

Payra Sea Port: Emerging as a 3rd Economic Corridor of Bangladesh

Cdr Md Mahmudul Hasan Khan, (H2), psc, BN



Background

Bangladesh has one of the world's fastest growing economies. The country's seaborne trade and shipping are growing rapidly. The current ports, Chittagong and Mongla, do not sustain the trade volumes needed for economic growth. Current ports are congested, while the trade volume is expected to triple by 2030. The unprecedented economic growth and development, coupled with the expansion of seaborne trade, have given birth to the country's third economic corridor- Payra Sea Port. In order to establish a new north-south economic corridor and transform the socio-economic scenario of the entire southern-central part of Bangladesh, the Payra Port Authority (PPA) Act 2013 was passed in the National Parliament on 10

November 2013. Hon'ble Prime Minister Sheikh Hasina inaugurated the Port on 19 November 2013. The Port started its journey as one of the ten fast-track projects of Bangladesh. It is now an operational port ushering immense potential for the country's economy, augmenting trade and commerce.

Current Operational Status of Payra Port

The Port's operational activities commenced on 13 August 2016 on a limited scale, and since September 2019, the coal-carrying cargo vessels have been coming regularly. Mentionable that Payra's 1320 MW Thermal Power Plant's current annual coal requirement is 3.98 million metric tons which PPA handles. As of June

2022, more than 206 merchant ships entered Payra Port and thereby could collect taka revenue, approximately 430 crores. Presently, the maximum permissible draught of the vessel ranges from 7.2 m to 8 m (depending on tidal height), and the maximum permissible length overall (LOA) of a vessel is 200 meters. However, on completion of ongoing capital dredging, the channel will be 10.5 meters deep and the vessel's allowable draught will be over 12 meters.



Major Development Projects and Ongoing Activities

Capital and Maintenance Dredging: Since January 2020, the Payra Port has maintained a minimum channel depth of 6.3 m from chart datum (CD) by dredging to allow coal-carrying cargo vessels to enter the Port. At present, the Port is conducting capital and maintenance dredging, which will be implemented in 34 months (01 May 2021 to 30 April 2024) in 3 phases, namely Separable Portion (SP) 1: Siltation Studies; SP2: Actual Dredging and SP3: Maintenance of the dredged channel. In SP1 (14 months), the actual amount of siltation in various depths has been determined. In SP2 (14 months), the main capital dredging work of the Inner and Outer Channel is due to start on 01 August 2022 and will be completed by October 2023. In SP3 (6 months), the dredged channel will be maintained for the next 06 months. As a result, a 75 km long, 100-125 meters wide, up to 10.5-meter deep channel will be able to handle vessels with

a capacity of 3,000 TEUs or 40,000 DWT of cargo once the capital dredging is completed in October 2023.

Payra Port's First Terminal and Related Facilities Development Projects: Payra Port is developing 1st multipurpose terminal consisting of 650x60 meters long jetty for 3 berths, 650x500 meters yard and 6 lane access road (6.5 km) to ensure modern terminal services. As a result, 3 vessels of 200 meters can be berthed at a time without congestion and interruptions. Moreover, Payra Port have 1 service jetty of 100 meters, 1 CFS (Container Freight Station) of 10,000 square meter, 1 backup yard of 3,25,000 square meter and 1 service jetty of 100 m and related support facilities. The first terminal and related facilities will be fully operational by June 2023.



Planned Marine Terminals and Port Facilities: Payra Port Authority has designed a master plan in collaboration with BUET and Royal HaskoningDHV, a Netherlands-based consulting firm, to develop a modern port and port allied services. The Port aims to provide more than 11 km quayside along the west bank of the Rabnabad Channel and an area of 6000 acres is included in the port development plan. The most important plans are - multipurpose terminals, container terminals, coal terminals, liquid bulk terminals, LNG terminals, trans-shipment terminals, shipyard and ship repair facilities, Payra Port Industrial Zone etc. Some of these development efforts are

underway, and the investors will develop some. According to the study of Royal HaskoningDHV, PPA will be able to handle 89.8 million tons and 5.1 million TEUs of cargo by 2035, Thus, the Payra Port will be fully operational by 2023 and a thriving economic hub as a modern port by 2035.

Multimodal Connectivity of Payra Sea

Port: The Port will connect the country's main urban areas via an important corridor connecting Dhaka to the southern tip of the Delta, crossing the new Padma Bridge. The Government is investing in developing road, rail and inland waterway transportations between Payra Sea Port and Kuakata to Dhaka, making Payra Sea Port a truly multimodal transport hub. Payra Port is well connected to the maximum districts of South Bengal, including the Khulna area, by river route that creates an opportunity for trans-shipment operations which is cost-effective and commercially viable. Mentionable that, the natural depth at the Kajal-Tetulia river route is from 4.2 meters to 17.5 meters. Payra Port is connected with the Meghna river through the Kajal-Tatulia river. The 72 nautical miles long Kajal-Tetulia river route connects the high seas through the Rabnabad Channel. This river route is presently suitable for plying with 5.0 m meter draught from PPA Inner Anchorage to Dhaka and other destinations.

Expected Outlook of Payra Port in 2023 Onward

- > Maximum up to 12-meter draft vessels will be able to come alongside the port jetty with the help of the tide.
- > Container ships of 3000 TEUs and bulk cargoes of 40,000 tons can come directly to the port jetty.
- > Inland waterway coasters will be able to carry goods from PPA Inner Anchorage to Dhaka and other destinations.

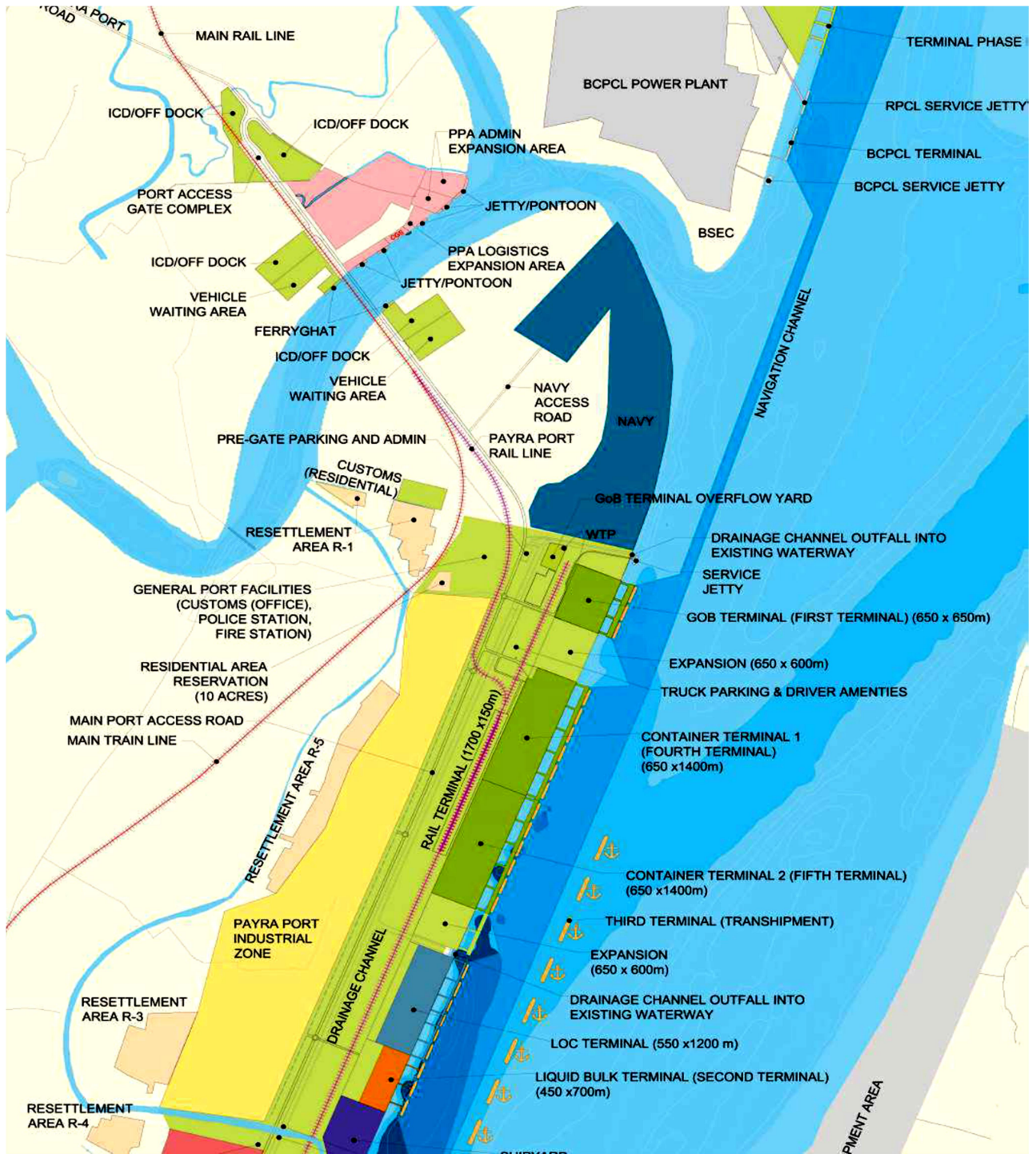
> PPA will be able to handle 89.8 million tons and 5.1 million TEUs of cargo by 2035, according to the study of the PPA master plan consultant firm. Mentionable that Chittagong Port Authority (CPA) handled 3.1 million TEUs of cargo in 2021. The container cargo throughput of Bangladesh will substantially increase to 10.1 to 12.6 million TEUs in 2041, according to the study of the Matarbari Port consultant team.

> Annually, 20 million metric tons of coal can be handled directly from the port jetty, which will fulfil the demand for power generation in the country's south-central region at a lower transportation cost. Presently CPA, MPA and PPA handle 1.4 million metric tons, 0.11 million metric tons and 3.98 million metric tons of coal, respectively.

> Investors will be interested in constructing other components such as containers, bulk, LNG terminal, shipbuilding and repair facility, including industries, port supportive industrial zone, etc.

Conclusion

Payra Port will be fully operational by 2023. It is designed to emerge as a vibrant world-class seaport and a thriving economic hub as a modern port by 2035. Once completed, Payra Port will substantially stimulate the national economy, contributing 1% growth in GDP. Its development activities are advancing at a rapid pace. This will usher in foreign investments, creating a third economic corridor in the country's southern region. It is an opportune moment for the investors to invest in the capacity building of the Port. With the untapped potential of the Port, together with the high GDP growth rate and investor-friendly environment of



Bangladesh, the investors are sure to yield a high and long-term return on investment and contribute significantly to the country's journey towards being a developed nation by 2041.

Writer: Cdr Md Mahmudul Hasan Khan, (H2), psc, BN, is the Chief Hydrographer of Payra Port Authority. Email: hasan1759@gmail.com