



CENTRAL ASIA REGIONAL ECONOMIC COOPERATION (CAREC) PROGRAM INTEGRATED TRADE FACILITATION





CAREC: A Broad Agenda



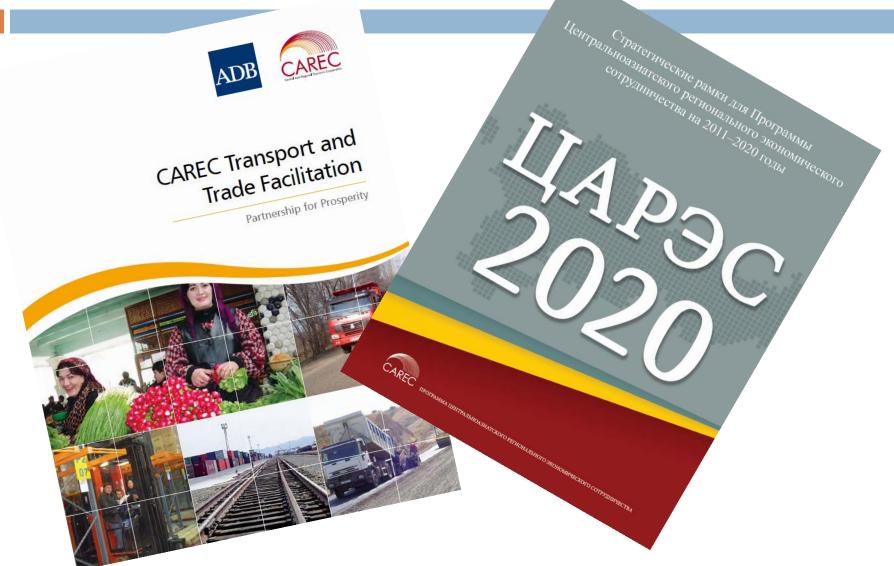
CAREC Integrated Trade Facilitation Program goals:

- Reduce transaction costs and time by
 - improving administrative efficiency
 - simplifying, standardizing, and harmonizing trade procedures.
- Encourage the free movement of people and goods.
- Increase the transparency of trade regulations and procedures.



CAREC Integrated Trade Facilitation







Transport and Trade Facilitation Strategy: Midterm Review



Focus on Integrated Trade Facilitation:

- Achieve CAREC 2020 objectives:
 - trade expansion
 - improving competitiveness.
- Promote/Expand public-private dialogue.
- Improve interagency and cross-border collaboration.
- Institutionalize regionalism



Customs as Trade Facilitator?



Customs Cooperation Committee priority areas:

- simplification and harmonization of customs procedures and documentation;
- ii. information and communication technology for customs modernization and data exchange;
- iii. risk management and post-entry audit;
- iv. joint customs control; and
- v. regional transit development.



What has been done...



Customs cooperation: reform and modernization

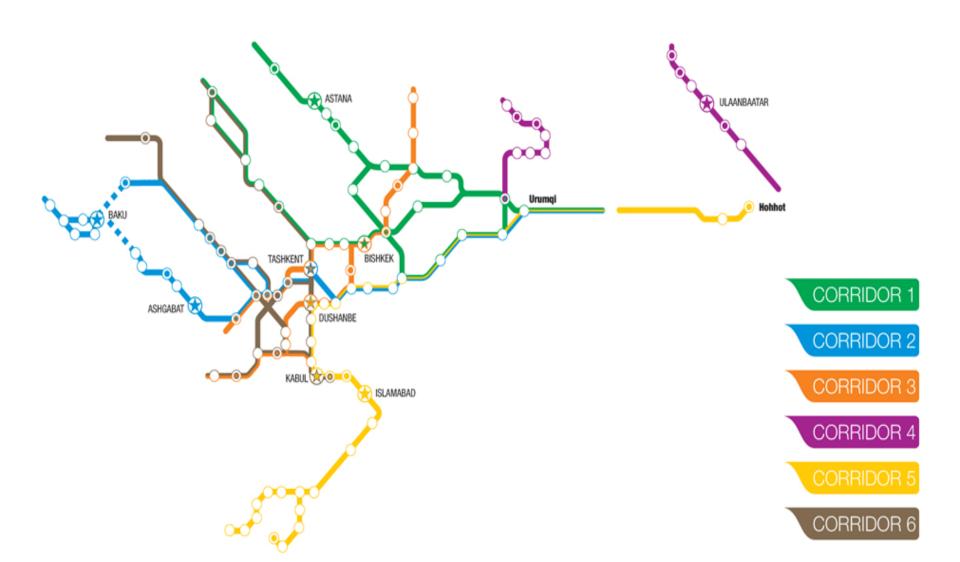
- Amended Customs codes
- Joint customs control
- Time Release Studies (with WCO and ADB support)
- Capacity building

Accession to the Revised Kyoto Convention has been one of the cornerstones of CAREC Customs Cooperation/Trade Facilitation



Corridor-Based Approach



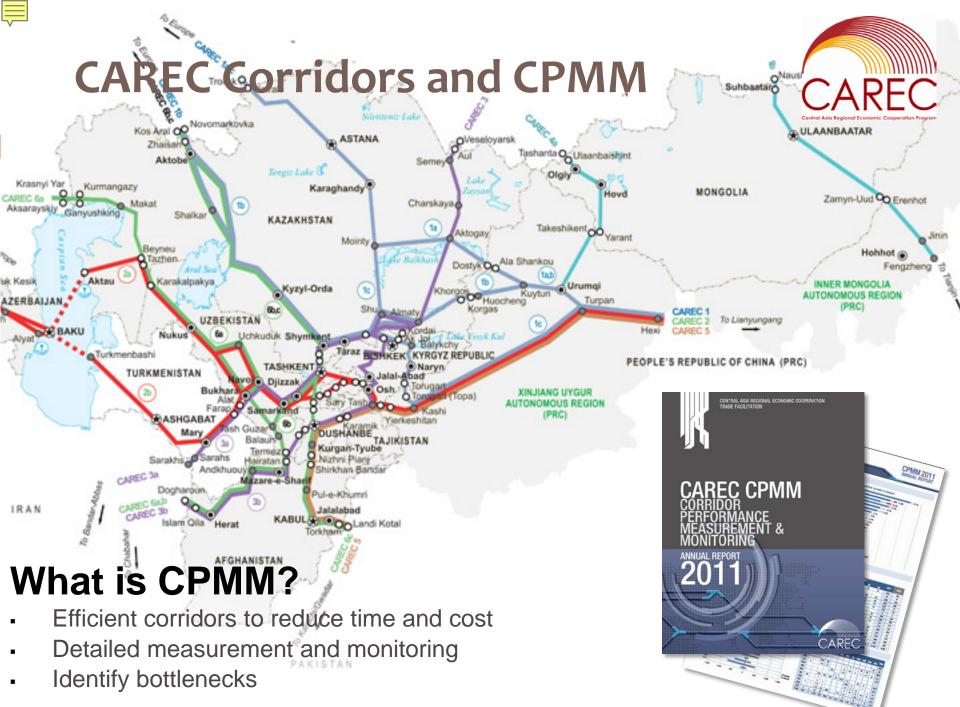


What has been done...



Integrated trade facilitation

- CAREC Federation of Carrier and Forwarder Associations
- Corridor Performance Measurement and Monitoring (CPMM)
- Trade Logistics capacity building
- Modernizing Sanitary and Phyto-sanitary Measures



Increasing vs Impeding Trade



CAREC CPMM demonstrates clearly that:

- 1) Border Crossing Points are THE bottleneck,
- Trade Logistics Services are inadequate, and
- 3) Customs clearance is one of the principal causes of delays in completing border formalities....and extorting unofficial payments

Increasing vs Impeding Trade Border crossing duration, Road Transport, 2011

	Frequency	Average Duration (hrs)
A. Border Security / Control ^{6,908}		0.6
B. Customs (Single Window)	46	1.1
C. Customs Clearance 6,839		1.8
D. Health / Quarantine	4,217	0.5
E. Phytosanitary	4,341	0.3
F. Veterinary Inspection	2,606	0.2
G. Visa/Immigration	2,365	0.2
H. GAI/Traffic Inspection	1,156	0.3
I. loading / Stop	2,663	0.3
J. Transport Inspection	2,489	0.4
K. Weight/Standard Inspection	3,435	0.3
L. change of gauge	3,074	0.3
M. Emergency Repair	129	1.7
N. Escort / Convoy	26	2.2
O. Loading / Unloading	1,914	4.0
P. Road Toll	853	0.4
Q. Waiting/ Queue	4,241	5.5

Increasing vs Impeding Trade Border crossing cost, Road Transport, 2011

		Frequency	Average Cost (US\$)
Α.	Border Security / Control 4,300		25
B.	Customs (Single Window)	27	31
C.	Customs Clearance 4,728		126
D.	Health / Quarantine	3,184	13
E.	Phytosanitary	2,839	9
F.	Veterinary Inspection	1,713	7
G.	Visa/Immigration	1,319	18
Н.	GAI/Traffic Inspection	702	18
I.	loading / Stop	2,007	11
J.	Transport Inspection	1,988	25
K.	Weight/Standard Inspection	2,351	16
L.	change of gauge	1,488	17
М.	Emergency Repair	31	104
N.	Escort / Convoy	24	42
0.	Loading / Unloading	1,000	115
P.	Road Toll	1,461	37
Q.	Waiting/ Queue	218	22



Responding to the Challenge



trade expansion and improving competitiveness = new strategic objectives for CAREC

What needs to be done?

minimize the time taken to clear vehicles and goods for border crossing by:

- adopting best practice,
- modernizing procedures,
- •operating border crossing points 24/7, and
- eliminating bribery and corruption

By working together with one another (and with other border management agencies), Customs services can become part of the solution rather than part of the problem



Moving Forward... CAREC 2020



CAREC Corridor development

- Maximize the benefits of CAREC corridors
- Continue monitoring corridor performance (CPMM and TRS)
- Conduct more trade logistics management training
- Strengthen ties with the private sector
- Modernize and harmonize sanitary and phytosanitary measures
- Facilitate the movement of people
- Continue customs modernization training



Tangible Support



Technical Assistance:

- Aligning Customs Trade Facilitation Measures with Best Practices
- Coordinated Border Management for Results
- Promoting cooperation in Sanitary and Phyto-sanitary (SPS)
 Measures
- Facilitation of Regional Transit Trade

Investments:

- Regional Improvement of Border Services
- Regional Upgrade of SPS Measures for Trade

CAREC Institute Collaboration:

- Capacity-building to design and implement needed reforms
- Knowledge products and services





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