



PADMA



BRIDGE

How a bridge changed the fate of 30 million people

Country's first fully self-funded megastructure

Bangladesh's largest self-financed megastructure Padma Bridge was inaugurated on June 25, 2022. The country's prime minister Sheikh Hasina inaugurated the Padma Bridge for operation. For Bangladeshis, it is one of the milestone achievements since its independence fifty-years ago.

Construction of Padma Bridge marks a change in national psyche: the country is no more dependent on any external actors for advancing its development agenda. It has become an example-setting story for many developing countries who feel dependent on donor agencies for

their major development projects. The state-of-the-art infrastructure has become the symbol of pride and dignity of Bangladesh.

Padma Bridge connects Bangladesh's riverine southwestern region with capital Dhaka and other growth centers. It catalyzes development in the 21 southwestern districts of the country, which were previously considered 'backward areas,' due to low economic progress. With increased development activities, over 30 million people of the region are reaping economic and social benefits. The bridge gives a significant boost to the

country's economy. The bridge now plays a key role in boosting agriculture, industrialization, trade, and services in the southwestern region as well as the entire country. The bridge is estimated to boost the GDP by 1.2-3% and cut poverty by 0.8% per year.

New industrial parks and hi-tech hubs are being built centering this bridge. It will attract investors and accelerate the country's industrialization. It will boost domestic and international trade. Furthermore, due to its position on the Asian Highway (a pan-Asian land-trade route), this

bridge will bring revolutionary changes to the communication system in the South Asian region.

Since its conceptualization, the \$3.5 billion Padma Bridge, took about a decade to build. The bridge is built over the rowdy Padma river, which is only second to the Amazon river in terms of its speed. It is an engineering marvel with many record-breaking achievements. Bangladesh's prime minister Sheikh Hasina, along with a fearless team of professionals, is often credited for making strategic decisions to make this signature project a reality.




The Padma river divides the southwestern region from the rest of the country. A bridge over the mighty river Padma had been a dream project, particularly for the people of 21 southwestern districts where one-fifth of Bangladesh resides. People traveling to and from the southwest had to wait for hours at the jetty to catch a ferry, to get to economic centers such as capital Dhaka. Due to low-connectivity the incomes and the quality of lives of the region were hampered.

Preparatory work of the bridge started in 1998 through a government funded pre-feasibility study. Subsequently, the government requested Japan to conduct a feasibility study on construction of a bridge over the Padma river. In May 2003, Japan International Cooperation Agency (JICA) organized an Advisory Committee, appointed a study team to conduct the study, and dispatched the team on May 16, 2003. In January 2005, the study team prepared the final report.

The government approved the project and took step to expedite its implementation by earmarking it as a national priority project. In 2007, the Executive Committee of the National Economic Council (ECNEC), Bangladesh's prime policy decision body, approved the BDT 10,162 crore (equivalent to \$1.5 billion) for the Padma bridge project. By 2011, the cost increased to BDT 20,507 crore (equivalent to \$2.7 billion).

Initially, the plan was to build the bridge with external funding from the World Bank, Asian Development Bank, and JICA. However, the World Bank suddenly withdrew from funding the project in 2012, citing corruption of project officials. The other funders also pulled out of the project. Later probes by national and international bodies could not find any evidence of corruption.



She inaugurated the construction of the main bridge on 12 December 2015.

Construction work ended in May 2022.

Inauguration of Padma Bridge for vehicle movement on 25 June 2022.

Prime Minister Sheikh Hasina opted for self-funding the project despite some economists and her political rivals warning against it.



15,000+ vehicles used the bridge on average daily

BDT **800** crore (**\$74.4 million**) tolls collected in **1 year**

169km Padma Bridge rail link to boost connectivity and trade

Transforming southwestern Bangladesh

The Padma Bridge has been transforming landscape of the southwest in many ways, giving rise to endless possibilities to a climate vulnerable region. Economic landscape of key districts like Barishal, Khulna, Gopalganj, Shariatpur and Madaripur of southwestern Bangladesh is rapidly changing with inflow of new investments in manufacturing and agriculture. The bridge has changed the connectivity scenario of this region, which has contributed to socio-economic development.

On the industrial front, many business giants are eyeing new industries in the southwestern region because of road connectivity which reduced travel time by 6-10 hours. Meanwhile, the government is establishing 17 industrial parks in the southwest. It has also been reported that in less than a year over 100 new companies already bought industrial land in the district of Barishal, which has become a new economic hub since the inception of the bridge. New garments factories are being set up in the new industrial belt. Districts like Faridpur,

Madaripur, Shariatpur, Bagerhat, Gopalganj, and Khulna are considered focal points for investment by industrialists. Lands that were considered fallow are getting sold at high rates.

With opening of many possibilities from the Padma Bridge, new businesses are popping in the new economic belt. It is boosting farm and non-farm growth and diversified agriculture in climate vulnerable saline-affected areas. With transport and energy constraints removed, small businesses are rapidly flourishing. Farms have started getting benefits from being able to maintain the quality of their perishable commodities. Dairy, fish farms, and traders of agro-products are enjoying the benefit of improved transportation.

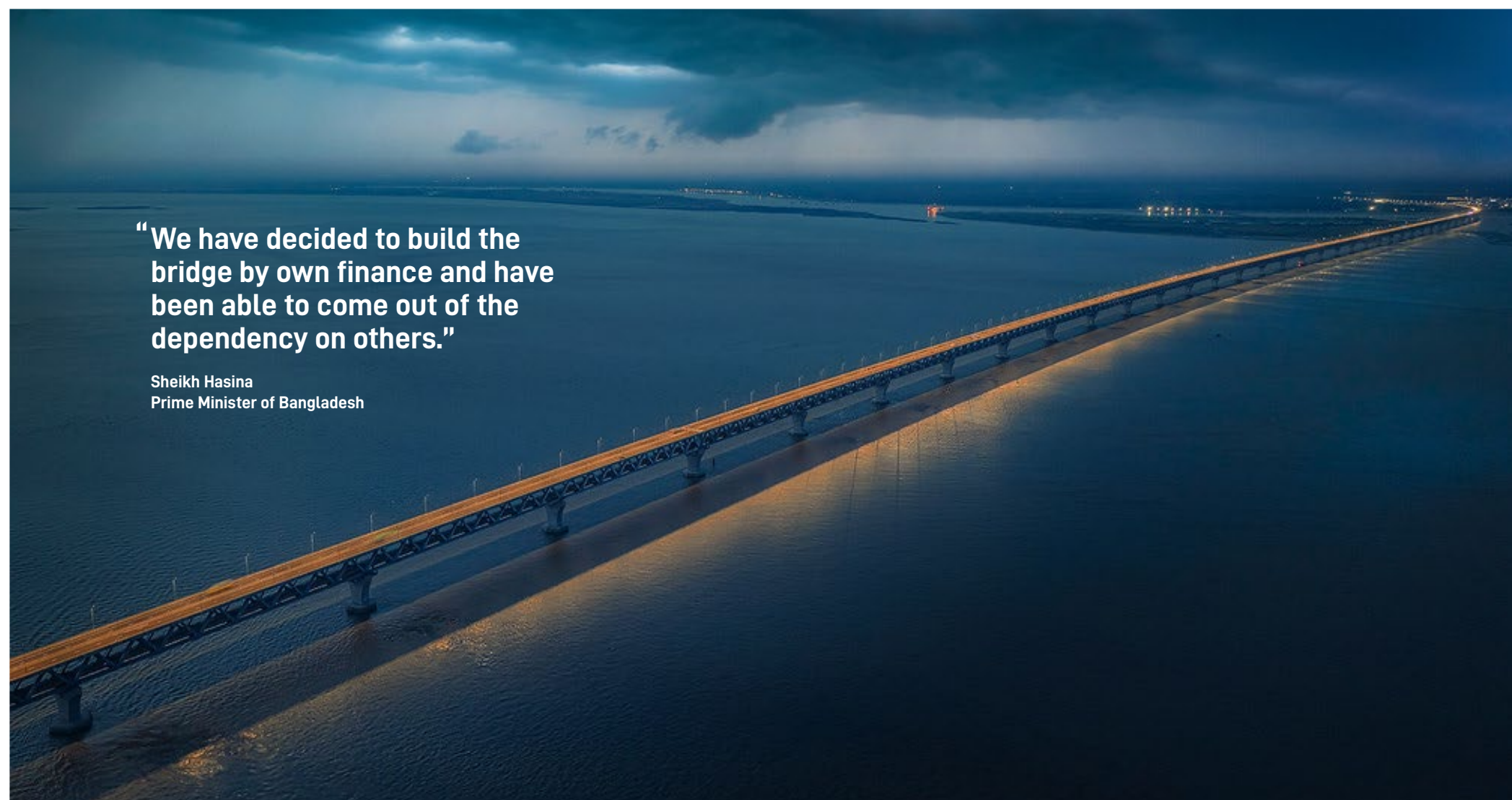
By connecting southern seaports of Mongla and Paira, the bridge is easing traffic at southeastern Chattogram Port

(which still handles 90% of the international international). It has reduced the distance between Mongla port and Dhaka by 170km and from Chattogram city by 260km. Mongla port, which was a small low-activity port, has been transformed into a world-class port with the concerted efforts of the government. The capacity of the port has increased several times. Traders across the country are more interested in using the port after the inauguration of the bridge.

Padma Bridge's opening resulted in a tourism boom at southern tip known as Kuakata sea beach, and at the world's largest mangrove the Sundarbans. New hotels are popping up across the new economic belt. Unique sites like floating guava market, Durga Sagar lake, Kobi Krishna Chandra Institute, Khulna shipyard and Mr. Charlie Kuthibari castle have witnessed an increase in tourists after the opening of the bridge.

“We have decided to build the bridge by own finance and have been able to come out of the dependency on others.”

Sheikh Hasina
Prime Minister of Bangladesh



Padma Bridge
is estimated
to boost GDP
of the south by

2%

Push up
the national
GDP by

1.3%

Regional
poverty rate
to drop by

1%

The bridge's
Benefit-Cost
Ratio (BCR)
estimated

1.6

The benefit-cost ratio (BCR) shows the relationship between the costs and benefits of a project. If a project has a BCR greater than 1.0, the project is expected to deliver a positive net present value to the investment.

Economic
Internal Rate
of Return
(ERR)

18%

Economic Internal Rate of Return (ERR) is a tool for advocating investment poverty reduction and economic evaluation. Very high return projects are usually above 12%.

Wages in
the directly
connected
areas will
increase by

4%

Smooth
access
to growth
centers will
boost
agriculture,
industrialization,
trade, and
services
in the

21

southwestern
districts



17 Industrial parks
being set up by
the government
in southwestern
districts

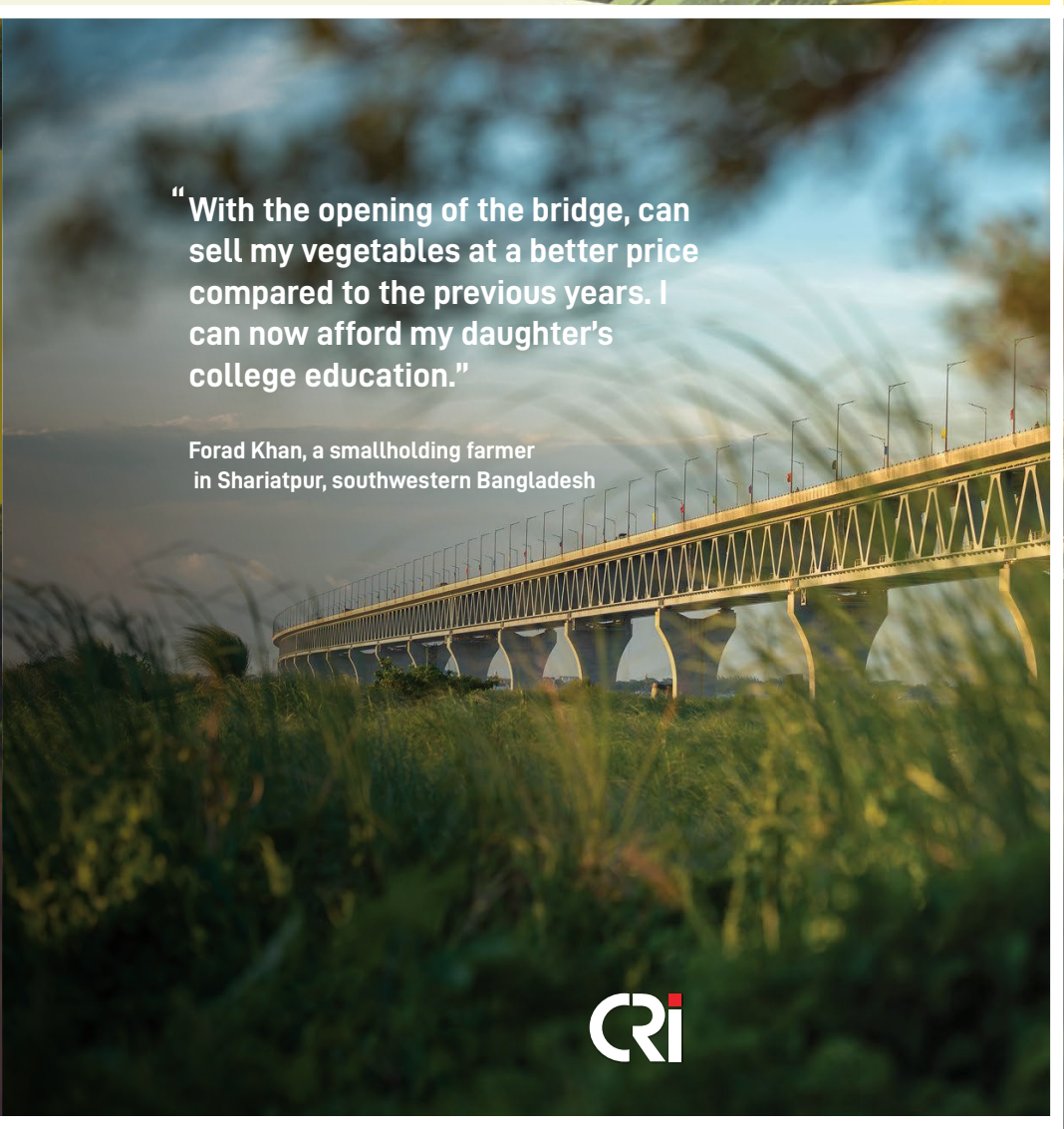
Tourism
boom at
southern tip
of Kuakata
and world's
largest
mangrove the
Sundarbans

100
companies
bought
industrial
land in
Barishal
district

Capacity of
Mongla Port
has increased
several times



New garments
factories
being set up
in districts
like Barishal
and Shariatpur



"With the opening of the bridge, can
sell my vegetables at a better price
compared to the previous years. I
can now afford my daughter's
college education."

Forad Khan, a smallholding farmer
in Shariatpur, southwestern Bangladesh