

CAREC Trade Facilitation Action Plan: Implementation Progress and Key Issues

CAREC Senior Officials' Meeting
Islamabad, Pakistan
20-21 July 2016



Key Developments

1. Customs Cooperation

a. Customs Modernization

- Modernizing customs processes and service delivery: risk management, RKC accession

b. Information Exchange Mechanism

- ICT system assessment done for Kyrgyz Republic, Mongolia, Uzbekistan; ongoing for PRC, Kazakhstan, Tajikistan. Pilot project in 2017

c. Regional Transit Guarantee Mechanism

- Pilot project: PRC, Kazakhstan, Kyrgyz Republic

Key Developments

2. Integrated Trade Facilitation

a. Common Agenda for Modernization of SPS

- Regional Upgrades of SPS Measures for Trade (RUST) in Mongolia

b. Regional Improvement of Border Services (RIBS)

- RIBS in Kyrgyz Republic, Mongolia, Pakistan, Tajikistan

c. More extensive private sector participation

- CFCFA participation in regional transit, adoption of FIATA standards to local situation, develop liability insurance for freight forwarders and risk-based regional transit insurance products.



Key Developments

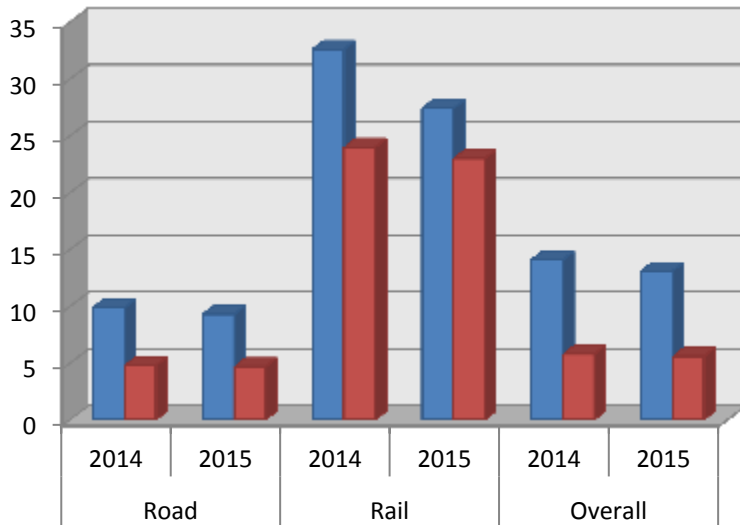
d. Strengthening of Monitoring, Data Analysis, and Policy Planning

- Complementary use of TRS and CPMM - tools to improve results management
- CFCFA: developed an information platform for cross border freight services

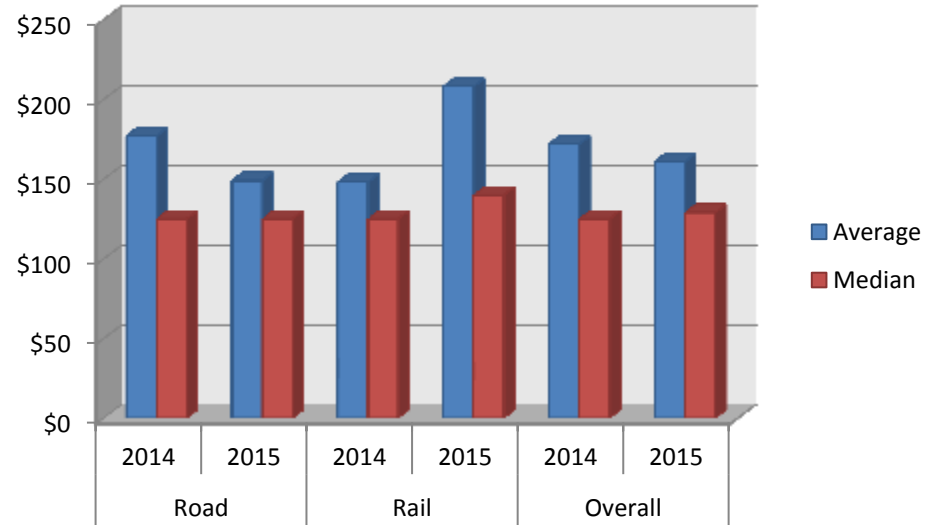


CPMM: TF Indicators

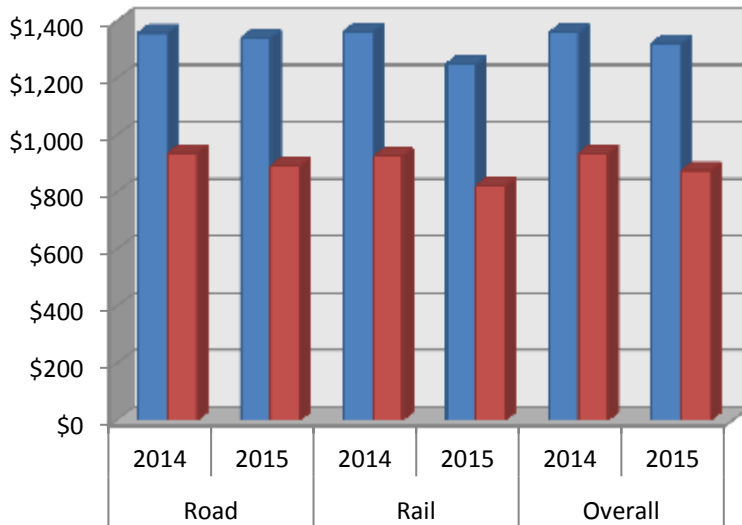
TFI1: Time taken to clear a border crossing (hours)



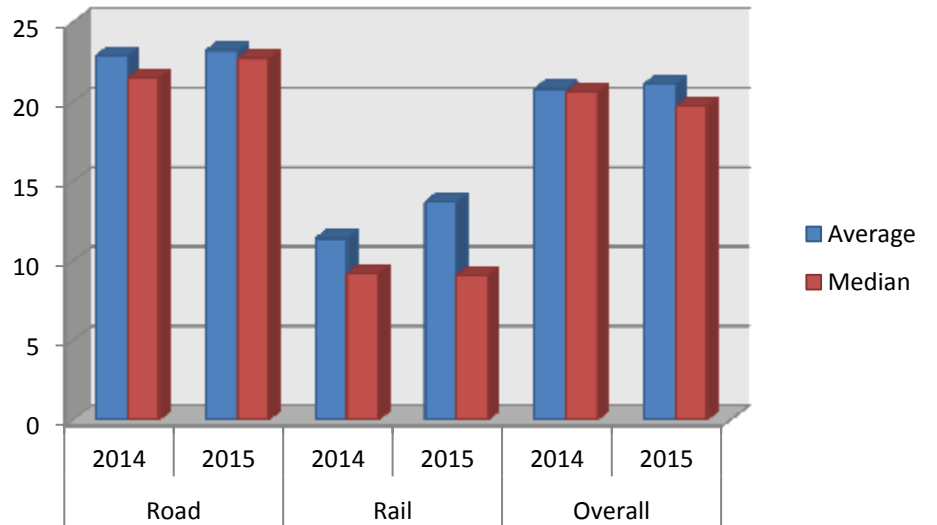
TFI2 Costs incurred at a border crossing point (\$)



TFI3 Costs incurred to travel corridor section (\$)



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



CPMM: 2015 Highlights

- **13.1 hours – average crossing time at a BCP**

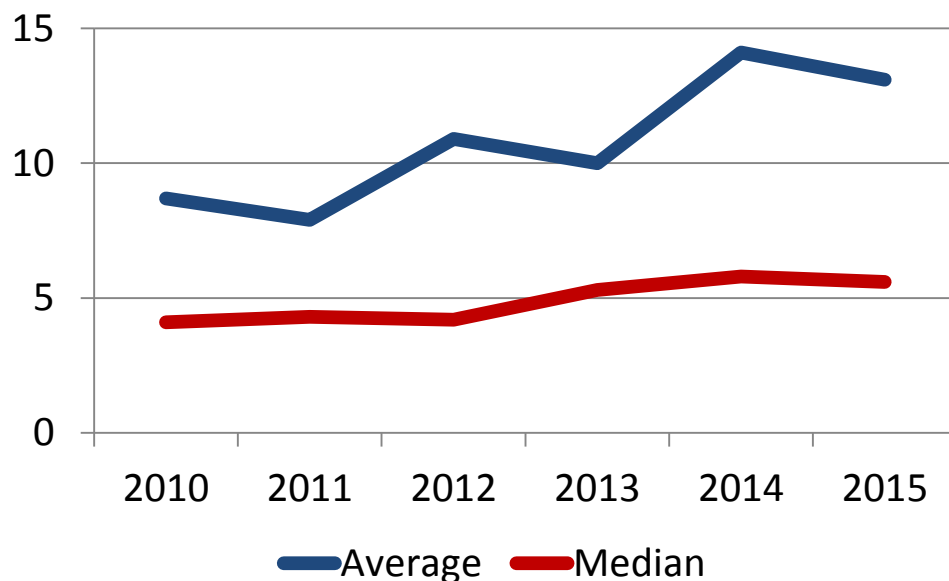
- Road: 9.3 hours;

- Rail: 27.4 hours

- Road: Peshawar (32 hours); Chaman (36 hours)

- Rail: Improvements at Alashankou (26.9 hours), Dostyk (42.3 hours), Zамын-Ууд (24.6 hours) due to lower volume of cross border trade

- PRC-MON: stronger collaboration reduced delay due to customs controls.

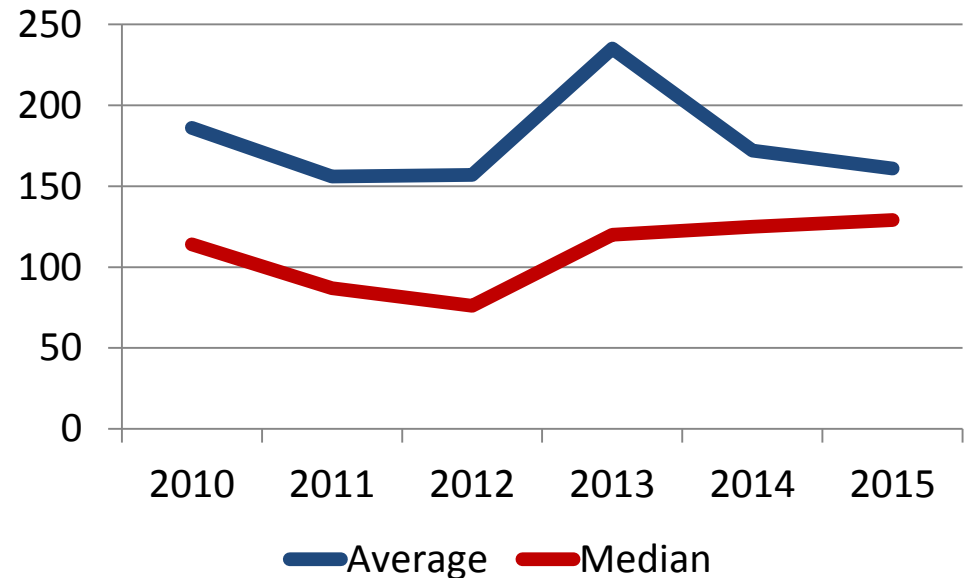


CPMM: 2015 Highlights

- **\$161 – average costs incurred at a BCP**

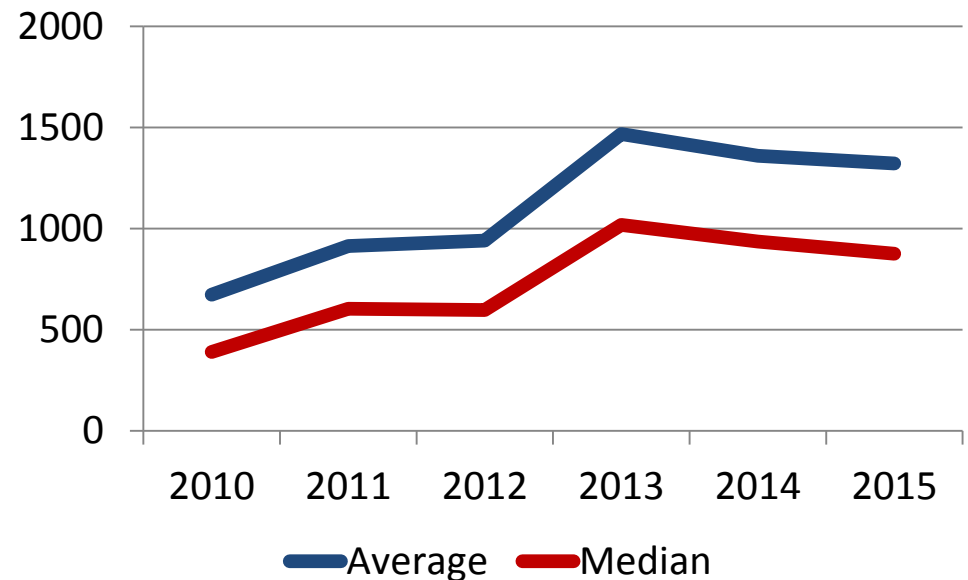
- Road: lower costs at BCPs along corridors 1 and 4; lower customs clearance fees for inbound shipments at Zamy-Uud.

- Rail: sizeable increase; Kazakhstan-bound goods at Dostyk along corridor 1 increased from \$135 in 2014 to \$300 per container and \$350 per wagon in 2015.



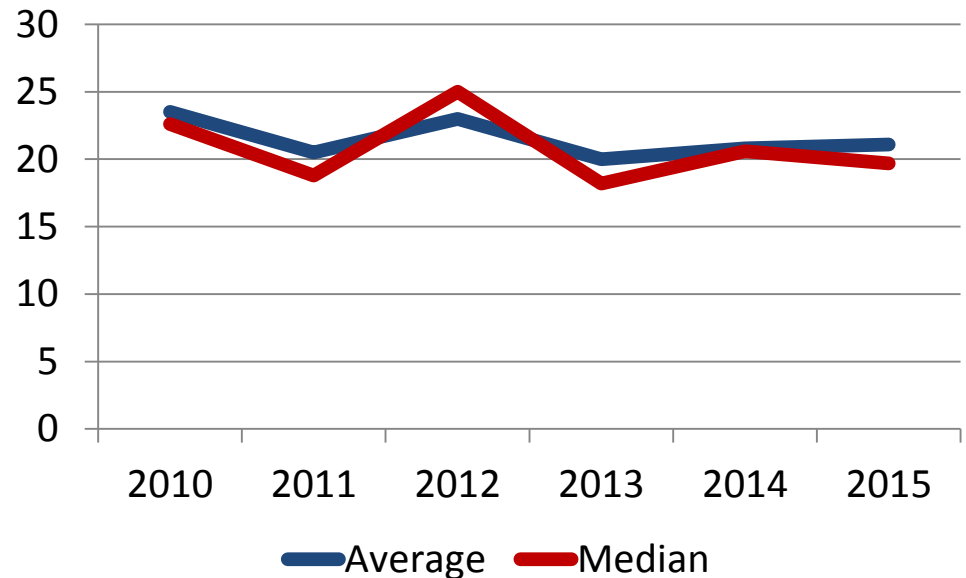
CPMM: 2015 Highlights

- **\$1,323** – costs to travel corridor section
 - Road: declining fuel prices
 - Rail: slight reduction in railway tariffs along Corridors 1 and 4



CPMM: 2015 Highlights

- 21.1 kph – overall speed with delay;
40 kph – speed without delay
 - Road: 23.2 kph (SWD); 40.2 kph (SWOD)
 - Rail: 13.7 kph (SWD); 38.3 kph (SWOD)



Key Issues for Guidance by the SOM

1. CCC to pilot regional transit guarantee mechanism and electronic customs information exchange mechanism with CFCFA's support
2. CAREC countries to plan and implement more RIBS and RUST projects;
3. All stakeholders to break institutional barriers by working together in national trade facilitation committees and the CAREC regional TF committee



Thank you

