

“Connectivity is the key to realise trade potentiality between India and Bangladesh”: A Didar Singh, Secretary General, FICCI

“Bangladesh is pivotal to India’s connectivity with its north east region and with countries of the Association of South East Asian Nations. Better connectivity with Bangladesh will help business to explore more opportunities through trade and investment. This market is large and growing, and is becoming more and more important in the context of both Make in India initiative as well as India’s Act East Policy,” said A Didar Singh, Secretary General of Federation of Indian Chambers of Commerce & Industry (FICCI).

He was delivering Opening Address to a meeting on ‘India-Bangladesh Trade Potentiality’ in New Delhi earlier this week, organised by CUTS International and FICCI. It was focused on transport and transit facilitation between the two countries through a motor vehicle agreement and realisation of their trade potentiality through harmonisation of standards. A number of senior government officials from respective country, representing commerce, revenue, and foreign ministries and agencies such as the Bureau of Indian Standards, Bangladesh land Port Authority, took part in its deliberations.

Setting its context, Bipul Chatterjee, Deputy Executive Director of CUTS International, said: “There should equal emphasis on physical and institutional connectivity to realise trade potentiality between the two countries. Digital connectivity can play a crucial role in establishing better physical and institutional connectivity. He underlined efforts of both the governments in regard to enhancing their trade and investment connectivity and urged them to have a special focus on how they could bring more benefits to the people at large”.

Currently, the volume of bilateral trade between India and Bangladesh is about US\$ 6.6 billion and various estimates argue that their trade potential is at least four times the present level.

Prithviraj Nath, Head, CUTS Calcutta Resource Centre and Khaleda Akhter, Senior Research Associate, Centre for Policy Dialogue of Bangladesh presented their work on this subject. Noting the progress being made towards the signing of a motor vehicle agreement among Bangladesh, Bhutan, India and Nepal, they underlined the importance of transit protocols, containerised cargo movements, coordination among border agencies and technical assistance and capacity building requirements to realise the benefits of the proposed initiative. A similar initiative among these countries on harmonisation of standards is under discussion.

Speaking on the occasion, Salahuddin Noman Chowdhury, Deputy High Commissioner of Bangladesh in India, said that political will is there at this point of time to realise peace and security through trade and investment. “Bangladesh can act as a bridge between the fastest growing economies of the world,” he added.

Commending the port-specific work done by CUTS and CPD, Sandeep Kumar, Commissioner (Customs and Export Promotion), Department of Revenue, Government of India, underlined the importance of evidence-based reports for policy-making. He suggested that the proposed initiatives should be made compatible with the relevant domestic laws of respective country so that they are better implemented. He urged CUTS and CPD to look at global best practices on the subject of transport and transit connectivity and on issues such as risk management related to food safety, and see how best they can be replicated.

Mohammad Abul Kalam Azad, Director, Bangladesh Land Port Authority, emphasised on the need for investment in improving the road capacity and conditions in Bangladesh. He also said that while working out the details of the proposed motor vehicle agreement, there should be a special emphasis on harmonisation of regulations to address its possible implementation concerns.

According to Sripriya Rangarajan, Joint Secretary in the Bangladesh and Myanmar Division of the Ministry of External Affairs, Government of India, 75 commodities have been identified for harmonising standards at a sub-regional level among Bangladesh, Bhutan, India and Nepal. She urged CUTS and CPD to provide specific inputs to the Bureau of Indian Standards, the Food Safety and Standards Authority of India and the Bangladesh Standards & Testing Institute as this work progresses.

Moshiul Alam, Assistant Chief of Bangladesh Tariff Commission, said that while these initiatives are essential to realise trade potentiality between India and Bangladesh and they will generate revenue, there should be awareness generation among all relevant stakeholders on how they will bring benefits to people. He also underlined the need for technical assistance and capacity building of regulators for better implementation of these initiatives.

Manab Majumdar, Assistant Secretary General (International Division) of FICCI, highlighted that there are many best practices and success stories of realising better regional integration in South Asia. He urged CUTS and CPD to document them as they can send positive signals to all relevant stakeholders in the region and also to the global trade and investment community.

Concluding the meeting, Sheila Sudhakaran, Assistant Secretary General (Africa, Arab and South Asia Division) of FICCI, thanked the participants and underlined the importance of collaboration between business associations and think-tanks to take forward a positive agenda for enhancing intra-regional trade and investment.

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