

Uninterrupted and increased cooperation would build up the trust

The Prime Minister's economic affairs adviser Mashiur Rahman says that if Bangladesh gives transit facility it will earn an enormous amount of money, but it depends on building up a relationship of trust with India.

The Daily Star (DS): Is Bangladesh going to give transit or transshipment facility to India?

Mashiur Rahman (MR): Transit and transshipment -- I have not been able to find a difference between the two. We already have an agreement -- the inland water protocol. We also have a railway protocol, but we do not have a protocol for truck movement.

There is a calculation based on usage. So, whoever uses more pays for the excess use based on the number of days and the quantity of cargo carried.

DS: Now that we are expecting more cargo to move, what would be the modality and what is the difference between transit and transshipment?

MR: I have not been able to identify a significant difference between transit and transshipment. The WTO has a clause on transit and that clause includes transit and transshipment.

Traffic of this nature is termed traffic in transit. So, according to this WTO defini-

tion, what is transit is clear. It is movement of goods from one country across another country. Transshipment is only a part of transit involving change of the mode of transportation.

I think the government of Bangladesh should follow the definition. Our government should also insist that India also accept this, because these are agreed principles in WTO to which both the countries are signatories.

If we act on this then the problem becomes simpler. Then we only need to see whether there is a change of the mode of transport during transit, whether warehouses are used, etc. Bangladesh is legally entitled to impose a charge and collect it from the Indian vessels using this service.

According to the WTO Article, all hidden charges of whatever character, other than import and export duty and other than taxes within the purview of Article 3, imposed by contracting parties on all connections with the importation and exportation shall be limited in amount to the approximate cost of service and shall not inherently protect domestic products or imports of fiscal purposes.

So if you take our inland water protocol as a model -- we do not know what is the exact cost of maintaining the river routes for India. We do not know whether we would maintain these routes if India were not using them.

DS: Would you please elaborate on the river transit facility given to India?

MR: Our protocol with India talks about movement of Indian cargo through river routes in Bangladesh and India gives us a fixed amount for the use of these routes. The routes are designated. They used to give us Tk.2 crore until 2008-09. In 2009-10 it has been raised to Tk.4.52 crore. It is a fixed amount they give, regardless of whatever the use is.

I do not know how much private vessels earn from India. Canal charge, parking charge, landing and shipping charge are collected by BIWTA. In 2001-02, our income on charges was Tk.2 crore, and it is Tk.4.52 crore in 2009-10. This does not include the income to the ship owners for providing services.

DS: You are going to prepare a set of rules for fixing transit and transshipment fees and other related matters. How will you do that?

MR: The basic element of that is the cost for operation that is recovered, and there is a fixed amount of payment for maintenance, use of equipment and so on. If the same principle is applied, the only thing we need to look at is the method of calculation and the amount.

We cannot underestimate, because we will not be able to recover the amount that we should. If we overestimate, we reduce India's incentive to use the facilities that we give to them.

For roads, right now, we do not have any problem because India will use the Ashuganj- Agortala road, which is already there. In order to carry the excess cargo some improvement and extension of the road is necessary, and the cost will

be borne entirely by India. So we are not incurring any additional cost for that.

They are also bearing the cost for setting up the facility for transshipment at Ashuganj. The ODC cargo will be offloaded from vessel to a truck. The Ro-Ro ferry to be used will also be installed by India.

So that part of the investment is not a problem now. All that India would give us is the berthing etc, which is the Indian protocol.

Finally, the rules will basically follow what is in the inland protocol. There is a railway protocol for movement of goods.



Mashiur Rahman

For movement along the roads the WTO prescription should be applied and the numbers have to be calculated.

DS: Will you conduct a detailed study on what the pressure on our roads will be when heavy-duty Indian cargo trucks start plying? How much will we be benefited by this? How much load will our ports be able to take?

MR: The basic question is, do you start before the study or do you study first? The investment in all of this would depend on how much cargo will be transported through Bangladesh.

Unless there is some basis for that calculation, all calculations have to be based on assumption. The critical factor is how much cargo can the Chittagong and Mongla ports handle?

If India, Nepal, Bhutan were not going to use these ports, would Bangladesh make an investment in these ports? So, these are difficult assumptions, difficult calculations.

depend on our need. Then you add something for India, something for Nepal and something for Bhutan. So if we assume that we will handle, say, 10% more cargo, then the calculation should be on the additional cargo handled and an increase by 15% each year.

DS: The government has charged the commerce ministry with the responsibility of formulating rules and related issues for giving transit and transshipment. How will the calculation be done? Will the help of an expert be taken in this regard?

MR: I do not know how much expertise and methodology is available with the commerce ministry. There may not be an expert available. So if necessary, we will take an expert.

DS: Will there be separate agreements for giving transit facilities for different modes and routes? For example, transit is going to be introduced at Ashuganj and Akhaura soon.

MR: For ODC cargo, they will use inland water routes. Ashuganj has been already declared as a port of call. And movement to Ashuganj does not need any significant additional investment for navigation.

So, for this, we don't need a new protocol. What we need is investment, and the additional cost involved for operation of that road. That is all that are needed.

DS: Will the amount of fees be fixed as per the new rules that will be formulated?

MR: I have not seen the terms of reference. This would be an extension of the protocol and the rules that we have now. If we follow the WTO, all that we need to do is to look at the cost for providing the service.

Let us say, if the efficiency cost is calculated at Tk.100 and the inefficiency requires

Tk.10 more, you cannot ask them to pay more. If you take the case of Chittagong port -- there will be demurrage charge and a waiting charge.

That is the loss because of inefficiency. If you are competing in the international market, you cannot ask anyone to pay for your inefficiency.

DS: Transport expert Dr Rahmatullah has shown in a study -- which is still in draft form -- that Bangladesh can make a profit of \$2.3 billion over the next 30 years by giving transit and transshipment facility. If the calculation is correct, how beneficial will it be to the country?

MR: I have not seen that report, so I cannot comment on it. But as I said, these are all based on assumptions. If the assumptions are valid, then there is a use for them.

DS: In your opinion how and to what extent can Bangladesh benefit by giving transit and transshipment facilities? Do you have any data in this regard?

MR: You can earn an enormous amount. I cannot accept any of the calculations done on so many assumptions.

My accepting or rejecting does not reflect on the quality. But these are all based on assumptions. For instance, if the assumption is that all import to the northeastern states will be through Bangladesh, it will be a wrong one.

Metternich's World

Leaked documents and public romances

HILARY Clinton was deeply upset and angry a few days ago. The reason was obvious. She was furious at what Julian Assange and his WikiLeaks team were doing through releasing thousands of documents, mostly cables from American embassies around the world, on their website.

The way the US secretary of state reacted to the leaks -- and you can be sure others in the Obama administration felt the same way -- you would have thought WikiLeaks had engaged in criminal activity.

In modern times, the conscious feeling is there that diplomats must be very circumspect about how they express their opinions. There is something called finesse and nowhere is it more needed than in diplomacy, even when in their private moments diplomats are tempted to strip personalities in host countries down to the threadbare.

Diplomacy, it has been said many times over, is fundamentally a matter of ethics and morality. That is the idealistic side of it. The practical one is something else, especially when it comes to American diplomats.

natural and unavoidable that its diplomats will exercise a degree of clout that certainly will make others uncomfortable.

Which explains why US ambassadors are so powerful a presence, especially in countries where great poverty struggles to balance itself against



Wikileaks cables. Obama administration officials are now scrambling to explain to countries offended by the revelations how much Washington cares about its ties with them.

III is a bachelor and is quite adept in dating women at frequent intervals. We will ignore his complaint that the media are ruining his love life, that women are now afraid to go out with him because they are afraid their stories or their pictures (perhaps both) will find space in newspapers the next morning.

Something you feel there is some spice coming into life when these things happen. Think of Nicolas Sarkozy. The French leader, soon after his election as president, divorced his wife and went straight into marriage with the beautiful Carla Bruni.

United States about the leaked documents? Being powerful has its brighter side. One can get away with everything. That ought to be a warning bell for politicians in Third World nations: they do not have to feel thrilled every time western diplomats in their countries invite them to breakfast.

It's most heartening to know that Philippine President Benigno Aquino

The secret of the blurb

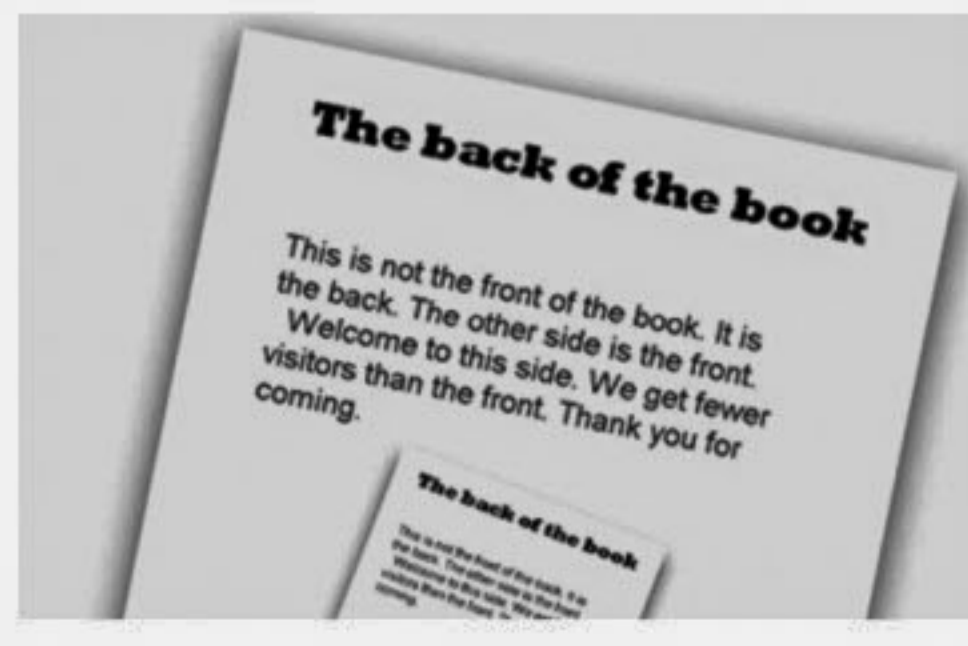


clues about the book on the cover, but in this case we think that would spoil the reading of the book." Total cop out! One can't help but suspect this really means: "This book is so boring even our company's blurb writer wouldn't read it."

Scott Adams, the guy who writes the Dilbert cartoons, asked members of the public to write his blurb instead of his publisher.

Here are my five favourites from the entries he received.

- 1) "As a very attractive woman, I found this book hilariously funny and I'd seriously consider making out with any guy I saw reading it." (Diana Wales); 2) "I have to buy this book! My kidnapers had a copy but my Dad foolishly paid the ransom an hour too soon." (Richard Factor); 3) "I used to be a nobody, and now I have a comment on the back of a book!" (Chitrak Bandyopadhyay); 4) "I've imagined a book like this for years! To avoid disappointment I won't be reading it, but you definitely should!" (Anonymous); 5) "Before I found this, I was a pathetic, depressed, underappreciated, overworked, sexually impotent, joyless shell of a man. Now, I'm all those things with a funny book." (Kevin).



IT'S bizarre what people choose to boast about these days. Got an email ad urging me to buy tickets for a theatre show called "Insane in the Brain." The blurb said: "Violent and sad!"

Isn't it strange what people choose to boast about? I'll never forget the television producer who launched a TV network in southern China with the slogan: "No romance, no violence, no news!" It wasn't a success. No viewers.

On the other hand, negative blurbs are at least believable. The Malaysian pirated DVD of "SuperBabies 2" has a blurb in huge letters at the top of the back cover: "SuperBabies has no redeeming qualities!"

Even some publishers can't write blurbs. The back cover of The Other Hand, a 2009 novel, says: "We don't want to tell you too much about this book. It is a truly special story and we don't want to spoil it."

I'm not joking. A 2007 book has this on the back: "The Boy in the Striped Pyjamas" is very difficult to describe. Usually we give some

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