

## **18th Meeting of the CAREC Customs Cooperation Committee Summary of Proceedings Key Agreements Reached**

1. The 18th Meeting of the CAREC Customs Cooperation Committee (CCC) was held on 20-21 June 2019 in Tashkent, Uzbekistan and attended by customs administrations of all CAREC member countries.
2. At the end of the Meeting, CCC members agreed to:
  - (i) **Endorse the CCC 2019-2021 work plan** under the CAREC Integrated Trade Agenda (CITA) 2030 three-year rolling strategic action plan (RSAP) 2019-2021. The CCC work plan is aligned with the revised CCC priority areas and updated terms of reference agreed at the 17th CCC Meeting, held in September 2018 in Ashgabat, Turkmenistan. The 18th CCC Meeting further endorsed cooperation and collaboration between the CCC and the CAREC Regional Trade Group (RTG), as laid out in CITA 2030, to begin with (i) mutual representation in the annual meetings of the CCC and the RTG, and (ii) a joint learning event on e-commerce to be held in early 2020.
  - (ii) **Take forward processing of the proposed Asian Development Bank (ADB) technical assistance (TA)**, designed to continue implementation of the CCC work plan in its identified priority areas, including (i) scoping studies at select border-crossing points (BCPs) to assess physical infrastructure; (ii) digital transformation of customs technologies by encouraging development of e-customs systems, paperless trade, and other technology innovations (authorized economic operator programs and piloting of CATS/ICE); and (iii) the adoption of measures to reduce delays at BCPs, including coordinated border management, expanded joint customs control, and border control initiatives and regular customs-private sector dialogues. Priority capacity building needs will also be supported, including training-of-trainers. CCC members agreed with the anticipated TA outcome and outputs and committed to provide inputs and suggestions of activities for inclusion in the TA within one week.
  - (iii) **Continue to support CAREC customs to enhance national implementation of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA)**. Technical assistance to help CAREC countries meet their TFA commitments, including strengthening of national committees on trade facilitation, will be provided in coordination with other development partners. An inter-subregional technical knowledge- and experience-sharing workshop on the TFA will be organized in October 2019 in Georgia, between the CCC and member countries of the South Asia Subregional Economic Cooperation (SASEC) Program. A TFA implementation tracking mechanism will be developed to help identify priority areas of action.
  - (iv) **Coordinate with ADB for better utilization of methodological approaches of the CAREC corridor performance measurement and monitoring (CPMM) mechanism and the time release study model**. The CCC welcomed ADB's proposal to share relevant, timely CPMM data and potentially work with customs and national research institutions to expand current parameters of the CPMM reporting instruments, to include customs related indicators, and more detailed country- and corridor-level analysis. Representatives of Azerbaijan proposed hosting a regional workshop for the CAREC countries to study Azerbaijan's experience in implementing innovative projects with support of CAREC, such as TRS, electronic queueing, FastTrack , with visits to the BCPs.

- (v) **Proceed with the pilot phase of the CAREC Advanced Transit System (CATS) and Information Common Exchange (ICE) initiative.** Azerbaijan, Georgia, and Kazakhstan committed to finalize the text of the Agreement between participating countries at the Batumi working group meetings in July 2019, initiate domestic legal processes for the Agreement to be signed. CCC, through the Senior Officials Meeting, will report progress made in the CATS initiative to the Ministerial Conference on 14 November in Tashkent, Uzbekistan. The pilot test launch is expected to launch in December 2019.
- (vi) **Intensify efforts to develop and implement effective authorized economic operator (AEO) systems;** study and explore the scope of national programs on AEO systems; facilitate experience sharing and exchange; and provide needed technical support to expand into more cross-border mutual recognition agreements.
- (vii) **Continue support to the ongoing Joint Customs Control (JCC) initiative** between the People's Republic of China (PRC) and Mongolia and replicate the JCC model in other CAREC BCPs.
- (viii) **Further consider the proposal of the State Customs Service of Uzbekistan to develop an Integrated Information Exchange System for the CAREC region,** subject to further detailed information from Uzbekistan State Customs Committee and consultation with respective information technology experts. CCC and ADB would initiate preparation of technical assistance support for this initiative and possible future investments.
- (ix) **Support identification and preparation of trade facilitation investment projects** to improve border services and develop single windows, particularly those identified in the RSAP 2019-2021. Specifically, Azerbaijan and Georgia requested ADB support to develop a joint border crossing; and Pakistan reiterated its request for ADB support to develop the national single window; and Tajikistan requested accelerated ADB support for additional financing for the planned second phase of the Regional Improvement of Border Services project.

3. CCC members thanked the State Customs Committee of Uzbekistan for their impeccable hosting of the 18th CCC Meeting and noted that Afghanistan will be assuming the role of CAREC host country following the Ministerial Conference to be held in November 2019.