

Creating an Enabling and Inclusive Policy and Political Economy Discourse for Trade, Transport and Transit Facilitation in and among Bangladesh, Bhutan, India, Nepal and Myanmar

Facilitating implementation and stakeholder buy-in in the BBIN group of countries and Myanmar sub-region

Background and Context

South Asia's lack of connectivity and integration has long been accepted as one of the biggest contributors to the sub-optimal utilisation of the region's economic potential. Though the countries in the region have been negotiating amongst themselves through the South Asian Association for Regional Cooperation (SAARC) platform to reduce current physical and non-physical barriers to transportation and transit, the progress has been rather slow and costs of intra-regional movement of goods are increasingly becoming critical. Cargo movement between countries in the region is mostly

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through transshipment arrangements at the border points. Issues, such as procedural delays, infrastructure bottlenecks (particularly parking and warehousing facilities and the security of the cargo in such facilities), corruption, governance issues,

etc. further compound and complicate the scenario. Replacing the large-scale transshipment operations with easy movement of vehicles across borders via a motor vehicles agreement (MVA) between countries was the need of the hour that had the potential in effectively bypassing much of these hurdles. It was with this backdrop that the Bangladesh-Bhutan-India-Nepal Motor Vehicles Agreement (BBIN MVA) was signed on June 15, 2015, by these four countries to facilitate trade and transit in the sub-region.

Objectives

Given this context, the overall objective of the project is to understand the policy, procedural and political-economy hurdles to trade, transport and transit facilitation regime between Eastern South Asia (comprising of the BBIN group of countries, viz. Bangladesh, Bhutan, India, and Nepal) and Myanmar, hinging on how facilitating such connectivity will have a direct/indirect impact on development parameters such as livelihoods, poverty and gender.

The project is expected to facilitate trade and transit among the five countries by enabling the implementation of the BBIN MVA and such other enabling connectivity initiatives through evidence-based advocacy, facilitative dialogues and capacity building.

Specific objectives are as follows:

- Identify the corridor-specific impediments towards the implementation of BBIN MVA and similar connectivity initiatives in the region
- Contribute towards effective implementation of transit protocols with an inclusive and participatory approach
- Identify the technical and capacity building requirements to achieve effective implementation of transit protocols
- Organise multi-level, multi-stakeholder advocacy dialogues

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and capacity building exercises for higher political buy-in for smooth implementation of BBIN MVA and other such transit arrangements among these countries

Project Activities

Over a period of 32 months, the following activities will be conducted:

- Project launch meeting
- Formation of Project Advisory Committee (PAC)
- Literature review, questionnaire preparation and pilot survey
- Field survey along selected corridors
- Data collation and analysis
- PAC meeting
- Regional and national policy dialogues
- Multiple advocacy, awareness and capacity building events at local, sub-national, national and regional levels across the region
- Publication of a research report

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connectivity and livelihoods in the region and also their synergies with ongoing and proposed larger corridor development projects involving the region

- Better understanding of domestic and regional policies, regulations, existing/proposed protocols and processes with regard to trade, transport and transit facilitation and their impact on development parameters, such as livelihoods, poverty and gender at the ground level and hence better understanding on reforms needed, both systemic and corridor/port-specific
- Better understanding of stakeholder concerns and costs from connectivity initiatives, their infrastructure needs and proposed protocols, with particular reference to local economic development parameters, political and socio-economic realities at the ground level along the selected corridors, with emphasis on how it will impact women and hence the action points and strategies to ensure that they are gainful, inclusive and implementable
- Better understanding amongst local and ground level players regarding the need, long term benefits and positive impact of cross-border road connectivity initiatives on local economic parameters and hence higher political ownership and buy-in for future initiatives, particularly the priority projects identified
- Better capacity of working level officials and other relevant stakeholders on processes of transit trade with particular emphasis on the BBIN MVA, its protocols, and other enabling policies and conventions, so as to gainfully engage in transit trade
- Creating an enabling and inclusive policy discourse and environment for holistic connectivity between South and Southeast Asia in the long run

The project will create an enabling and inclusive policy discourse and environment for holistic connectivity between South and Southeast Asia in the long run

Expected Outcomes

The project is expected to achieve the following outcomes:

- Comprehensive understanding of bottlenecks and possible solutions towards facilitating better trade, transport and transit connectivity among the BBIN countries and Myanmar
- List of priority projects and corridors where trade, transport and transit connectivity initiatives can be implemented in the medium term in light of their impact on overall