

Corridor Performance Measurement and Monitoring (CPMM)

Key Updates from Annual Report 2015, and Quarter 1, 2016
Singapore (September 22, 2016)



Corridor Performance Measurement and Monitoring:
CAREC Experience and International Prospects

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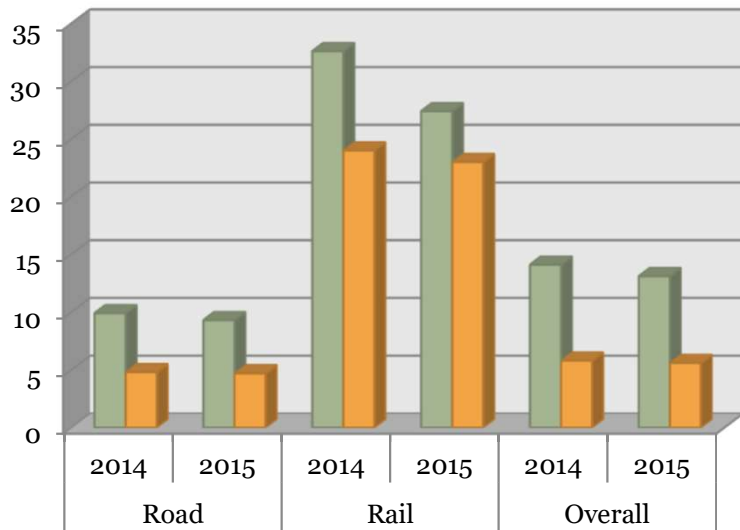
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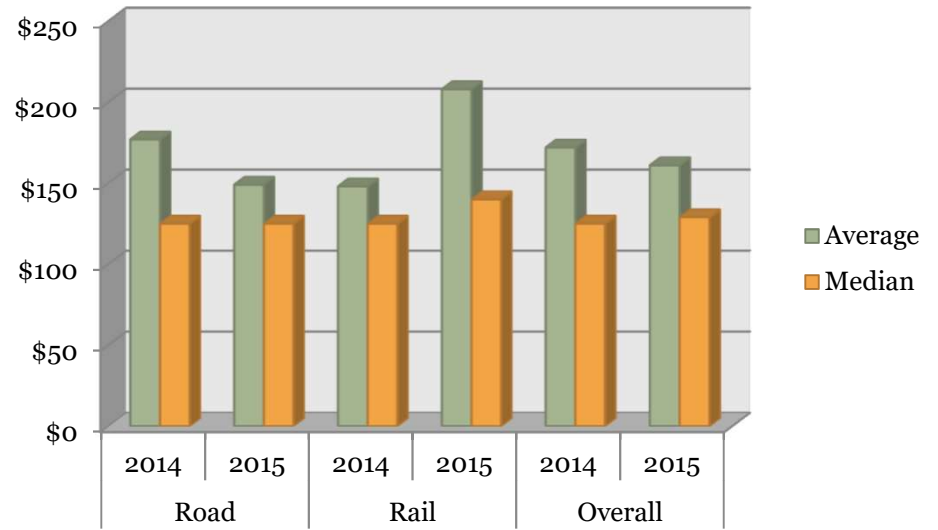
Additional Updates

CPMM: TF Indicators

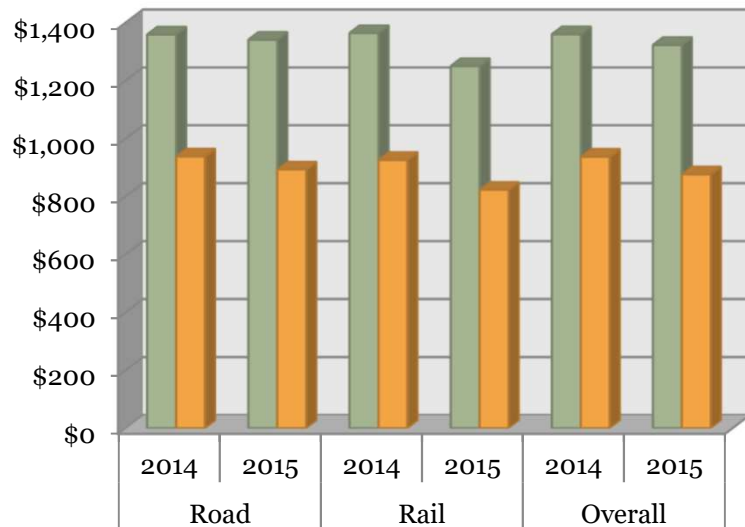
TFI1: Time taken to clear a border crossing (hours)



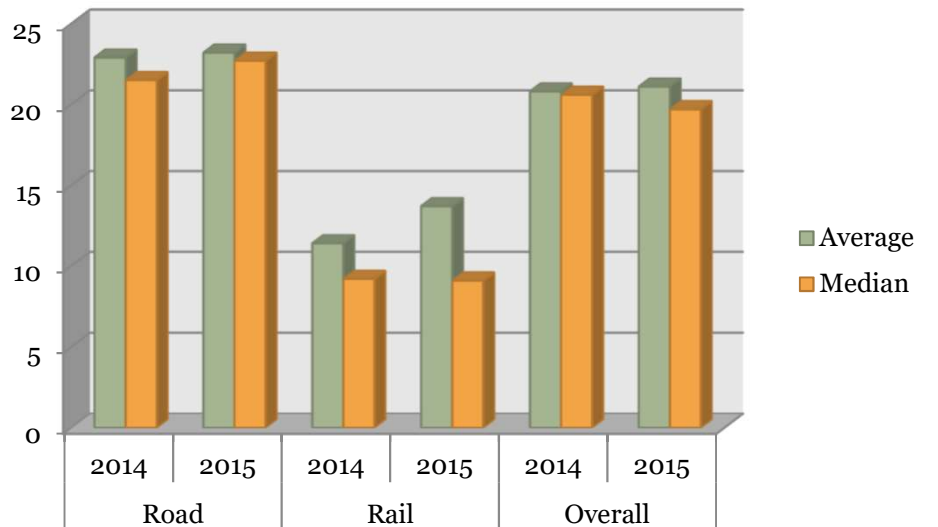
TFI2 Costs incurred at a border crossing point (\$)



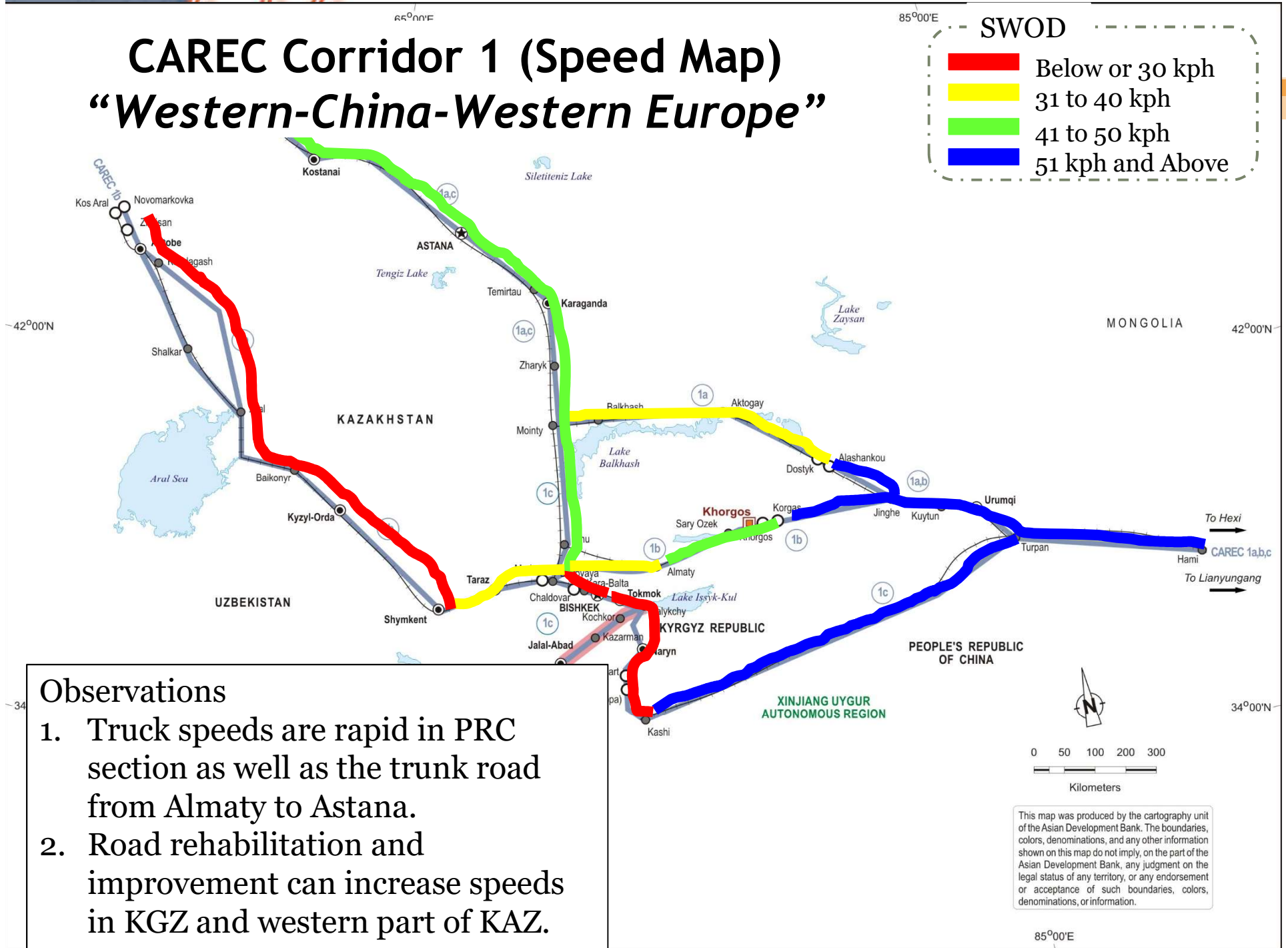
TFI3 Costs incurred to travel corridor section (\$)



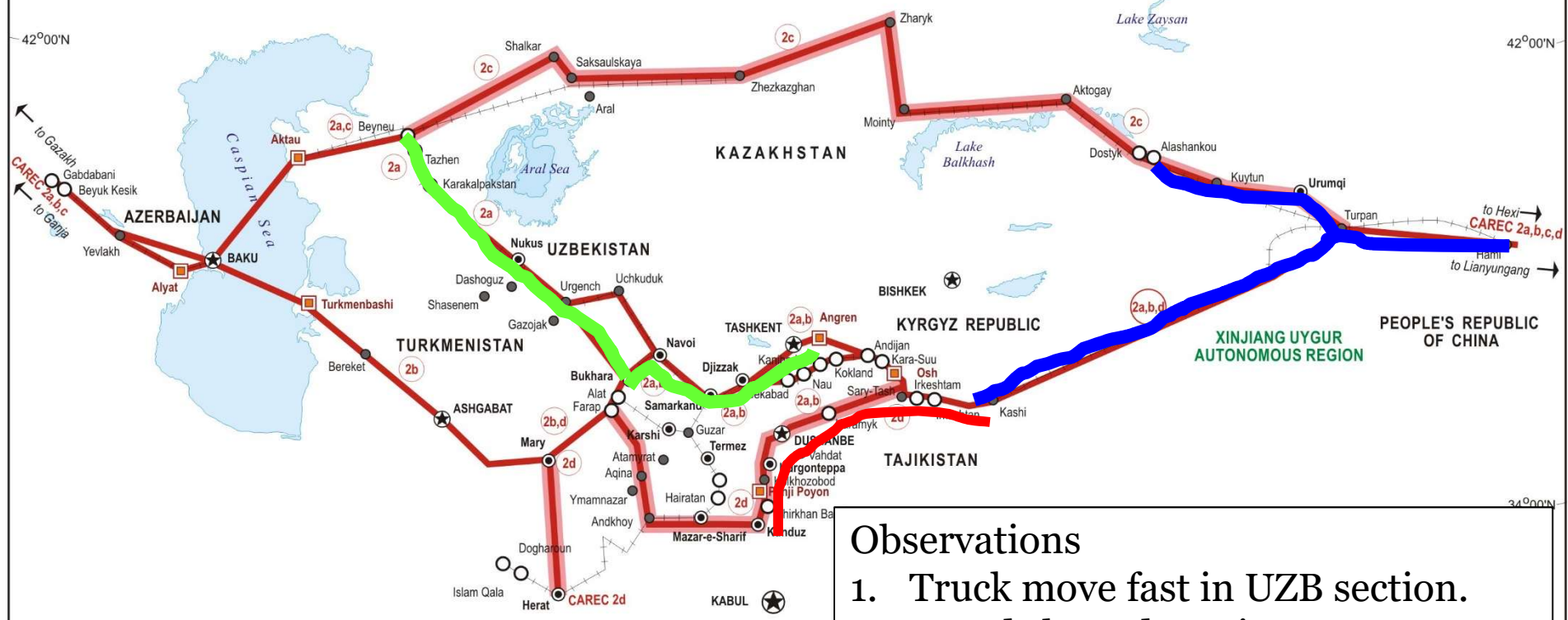
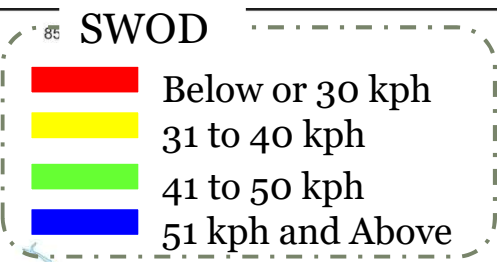
TFI4 Speed to travel 500 km on CAREC corridor section (kph)



CAREC Corridor 1 (Speed Map) “Western-China-Western Europe”



CAREC Corridor 2 (Speed Map) "Trans-Caspian"



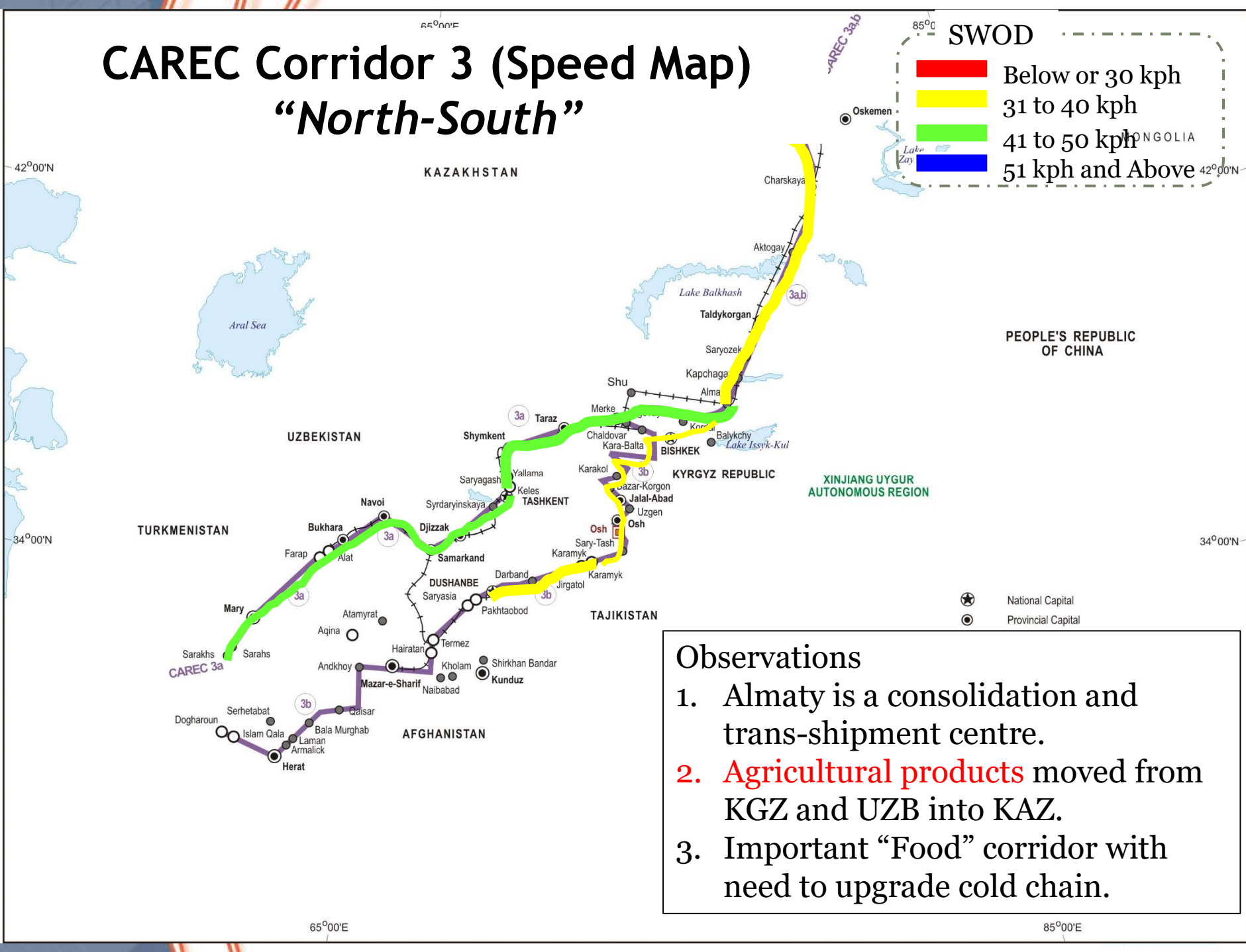
Observations

1. Truck move fast in UZB section.
2. Speed slows down in western regions of TAJ, due to mountainous terrain and under-developed infrastructure.

shown on this map do not imply, on the part of the Asian Development Bank, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries, colors, denominations, or information.

- National Capital
 - Provincial Capital
 - City/Town
 - Proposed CAREC Logistics Centres
 - CAREC Corridor 2
 - Corridor Extension
 - Railway
- Boundaries are not necessarily authoritative.

CAREC Corridor 3 (Speed Map) “North-South”



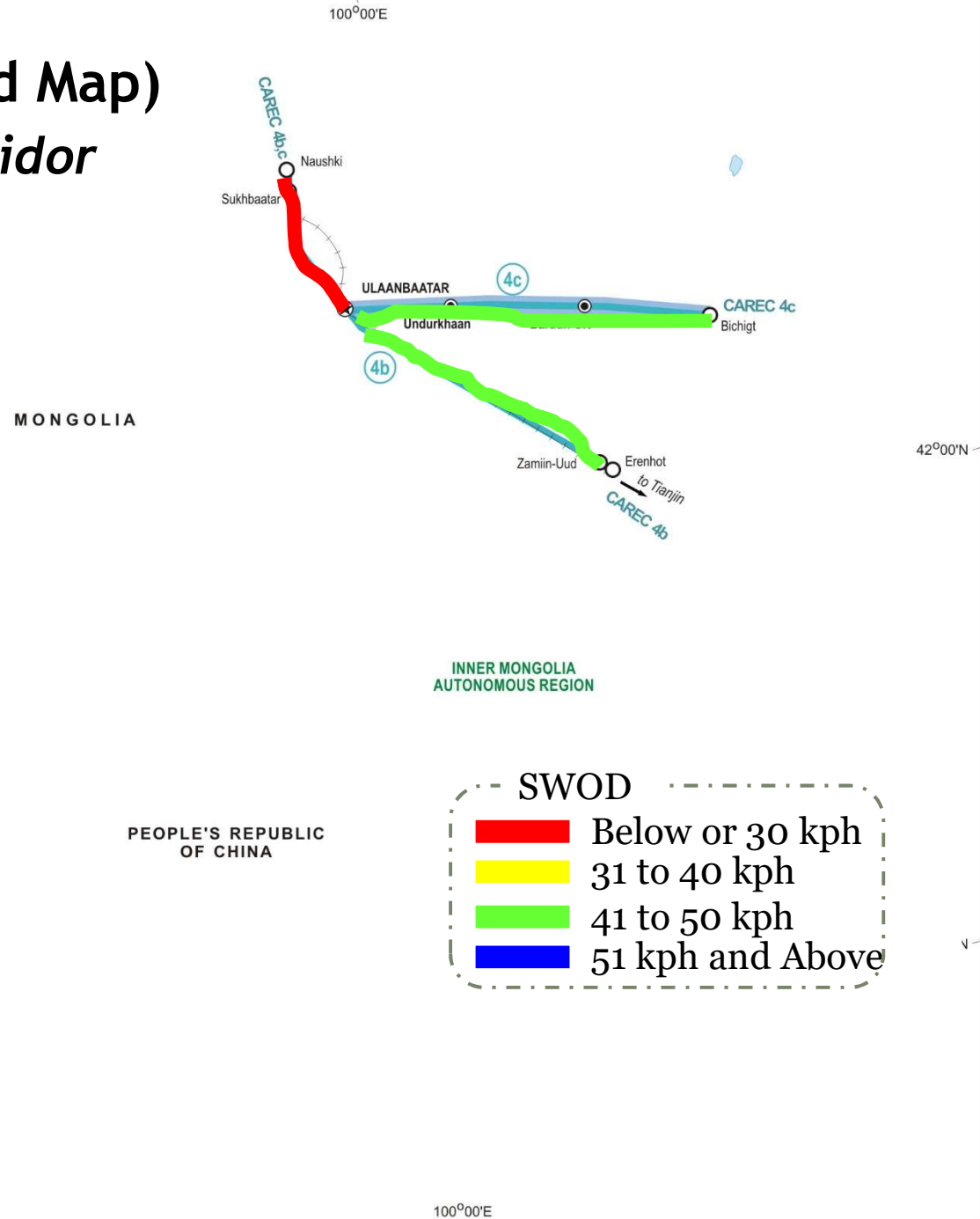
Observations

1. Almaty is a consolidation and trans-shipment centre.
2. **Agricultural products** moved from KGZ and UZB into KAZ.
3. Important “Food” corridor with need to upgrade cold chain.

CAREC Corridor 4 (Speed Map) “Trans-Mongolian Corridor”

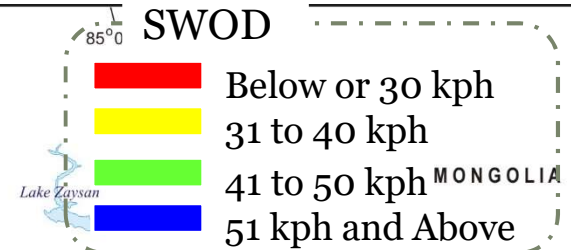
Observations

1. Truck speed has **steadily improved (SWOD)** since the road completion from Choyr to Zamyn Uud.
2. **Multi-modal possibilities** have opened up. For instance, cars can be sent on rail and then be driven from Zamyn Uud to Ulaan Baatar on road.
3. **Train crossing** at Erenhot-Zamyn Uud remains **lengthy**.



CAREC Corridor 5 (Speed Map)

“Cross Border Transport Agreement (CBTA)”

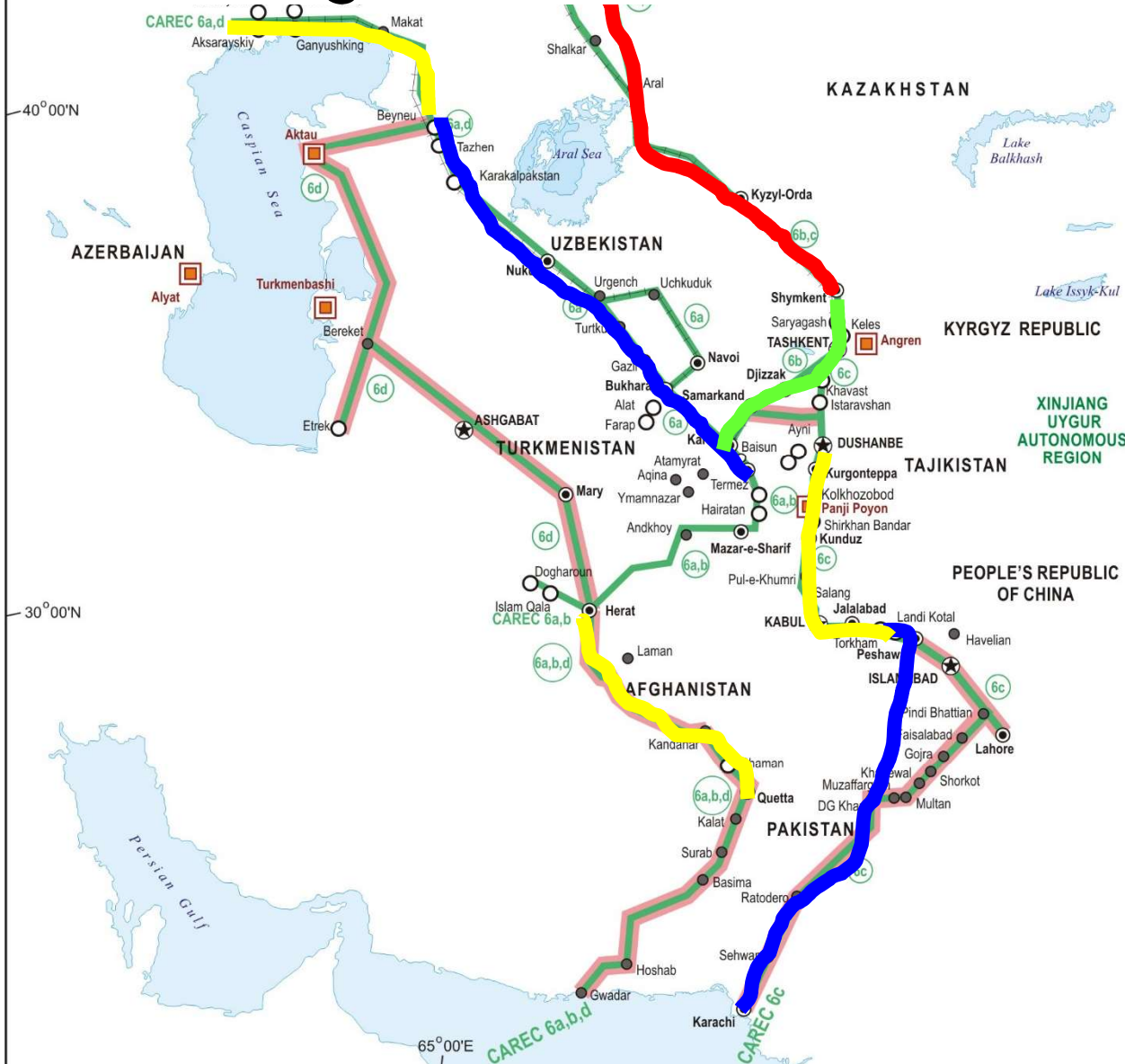
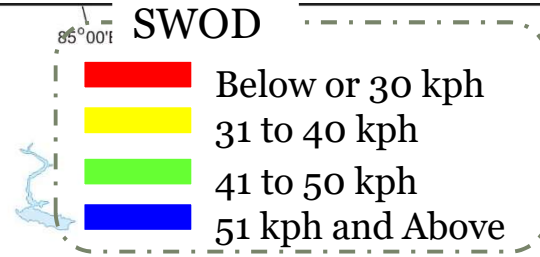


Observations

1. Consistently ranked as **most under-performing** corridor.
2. Trucks can move fast on highways in Pakistan.
3. Shortening of container **dwel time in Karachi seaport** can attract more transit traffic.
4. Unannounced closing of borders and border crossing limit transit potential, impeding the effective of **CBTA**.



CAREC Corridor 6 (Speed Map) “Linking Central and South Asia”



- ### Observations
1. **Border crossing at AFG-PAK and AFG-UZB are complicated and burdensome.**
 2. Potential for multi-modal transit with new ADB Railways Transport Strategy.
 3. Heavier traffic compared to Corridor 3 for north-south cargo movement.

Any information and any other information shown on this map do not imply, on the part of the Asian Development Bank, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries, colors, denominations, or information.

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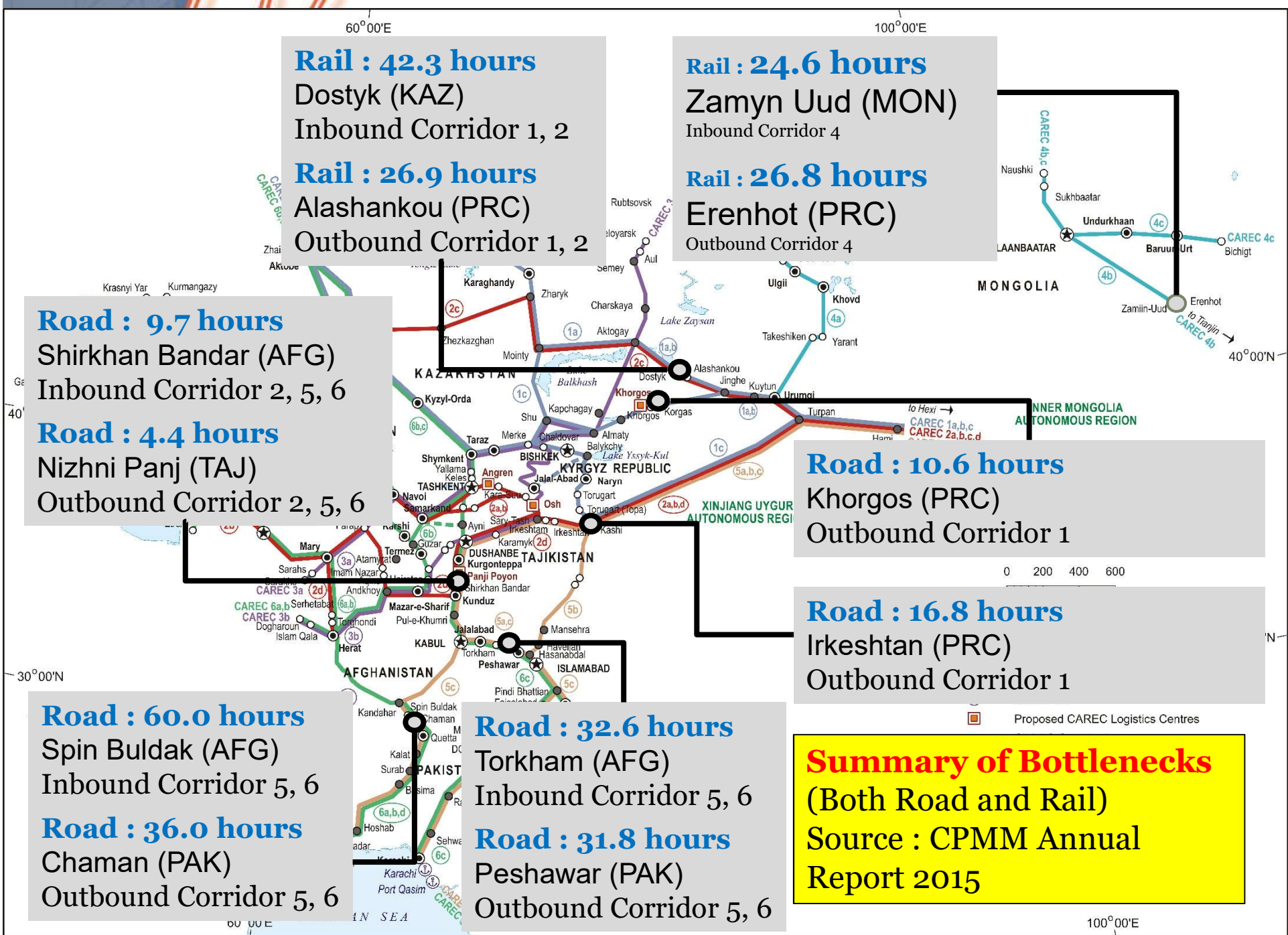
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Summary of High Cost Border Points

(Both Road and Rail)

Source : CPMM Annual Report 2015

Road : **\$243**
Farap (TKM)
Inbound Corridor 2, 3

Road : **\$300**
Sarahs (TKM)
Inbound Corridor 3

Road : **\$226**
Spin Buldak (AFG)
Inbound Corridor 5, 6

Road : **\$316**
Chaman (PAK)
Outbound Corridor 5, 6

Road : **\$141**
Torkham (AFG)
Inbound Corridor 5, 6

Road : **\$289**
Peshawar (PAK)
Outbound Corridor 5, 6







Road : **\$356**
Zamyn Uud (MON)
Inbound Corridor 4

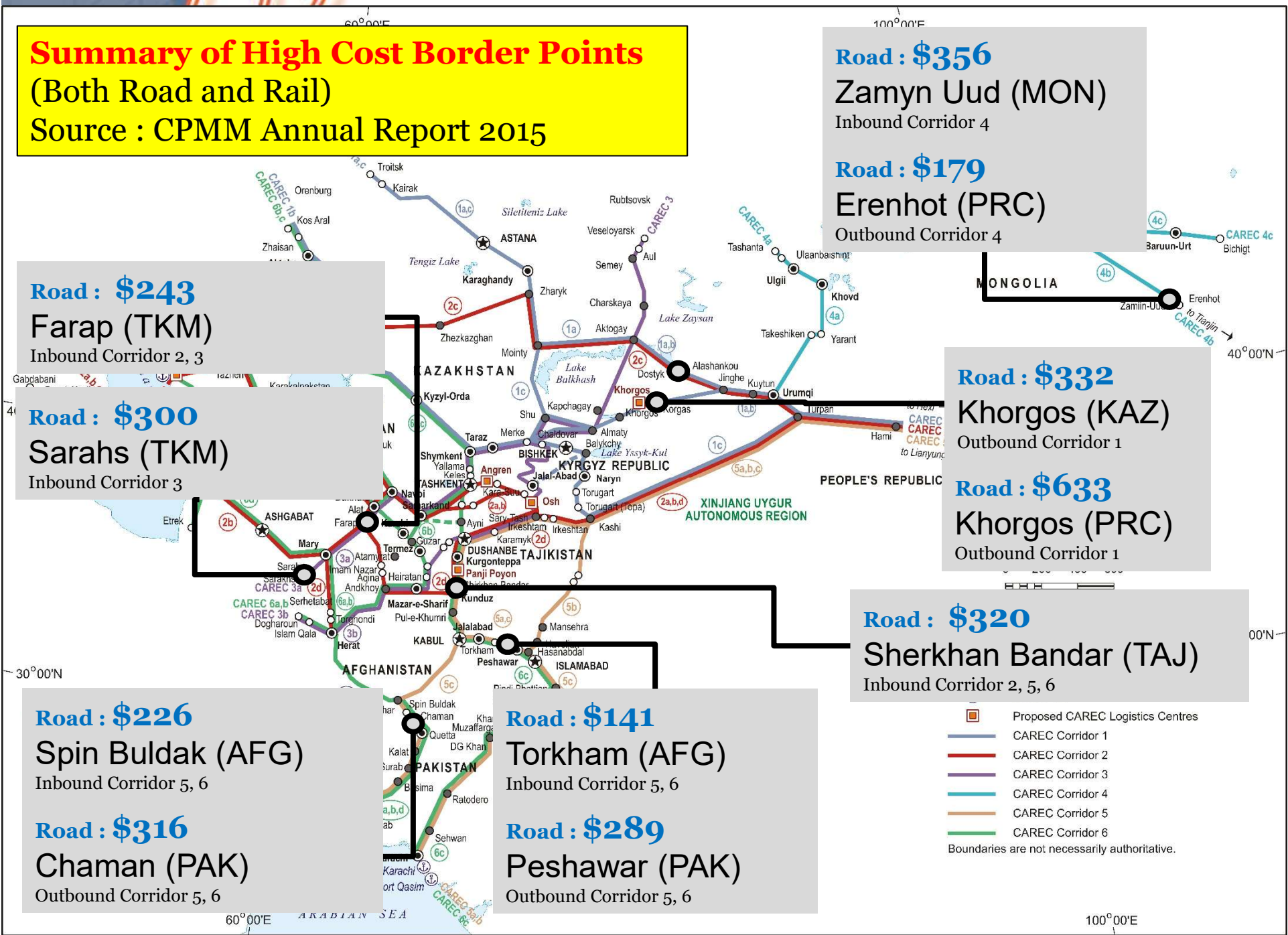
Road : **\$179**
Erenhot (PRC)
Outbound Corridor 4

Road : **\$332**
Khorgos (KAZ)
Outbound Corridor 1

Road : **\$633**
Khorgos (PRC)
Outbound Corridor 1

Road : **\$320**
Sherkhan Bandar (TAJ)
Inbound Corridor 2, 5, 6

-  Proposed CAREC Logistics Centres
 -  CAREC Corridor 1
 -  CAREC Corridor 2
 -  CAREC Corridor 3
 -  CAREC Corridor 4
 -  CAREC Corridor 5
 -  CAREC Corridor 6
- Boundaries are not necessarily authoritative.



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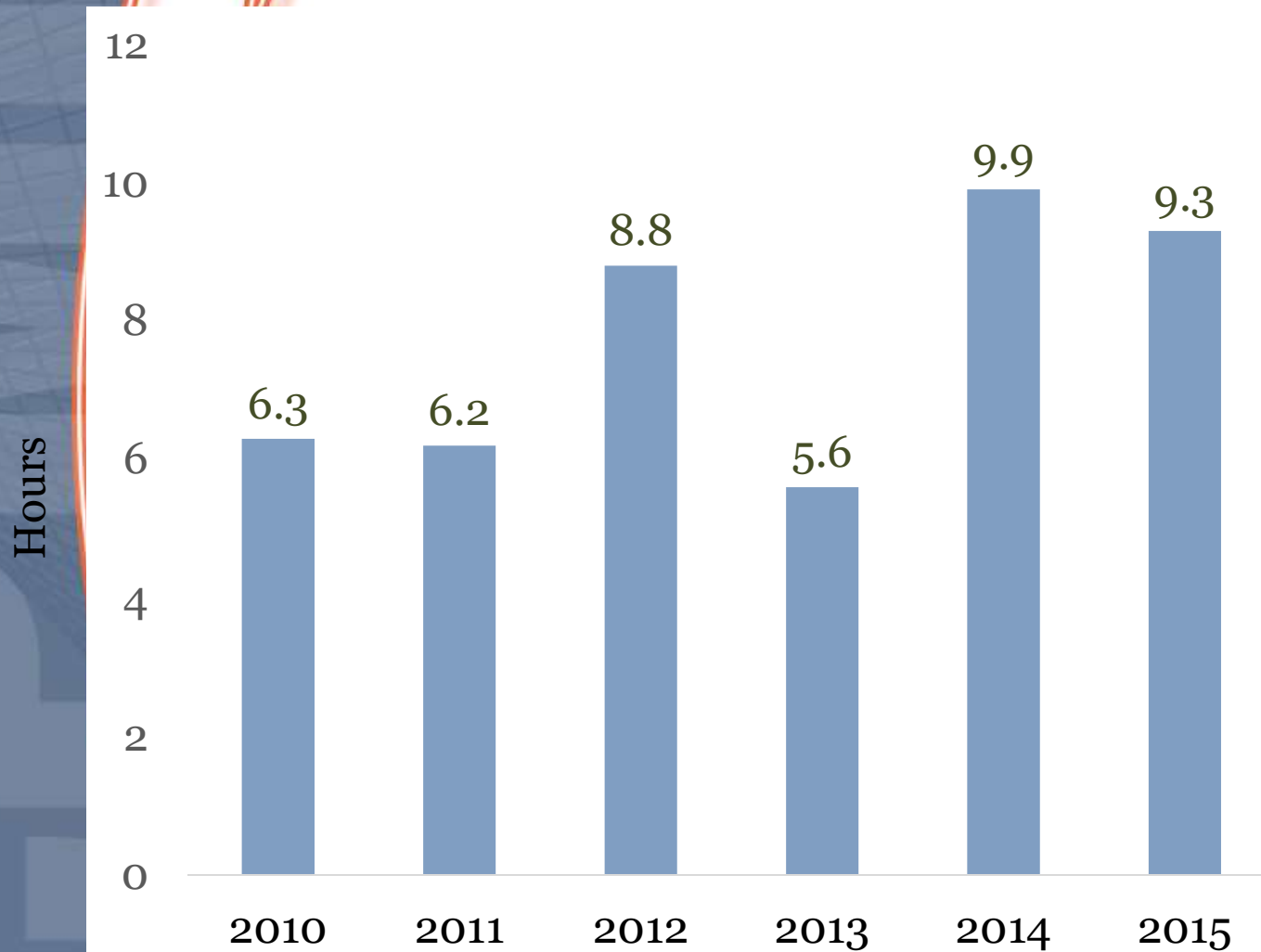
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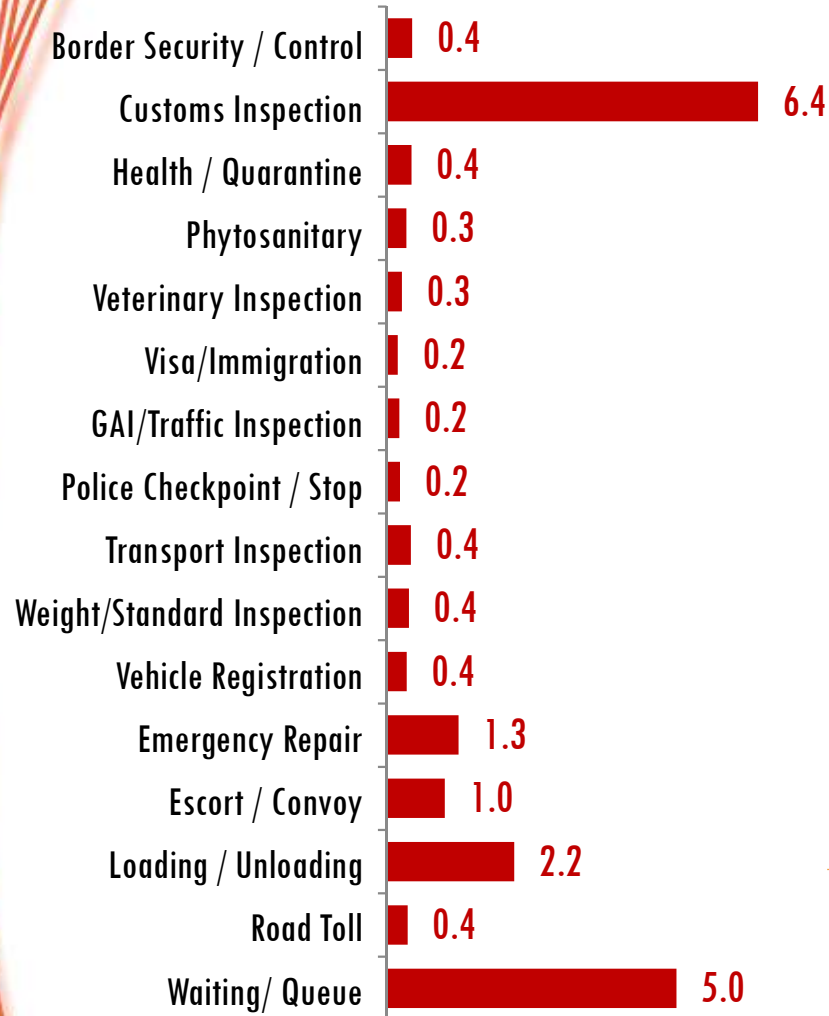
Average Border Crossing Time (Road)



Since CPMM inception, average time to cross border has increased and remained above 9 hours in 2014 and 2015.



Causes of Delays (Road Crossing)

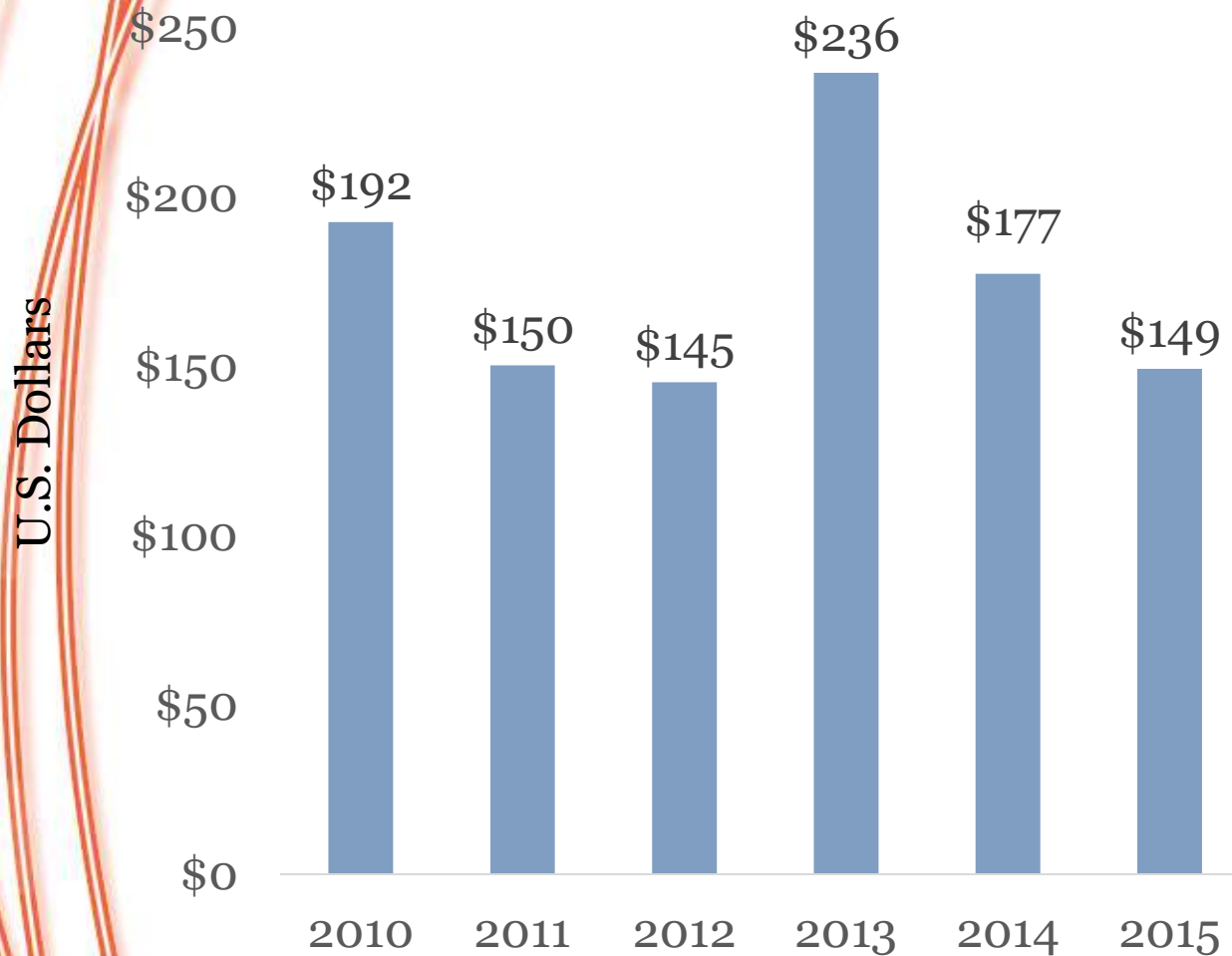


Among activities with high duration, customs inspection stands out. In 2015, the average delay for customs inspection rose to 6.4 due to lengthy procedures at PAK-AFG BCPs for northbound shipments.

Waiting in queues and loading/unloading are very time-consuming, and are frequently experienced during shipments, specifically in these BCPs, when entering neighboring countries

Peshawar (PAK), 12 hrs
Chaman (PAK), 12 hrs
Irkeshtan (PRC), 14 hrs

Average Border Crossing Cost (Road)



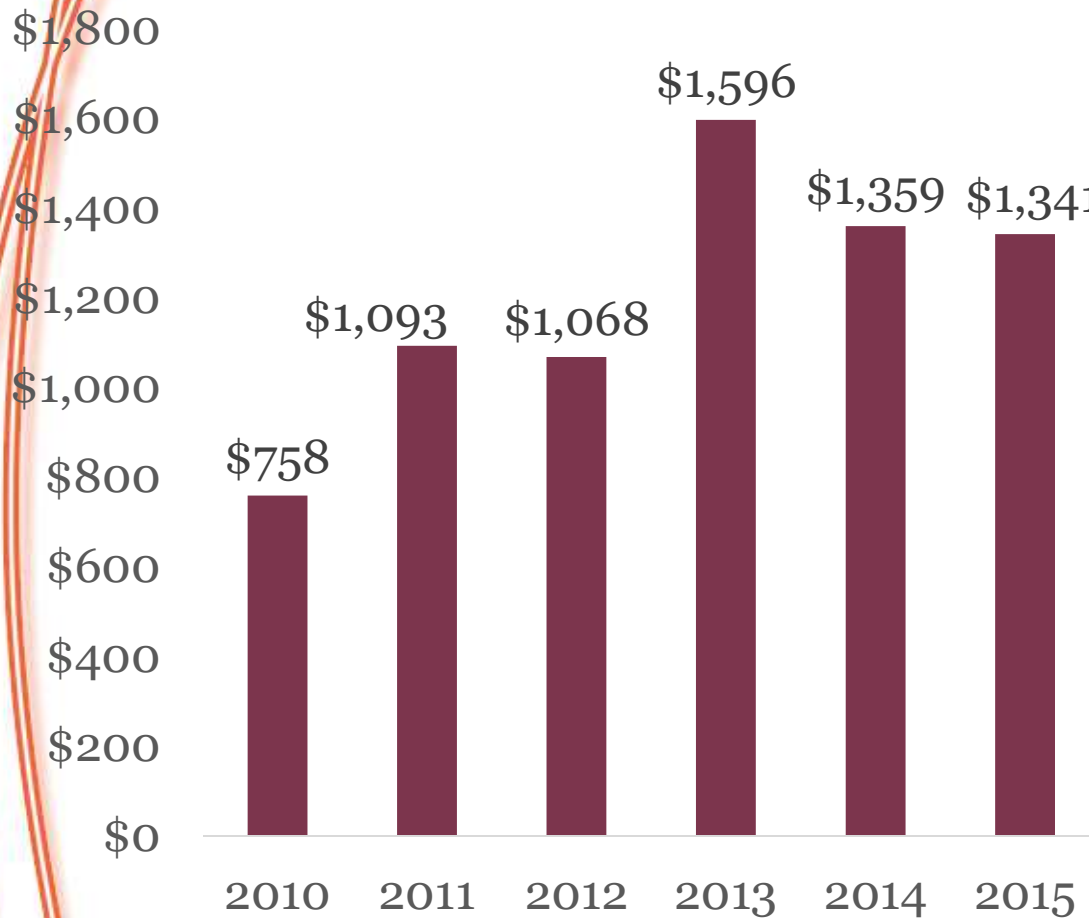
Average cost to cross border has shown recent signs of decrease.

However, the costs are still relatively high in Corridor 5 and 6.



Average Transport Cost (Road, 500 km, 20 Tons)

U.S. Dollars per 500 km per 20 tons



Average cost to cross border has shown recent signs of decrease. Some reasons are

- ✓ Lower price of oil
- ✓ Local currency devaluation
- ✓ Excess truck capacity results in price competition

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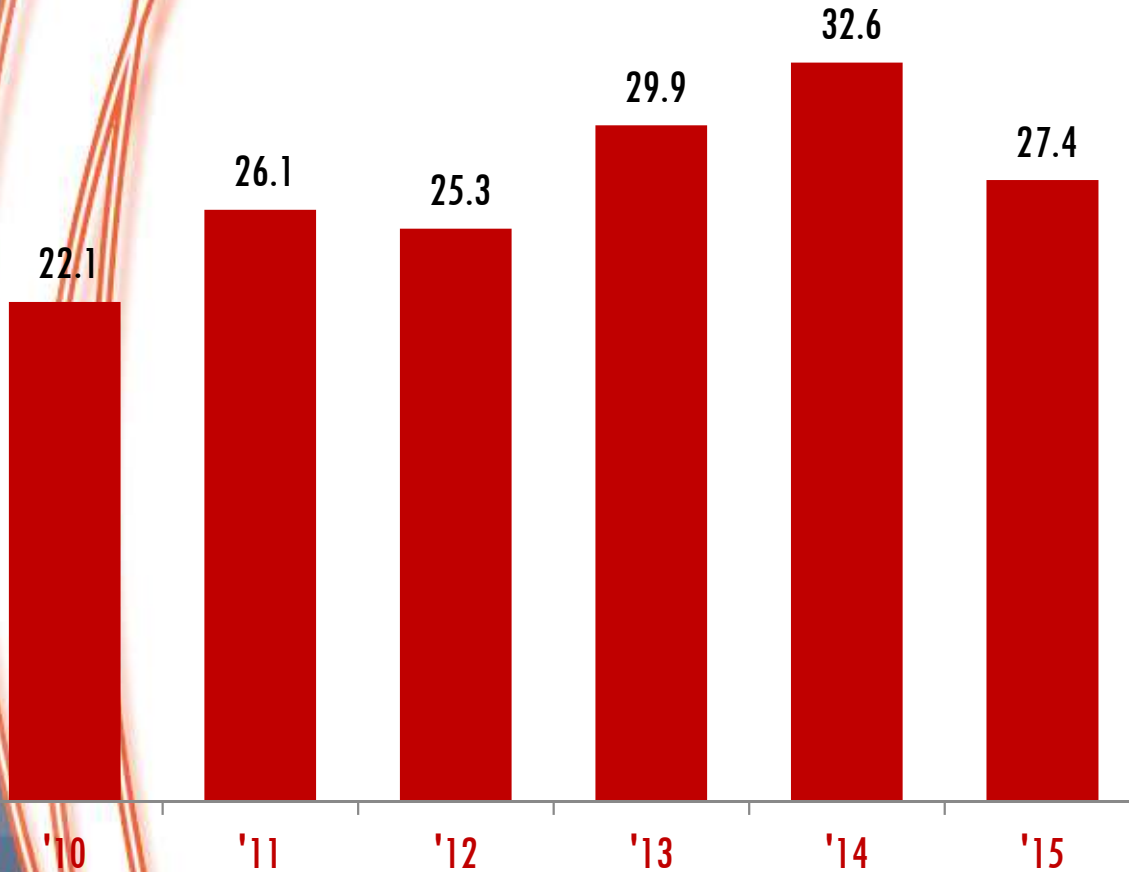
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Average Border Crossing Time (Rail)

Hours

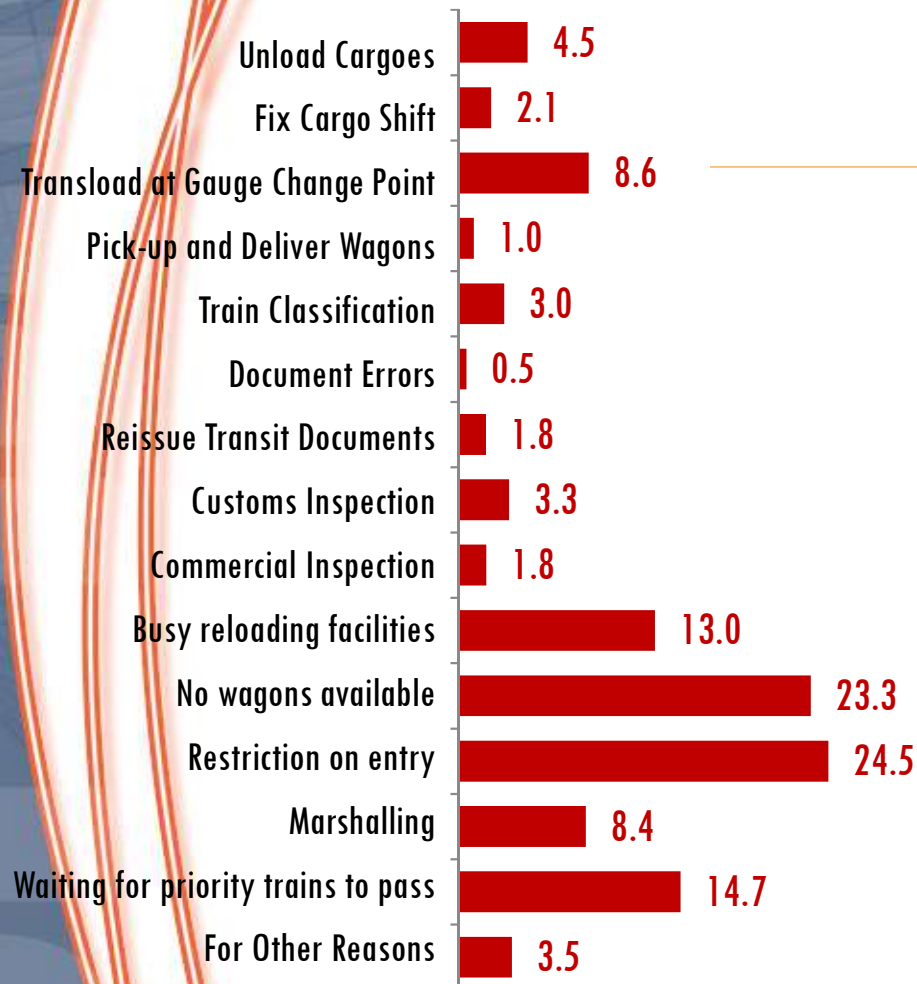


CPMM only covers Corridor 1 presently. (Corridor 4 is Trans-Mongolian and will not be discussed here).

Since inception, average rail border crossing time has fluctuated and remains elevated.



Causes of Delays (Rail Crossing)



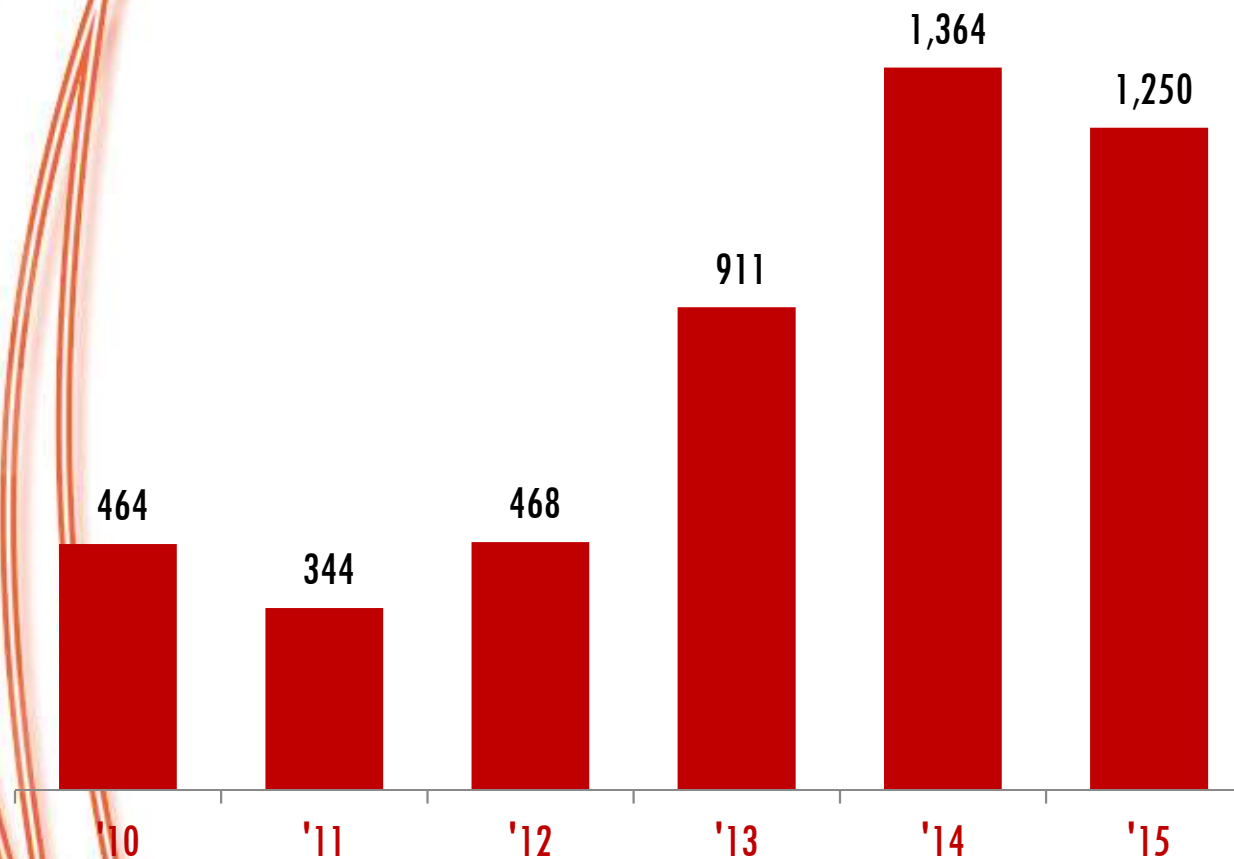
Aside from waiting in queue, delays due to **transloading at the break in gauge** are commonly encountered at BCPs during inbound border crossing.

- Dostyk (KAZ), 4.8 hrs

Waiting time for rail transport is divided into several categories. In 2015, trains are delayed due to restriction on entry (24.5 hours) and unavailability of wagons (23.3 hours).

Average Transport Cost (Rail, 500 km, 1 TEU)

U.S. Dollars



Average rail cost has demonstrated a steady upward trend since 2010.

Feedback from freight forwarders and shippers have also validated this trend. This is because of increased rail tariff in Kazakhstan.



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Further Application of CPMM

- ❖ ADB is conducting **Time-Release Studies (TRS)** in CAREC region. The methodology refers to CPMM and will complement each other.
- ❖ A conference s held in Urumqi on 17-18 May 2016 that introduce CPMM to **public sector and academic/research institutions** on further use of CPMM to develop policies.
- ❖ Discussion with **USAID** Bureau of Central and South Asia is underway to base strategies on CPMM findings and results.

Reminder to All CPMM Partners

- ❖ Please check the data and the Dashboard in the Excel spreadsheet before sending the files to international consultants.
- ❖ Please respond to questions immediately.
- ❖ If the questions are not answered on time, the samples can be rejected, which affects your payment.
- ❖ Associations performance is monitored on a six months duration. ADB reserves the right to vary the number of samples allocated to each association.
- ❖ Please enter additional information inside the textbox provided in the Excel spreadsheet to explain the data if necessary.



THANK YOU!

