

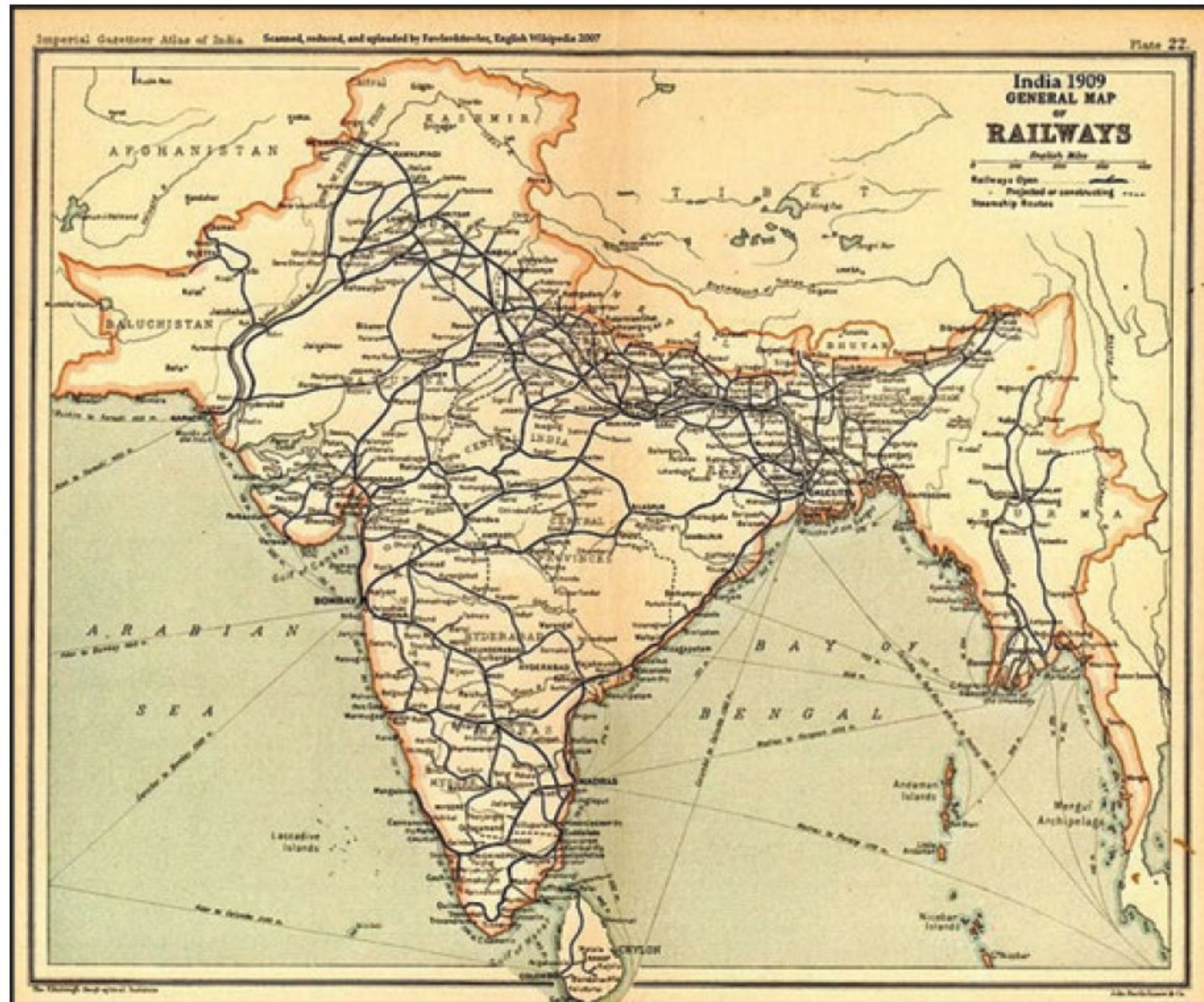
Ten propositions on transport connectivity in South Asia



#1. The region was **historically** very well inter-connected

The current lack of integration is not a legacy: it is the outcome of regional politics, and it can be overcome by political will

Source: Wikipedia



#2. Today, there is a multiplicity of transport corridor initiatives

There are more proposals than can be financed, and they are influenced by geopolitics, raising the risk of “white elephants”

Source: The Web of Economic Corridors in South Asia

a. The proposed One Road One Belt Initiative by China



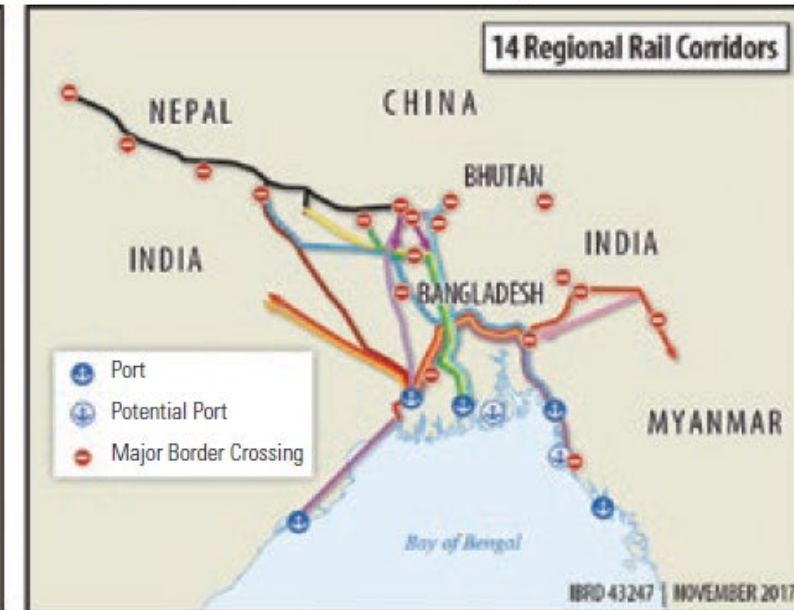
b. The possible transport corridor from Mumbai to Shanghai



c. The 19 regional road corridors identified by JICA around Bhutan, Bangladesh, East India, Myanmar, and Nepal



d. The 14 regional railway corridors identified by JICA around Bhutan, Bangladesh, East India, Myanmar, and Nepal



Map 1.1 Dhaka is at the intersection of emerging transport corridors

#3. South Asia is the hinge connecting East and West

The economic potential of connecting Shanghai and Mumbai through the most densely populated region in the world is enormous.

Source: Toward Great Dhaka: a new Urban Development Paradigm Eastward



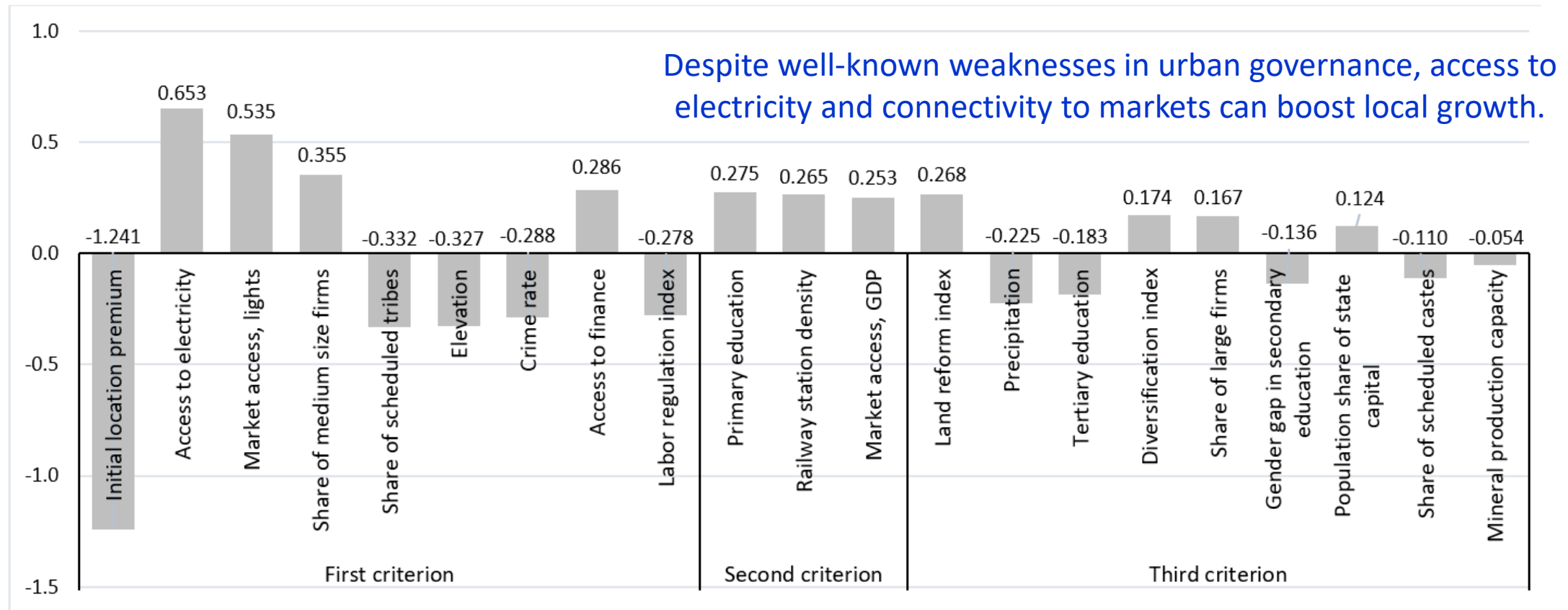
#4. Corridors matter for what happens **around** them, not just on them

- Because of their backbone infrastructure, corridor projects are often appraised as transport projects.
- Attention goes mainly to vehicle operating costs, trade volumes and, at times, traffic accidents.
- Despite the projects being potentially transformational, agglomeration spillovers and network effects are generally ignored.
- A transport corridor becomes an economic corridor only if it fosters urbanization and job creation.

Spatial data and spatial modelling are critically important for a solid evaluation of proposed transport corridors.

#5. Connectivity is one of the few robust drivers of local growth

Figure 5 Robust predictors of growth



Note: The height of each bar represents the change in the annual growth rate, measured in percentage points, associated with an increase in the value of the corresponding indicator by one standard deviation.

Source: States Diverge, Cities Converge: Drivers of Local Growth Catch-Up in India

#6. Even successful corridors lead to important **trade-offs**

Japan's initiative to double its income in a decade relied on economic corridors and was successful in terms of growth, but not on other counts.

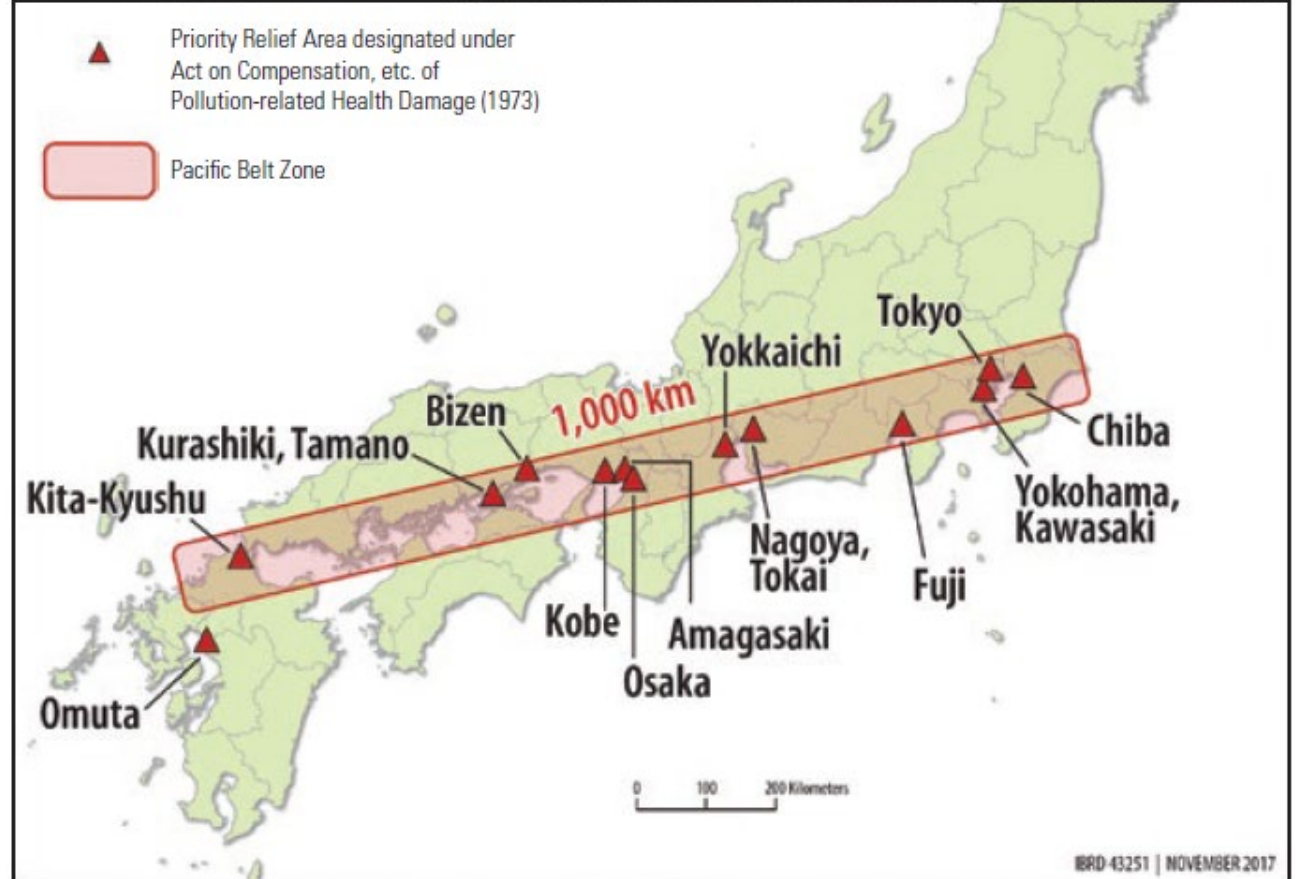
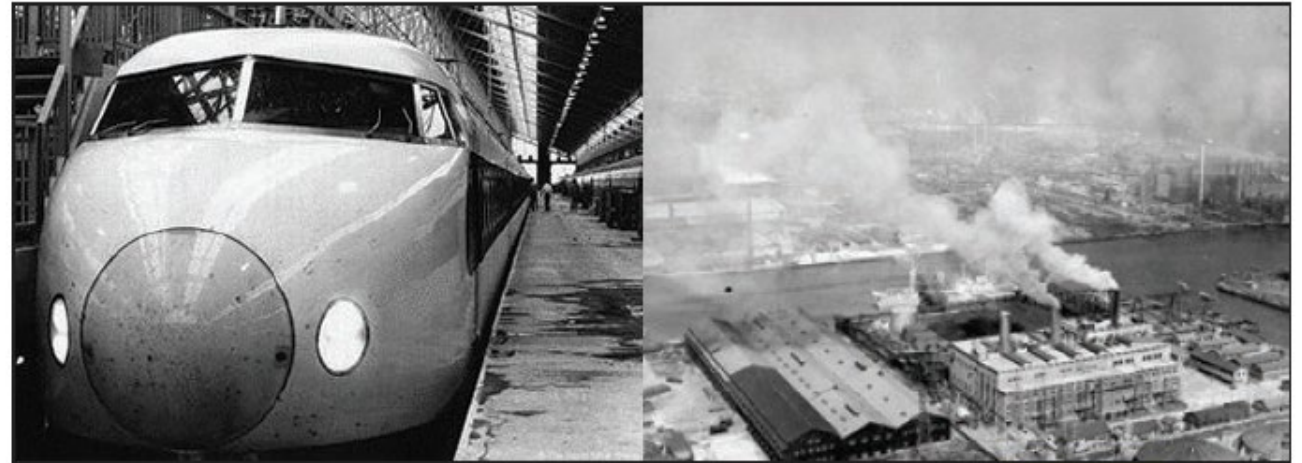
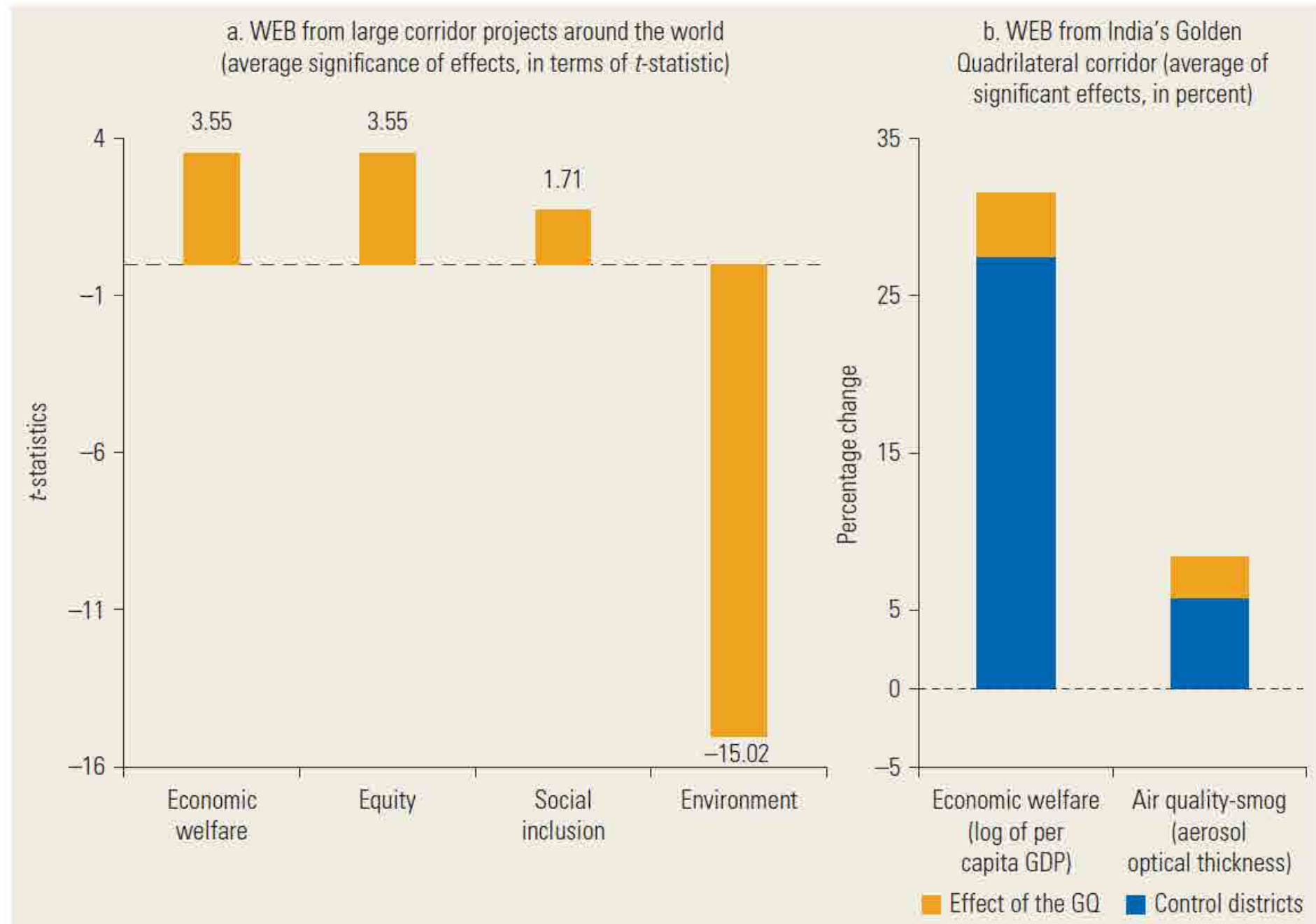


FIGURE 0.5 Corridors can increase incomes, but these gains come at the expense of environmental quality

#7. One of the main downsides is **environmental**

Transport is one of the main sources of black carbon in South Asia, with serious impacts on health and glaciers.

Source: The Web of Economic Corridors in South Asia

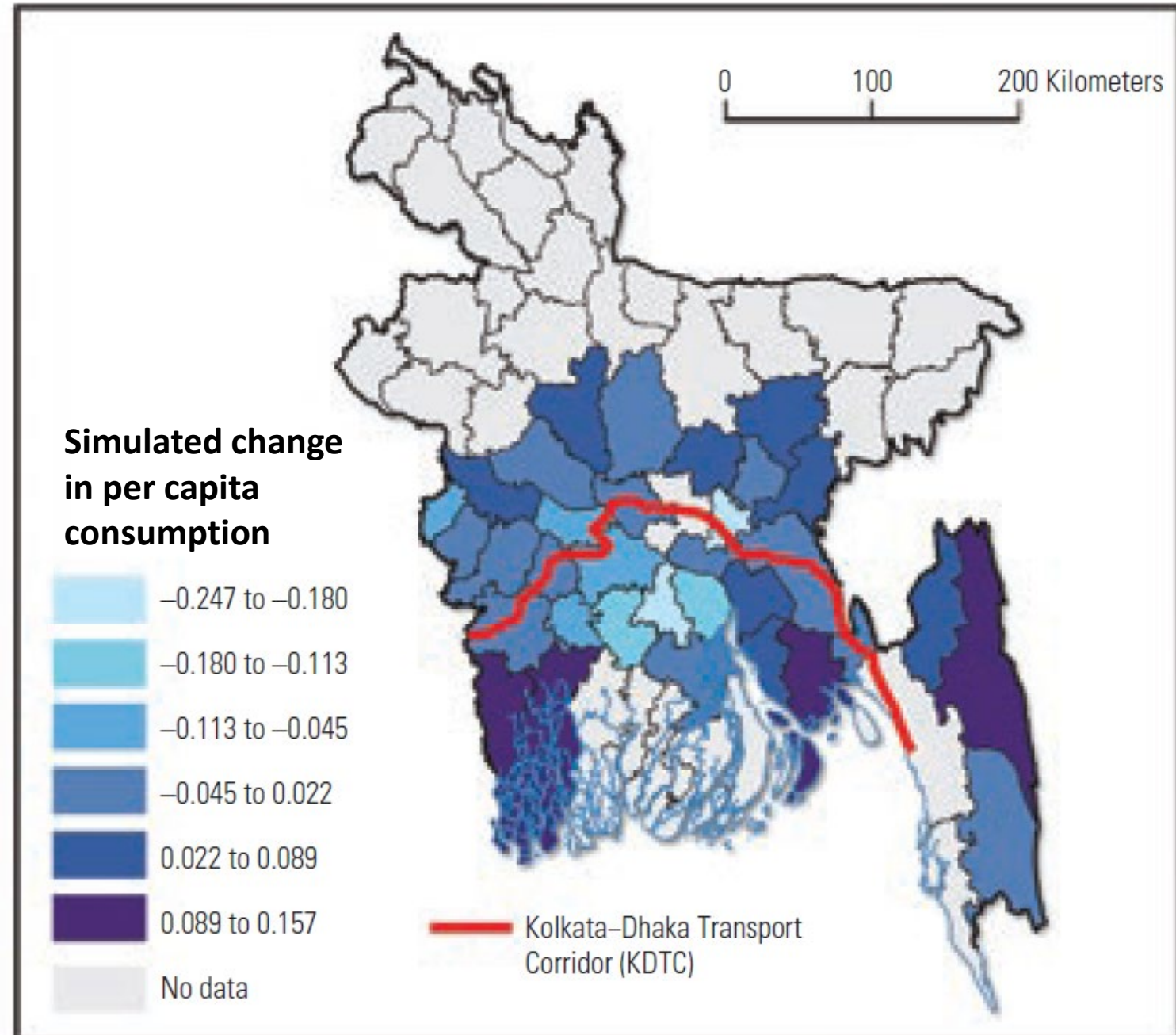


b. Kolkata-Dhaka Transport Corridor (KDTC) (Bangladesh segment)

#8. The spatial **distribution** of benefits is necessarily uneven

Agglomeration effects and job creation are local, making corridor investments a source of spatial inequality.

Source: The Web of Economic Corridors in South Asia

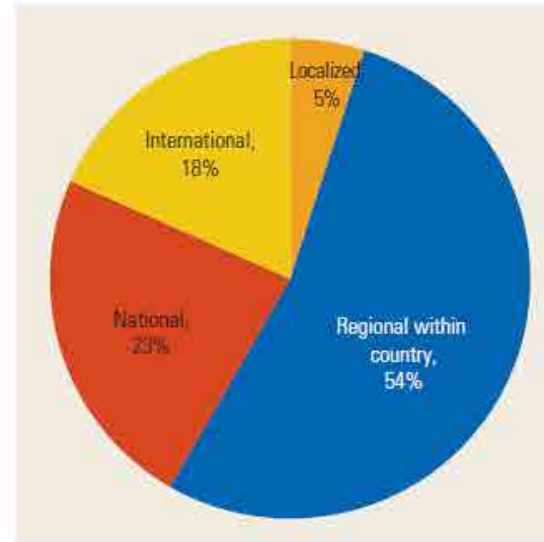


#9. The standard approach to transport corridors suffers from important **limitations**

A meta-analysis of transport corridor investments supported by multilateral organizations (including the World Bank) reveals shortcomings.

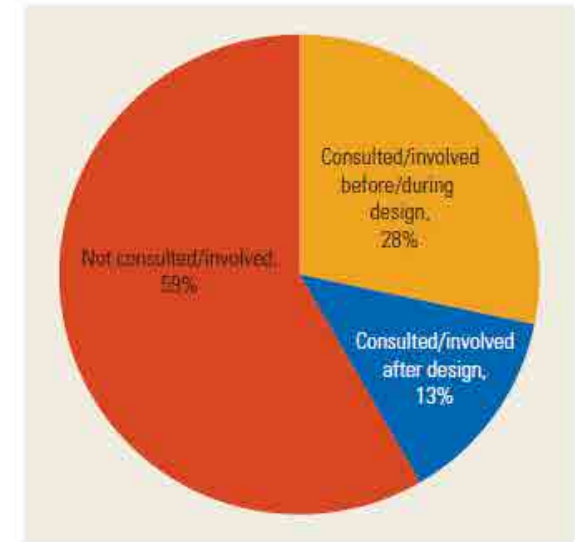
Source: The Web of Economic Corridors in South Asia

FIGURE 3.5 Only a small share of the projects in the sample are international



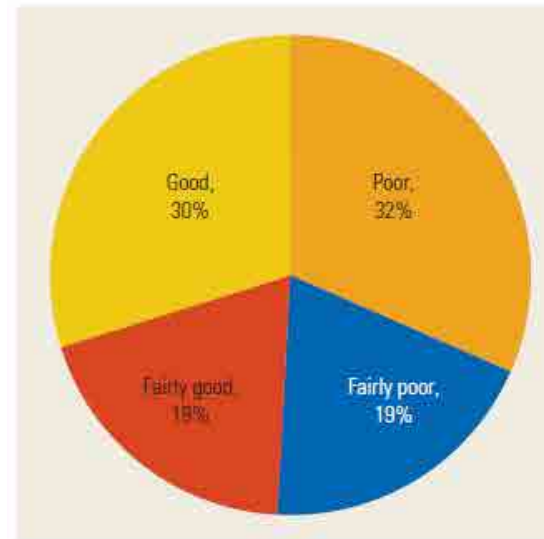
Source: Corridor Study Team.

FIGURE 3.7 The private sector is often not involved in designing projects



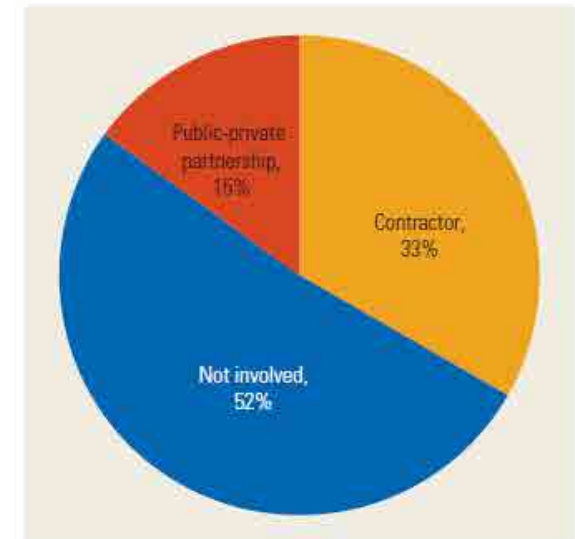
Source: Corridor Study Team.

FIGURE 3.6 Most projects in the sample do not have a good theory of change



Source: Corridor Study Team.

FIGURE 3.8 The private sector is often not involved in the operation or management of transport infrastructure



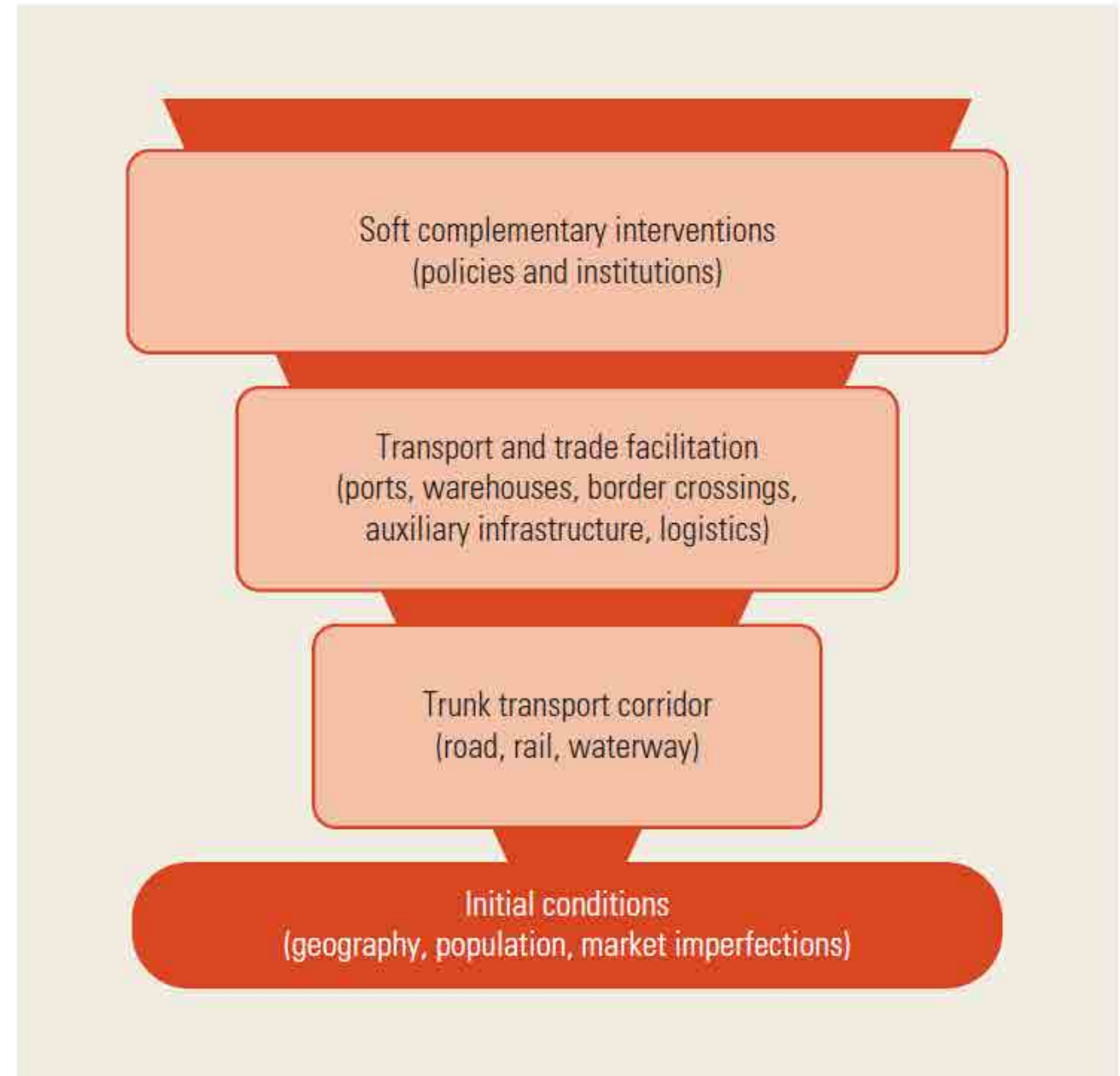
Source: Corridor Study Team.

FIGURE 0.2 The corridor program can include trade facilitation measures, as well as soft complementary policies

#10. Creating a successful corridor requires **more** than transport infrastructure

A comprehensive approach to the development of economic corridors is needed, with emphasis on trade-offs and inequalities.

Source: The Web of Economic Corridors in South Asia



Full report available at:
<https://openknowledge.worldbank.org/handle/10986/28882>



WorldBankSouthAsia



WorldBankSasia



worldbank.org/sar

