



Bhutan: South Asia Subregional Economic Cooperation Transport, Trade Facilitation and Logistics Project

Project Name	South Asia Subregional Economic Cooperation Transport, Trade Facilitation and Logistics Project				
Project Number	47284-001				
Country	Bhutan				
Project Status	Closed				
Project Type / Modality of Assistance	Technical Assistance				
Source of Funding / Amount	<table border="1"> <tr> <td colspan="2">TA 8708-BHU: South Asia Subregional Economic Cooperation Transport, Trade Facilitation and Logistics Project</td> </tr> <tr> <td>Technical Assistance Special Fund</td> <td>US\$ 1.00 million</td> </tr> </table>	TA 8708-BHU: South Asia Subregional Economic Cooperation Transport, Trade Facilitation and Logistics Project		Technical Assistance Special Fund	US\$ 1.00 million
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Technical Assistance Special Fund	US\$ 1.00 million				
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration				
Drivers of Change	Governance and capacity development Private sector development				
Sector / Subsector	Industry and trade - Trade and services Transport - Road transport (non-urban)				
Gender Equity and Mainstreaming	Some gender elements				
Description	<p>The SASEC Transport, Trade Facilitation and Logistics Project is designed to improve transport efficiency and cross border trade by (i) rehabilitating existing roads and constructing missing link sections on the strategic southern east-west highway between Lhamoizingkha and Sarpang, and (ii) constructing new logistics and cross border facilities at selected locations in Phuentsholing, Nganglam and Gelephu.</p> <p>The project will have three outputs: a) improved road network (b) improved logistics and trade facilitation facilities and (c) enhanced capacity of implementing agencies to operate and maintain the road network and trade facilitation facilities and related equipment. The project impact will be improved domestic and cross border movement of goods and passengers. The project outcome will be improved efficiency of land transportation and more efficient and secure cross border trade. The potential implementing agency for the road component and trade facilitation component are the Department of Roads (DOR) and Department of Revenue and Customs (DRC) respectively. The project is expected to be implemented over 6 years from 2016 to 2022.</p>				
Project Rationale and Linkage to Country/Regional Strategy	<p>Road transport is the dominant mode of transport for passengers and freight within Bhutan and the neighboring countries of India, Bangladesh and Nepal. However, the southern east-west highway (SEWH) is currently incomplete; east-west connection in the south now often relies on long and indirect routes. This constrains economic and social development in the southeastern parts of Bhutan that are poorer than most other regions. Recognizing these physical constraints on economic development, the Royal Government of Bhutan's 11th Five Year Plan states its key priority is completing construction of the strategic SEWH corridor totaling about 717km in length. This is critical in enhancing east-west transport efficiency which will promote inclusive socio-economic development, particularly opening up access to the less developed central region.</p> <p>The Government has further requested ADB to assist in developing an additional dry port and Integrated Check Posts at suitable locations along the SEWH corridor parallel to the international border. The additional dry port will provide opportunity for consolidation of freight logistics for export, reduce transport costs for freight, and enhance efficiency of freight logistics thereby lowering freight costs significantly. The ICs - each housing multiple agencies - will play an important role in enhancing national security and facilitating trade.</p>				
Impact					

Project Outcome

Description of Outcome

Progress Toward Outcome

Implementation Progress

Description of Project Outputs

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

Geographical Location

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design To be prepared in due course during project design.

During Project Implementation To be prepared in due course during project implementation.

Business Opportunities

Consulting Services All consultants will be recruited according to ADB's Guidelines on the Use of Consultants.

Procurement All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines.

Responsible Staff

Responsible ADB Officer Hoelscher, Guenter

Responsible ADB Department South Asia Department

Responsible ADB Division Transport and Communications Division, SARD

Executing Agencies
*Department of Revenue and Customs
P.O. Box 117, Thimphu, Bhutan
Department of Roads
Ministry of Communications
Thimphu
Bhutan*

Timetable

Concept Clearance -

Fact Finding -

MRM -

Approval 27 Aug 2014

Last Review Mission -

Last PDS Update 28 Mar 2016

TA 8708-BHU

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
27 Aug 2014	02 Oct 2014	02 Oct 2014	30 Sep 2016	30 Nov 2016	-

Financing Plan/TA Utilization	Cumulative Disbursements
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ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
1,000,000.00	0.00	0.00	0.00	0.00	0.00	1,000,000.00	27 Aug 2014	771,688.28

Project Page <https://www.adb.org/projects/47284-001/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=47284-001>

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