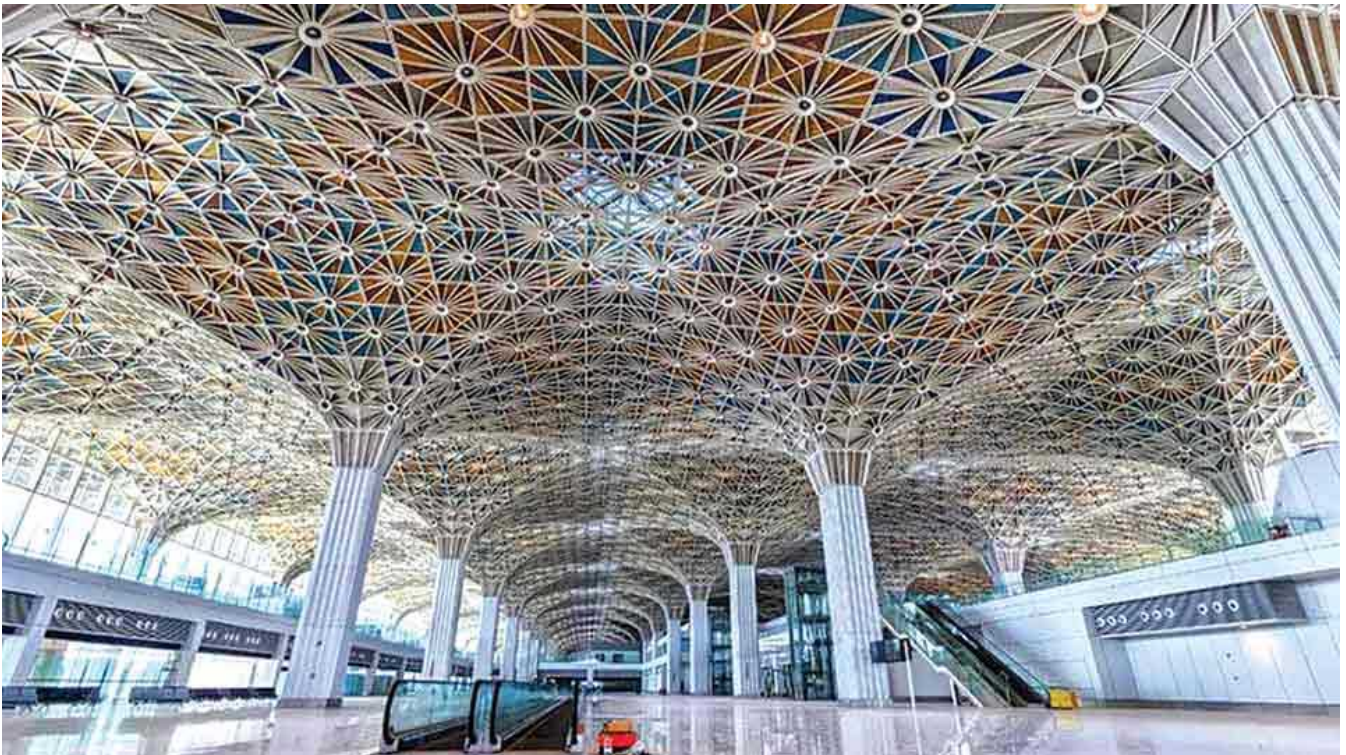


Launch of Dhaka Airport's third terminal in limbo as talks collapse

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Dhaka: Efforts to finalize the long-awaited launch of the third terminal at Hazrat Shahjalal International Airport in the capital have hit a major roadblock, leaving the project's operational commencement date uncertain, raising concerns about mounting costs and lost revenue.

Negotiations between the Civil Aviation Authority of Bangladesh (CAAB) and the Japanese consortium originally selected to operate the terminal have collapsed after recent talks failed to bridge deep differences over revenue sharing and the business model to run the facility. Multiple rounds of negotiation culminated in a two-day session in late November that ended without agreement, according to sources close to the discussions.

The crux of the dispute lies in how income from key revenue streams — notably passenger fees and commercial profits — would be shared

between CAAB and the consortium. Representatives for the Japanese group have reportedly said CAAB's proposal, which resembles an India-style income-expenditure model, is incompatible with the consortium's vision for an "international-standard" operation. CAAB, meanwhile, has resisted sharing revenue from some major income sources, a sticking point that the consortium says undermines the financial viability of its bid.

Originally scheduled to be fully operational by December 2024, the third terminal has already faced multiple delays. Construction is virtually complete, but without a signed agreement with an operator — a prerequisite for launching services — the facility remains largely idle. Earlier revised targets for opening by the end of 2025 have also slipped amid the prolonged deadlock.

With the impasse unresolved, government officials are now considering reopening an international tender to find a new operator capable of managing and maintaining the terminal under terms acceptable to both sides. CAAB has reportedly informed the Civil Aviation Ministry and the Public-Private Partnership (PPP) Authority of the situation as options are weighed.

Industry analysts warn that further delay will increase financial risks. A substantial portion of the equipment installed at the terminal is nearing or past warranty expiry, potentially escalating maintenance costs. At the same time, Bangladesh faces mounting obligations to begin repaying the BDT 15,000 crore loan secured from the Japan International Cooperation Agency (JICA) for building the facility — even as it generates no revenue from commercial operations.

Aviation sector observers say the terminal — designed to triple annual passenger capacity and expand cargo handling — is strategically vital for Bangladesh's aviation growth. However, without swift resolution of the operational dispute, its benefits could be further postponed, undermining both economic returns and broader connectivity goals.

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