# Proposal for the Policy of Logistics Improvements from Dhaka to Chittagong in Bangladesh

Hokkaido University Graduate Student O Chowdhury A. R. M. M.

Hokkaido University Research Associate

Kunihiro Kishi

Hokkaido University

Professor

Keiichi Satoh

### 1. Introduction

Logistics must work closely with production and operations in a number of capacities. This process manages the flow of materials or work in process within the organization. It should be involved with research and development, product engineering, packaging engineering, and related functions in the new product development process. In a modern society, we have come to expect excellent logistics services, and tend to notice logistics only when there is a problem. An understanding of the combined effect of logistics is essential of the best plan to meet specific transportation objectives.

The issue of logistics, therefore, is probably the single most important element in physical distribution planning and policymaking. It affects the manufacturers company to general people and fulfilling the customer demand. The issue is equally important in transport like as container train services and highway truck services in the two big major cities (Dhaka And Chittagong) in Bangladesh. In this study, we have taken a field survey by the Extended Contributive Rule (ECR) method and some literature study of Bangladesh. The purpose of this study is to building a unique service of goods transportation by the container train and highway truck services. The present investigation was identified the problems of physical distribution from Dhaka to Chittagong and to introduce the better logistics policy in Bangladesh.

## 2. Problems of Logistics in Dhaka-Chittagong

There are serious problems regarding the Dhaka-Chittagong container train and highway services. We interviewed experts at the Japan International Cooperation Agency (JICA), in the Japanese government, and various groups of Bangladeshis who are closely involved in distribution / transport-oriented organizations. Based on these consultations, we compiled a list of the 10 major problems that these two cities face. These problems are Fares, Numbers, Diagram, Skilled Workers,

Information Systems/ Terminals, Container Services/Traffic Safety, Transporting Time, Environment, Responsible Workers and Warehouses.

These 10 problems need to be improved to upgrade the container train and highway services in the Dhaka-Chittagong areas. We evaluated container train and highway services on the Dhaka-Chittagong route by the ECR method that is shown in Figure 1. ECR can easily determine their importance. Therefore, it can take into the importance for future policy making for logistics improvement.

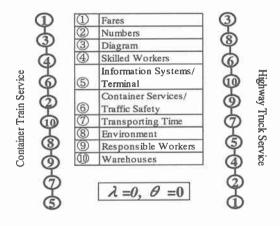


Fig. 1. Container Train and Highway Services Evaluation

#### 3. Need for a Vision in Logistics

It is vital for any country or any region to have a vision for transport development. A vision sets the direction for development and guides the formulation of policy measures and strategies to attain certain objectives or specific problem solutions. Unfortunately, no such vision for the Dhaka to Chittagong physical distribution transport development in Bangladesh.

A vision is therefore, needed for a long term balanced and integrated system development, which can analyzed present problems or deficiencies and at the same time meets the future requirements. With the above, the vision for logistics development in Dhaka to Chittagong could be as follows:

#### 3.1 Container Train Systems

We considered three visions for the development of Dhaka to Chittagong container train services by the ECR analyses.

- (A) The appropriate pricing would be framed in this region freight container train, which is important. Only a few of tariff principles were applied in practice. It is found that the fixed fare and rate is far below the cost providing services.
- (B) The diagram or configuration the route of train services is important for setting many things. If we can shorten the route then we can reduce the fares as well as the transport time, consequently the container train service can satisfy demand.
- (C) For shipment skilled persons are important factor for operating logistics. To improve the quality of involved people in physical distribution crash programs are necessary for training of them.

These three visions are highly important in the Dhaka-Chittagong container train by the ECR evaluation.

### 3.2 Highway Trucking Systems

The following three visions were also considered for the development of highway services from Dhaka to Chittagong.

- (A) The highway route configuration is important for setting physical distribution. Construction of dedicated infrastructure for highway is the backbone for network of Bangladesh.
- (B) The level of air pollution contributed by transport sectors in major cities. Some promising initiatives are necessary to reduce the environmental pollution.
- (C) Traffic safety is important for logistics operation, needs to deliver crash programs for training in related organization. Based on these above result we have briefly summarized some of the current problems of physical distribution.

# 4. Proposal for the Policy of Logistics

In light of this research the major interrelated deficiencies and imbalances were detected such as, uncoordinated transport development in the absence of well-articulated policy guidelines, and the application of wrong policies etc. In order to achieve the vision there would be a need to develop and adopt clearly spelled and supportive policies. According to this analysis results attempt has been made here to provide framework within the policies, which could be formulated by this research.

(A) Transport Administration- Effective co-ordination and

development of all transport related works be brought under one based "Ministry of Transport". Transport administrator authority ensures integrated development of the transport system, there should be high level of professional group.

- (B) Resource- Allocation of resources should be taken before the new infrastructure construction. In setting resource policies is being contemplated for the transport sector. Here it is necessary re-settled tax structures (e.g. vehicle tax, fuel tax, registration tax etc.) of public and private organization in transportation before through any big project.
- (C) Priority Basis- Lots of problems in Bangladesh transportation sector, proper authority should make special effort for priority basis of importance. Here requiring is necessary for the investigation of the problem analysis by using the sophisticated method and to know the public demand. Like ECR method can easily determine the relative importance by most important to least important preference.
- (D) Age of Project Objectives- Ensure sustainability and continuity the national project or developing object, government or authority should workout a short-term and a long-term plan to development transportation sectors. Long-term plan of a future physical distribution system supports the concept of sustainable development and a strategy to implement the necessary changes in logistics operation.

To end, we briefly examined socially, scientifically and legally the deficiencies of logistics operation. Above of these improve logistics policies should proposed in this region for the implementation. We strongly feel that the proposed policies could gain logistics operation significantly.

#### 5. References

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