

AD Ports seals Chittagong port deal

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Chittagong Port Authority

AD Ports Group has reached a nonbinding agreement to explore the development and operation of a multipurpose port in Chittagong on the southeastern coast of Bangladesh.

A memorandum of understanding between the Abu Dhabi-based ports and logistics giant and the Chittagong Port Authority was signed in the presence of Abdulla Al-

Hmoudi, head of the UAE mission to Bangladesh, and Khalid Mahmud Chowdhury, Bangladesh minister for shipping.

The volume of non-oil trade exchanges between the two countries exceeds \$2bn and the UAE is Bangladesh's second-largest remittance source. The countries marked 50 years of bilateral ties in March this year and pledged to work towards opening new avenues for trade and investment.

More than 90% of Bangladesh's international trade runs through the ports of Chittagong, which are part of the multimodal network that links the republic to the hinterland, in addition to providing sea access for the landlocked Himalayan countries Nepal, Bhutan and India's Northeast region.

"The multipurpose port in Chittagong is a priority for the government of Bangladesh. It will be a game changer for the regional economy in general and Bangladesh economy in particular," said Rear Admiral Mohammad Sohail, chairman of Chittagong Port Authority, adding that the port hopes the deal would pave the way for further cooperation that will attract more foreign direct investments to Bangladesh.

Further details were not disclosed, but local media reports say AD Ports has offered to invest about \$1bn in the construction of the terminal, which will be able to handle both containerised and bulk cargo.

A total of four terminals are planned under the so-called Bay Terminal project, which will, in addition to the AD Ports multipurpose terminal, include two box terminals built by PSA International and DP World with investments of \$1.5bn each and one \$3.5bn liquid cargo terminal, which will be developed by the local East Coast Group and its subsidiaries.