



Bangladesh: Preparing the South Asia Subregional Economic Cooperation Integrated Trade Facilitation Sector Development Program

Project Name	Preparing the South Asia Subregional Economic Cooperation Integrated Trade Facilitation Sector Development Program	
Project Number	53260-002	
Country	Bangladesh	
Project Status	Approved	
Project Type / Modality of Assistance	Technical Assistance	
Source of Funding / Amount	TA 9879-BAN: Preparing the South Asia Subregional Economic Cooperation Integrated Trade Facilitation Sector Development Program	
	Technical Assistance Special Fund	US\$ 1.50 million
Strategic Agendas	Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development Private sector development	
Sector / Subsector	Industry and trade - Industry and trade sector development	
Gender Equity and Mainstreaming	Some gender elements	
Description	<p>The proposed South Asia Subregional Economic Cooperation (SASEC) Integrated Trade Facilitation Sector Development Program (the Program) will help improve Bangladesh's border infrastructure and trade facilitation environment, thereby contributing to the national goals of promoting a favorable industrialization and trade policy regime. The Program will support Bangladesh's implementation of the World Trade Organization's Trade Facilitation Agreement, and related best practices on transport and trade facilitation. The Program will also support the Government of Bangladesh to establish and improve border infrastructure as public goods, which will reduce the cost and time of cross-border transactions and handle international transit cargos. These are aligned with (i) the government's ongoing customs reform and modernization initiatives under Customs Strategic Action Plan 2019-2022, (ii) ADB's Strategy 2030, Operational Priority 7: Fostering Regional Cooperation and Integration, (iii) the SASEC Operational Plan 2016-2025, and (iv) one of the country partnership strategy's priority areas, deepening regional cooperation and integration.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>The performance of Bangladesh in various global indices reflects improvements in the trade facilitation environment, but it also indicates that there is ample scope for further enhancement. The government formulated Export Policy 2015-2018 to promote and facilitate export, improve quality and has signed 29 bilateral Trade and Investment Cooperation agreements. The positive impact of the reform measures initiated to enhance organizational structure and modernize facilities is yet to be fully realized, as their implementation is constrained by insufficient use, infrastructural and capacity limitations, shortage of skilled human resources and impending introduction of new as well as complementary reforms. Effective implementation of the World Trade Organization Trade Facilitation Agreement (TFA) is another factor necessitating prioritization of customs reforms in Bangladesh. To comply with TFA and improve the environment of international trade, the government has identified 13 areas where they need external assistance and support for capacity building.</p> <p>Modernization of customs and improvement of trade and transport infrastructure are essential in the current competitive trade environment. In the World Bank's logistics performance index, weakness is apparent in many areas of the global performance of Bangladesh. Its overall logistics performance index score in 2018 was 2.58 out of 5, and its country ranking is 100 out of 160 countries. Lack of coordination by government agencies has hindered development of border infrastructure and operations in response to growth of trade and transport demands. Most of the existing customs offices, and cargo transshipment and storage facilities are underdeveloped, and their capacity is insufficient to handle international transit cargos. The last 2-5 kilometers (km) sections of roads to border crossing points are generally narrow and their pavement conditions are poor. Also, India and Nepal have demands of international trade by using the railways in Bangladesh. Bangladesh needs to build modernized land customs stations and land ports, and improve road conditions and railway cargo handling facilities at border crossing points.</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	Nation-wide	
Summary of Environmental and Social Aspects		
Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services ADB will engage an international consulting firm following ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions. The consulting services will be implemented in 5 months by a team of international and national experts.

Responsible ADB Officer	Nakane, Masato
Responsible ADB Department	South Asia Department
Responsible ADB Division	Regional Cooperation and Operations Coordination Div, SARD
Executing Agencies	Asian Development Bank 6 ADB Avenue, Mandaluyong City 1550, Philippines National Board of Revenue Rajashwa Bhaban Segunbagicha, Dhaka 1000 Bangladesh

Timetable

Concept Clearance	-
Fact Finding	-
MRM	-
Approval	22 Nov 2019
Last Review Mission	-
Last PDS Update	02 Dec 2019

TA 9879-BAN

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
1,500,000.00	0.00	0.00	0.00	0.00	0.00	1,500,000.00	-	0.00

Project Page	https://www.adb.org/projects/53260-002/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=53260-002
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