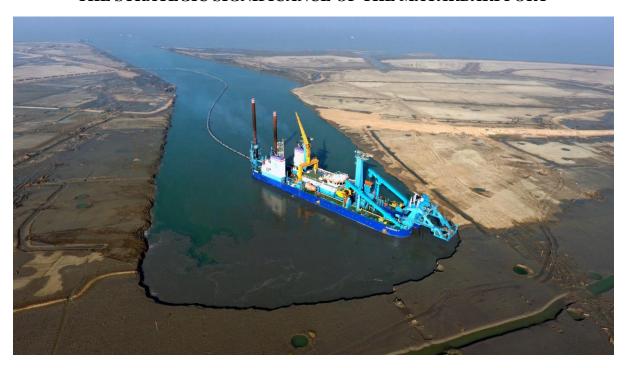
## THE STRATEGIC SIGNIFICANCE OF THE MATARBARI PORT



Bangladesh is a historical maritime nation. Since ancient times, the economy of Bengal has been dependent on maritime trade and connectivity. However, Bangladesh for long has lacked a deep seaport within its territory which has heavily obstructed the economic and maritime potentials of the country. The Chittagong port has long served as the primary trading hub of the country for its exports and imports. But because of its draft limitations, larger mother ships could not harbour in the port. Currently, the maximum draft limit for Chittagong port is 9.5 metres which is not suitable for many modern container freighters.

Bangladesh, for a long, has faced many economic challenges and difficulties due to the lack of a deep sea. It causes lengthy and costly transfer operations from feeder ships to mother vessels and vice-versa, taking an economic toll on Bangladeshi exporters and importers. It is also one of the reasons behind the under-development of the country's shipping sector. Therefore, building a deep seaport is a vital initiative for Bangladesh's future economic growth. But besides tactical and economic incentives, a deep seaport is also a strategic necessity for Bangladesh. The Matarbari port, the country's first deep seaport, may provide Bangladesh with this strategic objective.

The Matarbari port would be fully operational in 2026, and it is being built on the models of Japanese Kashima and Niigata ports. The Japanese government is funding the Port through JICA. One strategic feature is particularly important in the Matarbari port- it will have 16-metre draft, close to double that of the Chittagong port. The port by 2023 would be able to host 8000 TEU ships, while ships featuring only 1200 TEUs now can anchor at the Chittagong port. The Matarbari port has an annual

capacity to host 600,000 to 1.1 million TEUs; with the expansion of the Multi-purpose terminal, the annual capacity can be expanded to 2.8 million TEUs, which would rival the Chittagong port.

The most significant implication is that- the Matarbari would give Bangladesh self-sufficiency and strategic autonomy. Today, Bangladesh is heavily dependent on deep foreign seaports such as Singapore and Colombo for its international trade. The Matarbari would negate this dependency, transforming the way international commerce in the Bay of Bengal region. The port would attract more foreign investments in the country and reportedly would increase Bangladesh's GDP by 3%. The port would also be a boon for Bangladesh's coastal economy and livelihood.

The development of the port would also link Bangladesh with the regional and international supply chain network. With the gradual connectivity between Bangladesh and India, the port could become the primary trading hub for the seven states of northeast India. It would also let Bangladesh to tap into the markets of these states. The port could also be linked with the South Asian value chain. With the BBIN motor vehicle agreement (MVA) signing, there is renewed hope for South Asian economic integration. Bangladesh could offer this port facility to Nepal and Bhutan, making the port an international transportation and logistics hub.

However, these prospects are dependent on the political will to a large extent. The national transportation infrastructure is vital in this regard. Bangladesh needs a world-class transportation eco-system- railway, roads and airports, which would augment the logistics capacity of the country. These infrastructures could serve both national and local traffic. There is also a regional dimension to this- Bangladesh must also pursue the neighbouring countries like landlocked Nepal and Bhutan to use Bangladesh's facilities. However, that also requires reaching an agreement with India. In many ways, the strategic prospects of the Matarbari depend on the seamless connectivity with Bangladesh and other South Asian states.