



Conference on Regional Cooperation and Integration

Experiences in Asia and the Pacific

Organized by the Asian Development Bank and Kunming Municipal Government,
Yunnan Province, People's Republic of China

Papers and Presentations

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South Asia Regional Cooperation in Transport and Roles of Economic Corridors

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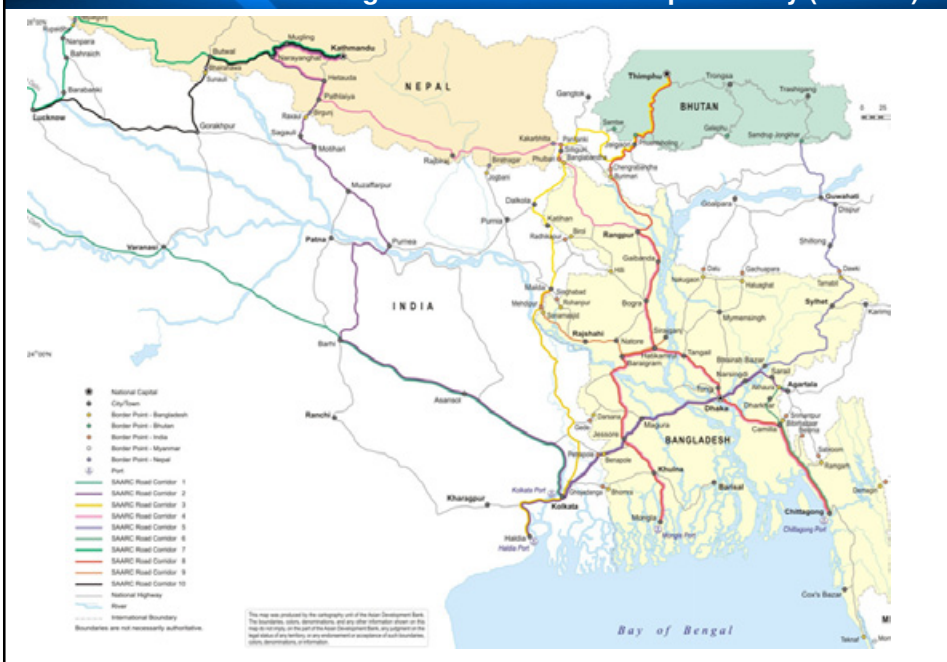
Conference on Regional Cooperation and Integration
-Experiences in Asia and the Pacific
 Kunming, Yunnan Province, People's Republic of China
 26-27 March 2012



Issues and Challenges

- ✓ Subregional trade is largely asymmetric:
 - Landlocked Nepal and Bhutan trade mainly with India
 - Trade between Bangladesh, Bhutan, and Nepal is small
- ✓ Need to strengthen transport connectivity
 - i. **Road:** need to improve quality of roads, transit and transshipment arrangements, policy and regulatory barriers, and other non-tariff barriers to trade;
 - ii. **Rail:** technical constraints related to different gauges, missing last-mile connectivity;
 - iii. **Inland Waterways:** protocol routes underutilized due to drafts, navigational aids, limited ports of call, and non-renewal issues;
 - iv. **Air:** lack of direct flights, regulatory barriers, people and cargo movement procedures and requirements.

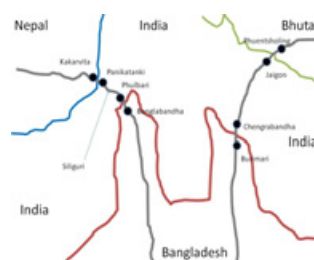
Ten Corridors of SAARC Regional Multimodal Transport Study (SRMTS)



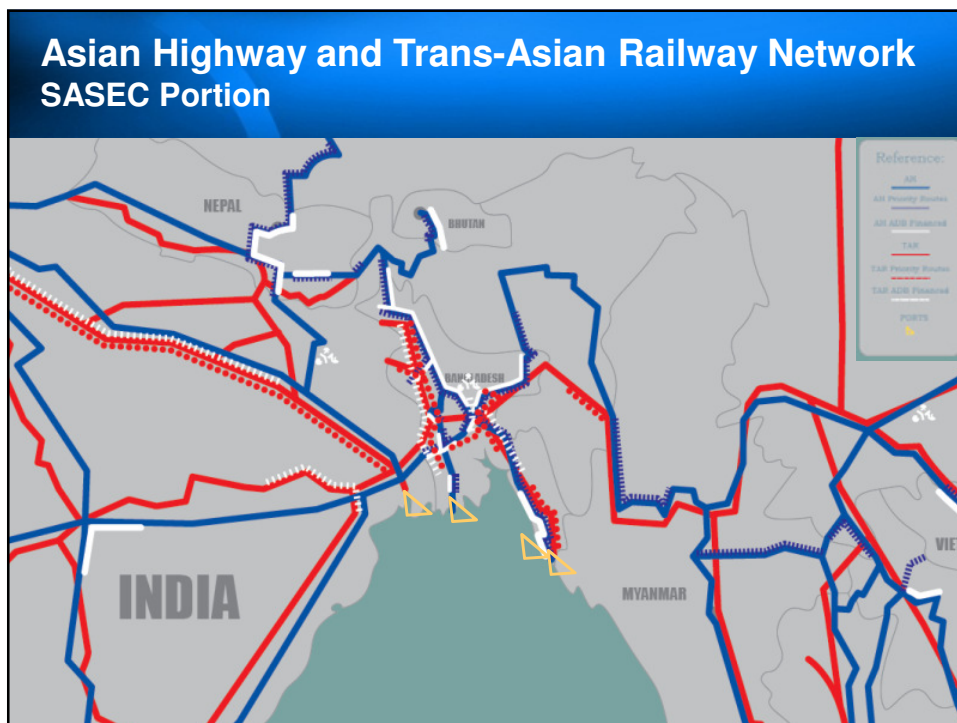
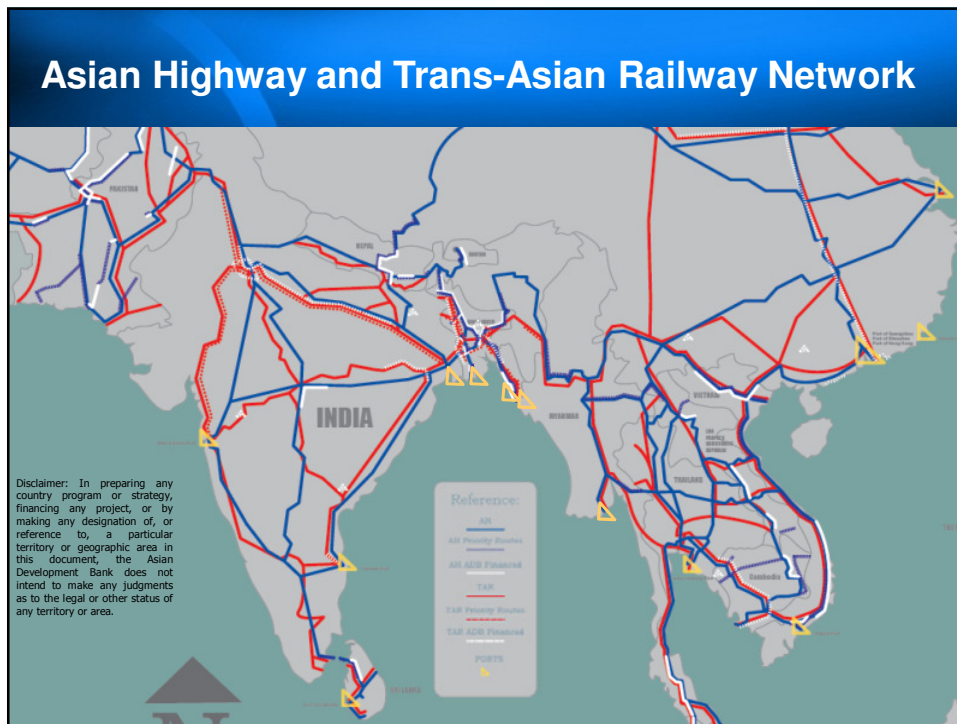
Two Sub-regional Priority Road Corridors

- ✓ The SASEC TFTWG (Mar 2012) endorsed development of roads and land customs stations along two priority road corridors (along SRC 4 and SRC 8):

- Corridor 1: Kakarbhitta (NEP) - Panitanki (IND) - Fulbari (IND) - Banglabandha (BAN) (40 km)
- Corridor 2: Phuentsholing (BHU) - Jaigaon (IND) - Changrabandha (IND) - Burimari (BAN) (110 km)



- ✓ To address soft-aspects of trade facilitation, TFTWG also endorsed
 - Program Support to address policy, regulatory and institutional reforms
 - Technical Assistancess to support capacity building activities



UNESCAP's Priority Asian Highway and Trans Asia Railway Projects in South Asia

Department	Country	Asian Highway			Trans-Asian Railway				
		No. of Projects	Km	Cost (\$ million)	No. of Projects	Km			Cost (\$ million)
						Priorities ¹	Missing Links	Total	
South Asia	Bangladesh	26	2,075	7,593	18	1,234	129	1,363	2,720
	Bhutan	1	179	60				-	
	India	4	115	11	6	3,244	219	3,463	8,265
	Nepal	3	328	135				-	
	Sri Lanka	1	112	36				-	
	Sri Lanka, India	1	32	880				-	
	Sub Total	36	2,841	8,715	24	4,478	348	4,826	10,985

Source: TA 7557 Promoting Regional Infrastructure Development, ADB, March 2011

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Role of Development Partners and Private Stakeholders

- ✓ ADB, WB and UNESCAP have developed knowledge products related to regional transport in South Asia
- ✓ JICA, DFID, and others are providing assistance primarily for national transport projects in South Asia
- ✓ Private sectors involvement in the development of road, railway, port and civil aviation have been successful in the past and there is significant scope for greater engagement

Conclusion

- ✓ An integrated and efficient transportation network is essential to create the enabling environment for regional and international trade in South Asia
- ✓ The 'last mile' effort to connect missing links between railways and national highways will reap large benefits
- ✓ In addition to north-south connectivity (access to ports for landlocked countries, and link to PRC), east-west connectivity will further connect SASEC to CAREC on the west and GMS on the east

Thank you