Rohingya Crisis: Taking a step towards genuine solution regarding the Rohingya issue would normalize relation between Bangladesh and Myanmar. A good relation between the general mass from both sides would help to make progressive ideas operational and, thereby, functional. Any initiative to connect the region with east and south-east will need improved and congenial relationship between Bangladesh and Myanmar. The present contentious issue of Rohingya crisis will remain an impediment to the connectivity in the area.

Connectivity Hub: Bangladesh being at the apex of the Bay of Bengal with India and south Asian countries on the west, China and ASEAN to the east, could emerge as a connectivity hub and attract investment from giant economies.

Establish River Transportation: Regional countries should put more emphasis on the traditional and natural transportation arrangement. River transportation, which is natural to the sub-region, less expensive and environment friendly is one potential means. With due institutional support and development the river transportation may turn very effective means of communication.

Regional Approach to Water Resource Management: Various issues relevant to water resources need to be resolved through a regional approach. The region is

water-stressed and the harmful effects of global warming and disruptive weather will impact the Himalayas water reserve function, for example. Water shortages are affecting distribution in Bangladesh, India, and Pakistan, compounding tension in the region. A regional common approach can provide sustainable solution to the regions one of the most contentious issue.

Conclusion

South Asian regional integration is seemingly confronting many challenges. The aim of this seminar is to identify those challenges and also look for prospects. The eight South Asian countries - Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka and Afghanistan (joined later) – formed the South Asian Association of Regional Cooperation (SAARC) in 1985, to promote active cooperation in the economic, social, cultural, technical and scientific fields in order to improve the quality of life of its members through accelerated economic growth and poverty reduction. Regional integration is an on-going process and is providing tangible results. Regional connectivity depends on how closely they can work together to strengthen networks in four critical areas: trade and transport connectivity; ICT connectivity; energy connectivity and people-to-people connectivity.

South Asia's diversity provides huge opportunities for trade, investment, and economic growth. The region's remarkable success in recent decades demonstrates this. Geographically, the South Asia region is very wide and heterogeneous. It links Central and West Asia with Southeast and East Asia. Some of the South Asian countries are also members of many forward-looking regional and subregional initiatives. There are, however, challenges to the South Asian countries to maintain the regional competitiveness and complementarity. One of the best solutions to such challenges is to strengthen regional connectivity and trade facilitation which would further support the regional economic integration. All South Asian countries recognise the need for improving the state of connectivity both within their borders and with other countries in the region. They have, however, not so far been able to take advantage of the connectivity Instead, they have been a victim of politics based on legacy issues that inhibit effective inter-state engagement.

Rapporteurs

Brigadier General Abu Nur Md Shariful Alam
SUP, psc, lsc

Brigadier General Omar Sadi, psc

Brigadier Syed Imran Raza Naqvi
TJ, psc, nswc

Joint Secretary Rukhsana Hasin

Staff Colonel Saud Sulaiman Abdullah Al Riyami

Summary of the Interactive Session

A vibrant interactive and question answer session took place after the seminar. Following points came up:

- **Connectivity of Mind and People:** Beside physical connectivity we need to develop people to people connection and cultural connectivity. Connectivity should also be user friendly.

- **Development of Infrastructure and Time:** Discussion came up on the development of internal infrastructure like road, rail, port, transport system and time required to complete all preparations. It was discussed that the individual country should develop and maintain the infrastructure, whereas the finding may be done by Region. The timeline to be decided after discussion.

- **Developing Mutual Trust and Overcoming Rivalry:** Lot of discussion came up on developing mutual trust and leave aside rivalry among the member countries. The age old rivalry between India- Pakistan, India - China and recent relation between Bangladesh and Myanmar on Rohinga issue was discussed. The speakers came up with the example of European Union and ASEAN. The countries of Europe fought for 200 years. But they are now in one platform. Same is applicable in case of ASEAN. For Economic development in this region we need to move above our rivalry, create mutual trust and confidence. Having power imbalance is not a problem in connectivity. Big countries need to be more proactive only.

- **Sustainable Electricity:** Electricity- the most important energy is the precondition for any development. Beside importing electricity from Nepal and Bhutan, discussion came up on solar energy. In this regard China was discussed as role model. China has developed huge solar energy over its water body. The example of China may be adopted in Bangladesh.

- **Development of Water Ways:** For internal transportation of goods, our rivers and other waterways may be used. However due to lack of depth and how flow of water in winter, big water crafts may not be able to use these facilities.

- **Air Connectivity:** Bangladesh has a huge potential as an air hub. Necessary development to be carried out to use this potentials.

- **Ease of doing Business:** Bangladesh is one of the lowest ranking countries in terms of ease of doing business. Political will, change of mind set, people to people contact, implementations of policies etc may address the matter.

NDC Participants (Faculty and Staff)

Ser	Rank and Name	Appointment
1	Lieutenant General Sheikh Mamun Khaled, SUP, rcds, psc, PhD	Commandant
2	Rear Admiral Muhammad Anwarul Islam, NGP, ndc, afwc, psc, BN	Senior Directing Staff (Navy)
3	Major General S M Shafiuddin Ahmed, ndu, psc	Senior Directing Staff (Army)
4	Major General Rashed Amin, ndc, psc	Senior Directing Staff (Army)
5	Brigadier General Md Amin Akbar, SPP, awc, psc	Senior Directing Staff (Army)
6	Air Cdre M Mortuza Kamal, GUP, ndc, psc, GD(P)	Senior Directing Staff (Air)
7	Joint Secretary Md Mofazzal Hossain, ndc	Senior Directing Staff (Civil)
8	Brigadier General Mohammad Mahbubul Haq, PBGM, ndc, afwc, psc	Chief Instructor
9	Brigadier General Ashfaque Iqbal, ndc, afwc, psc	Directing Staff (Army)
10	Brigadier General Md Rafiqul Islam, SUP, ndc, afwc, psc	Directing Staff (Army)
11	Brigadier General Monirul Islam Akhand, ndc, psc	College Secretary
12	Brigadier General Abu Sayeed Mohammad Ali, ndu, afwc, psc	Directing Staff (Army)
13	Brigadier General Md Naheed Asgar, afwc, psc	Directing Staff (Army)
14	Colonel Md Nishatul Islam Khan, afwc, psc	Directing Staff (Army)
15	Colonel Muhammad Ali Talukder, afwc, psc	Directing Staff (Army)
16	Commodore Khondkar Misbah-Ul-Azim, (TAS), afwc, psc, BN	Directing Staff (Navy)

17	Air Commodore Muied Hossain, afwc, psc, GD(P)	Directing Staff (Air)
18	Colonel Salahuddin Khaled	Colonel Administration
19	Colonel A K M Fazlur Rahman, afwc, psc	Director (Research & Academic)
20	Lieutenant Colonel S M Merazul Islam,afwc,psc, Engr	Senior Research Fellow
21	Lieutenant Colonel Syed Jamil Ahsan, afwc, psc, AC	General Staff Officer-1 (Training)
22	Lieutenant Colonel Md Kamrul Islam, BGBM, psc, Arty	General Staff Officer-1 (Administration)
23	Lieutenant Colonel A S M Badiul Alam, afwc, psc, G+, Arty	Senior Research Fellow
24	Major Md Akhlaque-Uz-Zaman, EB	General Staff Officer -2 (Coordination)
25	Major Md Masud Amin, Inf	General Staff Officer-2 (Administration)
26	Major Mohammad Tanvir Hasan Chowdhury, AEC	General Staff Officer -2 (Staff Duty)
27	Major Md Asrafuddowla, psc, ASC	Mechanical Transport Officer
28	Major Md Monowarul Karim, BIR	General Staff Officer -2 (Accounts)
29	Major A S M Khairul Hasan, psc, Arty	General Staff Officer-2 (Planning & Coordination)
30	Major Tahmina Haque Munia, Sigs	General Staff Officer -2(Network Administration)
31	Major Lasker Jewel Rana, psc, Inf	General Staff Officer -2 (Coordination), AFWC Wing
32	Major Saquib Ibne Rashid, AC	Quarter Master

33	Lieutenant Commander Israth Zahan, (ND), BN	General Staff Officer -2 (Training Support)
34	Squadron Leader Mohammed Iqram Hossain, Edn, BAF	General Staff Officer -2 (Protocol)
35	Sr Asst Secy Syeda Nurmahal Ashrafi	Research Coordinator
36	Flg Offr Rafat Zahin Ahmed, Admin, BAF	General Staff Officer -3 (AFWC Wing)
37	Leturer Farhana Binte Aziz	Research Fellow (BCS Education)
38	Assistant Director Md Nazrul Islam	Assistant Director (Library)

NDC Participants (Course Members of National Defence Course-2018)

Ser	Rank	Name	Country
Allied Course Members			
1	Brigadier	Bassem Mohamed Fattallah	Egypt
2	Brigadier	Sanjiv Singh Slaria	India
3	Air Commodore	IS Walia, F (P)	India
4	Commodore	Rituraj Sahu	India
5	Colonel	Marine Jasiman Purba NRP	Indonesia
6	Staff Colonel	Sattam Bin Abdulaziz Ghaeb bin Ghaeb	KSA
7	Staff Colonel	Sultan Bin Hamad Al-Mohaimeed	KSA
8	Brigadier General	Noor Mohamad Akmar bin Mohd Dom	Malaysia
9	Colonel	Homnath Dawadi	Nepal
10	Colonel	Boubacar Bako	Niger
11	Colonel	EC Obi-Osang	Nigeria
12	Colonel	UM Aliyu	Nigeria

13	Colonel	ASM Wase	Nigeria
14	Colonel	MD Danja	Nigeria
15	Group Captain	M Abdulraheem	Nigeria
16	Colonel	Saud Sulaiman Abdullah Al-Riyami	Oman
17	Colonel	Khalfan Al Rawahi	Oman
18	Colonel	Saif Al Rahbi	Oman
19	Brigadier	Syed Imran Raza Naqvi	Pakistan
20	Brigadier	P J P Gamage RWP RSP	Sri Lanka
21	Commodore	N P W Amaradasa RSP, psc	Sri Lanka
22	Air Vice Marshal	WLRP Rodrigo	Sri Lanka
23	Colonel	HH Makanza, psc, hcds	Tanzania

Ser	Rank	Name
Bangladesh Army		
24	Brigadier General	Muhammad Ehteshamul Haque, afwc, psc
25	Brigadier General	Mohammad Omar Zahid, psc
26	Brigadier General	Hasan Md Shamsuddin, afwc, psc
27	Brigadier General	Mirza Md Enamul Haque
28	Brigadier General	Md Wahid-Uz-Zaman, psc, te
29	Brigadier General	Abul Fazal Md Sanaullah, SUP, hdmc, psc
30	Brigadier General	Kazi Taufiqul Islam, psc
31	Brigadier General	Sharif Ahsan, afwc, psc
32	Brigadier General	Abu Nur Md Shariful Alam, SUP, psc, lsc
33	Brigadier General	Abdullah Al Yusuf, BSP, psc, G
34	Brigadier General	A K M Saiful Islam, psc
35	Brigadier General	Md Wahidul Islam, psc
36	Brigadier General	A K M Iqbal Azim, psc, G+, PhD
37	Brigadier General	S. M. Kamrul Hassan, hdmc,psc
38	Brigadier General	Sajjad Hossain, psc
39	Brigadier General	Md Zamal Mahmood Siddiq, psc

40	Brigadier General	Md Habibur Rahman
41	Brigadier General	Mashiur Rahman, psc
42	Brigadier General	Omar Sadi, psc
43	Brigadier General	Abul Kashem Md Fazlul Kader, psc
44	Brigadier General	Md Muniruzzaman, psc
45	Brigadier General	A B M Shefaul Kabir, afwc, psc
46	Brigadier General	Md Abul Kalam Azad, afwc, psc, G+
47	Brigadier General	Md Main Uddin, psc, G
48	Brigadier General	Kazi Shameem Farhad, psc
49	Brigadier General	Md Mostagousur Rahman Khan, SGP, afwc, psc
50	Brigadier General	Md Rashed Iqbal, psc, G
51	Brigadier General	Khaled Shams, psc
52	Brigadier General	Md Mizanur Rahman
Bangladesh Navy		
53	Commodore	Mahmud Hossain, (ND), NPP, BCGMS, psc, BN
54	Commodore	M Zakirul Islam, (E), psc, BN
55	Captain	M Sharif Uddin Bhuiyan, (S), NGP, afwc, psc, BN
56	Captain	M Nayeem Golam Muktadir, (H), psc, BN
57	Captain	M Ali Chowdhury, (C), afwc, psc, BN
Bangladesh Air Force		
58	Air Commodore	M A Awal Hossain, GUP, awc, psc, GD (P)
59	Air Commodore	Md Shaharul Huda, psc, GD (P)
60	Group Captain	Md Zahidul Sayeed, psc, Engg
61	Group Captain	Mirza Sarwar Jahan, Engg
62	Group Captain	Md Towhidul Islam, BPP, psc, Engg
Bangladesh Civil Service		
63	Joint Secretary	Dr. Shahnaz Arefin
64	Joint Secretary	Rukhsana Hasin
65	Joint Secretary	Kazi Enamul Hassan
66	Joint Secretary	Md. Shahidul Hoque Bhuia
67	Joint Secretary	Maqsura Noor

68	Joint Secretary	Md Shahidul Alam
69	Joint Secretary	Munira Sultana
70	Joint Secretary	Md Rejaul Karim
71	Joint Secretary	Biswajit Bhattacharya Khokon
72	Joint Secretary	Md. Ismiel Hossain
73	Joint Secretary	Md Abdul Majid
74	Joint Secretary	Rashida Ferdouse
75	Director General	Masudur Rahman
76	Deputy Inspector General	Mohammad Abdullahel Baki, PPM

NDC Participants (Course Members of Armed Forces War Course-2018)

Ser	Rank	Name
Bangladesh Army		
1	Lieutenant Colonel	Kazi Anisuzzaman, psc, Inf
2	Lieutenant Colonel	Mohammad Ali Reza, SGP, psc, Inf
3	Lieutenant Colonel	Azaher Uddin Ahmmed, psc, Inf
4	Lieutenant Colonel	Ahmed Sharrif Manee, BSP, psc, Engrs
5	Lieutenant Colonel	Mohammad Humayun Kabir, psc, G, Arty
6	Lieutenant Colonel	Md Sufi Mohammad Moinuddin, SUP, psc, Sigs
7	Lieutenant Colonel	Md Rashidul Islam, psc, Inf
8	Lieutenant Colonel	Muhammad Azharul Islam, psc , Ord
9	Lieutenant Colonel	Shahzad Pervez Mohiuddin, psc, Sigs
10	Lieutenant Colonel	Md Anwarul Kabir, psc, Arty
11	Lieutenant Colonel	Kazi Shazzad Hossain, psc , ASC
12	Lieutenant Colonel	Mostofa Zaman Khan, psc, Inf
13	Lieutenant Colonel	Mahmud Hasan, BSP, psc, Arty
14	Lieutenant Colonel	Malique Shams Uddin Muhammed Moin, SGP, psc, Inf
15	Lieutenant Colonel	Mohammad Asaduzzaman, psc, AC
16	Lieutenant Colonel	Abul Hasnat Mohammad Mahmud Azam, psc, Arty

17	Lieutenant Colonel	Mohammad Sultan Mahmud Shamol, psc, Engrs
18	Lieutenant Colonel	Mohammad Abdul Aziz, SUP, psc, AC
19	Lieutenant Colonel	Ariful Islam Khan, psc, Engrs
20	Lieutenant Colonel	Mohammad Kamrul Hassan, psc, Inf
21	Lieutenant Colonel	Mohammad Arman Mallick, psc, G+, Arty
22	Lieutenant Colonel	Nizam Uddin Ahmed, psc, Engrs
23	Lieutenant Colonel	Mohammad Mahmudul Hasan, psc, Inf
24	Lieutenant Colonel	Mohammad Harun-Ur-Rashid, psc, Inf
25	Lieutenant Colonel	Mohammad Tariq Hossain, psc, Inf
Bangladesh Navy		
26	Captain	Arif Ahmed Mustafa, (G), psc, BN
27	Commander	Faisal Muzaffer Mahmud, (S), psc, BN
28	Commander	Al Faroque Mahmud Hossain, (N), psc, BN
29	Commander	M Jamal Uddin Chowdhury, (ND), psc, BN
30	Commander	Khan Mohammad Emon Rashid, (ND), psc, BN
Bangladesh Air Force		
31	Group Captain	Md Mostafa Mahmood Siddiq, psc, GD (P)
32	Group Captain	Md Mahfuzur Rahman, GUP, psc
33	Group Captain	Md Asif Iqbal, psc, GD(P)
34	Wing Commander	Md Aminur Reza Ibne Abedin, psc, ADWC
35	Wing Commander	Md Abdul Hafiz Sarker, psc, Log

Outside Participants

Ser	Rank and Name	Appointment	Organization
1.	Dr. Hossain Zillur Rahman	Chairman	Power and Participation Research Centre (PPRC)
2.	Ambassador Md Humayun Kabir	Vice President	Bangladesh Enterprise Institute (BEI)
3.	Ambassador Sohrab Hossain	Adviser	BEI
4.	Mr. Faiz Sobhan	Senior Research Director	BEI

5.	Maj Gen A K M Abdur Rahman, ndc, psc	Director General	Bangladesh Institute of International and Strategic Studies (BIISS)
6.	Dr. Mohammad Jashim	Senior Research Fellow	BIISS
7.	Lam-Ya-Mostaque	Research Officer	BIISS
8.	Rubiat Afrose Raka	Research Officer	BIISS
9.	Shanjida Shahab Uddin	Research Officer	BIISS
10.	Fatima Begum	Additional Secretary	Ministry of Defence
11.	Abul Kalam Khan	Joint Secretary	Ministry of Defence
12.	Md Jahangir Alam	Joint Secretary	Ministry of Home Affairs
13.	Md Shahed Ali	Additional Secretary	Ministry of Home Affairs
14.	A K M Ali Ahad Khan	Joint Secretary	Ministry of Commerce
15.	Md. Sirajul Haider, ndc	Additional Secretary	Ministry of Agriculture
16.	Md. Abdul Wahhab Bhuiyan	Joint Secretary	Ministry of Home Affairs
17.	Sulekha Rani Basu	Joint Secretary	Finance Division
18.	Md Azizul Islam	Additional Secretary	Ministry of Post and Telecommunications
19.	Iqbal Mahmod	Joint Secretary	Post & Telecommunications Div
20.	Kazi Jahangir Alam	Joint Chief	Planning Commission
21.	Md.Taufiqul Islam	Deputy Secretary	Planning Division
22.	Tapan Kumar Chakravorty	Chairman (Additional Secretary)	Bangladesh Landport Authority

23.	Addl Secy Nurjahan Begum, ndc (Retd)	Member	Public Service Commission
24.	Farid Ahmed Bhuiyan		BTRC
25.	Air Cdre Mohammad Nazrul Islam	Director General (Training)	Armed Forces Division
26	Brig Gen Iqbal Ahmed, ndc, afwc, psc	Director, IT Dte	Army Headquarters
27.	Brig Gen Akhter Shahid		Army Headquarters
28.	Capt S M Reazur Rashid, (S), psc, BN		Naval Headquarters
29.	Capt Sheikh Firoz Ahmed, psc, BN		Naval Headquarters
30.	Gp Capt Md. Ashraful Islam		Bangladesh Air Force
31.	Cdre M Anamul Haque, (C), psc, BN	Director, RDB	HQ DGFI
32.	Capt M Mosayed Hossain, afwc, psc, BN	Director (Personnel)	HQ Coast Guard
33.	Brig Gen Md Bayezid Sarwar, ndc	Deputy Comdt	Bangladesh Ordnance Factory
34.	Brig Gen Md Mefta Ul Karim, ndc, psc	Commander	6 Indep ADA Bde
35.	Lt Col Alamgir Kabir	Director	ISPR
36.	Md Shahadat Hossain	Research Officer	ISPR
38.	Prof Dr Nazmul Ahsan Kalimullah, BTFO	Vice Chancellor	Begum Rokeya University
39.	Dr. Abul Kalam Azad	Professor, Dept of IR	Jahangirnagar University
40.	Dr. M. Abul Kashem Mozumder	Pro-vice Chancellor	Bangladesh University of Professionals (BUP)

41.	Brig Gen Md Siddiqul Alam Sikder, ndc, psc	Dean, FSSS	BUP
42.	Brig Gen Zakir		BUP
43.	Manila Khisa	Lecturer, Dept of Development Studies	BUP
44.	Musharrat Azam	Lecturer, Dept of Economics	BUP
45.	Bulbul Ahmed	Lecturer, Dept of IR	BUP
46.	Jannatul Fardosh Mim	Student, Dept of Economics	BUP
47.	Refat Noor Etu	Student, Dept of Economics	BUP
48.	Md. Mursalin Hossain	Student, Dept of Economics	BUP
49.	Manoshy Binte Rahmatullah	Student, Dept of Economics	BUP
50.	Nur –Un- Nabi Antu	Student, Dept of IR	BUP
51.	Israt Zahan Islam	Student, Dept of IR	BUP
52.	Md Khaleduzzamal	Student, Dept of IR	BUP
53.	Sharmin Jahan	Student, Dept of IR,	BUP
54.	Maj Gen Md Enayet Ullah, BSP, ndu, psc	Commandant	Defence Services Command and Staff College (DSCSC)
55.	Lt Col Md. Mafizul Islam Rashed	Directing Staff	DSCSC

56.	Mohammad Saidee Hasan	Lecturer	Bangabandhu Sheikh Mujibur Rahman Maritime University (BSMRMU)
57.	Mohammed Mojahid Hossain Chowdhury	Lecturer, DPSM	BSMRMU
58.	Ehtesham Hossain Khan Arik	Student	BSMRMU
59.	Nowshin Nawal	Student, Dept of IR	Dhaka University
60.	Lt Gen Abu Tayeb Muhammad Zahirul Alam, rcds, psc (Retd)	Former Comdt	NDC
61.	Brig Gen Md Anisuzzaman Bhuiyan, ndc, psc (Retd)	Former Faculty	NDC
62.	Brig Gen Md Latiful Haider, ndc, psc (Retd)	Former Faculty	NDC
63.	Addl Secy A F M Nurus Safa Chowdhury, ndc (Retd)	Former Faculty	NDC
64.	Ambassador Muhammad Zamir	Resource Person	
65.	Arik Morshed	Honorary Consul	Honorary Consul of Loas in Bangladesh
66.	Muhammad Amzad Hussain	Director	FBCCI

Moderator/Coordinators

1.	Air Cdre M Mortuza Kamal, GUP, ndc, psc, GD(P)	Senior Directing Staff (Air)	Moderator
2.	Colonel (Now Brigadier General) A K M Fazlur Rahman, afwc, psc	Director, Research and Academic	Coordinator
3.	Lieutenant Colonel A S M Badiul Alam, afwc, psc, G+, Arty	Senior Research Fellow	Associate Coordinator
4.	Lecturer Farhana Binte Aziz	Research Fellow	Assistant Coordinator
5.	Md Nazrul Islam	Assistant Director (Library)	Assistant Coordinator

National Defence College
Mirpur Cantonment, Dhaka, Bangladesh
www.ndc.gov.bd