

# ‘Gap of South’ bridged

Rail-road connectivity over mighty Padma set to provide country with strongest-ever shot in the arm for economy

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With the installation of the last span yesterday, the multipurpose Padma Bridge has connected the backward southwest region with the rest of the country and, more importantly, removed the last great geographical barrier.

The six-kilometre bridge, on the third largest river in the world in terms of mean average annual discharge, will usher in various economic opportunities once it is opened possibly sometime next year.

As the countdown began for the August occasion, economists stated that the bridge would significantly reduce travel time and distance between Dhaka and the 21 districts of the southwestern region. It will also connect the Mongla port, the second biggest seaport of the country, with the capital. The bridge can also act as a ground-breaking installation for regional connectivity and trade.

The double-decker Padma Bridge, with road and rail tracks, is expected to contribute around 1.2 percent to the annual GDP growth, reduce poverty and increase economic activities of the people of the impoverished southwest region

“The impact of the Padma Bridge will be manifold. It will remove the last great geographical barrier that divides our country,” says Prof Mustafizur Rahman, Distinguished Fellow, Centre for Policy Dialogue (CPD).

“The country used to be divided into disjointed parts because of the two mighty rivers – Padma and Jamuna. With the construction of the Bangabandhu bridge over Jamuna, the

Poverty reduction (national level) **1.9%** per year instead of **1.1%**.

For the southwest region expected reduction rate would be **2%** per year instead of **1%** (WB study)

**10%** decrease in travel time to/from Dhaka will lead to a **5.5%** increase in district economic output.

first barrier was removed in 1998. Now, with the construction of the Padma bridge, we are close to moving towards an integrated and well-connected economy moving into the twenty-first century,” continues Prof Rahman.

Dr Zahid Hussain, former Lead Economist at the World Bank (WB), states: “The completion of the bridge is now in sight. The opening of the bridge to road and rail traffic will bring immediate benefits to the direct users. The road distance from Dhaka to nearly all major destinations in the southwest region will be reduced by 100 kilometres or more, bringing tremendous savings in the time and costs of passenger and commodity movement, vehicle operation and maintenance costs and reducing



The last span of the Padma bridge is being installed yesterday. PHOTO: SK ENAMUL HAQ

wasteful burning of fossil fuels.”

He mentions that impacts such as the increase in production and income based on the improvement of accessibility would take time and depend on other conditions in the economy. “While the Southwest Region is expected to benefit most, the reduction in the cost of internal trade will spread to economic sectors all over the country, generating additional value-added and creating new job opportunities through improved connectivity with other important cities and core facilities on the opposite sides of the Padma River,” continues Dr Hussain.

He shares that early studies have indicated that the bridge would increase the national GDP growth rate by 1.2 percent and the gross product in the southwest region by 35 percent. “It will create employment opportunities for 1.2 percent of the total labour force. Despite delays caused by funding uncertainties, implementation hiccups and cost escalation by over three times relative to the original estimate, the projected size of the excess of benefits over costs remains robust, according to most assessments,” he says. He also mentions that significant impacts are also expected on international trade between neighbouring countries such as India, Nepal, Bhutan, and Myanmar.

The economic impact in a nutshell

The southwest region covers approximately 27 percent of the country and is home to nearly a quarter of its over 160 million population. But this region has remained one of the least developed parts of Bangladesh, primarily due to lack of connectivity to the rest of the country, according to an Asian Development Bangladesh

(ADB) study in 2011. “The proportion of the population below the poverty line in the southwest region remains about five percent higher than in the rest of the country,” stated the ADB report.

Taking the core districts of the southwest region, Khulna and Barisal, the difference of percentage of population under the poverty line is even more alarming—almost 10 percent higher than the national average. Besides, agricultural growth has been comparatively slow in this area due to the lack of access to markets and soil degradation due to saline intrusion and lack of fresh water in the dry seasons.

The most important bottleneck was the lack of a bridge on the Padma River, which kept the region more isolated from the eastern and north-east areas, the report observed at that time. But with Padma Bridge in sight, economic benefits from the multi-billion-dollar project are more relevant than ever before.

The Padma Bridge would save about two hours of travel time between Dhaka division and the southwest region for cars and buses and between five to ten hours for trucks, according to a World Bank study in 2011.

For instance, the travel time from Dhaka to Khulna through Paturia Ferry Ghat is around seven hours and 50 minutes and the distance is 240 kilometres. PaturiaGhat is located 60 kilometres upstream of the Padma Bridge site at Mawa.

The Dhaka-Khulna travel time is around 12 hours and 45 minutes through Mawa Ferry Ghat,

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## ‘The bridge will boost SDGs’

Zahid Hussain



The bridge will pave the way for making significant progress on the SDGs. The southwest region has one of the highest poverty rates. A major portion of direct benefits will go to the poor who constitute 55 percent of the passengers currently crossing Padma River by launch. The bridge will enable local people to gain better access to healthcare facilities available in Dhaka. The economy of the char lands in the Padma River channel, based largely on agriculture, fishing and livestock-rearing, will gain from reduced erosion and vulnerability among people displaced by erosion.

Supporting investments and policies are needed even before its scheduled completion in 2021 to realise the expected impacts fully. Construction and improvement of the feeder road network and approach roads to connect the bridge with rural areas will be critical. Impacts on cross-border traffic will not be automatically realised simply by completion of the bridge. Supportive institutional, legal and regulatory governance, including establishing monitoring and evaluation frameworks, will be needed for actualising the potentials.

The economy needs reliable infrastructure to connect supply chains and efficiently move goods and services within and across borders. Infrastructure connects households across geographical areas to higher quality opportunities for employment, healthcare, and education. Bangladesh’s ability to realise its competitive potential depends on making smart infrastructure choices, of which the Padma Bridge promises to be a transformative example provided the other related choices respond to economic, demographic, fiscal, and environmental changes and help people, places and firms thrive and prosper.

## ‘Look at it as an economic corridor’

Prof Mustafizur Rahman



The bridge will enhance connectivity and deepen multi-modal transport linkages. However, we need to look at it as an economic corridor rather than just as a transport corridor.

We will have to build economic zones to create investment opportunities. For this, we will have to attract investment by incentivising the country’s private sector and encouraging the flow of foreign direct investment (FDI).

The bridge can also act as a driver to establish sub-regional economic integration in BBIN (Bangladesh, Bhutan, India and Nepal) region. The initiatives currently being taken by the government in areas of rail, road and waterways transport linkages and deepening of trade and commerce must be brought together comprehensively to maximise the potential benefits originating from the construction of the bridge.

We will have to remember that we have spent about 40,000 crore taka on building the bridge. We will also need to spend an additional 20,000 crore taka for the rail-link over the river. If we want to attain the desired returns from this significantly high investment, we will have to take the other relevant steps to generate employment, create income-earning opportunities and raise economic welfare.

We will need to establish SEZs (Special economic zones) and industrial parks which can use local resources of the southern part of the country and create employment opportunities for the local people. We also need to undertake skills enhancement programmes, establish backward and forward linkage industries and set up marketing channels to service the production hubs.

In fine, there has to be a triangulation of trade, investment and transport connectivity to realise the potentials of the Padma Bridge to the fullest extent, which will enable us to meet the aspirations of our people triggered by this mega project. If we can do this, we will be able to get the desired returns from the bridge, and it will add significant value to our economy, GDP and wellbeing of our people.

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IN YOU

BELIEF THAT BUILT  
THE DREAM OF

160  
MILLION  
CITIZENS

A new horizon has been painted in our journey along the highway of development.  
We are grateful to our honorable **Prime Minister Sheikh Hasina**  
for her vision of a self-sufficient Bangladesh.