Reference Document
For Session 3 of the Senior Officials’ Meeting
31 October 2010

Transport and Trade Facilitation Progress Report and Work Plan (late 2010-2011)

9th Ministerial Conference on Central Asia Regional Economic Cooperation
31 October–2 November 2010
Cebu, Philippines
I. OVERVIEW OF PROGRESS

1. The Transport and Trade Facilitation Strategy (TTFS) and Action Plan for 2008-2017 aims to upgrade six key transport corridors across the CAREC region and simplify and harmonize the regulations that govern cross-border trade in the region.

2. The Action Plan, comprising 70 physical and 52 non-physical investments, is being implemented to construct or improve 8,352 km of roads, 6,051 km of railway lines, 7 airports, 3 ports, and 7 logistics centers to implement 5 trade facilitation projects. Considerable progress has been made to date.

3. The Customs Cooperation Committee (CCC) continues to serve as the main platform for customs cooperation in CAREC. At the annual CCC meeting in Tokyo in September 2010, decisions were made on a number of new initiatives to be launched soon, including the conduct of (i) time release studies at selected border crossing points (BCPs); (ii) feasibility studies on regional interconnectivity and interoperability of national single windows (NSWs); and (iii) feasibility study on the development of a regional trade facilitation information platform. Substantial progress has also been made in putting in place institutional mechanisms to help ensure sustainability of the Integrated Trade Facilitation (ITF) program.

4. The Regional Joint Transport and Trade Facilitation Committee (RJC) was established on 24 February 2010. The CAREC Federation of Carrier and Forwarder Associations (CFCFA), the private sector group, ratified its Constitution and By-laws and elected a set of officers on 1 March 2010 and approved its work plan for 2010-2011 on 28 July 2010. The trade facilitation (TF) session at the Business Development Forum (BDF) on 30 July 2010 focused on CAREC’s efforts to engage the private sector in identifying constraints on trade across the region, and on how the private sector could contribute to trade facilitation.

II. KEY DEVELOPMENTS

A. Transport

1. Physical Investment Projects

5. By August 2010, 2,684 km (or 32%) of 8,352 km road sections have been completed, 3,773 km (45%) are ongoing, and the rest (23%) are planned for 2014 or beyond. For railways, 2,564 km (or 42%) of 6,051 km railway lines have been completed, 972 km (16%) are ongoing, and the rest (42%) are planned for 2014 or beyond. Seventeen projects in other sub-sectors (4 aviation, 3 ports, 5 logistics centers, and 5 trade facilities) are ongoing. Table 1 summarizes implementation progress of the CAREC road and railway network by Corridor. Appendix 1 shows the latest status maps. The subsequent paragraphs provide some details.
Table 1: Road and Railway Progress of CAREC Corridors (August 2010)

<table>
<thead>
<tr>
<th>CAREC Corridor</th>
<th>Roads Improvement (km)</th>
<th>Railways Improvement (km)</th>
<th>B/A (%)</th>
<th>Total Improved (km)</th>
<th>Ongoing (km)</th>
<th>B/A (%)</th>
<th>Total Improved (km)</th>
<th>Ongoing (km)</th>
<th>B/A (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Europe-East Asia</td>
<td>4,213</td>
<td>1,129</td>
<td>27%</td>
<td>3,472</td>
<td>1,868</td>
<td>54%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Mediterranean-East Asia</td>
<td>1,691</td>
<td>801</td>
<td>47%</td>
<td>892</td>
<td>113</td>
<td>13%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Russian Fed-Middle East and South Asia</td>
<td>1,165</td>
<td>503</td>
<td>43%</td>
<td>1,021</td>
<td>0</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Russian Fed-East Asia</td>
<td>1,461</td>
<td>194</td>
<td>13%</td>
<td>179</td>
<td>179</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. East Asia-Middle East and South Asia</td>
<td>1,080</td>
<td>787</td>
<td>73%</td>
<td>46</td>
<td>0</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Europe-Middle East and South Asia</td>
<td>3,741</td>
<td>1,188</td>
<td>32%</td>
<td>1,309</td>
<td>517</td>
<td>39%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. **Corridor 1 (Europe-East Asia)**

6. Corridor 1, running from Russian Federation through Kazakhstan and Kyrgyz Republic to the People's Republic of China (PRC), comprises 13,600 km of roads and 12,000 km of railways. Investments will improve 4,213 km of roads, 3,472 km of railways, 1 logistics center, and 3 airports.

7. By 2010:

- 1,021 km roads (24% of the 4,213km) will be reconstructed or constructed and 2,359 km will be ongoing.
- 1,868 km railways (54% of the 3,472km) of railways will be reconstructed, constructed, or electrified, and 293 km will be ongoing.
- One airport will be improved (PRC's Xinjiang airport project - Urumqi international airport and Kashi airport expansion). Upgrading KGZ's air traffic control system will begin.
- A large-scale logistics center in Khorgos, Xinjiang will be completed.

b. **Corridor 2 (Mediterranean-East Asia)**

8. Corridor 2, running from Istanbul through Azerbaijan, Kazakhstan, Uzbekistan, Tajikistan and the Kyrgyz Republic to the PRC, comprises 9,900 km of roads and 9,700 km of railways. Investments will improve 1,691 km of roads, 892 km of railways, 3 airports and 2 ports.

9. By 2010:

- 801 km roads (47%) will be completed, and 499 km will be ongoing.
- 113 km railways (13%) of railways will be completed, and 779km will be ongoing.
- UZB's Bukhara airport will be completed.
- Upgrading of three port projects (KAZ's Aktau port, AZE's Baku international sea-trade port complex and Caspian Sea shipping ferries) will be still ongoing.
c. Corridor 3 (Russian Federation–Middle East and South Asia)

10. Corridor 3 comprises 6,900 km of roads and 4,800 km of railways, running from West and South Siberian region of the Russian Federation through Afghanistan, Kazakhstan, Kyrgyz Republic, Tajikistan and Uzbekistan to the Middle East and South Asia. Investments will improve 1,165 km of roads, 1,021 km of railways and 3 airports.

11. By 2010:
   - 503 km roads (43%) will be completed, and 419km will be ongoing.
   - Rehabilitation of Balykchy–Chaldovar–Lugovaya railroad sections will begin.
   - UZB’s Bukhara airport will be completed.

d. Corridor 4 (Russian Federation–East Asia)

12. Corridor 4, which comprises 2,400 km of roads and 1,100 km of railways, serves as a trade route from Russian Federation through Mongolia to the PRC. Investments will improve 1,461 km of roads, 179 km of railways, 2 airports, and 6 logistics centers.

13. By 2010:
   - 194 km roads (13%) will be completed and 554 km will be ongoing.
   - 179 km railways will be completed.
   - MON’s Olgiy and Hovd airports and New Ulaanbaatar International Airport will be ongoing.
   - PRC’s trade facilitation, institutional strengthening and training components will be completed.

e. Corridor 5 (East Asia–Middle East and South Asia)

14. Corridor 5, which comprises 3,700 km of roads and 2,000 km of railways, runs from the PRC through Kyrgyz Republic, Tajikistan and Afghanistan to Middle East and South Asia. Investments will improve 1,080 km of roads, 46 km of railways, and 1 airport.

15. By 2010:
   - 787 km roads (73%) will be completed and 101km will be ongoing.
   - PRC’s Urumqi airport will be completed.

f. Corridor 6 (Europe–Middle East and South Asia)

16. Corridor 6 comprises 10,600 km of roads and 7,200 km of railways, running from Russian Federation through Kazakhstan, Uzbekistan, Tajikistan and Afghanistan to Middle East and South Asia. Investments will improve 3,741 km of roads, 1,309 km of railways and 2 airports.

17. By 2010:
   - 1,188 km roads (32%) will be completed and 2,171 km will be ongoing.
   - 517 km railways (39%) will be completed and 129 km will be ongoing.
• UZB’s Bukhara airport will be completed.

**g. Border Crossing Points**

18. By 2010, 15 BCPs in the Action Plan will be upgraded. Another 4 BCPs will be ongoing. In addition, TAJ also improved a BCP (Panji Poyon) with AFG and its another one with KGZ (Jirgatal) is ongoing.

**2. Nonphysical Investment Projects**

a. Nonphysical Aspects

19. In 2010, three country-specific technical assistance (TA) projects will be completed and five are ongoing. Of twenty five regional TA projects, two were completed, six are ongoing.

b. Progress on the Cross Border Transport Agreement

20. The “Agreement on the Cross-Border Transport of Persons, Vehicles, and Goods within the framework of CAREC” (CBTA) is a transport facilitation accord designed to ease the transnational movement of goods and people along the CAREC corridors, principally by allowing transport operations to cross international borders and international transit. The CBTA is nearly completely negotiated by the Kyrgyz Republic and Tajikistan. It is open for accession by other CAREC countries. Supplementary activities to hasten the implementation of the CBTA at the border-crossing points will be proposed during 9th CAREC Transport Sector Coordinating Committee (TSCC) Meeting. Assistance in training of officials related to border crossing, harmonization and simplification of border-crossing procedures, and improvement of infrastructure and facilities at border (such as improvement of parking space and computerized system, etc).

**B. Trade Facilitation**

1. Customs Cooperation

21. Customs cooperation has been a key component of the trade facilitation program of CAREC. The 9th CCC Meeting held in Tokyo, Japan on 6-9 September 2010, noted that work on the five priority areas of customs continues to provide opportunities to strengthen the ties developed among CAREC customs organizations and offer prospects for further enhancing regional cooperation initiatives. CCC has also strengthened its cooperation with the World Customs Organization (WCO) and customs authorities of developed countries through technical assistance in partnership with ADB.

22. **Simplification and Harmonization of Customs Procedures and Documentation.**

CAREC countries continued to make efforts to align national laws and customs regulations and procedures with international standards and best practices. A common target to be achieved in

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1 PRC (Yierkeshitan) – KGZ (Irkeshtan), AFG (Islam Qila) – IRN (Dogharoun), AFG (Shirkhan Bandar) – TAJ (Nizhni Pianji) and AFG (Hairatan) – UZB (Termez).
2 PRC's Development of Regional Cooperation Programs for Mongolia and the PRC, MON's Regional Logistics Development Project and AFG's Regional Trade Facilitation and Customs Cooperation and EU's Development of Coordinated National Transport Policies.
3 ADB funded Phase II of the Regional Trade Facilitation and Customs Cooperation and EU's Development of Coordinated National Transport Policies.
next 5 years is for all CAREC countries to have successfully acceded to the revised Kyoto Convention by 2015. Continued support will be provided to CCC members in developing national roadmaps for implementing the WCO "Customs in the 21st Century" initiative.

23. **ICT for Customs Modernization and Data Exchange.** With ADB support, CAREC countries have taken significant steps to develop customs automated information systems; and have taken the initiative to develop national single window (NSW) schemes. Most countries have passed legislation to allow SW processes, and have undertaken necessary steps to initiate implementation. ADB and other development partners have supported CAREC customs authorities in ICT and SW development, including adopting a standard data structure to serve as an effective tool for harmonizing data for future interconnectivity regionally and globally. National governments are demonstrating political will in pushing for customs reforms and modernizing customs operations, a critical factor for overcoming resistance to change and ensuring cooperation among the different border control agencies. Future direction will focus on coordinating and optimizing national efforts in customs ICT development to enable NSW development and achieving regional interconnectivity and interoperability of NSWs.6

24. **Risk Management and Post-Entry Audit.** The importance of risk management and post-entry audit has rapidly gained acceptance among CCC members. Most countries have adopted risk management measures and included development of risk profiles into their automated systems. However, risk management in customs alone will not improve the situation, as there are many other border control and behind-the-border agencies that are yet to establish their own risk management systems. Future work in this area will be directed at how customs should assume the leadership in achieving integrated risk management for all agencies involved such as sanitary and phyto-sanitary agencies, and improve coordination with their counterparts in the region. Knowledge and experience sharing activities will also be organized to introduce the authorized economic operators (AEO) program, and the intellectual property right (IPR) enforcement program as part of the CAREC Institute.

25. **Joint Customs Control (JCC).** JCC pilot projects are being implemented at a number of BCPs along the borders of Kazakhstan and PRC, Kazakhstan and Kyrgyz, and Mongolia and PRC. It was reported that adoption of unified cargo manifests and development of simplified border documentation requirements have led to simplified procedures and reduced processing time. Future work would be to (i) further review the experience of the Phase 1

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4 Loan No. 1927-TAJ: Regional Trade Facilitation and Customs Cooperation Program (Regional), $10 million, October 2002; Loan No. 1926-KGZ: Regional Trade Facilitation and Customs Cooperation Program (Regional), $15 million, October 2002; Loan No. 2114-TAJ: Regional Customs Modernization and Infrastructure Development (Regional), $10.7 million, November 2004; Loan No. 2113-KGZ: Regional Customs Modernization and Infrastructure Development (Regional), $7.5 million, November 2004; Loan No. 2307-MON: Customs Modernization, $5 million, December 2006; Grant No. 0120 and 0121-KGZ: Investment Climate Improvement Program (Subprogram 1) and Investment Climate Improvement System Support (Project Grant), $12.5 million and $2.9 million, November 2008.

5 Azerbaijan Customs implemented NSW in January 2009 and expanded coverage to include more border regulatory agencies into the scheme.

6 ADB is designing an investment project to (i) improve infrastructure of selected BCPs; and (ii) support the development of NSW and development of a regional platform for networking of CAREC NSWs.

7 At Kalzhat (KAZ) - Dulata (PRC) BCPs, Maykapshagay (KAZ) - Jeminay (PRC) BCPs and Dostyk (KAZ) – Alataw shankou (PRC) BCPs.

8 At Aisha Bibi (KAZ) - Chon Kapka (KGZ) BCPs and Korday (KAZ) - Akjol (KGZ) BCPs.

9 At Zamyn Uud (MON) - Erenhot (PRC) BCPs.

10 As of March 2010, 23,000 unified cargo manifests, involving cargo of 488,800 tons of goods, have been used at Dulata and Jeminay BCPs (PRC) and that customs clearing time was reduced by 35%. At on-going pilot JCC between PRC–MON, unified cargo manifest use reached 18,949 at Erenhot BCP by end June 2010,
pilots; (ii) expand both width and depth of the JCC program by implementing JCC at other BCPs; and (iii) move to Phase 2 and Phase 3, which are mutual recognition of inspection results and joint inspection, respectively.

26. **Regional Transit Development.** A number of efforts have been made by CAREC customs to improve the monitoring of the movement of cargo under customs supervision, such as the use of GPS systems, electronic seal and safe packets. However, the application of these techniques has been limited to certain segments of the transport corridors. CCC would adopt a two-pronged approach: (i) encourage more application of TIR carnets for inter- and intra-regional transit by improving hardware and software required at BCPs; and (ii) develop regional transit arrangements for certain segments of CAREC corridors where traffic volume is high and cost savings benefits from using a local arrangement can be substantial.

27. The customs cooperation program is also involved in a number of cross-cutting issues including the **Time–Release Study (TRS),** which will complement the Time–Cost–Distance methodology of the CPMM program. The TRS will closely review customs’ and other border control agencies’ clearance procedures and identify corrective actions to enhance their clearance operational efficiency. The first round of TRSs should be performed at key BCPs along CAREC corridors. More detailed preparation needs to be done to address technical aspects of the TRS that will be conducted in the CAREC countries. ADB will provide necessary support and facilitate experience sharing between CAREC and customs authorities who have had experience in conducting the TRS.

28. **Capacity Building.** Capacity building in all customs priority areas has been undertaken regularly and consistently. However, a strategy to deliver customs capacity building more effectively and optimize synergies with other related sectors such as transport and integrated trade facilitation needs to be prepared. Training for policy makers as needed, as well as training for utilization of new technologies, will continue to be conducted. ADB will continue to support and co-sponsor seminars and workshops on specialized customs topics. More attention will be paid to the development of sustainable regional centers of excellence, and twinning arrangements with international counterparts. Capacity building initiatives will be done under the auspices of the CAREC Institute.

2. **Integrated Trade Facilitation**

29. The integrated trade facilitation program of the TTFS Action Plan focuses on establishing and strengthening the cooperation institutions and mechanisms necessary for successfully implementing the Action Plan, including the Regional Joint Transport and Trade Facilitation Committee (RJC), the National Joint Transport and Trade Facilitation Committees (NJCs) and the CAREC Federation of Carrier and Forwarder Associations (CFCFA). Work has also continued satisfactorily on the Corridor Performance Measurement and Monitoring (CPMM) project, as well as preparation of a proposed regional border crossing point improvement and single window development (BCPSW) project.

30. **Regional and National Joint Transport and Trade Facilitation Committees.** The CAREC TF team started laying the groundwork for the establishment of the RJC in early 2009. The objective of the RJC is to provide regional leadership in coordinating the implementation of

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11 KGZ Customs is piloting a satellite navigation control system through a public private partnership (PPP) arrangement. AZE Customs issues GPS transponders to vehicles entering the country; these are surrendered when departing AZE.
the TTFS Action Plan as well as to address issues of common interest pertaining to the 
removal of barriers to trade and transport in the CAREC region. The RJC consists of 
representatives of NJCs and related regional groupings under the CAREC umbrella. As its 
success will be critically dependent on the success of NJCs at the country level, it is 
recommended that individual countries work with ADB to revitalize and strengthen their 
respective NJCs.

31. The CAREC Federation of Carrier and Forwarder Associations (CFCFA) is a 
unique regional cooperation mechanism which is designed to provide critical feedback and real 
market information to governments that should be helpful in formulating policies and trade 
facilitation programs. At its first meeting on 1 March 2010 in Almaty, Kazakhstan, CFCFA 
approved its Constitution and Rules of Procedure, and elected officials and Executive Board 
Members. The first CFCFA annual meeting was held in conjunction with the CAREC 
Business Development Forum to give its members the opportunity to participate in the BDF 
and interact with government officials and other private sector practitioners. From a list of 
projects submitted by member associations to be included in the 2010 – 2011 work plan, the 
meeting decided that priority projects for immediate implementation include: (i) creation of a 
database on transport and border crossing procedures in CAREC countries; (ii) development of 
human resources in transport and logistics services; (iii) working with authorities on transmittal 
of advance information on cargo and means of transport; and (iv) working with authorities to 
synchronize working hours of customs at BCPs.

32. The Corridors Performance Measurement and Monitoring Project, which has 
been in implementation for over a year, collects and analyzes transport and border crossing 
data on time and cost along the six CAREC corridors to identify and address bottlenecks. 
Most CFCFA members are also partner associations participating in the CPMM activities and 
there are plans to enhance partner associations’ capacities to conduct their own country-level 
analyses. Two workshops were held during the review period to discuss with partner 
associations how to improve the quality of data collection and the means of gathering detailed 
feedback on some specific statistical results. An Annual Report has been prepared which 
generated indicators for the CAREC Results Framework. Some of the major findings 
summarized in the Annual Report include:

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12 Mr. N. K. Issingarin, Chairman of the Kazakhstan Freight Forwarder Association, and former Deputy Prime 
Minister and Minister of Transport of Kazakhstan, was elected as Chairperson. Mr. Lin Zhong, Deputy Secretary 
General of the China International Freight Forwarders Association, was elected as Vice Chairperson.
13 One major task of CFCFA is collecting data for the CAREC corridor performance measurement and monitoring.
14 Between Kazakhstan and the PRC firstly and others to follow.
15 Each partner association submits about 30 observations per month and as of August 2010 over 3000 
observations in time-cost-distance (TCD) data sheets have been submitted and analyzed.
16 The following four TF indicators will feed into the CAREC Results Framework: (i) time taken to clear border 
crossings; (ii) costs incurred for border crossing clearances; (iii) speed taken to travel corridor sections; and (iv) 
costs incurred traveling on corridor sections.
17 Major findings and a more detailed report will be presented separately to the SOM.
Results for four indicators based on April 2009 – March 2010 data are the following:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Median</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time taken to clear a border crossing point</td>
<td>8.7 hours;(^a)</td>
<td>21.3 hours;</td>
</tr>
<tr>
<td>Costs incurred at a border crossing clearance</td>
<td>$196.9;</td>
<td>$398.6;</td>
</tr>
<tr>
<td>Speed to travel 500 km on CAREC Corridor section for a 20 ton truck or a TEU container</td>
<td>30 km/hr (Speed without delays)</td>
<td>16 km/hr (speed with delays)</td>
</tr>
<tr>
<td>Costs incurred to travel Corridor section</td>
<td>1,166 US$</td>
<td></td>
</tr>
</tbody>
</table>

\(^a\) Based on 2,284 valid samples collected.

- Waiting at border crossing points (BCPs) is the major cause of delay – about on average 11.6 hours for road and 28.8 hours for rail.
- For road travel, cost of activities is about 50 percent of the transport cost. Loading/unloading and customs clearing are major cost items for both road and rail transport.
- Using the TIR carnet reduces time spent on customs related procedures but at a higher cost.

33. CPMM will continue for at least 5 years and quarterly results will be used to reflect seasonal variations and compose annual averages for contributing to the CAREC Results Framework.

34. Border Crossing Point Improvement and Single Window Development (BCPSW) project is a regional investment project in response to CPMM findings that BCPs are major bottlenecks in transport and trade in the CAREC region. A significant portion of delays is due to poor physical infrastructure, poor utilization of inspection and information communication technologies, and inadequate trade logistics facilities at the BCPs. The proposed project will include BCP infrastructure improvements, development of trade logistics support services adjacent to BCPs, support for National Single Window (NSW) development, and support for the development of a regional platform to achieve interoperability among NSWs. The project aims to maximize the regional public goods feature of BCP and SW development through a regional approach.\(^1^8\) Most CAREC member countries have indicated their intention to participate in the project.

III. WORK PLAN FOR LATE 2010-2011

35. The following are proposed priority areas for the TTF sector for the period late 2010 – 2011:

- Midterm assessment of TTFS implementation
- Expansion of CBTA accession to other CAREC countries
- Ratification of CBTA between KGZ and TAJ
- Follow-up actions for CBTA implementation
- Enhancement of CPMM and conduct of time-release studies at selected border crossing points to support BCPSW

\(^1^8\) Development of BCPs needs to be coordinated on both sides of the border and along CAREC corridors. SWs need to allow networking and interoperability regionally to give maximum benefits to the transport and trading community.
• Capacity development and knowledge sharing initiatives under the CAREC Institute on priority TTF areas, including road asset management and integrated development planning, supply chain and logistics management, time-release studies, and other specialized customs topics

IV. KEY ISSUES

36. Following are key issues related to the transport and trade facilitation sector:

a. **Slower Progress in proposed privately financed investments.** Progress in the projects intended by private financing is very slow. Main causes are weak institutional capacity, insufficient funds, and weak ownership of countries. It is necessary to recommend midcourse actions to address slowed implementation progress.

b. **Inadequate Border Infrastructure and Facilities.** Trade facilitation requires balanced improvement on infrastructure, management, and technology. Inadequate border infrastructure and facilities as well as complicated border-crossing procedures significantly undermine the potential of transport improvement on trade.

c. **Hard and Soft Aspects Needed for the BCPSW.** A strategic regional approach is needed to maximize regional public goods in the design of the regional BCPSW project. These will include not only infrastructure investment, but also coordinated policy and legal reforms.

d. **Accession to the CBTA by other CAREC countries.** The CBTA between the Kyrgyz Republic and Tajikistan has been finalized and is expected to be ratified in 2011. To realize the intended full benefits of the CBTA, it is important that more countries along the CAREC Corridor(s) where the Agreement will apply, will become a signatory. The CBTA is designed to facilitate international transit along the Corridors, providing the basis for exchange of traffic rights between and among the participating countries, and facilitation of frontier crossing formalities. Other countries along CAREC Corridor 5, which is currently the geographic scope of the CBTA in the Kyrgyz Republic and Tajikistan, are strongly encouraged to accede to/sign the CBTA. Initial implementation of the CBTA along CAREC Corridor 5 could provide a demonstration effect on the efficacy of the Agreement, as well as help identify possible refinements that would make it more effective. CAREC countries that plan to accede or are contracting parties to other transport facilitation agreements should still consider acceding to the CBTA as the CBTA is: (i) geographically focused on the CAREC corridors, and (ii) flexible enough to be complementary to other such agreements.

e. **Maintaining the momentum of new trade facilitation institutions.** Consistent and supportive measures are needed to keep the momentum of newly established institutions, such as the NJCs and the CFCFA, going. NJCs are critical for the effective coordination and implementation of national level transport and trade facilitation initiatives as part of the CAREC TTF Action Plan, and therefore must be revitalized and strengthened. The CFCFA needs to
become an effective representative of the private sector’s voice within the CAREC process and, at the same time, be sustainable and serve their members’ needs.

f. **Better utilization of CPMM results.** Several thousand data samples have been collected by partner associations to date, and CPMM quarterly and annual reports are getting more streamlined. Now it is possible to conduct not only corridor analyses but also country level and project analyses for respective CAREC member countries or particularly investment project. It is also possible to have a targeted work plan to tackle the weakest link on corridors and worst bottlenecks at BCPs based on transport and trade performance indicators collected from CPMM.

g. **Need to Develop Capacities.** A capacity building framework for transport and trade facilitation that will rationalize and synchronize sustainable skills development at national and regional levels is necessary to optimize resources.

h. **New areas to be addressed.** At the Urumqi BDF, some participants mentioned that, when compared to measures addressing issues on movement of goods, the CAREC trade facilitation program has not paid enough attention to issues regarding movement of people, particularly business people. Visa regimes and related issues have become major impediments to trade in the region. Cooperation of sanitary and phytosanitary (SPS) inspection are also important to facilitate effective risk management at and behind BCPs together with customs, which is important particularly for trade in agriculture products, the second largest group of products transported along CAREC corridors, accounting for about 1/8 of total trade across borders.