



Bangladesh: Subregional Transport Project Preparatory Facility

Project Name	Subregional Transport Project Preparatory Facility	
Project Number	44142-013	
Country	Bangladesh	
Project Status	Approved	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan 2688-BAN: Subregional Transport Project Preparatory Facility	
	Asian Development Fund	US\$ 23.00 million
Strategic Agendas	Inclusive economic growth Regional integration	
Drivers of Change		
Sector / Subsector	Transport - Rail transport (non-urban) - Road transport (non-urban)	
Gender Equity and Mainstreaming	Some gender elements	
Description	<p>The proposed technical assistance loan will provide the facility to prepare a series of regional cooperation and integration (RCI) transport projects in roads and railways. The loan will ensure the projects are ready for implementation by providing funding for feasibility studies, detailed design preparation, procurement assistance, and safeguard implementation. The focus will be on priority transport corridors identified in the South Asian Association for Regional Cooperation (SAARC) Regional Multimodal Transport Study. Transport corridors linking with the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) countries--such as the Asian Highway Network and the Trans-Asia Rail Network--will also be targeted. While the facility will cover 8% of Bangladesh's major roads and 12% of its railways, development of these corridors would complete the subregional land transport network, which will stimulate both subregional trade and the Bangladesh economy.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>Bangladesh has the potential to become a transport and transshipment center for the subregion. It borders India and Myanmar and is geographically close to Bhutan, Nepal, and Kunming--the key transportation hub in southwest People's Republic of China (PRC). With the opening of the Bhangabandhu Bridge over the Jamuna River (the Jamuna Multipurpose Bridge) and the proposed development of the Padma Bridge, the Dhaka-Chittagong transport corridor and other strategic transport corridors can facilitate trade between Bangladesh and the northeastern states of India, the Indian state of West Bengal, Bhutan, and Nepal, thereby attracting more foreign and domestic investment to the country.</p> <p>While overall trade in Bangladesh has increased since economic liberalization in 1980's and its acceleration in 1990's, exports to East Asia (6.8%) and South Asia (1.6%) continue to account for a small share of overall trade. A 2008 Asian Development Bank (ADB) study identified weak trade-related infrastructure and poor connectivity are one of the more serious impediments to expansion of trade and investment among countries, in addition to a narrow export base and few complementarities with other countries in the region. Another study--the BIMSTEC Transport Infrastructure and Logistics Study--determined that improved transport infrastructure and improved access to modern transport systems are the keys to enhancing RCI in Bangladesh.</p> <p>Because of its location, Bangladesh plays a key role in RCI. The SAARC Regional Multimodal Transport Study identified priority corridors among SAARC countries. Six out of 10 priority road corridors and two out of five priority rail corridors go through Bangladesh. Bangladesh also has two of the priority ports (Chittagong and Mongla) providing international gateways for international trade. Bangladesh requires massive investment to improve infrastructure along these priority corridors. Such investment would not only contribute to the development of Bangladesh's own economy, but would also contribute heavily to increasing subregional trade.</p>	
Impact	Increased subregional trade	

Project Outcome

Description of Outcome	Improved efficiency in implementing RCI transport projects and facilitating cross-border traffic in Bangladesh
Progress Toward Outcome	
Implementation Progress	
Description of Project Outputs	(1) Feasibility study, if required, and detailed design of RCI transport projects (2) Implementation support to RCI transport projects (3) Capacity development support to the RHD
Status of Implementation Progress (Outputs, Activities, and Issues)	<p>Rail Component: Feasibility Study, Detailed Design, and Tendering Services for the 7 Subprojects are ongoing and are making progress. Data collection for all 7 Subprojects has been substantially completed. Overall physical and financial progress of all packages are 75.8% and 66.40%, respectively.</p> <p>Road Component: Two consulting firms have been engaged to prepare feasibility study and detailed design of about 1,762 km of roads on subregional trade corridors. The first package of 931 km of roads was completed in January 2015, while the other package of 831 km will be completed by June 2015. The feasibility study and detailed design for 70 km of roads has been used by the SASEC Road Connectivity Project. As part of the consultancy assignment, the consultants will prepare bidding documents for all roads, including the 70 km of roads for the SASEC Road Connectivity Project.</p> <p>A consulting firm was engaged from December 2012 to December 2013 for the capacity development of RHD. The recommendations of priority actions have been adopted by the government and are being implemented under the capacity development component of SASEC Road Connectivity Project.</p>
Geographical Location	Bangladesh
Safeguard Categories	
Environment	C
Involuntary Resettlement	C
Indigenous Peoples	C
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	<p>All consultants will be recruited according to ADB's Guidelines on the Use of Consultants. Consulting firms will be engaged using the quality- and cost-based selection (QCBS) method with a standard quality:cost ratio of 90:10.</p> <p>For feasibility study and detailed design:</p> <p>(i) Road (2 packages) - 68 person-months of international inputs and 412 person-months of national inputs</p> <p>(ii) Railways (1 package) - 260 person-months of international and 882 of national inputs</p> <p>For safeguards implementation (2 packages): 10 national experts/ 240 person-months</p> <p>For capacity development for RHD (1 package): 5 international consultants for 19 months and 6 national consultants for 39 months</p>
Procurement	All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines.
Responsible ADB Officer	Chen Chen
Responsible ADB Department	South Asia Department
Responsible ADB Division	Transport and Communications Division, SARD
Executing Agencies	<p><i>Roads and Highways Department Block A, Room 122, Sarak Bhaban Ramna, Dhaka Bangladesh</i></p> <p><i>Bangladesh Railway (BR) JBRLPCON@CITECHCO.NET Railway Div., Ministry of Communication Rail Bhavan, Abdul Gani Road Dhaka, Bangladesh</i></p>

Timetable	
Concept Clearance	01 May 2010
Fact Finding	17 May 2010 to 28 May 2010
MRM	19 Aug 2010
Approval	03 Nov 2010
Last Review Mission	-
PDS Creation Date	03 Jun 2010
Last PDS Update	06 Mar 2015

Loan 2688-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
03 Nov 2010	23 Jun 2011	21 Jul 2011	31 Dec 2013	31 Dec 2015	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	23.00	Cumulative Contract Awards			
ADB	23.00	03 Nov 2010	21.75	0.00	98%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	03 Nov 2010	18.55	0.00	84%

Project Page	http://www.adb.org/projects/44142-013/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=44142-013
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