

EXCLUSIVE INTERVIEW

'The existing water protocol, suitably amended, could serve as an interim arrangement'

Professor Mustafizur Rahman is an Economist by training. He is currently the Executive Director at the Centre for Policy Dialogue (CPD), a leading civil society think tank in Bangladesh. Also a Professor in the Faculty of Business Studies, Dhaka University, Rahman completed his PhD in Development Economics from Moscow State University. He was a Visiting Post-doctoral Fellow at Oxford University, UK and a Senior Fulbright Fellow at Yale University, USA. He has published widely in professional journals both in Bangladesh and abroad and has authored several books. Professor Rahman has been a member of various national bodies set up by the government. He is a member of the National Task Force to monitor the impact of global financial crisis on Bangladesh economy. At present, he is also a member of the government core committee on transit. In this interview, he talks with Rifat Munim, senior editorial assistant of The Daily Star about various aspects of the existing Protocol on Inland Water Transit and Trade (PIWTT) and its renewal in March next.



Professor Mustafizur Rahman

The Daily Star (DS): Officials of Bangladesh and India have recently held meetings on renewal of the waterways protocol. What is the background of these discussions and how do you look at these talks?

Mustafizur Rahman (MR): The talks on renewal of the Protocol on Inland Water Transit and Trade (PIWTT) are indeed critically important, particularly in view of the larger and wider context of the ongoing bilateral discussion on Indo-Bangladesh transit connectivity. Bangladesh and India have decided to forge close cooperation in the area of connectivity and an important component of this relates to providing transit facilities for movement of Indian goods through the territory of Bangladesh. This would enable India to access the north-eastern states and also the ports of Chittagong and Mongla. The two joint communiqués issued following the visit of Bangladesh's Prime Minister to India in January, 2010 and Indian Prime Minister's visit to Bangladesh in September, 2011 reflect the understanding reached by the two countries in this context. And it is in this backdrop that the discussions on renewal of the water protocol are taking place at present.

The PIWTT is a part of the Indo-Bangladesh bilateral trade agreement which was first signed in 1972. The protocol covers passage of goods from one point in India to another point in India, through the waterways of Bangladesh. It allows for bilateral trade between the two countries through water routes. It also allows transshipment of cargo by shallow draft vessels and Bangladeshi trucks and trailers to the Indian border, from Sherpur and Chhatak, under the supervision of BIWTA and Bangladesh's customs authorities. The joint communiqué issued following the visit of Bangladesh's PM to India mentioned that Bangladesh will allow Ashuganj to be a port of call, the fifth one, for the purposes of the water protocol. Accordingly, Ashuganj was notified recently as a transshipment point by an addendum to the PIWTT. Subsequently, in February 2010 the protocol was amended in line with this so as to allow transshipment from Ashuganj to the Indian border at Akhaura by Bangladeshi trucks/trailers, instead of Chhatak. The protocol thus allowed for transshipment of goods through multi-modal arrangement. Several consignments were moved to Agartala, first for the Palatana

Power Plant, and later on to other places under a trial run by using this route. In the first case, heavy machineries were carried to Ashuganj through waterways and then transhipped to Indian trailers; in the second case, goods transported by waterways from Kolkata were transhipped to Bangladeshi trucks for onward over-land journey to Agartala.

It is to be noted that, although the water protocol does allow for transshipment, the protocol, as it stands now, does not include detailed procedures for operationalising transshipment and movement of trucks; neither does the protocol include guidelines with regard to fixation of fees and charges for using the facilities at the ports for purposes of transshipment. Standard operating procedures (SOP) are yet to be put in place to make the transshipment operational and functional. Moreover, the remit of the protocol, in its present shape and form, is delimited to only inland waterways. If it is to cover modes of transport including coastal shipping, appropriate provisions will need to be added to the protocol. Agreement will also need to be arrived at with regard to fixation of freight rates, administrative fees, various service charges and user fees. Besides, regular transit/transshipment will also require appropriate mechanisms for monitoring of vessels within Bangladesh territory, and ensure their security and safe passage. All these issues should be discussed in detail, and appropriate decisions taken, prior to signing of the amended protocol.

DS: What are your expectations from these discussions?

MR: My own opinion is that since transit and connectivity are long term, multi-dimensional issues, it would be better to go for a comprehensive treaty embracing water, rail and road connectivity, as well as multi-modal transport connectivity. Till this happens, the existing water protocol, suitably amended, could serve as an interim arrangement. If the water protocol is to serve as a building bloc to a comprehensive transport connectivity treaty, it should be negotiated in line with the demands of such a treaty.

We will have to wait to see what actually transpires from the current discussions. As I have mentioned, I feel that the first best option would be to go for a Comprehensive

Transit Treaty which would articulate the services Bangladesh will provide, state the fees and charges users will pay and will keep provisions for safe and secured passage of Indian goods through Bangladesh territory. This will give predictability to the services to be provided by Bangladesh and also provide an indication about the earnings to be accrued to Bangladesh through export of transport services. A large part of the legwork in this connection has already been carried out by the Core Committee on Transport Connectivity set up by the government. The report prepared by the Committee could serve as a good reference for the related complex negotiations. However, this will take time. In view of this, extension of the water protocol could serve as an interim arrangement. But then the user fees and charges for the services provided and the SOPs will need to be framed appropriately to operationalise the amended protocol in view of the future needs.

DS: What are the salient features of the core committee report?

MR: The Core Committee has identified a number of routes -- waterways, railways, and road -- for the purposes of movement of Indian cargo through Bangladesh. The report concludes that Indian transporters, producers and consumers will stand to make substantive gains through diversion of a significant part of the existing traffic, both domestic and international, through Bangladesh. Multi-modal transit, with transshipment at Ashuganj, for onward journey to Agartala, is likely to emerge as one of the most important routes in this regard primarily because of the gains to be accrued through use of this particular route. However, keeping the riverine route navigable, building the road networks, developing the port infrastructure, getting the land port ready and putting in place trade facilitation measures will require significant resources, in terms of both fixed costs and variable costs involved. Hydraulic survey, dredging, navigational facilities and construction of transshipment facilities will require substantial investment on the part of Bangladesh. Some of the works will perhaps be carried out under projects serviced by the \$1 billion worth of line of credit given by India, which is good. Bangladesh will need to have a clear idea with regard to the costs

involved to provide the services asked for through the water protocol. The fees and charges should reflect this.

DS: What are the major investments that will need to be made if the protocol is to generate the expected traffic?

MR: Total length of the protocol routes in Bangladesh territory is around 1,258 km. of which night navigation facilities are available for about 520 km (from Angtithara/Sheikbaria to Ashuganj). Significant investments will be called for to provide navigation facilities in protocol routes for the purpose of procuring lighted and unlighted buoys, shore beacons, pc poles, iron marks etc. There are seventeen pilot stations at various points in the protocol routes for providing pilotage service to Indian vessels. These will need to be significantly upgraded and expanded if transit traffic is to grow and safer movement of vessels is to be ensured. A project to build ICT facilities at Ashuganj port costing Tk.245 crore has been approved by the Bangladesh government and its implementation is underway at present. However, to keep the entire waterways network of the Protocol Routes navigable (i.e. between Kolkata and Ashuganj) all through the year, substantial capital and maintenance dredging will be required. Proposal has been made to dredge six river-routes with a view to improving navigability; this will entail dredging of 29 million cubic meters of earth. In this connection, BIWTA has prepared a proposal with a total estimated cost of Tk.9.00 crore. Thus, Bangladesh will need to make significant investment if the amended protocol is to generate the expected traffic.

DS: How should the fees be determined in the Water Protocol?

MR: The fees and service charges should take into account returns on investment and sharing of the benefits to be originated from diversion of traffic and also keeping in view the direct and indirect benefits to be accrued to Bangladesh's transport business and asso-

ciated commercial activities. The benefit accruing to Bangladesh's trucking industry, through transshipment business, is expected to be significant. The fact that infrastructure once built, will also service Bangladesh's own requirement, needs also be factored into the equation. Thus, a comprehensive approach will be needed in determining the fees and user charges. Mere extension of the existing water protocol will not serve the purpose. It will be pertinent to recall here that, in its present form, the protocol has not worked well in the past, and in spite of the well-meaning provisions in the protocol transit trade using the waterways has thus far remained negligible. Lack of dredging, absence of navigational facilities, transshipment infrastructure at river ports and land ports and underdeveloped road networks have kept the water protocol more or less dysfunctional. The current protocol allows for a one-time annual payment of Tk.5.5 crore by India to Bangladesh as maintenance charge. Not unexpectedly, required investments towards fully functioning transit and full-fledged use of the protocol had been absent. Indeed, a provision can be made that a part of the income from fees/charges will be kept in a dedicated account for investment towards improvement of related infrastructure.

DS: What should Bangladesh do now to maximise its benefits?

MR: The ambition ought to be to arrive at win-win solutions. If the water protocol is envisaged to service as a key transit mechanism, Bangladesh will need to do its homework and be ready to make the required investments to make it functional and operational on a long term, user-friendly basis. A large part of this homework has been carried out by the Core Committee. A number of scenarios can be built with regard to fees to be charged based on various levels of the expected traffic and the investments that will need to be made. This is an ongoing process and the fees will need to be periodically revisited and refixed through negotiations and in view of the emerging developments. Whilst unjustified high fees will discourage use of the infrastructure and facilities that will be built, and the investments that will be made, surely, it will also be only reasonable if the fees reflect the return on investment, savings made in terms costs and time on the part of Indian users as well as the savings from not having to invest in the development of cost-intensive infrastructure in its own territory by the Indian government. In short, only an actual and perceived win-win arrangement is likely to be a sustainable and long-term arrangement as far as transport connectivity between Bangladesh and India is concerned. I am hopeful that the ongoing bilateral discussions on the water protocol will be informed by such an approach and understanding.

DIABETES AWARENESS DAY

Unite for diabetes awareness

MUHAMMAD ABDUL MAZID

DIABETES is a group of metabolic diseases in which a person has high blood sugar, either because the body does not produce enough insulin, or because cells do not respond to the insulin that is produced. Glucose is vital to human health because it's the main source of energy for the cells that make up muscles and tissues. This high blood sugar produces the classical symptoms of polyuria (frequent urination), polydipsia (increased thirst) and polyphagia (increased hunger). If anyone has diabetes, no matter what type, it means he has too much glucose in his blood, which can lead to serious health problems.

Type 1 diabetes: (Also referred to as insulin-dependent diabetes mellitus, IDDM for short, and juvenile diabetes.) It results from the body's failure to produce insulin, and person has to inject insulin.

Type 2 diabetes: It results from insulin resistance, a condition in which cells fail to use insulin properly, and is sometimes combined with an absolute insulin deficiency.

Acute complications out of this disease include hypoglycemia, diabetic ketoacidosis, or nonketotic hyperosmolar coma. Serious long-term complications include cardiovascular disease, chronic renal failure, and retinal damage. Adequate treatment of diabetes is thus important, as well as blood pressure control and lifestyle factors such

as smoking cessation and maintaining a healthy body weight.

The term diabetes was coined by Aretaeus of Cappadocia, and is derived from the Greek word *diabainein*. In 1675, Thomas Willis added the Latin word *mellitus*, meaning "honey," a reference to the sweet smell of the urine that had been noticed in urine by the ancient Greeks, Chinese, Egyptians, Indians and Persians. Diabetes mellitus appears to have been a death sentence in the ancient era. Indian philosopher Sushruta identified diabetes and classified it as *Madhumeha*. The ancient Indians tested for diabetes by observing whether ants were attracted to a person's urine, and called the ailment "sweet urine disease" (*Madhumeha*).

In his 14-volume medical encyclopedia *The Canon of Medicine* (1025), Avicenna (980/1037) provided for the first time a detailed account on diabetes mellitus, describing the abnormal appetite and the collapse of sexual functions, and documented the sweet smell of diabetic urine. The endocrine role of the pancreas in metabolism, and indeed the existence of

insulin, was not further clarified until 1921, when Sir Frederick Grant Banting (1891-1941) and Charles Herbert Best (1899-1978) discovered an effective treatment -- insulin injections. For this, Banting and laboratory director MacLeod received the Nobel Prize in Physiology or Medicine in 1923.

The International Diabetes Federation (IDF) estimated in 2007 that 7.2 million (4.8%) people in Bangladesh had diabetes and, by 2025, that number is expected to grow to 9.2 million (6.1%) of the population. This explosion in diabetes prevalence will place Bangladesh among the top ten countries in terms of the number of people living with diabetes in 2025.

The Bangladesh Diabetic Samity (BADAS), established on February 28 in 1956 with the initiative of Late National Professor Dr M. Ibrahim (1911-1989), has a declared motto -- look after all people with diabetes irrespective of their ability to pay, status or other factors. BADAS has developed several institutions/projects and inspired a large number of affiliated associations all over the country to fulfill the mission. BADAS is self-reliant and not donor dependent. It is the first success story of Public Private

Partnership (PPP) development in Bangladesh, and has developed infrastructure through partnerships with the government. BADAS provides services to the affluent and to people who don't have diabetes. Through a policy of cross-financing, it helps the people suffering from diabetes with the surplus capital that it generates.

Bangladesh Institute of Research and Rehabilitation in Diabetes, Endocrine and Metabolic Disorders (BIRDEM), the central institute of BADAS, provides comprehensive diabetic healthcare to the people. It is a unique creation of BADAS and has been acclaimed as a model institution in Asia and the Pacific. The institute has 650 in-patient beds and a large out-patient programme. BIRDEM has about 0.5 million registered diabetic patients, more than 4,000 people go there every day, and out of them, 75-100 are new patients. In view of this influx of patients treated everyday, BIRDEM has been adjudged as a unique and successful health service provider across the globe.

BADAS has adopted a decentralised model and spreads care throughout the country. There are 59 affiliated associations in Bangladesh -- almost one in every district. They have to follow certain standards -- they must be democratic, transparent, must be run by social workers, and must be not-for-profit. In that, BADAS has been able to create comparatively excel-

lent diabetes awareness. Bangladesh is a developing country, but in terms of awareness of diabetes it is far ahead of some developed countries. Here, people in general are aware of the need to act to soften the possible impact of diabetes.

Research is another area on which BADAS puts great emphasis, unlike many other associations -- particularly in developing countries. Research is a tool for generation of context-based knowledge and also generation of skilled manpower. Recognising the contribution of BADAS in this sector, the World Health Organization declared BIRDEM as a Collaborating Centre for Research on Prevention and Control of Diabetes in 1982.

Awareness could go a long way towards fighting and preventing diabetes. More people should know that Type 2 is, to a large extent, preventable. The future need not be gloomy; a full and healthy life is possible for those with diabetes. That is a very important message for all affected by diabetes. Developing countries typically focus on communicable diseases. Non-communicable diseases like diabetes have been neglected. More attention is required urgently before these countries are overwhelmed by the diabetes epidemic.

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