

CAREC Trade Facilitation Program Update

Senior Officials Meeting

Ulaanbaatar, Mongolia
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Background

- Customs Cooperation
 - Initiatives in areas of Joint Customs Control and Regional Transit
 - Simplification of Procedures, ICT and Data Exchange, and Risk Management
- Integrated Trade Facilitation
 - Corridor Performance Measurement Monitoring (CPMM)
 - National and Regional Joint Transport and Trade Facilitation Committees (NJC/RJC)
 - Single Window (SW) Development
 - Trade Logistics Development
 - Training Needs Assessment and Capacity Building

Customs Cooperation

- Joint Customs Control
 - Workshop in Guangzhou Feb 2009
 - Dulata (PRC) – Kalzhat (KAZ), Phase I: implement the unified cargo manifest. Phase II: mutual recognition of inspection results
 - Chon-Kapka (KGZ) - Aisha Bibi (KAZ) pilot control point
 - MON - PRC 3rd meeting of the working party in April 2009 focusing on unification of cargo manifest forms
- Regional Transit
 - Safe Packet Pilot Scheme (between KAZ and KGZ)
- WCO's C21: "Globally Networked Customs" and "Coordinated Border Management"

CAREC Corridors

CAREC 1: Europe – East Asia

CAREC 2: Mediterranean – East Asia

CAREC 3: Russian Federation – Middle East and South Asia

CAREC 4: Russian Federation – Xinjiang Uygur Autonomous Region

CAREC 5: East Asia – Middle East and South Asia

CAREC 6: Europe – Middle East and South Asia



Need for CPMM

- TTFS mandated that economic corridors' performance be measured and monitored periodically to:
 - Ascertain current situation along the links and nodes of each CAREC corridor
 - Identify bottlenecks
 - Determine courses of action to address bottlenecks, and
 - Assess the impact of regional cooperation initiatives
- Workshop in Guangzhou, Feb 2009

Time-Cost Distance

- Based on Time Cost Distance (TCD) Methodology

Leg 1

To be filled by Association

Shipment Code No. _____

Name of the place and country of your 1st stop _____

Please indicate the following values from previous stop to this stop

Distance (km)	Time (hours, mins)

What mode of transport did you use for this leg?

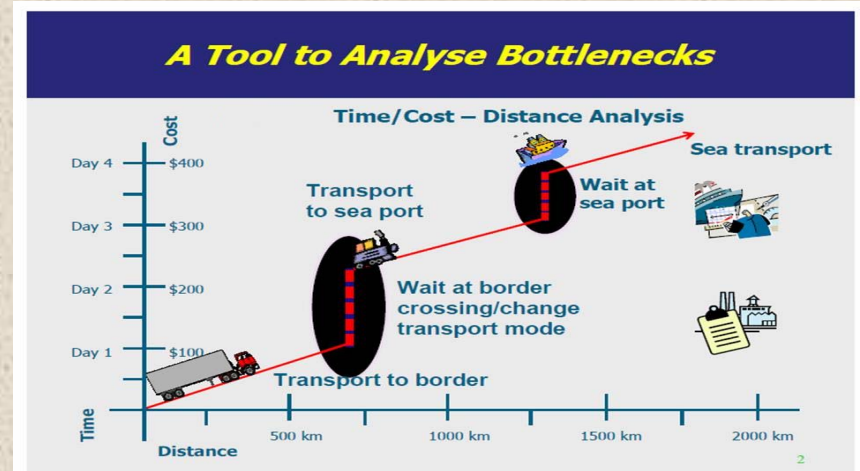
Road
 Rail
 Ship

Did you use a container in transporting your cargo in this leg?

Yes
 No

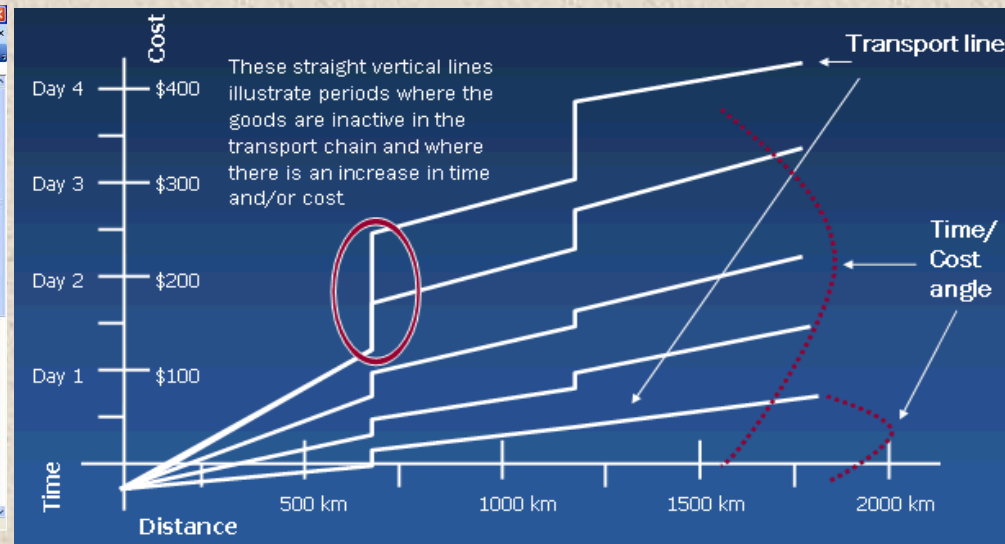
Why did you stop?

Intermediate Stop
 Exit Border
 Enter Border
 Final Destination



Microsoft Excel - BN_0807_TCD Black Sea Caravan_Part 1 until 27 April 2007 incl. cost

	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	
2																														
3	Place of departure	Name of city		LEG 1				LEG 2				LEG 3				LEG 4														
4		Name of country		Belgrade Serbia				Parking Area on Highway Belgrade-Nis Serbia				Kragujevac Serbia				Zakusko Serbia														
5	Mode of transport			road				road				road				road														
6	Distance to next stop	80 km		42 km				269 km				1 km																		
7	Duration of travel	1 hrs 15 min		0 hrs 45 min				8 hrs 30 min				0 hrs 15 min																		
8	Costs per leg (vehicle on road, in USD)	\$477.20		\$357.90				\$1,252.20				\$4.66																		
9	Place of next stop	Name of city		Parking Area on Highway Belgrade-Nis Serbia				Kragujevac Serbia				Zakusko Serbia				Bjelo Polje Montenegro														
10		Name of country		Serbia				Serbia				Serbia				Montenegro														
11	Reason for stop	Place of departure		Intermediate Stop				Exit Border Crossing				Entry Border Crossing																		
12	Activity A at stop	Type of activity	Duration	Costs	Type of activity	Duration	Costs	Type of activity	Duration	Costs	Type of activity	Duration	Costs	Type of activity	Duration	Costs														
13	Activity B at stop	Waiting time*	4 hrs 0 min	\$0.00	Overnight stay (incl. accommodation and dinner)	9 hrs 15 min	\$629.00	Waiting time barrier	1 hrs 15 min	\$0.00	Waiting time barrier	1 hrs min																		
14	Activity C at stop	Parking fees, Highway tolls, Customs formalities at the departure	0 hrs 0 min	\$512.00				Crossing procedures for loaded truck	1 hrs 30 min	\$0.00	Crossing procedures for loaded truck	2 hrs min																		
15	Activity D at stop							Inspection of trucks/ Customs formalities and visa	0 hrs 0 min		Inspection of trucks/ Customs formalities and visa	0 hrs 0 min																		
16	Activity E at stop																													
17	Activity F at stop																													
18	Activity G at stop																													
19	Activity H at stop																													
20	Activity I at stop																													
21	Description of actions taken (e.g. procedures, formalities applicable to the section of the route).	Initial departure time at 16:15 pm				To reach Kragujevac: Leaving the Highway, following a 2 lanes road				Start again at 7:30 am				BCP organized for goods and passengers in line for trucks exit, 1 lane for passengers entry for trucks entry, 1 lane for passengers entry office for passports registration served by 1 computers (police officers are collecting pass from both embassy lanes and enter the office)																
22		Modern parking with all facilities: fuel, restaurant, toilets, etc.				Night rest in Motel				Brief intermediate stops at Cacak (km 177) and Novi Pazar (km 310)																				
23		*Vial for truck and leader in charge with customs				Cost of fuel/leg: 60km x 12.29/truck x 380/100km x USD=279.50/leg				BCP organized in containers, 1 lane for exit, 1 lane for																				



Collection and Analysis

- Institutional Arrangement
 - MOU with partner freight forwarders associations (FFAs) and road carrier associations (RCAs)
 - Frequency of Collection
 - Average 30 TCD/Partner/month
 - 15 observations to be allocated on designated sub-branches of all CAREC Corridors, e.g., 1b, 2a, 3b, 4b, 5, 6c
 - Partner association to decide how to split between road and rail depending on relative importance among corridors
- Submission, analyses and reporting
 - Partner associations submit data in TCD template to CAREC Secretariat
 - Data analysis at ADB HQ, ADB to build a database to support analysis and reporting
 - Quarterly reports on CPMM results and in-depth report submitted to CAREC SOM
 - Partner associations encouraged to analyze the data and compare their results with the Secretariat
 - Reports to be provided to partner associations and NJCs/ RJC for review

Partners

- 12 Partner Associations
 - Association of Afghanistan Freight Forwarders Companies
 - Azerbaijan International Road Carriers Association
 - Kazakhstan Freight Forwarders Association
 - Kyrgyz Freight Operators Association
 - National Road Transport Association of Mongolia
 - Mongolia National Chamber of Commerce and Industry
 - China International Freight Forwarders Association
 - Inner Mongolia Autonomous Region Logistics Association
 - Xinjiang Uygur Autonomous Region Freight Forwarders Association
 - Association of International Automobile Carriers
 - Association of International Road Carriers of Uzbekistan
 - Business Logistics Development Association of Uzbekistan
- Proposal to establish the Regional Association of Transport and Trade Logistics (RATTL)
- Cooperation with International Road Union (IRU)

CPMM Data Description

TCD Submission by Association by Month

Assoc	Jan	Feb	Mar	Apr	Tot
CIFA	4	16	0	0	20
IMAR	0	0	10	17	27
KAZ	0	0	9	0	9
KYR	8	4	0	12	24
MON	0	0	0	10	10
UZB	0	0	13	25	38
XUAR	0	0	0	5	5
Total	12	20	32	69	133

Cost	Freq.
less than 1,000	59
1,001 - 2,000	41
3,001 - 4,000	13
more than 4,000	20
Total	133

Distance	Freq.
less than 500	38
501 - 1,500	21
1,501 - 2,500	25
2,501 - 3,500	12
3,501 - 4,500	13
4,501 - 5,500	9
more than 5,501	15
Total	133

Duration	Freq.
less than 1 day	34
1 - 2 days	10
2-3 days	20
3-4 days	11
4-5 days	10
5-6 days	8
more than 6 days	40
Total	133

Number who crossed the borders

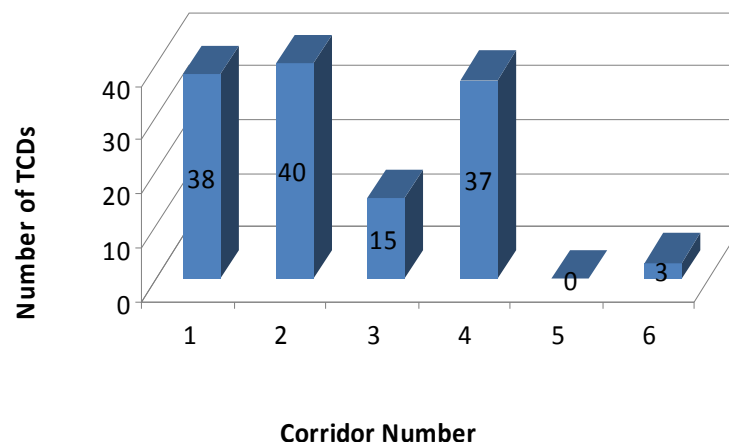
Response	Freq.
No	21
Yes	112
Total	133

CPMM Data Description

Number of TCDs along a Corridor and by Association / Country

var	corridor						Tot
	1	2	3	4	5	6	
CIFA	20	0	0	0	0	0	20
IMAR	0	0	0	27	0	0	27
KAZ	9	0	0	0	0	0	9
KYR	9	13	2	0	0	0	24
MON	0	0	0	10	0	0	10
UZB	0	22	13	0	0	3	38
XUAR	0	5	0	0	0	0	5
Total	38	40	15	37	0	3	133

Number of TCDs in Corridor



CPMM Data Description

Time Spent on Activities (minutes)

Activities	Mean	Std. Dev.	Min	Max	Activities	Mean	Std. Dev.	Min	Max
Border Control	67.7	94.7	5.0	900.0	Health inspection	25.0	7.6	10.0	30.0
Customs	225.2	460.8	1.0	4320.0	Immigration	32.0	36.7	5.0	180.0
Meals	106.6	223.2	5.0	2400.0	Phytosanitary inspection	86.5	66.9	17.0	240.0
Fuel	35.3	45.2	10.0	480.0	Quarantine	16.3	11.5	10.0	60.0
Loading / unloading	226.7	73.4	180.0	600.0	Safety inspection	18.1	13.6	5.0	60.0
Station Inspection	240.0	0.0	240.0	240.0	Vehicle registration	21.7	2.9	20.0	25.0
Waiting	1320.1	1635.8	40.0	7200.0	Veterinary inspection	15.6	8.5	10.0	30.0
Government Inspection	24.7	12.4	10.0	50.0	Police inspection	21.4	89.5	2.0	1145.0
Repairs/tire replacement	83.4	46.0	30.0	150.0	Weight inspection	20.8	17.3	10.0	60.0
Rest / Overnight Stay	350.5	326.8	15.0	2700.0	Transport inspection	54.0	31.3	5.0	120.0
Traffic police	20.9	56.4	1.3	370.0	Parking	1219.2	2993.5	10.0	12960.0
Discharge	44.7	14.6	10.0	70.0	Permits / documents	65.0	38.5	10.0	120.0

CPMM Data Description

Minimum and Maximum Cost of Activities (US\$)

Activities	Mean	Std Dev	Min	Max	Activities	Mean	Std Dev	Min	Max
Border Control	39.7	77.4	1.2	600.0	Health inspection	52.4	67.4	4.7	100.0
Customs	149.6	266.7	0.5	3290.0	Immigration	29.6	28.9	10.0	100.0
Meals	7.4	6.3	1.0	50.0	Phytosanitary inspection	47.6	30.9	2.0	138.0
Fuel	150.8	188.2	2.0	910.0	Quarantine	14.2	20.6	2.4	50.0
Loading / unloading	4.0	0.0	4.0	4.0	Safety inspection	15.1	9.8	7.0	45.0
Station Inspection	10.0	0.0	10.0	10.0	Vehicle registration	12.7	4.0	10.0	22.0
Wagon	56.6	16.7	40.1	85.1	Veterinary inspection	8.8	1.8	7.5	10.0
Government Inspection	39.4	8.4	29.4	50.0	Police inspection	13.1	27.8	1.0	133.3
Repairs / tire replacement	132.6	138.8	7.4	352.9	Weight inspection	18.4	37.3	1.7	150.0
Rest / Overnight Stay	8.6	9.5	1.0	55.0	Transport inspection	31.9	29.0	1.3	140.0
Traffic police	3.4	4.2	1.3	12.5	Parking	13.3	15.9	0.5	38.5
Discharge	20.4	13.8	10.0	50.0	Permits / documents	169.4	92.5	6.0	333.3

Plans and Milestones

Activity	Timetable
<ul style="list-style-type: none"> • Piloting of TCD methodology 	January 2009
<ul style="list-style-type: none"> • Organizational Workshop 	February 2009 in Guangzhou, PRC
<ul style="list-style-type: none"> • MOUs between ADB and each partner association <ul style="list-style-type: none"> – MOU defined roles and responsibilities for both parties – Will cover 1 year of CPMM activities (with option to renew for another year) 	Signed in February 2009 in Guangzhou, PRC
<ul style="list-style-type: none"> • Advance payment facility has been setup by ADB to compensate the operational costs of partner associations 	April 2009
<ul style="list-style-type: none"> • Collection of driver's forms and submission of TCD templates by partner associations 	ongoing
<ul style="list-style-type: none"> • Creation of operations manual for drivers and partner associations 	ongoing
<ul style="list-style-type: none"> • Training of trainers (of association staff, drivers) 	ongoing
<ul style="list-style-type: none"> • Submissions of analytical reports 	From August

NJCs and RJC

- Workshop in Ulaan Baatar, 26 May 2009, to discuss the need for NJCs/RJC and terms of references
- Stock-taking
 - Formal NJC structure in AFG, AZE, KGZ, MON, and TAJ, although some are not active
 - Transport led inter-agency groupings in KAZ, PRC, and UZB, which also cover trade facilitation issues
 - UNECE, UNESCAP, UNCTAD have been providing assistance

NJC Scope of Work

- **Ownership**

- develop national joint transport and trade facilitation action plan
- enhance skills of NJC member agencies and stakeholders to plan, implement and evaluate projects

- **Coordination**

- coordinate public-private sector efforts to develop integrated national action plan consistent with the approved TTFS Action Plan;
- coordinate with multi-lateral organizations to mobilize resources for investments identified in national action plan;

- **Implementation**

- supervise and monitor implementation of CAREC transport and trade facilitation projects

RJC Scope of Work

- **Ownership**

- Overseeing implementation of CAREC TTFS Action Plan
- Support the implementation of corresponding national action plans by sharing experiences learned and best practices
- Enhance NJCs' ownership of programs and projects
- Promote organization of regional groupings

- **Coordination**

- Coordinate with CCC, TSCC, Trade Policy Committee and with regional cooperation mechanisms such as Shanghai Cooperation Organization, European Asian Economic Cooperation and others in the implementation of the TTFS and its Action Plan;
- Promote participation and involvement of development partners, multilateral development agencies, and the private sector;

- **Implementation**

- supervise and monitor implementation of CAREC transport and trade facilitation projects

Single Window

- Single Platform, Single Automated System, Single Information Transaction System
- Regulatory Harmonization SW, Port Operations & Logistics SW
- CAREC member countries are actively promoting SW to streamline transport, freight forwarding and customs operations
 - AZE, KGZ and MON have introduced legislation to implement Single Window
 - Other countries in various stages of introducing legislative reforms to introduce and implement national SW schemes
- SW can be seen as platform to accelerate the integrated trade facilitation agenda
- ADB suggests that CAREC adopt a bottom-up approach, similar to ASEAN
 - with overall guidance of international standards,
 - each country has flexibility to choose its own approach for national SW
 - a CAREC regional SW by linking national SWs

SW: Plan of Activities

Work Program	Timetable
Case studies (MON, KGZ, AZE and UZB) identify road maps for SW at the national level	Ongoing - June
Workshop on international standards and best practices as well as practical issues	July
Preparation of national and regional road maps	Ongoing
Individual Project Formulation and Implementation (national and regional)	

Trade Logistics Development

- A series of trade logistics studies for CAREC members Afghanistan, Azerbaijan, Mongolia, Kazakhstan, Kyrgyz Republic, Inner Mongolia Autonomous Region and Xinjiang Uygur Automations Region of PRC, Tajikistan, and Uzbekistan are being finalized as ADB publications and will be launched at the Aug/Sep CAREC Business Development Forum in Urumqi
- A proposed charter for the Regional Association of Transport and Trade Logistics (RATTL) is prepared and member associations are being consulted. RATTL will be formally launched at the CAREC BDF in Aug/Sep 2009
- A proposal for a Public Information Platform for transport and trade logistics operators for CAREC region is being prepared

Capacity Building

- Training Needs Assessment (TNA) conducted in December 2008
- Workshop in Guangzhou, Feb 2009
- Results of TNA
 - common needs for customs cooperation, integrated trade facilitation and skills development
 - creation of Regional Training Database accessible to all CAREC participating countries; and
 - Need a simple training development structure to ensure
 - consistency in the identification of needs,
 - appropriateness of content, level and quality of delivery and skills transfer.
 - Need to strengthen existing institutions
 - develop core curricula for particular regional centers
 - pairing with international centers of excellence
- Role of CAREC Institute

New RETAs

Old RETA Nos.	Title	Proposed Amount	Processing Year
TAs 8, 11, 15, 26, 27 & 33	Working with the Private Sector in Trade Facilitation	\$2.5 million	2009
TA9 & TA12	Simplified Transit Procedures and Strengthened Guarantee Systems in CAREC	\$500,000	2009
TA6, TA29 & TA31	Development of Logistics Centers and Information Hubs	\$4.1 million	2010
TA 3 & TA39	Facility and Process Improvements at BCPs	\$2.5 million	2010
TA4 & TA5	Strengthening Capabilities of National Certification Agencies	\$6.1 million	2011
TA7 & TA10	Integrated Trade Facilitation Capacity Building Program	\$2.0 million	2011

Thank you



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