

Overview of Stock Take Progress and Outcomes

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Midterm Review of Transport and Trade Facilitation Strategy
and Implementation Action Plan

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CAREC and TTFS

- CAREC has 4 components:
 - Transport.
 - Trade Facilitation.
 - Trade Policy.
 - Energy.
- A strategy for the first 2 components was adopted in 2008: the Transport and Trade Facilitation Strategy, known as 'TTFS'.
- This Mid-Term Review deals with the TTFS.

TTFS Strategic Approaches

- Development through cooperation.
- Accelerated economic growth and poverty reduction.
- Upgrading key transport corridors.
- Simplifying and harmonizing regulations for regional and international trade.
- Results-based approach, with monitoring of time and cost indicators.

Overarching Goals

- Competitive corridors across the CAREC region.
- Efficient movement of people and goods through the CAREC corridors and across borders.
- Sustainable, safe, user-friendly transport and trade networks.

The CAREC region, stretching from Azerbaijan to PRC, from the Russian border to the middle east, occupies a unique geographical location that offers unique opportunities for its 10 member states.

CAREC Corridors

- Central to the TTFS is a network of 6 transport corridors.
- These have been selected with existing and potential trade flows in mind.
- They are intended to promote trade:
 - Between CAREC countries.
 - Between CAREC and the rest of the world.
 - Transiting through CAREC countries.

Criteria for a CAREC Corridor

- Pass through at least two CAREC countries.
- Include both rail and road segments.
- Serve both long and short distance traffic.
- Be a transit corridor with origins and destinations outside the CAREC region.

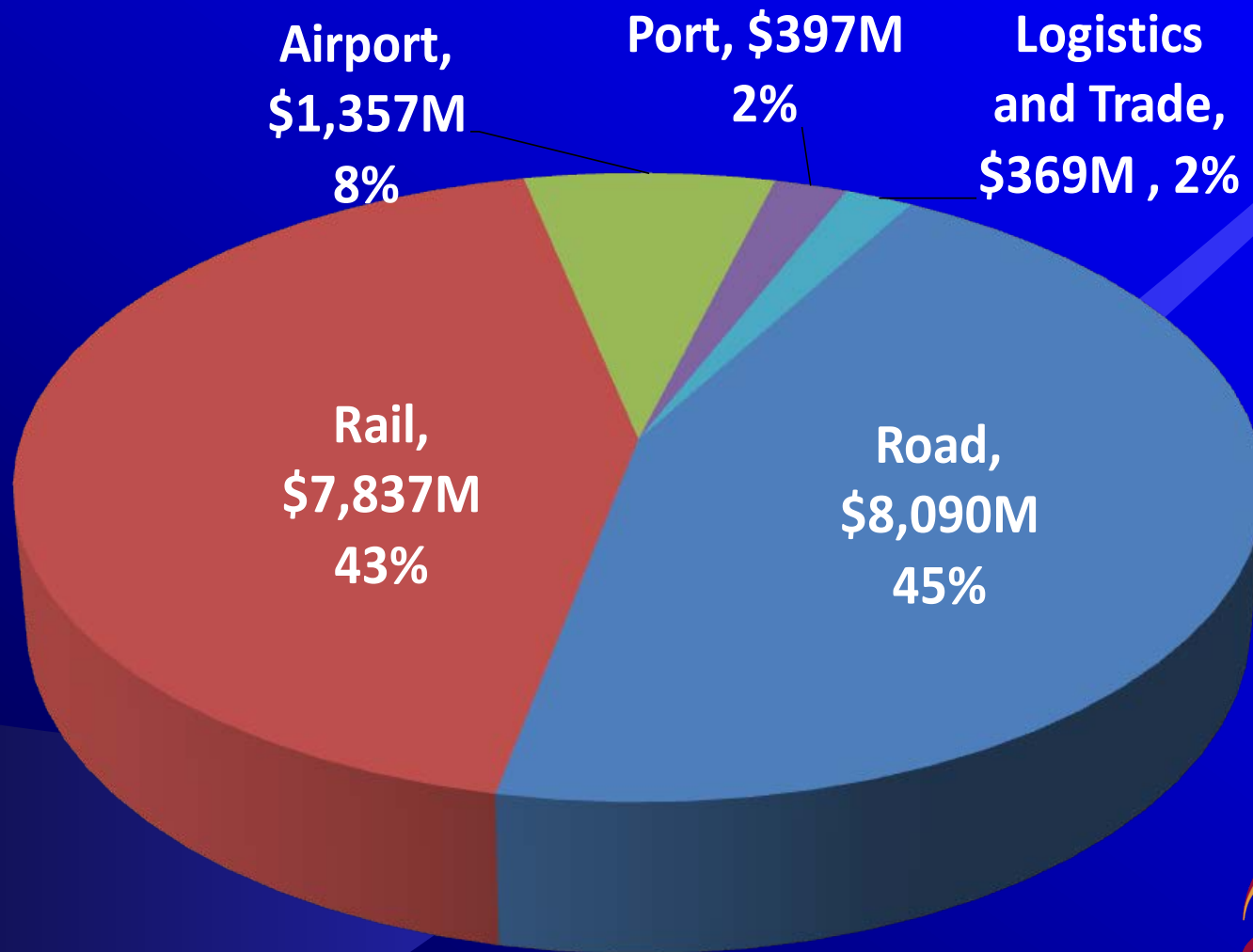
SIX CENTRAL ASIA REGIONAL ECONOMIC COOPERATION CORRIDORS



CAREC is Growing

- This map was correct in 2008. Since 2010 the CAREC region has expanded to include:
 - Turkmenistan.
 - Pakistan.

TTFS Infrastructure Projects: Allocation of Investment (as of end 2012)



Stock Take of Projects

- In general, investment projects (IPs) have been implemented satisfactorily:
 - About 3,800km of improved road
 - About 3,400km of improved railway
 - 13 ports, airports and trade facilitation' projects completed
- Most TA projects have been of 2 kinds:
 - Feasibility studies for Investment Projects
 - Institutional strengthening as add-ons to IPs.
- Projects and TA are generally considered successful.

Investment projects: Summary

Project class	Number of projects	Completed projects	Total km	Completed km
Linear: Road	30	10	8,125	3,826
Linear: Rail	19	10	5,923	3,407
Port, airport, trade facilitation	30	13	na	na
Total	79	33	14,048	7,233
		42%		51%

Project Outcomes

- Project implementation is generally well managed by PIUs and supervision consultants.
- Institutional capacity and skills have been enhanced.
- But monitoring of outcomes needs to be strengthened:
 - Traffic & trade volumes, monitoring after project completion
 - Other outcomes defined in DMFs.
- Routine collection of road traffic data for asset management and road safety purposes is limited.



Poor road maintenance threatens the achievement of expected project benefits.



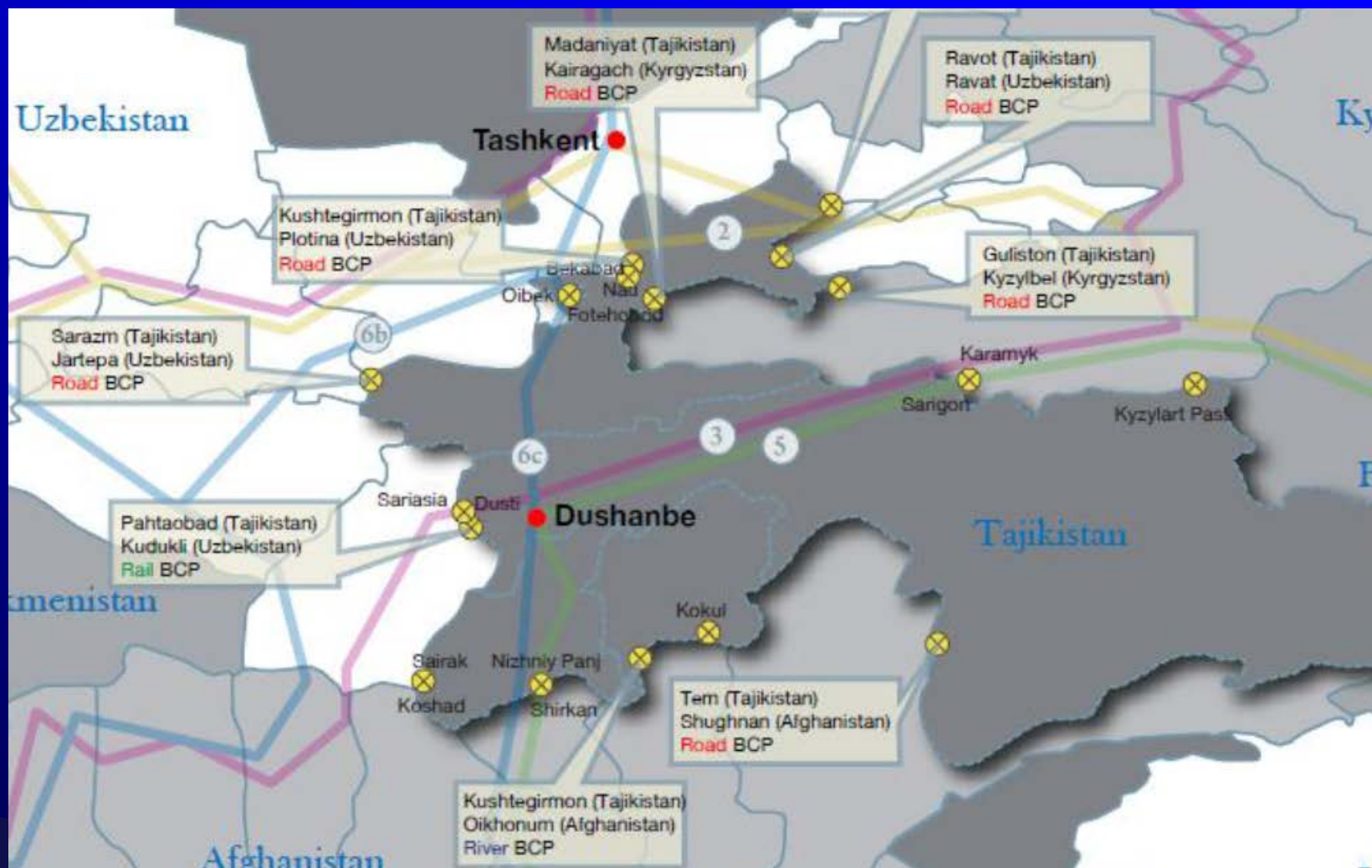
New Baku International Sea Trade Port at Alyat, with road and rail connections and adjacent logistics centre.

Trade Facilitation

- There have been substantial reforms to customs laws, procedures and equipment
- CPM system shows little improvement in border crossing times and costs, in all the six corridors combined
- Single-window operation is accelerating
- Joint customs control is successful between PRC and MON and this may be replicated
- Bi- and plurilateral agreements have been, in some cases, preferred to multilateral ones (at the operational level)

CBTA

- Kyrgyzstan and Tajikistan signed a Cross-Border Transport Agreement (CBTA) in 2010, covering sections of CAREC Corridor 5.
- Tajikistan and Afghanistan signed a protocol of accession of Afghanistan to the CAREC CBTA.
- The Kyrgyz Parliament expressed 'no objection' to this protocol in April 2013, which is expected to be ratified.



Complex configuration of national boundaries means there are many border crossing points in the CAREC region.

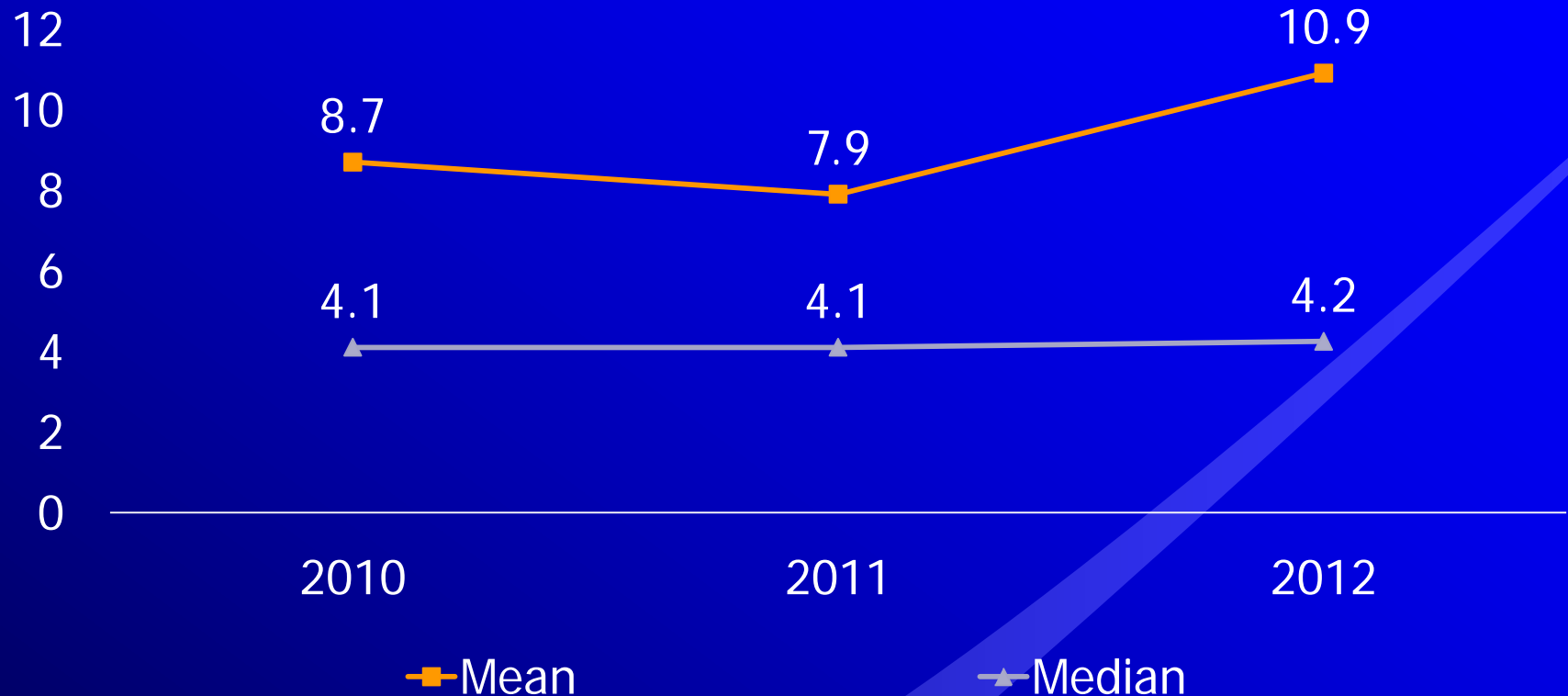


A well designed border crossing point at Bulgan.



Shared Customs and Border Guard facility at Dostuk/Dustlik border crossing point.

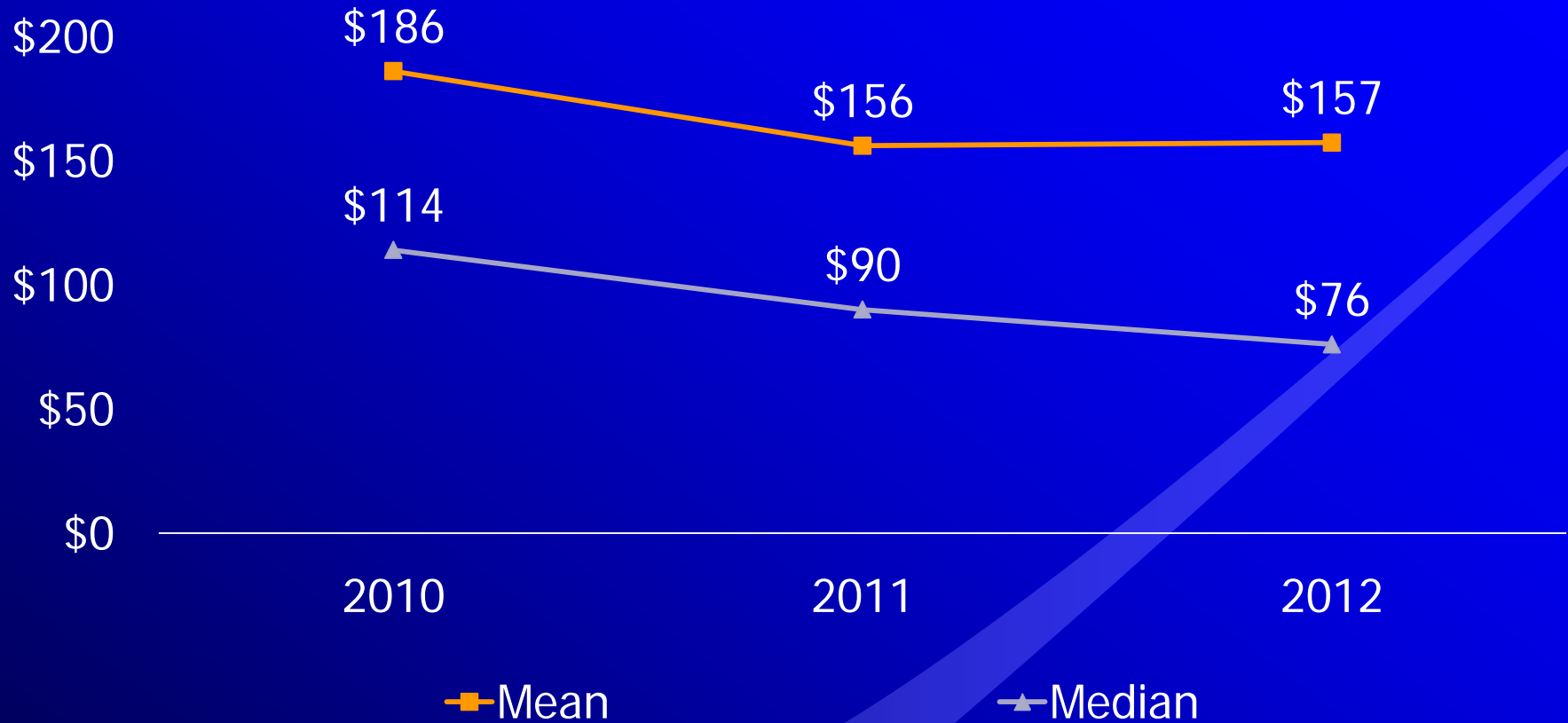
TFI*1 Time taken to clear a border crossing point (hr)



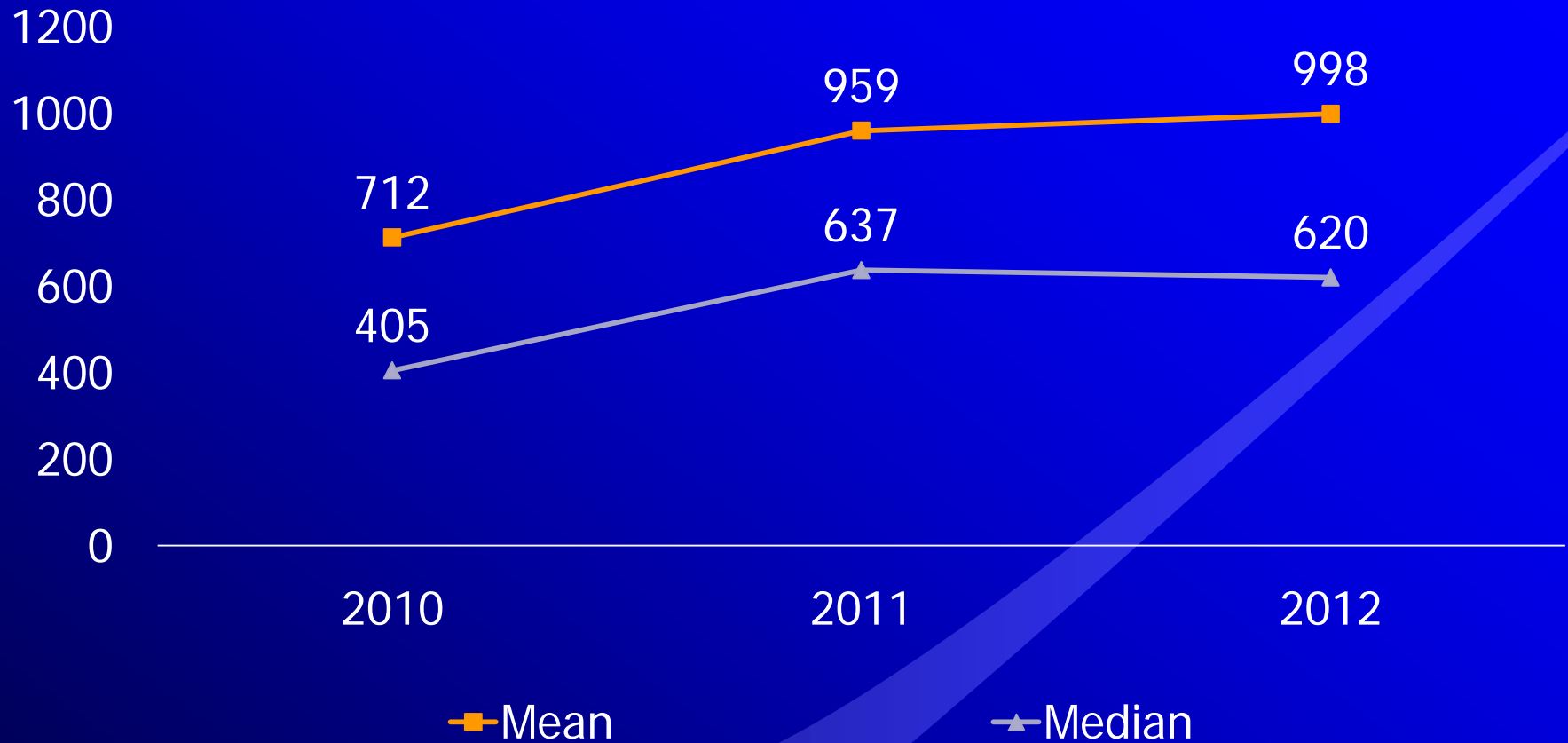
The average time lengthens but the median stays the same. This may result from more cases of very long crossing times.

* TFI = Trade Facilitation Indicator.

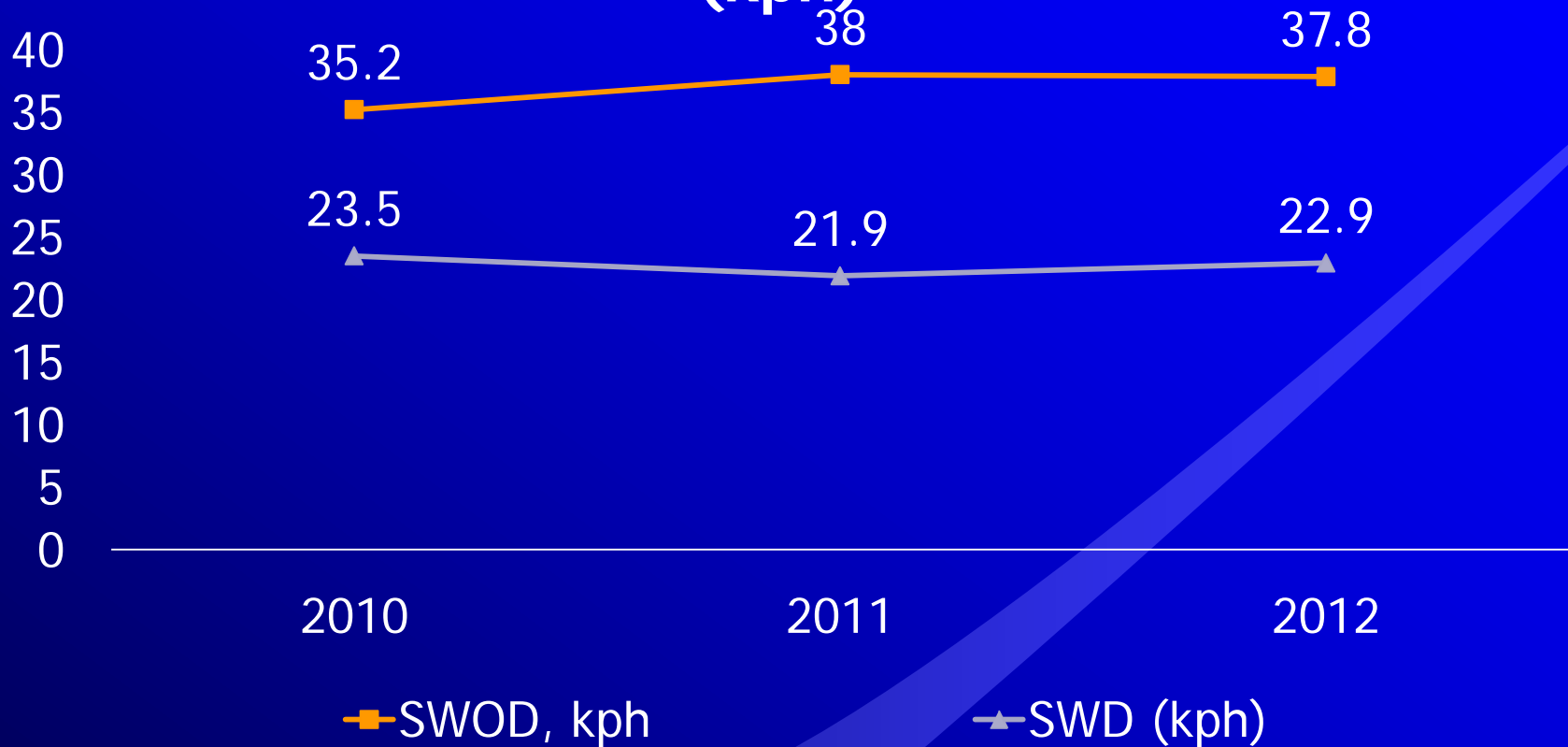
TFI2 Cost incurred at border crossing clearance (US\$)



TFI3 Cost incurred to travel a corridor section (at current prices)



TFI4 : Speed to travel on CAREC Corridors (kph)



SWOD = Speed Without Delay (excluding border crossing time); SWD is Speed With Delay.

Milestones & Indicators:

Milestones Indicator	Assessment
Increased transit trade volume via CAREC Corridors to 2% of trade between Europe and East Asia and 5% by 2017, from less than 1% (about 34Mt in 2005)	Partly achieved Available data suggest that this target has not been achieved.
Increased intra-regional trade volume by 25% by 2012 and by 50% by 2017, from the 2005 level (about 32Mt)	Achieved Intra-CAREC trade increased by 81%; or 49% excluding PRC energy imports.

Milestones & Indicators:

Milestones Indicator	Assessment
Reduced time for border crossing along CAREC corridors by 50% by 2012	No baseline Hard to assess
75% of the CAREC corridors improved by 2012, and 100% by 2017, compared with 64% in 2007	Achieved 80% improved*

* Including 64% considered 'good' in 2007.



A long queue at Chaldobar.

Milestones & Indicators:

Milestones Indicator	Assessment
The condition of all CAREC road corridors lower than International Roughness Index (IRI) of 4	Not time-bound. Milestone needs to refined
Increased routine maintenance budget to at least \$1,000/km/year in real terms by 2017	Not all countries classify their maintenance in a way that allows this to be assessed
Increased private sector participation in maintenance by 20%	No baseline data. Progress made but private sector participation is minimal. Milestone needs to refined

Milestones & Indicators: Facilitation of Movement

Effective functioning of the national transport and trade committee (NJC) or a similar organization in each CAREC country by 2012	Partly achieved Not quantifiable but greater efforts are certainly required. Some NJCs are functioning
Increased number of logistics centers based on an integrated multimodal network by 50% by 2012	No baseline data; but there is strong interest and activity in developing logistics centres



Logistics facility at Almaty.



Dordoi Market near Bishkek, which is a major regional distribution hub for imported and domestic goods.

Milestones & Indicators: Sustainable, Safe, User-friendly

Increased number of transport equipment with the international standards by 30% by 2012 and 50% by 2017, compared with 2007	No baseline or reliable source of data.
Reduced road accidents by 20% by 2012 and 50% by 2017 compared with 2007	No baseline

Milestones & indicators: Sustainable, Safe, User-friendly

Reduced air accidents and air control mistakes by 20% by 2012 and 50% by 2017, compared with 2007	Not achieved There were 5 accidents in 2007, 7 in 2012. No data were found on air traffic control mistakes.
Increased number of people crossing borders	Not time-bound and no baseline data. Numbers are increasing in CAREC.