Myanmar: Greater Mekong Subregion Highway Modernization Project

**Project Name**: Greater Mekong Subregion Highway Modernization Project

**Project Number**: 47087-003

**Country**: Myanmar

**Project Status**: Active

**Project Type / Modality of Assistance**: Loan

**Source of Funding / Amount**: Loan 3747-MYA: Greater Mekong Subregion Highway Modernization Project
  
  concessional ordinary capital resources lending / Asian Development Fund
  
  US$ 194.70 million

**Strategic Agendas**
- Environmentally sustainable growth
- Inclusive economic growth
- Regional integration

**Drivers of Change**
- Governance and capacity development
- Knowledge solutions

**Sector / Subsector**: Transport - Road transport (non-urban)

**Gender Equity and Mainstreaming**: Some gender elements

**Description**: The project will improve transport conditions along Myanmar’s East-West Economic Corridor (EWEC) and North-South Economic Corridor (NSEC) by (i) improving about 99 km of GMS highways, (ii) improving the safety of the Yangon-Mandalay expressway, and (iii) preparing detailed designs for other highway projects on the GMS corridors. The highways to be improved under the project are the Bago-Thanlyin highway and the Yangon-Mandalay expressway. The highways to be designed under the project are the Yangon-Pathein highway and a new Bago-Kyaikto highway.

**Project Rationale and Linkage to Country/Regional Strategy**: The GMS road corridors are the backbone of Myanmar's transport system. The project is in line with the Country Partnership Strategy's objective to develop the GMS corridors. It advances its strategic emphasis on transport infrastructure improvements, reforms, and private sector development. The project forms part of a sequence of gradually larger and more value-adding projects in the transport sector in Myanmar.

**Impact**: All-weather and safe road transport infrastructure developed (National Transport Sector Development Master Plan)

**Project Outcome**: Efficiency and safety of road traffic along the GMS EWEC and NSEC in Myanmar improved

**Progress Toward Outcome**: As of Q3 2019, consulting services contract was signed. Mobilization is anticipated in Q4 2019.

**Implementation Progress**

**Description of Project Outputs**: GMS highways improved
  
  Yangon-Mandalay expressway safety improved
  
  Detailed design for other highway projects prepared

**Status of Implementation Progress (Outputs, Activities, and Issues)**: As of 30 September 2019, the consulting services package was awarded to JV of Yooshin Engineering Corporation and Dohwa Engineering Co., Ltd. and Katahira & Engineers International and Soosung Engineering Co., Ltd. The contract was signed on 9 September 2019. Mobilization is expected in Q4 2019.

**Geographical Location**: Bago, Pathein, Thilawa, Yangon

**Safeguard Categories**

<table>
<thead>
<tr>
<th>Environment</th>
<th>B</th>
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<tbody>
<tr>
<td>Involuntary Resettlement</td>
<td>A</td>
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<tr>
<td>Indigenous Peoples</td>
<td>C</td>
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</tbody>
</table>

**Summary of Environmental and Social Aspects**

**Environmental Aspects**: The project is categorized as B for environment. It is not anticipated to cause significant adverse environmental impacts. The dominant land use along the project road is agricultural, which is primarily for rice production. The road corridor is not within undisturbed landscapes, mangrove areas, or near environmentally-protected areas. The project will not encroach on environmentally-sensitive sites. The government is preparing IEEs to meet the requirements of ADB’s Safeguard Policy Statement (SPS), which will be publicly disclosed. Each IEE will include an Environmental Management Plan (EMP). The EMP is to be incorporated into the project’s civil works contract documentation. IEEs will also include a grievance redress mechanism to facilitate resolution of construction-related environmental impacts.
Involuntary Resettlement

The Project has been classified as Category A for Involuntary Resettlement in accordance with ADB’s Operations Manual: Safeguards Policy Statement (F1). The Government will ensure that: (i) the Resettlement Plan, agreed between the Government and ADB, is implemented in accordance with their terms and all applicable laws and regulations of Myanmar and ADB’s SPS; (ii) in case of any inconsistency between government laws and ADB’s policy, the latter will prevail; (iii) all affected persons are given adequate opportunity to participate in resettlement planning and implementation; (iv) counterpart funds for resettlement activities are provided according to the budget and project schedule; (v) any additional costs in excess of the resettlement plan budget estimates are met within the project schedule; and (vi) adequate staff and resources are committed to supervising and monitoring implementation of the resettlement plan. No displacement or relocation activities will take place until: (i) the resettlement coordinating committee has been set-up; (ii) an Updated Resettlement Plan has been prepared, reviewed and accepted by ADB; and (iii) compensation and assistance detailed in the Resettlement Plan has been provided to the affected households.

Indigenous Peoples

The project is categorized as C for indigenous peoples.

Stakeholder Communication, Participation, and Consultation

During Project Design

Consultation meetings were organized in January 2017 for the preparation of the IEEs. Additional consultation meetings were organized in April and May 2017 as part of the preparation of the resettlement plans.

During Project Implementation

The Project Management Unit along with its Supervision consultants will conduct stakeholders consultation prior to and during road construction.

Business Opportunities

Consulting Services

Recruitment for a consulting firm for project management and construction supervision services, for outputs 1 and 2, and output 3’s preparation has been concluded in September 2019. A separate consulting firm will be recruited for output 3’s design service for a new highway alignment, safeguards planning, and institutional strengthening. Both consultants are being recruited following ADB’s Guidelines on the Use of Consultants by Asian Development Bank and its Borrowers (2013, as amended from time-to-time), using the quality and costs based selection procedure (quality to cost ratio of 90:10) and full technical proposal.

Procurement

All procurement of works and goods will be undertaken in accordance with ADB’s Procurement Guidelines. International Competitive Bidding (ICB) procedures will be adopted for civil works contracts estimated to cost $3.0 million or more, and procurement of goods valued at $500,000 or higher.

Responsible ADB Officer

Shinichiro Nagao

Responsible ADB Department

Southeast Asia Department

Responsible ADB Division

Transport and Communications Division, SERD

Executing Agencies

Department of Highways, Ministry of Construction

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Ministry of Construction,

Building Number 11, Nay Pyi Taw

Myanmar

Ministry of Construction

Department of Highways Office Building No. 11 Naypyidaw, Myanmar

Timetable

| Concept Clearance | 17 Mar 2017 |
| Fact Finding | 28 Feb 2017 to 08 Mar 2017 |
| MRM | 03 Oct 2017 |
| Approval | 27 Nov 2018 |
| Last Review Mission | - |
| Last PDS Update | 30 Sep 2019 |

Loan 3747-MYA

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Financing Plan

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Project Page

https://www.adb.org/projects/47087-003/main

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Date Generated

06 December 2019

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