



Completion Report

Project Number: 47016-001
Technical Assistance Number: 8435
May 2020

Trade Facilitation in South Asia

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TECHNICAL ASSISTANCE COMPLETION REPORT

TA Number, Country, and Name: TA 8435-REG: Trade Facilitation in South Asia		Amount Approved: \$1,500,000.00	
		Revised Amount: \$2,775,000.00	
Executing Agency: Asian Development Bank	Source of Funding: Japan Fund for Poverty Reduction (JFPR): \$1,500,000.00; Technical Assistance Special Fund-V: \$775,000.00; Regional Cooperation and Integration Fund: \$500,000.00	Amount Undisbursed: \$244,930.42	Amount Used: \$2,530,069.58
TA Approval Date: 20 August 2013	TA Signing Date: 20 August 2013	TA Completion Date	
		Original Date: 31 July 2015	Latest Revised Date: 31 December 2018
		Financial Closing Date: 1 March 2019	Number of Extensions: 3
TA Type: Capacity development TA			

Description

The technical assistance (TA) aimed to address key issues affecting the implementation of trade facilitation under the South Asia Subregional Economic Cooperation (SASEC) program.¹ Trade between the member countries was low because of physical and nonphysical impediments, such as poor border crossing infrastructure and cumbersome border formalities. Cooperation between and among customs administrations was limited, especially on policy coordination on customs management and procedures. The capacity of most customs administrations to comply with international best practices in many member countries was weak. The preparedness across countries to automate also differed in scope, platform, speed, and sequence. A subregional approach in sharing experiences and fostering technical cooperation among the SASEC member countries was seen as an effective way in addressing impediments to trade, thereby facilitating and improving trade flows and regional trade.

In November 2012, the Asian Development Bank (ADB) approved the SASEC Trade Facilitation Program (STFP), a policy-based loan and grant for Bangladesh, Bhutan, and Nepal to support the implementation of key trade facilitation reforms. To support the implementation of STFP and trade facilitation measures in other SASEC countries not covered by the STFP, ADB also approved TA projects in 2013, including TA 8435-REG: Trade Facilitation in South Asia.

Expected Impact, Outcome, and Outputs

The TA impact was more efficient, transparent, secure, and service-oriented processing of cross-border trade in South Asia. The outcome was modern and effective administration and management of trade and transport facilitation related agencies in SASEC countries.² The TA outputs were: (i) cooperation between and among trade and transport facilitation agencies in SASEC countries enhanced; and (ii) frameworks for interface of customs administration systems, trade facilitation, transport facilitation, and sanitary/phytosanitary (SPS) standards in SASEC countries identified (footnote 2).

Implementation Arrangements

The ADB South Asia Department (SARD) was the executing agency of the TA. Its completion date was extended over three requests: in July 2014 to 31 July 2016, in August 2014 to 31 January 2018, and in May 2016 to 31 December 2018, for a cumulative total of 41 months. Supplementary funding provided to the TA and its completion date extensions responded to the requests of the SASEC member countries to (i) fully implement the SASEC Trade Facilitation Strategic Framework (TFSF) 2014–2018, which they adopted in March 2014, and conduct related analytical work; and (ii) support Maldives and Sri Lanka, not only on knowledge-sharing activities but also in all SASEC trade facilitation activities when they became full members of SASEC in May 2014. The implementation of the TA benefited from close and active participation of the (i) development partners, (ii) SASEC Customs Subgroup

¹ The SASEC program is a projects-based economic cooperation program among Bangladesh, Bhutan, India, Maldives, Myanmar, Nepal, and Sri Lanka. It focuses on transport, energy, and trade facilitation.

² The outcome and output statements reflect minor changes in scope that were provided supplementary funding for the TA in September 2014 and June 2016.

(SCS) and its Trade Facilitation and Transport Working Group (TFTWG), and SASEC Secretariat; and (iii) nodal officials and focal points in each of the member countries. The TA engaged a total of 65.5 person-months of international consultants and 183.1 person-months of national consultants. Upon approval, 33.5 person-months of international consultants and 34 person-months of national consultants were planned. However, this was significantly increased during the implementation of the TA to cover the additional activities. The consultants were recruited as individual consultants following the *Guidelines on the Use of Consultants* by ADB. The consultants delivered satisfactory performance, with some rated as excellent.

All activities supported by JFPR were consistently highlighted as funding source. The JFPR logo was shown in all event banners and posted in all documentation. Attribution was always made during opening and closing remarks of ADB at all relevant events, which were showcased on the SASEC website, with JFPR noted as funding source. Other visibility measures implemented by the TA include among others, (i) participation as resource person of Mr. Norikazu Kuramoto of Japan's Ministry of Finance, during the Third SASEC Meeting in Goa, India in March 2015; and (ii) participation by JICA and JETRO officials during the SASEC TFTWG held in Tokyo, Japan in November 2015.

Conduct of Activities

The TA activities under each output were delivered as planned and requested by the SASEC member countries.

Output 1. The SCS was operationalized in May 2014 to serve as the platform for increased cooperation between and among trade and transport facilitation agencies aimed at facilitating trade in the subregion. The SCS and SASEC Secretariat organized and facilitated five meetings of the SCS during 2014–2017; and back-to-back learning events on best practices and relevant and timely topics in customs operations. The SASEC member countries adopted the SASEC TFSF to increase trade facilitation efficiency and reduce time and costs for doing trade. The SASEC TFSF consisted of five priority areas: (i) customs modernization and harmonization, (ii) standards and conformity assessment, (iii) cross-border facilities improvement, (iv) through-transport facilitation, and (v) institution and capacity building.³ The SCS ensured that concrete actions were taken to implement the SASEC TFSF while the SASEC Secretariat coordinated communication and other preparatory activities with the member countries. As required, SCS meetings and activities also included officials from other agencies such as those responsible for land ports, transport, and commerce.

The TA exceeded the target of eight agreements on priority SASEC trade and transport projects or initiatives by 2018. The TA supported the activities of the SCS, which agreed and monitored 19 projects implemented by the member countries. The national projects involved (i) accession to the Revised Kyoto Convention (RKC) and/or World Trade Organization (WTO) Trade Facilitation Agreement (TFA), and alignment of national customs legislations to these international conventions and standards; (ii) review of, and recommendations on, risk management system (RMS) in Maldives Customs Service;⁴ (iii) assessment of national single window (NSW) in Maldives, which generated a road map adopted by the government, and business process redesign.⁵ The SCS meetings reported significant progress in the implementation of the projects by TA completion.

On institution and capacity building, the SCS agreed on six priorities: (i) customs valuation; (ii) risk assessment; (iii) trusted trader scheme; (iv) NSW; (v) international standards and convention; and (vi) post-clearance audit (PCA). The TA supported (i) seven train-the-trainers on customs valuation, in cooperation with the World Customs Organization Asia Pacific Regional Office for Capacity Building; (ii) a training on risk management and on PCA; and (iii) two training workshops on international standards and WTO TFA. It further supported (i) seven training on Automated System for Customs Data (ASYCUDA) World and customs automation; (ii) three workshops to validate the baseline studies on trade and transport facilitation monitoring mechanism in Bangladesh, Bhutan, and Nepal, in cooperation with the United Nations Economic and Social Commission for Asia and the Pacific; and (iii) a workshop on time release study. About 610 staff from customs administrations participated in capacity building held from 2014–2018. In June 2017, the members signed a memorandum of intent for cooperation in customs capacity building to sustain gains achieved.

Output 2. Initial trade facilitation agreements on interface frameworks and subregional projects were reached by 2017. The TA supported studies, meetings, and consultations with stakeholders for the development of frameworks on customs administration system interface identified under TFSF 2014–2018. These trade facilitation activities supported by the TA provided economic benefits to the SASEC member countries. On standards and conformity assessment, the TA supported diagnostic studies on SPS and technical barriers to trade (TBT), which reported legislative, regulatory, institutional, and infrastructure issues affecting trade. On framework for interface in trade and transport facilitation, a study was completed in December 2017, on the gaps and needs in infrastructure and

³ ADB. 2014. *South Asia Subregional Economic Cooperation: Trade Facilitation Strategic Framework 2014–2018*. Manila.

⁴ ADB. 2018. *Risk Management in Maldives: Sharing Practical Experience and Lessons Learned*. Manila.

⁵ ADB. 2018. *Road Map for National Single Window in Maldives*. Manila.

connectivity of nine pairs of land customs stations (LCSs) at the borders of Bangladesh and India (5 pairs) and Nepal and India (4 pairs).⁶ Discussions were made to implement coordinated border management and harmonized operations in four pairs in Bangladesh–India and Nepal–India borders.

On through-transport facilitation, an electronic cargo tracking system (ECTS) was developed, and its trial runs on selected inland routes in India and Bangladesh showed reductions in time and trade cost. Pilot of ECTS was then implemented in designated land routes and border crossing points (BCPs) between India and Bhutan, and between India and Nepal. The ECTS project has helped in achieving cargo and revenue security and leveraging this enhanced security to simplify business processes, automate them, and provide much-needed shipment visibility to private sector. Overall, the use of ECTS has promoted safe and secure transit, with simplified border formalities and reduced transit time and transaction cost. This is of transformational impact for SASEC, which has land-locked regions, dependent on transit. The TA also supported another pioneering and landmark initiative: the Bangladesh–Bhutan–India–Nepal (BBIN) Motor Vehicles Agreement (MVA); and India, Myanmar, and Thailand (IMT) MVA. The MVA, designed to make cross-border trade more efficient, allows passenger, personal, and cargo vehicles to cross international borders and travel along designated key trade routes. It is also intended to enhance road connectivity and reduce costly and time-consuming transshipment of people and goods at the borders. The BBIN MVA was signed in Thimphu by the participating countries' transport ministers in June 2015. The draft IMT MVA had been finalized. The protocols for passenger and cargo vehicle movement for the MVAs were under finalization. Two trial runs were conducted through (i) Kolkata–Dhaka–Agartala route in November 2015; and (ii) Dhaka to Delhi in September 2016. These trial runs demonstrated seamless movement of vehicles as evidenced by the actual travel time, and relationships of participating countries strengthened as evidenced by the feedback from government officials.

On customs administration system interfaces, the SCS, activities of which are financed by the TA, also agreed and monitored six subregional projects (SRPs): (1) exchange of export declarations at major BCPs to facilitate legitimate trade in the country of import for traders in cases of consistent matching of the details of the export and import declarations filed, (2) readiness of regulatory framework and infrastructure facilities for containerized movement of cargo to address the gaps and promote containerization, (3) regular border meetings between and among the customs authorities at major BCPs to improve cross-border coordination with a view to facilitate trade and passenger operations and improve Customs cooperation, (4) automation of transit process and use of information and communication technology in processing transit cargo for enhanced efficiency, (5) customs-to-customs exchange of SASEC trade-related data to enable interconnectivity between SASEC member states allowing timely electronic exchange of data between Customs administrations in respect of the cross-border movement of goods, and (6) establishment of SASEC ASYCUDA subregional mechanism to establish a collaborative mechanism to support the ASYCUDA World implementation for sustainability in ASYCUDA-user countries among the SASEC members through the establishment of the SASEC ASYCUDA Support Network. SRPs 1, 3, and 4 were being rolled out while SRP 2 had been completed, and its infrastructure requirements were being considered by customs and transport agencies. SRP 5 completed a feasibility study and the interface will be piloted. Its potential benefits include enhanced risk management capability, greater facilitation for compliant traders, and better reconciliation of trade data. SRP 6 had agreed to establish SASEC ASYCUDA Subregional Network to help sustain an effective implementation of ASYCUDA World in the countries.

Technical Assistance Assessment Ratings

Criterion	Assessment	Rating
Relevance (Weight: 0.35)	Although there was a minor flaw in the design of the outcome indicator, which was not able to capture the significant achievement of the TA, the design was sufficient to achieve the objectives of the TA. It was fully aligned with ADB's country partnership strategies, the regional cooperation strategy for South Asia, and with the governments' trade policies and strategies. The need for and the importance of the TA were highly recognized and well articulated. The TA type was appropriate and results chain sound, and there were no TA issues raised. The TA activities complemented and were synchronized with trade facilitation activities of other development partners. Several TA initiatives—e.g., ECTS and BBIN MVA and IMT MVA—have transformative effects with significant demonstration value for future TA in the region and its neighbors.	Relevant (Rating value: 2.00; Weighted rating: 0.70)

⁶ The five pairs of border crossing points between Bangladesh and India are (i) Burimari–Changrabandha; (ii) Banglabandha–Fulbari; (iii) Tamabil–Dawki; (iv) Akhaura–Agartala; and (v) Gobrakura/Koraitoli–Ghasuapara. The four border crossing points between India and Nepal are (i) Barhni–Krishnanagar; (ii) Banbasa–Mahendranagar; (iii) Bhitmore–Jaleswar; and (iv) Laukaha–Thandi.

Criterion	Assessment	Rating
Effectiveness (Weight: 0.35)	The TA outcome and output targets were achieved. While Nepal was the only country to meet the TA outcome performance target (Improvement in logistics performance index [LPI] ranking of Bangladesh, Bhutan, and Nepal), the LPI reports stressed caution on the use of country rankings due to sampling errors. Meanwhile, there are other evidence of the outcome achievement through the TA initiatives. TA outputs were fully achieved, even exceeding the targets. Customs cooperation among customs administrations had been strong, significant progress achieved in 19 national projects, and positive feedbacks on capacity building. Visible progress had also been evident from the pilot and implementation of interface systems and on the six SRPs.	Effective (Rating value: 2.00; Weighted rating: 0.70)
Efficiency (Weight: 0.30)	The TA has no cost or time issues. The internal resources of the member countries helped in the efficient use of TA allocation for national projects. Fiduciary responsibilities were also met. The TA achieved its planned output targets by 31 July 2015 and efficiently used the allocated amount with less than 10% undisbursed during completion. Extension in the completion date was due to additional activities and additional resources, and not due to delay in the implementation of activities. At the early stage of the TA, a diagnostic study helped timely adoption of TFSF in March 2014; while it contributed to the timely completion of STFP tranche 2 conditions by December 2014. The actual expenditure for training, seminars, and/or conference exceeded budget because this was taken out of the allocation from consultants. During design, the cost of training and seminars was included in the consultants' line item. However, during implementation, it was found out that it is more efficient for the training, seminars, and/or conference expense items to be separated from consultants' allocation. The budget for studies was absorbed by the consultants' line item given that most of the studies were consultants' outputs. There is also a strong evidence of socioeconomic benefits, as the TA has helped in reducing the time and cost of trade and increasing intraregional trade. ⁷	Highly efficient (Rating value: 3.00; Weighted rating: 0.90)
Overall Assessment	The TA was successful. The TA was fully aligned with the regional cooperation and integration (RCI) priorities of ADB and the SASEC member countries, and its need was well articulated during the TA preparation and implementation. The TA design was also accepted and TA type appropriate. Overall performance in cooperation between and among the member countries and implementation of interface systems exceeded expectations, with no cost and time overruns. Several economic benefits were generated from the TA initiatives. Specific projects supported by the TA evidenced transformative effects such as the exchange of declaration at major BCPs, which facilitated legitimate trade; improved risk management capability; and build a better risk profile of traders and improved reconciliation of trade and transit data. The project also strengthens the cooperation between the customs administrations, achieving one of the key measures of the WTO TFA.	Successful (Weighted rating: 2.30)
Sustainability	The TA is most likely sustainable as there is a clear evidence of mechanisms and resources that are available from other projects and the member countries. Such are important to institutionalize, replicate, or upscale TA initiatives in more LCSs or BCPs, where benefits would be substantial. This includes (i) TA on Implementing Trade Facilitation Initiatives under the SASEC Program for \$2 million; (ii) SASEC Customs Reform and Modernization for Trade Facilitation Program for Nepal; (iii) the National Single Window Project in Maldives; and (iv) other trade facilitation related projects and programs in the pipeline such as the	Most likely sustainable

⁷ Increase in customs revenues were seen in Bangladesh, Bhutan, and Nepal, ranging from 25% to 80%, between FY2013/14 and FY2016–17. (Sources: Government of the People's Republic of Bangladesh, Ministry of Planning, Bureau of Statistics. 2019. Statistical Yearbook Bangladesh 2018. Dhaka; National Statistics Bureau. 2018. Statistical Yearbook of Bhutan 2018. Thimphu; and Government of Nepal, National Planning Commission, Central Bureau of Statistics. 2018. 2017 Statistical Yearbook Nepal. Kathmandu.) The intraregional trade share of SASEC in 2015 was 10.3% and 12.33% in 2018. (Source: ADB. Asia Regional Integration Center. Integration Indicators Database. <https://aric.adb.org/database/integration>, accessed 31 March 2020).

Criterion	Assessment	Rating
	planned sector development program loan for Bangladesh. In addition, on the subregional projects of the SCS on border level meetings, the countries have been pursuing the initiative without funding from ADB. Two meetings have already been conducted with the Customs administrations of Bangladesh and Bhutan hosting one each. India will be hosting the third meeting to be scheduled within the year. The SCS, SASEC TFTWG, nodal officials and focal points, and SASEC Secretariat are ensuring that TA initiatives are being continued. The expanded SASEC TFSF is being supported with the commitments of the member countries. The ongoing memorandum on customs capacity building cooperation is sustaining knowledge and skills gained from the TA support.	

Lessons Learned and Recommendations

Design and/or planning	Frequent and active consultations with, and the close participation of, the SASEC member countries during the TA design process and planning made it responsive to the needs, requests for priorities, and new initiatives in trade and transport facilitation. There is also a need to identify a more appropriate performance indicator as the use of the LPI or other rankings on indices may not truly reflect the country's improvement relative to other countries. There is also a risk in using perception-based indicators as their comparability over time is difficult.
Implementation and/or delivery	The respective roles of the nodal officials, SCS, TFTWG, and SASEC Secretariat were crucial in the TA implementation period. These SASEC platforms remain the most effective avenues for discussion, agreements, monitoring, and communication.
Management of staff and consultants	ADB, as SASEC Secretariat, was efficiently assisted by the RCI focal points (government staff) in the member countries, TA consultants, and South Asia Department sector divisions and resident missions. The use of individual consultants instead of a firm also proved advantageous as engagements were done quicker and the TA was able to address country requirements in a more timely manner.
Knowledge building	The TA received positive feedback from awareness-raising and learning events on good practices and other topics relevant in customs operations, and capacity building activities. Their outcomes were disseminated in SASEC website, as well as in the publications produced for the various studies. ⁸
Stakeholder participation	Cooperation among customs administrations had been strong and even advanced, because of the support and high-level participation of officials in SCS meetings, their determination in pursuing priority projects, and ownership of national projects.
Partnership (and cofinancing)	Development partners involved in capacity building and in sharing of best practices have helped in the timely delivery of activities and in implementing improvements in customs processes.
Replication and/or scaling up	Cost and time savings and incremental benefits in subregional trade were motivating factors to replicate or scale up customs administration systems and interface frameworks developed. It was also important that resources are made available, both from the government's budget and/or related ADB projects.
Post-TA financial resource	The implementation of the expanded SASEC TFSF involves additional funding support from ADB and other development partners on trade and transport facilitation.

Follow-up Actions

The pillars of SASEC TFSF will continue to guide the trade facilitation activities under the SASEC program, especially projects included in the SASEC Operational Plan. Through the TFSF, SASEC will continue to play a crucial role in trade facilitation improvements and coordinated action in the subregion. It has also provided the member countries with the opportunity to take high priority national actions on trade facilitation. Follow-up action will involve continuing support to the different trade and transport facilitation initiatives and priorities of SASEC.

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⁸ SASEC. Events. <https://www.sasec.asia/index.php?page=events-list>.

DESIGN AND MONITORING FRAMEWORK

Impact More efficient, transparent, secure, and service oriented processing of cross-border trade in South Asia		
Results Chain	Performance Indicators with Targets and Baselines	Achievements
Outcome Modern and effective administration and management of trade and transport facilitation related agencies in South Asia Subregional Economic Cooperation (SASEC) countries	By 2018, 10% improvement in the logistics performance index (LPI) ranking of Bangladesh, Bhutan, and Nepal (2010 baselines: Bangladesh = 79; Bhutan = 128; and Nepal = 147)	<p>The 2018 LPI shows the ranking of (i) Bangladesh from 79 in 2010 to 100 in 2018, (ii) Bhutan from 128 in 2010 to 149 in 2018, and (iii) Nepal from 147 in 2010 to 114 in 2018.⁹ Only Nepal's ranking improved in 2018, by 22%.</p> <p>It is suggested to consider a caution stressed in the LPI reports that the rankings of countries can oscillate due to sampling error, diverging opinions of respondents, and variation of the respondent base from one LPI survey to the next. This can be seen in the trend in the rankings of Bangladesh, Bhutan, and Nepal; thus, any conclusion in improvements compared to the baseline would be misleading.¹⁰ In this regard, the LPI report also provides for the use of aggregated LPI to reduce random variation in the surveys and as a better indicator of logistics performance.</p>
Outputs 1. Cooperation between and among trade and transport facilitation agencies in SASEC countries enhanced	1a. At least eight agreements reached on priority SASEC trade and transport facilitation projects or initiatives by 2018 (Baseline: none)	<p>As early as in 2015, the SASEC Customs Subgroup (SCS) had agreed on (i) 19 national projects of the SASEC member countries to further advance customs modernization and cooperation, and (ii) 6 priority areas for institution and capacity building.</p> <p>(i) By member country, the national projects involved the following:</p> <ul style="list-style-type: none"> • Bangladesh (2): full implementation of ASYCUDA World and land port automation; • Bhutan (6): accession to the Revised Kyoto Convention (RKC) and its General Annex; risk management system (RMS); post-clearance audit (PCA); simplification and harmonization of export-import documents; automation of customs system; and national single window (NSW); • India (2): advance filing of import declarations and customs brokers on regulatory requirements; and automation at more land customs stations (LCSs); • Maldives (3): accession to the RKC and its General Annex; RMS; and road map for establishing NSW; • Nepal (5): accession to the RKC; updating of Customs Reform and Modernization Strategies and Action Plan in line with the SAFE

⁹ World Bank. International LPI. Global Rankings 2018. <https://lpi.worldbank.org/international/global>; International LPI Reports. <https://lpi.worldbank.org/report>; and Aggregated LPI 2012–2018. <https://lpi.worldbank.org/international/aggregated-ranking>. The aggregated LPI combines the four most recent LPI editions, where each year's scores were given weights: 6.7% for 2012, 13.3% for 2014, 26.7% for 2016, and 53.3% for 2018.

¹⁰ Bangladesh ranking positions were 79 in 2010, 108 in 2014, 87 in 2016, and 100 in 2018; Bhutan, 128 in 2010, 107 in 2012, 143 in 2014, 135 in 2016, and 149 in 2018; and Nepal, 147 in 2010, 151 in 2012, 105 in 2014, 124 in 2016, and 114 in 2018.

Results Chain	Performance Indicators with Targets and Baselines	Achievements
<p>2. Frameworks for interface of Customs administration systems, trade facilitation, transport facilitation, and sanitary/ phytosanitary (SPS) and standards in SASEC countries identified</p>	<p>2a. Initial trade facilitation agreements reached by 2017</p>	<p>Framework and authorized economic operator scheme; review of trade documents; implementation of ASYCUDA World; and NSW; and</p> <ul style="list-style-type: none"> • Sri Lanka (1): preparedness of customs toward NSW. <p>During SCS meetings, significant progress was reported in the implementation of projects. They include (i) more land ports automated in Bangladesh, (ii) NSW as a flagship program submitted under the 12th Five-Year Plan of Bhutan, (iii) customs clearance facilitation committees in India institutionalized, (iv) Maldives' RMS being implemented, (v) road map to implement Maldives' NSW adopted by the government and published containing the key steps to launch NSW; (vi) interface of ASYCUDA World to Nepal NSW being developed, and (vii) information and communication technology (ICT) capacity of Sri Lanka Customs being enhanced in preparation for NSW.</p> <p>(ii) Priority areas in institution and capacity building in SASEC covered the following:</p> <ul style="list-style-type: none"> • customs valuation; • risk assessment; • trusted trader scheme; • NSW; • international standards and convention; • PCA. <p>Of the above, 11 training courses, workshops, or seminars were undertaken; and, in addition, 7 training courses and workshops were also conducted on ASYCUDA World and customs automation; and validation of baseline studies on trade and transport facilitation monitoring mechanism in Bangladesh, Bhutan, and Nepal.</p> <p>About 610 staff and officials from the customs administrations participated in capacity building activities. More hands-on and practical applications were provided to the participants, observing that these were highly useful and generated tangible benefits, such as attitude changes and revenue increments.</p> <p>Initial agreements on interface frameworks and subregional projects were reached by 2017.</p> <p>(i) Frameworks for customs administration systems were agreed and implemented, in six subregional projects (SRPs):</p> <ul style="list-style-type: none"> • SRP 1: Exchange of export declarations at major border crossing points (BCPs). Exchange of documents between Bangladesh, Bhutan, India, and Nepal was ongoing; and they have the flexibility to include more commodities and LCSs.

Results Chain	Performance Indicators with Targets and Baselines	Achievements
		<ul style="list-style-type: none"> • SRP 2: Readiness of regulatory framework and infrastructure facilities for containerized movement of cargo. Since completed, further action on infrastructure requirements was being considered by the countries. • SRP 3: Regular border meetings between and among the customs authorities at major BCPs. Meetings and continuing consultations were being undertaken to institutionalize the meetings. • SRP 4: Automation of transit process and use of ICT in processing transit cargo. The design of custom transit declaration module in India and export-import code in Nepal had been completed but for further discussion. • SRP 5: Customs-to-customs exchange of SASEC trade-related data. Review of data security frameworks was agreed. • SRP 6: SASEC ASYCUDA subregional mechanism. Bangladesh, Maldives, and Nepal had endorsed the terms of reference of SASEC ASYCUDA World Support Network. <p>(ii) For framework on coordinated border management and harmonized operations of LCSs, the study on the gaps and needs in infrastructure and connectivity was undertaken in nine pairs of LCSs at the borders of Bangladesh and India (5 pairs) and of Nepal and India (4 pairs). With the SCS agreeing on the benefits for coordinated border management, Bangladesh–India–Nepal expressed interest in the development of other LCS pairs along their borders.</p> <p>(iii) For interface in SPS and technical barriers to trade (TBT), the diagnostic studies highlighted the legislative, regulatory, institutional, and infrastructure bottlenecks in trading. The results are guiding the development of measures to harmonize standards and improve transparency in SASEC.</p> <p>(iv) On framework for through-transport facilitation interface, the development and trial runs of electronic cargo tracking system (ECTS) demonstrated reduction in time and cost of trade. To showcase this benefit, a pilot was undertaken between India and Bhutan, and between India and Nepal, in designated land routes and in BCPs. Its application in Bangladesh, Maldives, Nepal, and Sri Lanka was being explored.</p> <p>(v) Another landmark and pioneering interface for through-transport facilitation was the Motor Vehicles Agreement (MVA), one for Bangladesh–Bhutan–India–Nepal (BBIN); and another for India, Myanmar, and Thailand (IMT). The MVA aims to make cross-border trade more efficient where passenger, personal, and cargo vehicles are allowed to cross international borders and travel</p>

Results Chain	Performance Indicators with Targets and Baselines	Achievements
		<p>along designated key trade routes; and costly and time-consuming transshipment of people and goods at the borders are reduced. BBIN MVA was signed in Thimphu by their transport ministers in June 2015, with Bangladesh, India, and Nepal had ratified the MVA while Bhutan's ratification was underway. The draft IMT MVA had been finalized after it was reviewed by the transport secretaries. The trial runs undertaken showed seamless movement of vehicles, as well as strengthened the ties of the countries.</p>
<p>Actual Key Activities with Milestones</p> <p>1. Cooperation between and among trade and transport facilitation agencies in SASEC countries enhanced</p> <p>1.1 Facilitate the operationalization of the SCS (Q1 2014–Q4 2017)</p> <p>1.2 Organize and convene meetings of the SCS, and meetings and workshops on transport facilitation, and SPS and TBT (Q1 2014–Q4 2018)</p> <p>1.3 Organize and convene experience- and knowledge-sharing workshops and seminars on international good practice on customs, SPS/TBT, and transport facilitation among SASEC countries (Q1 2014–Q4 2018)</p> <p>2. Frameworks for interface of Customs administration systems, trade facilitation, transport facilitation, and sanitary/ phytosanitary and standards in SASEC countries identified</p> <p>2.1 Conduct consultations and studies to identify the benefits, issues and challenges of promoting the interface of custom administration systems, and cooperation on SPS/TBT, and transport facilitation (Q1 2016–Q4 2018)</p> <p>2.2 Formulate draft strategies and road maps for a feasible process of creating better customs administration system interface, and those for SPS/TBT, and transport facilitation (Q1 2016–Q4 2018)</p> <p>2.3 Facilitate conclusion of agreements between/among SASEC countries on transport facilitation (Q1 2016–Q4 2018)</p>		
<p>Actual Inputs</p> <p>Japan Fund for Poverty Reduction: \$1,500,000.00</p> <p>Technical Assistance Special Fund-V: \$775,000.00</p> <p>Regional Cooperation and Integration Fund: \$500,000.00</p>		

Source: Asian Development Bank.

TECHNICAL ASSISTANCE COST**Table A2.1: Technical Assistance Cost by Activity**
(\$'000)

Item	Amount		
	Original	Revised	Actual
1. Consultants	1,050.90	1,775.90	1,599.95
2. Training, seminars and/or conferences	350.00	880.00	899.32
3. Studies	25.00	25.00	0.10
4. Miscellaneous technical assistance administration	17.60	37.60	30.70
5. Contingency	56.50	56.50	0.00
Total	1,500.00	2,775.00	2,530.07

Source: Asian Development Bank estimates.

Table A2.2: Technical Assistance Cost by Fund
(\$'000)

	Japan Fund Poverty Reduction	Technical Assistance Special Fund-V	Regional Cooperation and Integration Fund	Total Cost
1. Original	1,500.00	0.00	0.00	1,500.00
2. Revised	1,500.00	775.00	500.00	2,775.00
3. Actual	1,313.25	772.01	444.81	2,530.07
4. Unused	186.75	2.99	55.19	244.93

Source: Asian Development Bank estimates.