GREEN DELTA CAPITAL

Mega Projects of Bangladesh

From Vision to Reality: A Journey Towards Robust Economy

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Overview

Bangladesh is regarded as a frontier market and is included as the 2nd fastest-growing major economy in the world on the IMF's list of the next eleven emerging market economies. Bangladesh's economy is currently ranked 34th in the world, but by 2036, it should rise to 24th, and by 2040, it should be the 9th largest consumer nation worldwide. Barring any major setbacks, Bangladesh's GDP is expected to increase from its current USD 460 billion to USD 1 trillion by 2040. By highlighting the advantages of investing in its mega projects, including as logistical support and a business-friendly environment, the nation seeks to draw in global investment.

Bangladesh is focusing on mega projects to transition from LDC to sustainable development. Prime Minister of Bangladesh has recently inaugurated the Padma Bridge Rail Link, a significant infrastructural project expected to benefit 80 million people and boost economic growth by 1.5%. The government has initiated numerous construction projects since 2009, including the Padma Bridge Rail Link, elevated expressway, Metro Rail and Rooppur Nuclear Power Plant. These mega projects aim to modernize physical infrastructure and create an ideal business climate, making the country profitable in terms of economic margin and safe investment.

The goal of the ongoing mega projects is to upgrade the nation's physical infrastructure and establish an excellent business climate, making it incredibly profitable in terms of economic margin and safe investment. It is estimated that the world economies will need to spend roughly USD 57 trillion on infrastructure by 2030, even under the framework of the Sustainable Development Goals, in order to achieve the expected levels of GDP growth on a worldwide scale. About two thirds of it will be needed in Bangladesh and other developing nations.

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"Well-planned infrastructure projects can lead to a virtuous cycle of economic development. They stimulate demand, create jobs, and generate positive externalities."

John Maynard Keynes

Defining Mega Projects

- According to the Oxford Handbook of Megaproject Management, "Megaprojects are large-scale, complex ventures that typically cost **USD 1 billion or more**, take many years to develop and build, involve multiple public and private stakeholders, are transformational, and impact millions of people".

- A megaproject is a temporary undertaking involving **substantial investment, complex organization, and lasting economic, environmental, and societal impacts**. It often spans multiple entities and countries, with a focus on substantial output and innovation across construction and decommissioning projects.

- However, USD 1 billion is not a constraint in defining megaprojects; in some contexts, a relative approach is needed, such as in developing countries, where a much smaller project (such as one with a **USD 100 million budget**) could constitute a megaproject.

- According to US OFCCP, Projects eligible for designation as Megaprojects are valued at **USD 35 million or more** in funding, some part of which must be federal funding, and are expected to last for **at least one year**.

- Megaprojects are run on budgets ranging **between 0.01% and 0.02%** of a country's gross domestic product (GDP). Therefore, the cost of 0.01% of GDP is considered to be a rational criterion that a country can apply as a threshold.

Airports

International Airports

Hazrat Shahjalal International Airport Terminal 3

Dhaka

78.5% completed

USD **2.5** Billion

Soft opening- 7th October, 2023
Fully Operation Starts - 2024

Cox's Bazar Airport Expansion Project

Cox's Bazar, Chittagong

80% completed

USD **300** Million

Fully Operation Starts - 2024

Osmani International Airport Expansion Project

Sylhet

10% completed

USD **255** Million

Approx 2025

Bridges

Roads, Rails

Padma Bridge

Louhajong, Munshiganj
Shariatpur, Madaripur

Completed

USD **3.6** Billion

26 June, 2022

Padma Rail Link

Dhaka, Mawa,
Bhanga, Jessore

72.5% completed

USD **4.63** Billion

Soft Opening - 10th October, 2023
Fully Operational- June, 2024

Bangabandhu Railway Bridge

Sirajganj,
Jamuna River

52% completed

USD **1.6** Billion

August, 2024

Rupsha Rail Bridge

Khulna, Rupsha River

Completed

USD **500** million

25th June, 2023

Buildings

Purbachal Central Business District

Purbachal

Under construction

USD **17** billion

By 2029

Jolshiri Central Business District

Jolshiri Abashon, Rupganj, Narayanganj

Under construction

By 2030

USD **2** Billion

Stadium

Largest stadium in Bangladesh, **most expensive** cricket stadium in Asia, and **3rd largest** cricket stadium in the world upon completion

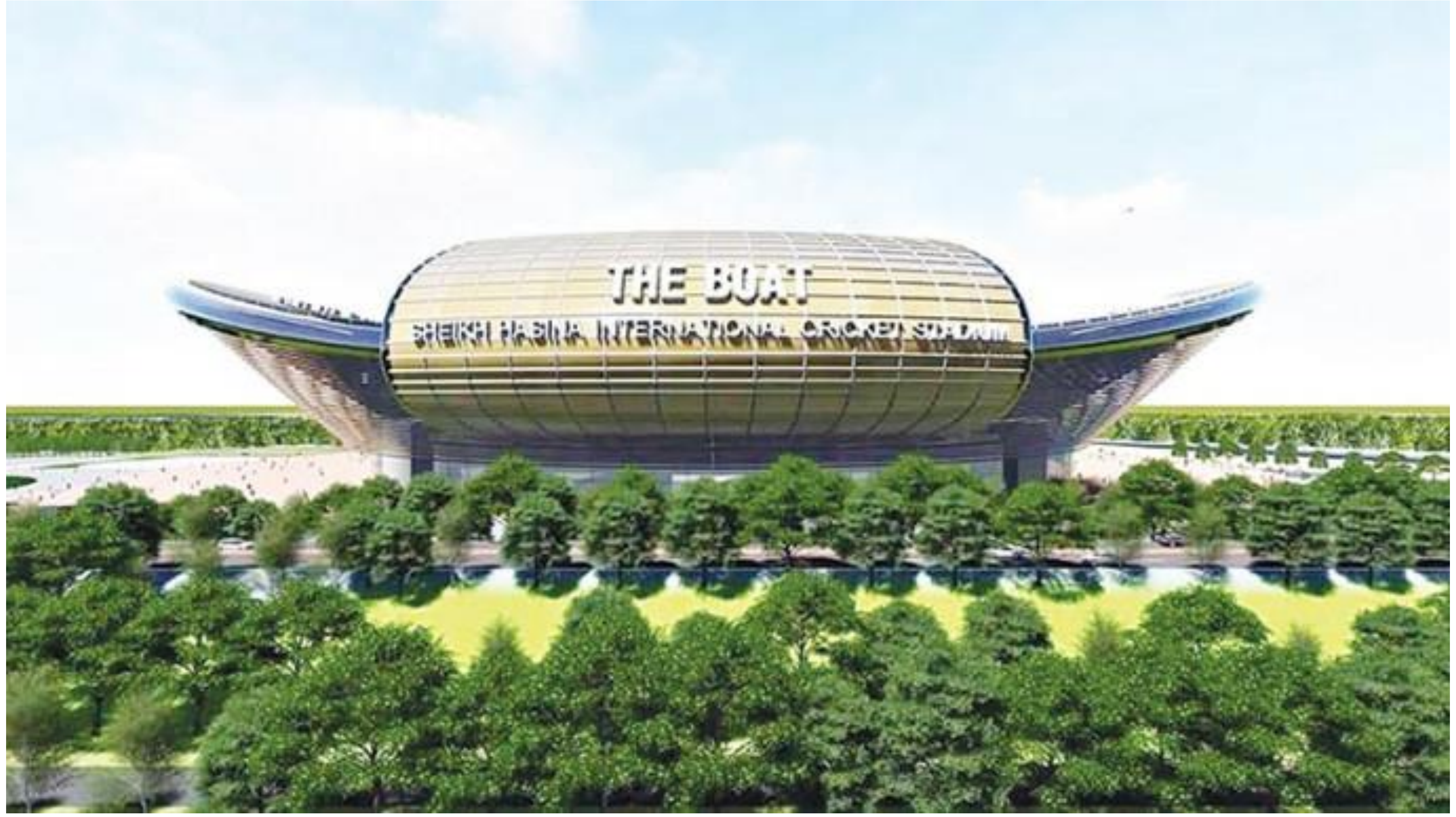
The Boat

Purbachal

Under construction

USD **140** million

By 2026



Roads

Tunnel, Expressway, Rapid Transit

Karnaphuli Tunnel

Chittagong, Karnaphuli River

Completed

USD **1.2** billion

Open for traffic: 28th October, 2023

Dhaka Elevated Expressway

Dhaka

65% completed

USD **1.63** billion

Initial Launch- 02 September, 2023
Est. Completion - June, 2024

Chittagong Elevated Expressway

Chittagong

60% completed

USD **4** Billion

Est completion- June, 2024

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Roads (Contd.)

Tunnel, Expressway, Rapid Transit

Purbachal Expressway

Dhaka - Rupganj

Completed

USD **1.0** billion

Open for traffic already, Official Inauguration October, 2023

SASEC Dhaka-Sylhet Corridor

Sylhet

6.4% completed

USD **1.7** Billion

31st December, 2026

SASEC Road Connectivity: Hatikumrul-Rangpur-Highway

Rangpur

50% completed

USD **1.7** Billion

31st December, 2024

Railway

Rail, Metro

Chittagong-Cox's Bazar Railway Link

Chittagong, Cox's Bazar

80% Completed

USD **2.13** billion

12th November, 2023

Dhaka MRT Line-1

Airport-Notunbazar-Komlapur-Purbachol-Nodda-Notunabazar

6.7% Completed

USD **5.2** Billion (est.)

December, 2026

Dhaka MRT Line-5

Gabtoli-Panthapath-Aftabnagar- Dasherkandi (S)
Hemayetpur- Gabtoli-Vatara (N)

14.1% Completed

USD **4.9** Billion (est.)

By 2030

Railway (Contd.)

Rail, Metro

Dhaka MRT Line-6

Dhaka

1st Phase- Completed
2nd Phase- **92%** completed
3rd Phase- **5.5%** completed

USD **2.8** billion

1st phase, 29th December, 2022
2nd phase, 29th October, 2023
3rd Phase, by 2026

Akhaura -Sylhet Railway

Sylhet

Under Construction

Approx **2.16** Billion

30 June, 2025

Sea Port

Matarbari Deep Sea Port

Maheshkhali, Cox's Bazar

18% Completed

USD **2.409** billion

Est completion- January, 2027

Payra Sea Port

Payra, Barisal

Completed

USD **0.58** billion

October, 2023

Energy

Rooppur Nuclear Power Plant

Ishwardi, Pabna

77% completed

USD **12.65** billion

1st Unit- March, 2024
2nd Unit - July, 2025

Matarbari Power Plant

Cox's Bazar

95% completed

USD **5.2** Billion (est.)

January, 2024

Rampal Power Station

Bagerhat, Khulna

Completed

USD **1.6** Billion (est.)

1st Unit- 23rd December, 2022
2nd unit- October, 2023

Energy (Contd.)

Payra Thermal Power plant

Patuakhali, Payra | Completed | USD **2.48** billion | 21st March, 2022

Banshkhali Power Plant

Banshkhali, Chattogram | Completed | USD **2.6** Billion | September, 2023

Underground Power Distribution System

Dhaka, Narayanganj | Under Construction | USD **2.5** billion | December, 2024

Power Grid Network Strengthening

Dhaka-Chittagong | 71% completed | USD **1.4** Billion | 30th June, 2024




Defence

Bangladesh Navy Frigate Program

Chittagong Dry Dock Limited

1% Completed

Estimated by 2030

Approx. USD **2.0** - USD **2.5** billion

BNS Sheikh Hasina Submarine Base

Cox's Bazar, Chittagong

Completed

USD **1.21** billion

20th March, 2023

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Agriculture

Ghorashal-Polash Urea Fertilizer Project

Narsingdi

98% Completed

USD **1.6** Billion

Soft opening:
November, 2023

Barrage (Proposed)

Teesta River Management Project

Rangpur Division

Proposed

USD **1** Billion

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06 Mega Projects to be Inaugurated Before 12th National Election

Karnaphuli Tunnel
(28th Oct, 2023)

Purbachal Expressway
(Oct, 2023)

Cox's Bazar Rail Link Project
(12th Nov, 2023)

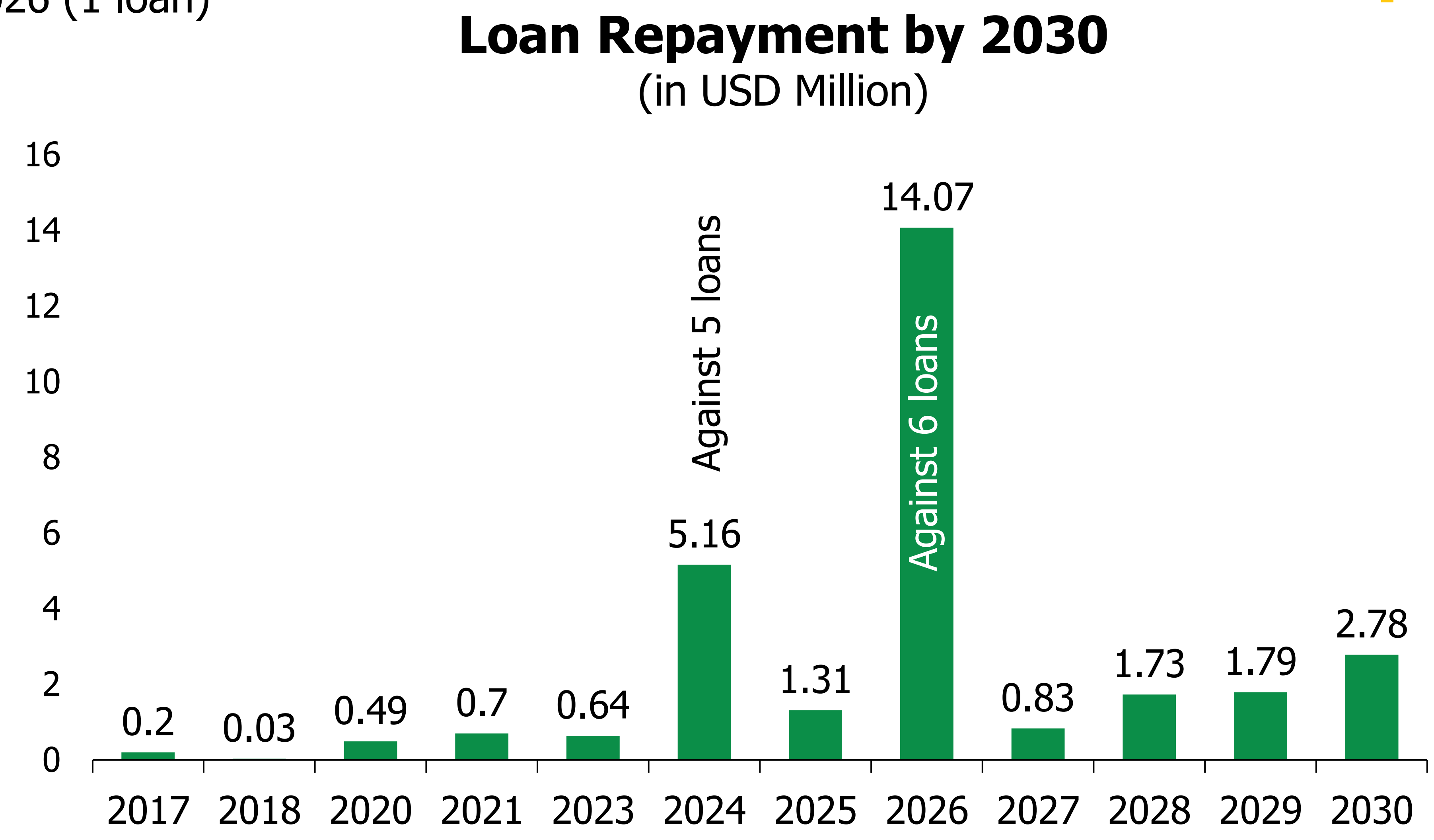
Metrorail
(2nd Phase – 29th Oct, 2023)

Rampal Power Station
(2nd Unit – Oct, 2023)

Ghorashal-Polash Urea Fertilizer Project
(Nov, 2023)

Loan Repayment

- There are a total of 40 loan packages and 5 grants for the 20 mega projects amounting to USD 32.26 billion
- 37 loan packages to kick-off repayment by 2030, amounting to USD 28.43 billion
- 7 loan packages out of 37 are semi and non-concessional owed to the Exim Bank of China and Russia, amounting to USD 17.78 billion
- The Russian loans are due for repayment in 2020 (1 loan) and 2026 (1 loan)
- The Chinese loans are due for repayment in 2021 (1 loan), 2024 (2 loans), 2025 (1 loan) and 2026 (1 loan)



World's 10 Mega Projects

Riyadh Metro Project

Location: Riyad, Saudi Arabia
Type: Metro Rail
Inauguration: December, 2023
Project Cost: USD 22.5 Billion

Tren Maya

Location: Mexico
Type: Railway
Inauguration: 1st December, 2023
Project Cost: USD 15 Biliion (est.)

Tun Razak Exchange

Location: Kualalampur, Malaysia
Type: Central Business District
Inauguration: 29th November, 2023
Project Cost: USD 10 Billion

Delhi-Mumbai Expressway

Location: India
Type: Expressway
Inauguration: 2nd Phase-2nd October, 2023
Full by February 2024
Project Cost: USD 13.1 Billion

Toranomon-Azabudai District

Location: Tokyo, Japan
Type: Complex of 03 skyscrapers
Inauguration: 24th November, 2023
Project Cost: USD 4.4 Billion

World's 10 Mega Projects

(Contd.)

Iconic Tower

Location: Egypt
Type: Skyscrapers
Inauguration: 2024
Project Cost: USD 3.8 Billion

World's 10 Mega Projects
(Contd.)

MSG Sphere
Location: Paradise, Las Vegas, Nevada, United States
Type: Music and entertainment arena
Inauguration: 29th September,2023
Project Cost: USD 2.3 Billion

Mumbai Trans Harbour Link
Location: Mumbai, India
Type: Sea bridge with Expressway
Inauguration: December, 2023
Project Cost: USD 2.2 Billion

Sea World Abu Dhabi
Location: Abu Dhabi, UAE
Type: Marine life theme park
Inauguration: 23rd May, 2023
Project Cost: USD 1.2 Billion

Four Frankfurt
Location: Frankfurt, Germany
Type: Complex of 04 skyscrapers
Inauguration: 2025
Project Cost: USD 1.065 Billion

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