



South Asia Subregional Economic Cooperation (SASEC) Operational Plan (OP) 2016-25 includes nine projects worth \$2.4 Billion

Three projects – two Economic Corridors and one Road Bridge – worth an aggregate of \$1.2 billion to be in India

Shri Raj Kumar, Joint Secretary, Department of Economic Affairs says India fully supports the SASEC OP as it will improve our economic linkages with East and Southeast Asia in accordance with India's Act East policy

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The Asian Development Bank (ADB) has approved a total of nine projects costing \$2.42 billion as part of the Operational Plan (OP) 2016-2025 of the South Asia Subregional Economic Cooperation (SASEC) program. These projects will receive ADB financing of \$1.43 billion. These nine projects represent a significant increase compared to the previous 15 years, when the annual average value of projects approved was only about \$500 million.

The nine projects comprise of two rail projects in Bangladesh worth \$890 million, two economic corridor initiatives (a project and program loan) and a bridge project in India worth an aggregate of \$1.2 billion, trade facilitation and airport projects in Bhutan worth \$27 million and key SASEC road and energy projects in Nepal worth \$302 million. All these projects are aligned with the SASEC OP's thrusts of developing road and rail links aligned closely with trade routes toward the east, streamlining trade procedures, and improving energy infrastructure.

The Indian corridor projects reflect the SASEC OP's recent shift in emphasis on developing economic corridors within and between member countries. Shri Raj Kumar, Joint Secretary, Multilateral Institutions Division, Department of Economic Affairs stressed that India fully supports the SASEC OP as an important milestone in the SASEC program, especially as it will pursue the development of infrastructure to improve our economic linkages with East and Southeast Asia, in accordance with India's Act East policy, thereby raising the competitiveness of the sub-region's enterprises.

The SASEC OP has identified over 200 potential transport, trade facilitation and energy projects which will require over \$120 billion in investments for the next five years, out of which 74 projects have been identified in India with an estimated project cost of over \$60 billion. Majority of these projects are located in the Northeast or Eastern part of the country.

The SASEC OP, endorsed in June 2016 by the SASEC member countries, is SASEC's first comprehensive long-term plan to promote greater economic cooperation among the member countries in the areas of transport, trade facilitation, energy, and economic corridor development. Bringing regional cooperation to a higher level, the SASEC OP plans to extend physical linkages not only within SASEC but also with East and Southeast Asia by the next decade.

Established in 2001, the SASEC program is a project-based partnership to promote regional prosperity by improving cross-border connectivity, boosting trade among member countries and strengthening regional economic cooperation. ADB is the secretariat and lead financier of the SASEC program, which to date has supported a total of 46 projects worth \$9.17 billion in transport, trade facilitation, energy and information and communications technology (ICT).

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