



Technical Assistance Report

Project Number: 50250-001
Regional—Capacity Development Technical Assistance (R-CDTA)
November 2016

Regional Project Development Support for the South Asia Subregional Economic Cooperation Operational Plan, 2016–2025 (Cofinanced by the Regional Cooperation and Integration Fund)

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Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
BIMSTEC	–	Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation
RCI	–	regional cooperation and integration
SAARC	–	South Asian Association for Regional Cooperation
SARC	–	South Asia Regional Cooperation and Operations Coordination Division
SASEC	–	South Asia Subregional Economic Cooperation
TA	–	technical assistance

NOTE

In this report, "\$" refers to US dollars.

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CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE AT A GLANCE

1. Basic Data		Project Number: 50250-001	
Project Name	Regional Project Development Support for the South Asia Subregional Economic Cooperation Operational Plan, 2016-2025	Department /Division	SARD/SARC
Country	REG	Executing Agency	Asian Development Bank
2. Sector	Subsector(s)	ADB Financing (\$ million)	
✓ Industry and trade	Industry and trade sector development	0.60	
	Trade and services	0.45	
Transport	Multimodal logistics	0.50	
	Road transport (non-urban)	0.40	
	Transport policies and institutional development	0.30	
Water and other urban infrastructure and services	Other urban services	0.25	
		Total	2.50
3. Strategic Agenda	Subcomponents	Climate Change Information	
Inclusive economic growth (IEG)	Pillar 1: Economic opportunities, including jobs, created and expanded	Climate Change impact on the Project	Low
Regional integration (RCI)	Pillar 1: Cross-border infrastructure Pillar 2: Trade and investment		
4. Drivers of Change	Components	Gender Equity and Mainstreaming	
Governance and capacity development (GCD)	Institutional systems and political economy	No gender elements (NGE)	✓
Knowledge solutions (KNS)	Knowledge sharing activities		
Partnerships (PAR)	Implementation Regional organizations		
5. Poverty and SDG Targeting		Location Impact	
Geographic Targeting	No	Regional	High
Household Targeting	No		
SDG Targeting	Yes		
SDG Goals	SDG9		
6. TA Category:	B		
7. Safeguard Categorization	Not Applicable		
8. Financing			
Modality and Sources		Amount (\$ million)	
ADB		2.50	
Capacity development technical assistance: Regional Cooperation and Integration Fund		0.50	
Capacity development technical assistance: Technical Assistance Special Fund		2.00	
Cofinancing		0.00	
None		0.00	
Counterpart		0.00	
None		0.00	
Total		2.50	
9. Effective Development Cooperation			
Use of country procurement systems			No
Use of country public financial management systems			No

I. INTRODUCTION

1. The South Asia Subregional Economic Cooperation (SASEC) countries approved the SASEC Operational Plan, 2016–2025 in June 2016.¹ This plan will guide the future regional cooperation and integration (RCI) support offered by the Asian Development Bank (ADB) to the SASEC countries. The plan is consistent with the directions of ADB's Operational Plan for RCI to strengthen connectivity between economies and boost competitiveness among connected markets.²

2. The plan outlines the SASEC program's strategic objectives and operational priorities in four cooperation areas: transport, trade facilitation, energy, and economic corridor development. Economic corridor development is an enhanced connectivity strategy that was recently added as a priority initiative to accelerate industrial growth. The plan also expands the SASEC program's focus beyond intraregional cooperation to developing links with East and Southeast Asia. It contains a long list of potential projects that could be implemented in 2016–2025, and a subset of projects for possible ADB funding in 2016–2020.

3. The plan was first discussed at the SASEC Trade Facilitation and Transport Working Group Meeting held on 4 November 2014 in Kathmandu, Nepal. The governments requested ADB as the SASEC Secretariat to coordinate the preparation of the plan in close consultation with the SASEC countries. In May 2016, the draft of the plan was presented to and endorsed by the SASEC countries at the Regional Consultation Workshop in New Delhi, India. At this workshop, SASEC members reiterated the need for ADB assistance in promoting the regional pipeline for the next 10 years. With the proposed technical assistance (TA) support for the implementation of the SASEC Operational Plan can be undertaken. It also aims to expand ADB's existing research products on effective policy responses to the new challenges and emerging issues confronting SASEC member countries. The design and monitoring framework is in Appendix 1.

II. ISSUES

4. **South Asia's growth prospects.** Significant reforms in countries comprising the South Asia Subregional Economic Cooperation (SASEC)³ Program produced an impressive annual average growth rate of more than 8% during 2003–2007. However, this tapered off to about 4% in 2008 (due to the financial crisis of 2008–2009) and despite a rebound in 2009–2010, economic growth in the SASEC subregion remained sluggish from 2011 until regaining momentum 2014. ADB has forecasted that South Asia could become the fastest growing region in Asia, and that its strong economic performance will be fueled by the SASEC member countries, which are collectively expected to grow at 7.3% in 2016 and 7.7% in 2017.⁴

5. **Connectivity and integration challenges.** A huge infrastructure deficit is impacting growth, and, more importantly, quality of life in the region. Connectivity among the SASEC countries and with those outside the region is poor. Within SASEC countries, many areas lack access to a reliable electricity connection, safe water supply, and adequate roads and transportation facilities. Moreover, South Asia's trade volume with the rest of Asia remains low, suggesting that the region has not fully taken advantage of Asia's rapid integration. In 2015,

¹ SASEC comprises Bangladesh, Bhutan, India, the Maldives, Nepal, and Sri Lanka.

² ADB. 2016. *Operational Plan for Regional Cooperation and Integration: Promoting Connectivity, Competitiveness, Regional Public Goods and Collective Action for Asia and the Pacific (2016–2020)*. Manila.

³ The SASEC subregion comprises Bangladesh, Bhutan, India, Maldives, Nepal and Sri Lanka.

⁴ ADB. 2016. *Asian Development Outlook 2016 Update*. Manila.

SASEC countries' intraregional trade made up just 4.5% of its total trade with the rest of the world, compared to 9.0% for Central Asia, 23.6% for Southeast Asia, and 36.7% for East Asia.⁵

6. **Requisites for sustaining growth.** The next 10 years will be challenging for South Asia as it strives to regain and sustain its growth momentum and ensure that this growth is inclusive. Key challenges include (i) increasing productivity and investment; (ii) creating high-value jobs in industry and tourism; (iii) maintaining strong macroeconomic fundamentals through enhanced macroeconomic surveillance and analysis; (iv) developing lagging regions and improving the delivery of social services to these areas; (v) addressing vulnerabilities to global trends in energy, climate, and food; (vi) addressing constraints on faster integration, such as high trade costs, low quality infrastructure, and weak institutional capacity; and (vii) industrial development, international competitiveness, human capital development, and economic linkages with global production networks and neighboring regions in Asia.

7. **Regional cooperation and integration as a sustainable growth instrument.** SASEC countries have been cooperating with each other to address these challenges. In transport, better connectivity has helped expand markets and fostered enterprise competitiveness by increasing economies of scale. Trade facilitation complemented infrastructure investments to further reduce bottlenecks at the borders, thus enhancing trade and economic integration. In energy, power trading helped expand, diversify, and improve the security of the energy supply. However, sustaining the region's growth momentum requires refocusing the SASEC program's operational priorities to respond better to changes in the economic environment. In transport, there is a need to address capacity constraints better and ensure seamless movement along intermodal systems. This would encourage enterprises to diversify production, spurring investments, productivity, and jobs. Further deepening trade facilitation and covering both land- and sea-based transport by focusing on the logistics chain will help economies keep pace with a more competitive global environment. Improving the diversity and security of the energy supply will hinge on enhancing energy trade infrastructure and the regulatory framework. Moreover, a stronger focus on economic corridor development, using transport infrastructure as the basis for spatial development, can help increase development synergies from multisector investments and spread benefits to the hinterlands for more inclusive growth.

8. **Broadening the South Asia Subregional Economic Cooperation agenda.** In recent years, SASEC's agenda has begun to evolve within wider integration processes taking place in Asia. Although SASEC has focused on links within South Asia for most of the 15 years that it has existed, it has begun to pursue transport and energy links outside the region. Doing so will enable SASEC countries to exploit trade opportunities and economies of scale based on a larger regional market, and access a larger and more diverse energy resource pool. SASEC has aligned its connectivity agenda with the frameworks of the South Asian Association for Regional Cooperation (SAARC) and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). ADB's support for SAARC's and BIMSTEC's transport master plans includes funding key sections of these plans under the SASEC program. ADB support will transform transport corridors into economic corridors, thus improving multimodal connectivity involving roads, seaports, and airports, which will efficiently link SASEC's industry clusters with production networks in neighboring regions.

9. The SASEC Operational Plan contains a long list of potential projects that support SASEC's strategic objectives and priorities through 2025. This list includes (i) national projects with regional significance; (ii) regional projects drawn from the SAARC Regional Multimodal

⁵ ADB. Asia Regional Integration Center. www.aric.adb.org/integrationindicators (accessed 14 November 2016).

Transport Study,⁶ the SAARC Regional Energy Trade Study,⁷ and the BIMSTEC Transport Infrastructure and Logistics Study;⁸ (iii) priorities from significant regional developments, such as the Motor Vehicle Agreement among Bangladesh, Bhutan, India, and Nepal; and (iv) emerging opportunities resulting from the opening of Myanmar, an important land bridge connecting South and Southeast Asia. The SASEC countries have agreed that this project list should continue to develop to reflect emerging needs and priorities. The plan also contains recommendations on further developing economic corridors in the region, and exploring ways to increase synergies among them.

10. The plan also includes 40 projects worth about \$25 billion being considered for possible ADB financing for 2016–2020. Many of these projects are in advanced stages of readiness, although several require further development.

11. The TA seeks to support the implementation of the SASEC Operational Plan. It will also (i) allow ADB to effectively respond to SASEC countries' requests for demand-driven knowledge and analytical work, (ii) continue to generate operationally relevant knowledge work, and (iii) broaden the agenda of future RCI work, which will address emerging development issues in SASEC countries. The TA will (i) support project identification and development, scoping, and prefeasibility studies; (ii) facilitate the publication of flagship RCI studies on economic corridors and other analytical work to address key development issues in the region, including formulating new initiatives and preparing the corresponding framework agreements; and (iii) organize conferences, workshops, and other outreach activities on RCI economic corridors and other priority initiatives. The TA will build on the progress of the SASEC program since 2001.

III. THE PROPOSED CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE

A. Impact and Outcome

12. The TA's impact will be (i) increased trade and economic cooperation within the SASEC countries; (ii) enhanced economic linkages between SASEC countries and East and Southeast Asia; and (iii) improved, sustained, and inclusive economic growth in the SASEC countries. The TA outcomes will be scaled-up investment in RCI and other key regional development initiatives in the SASEC subregion. The TA will help increase the cumulative value of approved RCI projects during 2016–2020 by 50%. The TA will also help the SASEC countries complete at least two additional regional cooperation framework agreements or initiatives that may lead to future investment projects, such as power trade agreements and economic corridor development studies.

B. Methodology and Key Activities

13. The TA outputs will include (i) an annual 3-year rolling pipeline of priority regional cooperation projects and initiatives agreed upon by the SASEC countries; (ii) RCI analytical work and other operationally relevant knowledge products; and (iii) knowledge sharing and capacity development of the SASEC countries. The first output will help update and refine the initial list of potential projects in the SASEC Operational Plan to develop a firm pipeline of well-formulated projects through 2025. The second output will generate analytical work on emerging

⁶ South Asia Association for Regional Cooperation (SAARC) Secretariat. 2006. *SAARC Regional Multimodal Transport Study*. Kathmandu.

⁷ SAARC Secretariat. 2010. *SAARC Regional Energy Trade Study*. Kathmandu.

⁸ ADB. Updating and Enhancement of the BIMSTEC Transport Infrastructure and Logistics Study. Unpublished.

issues in SASEC countries as the basis for framing new initiatives, including cross-sectoral and multistakeholder programs such as economic corridor development. The third output will (i) provide forums for the SASEC countries to reach a consensus on the pipeline of priority projects; (ii) disseminate study results; (iii) promote awareness of issues and discuss possible approaches or initiatives; and (iv) share knowledge, experiences, and good practices.

14. Output 1: An annual 3-year rolling pipeline of priority regional cooperation projects and initiatives agreed upon by the South Asia Subregional Economic Cooperation countries. SASEC working groups and nodal officials will be involved in developing the regional project pipeline in specific sectors. This will entail further updating and refining the project list in the SASEC Operational Plan, drawing from the results of feasibility and other studies. To solicit commitment and foster partnerships with other stakeholders, meetings with local governments, the private sector, and development partners will also be organized. At the country level, consultations with the relevant ministries will be conducted to facilitate broad agreements on sector interventions and new initiatives.

15. Output 2: Regional cooperation and integration analytical work and other operationally relevant knowledge products completed. The analytical work involved in the TA includes monitoring, assessing, and updating sector developments that could affect the development of the project pipeline. It will also address key development issues in the region, including formulating new initiatives and preparing the corresponding framework agreements. The TA will support studies to examine further and address issues flagged in earlier sector studies, such as the power trade regulatory framework, port logistics and facilitation, private involvement in transport facilitation, mutual recognition agreements, and value chain analysis in economic corridors.

16. Output 3: Knowledge sharing and capacity development of South Asia Subregional Economic Cooperation countries implemented. Learning events will be conducted under the TA to disseminate the results of studies and analytical work. Forums will be organized to promote awareness of RCI issues and suggest approaches to address them. Knowledge sharing on experiences and best practices could promote a better understanding of issues, foster consensus, and generate stakeholder support for regional initiatives, thus contributing to more effective implementation. The SASEC website and its related outreach tools, which will be updated regularly, will serve as a knowledge sharing tool. The TA project team will also organize training seminars on the application of modern techniques and international best practices, especially for those involved in project implementation.

17. Given the regional nature of this TA and the complexities of cross-border projects, the TA will coordinate closely with the ministries of finance and foreign affairs, as well as relevant line agencies in all stages of implementation. It will also engage with all relevant stakeholders and interested development partners to solicit their cooperation in implementing various SASEC initiatives. The active engagement of all stakeholders will help generate greater support for the TA in particular, and for RCI in general.

C. Cost and Financing

18. The TA is estimated to cost \$2.5 million, of which \$2.0 million will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-other sources) and \$0.5 million by the Regional Cooperation and Integration Fund.⁹ The detailed cost estimates and financing plan

⁹ Established by ADB. Financing partner: the Government of Japan.

are in Appendix 2. Future replenishment of TA funding is highly likely as countries are expected to identify new priority projects and development challenges for further analytical work and assessment during national and subregional consultations.

D. Implementation Arrangements

19. The TA will be implemented over a period of 48 months, from 20 November 2016 to 20 November 2020. ADB will be the executing and implementing agency. The South Asia Regional Cooperation and Operations Coordination Division (SARC) will be responsible for implementing the TA. An ADB TA team will comprise staff from SARC and other divisions, resident missions, and consultants as appropriate. The ADB TA team will coordinate closely with the participating countries and other ADB departments, including the Central and West Asia Department, Southeast Asia Department, and Economic Research and Regional Cooperation Department. Designated focal persons in relevant divisions of the South Asia Department will help implement activities and deliver outputs.

20. The TA will require a total of 59 person-months of international consulting services and 93 person-months of national consulting services. The consultants will have expertise in the following main areas: (i) trade facilitation, (ii) transport, (iii) energy, (iv) environment, and (iv) economic corridor development. ADB will engage all consultants in keeping with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). The outline terms of reference for consultants are in Appendix 3.

21. The consultants will be recruited as individuals, and not through a firm due to the following factors: (i) they will be operating in different countries; (ii) their respective work and outputs will be independent of each other's; and (iii) they will be managed by SARC, which has the capacity to perform this role.¹⁰

22. All disbursements under the TA will be made in accordance with ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time).

23. The TA will be monitored primarily through SASEC meetings and national and other subregional meetings to be held under the TA. The South Asia Department will evaluate the TA outputs through the meetings and/or annual TA implementation review missions, with assistance from the resident missions. Good practices and lessons learned from the TA will be (i) documented in reports to the SASEC nodal officials and SASEC Trade Facilitation and Transport Working Group, (ii) shared through learning events, (iii) posted on the SASEC website, and (iv) reported in meetings of the RCI thematic group.

IV. THE PRESIDENT'S DECISION

24. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$2,500,000 on a grant basis for the Regional Project Development Support for the South Asia Subregional Economic Cooperation Operational Plan, 2016–2025, and hereby reports this action to the Board.

¹⁰ In line with the Strategy 2020 Midterm Review Action Plan, the use of output-based (lump-sum) contracts for consulting services will be considered. ADB. 2014. *Midterm Review of Strategy 2020: Action Plan*. Manila.

DESIGN AND MONITORING FRAMEWORK

Impacts the TA is Aligned with:			
Trade and economic cooperation within SASEC countries increased, economic linkages between SASEC countries and with East and Southeast Asia enhanced, and inclusive economic growth in SASEC countries improved and sustained ^a			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
Outcome	By 2020		
Investments in RCI and other key regional development initiatives in the SASEC region scaled up	<p>1a. The cumulative value of RCI projects approved during 2016–2020 increased by 50% (2011–2015 baseline: \$3.29 billion)</p> <p>1b. At least two additional regional cooperation framework agreements or initiatives^b completed by the SASEC countries (2015 baseline: Motor Vehicle Agreement Among Bangladesh, Bhutan, India, and Nepal agreed upon)</p>	<p>1a. Reports and recommendations of the President</p> <p>1b. Summaries of SASEC working group meetings and similar platforms in print or on the ADB website; and the announcement of new regional cooperation initiatives on the ADB, country, or other regional websites</p>	<p>Changes in SASEC countries' policies due to volatile regional and global political conditions could delay investments in RCI.</p> <p>Complex internal government procedures in the SASEC countries could delay agreements on projects and initiatives.</p>
Outputs			
1. An annual 3-year rolling pipeline of priority regional cooperation projects and initiatives agreed upon by the SASEC countries	<p>1a. At least 30 priority regional projects agreed upon by participating countries for inclusion in the 3-year rolling pipeline (2016 baseline: 30 regional priority projects for 2017–2020)</p> <p>1b. At least two additional initiatives endorsed by the SASEC countries by 2018 (2016 baseline: 1 initiative)</p>	<p>1a. List of projects (updated yearly) in the SASEC Operational Plan</p> <p>1b. Summaries of SASEC working group meetings</p>	Different government policies will reduce their willingness to participate in regional projects and initiatives.

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
2. RCI analytical work and other operationally relevant knowledge products completed	<p>2a. At least three prefeasibility studies completed by December 2019 (2016 baseline: 0)</p> <p>2b. At least seven studies and papers completed by December 2019, of which at least five are published by June 2020 (2016 baseline: 0)</p>	<p>2a. TA consultants' progress and completed reports in print and on the ADB, country, and other regional websites</p> <p>2b. Publications in print and on the ADB and other regional websites</p>	The difficulty of reaching consensus on recommendations and the varied capacity of the participating countries could delay the completion of these knowledge products.
3. Knowledge sharing and capacity development of the SASEC countries implemented	<p>3a. At least five regional conferences and workshops on study results held by June 2020 (2016 baseline: 1)</p> <p>3b. At least two outreach forums on RCI issues and possible approaches held by June 2019 (2016 baseline: 0)</p> <p>3c. At least eight national training, seminars and workshops on sharing knowledge, experiences, and best practices conducted by September 2020 (2016 baseline: 2)</p> <p>3d. At least one forum on economic corridor development held by December 2017 (2016 baseline: 0)</p> <p>3e. The SASEC website and associated platforms updated regularly</p>	<p>3a. Report or proceedings of the conferences and workshops on the ADB website</p> <p>3b. Report or proceedings of the forums</p> <p>3c. The training evaluation report and feedback from seminar and workshop participants</p> <p>3d. Report or proceedings of the forum</p> <p>3e. The SASEC website (www.sasec.asia)</p>	The SASEC countries are unable to participate fully in these events due to their varied commitments.

Key Activities with Milestones	
Output 1. An annual 3-year rolling pipeline of priority regional cooperation projects and initiatives agreed upon by the SASEC countries	
1.1	Organize the annual meetings of the SASEC working groups and SASEC nodal officials (Q4 2016–Q2 2020)
1.2	Organize meetings with regional organizations and other stakeholders (development partners and the private sector) (Q4 2016, Q4 2017, Q4 2018, Q2 2020)
1.3	Organize consultations with concerned country line ministries to obtain their broad agreements on sector objectives and operational priorities (Q4 2017, Q4 2018, Q4 2019, July 2020)
Output 2. RCI analytical work and other operationally relevant knowledge products completed	
2.1	Assess, update, and monitor the implementation of sector strategies in the SASEC Operational Plan (December 2016–September 2020)
2.2	Prepare prefeasibility or related studies on candidate economic corridors (December 2017)
2.3	Prepare prefeasibility studies on high priority regional projects (January 2017–December 2019)
2.4	Prepare a study on the proposed framework of the Intergovernmental Agreement on Regional Power Trade (December 2017)
2.5	Prepare a paper on the packaging, sequencing, intermodality, and software requirements of related transport projects (December 2018)
2.6	Prepare a paper on the framework for mutual recognition agreement among national conformance bodies, including the standards and certification process (December 2019)
2.7	Prepare the publication of knowledge products (March 2018–June 2020)
Output 3. Knowledge sharing and capacity development of SASEC countries implemented	
3.1	Organize forums on SASEC and its priority projects (Q4 2017, Q4 2018, Q4 2019, Q2 2020)
3.2	Organize learning events on the findings of key studies and analytical work (Q1 2017, Q1 2018, Q2 2019, Q1 2020)
3.3	Organize training and seminars on the application of modern techniques and international best practices in trade facilitation (Q3 2017, Q3 2018, Q3 2019, Q3 2020)
3.4	Organize awareness forums to discuss RCI issues and possible approaches (Q2 2017, Q2 2019)
3.5	Maintain the SASEC website and related outreach tools (continuing)
Inputs	
ADB:	
Technical Assistance Special Fund	\$2,000,000
Regional Cooperation and Integration Fund	\$500,000
Assumptions for Partner Financing	
Not applicable.	

ADB = Asian Development Bank, Q = quarter, RCI = regional cooperation and integration, SASEC = South Asia Subregional Economic Cooperation, TA = technical assistance.

^a Defined by the project.

^b These activities may lead to future investment projects, such as motor vehicle agreements or economic corridor development studies.

Source: ADB.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
A. Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	538.1
ii. National consultants	416.8
b. International and local travel	70.5
2. Training, seminars, conferences, and meetings	
i. Meetings and conferences	700.0
ii. Representation cost ^b	50.0
3. Printing and publication	30.4
4. Reports and communications	44.2
5. Contingencies	150.0
Subtotal (A)	2,000.0
B. Regional Cooperation and Integration Fund^c	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	420.5
ii. National consultants	0.0
b. International and local travel	29.5
2. Training, seminars, conferences, and meetings	0.0
3. Printing and publication	0.0
4. Reports and communications	0.0
5. Contingencies	50.0
Subtotal (B)	500.0
Total	2,500.0

Note: The technical assistance is estimated to cost \$2.5 million, of which contributions from the Asian Development Bank (ADB) and Regional Cooperation and Integration Fund are presented in the table above.

^a Financed by ADB's Technical Assistance Special Fund (TASF-other sources).

^b Includes entertainment expenses such as alcoholic beverages, and other expenses relevant to holding meetings.

^c Established by the Asian Development Bank. Financing partner: the Government of Japan.

Source: ADB estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. Under the supervision of the South Asia Department team overseeing the implementation of the technical assistance (TA), the TA will engage 59 person-months of international consultants and 93 person-months of national consultants as individuals. These consultants will report to the designated international staff member of the South Asia Department, who will act as team leader and supervise the consultants' work. Consultants will be recruited in accordance with the Guidelines on the Use of Consultants (2013, as amended from time to time) of the Asian Development Bank (ADB).

A. International Consultants

2. **Sector strategy experts** (3 positions, 9 person-months, cumulative). The sector strategy experts on trade, transport, and energy should have advanced degrees in economics or engineering and at least 10 years of experience in the sector of specialization. The experts will prepare an assessment of the sector's implementation strategy for its infrastructure and policy components as reflected in the South Asia Subregional Economic Cooperation (SASEC) Operational Plan, 2016–2025. The assessment will (i) identify necessary improvements to institutional arrangements (e.g., regulatory or administrative and regional decision-making processes); (ii) identify the challenges of developing sector infrastructure (including financing options); and (iii) propose subregional evaluation, prioritization, and monitoring criteria and processes to ensure that the sector program is responsive to SASEC's thrusts and objectives. The experts will have due regard for cross-sectoral linkages and synergies. The main output is a sector strategy study, which will provide guidance for future updating or refinement of the plan's sector pipeline, including recommending the promotion of long-listed projects to the priority shortlist.

3. **Regional power trade specialist** (1 position, 6 person-months). The specialist should have an advanced degree in international law, business, or economics and at least 10 years of experience in the energy or power utility industry. Working with the SASEC Electricity Transmission Utility Forum, the specialist will draft an intergovernmental agreement on regional power trade in the SASEC subregion, with due consideration for (i) the current state of cross-border power transmission infrastructure in the subregion; (ii) power regulatory frameworks and ongoing efforts to harmonize these among the SASEC countries; and (iii) the provisions of existing bilateral power trade arrangements between SASEC countries. The specialist will participate in the review of the SASEC power trade agreement during the SASEC Electricity Transmission Utility Forum meetings, and implement the necessary refinements in the power trade agreement, culminating in the said agreement's acceptance by the member countries.

4. **Economic corridor development experts** (2 positions, 14 person-months, cumulative). The experts should have an advanced degree in economics, business, or engineering and at least 10 years of experience in transport corridor and value chain analysis. The experts will prepare studies in one or more of the following areas: (i) tapping opportunities for improving supply chain infrastructure, including capacity building; (ii) identifying new value chain arrangements (e.g., raw material sourcing and technology transfer) for intra-country economic corridors; (iii) harmonizing quality and testing standards for the smooth movement of goods; (iv) identifying infrastructure linkages to maximize synergies between economic corridors; and (v) proposing mechanisms for the more effective engagement of government and private actors in linking various economic corridors. The study reports will be discussed in the SASEC sector working groups to ensure that the sector pipelines maximize cross-sector synergies and help realize maximum benefits from the improvement of cross-border economic corridor linkages.

5. **Project development specialists** (3 positions, 12 person-months, cumulative). The specialists should have advanced degrees in economics or engineering and at least 7 years of experience in the sector of specialization. The specialists will undertake actions to advance the preparedness of projects identified as critical to realizing the plan's sector objectives. These actions include (i) coordinating with sector agencies to enhance the project's design, as well as with counterpart agencies in neighboring countries to concretize the project's regional dimensions; (ii) compiling data and information and analyzing the project's development impacts and regional significance; (iii) suggesting alternative design options to realize maximum regional impacts and other project benefits; (iv) exploring possible financing options, including a potential private sector role under public-private partnership arrangements; and (v) preliminarily screening safeguards impacts, as necessary. The sector strategy studies will identify certain projects for priority development.

6. **Regional cooperation development specialists** (2 positions, 18 person-months, cumulative). The specialists should have advanced degrees in business, management, or economics, and 12 years of experience in regional cooperation and integration (RCI) coordination work, with adequate understanding of the political, institutional, and operational mechanisms of RCI in the SASEC subregion. The specialists will assist the TA supervising unit in implementing, refining, and monitoring the progress of the SASEC Operational Plan, especially by (i) recommending and helping operationalize the necessary regional platform for securing SASEC consensus on the priority pipeline and other key plan decisions; (ii) backstopping consultations and dialogues to be held to refine and update the plan's sector pipeline; (iii) submitting reports to the SASEC working groups on the status of the sector strategy studies and project development activities; and (iv) analyzing and compiling data and information on economic, policy, and other developments in the SASEC countries that affect the status of various elements of the plan.

B. National Consultants

7. **Sector strategy country analysts** (6 positions, 18 person-months, cumulative). The analysts (in the areas of transport, trade facilitation, and energy) should have degrees in economics, business, management, or engineering, and at least 5 years of experience in the sector of specialization. The analysts will help the sector strategy experts by providing vital country inputs in assessing each sector's strategy for implementing the SASEC Operational Plan. The analysts will point out critical challenges in a country's decision processes with regard to developing, prioritizing, financing, and monitoring the progress of regional projects and initiatives, including in-country limitations for tapping cross-sectoral and cross-country linkages and synergies. The analysts' main outputs are the country reports, which will provide background information for the sector strategy reports, as well as parameters and recommendations for updating the country pipeline under the plan.

8. **Regional cooperation expert** (1 position, 15 person-months). The expert should have a degree in economics, business, or management, and at least 7 years of experience in RCI coordination work. The expert will be part of the core team engaged to advance and monitor the progress of the SASEC Operational Plan's implementation by (i) supporting the work programs of the SASEC sector working groups and subgroups with a focus on enhancing development results, (ii) coordinating with relevant ADB sector divisions and offices and government agencies in monitoring and implementing SASEC projects, (iii) assisting and reviewing the refinement and updating of the plan's priority project pipeline, and (iv) preparing resource papers for follow-up actions on directives from relevant SASEC working groups and/or regional

groupings, such as the South Asian Association for Regional Cooperation and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, especially on the results of the sector strategy and economic corridor development analysis, which will impact the plan's priorities.

9. **Regional project analysts** (2 positions, 30 person-months, cumulative). The analysts should have degrees in economics, business, or management, and at least 5 years of experience in RCI coordination work. The analysts will help the ADB TA supervising unit coordinate activities under the TA, including (i) liaising with various ADB officers, international and national consultants, and focal persons in relevant agencies of SASEC countries on matters related to the implementation of the SASEC Operational Plan; (ii) coordinating the organization of consultations and workshops to review and refine the plan, and various capacity building activities to facilitate the plan's implementation; and (iii) helping prepare, disseminate, and publish the various TA outputs (e.g., the updated plan, sector strategy papers, and other knowledge products).

10. **Web content manager** (1 position, 15 person-months, cumulative). The manager should have (i) a degree in communications, international relations, or a related field; (ii) experience in website content writing, development, and maintenance; and (iii) at least 6 years of experience in web content management. The manager will help develop the SASEC website as an information portal for SASEC projects and activities, and as a repository for trade procedures, regulations, and technical requirements for public and private stakeholders involved in cross-border trade. The manager will work as part of a team to enhance the external and internal visibility of SASEC activities by developing and maintaining the SASEC website.

11. **Web administrator** (1 position, 15 person-months, cumulative). The administrator should have (i) a degree in computer science, information technology, network administration, or any computer-related field; (ii) preferably experience in and knowledge of database design, PHP programming, MySQL database administration, Linux Server administration, and Apache web server administration; and (iii) at least 6 years of experience in web administration. The administrator will help develop the website specifications of the externally hosted SASEC website, including the design and navigation facilities and business and technical requirements using relevant technologies and related programs. The administrator will build, maintain, and update the full spectrum of mobile application architectures.