

Georgia: Support for Silk Road Forum

Project Name	Support for Silk Road Forum
Project Number	49073-001
Country	Georgia
Project Status	Closed
Project Type / Modality of Assistance	Technical Assistance
Source of Funding / Amount	TA 8892-GEO: Support for Silk Road Forum
Amount	Technical Assistance Special Fund US\$ 225,000.00
Strategic Agendas	Inclusive economic growth Regional integration
Drivers of Change	Governance and capacity development Knowledge solutions Private sector development
Sector / Subsector	Energy - Large hydropower generation Industry and trade - Industry and trade sector development - Large and medium industries - Trade and services Transport - Multimodal logistics - Road transport (non-urban) - Transport policies and institutional development
Gender Equity and Mainstreaming	No gender elements
Description	This S-PATA is proposed to support a Silk Road Forum (the Forum) in Tbilisi, Georgia. The Forum, planned for October 2015, will be opened by the Prime Minister of Georgia. The Forum is expected to gather up to 200 participants from ADB member countries, including high-level government officials, private sector stakeholders, representatives of development partner institutions, business associations, chambers of commerce, and other relevant organizations. The goal of the Forum is to (i) discuss possibilities to enhance regional cooperation through improved cross-border transport and energy connectivity, trade facilitation and commerce along the Silk Road; (ii) help coordinate transport infrastructure investment plans and potential policy interventions aimed at achieving uninterrupted flow of goods through Silk Road corridor; and (iii) stimulate cross-border trade and commerce by identifying investment opportunities and facilitating business-to business meetings and public-private dialogue. Participants of the forum will include the government officials from ADB member countries at the level of Ministers and Deputy Ministers of economy, transport, trade, energy, and other relevant areas, as well as the representatives of financial institutions, other donor organizations, professional associations, think tanks, and the private sector. A detailed scope and agenda of the Forum will be prepared in consultation with government agencies, private sector and other stakeholders. The expected impact of the Forum is increased economic engagement between Georgia and ADB-member countries in Asia. The outcome is the establishment of a regular venue in the form of the Silk Road Forum by 2017, to be held on a biannual basis, to facilitate the increased understanding of regional trends in cross-border transport and energy connectivity, logistics and trade among the governments of the Asian region and the private sector. The expected output to achieve the outcome is a successfully launched Forum by end October 2015 with strong pa

Project Rationale and Linkage to Country/Regional Strategy The concept of reviving the Silk Road, a historical trade route extending from Asia to Europe, has been gaining increasing importance among the countries of the region, development partners, and international organizations. The route is a natural economic corridor that can play an instrumental role in the process of both improving Asia's connectivity to the global economy and accelerating the economic integration within the region. Some major initiatives aimed at materializing this vision of Silk Road have been put forward in recent years. These include the Central Asia Regional Economic Cooperation program (CAREC), launched in 2001 with support from ADB, and the international Transport Corridor Europe-Caucasus-Asia (TRACECA), initiated in 1993 as European Union technical assistance (TA) program. CAREC is designed to promote and facilitate regional cooperation in the areas of transport, trade facilitation, trade policy, and energy in 10 member countries. The program is supported by six multilateral institutions including ADB and has mobilized over \$24.2 billion in the transport, trade, and energy infrastructure investments along what constitutes the historic Silk Road. The Implementation Action Plan for the CAREC Transport and Trade Facilitation Strategy 2020 presents an ambitious investment plan to support efficient linkages between the region's key economic hubs, and connecting the CAREC countries to other Eurasian and global markets. TRACECA incorporates 13 countries from Eastern Europe, Caucasus and Central Asia with the aim of developing economic relations and transportation links between countries and regions extending from Europe to Asia. At present the TRACECA countries are gradually implementing the strategy for development of the international transport Europe-Caucasus-Asia corridor aimed at creating a sustainable transport infrastructure chain.

Georgia, a part of the Silk Road, has been rediscovering the advantages of its geographic location after the break-up of the Soviet Union. Since its independence in 1991, the country's successive governments have given full political backing to the idea of reviving the Silk Road through active participation in various international initiatives aimed at improving connectivity and facilitating uninterrupted flow of goods and services through Georgia. The important initiatives implemented in Georgia during the last two decades include the extension of oil and gas pipelines transporting hydrocarbons from Azerbaijan and Central Asia to global markets through Georgia, construction of new power transmission lines allowing for regional power trade, and rehabilitation and expansion of the strategic East-West highway connecting the land locked-countries of the Caucasus and Central Asia to Georgia's Black Sea ports.

Although Georgia is not currently a CAREC member country, Georgia's East-West highway, which is being upgraded through ADB financing, is a natural continuation of CAREC's corridor 2 linking China, Afghanistan and the countries of the Central Asia to European markets and beyond. Georgia has also hosted a CAREC conference on customs reform and trade facilitation. Georgia participates in TRACECA and has coordinated a number of large scale transport infrastructure projects through this collaborative mechanism. The examples include the rehabilitation of the Georgia's East-West highway; construction of the railway line Baku-Tbilisi-Kars; and launch of the ferry connection between Georgia, Romania and Ukraine in 2014.

As efforts continue to bring Georgia's transport and energy infrastructure to modern international standards, Georgia also aspires to firmly place itself within the global value chain, logistics networks, power trading mechanisms and tourism routes by becoming a regional transport, logistics and energy hub. Georgia's location at the crossroads of Asia and Europe and free trade regimes with European Union, Turkey, and the majority of the countries within the Commonwealth of Independent States, provide significant opportunities. ADB is well-positioned to support Georgia's aspiration to become a transport, energy and logistics hub along the Silk Road through ongoing investments in upgrading Georgia's East-West road corridor and the regional power transmission network. By extending technical assistance for the Silk Road Forum in Tbilisi, ADB will support Georgia as a venue for policy makers, private sector, development partners and other stakeholders to discuss deepening regional cooperation along the Silk Road through improved transport and energy links, trade facilitation, cross-border finance and foreign investment. The Forum will also complement the ongoing consultative and collaborative processes under CAREC by highlighting Georgia's role as an important extension of CAREC's economic corridor.

Impact

Increased economic engagement between Georgia and ADB-member countries in Asia

Project Outcome

Description of Outcome	A regular venue is established in the form of the Silk Road Forum facilitating the increased understanding of regional trends in cross-border transport and energy connectivity, logistics and trade among the governments of the Asian region and the private sector
Progress Toward Outcome	The Forum held successfully on 15-16 October 2015. Georgia has been established as a regular venue for the Silk Road Forum.
Implementation Progress	
Description of Project Outputs	A successfully launched Forum with strong participation by government officials and private sector representatives from ADB-member countries
Status of Implementation Progress (Outputs, Activities, and Issues)	The Forum held successfully on 15-16 October 2015. With about 900 participants from ADB countries and beyond, the attendance of the Forum exceeded the initial expectations of about 200 participants.
Geographical Location	

Summary of Environmental and Social Aspects

Environmental Aspects

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation				
During Project Design	NA			
During Project Implementation	NA			

Business Opportunities

Consulting Services	The S-PATA will support the international consulting firm with expertise in conference program preparation and event management (total of 15 person-months).
Procurement	The S-PATA is estimated to cost \$225,000, to be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-Others). The TA funds will cover the costs of (i) engaging a consulting firm to help organize the Forum; (ii) various administrative costs related to venue set-up, logistics, print materials, etc.; and (iii) travel and accommodation for select foreign government participants, representatives of NGOs, and professional associations from ADB member countries as well as the honorariums for the resource persons.

Responsible Staff

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Timetable

Concept Clearance	-
Fact Finding	-
MRM	-
Approval	28 Apr 2015
Last Review Mission	-
Last PDS Update	12 Nov 2015

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Milestones						
Annroyal	Signing Date	Effectivity Date	Closing			
Approval			Original	Revised	Actual	
28 Apr 2015	-	28 Apr 2015	31 Dec 2015	31 Mar 2016	-	

Financing Plan/TA Utilization						Cumulative Disbu	ırsements		
ADB	Cofinancing	Count	Counterpart			Total	Date	Amount	
		Gov	Beneficiaries	Project Sponsor		Others			
225,000.00	0.00	0.00	0.00		0.00	0.00	225,000.00	28 Apr 2015	207,333.48

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