



Regional: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program

Project Name	Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program																				
Project Number	52123-001																				
Country / Economy	Regional Bangladesh Bhutan India Maldives Myanmar Nepal Sri Lanka																				
Project Status	Active																				
Project Type / Modality of Assistance	Technical Assistance																				
Source of Funding / Amount	<table border="1"><tr><td colspan="2">TA 9578-REG: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program</td></tr><tr><td>Technical Assistance Special Fund</td><td>US\$ 500,000.00</td></tr><tr><td colspan="2">TA 9578-REG: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program (Supplementary)</td></tr><tr><td>Technical Assistance Special Fund</td><td>US\$ 1.00 million</td></tr><tr><td colspan="2">TA 9578-REG: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program (Supplementary)</td></tr><tr><td>Technical Assistance Special Fund</td><td>US\$ 500,000.00</td></tr><tr><td colspan="2">TA 9578-REG: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program (Supplementary)</td></tr><tr><td>Technical Assistance Special Fund</td><td>US\$ 300,000.00</td></tr><tr><td colspan="2">TA 9578-REG: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program Supplementary</td></tr><tr><td>Technical Assistance Special Fund</td><td>US\$ 1.50 million</td></tr></table>	TA 9578-REG: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program		Technical Assistance Special Fund	US\$ 500,000.00	TA 9578-REG: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program (Supplementary)		Technical Assistance Special Fund	US\$ 1.00 million	TA 9578-REG: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program (Supplementary)		Technical Assistance Special Fund	US\$ 500,000.00	TA 9578-REG: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program (Supplementary)		Technical Assistance Special Fund	US\$ 300,000.00	TA 9578-REG: Implementing Trade Facilitation Initiatives under the South Asia Subregional Economic Cooperation Program Supplementary		Technical Assistance Special Fund	US\$ 1.50 million
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Strategic Agendas	Inclusive economic growth Regional integration																				
Drivers of Change	Governance and capacity development Knowledge solutions																				
Sector / Subsector	Industry and trade / Industry and trade sector development - Trade and services																				
Gender	No gender elements																				
Description	The TA will support the momentum and realization of SASEC countries trade facilitation initiatives by bringing policy reform actions closer to the implementation stage. The TA will have three major outputs (i) Implementation frameworks, blueprints, and road maps in modern customs administration complete; (ii) Tools to enhance transparency of standards in SPS and TBT developed; and (iii) Cross-border transport facilitation studies along key SASEC routes and border crossing points completed																				
Project Rationale and Linkage to Country/Regional Strategy	The SASEC program fully recognizes the important role of transport and trade facilitation for regional economic integration and competitiveness. Although the subregion is one of the least integrated regions in the world for trade, studies have shown that intra-regional trade in South Asia could rise by as much as 60%, and the region's trade with the rest of the world could grow by 30% if trade facilitation systems could be elevated to international standards. Trade facilitation could enhance SASEC countries' competitiveness by allowing goods and services to be traded on time and with low transaction costs. It could facilitate increased participation by South Asian business and trade in regional and global value chains through quick and less costly movement of goods over borders and greater outsourcing potential for cost competitiveness. Trade facilitation in South Asia, however, faces enormous challenges with major bottlenecks including cumbersome customs procedures, inadequate trade-related infrastructure, weak capacity to implement standards and technical regulations, poor border-related infrastructure, and inadequate cross-border transport arrangements to support the seamless movement of goods and services in the subregion. In line with efforts to improve their economies' competitiveness and ease of doing business, Government agencies related to trade facilitation in the seven participating SASEC countries recognize the value of working together in jointly addressing the key bottlenecks to cross-border trade under the SASEC framework.																				
Impact	International trade and transport for SASEC countries made faster, cheaper, and more predictable, while maintaining the security of the supply chain and ensuring the effectiveness and efficiency of the institutions involved																				
Project Outcome																					
Description of Outcome	Trade facilitation measures to address key bottlenecks adopted by SASEC countries																				
Progress Toward Outcome	Maldives implemented framework for temporary admission and advance ruling. Post-clearance audit (PCAs) are being pilot tested in Bhutan and Sri Lanka.																				
Implementation Progress																					
Description of Project Outputs	Implementation frameworks, blueprints and roadmaps in modern Customs administration completed. Tools to enhance transparency of SPS TBT standards developed Cross-border transport facilitation studies along key SASEC routes and border crossing points completed																				

Status of Implementation Progress (Outputs, Activities, and Issues)

Prepared framework for the implementation of trusted trader program for Maldives. On the PCA, pilot implementation being done for Bhutan and Sri Lanka. First round of audits completed, and audit reports have been reviewed by consultants. On Study on SPS-TBT related infrastructure, studies for Maldives and Bhutan are completed, while Nepal study is under way. On the SASEC Routes Initiative Study, Phase 1 covering Kolkata-Dhaka route completed. Phase 2 covering Kakkavitta-Panitaki- Fulbari- Banglabanda- Chattogram and Mongla ports completed. The mapping of supply chains in the region is one of the new initiatives in the Action Plan for SASEC Initiatives 2021-2023 (APSI). Experts were hired to estimate the supply chain for selected pandemic-fighting products in SASEC countries, and to determine the scope of further analytical work to (a) deepen the analysis and (b) expand to other essential products (e.g. food). For Phase I, the supply chain mapping focused on essential commodities related to COVID-19. The objective is to help national governments address disruptions caused by mobility restrictions under COVID-19 and ease barriers to facilitate the supply of inputs for finished products used in fighting the pandemic. The objectives of Phase 2 are to (i) determine the industries with existing and potential for trade expansion and diversification through value chain linkages within the SASEC region; (ii) identify obstacles to realize the intra-SASEC supply chain (such as constraints for trade including non-tariff barriers and (iii) define the role that the economic corridor development in SASEC can play in developing specific intra-SASEC value chains. The TA also supported Maldives Customs Service (MCS) in conducting trial runs of the Electronic Tracking System (ECTS) to monitor movement of cargo from bonded warehouses to resorts and demonstrate the feasibility of the use of the system; and II. To prepare a financial model to assist MCS in finalizing the ECTS implementation plan. The TA provided assistance to the Government of Bangladesh (RTHD) through information and technical support for formulation of responses on pending issues under the Protocols and schedules of the BBIN MVA and to prepare for conduct of trial runs. Experts were also hired to assist the Government of Nepal's Department of Customs in realizing the activities envisaged under the CRMP Output of 'Streamlined Coordinated Border Management' and in moving towards a robust and effective CBM. With regard to efforts on Bangladesh, Bhutan, India, Nepal Motor Vehicle Agreement (BBIN MVA), the TA supported the recruitment of experts who will study the insurance regimes of Bangladesh/Nepal and provide recommendations for compliance with the provisions of BBIN MVA on insurance. A transport specialist was also engaged to recommend criteria for levy of fees and charges and the fee amounts that could be levied under the BBIN MVA, and to support the countries in reviewing, consolidating, and aligning the routes proposed by the participating countries for plying of vehicles under the BBIN MVA.

Geographical Location Bangladesh - Nation-wide; Bhutan - Nation-wide; India - Nation-wide; Maldives - Nation-wide; Myanmar - Nation-wide; Nepal - Nation-wide; Sri Lanka - Nation-wide

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services The TA will engage a total of 52 person-months of individual consultants, composing of 27 person-months of international experts and 25 person-months of national experts

Procurement not applicable

Responsible ADB Officer

Hayashi, Tadateru

Responsible ADB Department

South Asia Department

Responsible ADB Division

Regional Cooperation and Operations Coordination Div, SARD

Executing Agencies

Asian Development Bank

Timetable

Concept Clearance	08 Aug 2018
Fact Finding	30 Jul 2018 to 30 Jul 2018
MRM	-
Approval	03 Sep 2018
Last Review Mission	-
Last PDS Update	09 Dec 2022

TA 9578-REG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
03 Sep 2018	-	03 Sep 2018	31 Aug 2021	31 Aug 2023	-

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
3,800,000.00	0.00	0.00	0.00	0.00	0.00	3,800,000.00	09 Dec 2022	2,486,200.18

Project Page

<https://www.adb.org/projects/52123-001/main>

Request for Information

<http://www.adb.org/forms/request-information-form?subject=52123-001>

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