Regional: Promoting Investments and Economic Growth in Central and West Asia, East Asia, and South Asia Subregions

Project Name | Promoting Investments and Economic Growth in Central and West Asia, East Asia, and South Asia Subregions
Project Number | 52066-001
Country | Afghanistan, Armenia, Azerbaijan, Bangladesh, Bhutan, Georgia, India, Kazakhstan, Kyrgyz Republic, People's Republic of China, Sri Lanka, Tajikistan, Turkmenistan, Uzbekistan
Project Status | Active
Project Type / Modality of Assistance | Technical Assistance
Source of Funding / Amount
- TA 9610-REG: Promoting Investments and Economic Growth in Central and West Asia, East Asia, and South Asia Subregions
  - Technical Assistance Special Fund: US$ 300,000.00
- United Kingdom Fund for Asia Regional Trade and Connectivity under the Regional Cooperation and Integration Financing Partnership Facility
  - Regional Cooperation and Integration Fund: US$ 500,000.00
- US$ 1.50 million
Strategic Agendas | Inclusive economic growth, Regional integration
Drivers of Change | Governance and capacity development, Partnerships, Private sector development
Sector / Subsector | Finance - Finance sector development - Trade finance
Gender Equity and Mainstreaming | No gender elements
Description | The knowledge and support technical assistance (TA) will fund a feasibility study to further develop the concept and articulate the business case for establishing a multilateral trade credit and investment (re-) guarantee agency (TCIGA). The proposed TCIGA would assist in promoting foreign direct investment (FDI) and sustainable economic growth in the Central and West Asia (CWA), East Asia, and South Asia subregions through intra-regional and interregional trade.
Project Rationale and Linkage to Country/Regional Strategy | International trade has historically been a precursor to the economic growth of developed countries and more recently of many emerging economies. Accordingly, most Asia and Pacific region countries can likewise improve their economic growth through intra-regional and interregional trade by addressing the constraints that adversely affect their trade competitiveness. Except for India and the People’s Republic of China, most economies in the CWA, East Asia, and South Asia subregions have underdeveloped trade facilitation mechanisms and inadequate trade-related infrastructure and financial support systems. These constraints limit the countries’ ability to trade competitively and consequently reduce their capacity to diversify their economies and achieve sustained and inclusive growth. Having limited access to trade finance, in particular, disadvantages small and medium-sized enterprises in relation to foreign competitors who can access financial support and enhancements from national export credit agencies (ECAs) capable of offering insurance for extended payment terms and facilitating a lower cost of financing. This situation discourages trade competition, further depriving small and low-income economies of processes that are crucial to attaining productivity growth.
TCIGA would encourage and support small and medium-sized enterprises and other nontraditional exporters to trade competitively domestically, regionally, and globally. Improving DMCs’ competitiveness to trade within and outside their local markets is expected to promote economic diversification and pave the way for sustainable long-term economic growth through increased value-added production and employment in the region.
Impact | Sustainable economic growth through export diversification and structural transformation enhanced.

Project Outcome
Description of Outcome | MOUs firmly up participation of prospective TCIGA member countries submitted
Progress Toward Outcome
Implementation Progress
Description of Project Outputs
  - Phase 1
    1. TCIGA feasibility assessed
    2. in country consultations and workshops conducted
  - Phase 2 (contingent*)
    *Phase 2 implementation is contingent upon the feasibility study providing a compelling business case for the establishment of the proposed agency. If TCIGA’s establishment is considered feasible, internal approval will be sought for a minor change of scope under the TA to fully implement phase 2.
Status of Implementation Progress (Outputs, Activities, and Issues)
Geographical Location | Afghanistan - Nation-wide; Armenia - Nation-wide; Azerbaijan - Nation-wide; Bangladesh - Nation-wide; Bhutan - Nation-wide; China - Nation-wide; Georgia - Nation-wide; India - Nation-wide; Kazakhstan - Nation-wide; Kyrgyz Republic - Nation-wide; Maldives - Nation-wide; Mongolia - Nation-wide; Nepal - Nation-wide; Pakistan - Nation-wide; Sri Lanka - Nation-wide; Tajikistan - Nation-wide; Turkmenistan - Nation-wide; Uzbekistan - Nation-wide
### Business Opportunities

**Consulting Services**

A consulting firm will be recruited in accordance with ADB's Guidelines on the Use of Consultants (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions. The consulting firm will manage a multidisciplinary consultant team comprising up to 6 international and 48 national experts and will be selected using the quality- and cost-based selection method with a quality cost ratio of 90:10.

### Responsible ADB Officer

Pladet, Roland C.J.

### Responsible ADB Department

Central and West Asia Department

### Responsible ADB Division

Public Management, Financial Sector and Trade Division, CWRD

### Executing Agencies

Asian Development Bank

6 ADB Avenue, Mandaluyong City 1550, Philippines

### Timetable

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date</th>
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<tbody>
<tr>
<td>Concept Clearance</td>
<td>16 Mar 2018</td>
</tr>
<tr>
<td>Fact Finding</td>
<td>26 Mar 2018 to 30 Mar 2018</td>
</tr>
<tr>
<td>MRM</td>
<td>-</td>
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<tr>
<td>Approval</td>
<td>11 Oct 2018</td>
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<tr>
<td>Last Review Mission</td>
<td>-</td>
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<tr>
<td>Last PDS Update</td>
<td>15 Oct 2018</td>
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### TA 9610-REG

#### Milestones

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<th>Approval</th>
<th>Signing Date</th>
<th>Effectivity Date</th>
<th>Closing</th>
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#### Financing Plan/TA Utilization

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<thead>
<tr>
<th>ADB</th>
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<th>Counterpart</th>
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### Project Page


### Request for Information


### Date Generated

23 June 2019

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