

## Multibillion dollar export cargo at risk

- A Monitor Desk Report

Date: 16 September, 2021



Dhaka : The multibillion-dollar export cargo industry of the country is now at risk due to congestion chaos at Hazrat Shahjalal International Airport in the capital. Hundreds of trucks are queuing outside the airport's cargo village every day only to enter. The cargo congestion inside the village has become so chaotic that the queue of trucks starts from as far as Mymensingh. Hence, these cargo transporters are missing the freighter flights as they cannot reach on time, resulting in losses of billions for the nation.

The congestion chaos has even led to syndicates, ill-intended parties taking advantage of the situation. Bribery of USD 100-150 are being witnessed between trucks and the village at its gate to enter quickly while those falling behind are missing the flights.

Now the current cargo congestion at Dhaka Airport is due to a storm of construction works at the airport, high export demand, failing scanners and irregularities by all concerned - the airport, freight forwarders and exporters. As a result, some 200 vehicles are waiting outside the airport in the capital every day.

Kabir Ahmed, President of Bangladesh Freight Forwarders Association (BAFFA), said due to the absence of scheduled flights, exporters were almost fully dependent on freighter services, which are not operating regularly to the country. "This has caused a congestion of cargo at the airport," he said.

The peak season for Bangladeshi exporters, combined with congestion at seaports,

had resulted in increased demand for air cargo. And the malfunction of the explosive detection system (EDS) was only complemented by construction-led delays further, he added.

BAFFA Vice President Syed Md Bakhtiar said, while there are demand for 800 tonnes of airfreight capacity each day, the scanner malfunction and fewer flights meant only about half that can be shipped, which, he said, was "creating severe congestion in the cargo village, as well as at the nearest highway".

However, Group Captain AHM Touhid-ul Ahsan, Executive Director of HSIA while speaking to The Bangladesh Monitor mentioned cargo operations currently have increased 1.5 times than pre-pandemic levels.

Daily, the airport is witnessing 25 freighter flights compared to 15 in pre-pandemic times. Currently, 115 freighter flights exports 4722 tons of cargo in a week, totaling 147 flights carrying 5607 tons of cargo including import too.

Meaning, the number of flights is not the issue, as there are many other anomalies taking place for which exporters, forwarders and airlines are responsible and need to cooperate with the airport to resolve, claimed the Airport Executive Director.

"Cargo export has become a national problem at the moment. It is not fair to receive all the blame only on HSIA because we are the service provider and facilitator," sighed Ahsan.

"We want cargo to expedite flawlessly. There are several agencies involved here: CAAB, Biman, HSIA, Freight forwarders, and exporters. We all must cooperate and be transparent in order to solve the issues together and let cargo flourish further," he said.

Earlier, Biman was the custodian of the cargo village. HSIA only looked after security and facility issues while Biman and freight forwarders together ran the export cargo. But since the congestion at the cargo village of the airport grew and complaints were being made, the airport authority has started working on the cargo village and seen several irregularities taking place.

#### Exporters using airport as warehouse

According to the SOP, an export truck cannot bring cargo to the village before 30 hours of the flight. Yet, many bring in cargo even 2-3 days before the flight while there are some, who even without booking come and store the cargo at the village as if it's a warehouse, claimed Ahsan.

Also, at the entry, beside the gate, there is a shade built for cargo maneuvering purposes. Sadly, the shade is filled with cargo leaving no space for maneuver.

Many exporters do not have their own warehouse, claimed the Executive Director, adding, that is why they use the cargo village as one.

But this is not legal, so bribery could take place between freight forwarders and exporters, said the director.

Also, exporters often bring in more cargo and more trucks than they specified, leaving the additional at the cargo village for storage resulting in further congestion.

On top of it, when an exporter, for instance, is to bring a consignment of 20 trucks, they do not come at the same time, rather they come to the village at five different times. Often not all trucks even come, surprisingly. Because their purpose is not to catch the flights but to store the cargo at the village.

To resolve this issue, the airport authority has spoken with Biman, freight forwarders and exporters to clear the cargo as soon as possible. They are gradually booking flights and clearing the cargo away but to no avail. As soon as the cargo piled up goes away, another shipment comes in. So, the village always remains full. Hence, the airport authority has urged other concerned parties to stop storing

cargo at the village, assured the airport chief.

#### Anomalies at the gate

While the airport authority was looking into the issues, they observed that the problem starts from the cargo village gate. Usually, freight forwarders initially book flights and issues gate passes. After Biman endorses the gate passes, export trucks by showing the gate passes enter the village. However, several irregularities are taking place at the gateway, said the airport Executive Director.

Once a gate pass has been issued, the exporters later fabricate it and make a fake one, using it to enter at their convenience to serve their own self-interest, no matter when the flight is. They randomly put a flight number on the gate pass. After entering the village, the exporters say the flight has been cancelled. So, they have to keep the cargo at the village. This is leading to congestion, claimed Ahsan.

#### Measures at the gate

After thorough inspection, the airport authority came to a conclusion that by controlling the gate, they can systemise the cargo flow. Hence, the airport authority started with the gate and worked up to other issues.

For starters, the airport authority has asked Biman to issue gate passes only after confirming the flight and they have provided the gates with aviation security's expert manpower.

To prevent usage of fake gate passes, the authority is now checking gate passes properly. The cars initially come to the parking area and after confirming the gate passes, the cars leave for the village.

Additionally, the airport no longer allows any amended gate passes so that no fabrication of the passes can occur. If an exporter misses any flight, they must reissue the gate pass but cannot amend the existing one.

Also, recently the airport began allowing in only the cargo trucks which have flights in 30 hours. They are also queueing the trucks according to flight departure time. Moreover, no double lane is allowed, only a single line.

The director said they have given tabs to their men working at the gate. On their tabs, the airport staff are using the tracking number to check flight time. After confirming the flight, they are allowing trucks to enter in queues.

After streamlining the cargo operations at Dhaka airport, initially, we saw huge queues of hundreds of trucks going up to Mymensingh highway from the cargo village gate, agreed the Director, saying over time the queues have become shorter.

Furthermore, the Director mentioned, they are bringing in more manpower to check the cargo of the trucks. If additional cargo is brought and stored at the village by the exporters, the airport authority tries to penalise them to discourage it.

However, the airport cannot be too harsh with the measures as it will only put the billion-dollar worth export cargo industry at risk. "So, we must cooperate with each other to resolve the issues over time," urged Ahsan.