CPMM+
An Introduction to CFCFA

Max Ee

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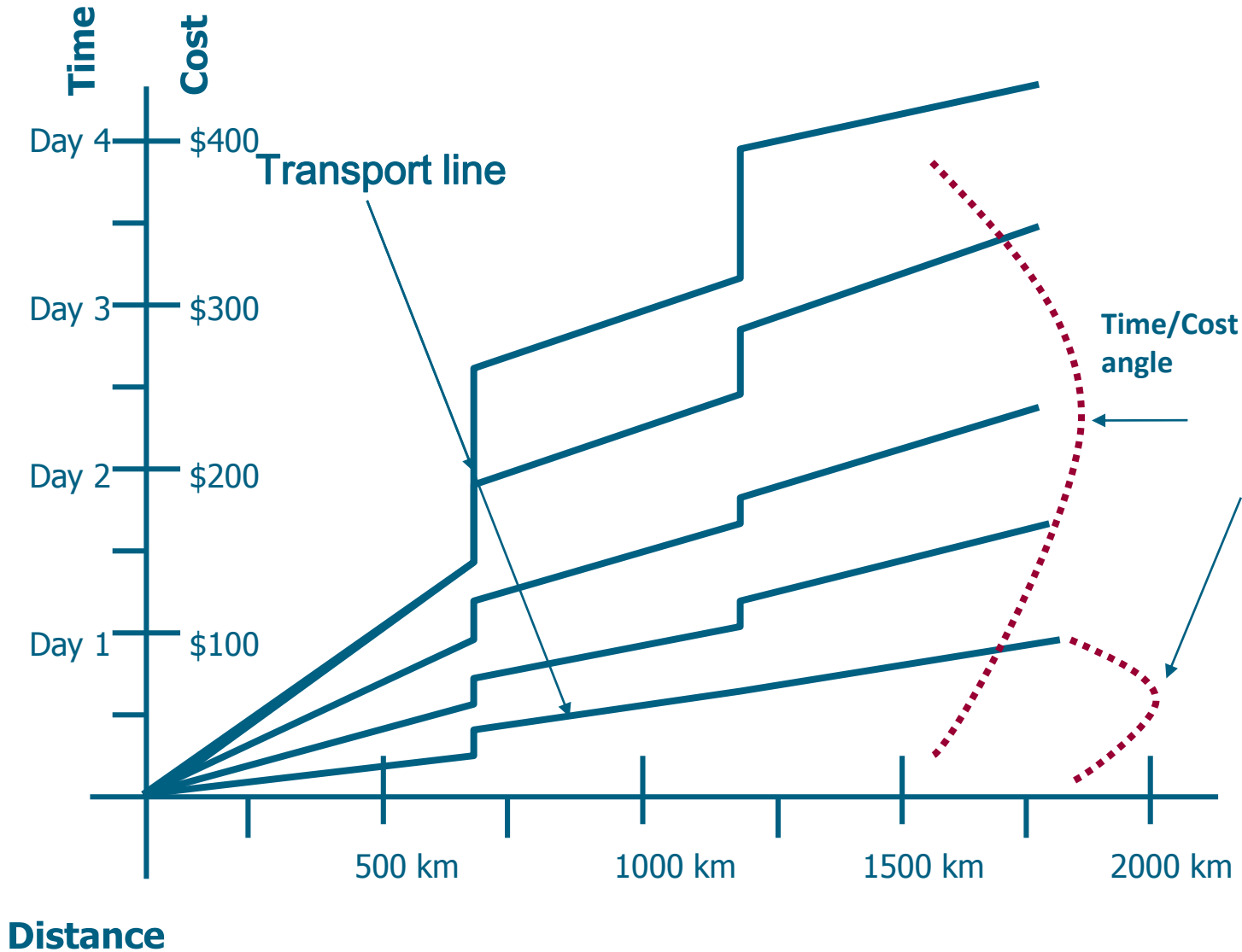
- Mandated by the CAREC **Transport and Trade Facilitation Strategy** (TTFS)

- It is a region-wide study in Central Asia that focuses on
  - Infrastructure
  - Border Crossing Efficiency

- Empirical data on shipments are collected
  - Time
  - Cost

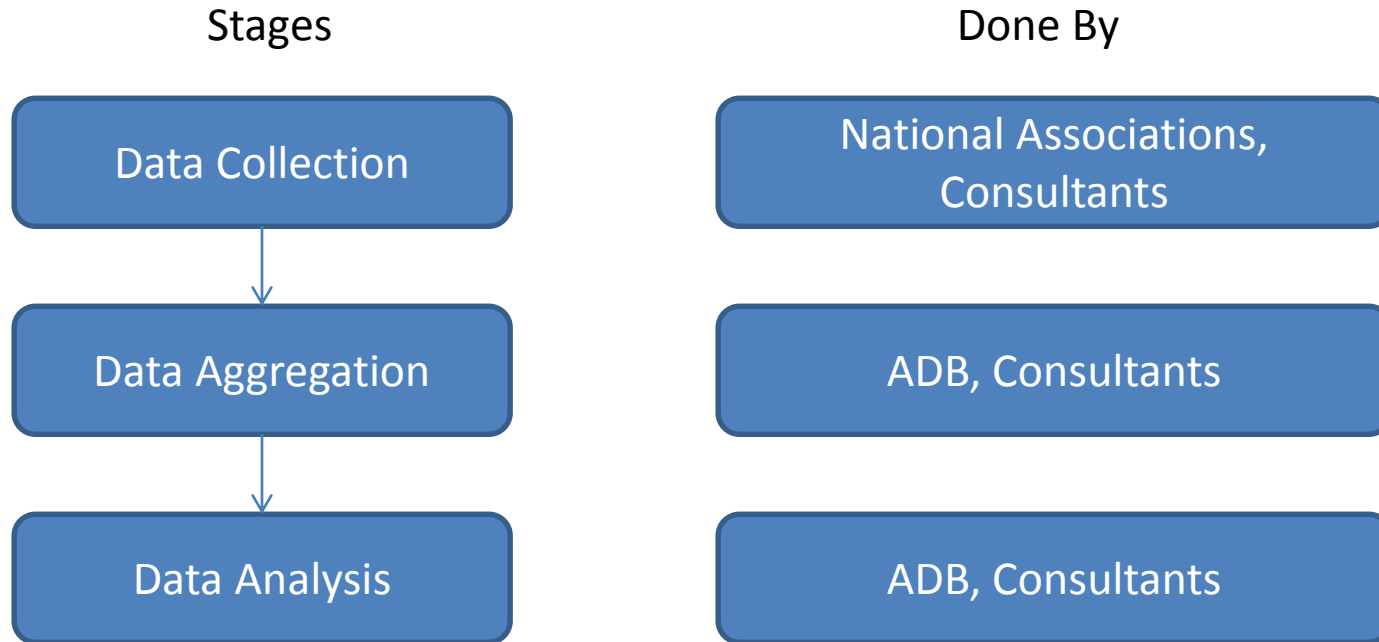- Adopts the UNESCAP Time-Cost-Distance (TCD) method

Time **Cost**

Distance

The CPMM Flowchart

Stages	Done By
Data Collection	National Associations, Consultants
Data Aggregation	ADB, Consultants
Data Analysis	ADB, Consultants

Due to the extensive nature of CPMM, the right partner is important for CPMM to be successful. In some countries, there are a few national associations that fit the description, so they are interviewed and only the most qualified ones were chosen in the end as partners in CPMM.

CPMM Evolution (2010-2017)

CPMM 1.0
- Used a modified UNESCAP TCD form for data entry
- Reasons for delays are not standardized
- Results are analyzed but not published

CPMM 2.0
- Used a re-designed data collection template
- Includes a standardized reasons for delays
- Results are published quarterly and annually

CPMM 3.0
- Introduced a more powerful template that consolidates samples and displays a dashboard, based on MS Excel worksheets
- Separates delays in road and rail transport
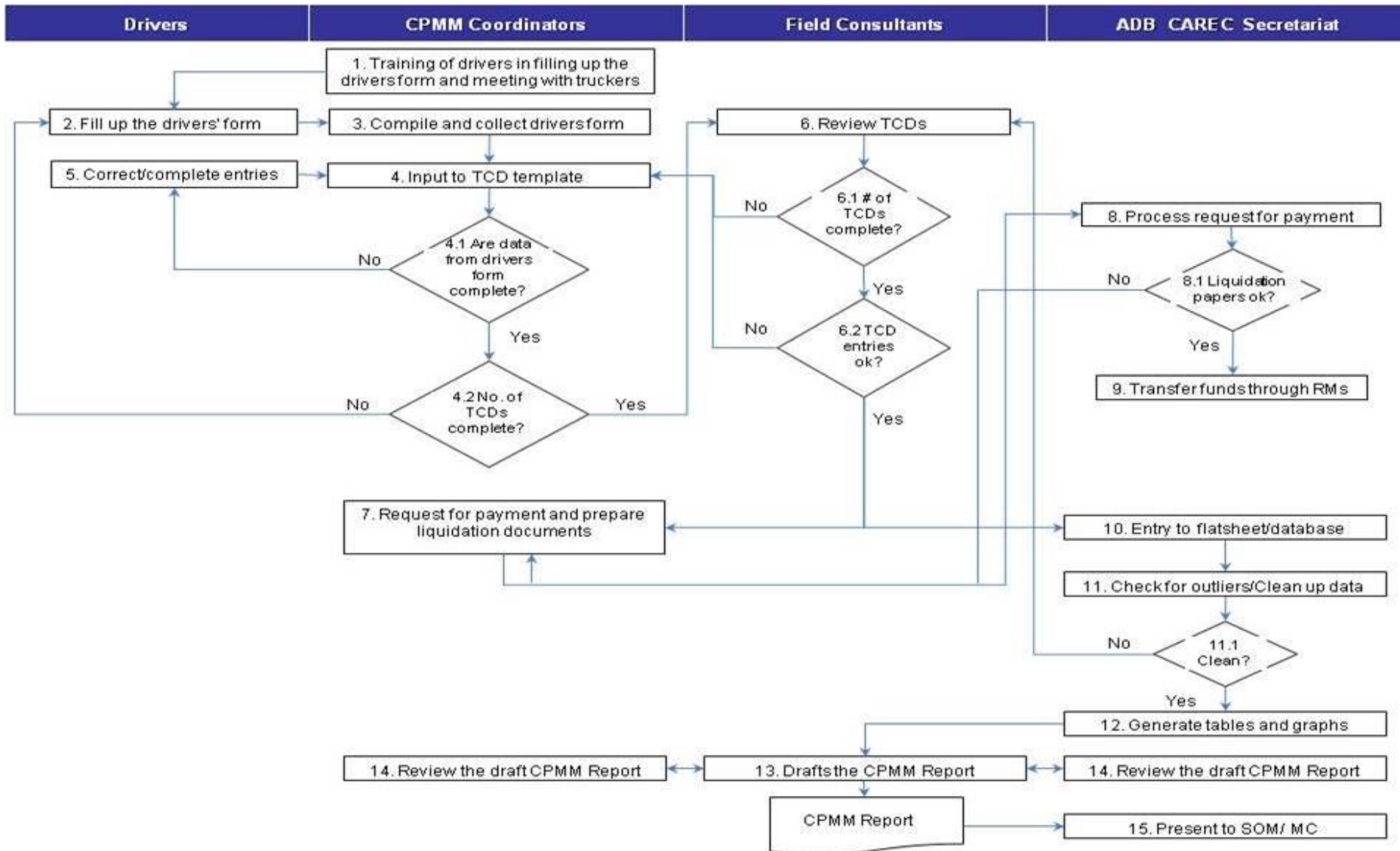- Adopted a more professional format for CPMM Reports

Drivers	CPMM Coordinators	Field Consultants	ADB CAREC Secretariat

1. Training of drivers in filling up the drivers form and meeting with truckers

2. Fill up the drivers' form

3. Compile and collect drivers form

6. Review TCDs

5. Correct/complete entries

4. Input to TCD template

8. Process request for payment

4.1 Are data from drivers form complete? — No / Yes

6.1 # of TCDs complete? — No / Yes

8.1 Liquidation papers ok? — No / Yes

9. Transfer funds through RMs

6.2 TCD entries ok? — No / Yes

4.2 No. of TCDs complete? — No / Yes

7. Request for payment and prepare liquidation documents

10. Entry to flatsheet/database

11. Check for outliers/Clean up data

11.1 Clean? — No / Yes

12. Generate tables and graphs

14. Review the draft CPMM Report

13. Drafts the CPMM Report

14. Review the draft CPMM Report

CPMM Report

15. Present to SOM/ MC

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3 Survey Findings

4 Doing Business Method

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Increase in Multi-modal Samples

% of Multimodal Samples

Since Q3 2016, the % samples that use a combination of road-rail modes has increased.

Afghanistan

Transit shipments from Quetta (Pakistan) to Ashgabat (Turkmenistan) through Afghanistan. This is a road-water-rail multi-modal samples. Border crossing time due to materials transfer from one transport mode to the other showed significant delays.
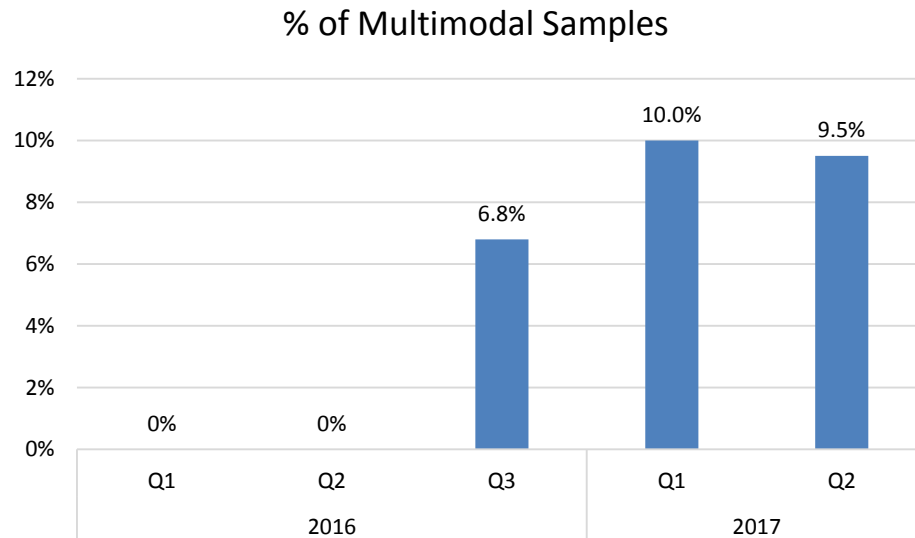
Mongolia

Shipments from Erenhot to Zamyn Uud is carried on trucks, and then sent on trains to Ulaan Bataar.
Given that the Choyr-Zamyn Uud road section is operational since 2013, it is also possible to send goods on trucks from Zamyn Uud to Ulaan Baatar.

The problem is if a sample has road and rail modes, the data on the existing template is not suitable because border crossing activities are only displayed for one particular mode.

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Trade Facilitation

CPMM is opined to be too '**transport dominant**'. This is reflected in the data and the four Trade Facilitation Indicators (TFIs). While it is excellent in reporting problems '**at the border**', it is less effective in understanding the delays that can happen '**behind the border'**.

For instance, what is the lead time to apply for a Certificate of Origin? How much improvement did a country enjoy after implementing electronic single window?

Question : Can CPMM expand its scope to cover more trade related analysis?

- Documentation
- Application for license, permits, approvals
- Identification of other stakeholders in the trade procedure
- Problems in cargo clearance and collection

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❖ Greater use of **I.T.** to capture data.

❖ Most associations can collect additional trade data, but may need to **partner with other professional bodies**, as well as agencies (Customs, Statistics office).

❖ CPMM identifies the problem, and more can be studied to understand the underlying root causes. **Business Process Analysis** can be one such tool.

❖ **CPMM seminars** remain the best way for awareness promotion and capacity building.

❖Impact of **PRC Trade & Transport Process Improvements** (e.g. Single Window, eFiling, Free Trade Zones, rail speed acceleration and SME trade finance)

❖Impact of **post TIR accession** (PRC and PAK)

❖China Pakistan Economic Corridor (**CPEC**)

❖Trilateral Agreement **MON-PRC-RUS**

❖EAEU Customs Code

Trade Data

- Yes, may need to work with AFG Chamber of Commerce and Industries for such data collection (e.g. Certificate of Origin issuance).
- Can also work with Customs Brokers and Industry Associations/Unions to expand collection.

CPMM Reports

- Send to members for review

Applications

- Send reports and recommendations to government

GEO GIRCA*

Trade Data

- GIRCA can collect trade related info within Georgia, but not in other countries.
- Can refer to IRU website.
- Now eCMR shows a lot of innovation.
- In Georgia, public websites are available to download data (e.g. National Statistics Office)

Applications

- Send Reports to public and private sectors.
- Conduct CPMM workshops.
- Rally political support and resources.

GIRCA is the Georgia International Road Carriers Association, a new CPMM partner based in Tbilisi. They joined CPMM in April 2017.

KAZ KFFA

Data Collection

- CPMM is effective but collecting the rail transport data is challenging, due to the sensitivity of the data.
- CPMM shows there are problems, but does not disclose the underlying causes.
- Advisable to supplement with other methodologies such as Business Process Analysis (BPA).

Trade Data

- Possible but at a later stage
- Consider BPA methodology
- Need to rethink the objective, depth and frequency of research and the other parameters.

New Info

- Eurasian Economic Union (EAEU) will launch new Customs Code in 2018. Electronic declaration is being introduced.
- www.railcommerce.com can track wagons.

MON FMFF

Data Collection

- Work with seven independent bodies to collect data.
- Human data entry is one common contributing reasons for errors.
- Automate the Excel worksheets further to validate entries

Trade Data

- Possible but at a later stage
- Can include ocean freight too (for instance, from other seaports to Tianjin)
- Can work with Customs Brokers Association

Applications

- Send reports and recommendations to government

FMFF is the Federation of Mongolian Freight Forwarders, a new CPMM partner based in Ulaan Baatar. They joined CPMM in January 2017.

MON NARTAM

Data Collection

- Use of modern technology to collect data.

Trade Data

- Available to capture more data but may need to work with Mongolian Customs General Authority and other professional organizations.
- Parties such as Customs Brokers and Freight Forwarders may be useful, but some data are submitted directly to Customs, so he latter remains the most authoritative source.

Applications

- Send Analysis and Recommendations to government

New Info

- China's accession to TIR can result in decreased customs controls
- Trilateral agreement between MON-PRC-RUS can result in increased traffic volume.

PAK PIFFA

Data Collection

- Consider to study the
    - Impact of National Single Window
    - Impact of replacing outdated trucks with Euro models
    - Deployment of railways for transit shipments
    - Logistics facilities

Trade Data

- Import/Export license not required
- PIFFA can collect data related to the trade documentary procedures

Applications

- Send Reports to Trade Associations
- Send Reports to Government

New Info

- Measure the impact of TIR accession
- China Pakistan Economic Corridor (CPEC)

PRC CQIFA

Data Collection

- Consider to study the
    - Impact of National Single Window and efile
    - Impact of expansion of trade areas (ASEAN-PRC-EU)
    - Impact of rail speed enhancement and cost reduction
    - Benefits of Free Trae Zones

Trade Data

- CQIFA can collect data related to ordinary trade as well as those

Applications

- Send Reports to Trade Associations, Operators
- Send Reports to Government

New Info

- Multiple Chongqing Free Trade Zones

PRC XULA

Data Collection

- Understand how users will utilize CPMM Data and apply that in analysis
- Need to determine the most important trade data to collect and analyze

Trade Data

- XULA can collect trade data. May need to work with new partners.

Applications

- Send Reports to Trade Associations, Operators and Partners
- Send Reports to Government

New Info

- BRI traffic needs more Alashankou/Dostyk and Khorgos/Altynkol throughput capacity

PRC IMLA

Data Collection

- Provide latest info on CAREC government policy and regulatory changes
- Study the Root causes of trade and transport process inefficiencies

Trade Data

- Need assistance from entities with trade data

Applications

- Send Reports to Trade Associations
- Send Reports to Government

New Info

- Increase in MON coal export to PRC

TAJ ABBAT

Data Collection
- Use of GPS / digital tachographs
- Collect statistics on automobile accidents during transport

Trade Data
- Can collect additional information on permits
- Can collect shipment data for Dangerous Goods transport

CPMM Reports
- Send to members for review

Applications
- Send reports and recommendations to government

Payments
- Tax structure results in 35% loss, so suggest to use personal account instead of corporate.
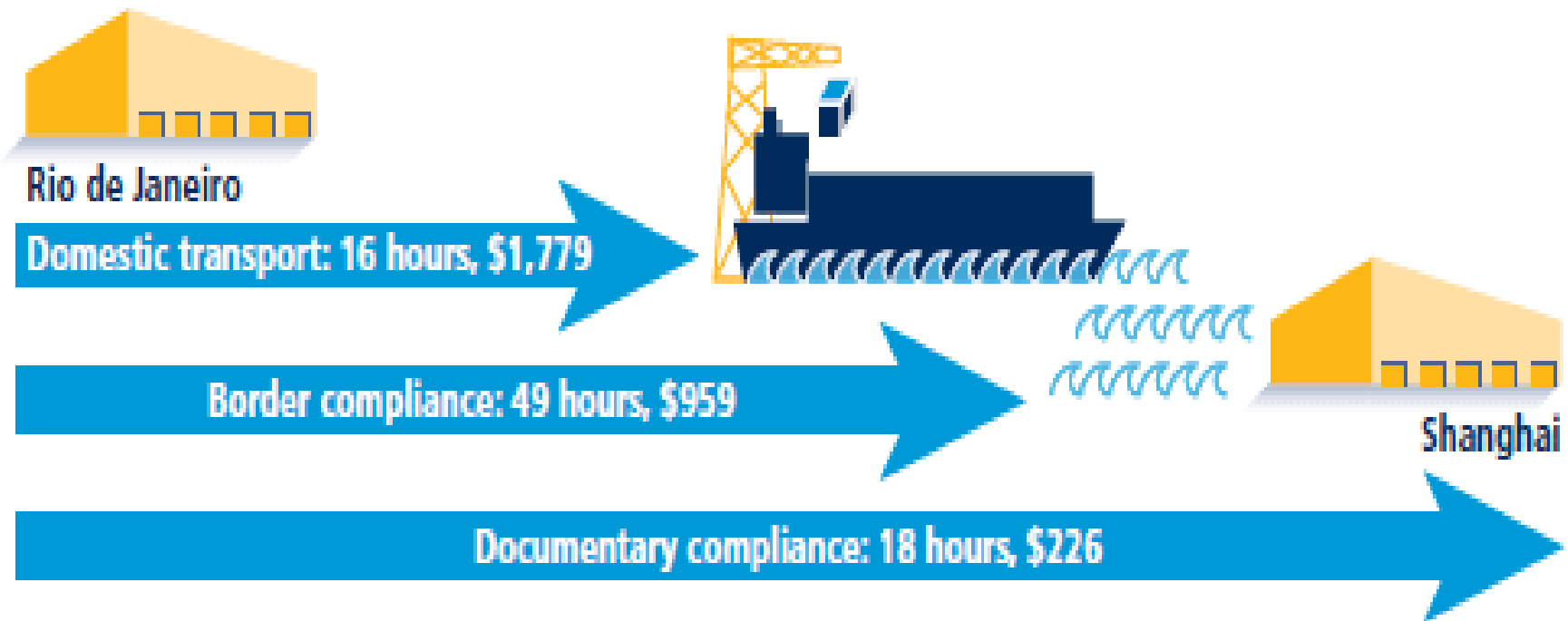
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How much Time and Cost to Export to an Overseas Partner?

Rio de Janeiro

Domestic transport: 16 hours, $1,779

Border compliance: 49 hours, $959

Documentary compliance: 18 hours, $226

Shanghai

Border Compliance
- ✓Customs clearance and inspections
- ✓ Inspections by Other Agencies
- ✓ Port of Border Handling

Documentary Compliance
- ✓Obtaining, Preparing and Submitting Documents   during transport, clearance, inspections at port or BCP
- ✓Obtaining, Preparing and Submitting Documents   at transit country
- ✓Covers all trade documents, electronic or paper, shipment or non-shipment specific necessary for trade

The data on trading across borders are gathered through a questionnaire administered to
- ❏ local freight forwarders
- ❏ customs brokers
- ❏ port authorities
- ❏ traders.

Questionnaire responses are verified through several rounds of follow-up communication with respondents as well as by contacting third parties and consulting public sources. The questionnaire data are confirmed through teleconference calls or on-site visits in most economies.

The Revised CPMM Template

| Sample Header | **Stop 1** | **Stop 2** | **Stop 3** | **Stop 4** |

No change to the header

--- Border Crossing Activities ---

| Road | Time and Cost Data | Time and Cost Data | Time and Cost Data | Time and Cost Data |
| Rail | Time and Cost Data | Time and Cost Data | Time and Cost Data | Time and Cost Data |
| Water | Time and Cost Data | Time and Cost Data | Time and Cost Data | Time and Cost Data |

Each stop can only have one mode of transport. Enter the data into the correct mode and leave the other modes empty.

Using Revised CPMM Template - Example

Sample Header	Urumqi	Khorgos (PRC)	Khorgos (KAZ)	Almaty

Border Crossing Activities

| Road	Time and Cost Data	Time and Cost Data	Time and Cost Data	Time and Cost Data
Rail	Time and Cost Data	Time and Cost Data	Time and Cost Data	Time and Cost Data
Water	Time and Cost Data	Time and Cost Data	Time and Cost Data	Time and Cost Data
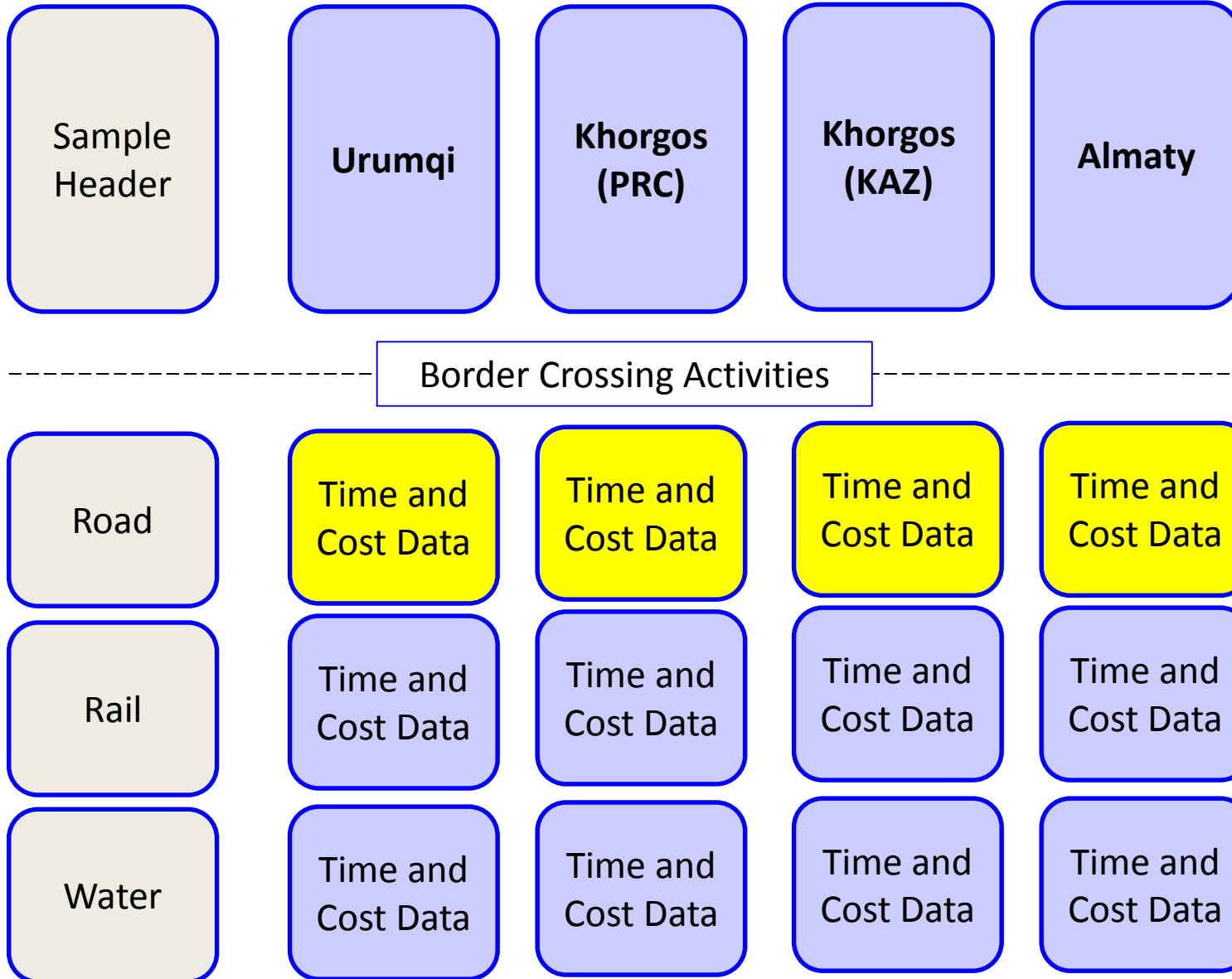
In this example, the entire shipment is carried on road. You can just enter data in the road section.

Using Revised CPMM Template - Example

Sample Header	Erenhot (PRC)	Zamyn Uud (MON)	Zamyn Uud Train Station (MON)	Ulaan Bataar

Border Crossing Activities

| Road	Time and Cost Data	Time and Cost Data	Time and Cost Data	Time and Cost Data
Rail	Time and Cost Data	Time and Cost Data	Time and Cost Data	Time and Cost Data
Water	Time and Cost Data	Time and Cost Data	Time and Cost Data	Time and Cost Data
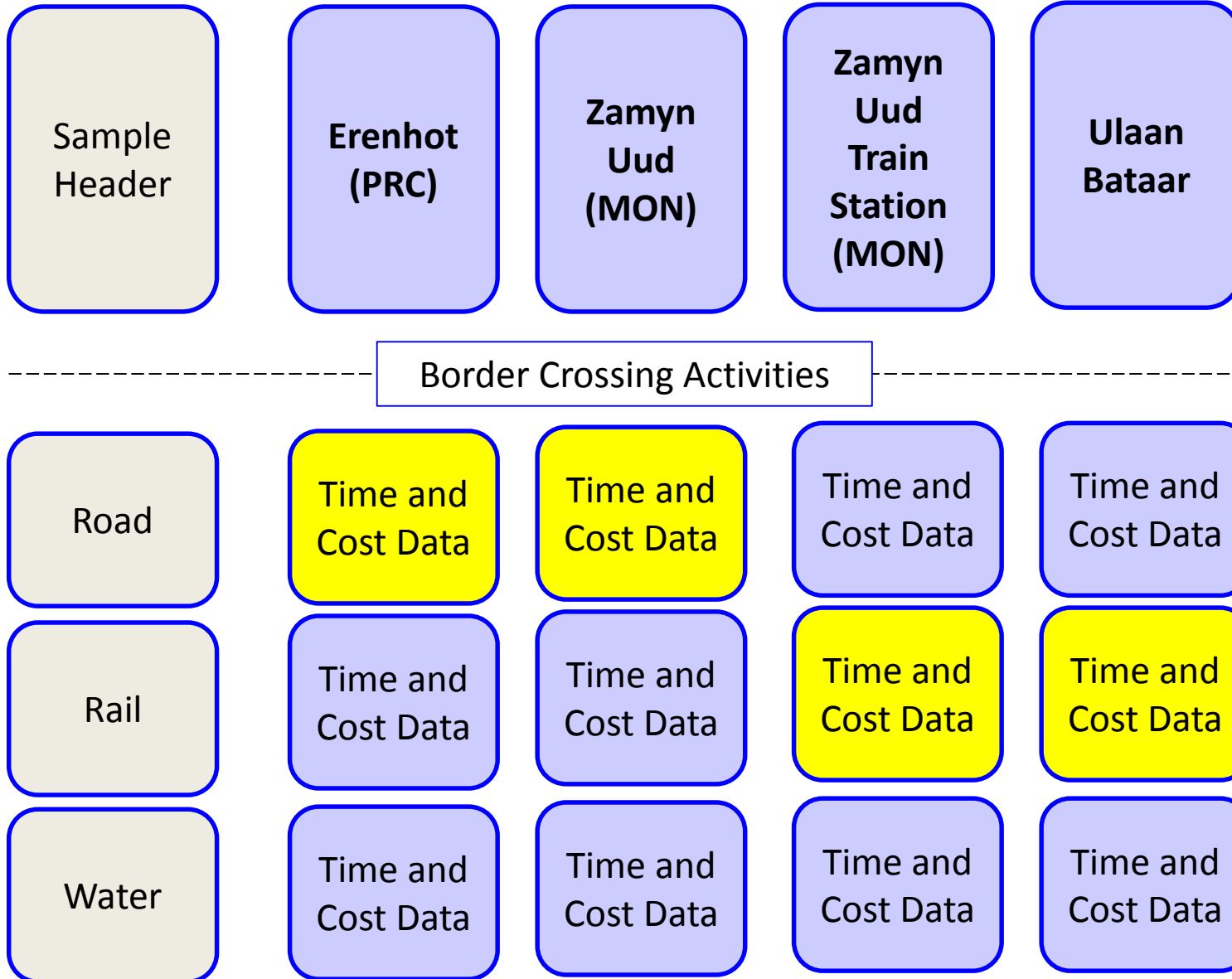
This is a multi-modal sample. In this case, the rail data should be enter once the mode switches from truck to train.

Using Revised CPMM Template - Example

Sample Header	Red Bridge (AZE)	Baku (AZE)	Aktau	Aktobe

Border Crossing Activities

Road	Time and Cost Data	Time and Cost Data	Time and Cost Data	Time and Cost Data
Rail	Time and Cost Data	Time and Cost Data	Time and Cost Data	Time and Cost Data
Water	Time and Cost Data	Time and Cost Data	Time and Cost Data	Time and Cost Data
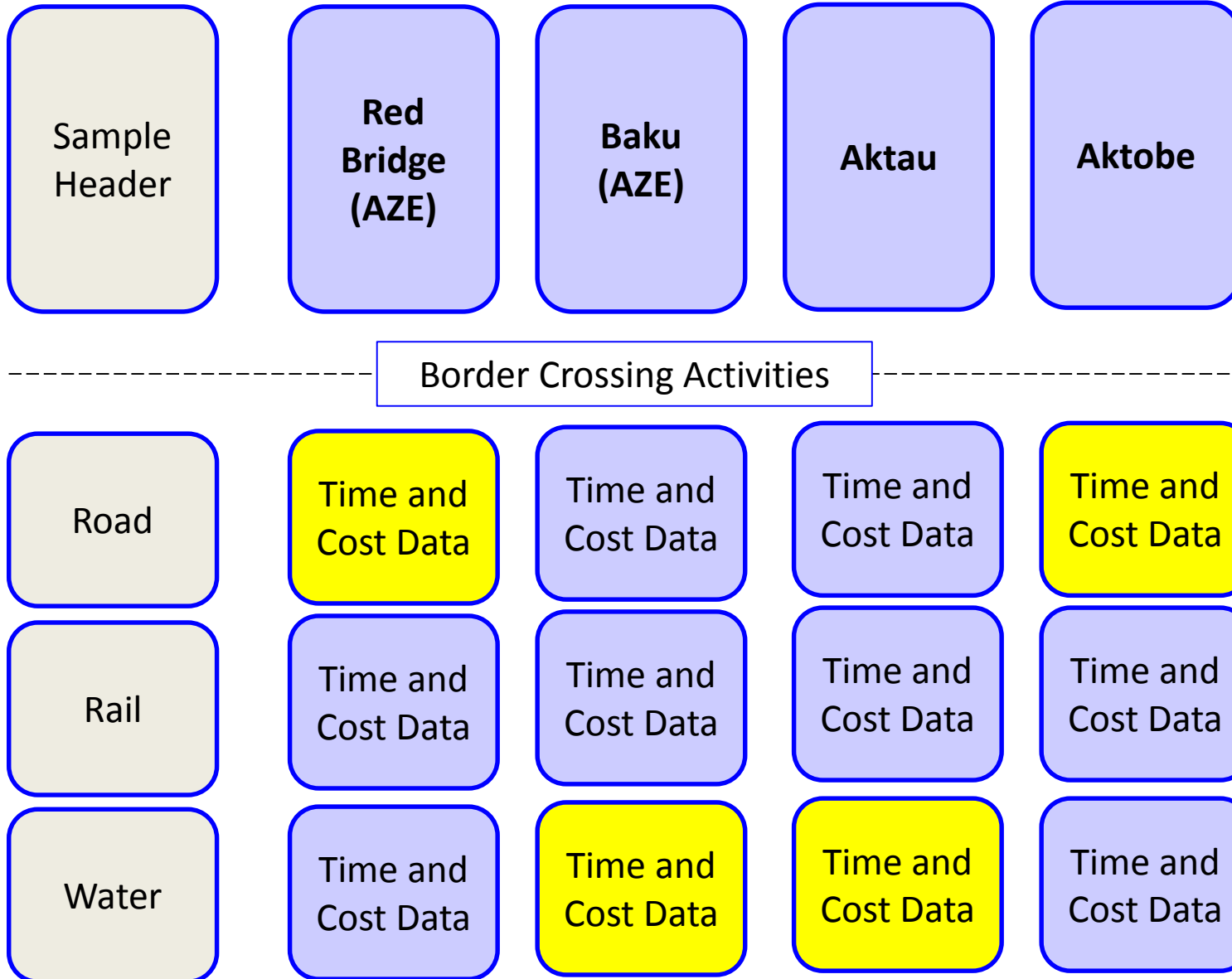
This is a multi-modal sample involving seaports and water transport at the Caspian Sea.

1. Can the CPMM extend to cover trade related performance?

2. Are new partners necessary? (Chamber, Customs Brokers, Shippers)

3. Is the Excel template the best way to collect such data?

CPMM+ Workshop

Date : Second half of October 2017 (to be confirmed)

Venue : Almaty, Kazakhstan

Duration : Two days

Invitees : Two persons from each CPMM partner

Please bring your personal notebook/laptop.

Further information will be sent upon confirmation.

THANK YOU

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