

Marine Supply Chain Management: Opportunities in Bangladesh

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Bangladesh has a definite vision to become a developed country in 2041. To achieve this goal, the government has been strengthening marine supply chains and undertaking infrastructure development programs where the economy is the principal driver.

Both national and international trade is the fuel of the national economy. National trade is transported by sea, air, and land. Sea, by natural endowment, has been the most convenient means of trade through the changes in time and history. While the sea has been the 'great highway' connecting countries across the oceans, its management is vital to the safe and efficient use of the waterways.

The maritime domain or marine supply chain management, however, the way one may call it, entails a series of functions and activities undertaken by different public and private organizations. What is the scope of the supply chain in the context of the maritime domain?

Marine supply chain management functions and activities can extend inward on land as far as fifty kilometers from the shore. For example, many of the vital maritime establishments like shipbuilding, ports and port facilities, dockyards and repair facilities, refineries and fuel storage terminals, landing stations of single point mooring, etc., are essential links in the marine supply chain and located within the fifty-kilometer limit. The marine supply chain management primarily consists of regulators and operators. The Ministry of Shipping is the apex body of both regulators and operators. It acts as a facilitator through policy formulation and infrastructure development.

Ministry of Shipping has several subsidiaries that perform defined roles in managing the marine supply chain. Department of Shipping is an essential organ of the government. Port Authorities facilitate operations of maritime transports and faster cargo handling. Mercantile Marine Department deals with seafarers. Shipping Corporation is an essential carrier of national logistics. Marine supply chain management operators

include mainline operators, stevedores, inland vessel operators, container depots, etc. Academia is another potential contributor to the management of the marine supply chain. They can suggest the most advantageous course of action through research and complement the government's management initiatives.

Bangladesh has been progressing and will progress as the national trade is on the rise. In 2015-2016, national trade by sea was 76.437 million tons of cargo and 2.300 million TEUs containers. 2021-2022, the trade volume rose to 117.510 million tons and 3.262 million TEUs, respectively. While bulk cargo trade increased by 54% in just five years, containerized cargo is following steady growth. Modernization of ports and port facilities opens opportunities to investors, operators, and users. The construction of the Patenga Container Terminal has reportedly secured USD 1.7 billion in FDI.

Undoubtedly, trade volume will rise in the future. What will be the size of the exports and imports at the turn of 2040? How diversified will be the trade basket? What infrastructures and facilities will be necessary to handle the growing trade volume? The key challenges are predicting the trade volume and infrastructure requirements and their development. Academia, together with inputs from regulators, operators, and users of the marine supply chain, can help overcome these challenges.

Besides trade, another resource in the marine supply chain systems is the living and non-living deposits in the maritime zones. Unfortunately, we do not know what we have under the water. We have yet to set our dreams into action to know and extract untapped marine resources. This is a challenge waiting to be addressed to unleash opportunities.

Speed is one of the essences of the supply chain, whether it is a transportation service or otherwise. Goods got to move faster and at ease. Bangladesh is doing well in reducing shipping time. Bangladesh has started direct shipping to Europe. It is there with China. Direct shipping will be expanded up to American continent in the future. National flag carriers, which transport a small share of national trade, must be developed. Bangladesh should end existing third-country transit as early as possible and not accept new offers.

Vessel turn-around time in the ports has significantly improved due to the modernization of port facilities. The whole operation of Matarbari Deep Sea Terminal will open up multi-prong opportunities like employment, industrialization, maritime trade, etc. This component in our marine supply chain is poised to become a regional shipping hub and an essential hub of national economic activity.

Another vital link in the marine supply chain is the operator of inland waterways. They link the shipping on the seafront and end users of imports on the hinterland. They are also a link between manufacturers and their exports. With the growing trade volume, inland operators will have fair opportunities for profitable businesses. One of our inland fleet's weaknesses is that there are few vessels to engage in coastal trading.

The maritime domain is not full of opportunities only. There is a range of challenges originating from artificial and natural sources. Therefore, maritime security apparatus, like the Bangladesh Navy and Coast Guard is an essential constituent of the marine supply chain management system. Typical challenges we often encounter in the maritime domain are stowaways, drug trafficking, currency smuggling, smuggling of contrabands, illegal fishing, waste dumping at sea, theft, and so forth. Each component has different degrees of impact on marine activities. Implementation and enforcement of maritime laws and regulations are crucial for maintaining good order at sea. Bangladesh ensures a robust legal framework to prosecute those involved in illegal activities within its maritime boundaries. Through round the clock vigilance of Bangladesh Navy and Coast Guard ship, Bangladesh aims to create a secure maritime environment in the Bay of Bengal, fostering economic development and regional stability.

Keeping maritime challenges in check, a well-thought-out and well-designed strategic marine supply chain development plan and its consistent implementation can create diverse economic opportunities for Bangladesh.

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