



Customs Cooperation Program

Progress Report

**8th Customs Cooperation Meeting
Central Asia Regional Economic Cooperation
15-16 September 2009
Dushanbe, Tajikistan**

ABBREVIATIONS

ADB	–	Asian Development Bank
BCP	–	border crossing point
C21	–	Customs in the 21 st Century
CAIS	–	Customs Automated Information System
CAREC	–	Central Asia Regional Economic Cooperation
CBM	–	Coordinated Border Management
CBTA	–	Cross Border Trade Agreement
CCC	–	Customs Cooperation Committee
CPMM	–	Corridor Performance Measurement and Monitoring
GMS	–	Greater Mekong Sub-region
GNC	–	Globally Networked Customs
ICT	–	information and communication technology
JCC	–	Joint Customs Control
MC	–	Ministerial Conference
MOU	–	Memorandum of Understanding
NJC	–	National Joint Transport and Trade Facilitation Committee
NSW	–	National Single Window
PRC	–	People's Republic of China
RETA	–	regional technical assistance
RJC	–	Regional Joint Transport and Trade Facilitation Committee
SCC	–	State Customs Committee
SOM	–	Senior Officials' Meeting
SW	–	Single window
TA	–	technical assistance
TNA	–	Training Needs Assessment
TTFS	–	Joint Transport and Trade Facilitation Strategy
UAIS	–	Unified automated information system
UNECE	–	United Nations Economic Commission for Europe
UNESCAP	–	United Nations Economic and Social Commission for Asia and the Pacific
WCO	–	World Customs Organization

NOTE

In this report, "\$" refers to US dollars.

Executive Summary

Customs cooperation continues to be a major focus of the Trade Facilitation program of the Central Asia Regional Economic Cooperation (CAREC) Program. The work program in this area is focused in the five priority areas, namely, (i) simplification and harmonization of customs procedures and documentation, (ii) information and communication technology (ICT) customs modernization and data exchange, (iii) risk management and post-entry audit, (iv) joint customs control, and (v) regional transit development. It will also continue to support the strong ties that have been developed among CAREC customs authorities. In the past year, the CAREC countries have actively pursued joint customs control and regional transit development efforts and these initiatives are being actively supported.

Positive results from Joint Customs Control (JCC) arrangements between CAREC countries have encouraged more of these arrangements to be tried out in more border crossing points (BCPs). The Customs Cooperation Committee (CCC) supports innovative and phased-in approaches in introducing JCC while also welcoming pilot projects at locations other than the identified priority corridors. However it is expected that those pilots, if proven successful, should eventually be transplanted to BCPs along the CAREC priority corridors.

Efforts to develop regional transit systems that would be inexpensive and will contribute to facilitation of trade through faster clearance procedures while, at the same, increasing revenue collection at the border is being supported. The pilot project on safe packets will be closely monitored and results will be assessed to determine replicability to neighboring countries.

CAREC has been actively promoting the adoption of the single window (SW) scheme to streamline customs, transport, freight forwarding, trade logistics and other trade related operations, while enhancing the competitiveness of the CAREC countries. In order to push forward the work on SW, it will be useful to help CAREC countries agree on a common concept of SW and prepare national roadmaps towards adopting the scheme at the national level which should lead towards more efficient government to government (G2G) and business to government (B2G) linkages and streamline transport, freight forwarding, trade logistics and customs and other trade related operations. Practical training to enhance capabilities of member countries effectively and efficiently implement SW development programs in the field will continue to be provided.

At the request of the CCC a training needs assessment (TNA) was done to ascertain the state of knowledge, skills, and capabilities that are available in the region and to identify gaps that need to be bridged. Core curricula for trade facilitation have been suggested and a more in-depth assessment of the capacities of existing regional facilities will be undertaken. Matching courses with the most appropriate existing training institutions in the region will be done in close consultation with the CAREC participating countries. Assistance will then be provided in pairing such institutions with international training centers that excel in such subject matters. Training for policy makers will continue to be provided on an ad hoc/as needed basis.

The program will also strengthen work relationships with development partners and coordinate efforts to ensure there will be no overlaps and that activities are synchronized. There is also some adjustment in new RETAs for trade facilitation.

I. Background

1. The trade facilitation program of CAREC is comprised of two components: (i) customs cooperation, which entails concerted customs reform, modernization and cooperation, and (ii) integrated trade facilitation, which promotes efficient regional trade logistics development, focusing on priority trade corridors, single window schemes, enhanced interagency cooperation and public-private partnerships, support for the joint transport and trade facilitation committees, and capacity building.

2. Customs cooperation has been the core trade facilitation program, with the CCC serving as a regional forum to address issues of common interest. CCC work has focused on the five priority areas of (i) simplification and harmonization of customs procedures and documentation, (ii) information and communication technology (ICT) customs modernization and data exchange, (iii) risk management and post-entry audit, (iv) joint customs control, and (v) regional transit development. The CCC has also been successful in creating an environment of trust and cooperation among the customs services of the participating countries, becoming a cohesive body within CAREC.

3. The concept of ITF was introduced at the 6th CCC meeting Manila in 2007. At the 7th CCC Meeting in Issy-Kul, Kyrgyz Republic in September 2008, it was agreed that CCC should keep its focus on regional customs cooperation issues. The ITF mandate envisaged by the joint transport and trade facilitation action plan should be taken up by the respective national joint trade and transport facilitation committees (NJC) and the CAREC Regional Joint Transport and Trade Facilitation Coordination Committee (RJC).

4. The coordinated work programs of customs cooperation and ITF were submitted to the Ministerial Conference held in Baku, Azerbaijan last November 2008. Under these work programs, the customs cooperation activities for 2009-2010 will continue supporting on-going efforts to align national legal instruments with international standards, upgrading facilities and processes for automating customs systems, and introducing risk management measures in customs procedures. More vigorous efforts are planned to expand the pilot testing of JCC arrangements and the adoption of regional transit systems that would facilitate the movement of goods across borders while, at the same time, being appropriate for CAREC conditions. ITF activities, meanwhile, will prioritize the establishment and/or strengthening of NJCs and the formation of an RJC the first meeting of which is set on 15 October 2009 in Ulaan Baatar, Mongolia.; phased implementation of the CPMM system covering the 6 priority corridors, development of national road maps towards adopting single window systems and laying the groundwork for a possible regional Single Electronic Window (SEW), and implementation of a sustainable capacity building program.¹

II. Progress Report for the period October 2008 - September 2009

A. Customs Cooperation

5. Customs cooperation continues to be a major focus of the Regional Trade Facilitation and Customs Cooperation Program of CAREC. The 2008-2009 work program emphasized the five customs priority areas and continued to support the strong ties that have been developed among CAREC customs authorities. Last year, the CAREC countries actively pursued joint

¹ CAREC Customs and Trade Facilitation Updates and Work Program 2008 can be found in CAREC Website: <http://www.adb.org/documents/events/2008/7th-CAREC-Ministerial-Conference/default.asp>

customs control efforts and these initiatives will continue to be actively supported. JCC programs have been started between the PRC and Kazakhstan and the PRC and Mongolia. Kazakhstan and the Kyrgyz Republic launched a pilot Safe Packet transit system to simplify and accelerate the movement of goods across their borders. The 7th CAREC Ministerial Meeting agreed that the CCC will continue to meet on a regular basis and focus on the five customs priority areas.

6. It has also been noted that CCC's focus on the five priority areas is well-aligned with the recently-approved World Customs Organization (WCO) roadmap "Customs in the 21st Century" or C21 which highlight ten building blocks, The top two priority building blocks - Globally Networked Customs (GNC) and Coordinated Border Management (CBM) have very strong linkage with the JCC and Integrated Border Management programs of the CCC.

1. Simplification and harmonization of customs procedures and documentation

7. A draft Law Concept was submitted by the Customs Control Committee of Kazakhstan to the legislature to allow the preparation of the delivery control document in electronic format and thus enable traders to submit these documents in advance. This will further simplify customs procedures and eliminate the need to fill up forms at the border. In Uzbekistan, Cabinet of Ministers Resolution No. 02/34 -1015 created an interagency working group headed by the State Customs Committee chairman to research on the legal aspects of the single window concept.

8. Azerbaijan on the other hand issued Presidential Decree No. 12 in November 2008, which came into effect in January 2009, adopting the Single Window approach and delegating the functions of all border control agencies to the Azerbaijan State Customs Committee. The Kyrgyz Republic also approved Law No. 90 on 28 March 2009 amending the Customs Code to allow the introduction of new technology in customs control procedures.

2. ICT for customs modernization and data exchange

9. The ASYCUDA transit module is now being implemented in four major transit routes in Afghanistan while the declaration processing system became operational also in Herat and Jalalabad in addition to Kabul where it was first implemented last year. A data exchange project is in discussions with the Pakistan customs authorities. In Azerbaijan, in keeping with the newly approved law on Single Window, a project integrating the network of the Ministries of Agriculture, Health, Veterinary Services and Transport with e-customs has been proposed.

10. Kazakhstan continues to upgrade its Customs Automated Information System (CAIS) with the development of a web-portal to allow easier access to information and applications through a single access point and a gateway to allow certain users to download and submit documents via the internet. .

11. Uzbekistan has put in place a unified automated information system (UAIS) for the entire State Customs Committee as early as 2006 and improvements are being carried out to monitor trends of customs revenues and its impact on the national budget. Kyrgyz Republic is likewise installing a UAIS with funding assistance from ADB (Loan 2113/2114 KGZ) and will introduce a single administration document. Mongolia also received assistance from ADB under its Customs Modernization Project (Loan 2307 MON) to install a customs automated information system

which is planned to be connected to the e-government program; however the government e-program has stalled which has delayed the full automation of the customs system nationwide

3. Risk management and post-entry audit

12. Post-clearance audit units have been set-up in eight Afghanistan regional customs houses and adequate staffing for both post entry audit and risk management units are being worked out. Kazakhstan is developing a Selective Control and Risk Management system that will automate risk management procedures for all import and export declarations thus limiting the discretion of customs employees on these matters. At the same time the application a Post Entry Risk Analysis module on selected companies subject to audits is being studied and expected to be piloted in 2010.

13. The Kyrgyz State Customs Committee, with assistance from the European Union, has developed a prototype of an Automated Risk Management System while Uzbekistan has approved a concept to introduce a customs risk management system including an action plan to develop such system.

14. A training course on Customs Risk Management for officials of the Mongolia Customs General Administration (MCGA) was co-sponsored by the General Administration of Customs of the Peoples' Republic of China and ADB at the Shanghai Customs College from 1 to 12 June 2009. Advanced techniques on customs risk management particularly risk information management and risk analysis were introduced to improve MCGA's use of resources and effectiveness.

4. Joint Customs Control

15. A Seminar on JCC for CAREC senior customs officials, which was co-sponsored by the General Administration of China Customs and ADB, was held in Guangzhou, PRC last 17-19 February 2009.² The seminar aimed to further the exchange of views and experiences on JCC techniques and enhance CAREC participants' capacities to design and implement JCC schemes that are appropriate for their respective environments.

16. Two technical presentations were conducted at the seminar by resource persons from the WCO and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). The WCO gave a comprehensive presentation on C21 that emphasizes 10 building blocks, of which the top two priority building blocks are GNC and CBM. It was noted that the JCC seminar fits well with the strategic directions recommended by WCO with the JCC concept directly relating to GNC and Integrated Border Management relating directly with CBM.

17. The CAREC members provided updates on the progress of JCCs in their respective jurisdictions particularly on: i) pilot JCC operation on Dulata (PRC) – Kazhat (KAZ) border; ii) Kazakhstan- Kyrgyz Republic JCC pilot in Chon-Kapka (KGZ) - Aisha Bibi (KAZ borders; and iii) cooperation on joint inspection conducted by Hong Kong and Shenzhen customs. The PRC-Mongolia expert group meetings on JCC were held in 2006 and 2007. A 3rd meeting of the working group was expected sometime in 2009.

² Minutes of and presentations made at the JCC Seminar can be found in CAREC website: <http://www.adb.org/Documents/Events/2009/CAREC-Joint-Customs-Control/default.asp>

18. PRC also presented the cross border transport agreement (CBTA) they have with Vietnam. The Greater Mekong Sub-region (GMS) CBTA is a multilateral instrument to facilitate cross border transport of goods and people in the GMS including China. CCC encourages innovative and phased-in approaches in introducing JCC and also welcomes pilot projects at locations other than the identified priority corridors. However, it is expected that those pilots, if proven successful, should eventually be transplanted to border crossings along the priority corridors.

5. Regional Transit Development

19. A Protocol between the State Customs Committee (SCC) of the Kyrgyz Republic and the Customs Control Committee of the Ministry of Finance of the Republic of Kazakhstan on Putting into Operation the Joint Technology for Using Sealed Safe Packages was signed on 9 September 2008. Subsequently, an MOU between ADB and the Kyrgyz Republic was signed on 30 October 2008, under which ADB provided technical assistance to the SCC to pilot the “safe packets” technology at the borders of Kyrgyz Republic and Kazakhstan. An initial amount of \$25,000 has been released to the SCC through the ADB Kyrgyz resident Mission and 20,000 units of safe packets have been bought and delivered to the SCC.

20. The SCC is coordinating efforts to draft legislation and the issuance of a government decree that would create a legal and regulatory environment supportive of the effective implementation of the safe packets scheme in Kyrgyzstan. Implementation of the scheme commenced only in June 2009 and was piloted for export shipments in three Customs regions adjacent to Kazakhstan: Bishkek (Kordai BCP); Karabalta (Chaldovar BCP); and Tokmok (Ak-Tilek BCP). As of mid August this year, 2208 safe packets have been used. The pilot project will continue to be monitored and results will be shared with CCC members.

B. Other related areas

21. The CAREC trade facilitation program aims to build on inter-agency cooperation and partnership with the private sector, facilitate the development of an efficient regional logistics industry, and establish a regional mechanism to complement the CCC process. The 2008-2009 work program focused on promoting the establishment of National Joint Transport and Trade Facilitation Committees (NJC) and a Regional Joint Committee (RJC) that will have its first meeting in mid-October. A pilot project of corridor performance measurement and monitoring (CPMM) is being implemented with the collaboration of partner carriers and freight forwarders associations. The program also supports the promotion of SW schemes; development of a regional capacity building framework to enhance skills and capacity to promote and implement trade facilitation strategies; and strengthening public-private partnerships for financing of key investments in trade logistics. Work in areas such as trade logistics development and coordination with development partners involved in trade facilitation are also being pursued through regional technical assistance projects (RETAs) and individual investments. There are also some adjustments in new RETAs for trade facilitation.

1. Single Window

22. CAREC has been actively promoting the adoption of the SW scheme to simplify and streamline transport, freight forwarding, and trade logistics and customs operations to enhance

the competitiveness of the CAREC countries. A number of workshops have been organized,³ not only by ADB but also by various other donors, to introduce concepts and international best practices on SW development to CAREC countries. Azerbaijan, Kyrgyzstan and Mongolia have introduced legislation and various decrees to enable them to implement SW schemes while other CAREC countries are in various stages of introducing similar legislative reforms to introduce and implement national SW programs.

23. A well-developed national single window (NSW) is a necessary precursor for the eventual development of a regional SW for CAREC which should lead towards more efficient government to government (G2G) and business to government (B2G) linkages and streamline transport, freight forwarding, trade logistics and customs and other trade related operations. The ASEAN approach to developing national and regional SW may serve as a practical model for CAREC to explore and consider in the future.

24. A Workshop on CAREC Regional Single Window Development, co-sponsored by ADB and the International Enterprise Singapore, was held on 14-17 July 2009 in Singapore. Findings of case studies on pending issues on SW development in selected CAREC countries that are in various stages of implementing SW schemes were discussed during the workshop. Specific objectives of the SW workshop included (i) discussions on various issues regarding the SW development including latest trends and best practices; (ii) development of national SW roadmaps for CAREC countries, and (iii) discussions on approaches towards developing a regional SW roadmap for CAREC.

25. Consensus reached during the workshop included:

- countries, based on their own capacities, will establish timelines for NSW implementation.
- ADB, through the CAREC Program, will help countries, based on their national roadmaps, to identify gaps and address key impediments to SW implementation through technical assistance or investment projects
- although the development of a regional SW is a long-term goal, preliminary work should be started through knowledge forums, and situation analyses
- CAREC will exert more effort to engage a wider group of other government agencies and private sector stakeholders in SW development forums
- CAREC will support initiatives, particularly from private sector operators, to build regional business-to-business and business-to-government data exchange portals that connects to respective national single windows as a means to facilitate information flow.

2. Capacity Building

26. The CCC at its 7th Meeting recommended that a study be carried out for the CCC with the support of ADB to take stock of available capacity building resources in the region and to provide a framework for a coordinated and responsive customs and integrated trade facilitation capacity building program for CAREC. From December 2008 to mid-February 2009, ADB consultants visited most of the CAREC countries and consulted with both public and private sector stakeholders to ascertain the state of knowledge and skills capabilities available in the region and identify gaps that need to be bridged.

³ Presentations made at the Seminar for Single Window Developing in July 2008 in Singapore can be found in CAREC website: <http://www.adb.org/Documents/Events/2008/single-window-development/default.asp>

27. The preliminary results of the TNA were presented at a workshop in Guangzhou PRC on 20-21 February 2009.⁴ The study showed that despite uneven development stages of member countries, there is a high degree of commonality in the need for training in customs administration and other areas of trade facilitation which can be met by a regional supply of training activities. Some countries need to further develop skills/knowledge already possessed, and it may be possible to meet some of the needs using internal resource/expertise – including the private sector. The following were proposed as trade facilitation core curriculum:

- Single Window Strategic Development
- Single Window Process Development
- Risk Management Techniques in a Trade Facilitation Environment
- Post-Customs Control
- Legislative reform and Trade Facilitation
- Regional Logistics development Program
- Customs Procedures for Logistics Practitioners
- Trade Awareness for Border Control Staff
- Training Needs Analysis
- Trainers' Skills

28. Workshop participants expressed the need to adapt training methodologies/content to the region's needs/situation but also acknowledged the need to consider best practices not only from developed countries but especially from neighboring countries in Asia. The need to consider the target audience was also pointed out to determine level of training needed e.g., policy analysis for policy makers and technical training for specialists.

29. Most CAREC countries pointed out that they have existing training facilities and capabilities that cater to customs administration and trade facilitation. They then noted that the focus of assistance should thus be on further developing and strengthening these capabilities, developing curricula that are more responsive to the current needs to be internationally competitive, upgrading the skills of faculties to international standards, and ensuring that these capacities can be sustained. A follow-up visit will undertaken by the TNA consultant to prepare a more detailed assessment of capacities in the region and matching of identified needs with such capacities. Twinning arrangements between local institutions and centers of excellence for specific areas of knowledge related to trade facilitation will be supported.

30. Other government agencies involved in border control and the private sector will have to be involved in the capacity building exercise including in the areas of coordination and cross-agency collaboration. Their participation in the early stages of identifying needs and planning capacity-building strategies will be crucial in ensuring the relevance of the training programs. The study recommended the:

- inclusion of the responsibilities for the identification of training and development needs to the tasks of the NJCs and the RJC; this recommendation was accepted at the NJC meeting in UB last May and will be brought up at RJC meeting in UB in October 2009;

⁴ Minutes of and presentations made at the Seminar can be found in CAREC website: <http://www.adb.org/Documents/events/2009/CAREC-Training-Needs-Assessment/default.asp>

- creation of a simple Regional Training Database accessible to all CAREC participating countries; and
- creation of a simple training development structure including the measures to ensure consistency in the identification of needs, appropriateness of content, level and quality of delivery, and skills transfer.

3. Trade Logistics Studies

31. All nine studies on **Transport and Trade Logistics Development Strategies** for the CAREC participating countries have been completed and six of them are now being printed including a synopsis of the 9 studies. Three other studies are being finalized and edited and will hopefully also be ready for publication by the end of this year. The country studies identified constraints to logistics development, and provided recommendations to address such constraints, including strategies to promote the development of the logistics sector, encourage public investments, as well as strengthen public-private partnerships and regional cooperation projects. A book launch is scheduled in Beijing on 12 October 2009 and in Ulaan Baatar on 15 October 2009.

III. Work Program

32. Efforts to continue aligning laws and regulations on customs and trade will be supported as shall Joint Customs Control (JCC) agreements between CAREC countries to encourage more of these arrangements at more border crossing points (BCPs).

33. The “safe packets” pilot between Kazakhstan and Kyrgyz Republic will be closely monitored and if found feasible may be expanded to cover other BCPs. A workshop will be held at the end of the pilot to assess replicability to other countries

34. CAREC participating countries with no SW schemes in place will initiate efforts to prepare national SW roadmaps which should lead towards more efficient government to government (G2G) and business to government (B2G) linkages and streamline transport, freight forwarding, trade logistics and customs and other trade related operations. Work to lay the foundation for a regional SW scheme will also be started.

35. Based on the findings and recommendations of the recently-finalized TNA for Trade Facilitation, groups of subject matters that can be developed and offered on a regular basis will be identified and referred to the CAREC Institute. A more detailed assessment of the capacities available in the region will be undertaken, and matching courses with the most appropriate existing training institutions will be done in close consultation with the CAREC participating countries. Assistance will also be provided in pairing CAREC institutions with international training centers that excel in customs and trade facilitation subject matters. Training for policy makers will continue to be provided on an ad hoc/as needed basis.

36. The TTFS action plan proposed 17 small RETAs on promoting trade facilitation in CAREC. These proposals have been consolidated into 6 bigger projects to be designed and implemented in the next three years. Recently, the concept paper on “Working with the Private Sector on Trade Facilitation” has been approved and a TA proposal is now being developed. The proposed TA will institutionalize the NJCs/RJC as CAREC cooperation mechanisms, deepen inter-agency collaboration and enhance public-private partnerships by enabling the NJCs and RJC to implement core activities identified in the national and regional action plans. The table below summarizes the merged proposed TAs.

TA Nos. in TTFS	Title	Proposed Amount	Processing Year
TAs 8, 11, 15, 26, 27 & 33	Working with the Private Sector in Trade Facilitation	\$2.5 million	2009
TA9 & TA12	Simplified Transit Procedures and Strengthened Guarantee Systems in CAREC	\$500,000	2009
TA6, TA29 & TA31	Development of Logistics Centers and Information Hub	\$ 4.1 million	2010
TA 3 & TA 39	Facility and Process Improvements at BCPs	\$2.5 million	2010
TA4 &TA5	Strengthening Capabilities of National Certification Agencies	\$6.1 million	2011
TA7 & TA10	Integrated Trade Facilitation Capacity Building Program	\$2.0 million	2011

DRAFT CAREC CUSTOMS COOPERATION WORK PROGRAM, 2009–2010

Activities	Rationale	2008-2009	2010-2011
Priority Area 1 - Simplification/Harmonization of Customs Procedures			
Aligning national legal instruments with international standards	Simplification and harmonization of customs procedures in line with international standards is the core requirement of the revised Kyoto Convention	<ul style="list-style-type: none"> – Draft Law Concept submitted by CCC Kazakhstan to allow preparation of delivery control document in electronic form – Uzbekistan inter-agency working group on single window concept formed to draft law – Azerbaijan issued Presidential Decree No. 12 in Nov 2008 adopting Single Window approach delegating functions of all border control agencies to customs – Kyrgyz Republic amended Customs Code to introduce new technology in customs control procedures 	–
Priority Area 2 - ICT for Customs Modernization and Data Exchange			
ICT Development Activities <ul style="list-style-type: none"> – Electronic filing of customs declarations and other documents – Customs payments on-line 	Automation of customs systems will facilitate exchange of information and speed-up clearance times and the movement of traffics across borders	<ul style="list-style-type: none"> – ASYCUDA now implemented in 4 major transit routes in Afghanistan and declaration processing system now also operational in Herat and Jalalabad 	–
		<ul style="list-style-type: none"> – Uzbekistan improving Uniform Automated Information System (UAIS) to monitor trends in revenues and its impact on national budget. – ADB/ Korea ICA project on modernization of Mongolia customs initiated 2008 till 	– ADB/ Korea ICA project on modernization of

Activities	Rationale	2008-2009	2010-2011
		2010	Mongolia customs on-going till 2010
		– Kazakhstan CCC developed web portal to allow easier access information and applications and developed gateway to allow users to download and submit forms via internet	
Workshops to study the WCO Data Model	<ul style="list-style-type: none"> – WCO Data Model has been widely introduced in CAREC as a tool to standardize, harmonize and reduce Customs data requirements to improve flow of goods across international borders and reduce industry costs. WCO Data Model incorporates other WCO standardization instruments (Revised Kyoto Convention, ICT Guidelines and Unique Consignment Guidelines and Unique Consignment Reference) – Study proposed to look at possibilities of implementing WCO Data Model and its applicability to current Customs practices within the CAREC, illustrate case studies that will give empirical evidences of the viability of the Model to Customs administration, and ultimately formulate a feasibility of having a regional data model. 	–	<ul style="list-style-type: none"> – Assistance in Implementation of WCO Recommendations – Work program to develop CAREC Data Model
Single Administrative Document and Data Harmonization Major topics include <ul style="list-style-type: none"> – Single Administrative Document – Data Harmonization and Single Windows (international best practices, tools and procedures) 	<ul style="list-style-type: none"> – The CCC emphasized the need for continued focus on existing priority areas of the CCC through training and knowledge forums/seminars, in cooperation with international organizations and customs administrations that support the Program. – Workshop to bring together international organizations such as WCO, UNECE and EURASEC to discuss key issues and [procedures on SAD and data harmonization. This will also trigger CAREC countries to initiate development 	–	– Kyrgyz customs also installing UAIS and introduce single administrative document

Activities	Rationale	2008-2009	2010-2011
	of a work program to establish and implement SAD and data harmonization (e.g. single window)		
Provision of technical support to participating countries on data exchange	– Data exchanges between customs administrations and between exporters and importers will be useful for fast clearance and effective risk management. CCC members have discussed establishment of an electronic platform for data exchange.	– –	– Study on Feasibility of Electronic Data Exchange
Priority Area 3 - Risk Management, Post-Entry Audit, Customs Intelligence, Anti-drug Smuggling and other Customs Offenses			
Introduction of risk management measures in customs procedures	Audit-based post clearance/post-release control regime is also a requirement of the revised Kyoto Convention. If supported by effective risk management systems and procedures, post-entry audit will significantly reduce customs controls at the borders and enable authorities to allocate scarce resources more effectively	– Post-clearance audit set-up in 8 Afghanistan regional customs houses – Kyrgyz with assistance from EU developed prototype of Automated Risk Management System	– Mongolia to install x-ray equipment at border crossing with Russia 2009
Seminars/Forums on Risk Management techniques, Post-Entry Audit, Customs Intelligence Topics comprise: – International best practices on the risk management and post entry audit with emphasis on case studies illustrating problems and solutions – Showcase of different customs intelligence models and case studies illustrating problems and solutions – Working group meetings and consultations on the side, but	To augment CAREC officials' knowledge on risk management and post-entry audit, it is worthwhile to conduct another seminar on these areas including case studies on how a certain country/customs administration solved a specific trade facilitation-related concern using these techniques. In addition, the seminar will include technical discussion on customs intelligence while showcasing different models for possible implementation in the CAREC region.		

Activities	Rationale	2008-2009	2010-2011
Customs Control	CAREC customs officials to undertake a field visit as to gain experience on how modern trade facilitation tools work. In addition, CAREC countries can obtain knowledge on practical issues relating to these trade facilitation tools.	activities related to energy trade Aug 2009	
Seminar on Integrated Border Management Topics comprise: <ul style="list-style-type: none"> • Legal issues in connection with integrated border management approach • International best practices, challenges and prospects for CAREC • Working group meetings and consultations on the side, but related to the seminar theme 	CCC requested assistance from ADB to support a training of experts on the development and implementation of Integrated Border Management". The initiative will help CAREC countries achieve "open borders for trade, tourism and other forms of legitimate movement of persons and goods, but borders that are secured and controlled in relation to the threats posed by illegal migration, trafficking in human beings, activities of criminal networks and terrorism."	– Seminar on Joint Customs Control for all CAREC members sponsored by PRC Customs and ADB February 2009 Guangzhou	
Priority Area No. 5 — Regional Transit Development			
TIR accession and implementation assistance	Accession to TIR convention and efficient operations of TIR in CAREC are both important. The program will continue to support development of bilateral and regional transit arrangements	– All CAREC countries except PRC are contracting parties to TIR Convention	– PRC to accede to TIR Convention
Study of Efficacy of safe packet system	At 6 th CCC Meeting Kazakhstan proposed use of "safe packet" system for movement of goods across border crossing points with Kyrgyz and Uzbekistan. Kazakhstan requested ADB to conduct a study and support pilot tests in Kyrgyz Republic and Uzbekistan	– Study funded by ADB conducted in 2007 and 2008 supported limited pilot in Kyrgyz Republic	
Pilot testing of Safe Packet System in Kyrgyz Republic		– Pilot test in checkpoint at Ak-Jol (Kyrgyz Republic) and Kordai (Kazakhstan) 4 th quarter 2008	– Rolling out schemes to other Kyrgyz and Kazak border crossings – Pilot tests in other countries
Other regional transit arrangements		– Kyrgyz Republic GPS-pilot testing along the route Torugart Naryn-Bishkek	– Simplified Transit Procedures 2009

Activities	Rationale	2008-2009	2010-2011
6. Other Areas			
a. Single Electronic Window Development			
Working Group meetings to develop a work plan for building single windows and data harmonization	Single Window (SW) Systems simplify and streamline all trade related government services and function and thus facilitate flow of goods across borders		– Coordinating Cargo Processing thru a National Single Window 2010
Amendments to legal instruments to implement single window systems		Kyrgyz Republic approved concept of SW and issued Government resolution to prepare implementation plan.	– Kazakhstan to set up single customs administration center
		Mongolia established working committee on SW	–
		Afghanistan developed SW clearance system for exports	–
Trainings/seminars on Single Window Development		Workshop on Single Window Development for CAREC Trade and Customs Officials 8-10 July 2008 Singapore	–
			–
b. Capacity Building			
Training Needs and Capacity Assessment and Development of Capacity Building Framework – Assess training needs for customs and other related agencies – Identify and assess capabilities of existing customs training centers and resources – Develop standard curricula and design specialized training programs – Formulate capacity building framework to match training needs and resources	The CCC recognizes that capacity building is important and recommended that a study should be carried out with ADB support to (i) assess training needs not only for customs but also for broader array of stakeholders involved in trade facilitation; (ii) identify available institutional, financial and human resources both at regional (e.g., at CCC and CAREC Institute level) and national (e.g., customs colleges and training centers) levels; (iii) design standard curricula and tailor-made programs; and (iv) recommend a capacity building framework for trade facilitation that best matches the available resources with identified training needs. The establishment of a common information space to exchange information on available training programs and materials offered by various development agencies was also recommended.	– Training Needs Assessment (TNA) survey 1 st Q 2009 – TNA Worksop February 2009 Guangzou	–

Activities	Rationale	2008-2009	2010-2011
<p>Cosponsored seminars and workshops</p> <ul style="list-style-type: none"> – Seminar in the PRC (any location) senior customs officials and one workshop in Shanghai Customs College per year for and mid-level customs officials⁵ 	<ul style="list-style-type: none"> – CCC members requested assistance from ADB to support, in cooperation with China Customs, one seminar in China and one workshop in Shanghai Customs College per year for senior and mid-level customs officials in the coming 2 to 3 years. 	<ul style="list-style-type: none"> – Joint Customs Control Guangzhou 1st quarter 2009 	
	<ul style="list-style-type: none"> – The agenda for the seminar series would be policy issues related to customs automation, integrated border management, single-window processing/one-stop cargo inspection, etc. to encourage participation of other trade-related agencies and stakeholders. 	<ul style="list-style-type: none"> – CAREC Customs Training Course on Tariff Collection Supervision 3-12 June 2008 – Customs Inspection Technologies for Mongolia June 2008 	

⁵ The seminar (any topic) in the PRC is intended for high level CAREC customs officials to participate on any policy debate centering on trade facilitation initiatives of the CAREC TF program. Meanwhile, the workshop in Shanghai Customs College is for mid-level customs officials to dwell on technical and administrative issues related to the program.