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BANGLADESH'S MARITIME INTERESTS AND OPTIONS

Introduction

While Bangladesh is bounded by India and Myanmar on the west, north and east, its shores are washed by the Bay of Bengal in the south. Bangladesh has a fairly long coastline of 710 kilometres and her southern waters are reported to be rich in marine resources, both living and mineral. The country's main trade routes also run through the Bay of Bengal which is the only sea outlet to the vast expanse of the Indian Ocean and the larger world beyond.

However, Bangladesh's development activities, and defence and security orientation have so far been mainly land-based, the expansive oceanic front remaining somewhat overlooked. The vast potential marine resources have not yet been adequately tapped nor have the vast promising opportunities inherent in cooperation with the Bay of Bengal Rim countries been sufficiently examined by Bangladesh, which is a resource-starved developing country with starkly negative land-man ratio. It is, therefore, imperative for Bangladesh to pay much more attention to its southern maritime frontier. This calls for an in-depth study of the whole gamut of the maritime issues impinging on the development and security of Bangladesh.

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What, however, is attempted here is just to highlight some of Bangladesh's basic maritime interests and issues, and suggest certain policy options for the country. The main objective of this brief study is to bring into focus the importance of the Bay of Bengal and the ocean space beyond, and the enormous resources therein for Bangladesh. It is contended here that there is a compelling need for Bangladesh to couple the continental psychology of the nation with a rimland or maritime psychology for the coherent development and security of the country. In the following two brief sections, Bangladesh's main maritime interests and concerns will be identified and certain policy options for the country suggested.

I. Bangladesh's Maritime Interests

Bangladesh's maritime interests and concerns emanate from her felt need to generate more wealth for uplifting the standard of living of her impoverished millions and the imperative to enhance her national security, and from the desire for peace, stability and cooperation in the Bay of Bengal/Indian Ocean area. The following are some of the basic maritime interests of Bangladesh:

a. Trade and economic cooperation : The importance of the country's maritime interests is underscored by the fact that well over 90 percent of Bangladesh's trade is transacted by sea. As such, the sea route is the mainstay of Bangladesh's trade, hence highlighting the importance of the oceanic front for Bangladesh. Bangladesh also pursues bilateral economic cooperation with the littorals of the Bay of Bengal and the Indian Ocean, and it is in her interest to deepen and widen such relations not only bilaterally but also in a collective framework.

b. Exploration and exploitation of marine resources : It is, indeed, a matter of right for Bangladesh to be able to carry out exploration and exploitation of the sea resources, both living and

mineral, like fish, oil and gas in the areas of national jurisdiction. The Bay of Bengal is rich in fish stock, which not only meets some of the food demands of the generally ill-nourished people of Bangladesh but also earns lots of foreign currency for the cash-starved country. The government of Bangladesh is seen to be doing its best in terms of implementing its decisions to explore gas and oil finds in the off-shore areas of the country. It may be mentioned here that Bangladesh has been split into fifteen blocks for the purpose of exploring hydrocarbon.

c. Foreign investment : The Bangladesh government is making all out efforts to lure in foreign investors to invest in exploring oil and gas in its off-shore zones. A Bangladesh government delegation, led by the Energy Secretary, held two rounds of promotional seminars in London and America's Houston in a period from 24 March to 3 April 1997. Some 60 international oil and gas exploration companies have expressed their interest in participating in the bidding for hydrocarbon exploration. The government expects that production sharing contracts (PSCs) for all the 15 blocks would be signed by the year end. Five PSCs have so far been signed, which are expected to fetch Bangladesh about half a billion U.S. dollars in foreign investment.¹

d. Maritime security : Security here is to be understood in terms of military, economic and environmental dimensions. Bangladesh's military security in the southern seas implies equal security for all Indian Ocean rim states, which is to find its concrete manifestations in the absence of any sphere of influence carved out by either regional or extra-regional powers and in the emergence of no bilateral or multilateral military alliance affecting Bangladesh's security. Bangladesh's maritime security in its military component also means naval arms control and establishment of nuclear free zone in the area. What is equally

1. *The Daily Star*, Dhaka, 11 April 1997.

important is that Bangladesh is not to be a victim of any naval attack or naval blockade, particularly of its sea ports and the on-shore and off-shore naval assets/installations, mounted by any power from the region or beyond.

Bangladesh's maritime economic security includes the safety of its trade routes and sea lines of communication, the freedom of the high seas and free flow of oil, and the universality of membership in any rim-wide economic cooperation organization in the Indian Ocean region. And environmental security lies in prevention or fighting or management of natural disasters like cyclones, storm surges and tidal waves, monitoring of weather conditions, controlling water pollution caused by oil spills, industrial effluent, and municipal, domestic and ship-breaking waste.

e. Tourism : Bangladesh has several enviable on-shore tourist spots, such as Cox's Bazar, Kuakata, and beautiful off-shore islands suitable for tourist sites, such as the St. Martin's and Sandweep. These spots could be developed as excellent tourist resorts with access to unspoiled sea beaches and unpolluted water, which would attract lots of local and foreign tourists fetching a good amount for the country's exchequer. This may be done by Bangladesh on its own or in collaboration with other countries.

f. Fighting crimes and mitigating problems : Maritime crimes include poaching, sea piracy, illegal migration, narco-terrorism, smuggling etc, while shipping encounters problems like fire, stranding, collision and adverse weather. Bangladesh's interests in reducing these are only too obvious. The extent of these problems may be exemplified by the simple fact that Bangladesh stands to incur an annual loss to the tune of millions of dollars due to poaching in her maritime territory.

g. Delimitation of maritime boundaries : Delimitation of maritime boundaries of a nation is to be done not only to establish

complete sovereignty and exercise it over the territory, but also to be able to conduct exploration and exploitation activities in the areas of national jurisdiction, such as the Continental Shelf and Exclusive Economic Zone (EEZ), and address problems of the ownership of the emerging islands as well as other offshore issues. The interests of Bangladesh in resolving these issues can hardly be over-estimated.

h. Stakes in the New Ocean Order : Since the time when the Law of the Sea Convention (LOSC) came into effect in 1995 or indeed since the signing of the Convention in 1982, there has been in existence a New Ocean Order or New Maritime Regime. The LOSC stipulates, *inter alia*, that all nations of the world have a right of claims to seabed resources beyond national jurisdiction. What is important in the present context is that this provision of the Convention is beneficial for resource-poor countries like Bangladesh. What is concretely in Bangladesh's interest is that it can get the benefit of mobilizing the like-minded co-signatories, with a view to influencing some of the developed member nations which are attempting to dilute the nature and power of the Enterprise, the institutional mechanism devised under the International Seabed Authority to carry out activities related to exploitation of the seabed resources.

i. Marine research : As understood from the above, there are a number of maritime issues and problems affecting Bangladesh's political, economic, security and food-related interests and concerns. Marine research could provide insights into all these and other related matters. Indeed, this is an area of a nation's intellectual pursuit undertaken to contribute to its development efforts.

The above maritime interests are to be upheld and enhanced by Bangladesh and the relevant issues and challenges are to be roundly addressed by her. This calls for certain policy initiatives on the part of Bangladesh, to be adopted with a view to heighte-

ning the salience of the country's policy that may be dubbed as "look south" policy. While the enumerated maritime interests are all important to the country, she may well prioritise them for the purpose of policy making and implementation. For example, economic cooperation, including trade and investment and fisheries exploitation, may be given immediate attention, to be followed by the security issues and the initiatives to relaunch talks on maritime boundary delimitation with India and Myanmar. This would facilitate the exploration and exploitation ventures in Bangladesh's maritime zones. Development of tourism at the national level will be another priority area.

II. Bangladesh's Policy Options

Bangladesh's maritime interests as well as potentials and problems are enormous, while its capabilities are rather limited. There is no gainsaying the fact that Bangladesh is in the need to employ its best efforts at the international level as well as at the national level in order to satisfy her increasingly important maritime interests and concerns. The only caveat here is that the policy options may in some cases be overlapping at various levels of implementation.

a. National level options

As Bangladesh has a rather small Navy, virtually having no trade defence and sea denial force as well as no worthwhile EEZ protection capability and no sea lines of communication protection force, and possessing only a meager maritime surveillance capability, the country needs to find more funds even out of its weak economic base for its naval force expansion and modernization. This would result in enhanced surveillance and protection capabilities of the national Navy.

It is, of course, incumbent on the part of Bangladesh to provide protection to its marine fish stock and other living

resources, and to ensure rational exploitation of these reserves. The government can also provide infrastructural facilities to fishermen and ensure their security while out at the sea.

There are three issues related to the question of exploration and exploitation of the seabed resources like oil and gas. The first is the policy framework of the government of Bangladesh to exploit these resources, particularly the policies to promote foreign investment and incentives on offer to the international oil and gas companies. The second issue concerns the legal framework worked out in Bangladesh, while the third relates to the details of the Production Sharing Contracts (PSC) to be signed between the government of Bangladesh and the concerned oil and gas companies. Needless to say that Bangladesh's concerned policies need to be rational, mutually beneficial and transparent. It may be noted here that Bangladesh has already successfully internationalized its energy policy, evoking very keen interest from a good number of international oil and gas companies.²

In order to address at the national level the maritime problems and issues affecting Bangladesh's interests, such as the ones relating to crime fighting and disaster management, an integrated approach merits closer policy attention and honest efforts for implementation. This approach may bring together the Navy, Coast Guard, Police, National Board of Revenue, Customs Department, immigration department, port authorities, intelligence agencies, Departments of Environment and Disaster Management, and various other relevant government departments and agencies. This would not only lead to enhanced capacity building but could also act as a preventive measure.

Bangladesh's efforts at the national level, of course, includes the incumbent government's emphasis on economic diplomacy which essentially means considerable increase in the country's

2. See *The Daily Star*, Dhaka, 3 April 1997.

export volumes, attracting hefty foreign direct investment, removing the country's stereotyped negative image abroad, and deepening and widening economic cooperation with other countries. Needless to say that this policy has an appreciable maritime dimension.

However, it is fairly understandable that national efforts do not always measure up to the colossal task of meeting Bangladesh's maritime concerns. What then is required is, of course, efforts and cooperation at the international level.

b. International level options

Bangladesh's international efforts at initiating talks and forging cooperative relationships may be conducted at the bilateral, sub-regional, regional, inter-regional, mega-regional and global levels.

i. bilateral level : Although there were talks with India and Myanmar held sometime ago , Bangladesh's maritime boundaries with these two countries have not yet been delimited. This causes several serious problems for Bangladesh. The first is the potential for international clashes at sea while guarding or patrolling one's national territory. The second problem relates to exploitation of living marine resources. In an undelineated maritime area, fishing may be a hazardous preoccupation. Fishermen of one country may unwittingly find themselves poaching in alien waters. Another problem may be in regard to commission of crimes in places whose national identity is hard to figure out, thereby giving rise to all sorts of legal complications. The fourth is the dispute over the ownership of the emerging islands. This is fraught with dangers as it involves the question of national sovereignty. And the fifth problem is that, without the boundaries being delineated, it is very difficult to conduct the exploration and exploitation activities in the areas of the Continental Shelf and EEZ. Indeed,

foreign oil and gas companies are often seen to be reluctant to invest in such activities in the areas of overlapping claims by the neighbouring countries.

These overlapping claims are mainly due to differences in approaches to and interpretations of the relevant provisions of the Law of the Sea Convention, particularly with regard to defining the baseline from where all other maritime zones are measured and the Continental Shelf. For example, India, having a convex configuration of its coast, favours the principle of equidistance, whereas Bangladesh, which has a concave coastline, prefers the equitable principle. Indeed, having this principle in mind, the government of Bangladesh made an enactment on 13 April 1974 {The Territorial Waters and Maritime Zones Act (No. XXVI) 1974}, announcing a baseline that consists of seven straight lines extending upto 221 nautical miles. The governments of both India and Myanmar (then Burma) protested at these baselines on 30 April 1974. Two years later, India passed its own Act called *The Territorial Waters, Continental Shelf, Exclusive Economic Zone and Other Maritime Zones Act, 1976*, (No. 80 of 1976).³

Bangladesh and India are also in dispute with the ownership of a newly-emerged island, known as South Talpatty or New Moore. The Bangladesh proposal for joint survey to determine the rightful ownership of the island is still on the table. In the interest of good neighbourliness, both the countries need to relaunch the talks between them on this matter as well as on the larger subject of delimitation of maritime zones, as Bangladesh and Myanmar are also expected to do the same.

3. For an excellent exposition on Bangladesh's maritime disputes see M. Habibur Rahman, "The Law of the Sea and Settlement of Maritime Disputes", *BIISS Journal*, Dhaka, Vol. 5, No. 1, January 1984, pp. 69-96 and "The Continental Shelf: A Study with Reference to the Bangladesh-India Situation", *BIISS Journal*, Vol. 11, No. 2, April 1990, pp. 168-207.

ii. *sub-regional option* : Bangladesh's maritime interests as well as wider trade and economic interests may also be served at the sub-regional level. Cooperation may be forged in the field of fisheries, environment, weather forecasting, crime fighting, tourism and marine research.

Indeed, several sub-regional organizations are reportedly going to be launched soon. One of them is proposed to bring together Bangladesh, Myanmar, Thailand and Sri Lanka, while another one is likely to group together Bangladesh, Myanmar and the south-western region of China. Yet another sub-regional grouping is going to consist of Bangladesh, the north-eastern states of India and Myanmar, while the fourth such idea of sub-regional cooperation venture may draw together Bangladesh, Thailand, India and Sri Lanka.⁴ These sub-regional groupings-in-waiting around the Bay of Bengal are indeed billed to be full of promises for trade, economic maritime cooperation, and opportunities for exploration and exploitation of marine resources. It is imperative for Bangladesh to be an active member in all of these forthcoming sub-regional organizations and contribute to make them dynamic and mutually beneficial ventures.

iii. *regional option* : The maritime issues affecting Bangladesh may also be addressed under the framework of regional organization, such as the South Asian Association for Regional Cooperation (SAARC). In this respect, the proposal for the establishment of a Centre for Maritime Cooperation appears to merit studied consideration by the government of Bangladesh. The proposed Centre envisages, among other things, bilateral and multilateral cooperation among the regional navies on maritime surveillance, naval procurement plans, operational exercises, management of national disasters, weather prediction, pooling expertise in marine salvage, search and rescue, and on exchange

4. See *Janakantha*, Dhaka, 20 March 1997 and *Bhorer Kagoj*, Dhaka, 16 May 1997.

of military personnel and joint actions in the enforcement of international law and order at sea.⁵

The proposed Centre may also consider ideas for the member states to commit themselves not to jeopardize one another's maritime interest and security by way of mounting naval blockade and forming military alliance with other countries. Such undertaking and understanding may also be reached with other non-SAARC Bay of Bengal Rim states.

Another issue that may also affect Bangladesh's maritime interests and security is the question of Nuclear Weapons Free Zones (NWFZ) in various regions of the world, including South Asia. Only recently Bangladesh has reiterated its firm commitment to the concept and principle of NWFZ at the general exchange of views at the 1997 substantive session of the United Nations Disarmament Commission.⁶ Indeed what Bangladesh has been doing is just persisting with its position of pushing ahead with the concept of NWFZ in South Asia.

iv. inter-regional cooperation : This may also be an opportunity for Bangladesh to promote its maritime interests. Bangladesh could contribute to a possible SAARC initiative to develop a relevant agenda for cooperation with some other regional organizations like ASEAN and EU (European Union).

v. mega-regional cooperation : This refers to the whole of Indian Ocean region. Although the concept of the Indian Ocean Zone of Peace (IOZP) is apparently giving way to a new trend for a zone of cooperation, the majority of the rim countries are still not writing off the former in the sense that peace even in the

5. See Mohd Khurshed Alam, "Regional Maritime Cooperation under the Auspices of South Asian Association for Regional Cooperation (SAARC)", *BISS Journal*, Dhaka, Vol. 18, No. 1, January 1997, pp. 19-41.

6. *New Nation*, Dhaka, 24 April 1997.

altered strategic environment would still essentially mean that the area should remain nuclear weapons free, that there be no dominance in the area by any regional or extra-regional powers, and that there be meaningful reduction in the sub-national and inter-state tension and conflict. For example, the Bangladesh Permanent Representative to the United Nations, Ambassador Anwarul Karim Chowdhury, only recently reiterated the firm commitment of his country to the concept of zones of peace.⁷

Similarly, a zone of cooperation may not necessarily be in the best interest of countries like Bangladesh if and when it emerges as an exclusive club for economic cooperation among a selective few. One such grouping of 14 Indian Ocean countries has launched the Indian Ocean Rim Association for Regional Cooperation (IORARC) in Port Louis, Mauritius on 5 March 1997. This is, in fact, the culmination of the Indian Ocean Rim Initiative (IORI) launched from the same venue in March 1995 by seven so-called core countries of the mega-region. The new "G-7" were India, South Africa, Australia, Mauritius, Singapore, Oman and Kenya.⁸ The other seven member nations, which have been found "qualified" and taken on board by the "core of 7", are Indonesia, Malaysia, Madagascar, Mozambique, Sri Lanka, Tanzania and Yemen. The new Organization's approved work programme includes 10 projects relating to trade and investment, scientific and technological exchange, human resources development, tourism, infrastructure development etc.⁹

The Charter of IORARC, proposed by India and South Africa and seconded by Australia and Kenya, envisages a tripartite

7. *Ibid.*

8. For the evolution and some other details of IORARC see Mohammad Humayun Kabir, "The Indian Ocean Rim Initiative : Bangladesh's Interests and Role", *BISS Journal*, Dhaka, Vol.16, No. 4, October 1995, pp. 451-467; Rob Meecham, "Increasing Trade Through Indian Ocean Cooperation", *BISS Journal*, Vol. 18, No. 1, January 1997, pp. 42-57.

9. *Frontline*, Madras, 4 April 1997, pp. 60-61.

arrangement in which government, business and academics will meet in a parallel fashion and together to coordinate and integrate their inputs. An Indian Ocean Rim Business Forum (IORBF) and an Indian Ocean Rim Academic Group (IORAG) have also been formed.¹⁰ But significantly, important rim countries like Thailand, Bangladesh, Pakistan and Iran have been left out of IORARC. These and few other countries like Egypt and France have applied for membership, but on the pretext of consensus principle they have been kept out for now. In the Indian-drafted Charter, the principle of consensus appears to be an all-significant factor as far as membership is concerned. The Charter stipulates that the IORARC seeks to build and expand understanding and mutually beneficial cooperation through a consensus-based, evolutionary and non-intrusive approach".¹¹

What is important for Bangladesh as well as for the other Indian Ocean rim countries is to tenaciously keep on persisting for open membership and to join IORARC in order to contribute to the organization's dynamism as well as draw benefits from cooperation with its member states. It appears to be a good news for Bangladesh that it has received supportive indications for its application for IORARC membership from Australia and South Africa.¹² However, the final decision on expansion of membership may not be taken and made known before early 1999 when the next ministerial meeting is scheduled to meet in Mozambique.

vi. *global level* : Bangladesh's maritime interests may also be maintained and enhanced at the global level. This may be possible when the world community implements a new ocean order or maritime regime creatively in accordance with the provisions of the Law of the Sea Convention, ensuring, *inter alia*, freedom of

10. *ibid.*

11. *ibid.*

12. For South Africa's position see *The Daily Star*, Dhaka, 23 March 1997 and for Australia's position see *The Daily Star*, Dhaka, 10 April 1997.

the high seas and safety of the sea lanes of communication. The LOSC also contains provisions staking claims of member states to the seabed resources beyond national jurisdiction. The activities and development of resources in the Deep Sea Area are organized, carried out and controlled by the International Seabed Authority (ISA). The Enterprise is one of the organs of the ISA. It is through this organ that the ISA is to formally plan activities in the Deep Sea Area and control the transporting, processing and marketing of minerals recovered from it.¹³

Happily, one of the main tasks of the Enterprise is to act as an agent to ensure the effective participation of developing states. Although technologically backward Bangladesh may not be an immediate beneficiary of the deep seabed resources, its legal right to stake a claim to these resources and the feeling of being one of the world community in this particular respect are not altogether without meaning and hope. And lastly, the international community may also initiate talks on naval arms control in the Indian Ocean region, play its due role in declaring the area a NWFZ and reiterate its commitment to accelerating the process of establishing peace zone in the Indian Ocean.

Concluding Remarks

The motivating idea to write this paper was to highlight the inadequacy of the truncated perspective concerning national development and security of Bangladesh. It is perhaps high time for the policy makers of the country to "look south" as well as "look north", with a view to developing a composite national psyche, composed of both continental and maritime elements, and thereby enabling themselves to identify and tap new sources of

13. For details see Vivian L. Forbes, "Claims to Seabed Resources Beyond National Jurisdiction in the Indian Ocean Basin", *The Indian Ocean Review*, Perth, Vol. 5, No. 2, July 1992, pp. 16-18.

wealth and to grow a habit of mutually beneficial partnership with countries in the neighbourhood and also further afield. For Bangladesh, indeed there are considerable food and energy potentials as well as security threats in the Bay of Bengal, as also there are several countries in the Bay of Bengal Rim to cooperate with. The paper has just suggested a few policy options for Bangladesh in regard to these issues impinging on its development and security.