

Improving Land Connectivity Around the Bay of Bengal is Essential for Integration

By Pritam Banerjee

Facilitating cross-border movement by road is the most critical element of any strategy for greater economic integration among BIMSTEC countries. Cross-border road freight can facilitate even a small consignment to be delivered directly across the border with cost-effectiveness; unlike a full railway rake or even a coastal short-sea feeder vessel which require some level of aggregation of consignments into a larger parcel of goods. Direct road services also reduce multiple handling and trans-shipment requirements.

Multi-modal solutions that support optimal use of international connectivity from different air and marine hubs in the region can only be facilitated by an existing efficient road freight feeder network. For example, a Bangladeshi exporter can exploit the cheaper and faster shipping connectivity to Europe via India's Jawaharlal Nehru Port with the help of an efficient cross-border road feeder service that directly connects the exporter's factory in Bangladesh to this port in western India. As feeder services for ocean and especially air transport? reduce frequency or become more expensive in the post-Covid 'normal', access to cheaper and faster connectivity to global markets from large regional hubs will be critical for the region's entrepreneurs.

Finally, landlocked countries like Nepal and Bhutan, and deep hinterland regions like India's North East or Myanmar's Sagaing or Chin are often critically dependent on cross-border road connectivity to service their wider trading needs.

However, the existing protocols governing cross-border road freight movement in the region remain archaic, with their dependence on a plethora of at-the-border physical inspections and checks carried out by national customs and other regulatory agencies. Several of the procedures still require submission of paper documents and their exchange between customs and security agencies at both sides of a border. This state of affairs is further complicated due to the need for trans-shipment between trucks coming from one side of the border to trucks on the other side. Negotiations are slow-going for the Bangladesh Bhutan India Nepal Motor Vehicle Agreement (BBIN MVA) and the BIMSTEC MVA that would allow trucks of one country into another, thus negating the need for such trans-shipment. All of this means that the region's land-borders are congested and large numbers of trucks and drivers must wait for days in long queues. The border procedures require paper documents changing several hands. All of this combined with the need for physical inspections and trans-shipment makes the operational environment of such land border extremely chaotic, inefficient, and prone to corruption as traders and their agents try to jump the queue or bribe their way out of cumbersome procedures.

Pritam Banerjee,
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explains that "Multi-
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Such an eco-system can also never be the kind of safe, socially distant, sanitized border-crossing that the post-Covid normal requires land-borders to become. This became painfully evident even in advanced country relations during the UK's post-Brexit relations with Europe.

While conventional wisdom is to try and make the border infrastructure more efficient, this is the wrong approach. It takes matching investments on both sides of the border to make throughput truly efficient, and even then, it would likely fall short during peak trading seasons. Also, additional infrastructure does not eliminate existing institutional and procedural inefficiencies.

The answer lies in developing a comprehensive protocol for off-border clearances for road freight and allowing seamless movement of trucks across borders. More specifically the BBIN and BIMSTEC MVAs need to be operationalized, and have associated customs-related protocols provide for the following: Allow trucks to cross international borders with the provisions that they have Electronic Tracking Systems, and that the cargo be sealed. They also should develop a secure data transmission protocol between customs administrations to eliminate the need for excessive paperwork, and add weigh-in-motion bridges and drive-through scanners at key locations.

The legitimate concerns of customs and other agencies over smuggling of narcotics, weapons, and other contraband would be adequately addressed by the use of RFID e-seals. The concerns related to trucks going off track or violating cross-border movement rights would be addressed by ETS. Pilot runs conducted for the BBIN MVA, and for movement of Nepal-bound cargo from Vishakhapatnam port transiting through Indian territory have successfully demonstrated the viability of these solutions.

Creating a cost effective and efficient road freight network to serve BIMSTEC intra-regional trade that also meets the priorities of the post-Covid normal in terms of secure, minimum contact, and seamless land port operations should be a policy priority. There is a likelihood that the Covid crisis will be the first of many more of such global pandemics. BIMSTEC's intra-regional road freight network can easily be made resilient with little effort by implementing relatively simple and in some cases tested operational and policy proposals.

Two trial demonstrators' runs were conducted to test the concept of electronic tracking for the BBIN MVA. The author coordinated the first trial run on behalf of Deutsche Post DHL Group, his then employer. The second trial demonstrator tested the concept off-border customs clearance at inland locations

Asian Development Bank (ADB) supported initiative helped provide the proof of concept for electronic tracking system for Nepal bound cargo using Indian ports transiting through Indian territory. This has now been regularized

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