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BRI experience of Bangladesh - present scenario and future aspects

Rummana, Ruba

School of Business and Entrepreneurship, Independent University, Bangladesh (IUB)

BRI Experience of Bangladesh - Present Scenario and Future Aspects

Ruba Rummana[1]*, Sadman Islam Ananto[2], Zonayer Ahammed[3], Mohammad Shoron Hossain[4], Mst. Jannatun Ferdous Tima[5]
[1]Associate Professor, Department of Economics, Southeast University
[2,3,4,5] Department of Economics, Southeast University, Bangladesh
**Corresponding author: ruba.rummana@seu.edu.bd*

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Abstract- **This paper examines the experience of Bangladesh under China's Belt and Road Initiative (BRI) by highlighting the current situation and future prospects. Over the past decade, various landmark projects like Padma Bridge Rail Link, Karnaphuli Tunnel, and Matarbari Deep Sea Port have strengthened the trade links, connectivity, and industrial growth. Bangladesh's GDP is expected to be increased by 2.1% because of BRI investments. It will create new jobs, along with technology transfer and manufacturing expansion. Though challenges like, rising external debt which is approximately about USD 4 billion to China, dependency of fossil-fuel projects, and the need to balance diplomatic ties with India and other global partners remain there. This study suggests that Bangladesh can benefit most from BRI by ensuring greater project transparency, shifting towards green and renewable energy investments, and carefully diversifying its foreign economic partnerships. Overall, BRI journey of Bangladesh has drawn a strong economic potential. But the long term success of this journey can be achieved by establishing sustainable policies and balanced foreign engagements.**

Keywords: **Belt and Road Initiative, Bangladesh, Infrastructure development, Debt sustainability, Green investment, Technology transfer, Geopolitics.**

I. INTRODUCTION

The Belt and Road Initiative (BRI), which was introduced by China in 2013, is one of the largest development and connectivity programs of the world. It connects Asia, Africa, and Europe through roads, railways, ports, and digital routes. The main target is to promote trade, investment, and cooperation among more than seventy countries [1, 2]. In South Asia, BRI has brought new opportunities for economic growth, especially in countries with limited infrastructure. Researches explain that regional trade and logistics can be improved by the help of the projects under the BRI and also these projects can draw the attention of new investment [3]; [4]. But, fragile project governance, low transparency, and the risk of debt burden for developing nations are the critical problems [5]; [6].

BRI has become a significant part for the national development strategy of Bangladesh. To develop the connectivity and regional trade, major projects such as Padma Bridge Rail Link, Karnaphuli Tunnel, and Matarbari Deep Sea Port are playing the vital role [7, 8], 2} percent GDP growth and new employment opportunities can be observed because of these projects [9].

But challenges are still there. To keep a balance between growth and sustainability has become a tough task because Bangladesh's external debt to China has increased. Also, issues about project transparency, environmental costs, and the importance of managing the relations with India are frequently discussed in recent studies [10, 11]. So, the BRI is both an opportunity and at the same time risk for Bangladesh. This initiative can improve trade and industry, but transparency, diversification, green investment, and effective governance are the significant factors on which the long-term success of BRI is dependent [3,[7].

II. LITERATURE REVIEW

Studies on BRI show that it is not only an infrastructure initiative but also a geopolitical strategy. [12,13] explain the program as China's attempt to reshape global trade networks. Researchers argue that BRI reduces transport costs, increases market incorporation, and also creates new energy corridors [6, 2]. Critical studies highlight the risks of overdependence on Chinese finance and possible "debt-trap diplomacy" [5,2,4]. Weak project governance and low transparency have often led to delays and cost overruns. Research also shows that environmental and social issues are frequently overlooked during the planning stage [11].

For Bangladesh, existing studies provide mixed outcomes. On the positive side, [3] argue that BRI projects help close major infrastructure gaps, particularly in energy and transport. [7] explain that technology transfer and new industrial opportunities can raise Bangladesh's global effectiveness. [8] explains that the deep-sea port project in Matarbari may turn Bangladesh into a regional trade hub.

There are some concerns too. [10] shows that Bangladesh's foreign policy is under pressure due to struggle between China and India. [9] argues that while GDP growth is likely to rise, social inequality could widen if benefits are not distributed fairly. [11] warn that the reliance on fossil-fuel projects may damage Bangladesh's climate assurances.

The literature suggests that BRI has strong potential to promote trade, industry, and technology in Bangladesh; however, challenges related to governance, debt, and geopolitics may hinder overall growth.

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III. METHODOLOGY

This study uses a qualitative approach. The goal is to analyze the opportunities, risks, and long-term consequences of BRI for Bangladesh. Data were collected from peer-reviewed articles, policy reports, and government documents published between 2013 and 2025.

The research follows a narrative synthesis approach. All sources were reviewed and classified into key themes such as infrastructure benefits, economic growth, debt sustainability, political influence, and environmental challenges.

The use of existing literature as the main methodology is justified because BRI-related data are already widely studied, and academic publications provide reliable insights. Secondary data analysis avoids the limitations of small-scale fieldwork and allows an all-inclusive review of Bangladesh's position within a global framework.

Limitations include the absence of primary interviews and the reliance on published material, which may not capture the most recent unpublished developments. Despite this, the chosen method is suitable for providing an academically rigorous and policy-relevant analysis.

IV. FINDINGS

A. Long-Term Benefits

BRI projects have the potential to boost Bangladesh's GDP by around 2 percent, primarily through infrastructure, industrialization, and logistics effectiveness (Yasmin, 2023) [9]. The Padma Bridge Rail Link and Karnaphuli Tunnel can improve national connectivity, while Matarbari Deep Sea Port can transform Bangladesh into a regional trade hub (Akter et al., 2023) [7]; (Ehsan, 2021) [8]. These developments create jobs and support industrial clusters.

B. Challenges and Risks

Bangladesh's external debt to China, currently about USD 4 billion, raises concerns about long-term sustainability (Rahman, 2025) [5]. Transparency problems and cost overruns during the time of project application are also reported (Sultana et al., 2024) [11]. Environmental risks, especially linked to fossil-fuel projects, conflict with Bangladesh's green development goals (Lu et al., 2018) [6].

C. Political Influence

Governance and political decisions strongly shape BRI outcomes. Uddin (2025) [10] notes that ruling-party strategies and regional diplomacy play significant roles in project approval and execution. India's resistance to BRI creates additional political challenges (Mallick, 2024) [4].

D. Economic and Social Impact

While economic indicators suggest improvements in trade and foreign investment, social concerns include unequal benefit distribution and dislocation of local communities (Sultana et al., 2024) [11]. Though technology transfer and industrial expansion, can provide long-term human capital benefits (Simonov, 2025) [1].

E. Regional Integration

The BRI strengthens Bangladesh's role in regional trade networks with the help of linking South Asia with China and Southeast Asia (Hosain et al., 2024) [3]. Improved connectivity may reduce logistics costs and strengthen Bangladesh's effectiveness in global supply chains.

V. RECOMMENDATIONS

- Transparency and Accountability: Establishing clear reporting systems, independent audits, and public disclosure of project details to reduce corruption and cost overruns.
- Debt Management Strategy: Focusing on concessional loans, strengthening debt sustainability frameworks, and diversifying financing sources to avoid overdependence on China.
- Green Development Transition: Prioritizing renewable energy projects within BRI assistance, and gradually phasing out fossil-fuel-based projects.
- Institutional Strengthening: Enhancing governance effectiveness, improving coordination among ministries, and ensuring better project assessment before approval.
- Community Engagement: Involve local stakeholders in decision-making, guarantee fair benefits, and minimize the dislocation of communities.
- Balanced Diplomacy: Maintain cooperation with China while strengthening relations with India, Japan, and the European Union.
- Capacity Building and Technology Transfer: Ensuring that Chinese investments are allied with local training, skill development, and technology advancement.
- Regional Cooperation: Using BRI platforms to increase South Asian connectivity, logistics, and trade partnerships to get the most out of this project.

VI. CONCLUSION

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In the field of infrastructure, trade, and industrialization, the BRI has created new opportunities for Bangladesh. Projects such as Padma Bridge Rail Link, Karnaphuli Tunnel, and Matarbari Deep Sea Port have expressed the economic benefits and potential of BRI initiative. But, debt risks, governance flaws, environmental issues, and geopolitical pressure are the critical issues which can hamper the initiative. The experience of Bangladesh explains that transparent governance, responsible financing, community inclusion, and balanced foreign policy can bring sustainable profits from the BRI initiative. By following these strategies, Bangladesh can ensure that BRI contributes not only to growth but also to long-term national development and regional solidity.

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