

PROPOSED FACILITY BORDER UPGRADES FOR INTEGRATION, LOGISTICS AND DEVELOPMENT (BUILD)

Implementation Plan

A. Facility Description

1. The 24th CAREC Ministerial Conference endorsed the recommendations of the Midterm Review of the CAREC Transport Strategy 2030, including the establishment of a new innovative facility to modernize the border crossing points (BCPs) across the region in November 2025.¹ The Border Upgrades for Integration, Logistics and Development (BUILD) Facility is an Asian Development Bank (ADB) financing facility that supports the preparation and implementation of BCP projects in participating developing member countries (DMCs). The facility will finance a series of individual small-value priority BCP projects in the CAREC countries. The facility will streamline ADB's internal procedures, enhancing its ability to process small-value projects in the CAREC region faster and with lower transaction costs.

2. The BUILD facility finances eligible BCP investments, which may include civil works, equipment, information and communication technology systems, and associated institutional and capacity development activities. Projects are processed in batches under the facility framework, subject to agreed eligibility, readiness, and prioritization criteria.

B. Implementation Arrangements

3. **Executing and implementing agencies.** For each BUILD-supported project, the executing agency (EA) and implementing agency (IA) are designated by the respective government and agree with ADB during project preparation. The EA and IA are wholly responsible for implementing ADB-financed project under the BUILD facility, in accordance with (i) the policies, procedures, and legal frameworks of the respective government; and (ii) ADB policies, procedures, and the applicable financing agreements.

4. **Role of ADB.** ADB is responsible for (i) further development and refinement of the BUILD facility framework; (ii) supporting DMCs in identifying, preparing, and implementing BCP projects under the facility; (iii) monitoring compliance by EAs and IAs with their obligations and responsibilities under ADB-financed projects; and (iv) ensuring that BUILD-supported projects comply with ADB policies and procedures, including safeguards, procurement, and financial management requirements.

5. **A facility supporting unit (FSU)** will be established in ADB's Transport Sector Office to support the design and implementation of the facility, including preparation of projects. The FSU will include ADB staff and consultants financed through various sources. In support of project preparation, the FSU will (i) oversee the consulting firm(s); (ii) support the national PIUs, (iii) share the lessons learned within CAREC region; (iv) provide independent technical review of feasibility studies and detailed engineering designs; (v) monitor and report on processing and implementation progress; (vi) support sector reforms; and (vii) promote the facility to the private sector. A project steering committee will oversee implementation, monitor progress, and provide guidance to the executing agency in each participating country.

¹ https://carecprogram.org/uploads/CAREC-MC-2025-Join-Ministerial-Statement_ENG.pdf

6. **The application period.** ADB accepts funding proposals over a 8-year period from August 2026 to August 2033. The deadline for the approval of the funding proposals under the facility will be 31 August 2034. Proposals already received are also considered. Multiple projects in a single country may be approved. There is no financing cap on an individual country within the cumulative approval threshold. Regional projects may also be considered across CAREC countries. There will be no limit for cofinancing or government contributions.

C. Timeline

a) BUILD Facility

- **Concept note** approved on 22 January 2026: project overview, preliminary design and monitoring framework, project readiness and resources, scope of due diligence, indicative timeline, and team composition.
- **Facility approval** is expected on 30 June 2026. ADB Board delegates approval of individual BCP financing to ADB President in accordance with established eligibility criteria.

b) Technical assistance

- **Technical assistance concept note** approved on 13 February 2026: rationale, proposed solutions, implementation arrangements, scope of due diligence, TA team, and processing schedule.
- **Technical assistance** (\$1.25 million) approved on 20 April 2026
 - Output 1: Needs assessment and feasibility studies for priority BCP projects prepared.
 - Output 2: A framework for project preparation and implementation established.
 - Output 3: Capacity building for BCP development and operations enhanced.
- **Technical assistance implementation period:** April 2026–March 2036 (10 years)

D. Ensuing projects

7. **Project programming.** Programming of BUILD-supported projects will be undertaken through a coordinated country-led process, aligned with national development strategies, transport sector plans, and trade facilitation reform priorities of participating CAREC DMCs. Candidate BCP investments will be identified and prioritized through country programming missions and country partnership strategy cycles, with technical support from ADB, including the CAREC transport team. Programming decisions will be guided by agreed eligibility, readiness, and prioritization criteria under the BUILD facility framework, including (i) corridor relevance, (ii) performance gaps identified through CAREC Corridor Performance Measurement and Monitoring (CPMM) data, and (iii) the potential for integrating hard infrastructure with institutional and digital solutions. This approach will enable the packaging and sequencing of small-value BCP projects for programming under the facility, while ensuring consistency with regional harmonization objectives and cross-border coordination requirements.

- **The project #1:** Silk Road Joint BCP between GEO and AZE is being prepared through GEO Small Expenditure Financing Facility and BUILD TA financing. The estimated approval date is Q1 2027.
- **Identification of candidate BCP projects.** Candidate BCP projects are identified by participating DMCs, typically through national development strategies, transport and trade facilitation plans, or regional cooperation frameworks. Early coordination with ADB is encouraged to ensure alignment with the objectives and scope of the BUILD facility. ADB is preparing a long-list of candidate projects through a desktop study, which can be used

to facilitate more detailed discussions with the respective governments. Governments will suggest BCPs to ADB's country programming team as a part of the annual country programming mission and when the country partnership strategy is being prepared (see para 7 above).

a) Cofinancing

- ADB aims to source \$150 million of grant financing from cofinancing sources and leverage private sector investments through sector reforms, capacity building and targeted sovereign investments through the facility implementation period.
- Cofinancing will be mobilized through the proposed trust fund for CAREC BUILD, or as a project-specific cofinancing from multilateral and/or bilateral development partner.