

# UPDATE ON TRADE FACILITATION PROGRAM

10<sup>TH</sup> TRANSPORT SECTOR COORDINATING COMMITTEE  
MEETING

12-13 OCTOBER, ASTANA, KAZAKHSTAN

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# Customs Cooperation

- 10th CCC meeting in Baku September 2011 reported substantial progress in 5 priority areas:
  - Customs codes amended to meet international standards
  - All CAREC customs organizations have automated their customs processes ; initiatives to install single windows
  - Adopted risk management measures and included development of risk profiles in automated systems
  - Joint Customs Control Pilots showing positive results
  - Improved the monitoring of cargo movement under customs supervision thru use of GPS systems, electronic seal and safe packets
- CCC work aligned with WCO's C-21 strategy

# Customs Capacity Building

- Specialized training for customs officials
  - Customs Modernization Training Course Shanghai Customs College, Shanghai, PRC 8-18 June 2011 for the MON Customs
  - on 15-24 September 2011 for CAREC customs officials,
  - specialized customs seminar for Kazakhstan Customs before the end of 2011.
  - exploring partnership with other training institutions in the region
- Expertise sharing in specialized field of customs control for pipeline transported energy products

# Time Release Study

- TRS provides an opportunity to review customs' and other border control agencies' clearance procedures and identify corrective actions to enhance their clearance operational efficiency.
- Workshop held in Tashkent, Uzbekistan on 29-31 March 2011 to train relevant customs officials.
- TRSs to be performed at key BCPs along CAREC corridors that will potentially participate in proposed RIBS project
- Mongolia has started TRS in some borders, follow-up TRS training for UZB customs officials held in Tashkent 24 June 2011; AFG and PAK requesting for in-country training

# Streamlining CCC Business Processes

- Hosting arrangements - synchronized rotation but SOM/MC host country has option of not hosting the sector committee meetings and a volunteer will then be sought;
- Working Group structure - CCC will put more emphasis on implementable tasks; special task forces can be formed per initiatives of a country/group of countries
- Meeting format - more focused/more interactive meetings, more round-table discussions (and less presentations) on issues

# CAREC Federation of Carrier and Forwarder Associations (CFCFA)

- **CFCFA Annual Meeting held in Issyk-Kul, Kyrgyz Republic**
  - From 14 to 18 members
    - More associations from PAK and TKM expected to join
  - 3 Working Groups:
    - standardization and adoption of international practices;
    - cross-border and corridor development; and
    - organization and funding.
- Sustainability and funding of CFCFA
- Projects
  - Business Networking Forum
    - 200 participants; 8 booths
    - Successful format; plan to hold similar event 2012
  - CFCFA website: [www.cfcfa.net](http://www.cfcfa.net)
    - Up-to-date profile and information on activities
    - Interactive page on CPMM
    - Links with member websites

# National Joint Transport and Trade Facilitation Committees (NJCcs)

- All countries have NJCs or similar structure; however not all are active or functioning;
- NJCs are expected to play critical role in designing and implementing proposed Regional Improvement of Border Services (RIBS) Project
- NJCs meeting in Bangkok, January 2011
  - More active role of NJCs in project preparation and implementation of RIBS

# Corridor Performance Measurement and Monitoring (CPMM)

- 2 years of implementation; 14 CFCFA partner associations
- Data collection, analytical framework, and report preparation streamlined
- 2010 Annual and 2011 1st Quarter reports on [cfcfa.net](http://cfcfa.net)
- Contributes trade facilitation indicators to the CAREC results framework
- Capacity building for national associations
- CPMM webpage allows data retrieval and interactive analysis for members



# CPMM Indicators

## 1st Quarter 2011

TF1	Time taken to clear a border crossing point (hr)			
	Mean	<b>7.3</b>	Median	<b>3.6</b>
TF2	Costs incurred at border crossing clearance (US\$)			
	Mean	<b>140.0</b>	Median	<b>85</b>
TF3	Cost incurred to travel a corridor section (US\$)			
	Per 500km, for a 20-ton truck or a TEU Container			
	Mean	<b>964.2</b>	Median	<b>647.3</b>
TF4	Speed to travel on CAREC corridors (kph)			
	SWOD	<b>22.8</b>	SWD	<b>17.3</b>

# Road Indicators

TF1	Time taken to clear a border crossing point (hr)			
	Mean	<b>5.0</b>	Median	<b>3.0</b>
TF2	Costs incurred at border crossing clearance (US\$)			
	Mean	<b>138.0</b>	Median	<b>89.0</b>
TF3	Cost incurred to travel a corridor section (US\$)			
	Per 500km, for a 20-ton truck or a TEU Container			
	Mean	<b>1136.2</b>	Median	<b>769.3</b>
TF4	Speed to travel on CAREC corridors (kph)			
	SWOD	<b>43.6</b>	SWD	<b>28.9</b>

# Rail Indicators

TF1	Time taken to clear a border crossing point (hr)			
	Mean	<b>21.2</b>	Median	<b>12.0</b>
TF2	Costs incurred at border crossing clearance (US\$)			
	Mean	<b>150.0</b>	Median	<b>50.0</b>
TF3	Cost incurred to travel a corridor section (US\$)			
	Per 500km, for a 20-ton truck or a TEU Container			
	Mean	<b>459.3</b>	Median	<b>391.4</b>
TF4	Speed to travel on CAREC corridors (kph)			
	SWOD	<b>12.7</b>	SWD	<b>10.3</b>

# ITF Capacity Building

- Logistics training
  - Topics include modern supply chain management, trade logistics, multi-modal transport, and trade logistics international best practices;
  - plans to hold similar seminars in XUAR PRC later this year and in Kazakhstan and Mongolia in 2012
- Special training course for Mongolia freight forwarders and road carriers at Shanghai Maritime University

# Regional Improvement of Border Services (RIBS) Project

- ADB financing for the proposed project is approximately \$150 million.
- Consultants have been fielded and have visited AZE, UZB, KGZ, KAZ, MON, TAJ and PRC; will be visiting AFG and PAK
- 17 pairs of BCPs have been identified
- Aide Memoire with participating countries to be signed during MC in November

# Next Steps

- Facilitate approval of RIBS and continue to strengthen involvement of NJCs
- Review JCC experience, expand and deepen pilots
- Develop EDI and other modern tools for electronic exchange of information, and providing necessary capacity building
- Continue training on specialized customs topics
- Enhance member countries' capacity to implement the C-21 building blocks

# Next Steps

- Continue to explore measures to improve the effectiveness of CCC work
- CPMM and time-release study information better utilized; provide necessary capacity building
- Involvement of Pakistan and Turkmenistan in TF activities
- New areas to be explored: SPS; movement of people; trade logistics; economic corridors

# THANK YOU

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