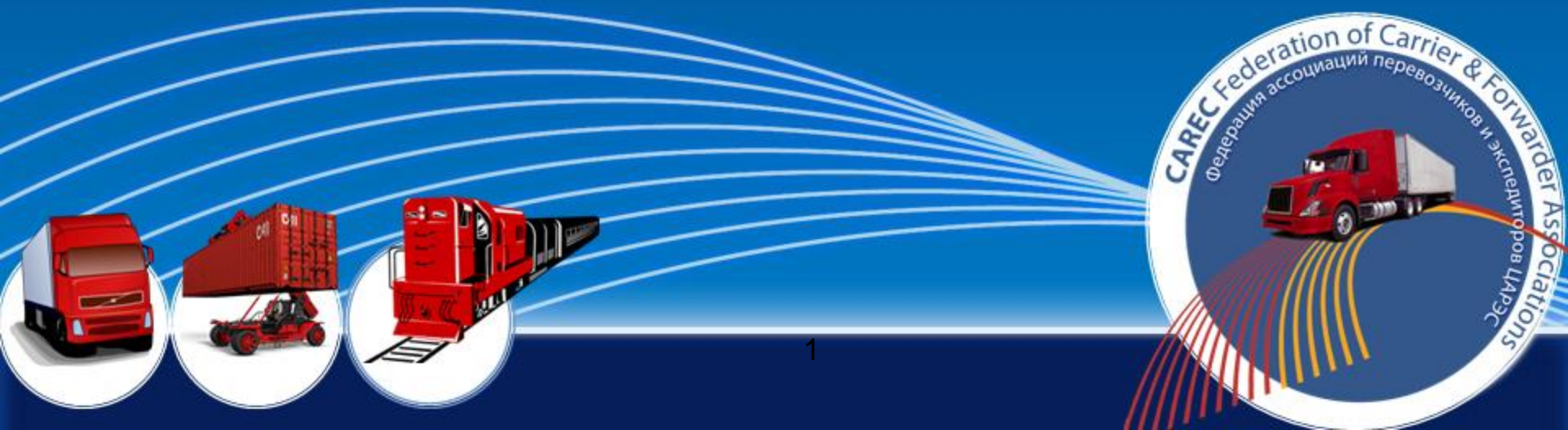


CAREC Federation of Carriers and Forwarders Association
Annual Meeting
1-3 September 2014, Urumqi, People Republic of China

CPMM Updates

By: Max Ee



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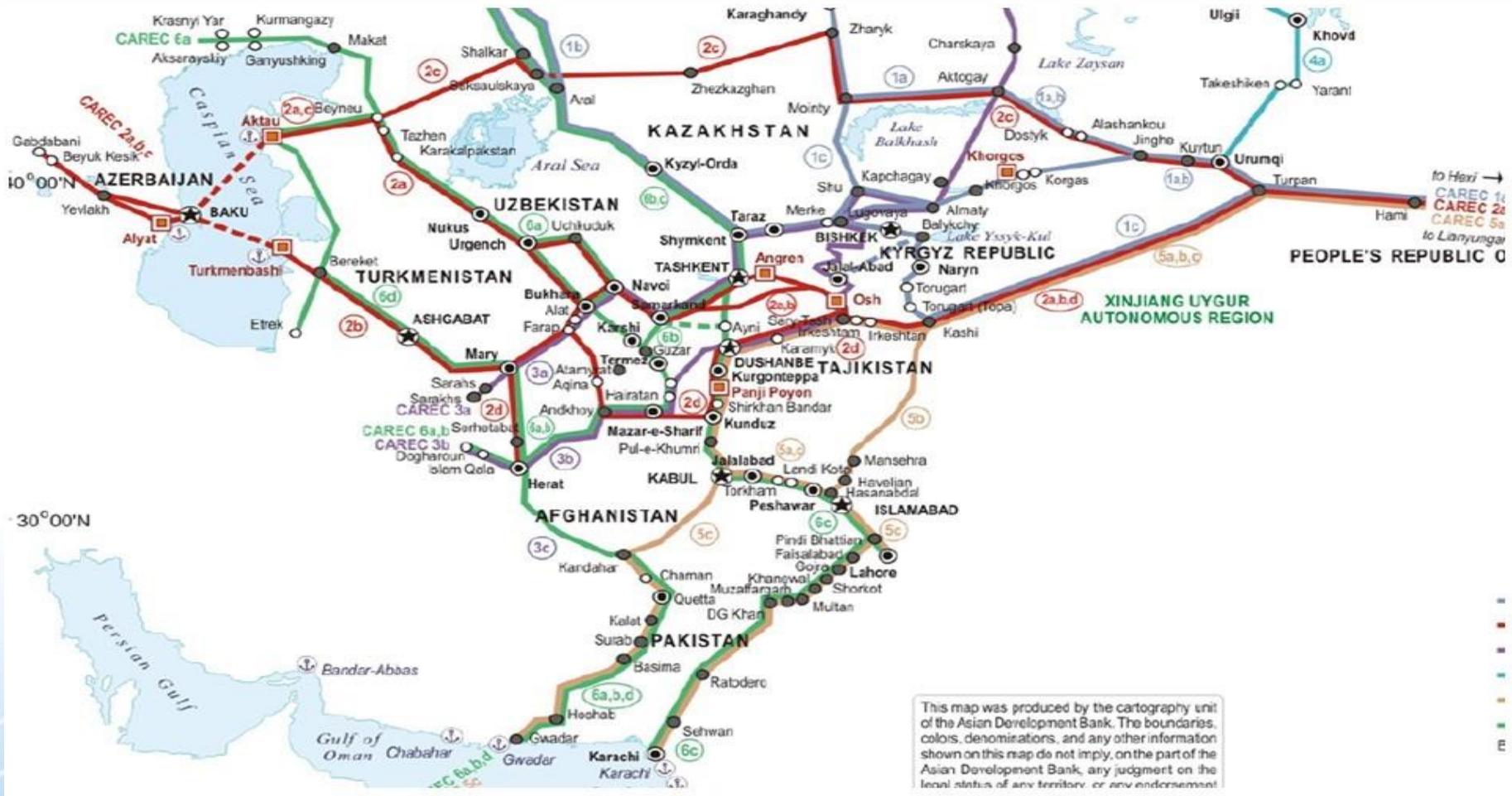
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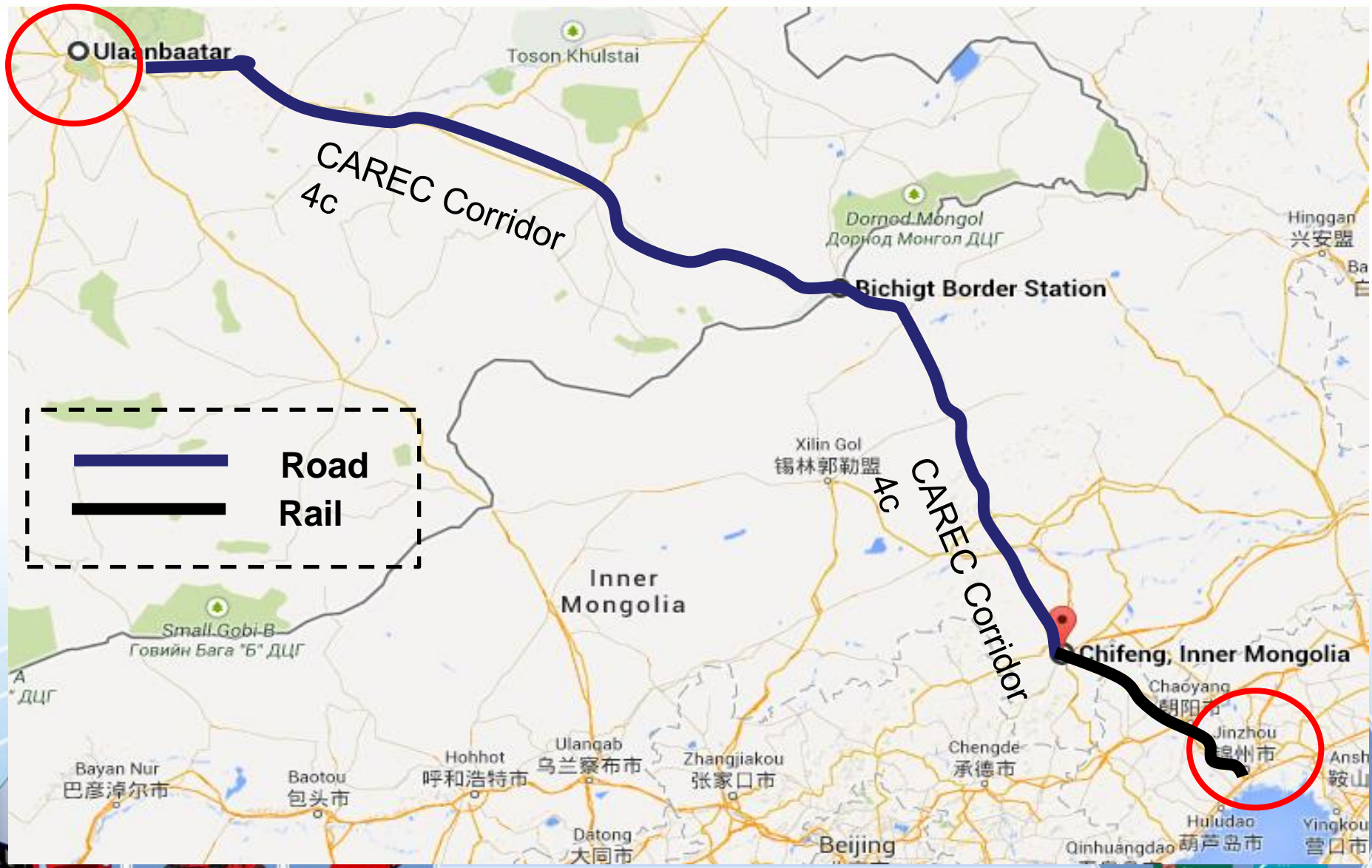
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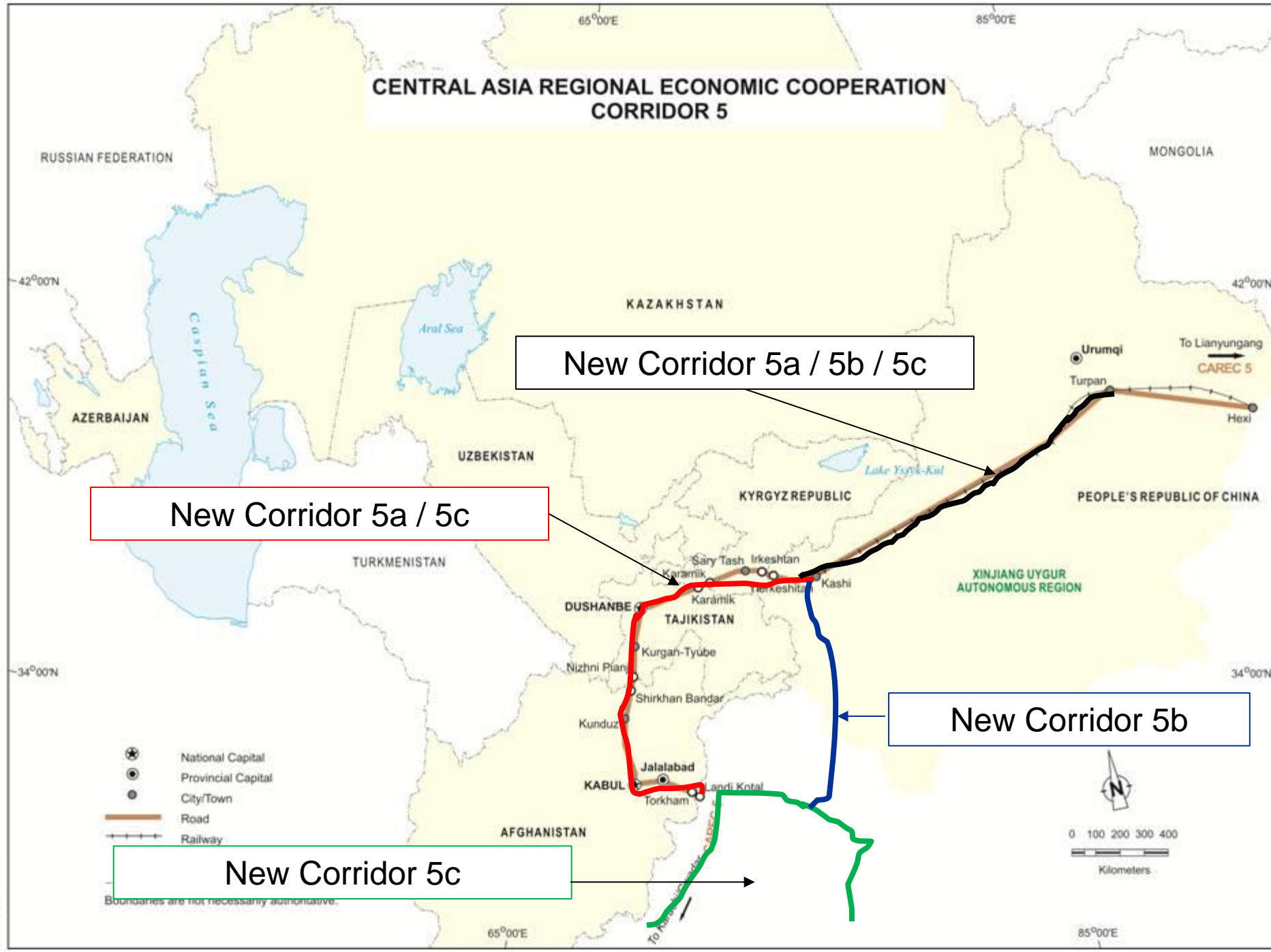
Corridors have been revised...C4, C5, C6



CAREC Corridor 4



CENTRAL ASIA REGIONAL ECONOMIC COOPERATION CORRIDOR 5



New Corridor 5a / 5b / 5c

New Corridor 5a / 5c

New Corridor 5b

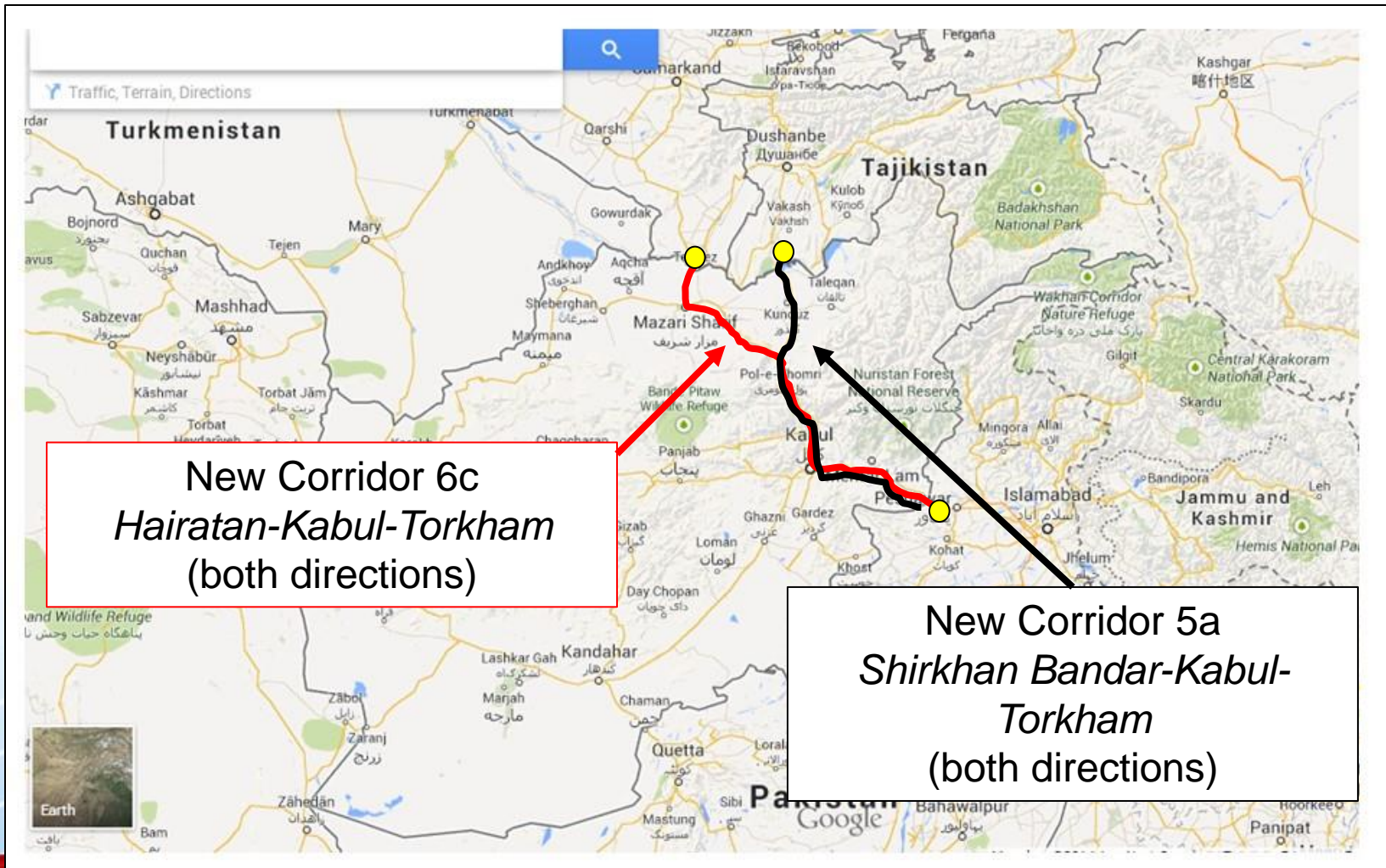
New Corridor 5c

To Lianyungang
CAREC 5

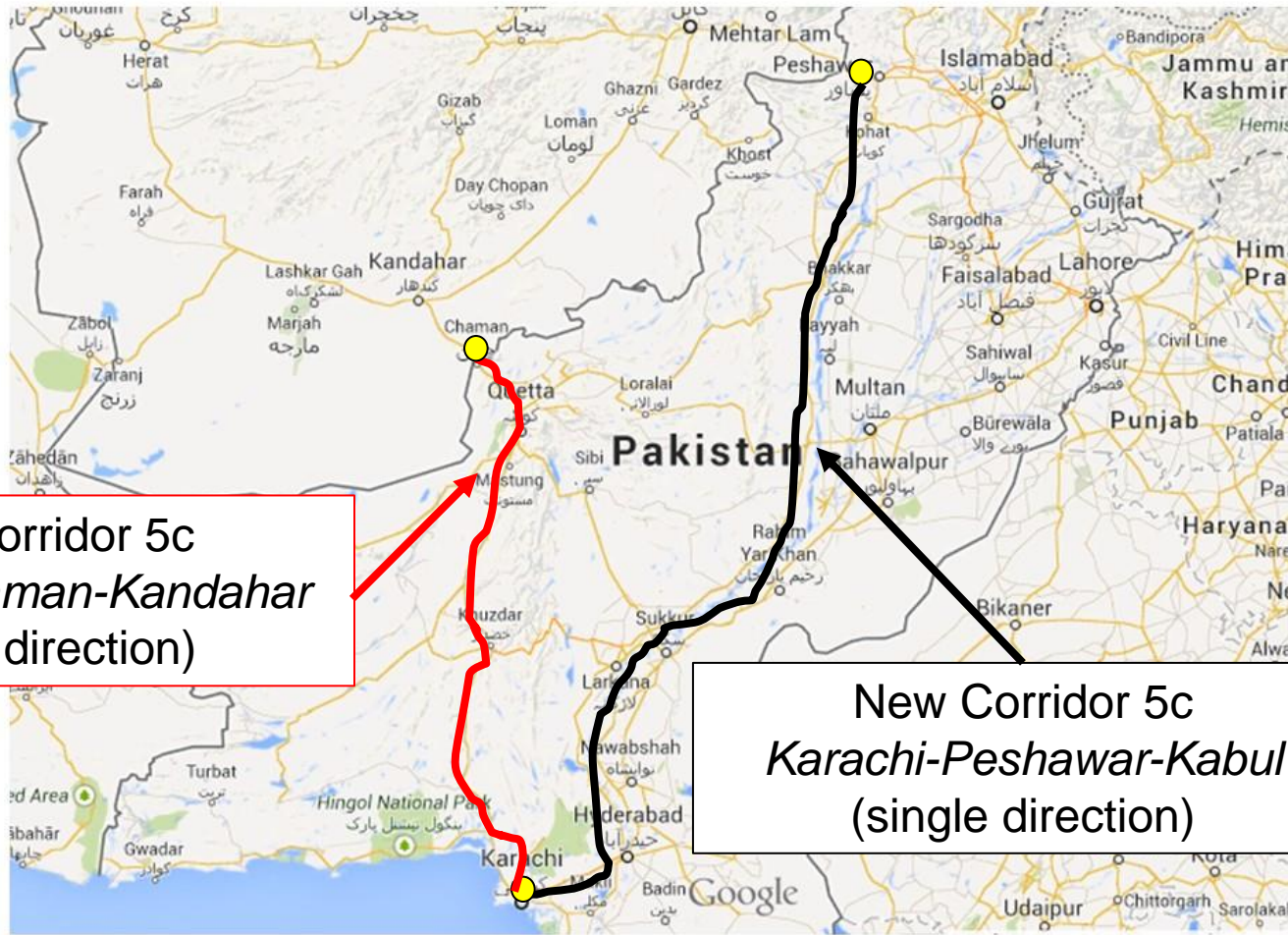
Hexi

0 100 200 300 400
Kilometers

CAREC Corridor 5 and 6 (AFG)



CAREC Corridor 5 (Pakistan)

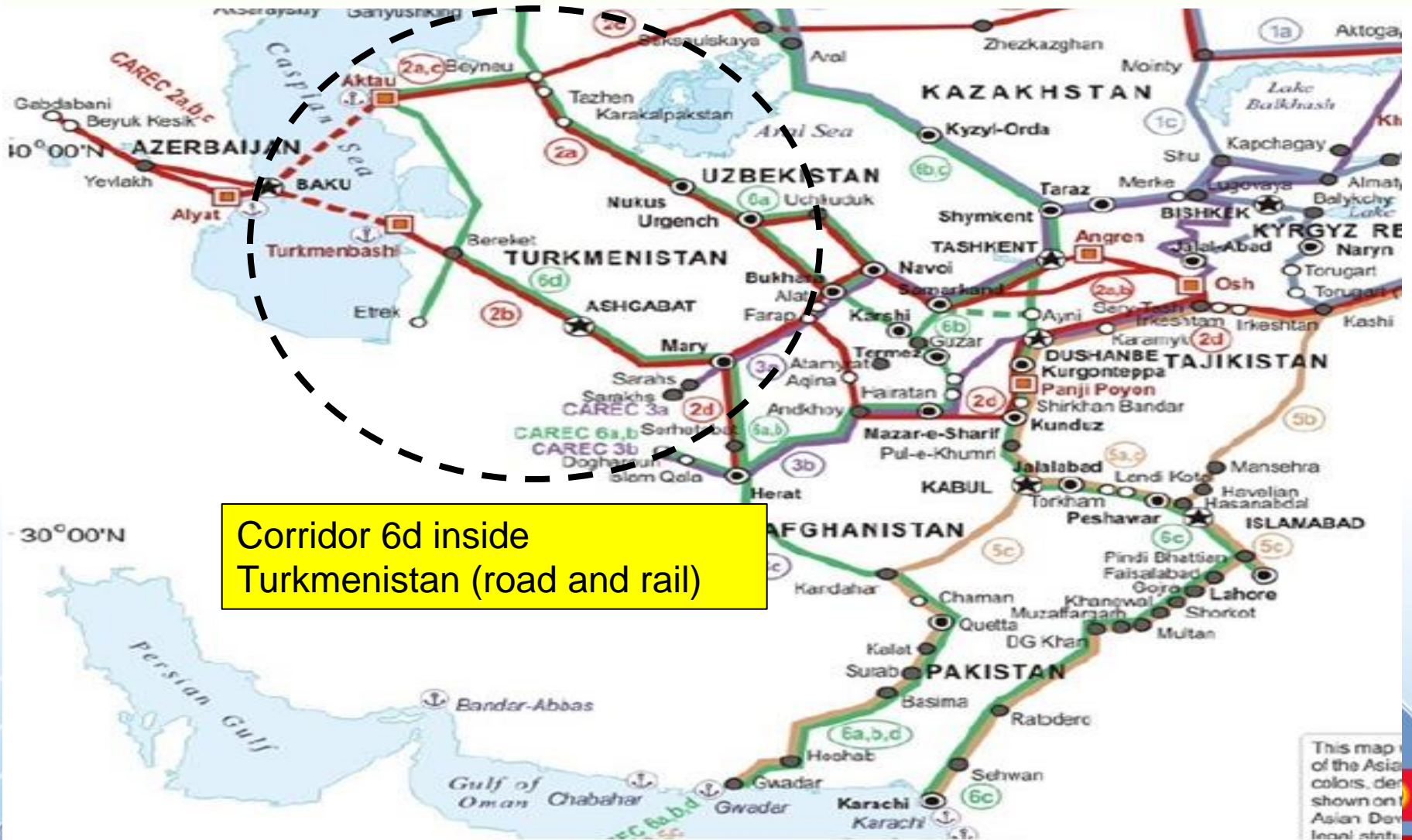


New Corridor 5c
Karachi-Chaman-Kandahar
(single direction)

New Corridor 5c
Karachi-Peshawar-Kabul
(single direction)



CAREC Corridor 6d



Corridor 6d inside Turkmenistan (road and rail)

This map of the Asia colors, der shown on Asian Dev level statu



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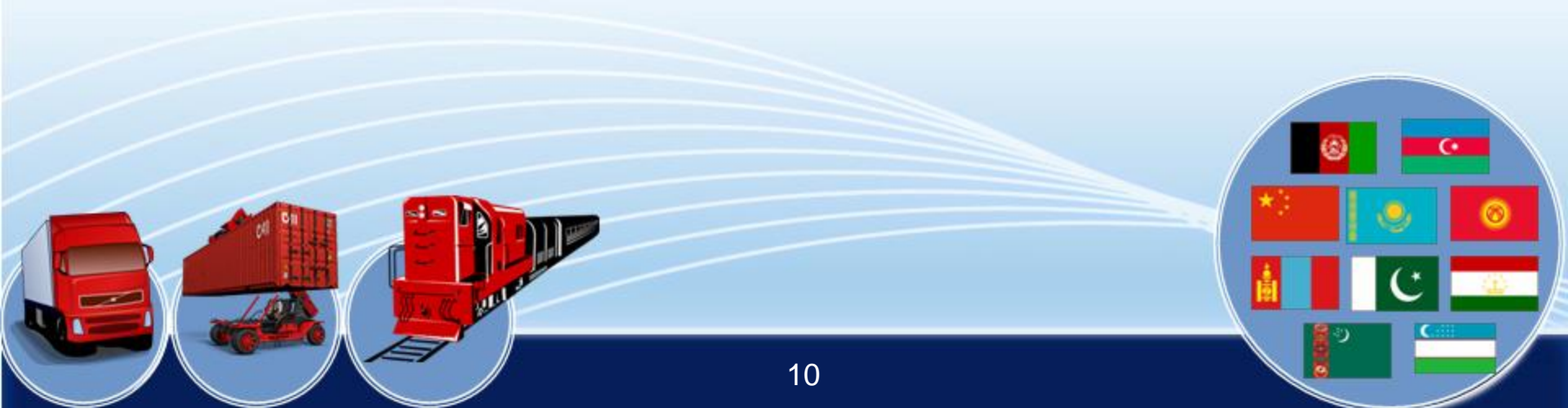
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Almaty Workshop on Railways

- On 28 October 2013
- Organized by ADB and KFFA
- Attended by KRFFA, UIFA, MNCCI
- Finalized the list of railways activities



New Categories of Activities



Definitions of New Railways Activities

1. Materials Handling

Load Cargoes

The movement of goods from the storage / warehouse to the train. If the goods are moved to a temporary storage such as the staging area or loading docks before relocating to the train, then consider only the time from the staging area / loading docks to the train.

Importance : To measure rail terminal loading/unloading efficiency.

Unload Cargoes

The movement of goods from the train to storage / warehouse. If the goods are moved to a temporary storage such as the staging area or loading docks before relocating to the warehouse, then consider only the time from the train to the staging area / loading docks.

Importance : To measure rail terminal loading/unloading efficiency.



Definitions of New Railways Activities

1. Materials Handling

Fix Cargo Shift

This activity refers to the securing of cargoes inside the container or wagon. When items are stuffed into containers, the workers may perform 'choking' or securing the cargoes. Automobiles for instance also need additional securing. This is to ensure cargoes stay in position during transit. Normally this is a problem related to manufactured products transported on pallets or in cartons, and may not concern bulk commodities.

Importance : Cargo fix is required before the start of rail transport. The aim is to understand whether the time and cost doing so is significant.

Remove Excess Cargo

The movement of excess goods to comply with weight requirement. This time does NOT include the inspection time. This activity only starts when the officer declares 'over-weight' and orders a removal, and ends when the excess goods are relocated from the train.

Importance : To detect exposure to unofficial payments, as well as detect compliance to weight.



Definitions of New Railways Activities

1. Materials Handling

Trans-load at Gauge Change Point

This only happens at Chinese border or Polish border with a CIS country. As the CIS uses 1,520 mm gauge but the non CIS countries use 1,435 mm gauge, the cargoes needs to be trans-loaded. This happens by changing the wheel sets or relocates the goods using forklifts.

Importance : This is a systematic and infrastructure constraint that is unlikely to change. However it does account for a significant portion of delays. So it is necessary to include this activity.



Definitions of New Railways Activities

2. Transport

Pick-up and Deliver Wagons

This represents the movement of loaded containers/wagons between terminals to the consignee's premises.

Importance : The movement of wagons between railways station and the shipper or consignee's premises is affected by planning and execution efficiency. If wagons are found to be stuck in the railways stations, then there could be some improvements made without expensive investment in infrastructure, but a change in the workflow of adoption of information systems.

Replace/Repair Inoperable Wagon

This activity only applies if one or more train wagon is found to be in need of service. This action only includes the movement time from the tracks to the servicing centres, as well as the effort to repair the wagon in the servicing centre. Normally this applies to wagons that are damaged significantly and cannot be addressed by 'emergency repair'.

Importance : To detect signs of aging wagons and see if this is a constraint, and assess which terminals/countries have this problem. It also measures the efficiency of the servicing centre.

Definitions of New Railways Activities

2. Transport

Emergency Repair

This activity refers to the time taken to service the wagons on the tracks in the marshalling yard, without removing the wagon from the train. Normally this condition is salvageable, in contrast to the more serious problem under the previous activity.

Importance : To detect signs of aging wagons and see if this is a constraint, and assess which terminals/countries have this problem. It measures the technical proficiency of the servicing team.

Trains Classification

This activity relates to the internal 're-group' of goods, platform, wagons and containers to form a new train. This is needed as goods are bound for different destinations leave at different schedules. Normally this happens at major rail terminals.

Importance : To identify the nodes where this happens and assess the internal efficiency of the rail terminal. Note that a container block train service should NOT have this activity.



Definitions of New Railways Activities

3. Documents

Document Errors

This applies to a special situation when there are errors on the documents (freight bill, cargo manifest, packing list etc). This should NOT include the normal processing time. It starts only when an error is found and action is taken to correct the error. This activity stops when the authorities approve that the error is corrected. However at borders, this correction may require substantial efforts and many days to rectify.

Importance : Documentation error is a source of major delays at border and can lower border crossing efficiency. This is also compounded by the perceived lack of transparency and communication at the border. Based on feedback, a shipment can be stuck at the rail terminals for days or weeks while the error is being addressed.

Reissue Transit Documents

This typically applies to Chinese rail shipment to CIS. Not all Chinese railways stations can handle international shipments, but loading/unloading can happen in such domestic stations. Thus, a domestic document is used for movement from this station to the international terminal (such as Urumqi in XUAR), where another set of international document is used. This is when the data is manually re-written or translated.

Importance : This activity can introduce errors. It is important to determine where this is likely to occur and if the parties face problems in the process.



Definitions of New Railways Activities

4. Inspection

Customs Inspection

This measures the customs inspection time by the customs officer. The main purpose is to assess compliance to customs code. The customs officers also check for any dutiable goods, forbidden items or dangerous goods.

Importance : A standard inspection activity at the border or major rail terminals, can also happen at Class II Centres in XUAR, PRC.

Technical Inspection

This measures the technical inspection time by the engineers or technicians. The main purpose is to ascertain cargo security and safety, as well as the condition of the train and its equipment.

Importance : A standard inspection activity at the border or major rail terminals.



Definitions of New Railways Activities

4. Inspection

Commercial Inspection

This measures the commercial inspection time by the valuation officers. The main purpose is to determine if the valuation of the physical cargoes and the declared values are aligned.

Importance : A standard inspection activity at the border or major rail terminals.

Sanitary/Phyto-sanitary Control

This measures the regular checks by the phyto-sanitary team. The main purpose is to observe sanitation standards of the train, as well as the acceptability of goods such as agriculture, food, meat and consumable products. This action also covers health issues, such as health certificates of the staff on-board the train.

Importance : A standard inspection activity at the border or major rail terminals.



Definitions of New Railways Activities

5. Waiting in Queue

Busy Reloading Facilities

This refers to the waiting time for a train due to reloading activities. Normally this is caused by limitation in the reloading capacity, such as the size and number of reloading sheds, the number and capacity of the material handling equipment and the technology used. For instance, a boogie transfer will be much faster than manual trans-loading of goods between trains.

Faulty Handling Equipment

Sometimes, delays are caused by equipment break-down due to weak maintenance and high utilization rate. This activity here tries to capture the time where trains have to wait due to the equipment downtime.

No Wagons Available

Shortage of wagons is a common constraint. When this happens, the railways operator has to re-deploy empty wagons from elsewhere. Goods waiting due to this reason is captured here.



Definitions of New Railways Activities

5. Waiting in Queue

Restriction on entry

Trains may be restricted to move or enter the railways terminal. This normally happens when the major hubs are full. For instance, when Dostyk is running above the acceptable utilization levels, the station will advise Alashankou not to send any more trains. This cascades to other smaller stations in between Alashankou and Urumqi. Such order in 'restricted entry' is only lifted when the bottleneck is resolved.

Marshalling

This waiting time is due to the classification. Trains that need to be marshalled or classified have to wait when the marshalling yard is full, or the other cargoes have not arrive on time.

Waiting for Priority Trains

Railways operator usually have a priority list of goods to move. This may include, but not restricted to : food, energy products, military supplies and rescue / aid items for areas hit by disasters. As such, the trains may have to wait outside the terminal until the priority train moves out.



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Changes in Road CPMM

HS Code

- New template asks for the HS code on the documents

Single Window

- This activity was removed since it caused much confusion



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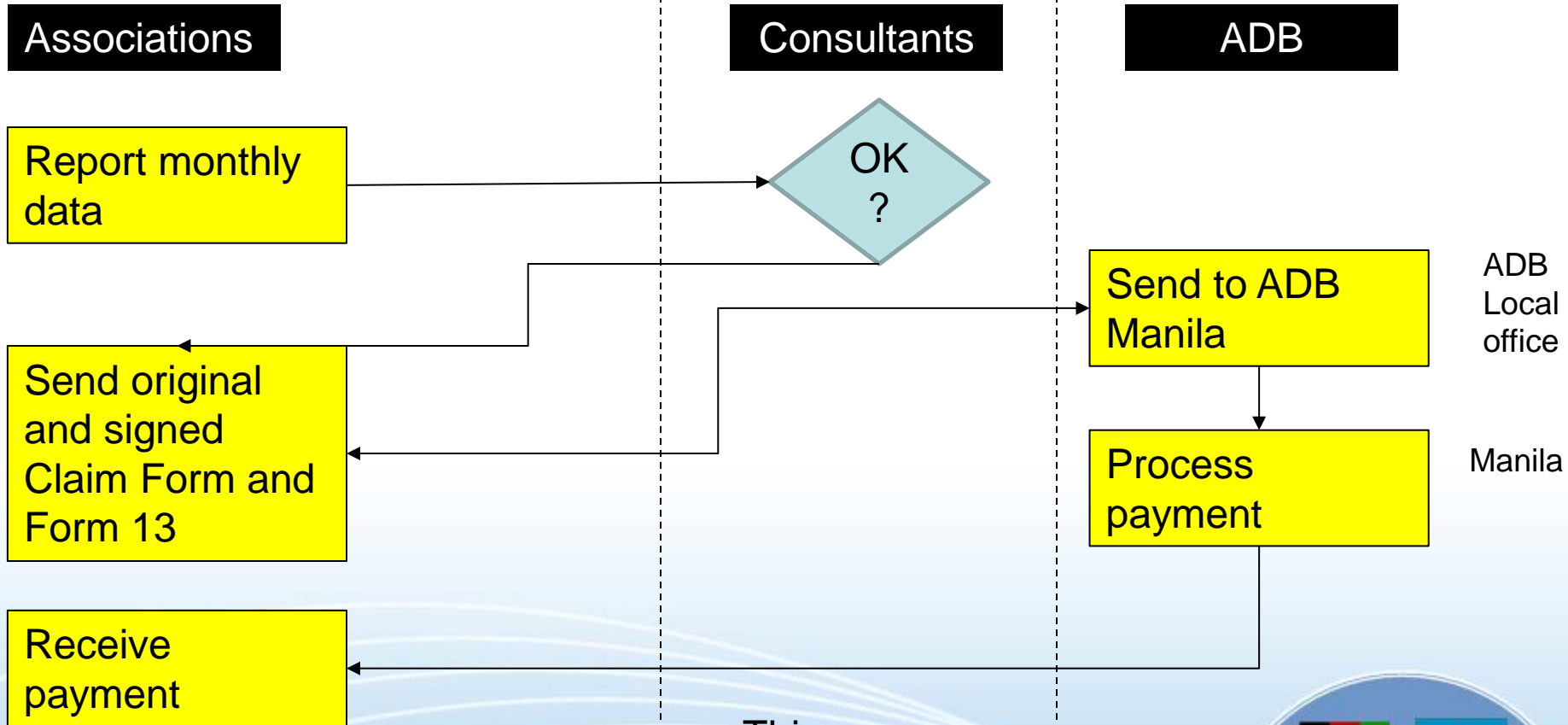
1. More Coverage



- a. Limited Railways Samples (KAZ, KGZ, UZB)
- b. No Trans-Caspian Samples
- c. Wider coverage in Corridor 4c
- d. Wider coverage in Corridors 5 and 6
- e. Involvement from Turkmenistan



2. Payment Process



This process can take 30-45 days



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