On 6 April 2009, the Director General, Independent Evaluation Department, received the following response from the Managing Director General on behalf of Management:

I. General Comments

1. We appreciate the Project Performance Evaluation Report's (PPER) evaluation, and agree to all the recommendations for improving the impact of this first regional transport project in Central Asia.

II. Comments on Specific Recommendations

2. **Recommendation 1. Improve the bridge on the international border.** We agree. The Government of Kazakhstan is carrying out improvement works for the bridge on the Chu River. Such works commenced in May 2008, and are expected to be completed in September 2009.

3. **Recommendation 2. Improve border infrastructure.** We agree. With support of the six multilateral financing institutions including ADB, the Central Asia Regional Economic Cooperation (CAREC) program includes a trade facilitation component to improve cross-border facilities along six major CAREC corridors, including the Almaty–Bishkek Road. ADB is financing the training of customs officials under such trade facilitation component. ADB also has financed the design of the Kyrgyz border post (to include customs equipment, vehicle parking areas, and freight storage facilities).

4. **Recommendation 3. Implement the Cross-Border Agreement (CBA).** We agree. The CBA is on the CAREC transport and trade facilitation agenda, and ADB has been supporting implementation of CBA through policy dialogue and regular consultations with the Kazakh and Kyrgyz Governments. Both Governments are also planning joint one-window border clearance procedures. This may require relocating cross-border facilities at the Akzhol–Chu border. In addition, ADB and the United Nations Economic and Social Commission for Asia and the Pacific are assisting the Shanghai Cooperation Organization member states, including Kazakhstan and the Kyrgyz Republic, to formulate and implement an intergovernmental agreement on facilitation of international road transport, which will supplement the CBA. This will promote cross-border traffic by simplifying border clearances. The negotiations on the main text were concluded in 2008, and negotiations on its annexes will start in 2009.

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1 The other institutions are European Bank for Reconstruction and Development, International Monetary Fund, Islamic Development Bank, United Nations Development Programme, and World Bank.

5. **Recommendation 4. Improve maintenance planning and allocations.**

We agree. ADB is working on a road maintenance and operation system in Kazakhstan under the first tranche of the approved Multitranche Financing Facility: CAREC Transport Corridor 1. ADB assistance covers (i) planning for maintenance, including developing a performance-based road maintenance plan; and (ii) strengthening skills in planning and financing. In the Kyrgyz Republic, ADB is assisting the Government in commercializing road maintenance, introducing performance-based maintenance contracts with the private sector, and developing a transport sector master plan and a comprehensive road sector operations privatization strategy.

6. **Recommendation 5. Focus on road safety and environmental impact.**

We agree. Under Kazakhstan's Western Europe–Western China International Transit Corridor Investment Program jointly financed by ADB, European Bank for Reconstruction and Development, Islamic Development Bank, Japan International Cooperation Agency, and World Bank, assistance will cover road safety improvements, including strengthening the capacity of the Committee of Roads (to minimize negative environmental impacts during design, construction, operation, and maintenance of road projects). ADB will support cumulative environmental impact assessments. This Investment Program follows safety management capacity reviews funded by the Global Road Safety Facility.³ The Kyrgyz Republic's transport sector master plan, being developed with ADB assistance, will examine road safety and environmental issues.

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³ The Global Road Safety Facility is supporting initiatives to reduce road deaths and injuries in low and middle-income countries.