

# Progress in Trade Facilitation in CAREC Countries: A CPMM 10-Year Perspective

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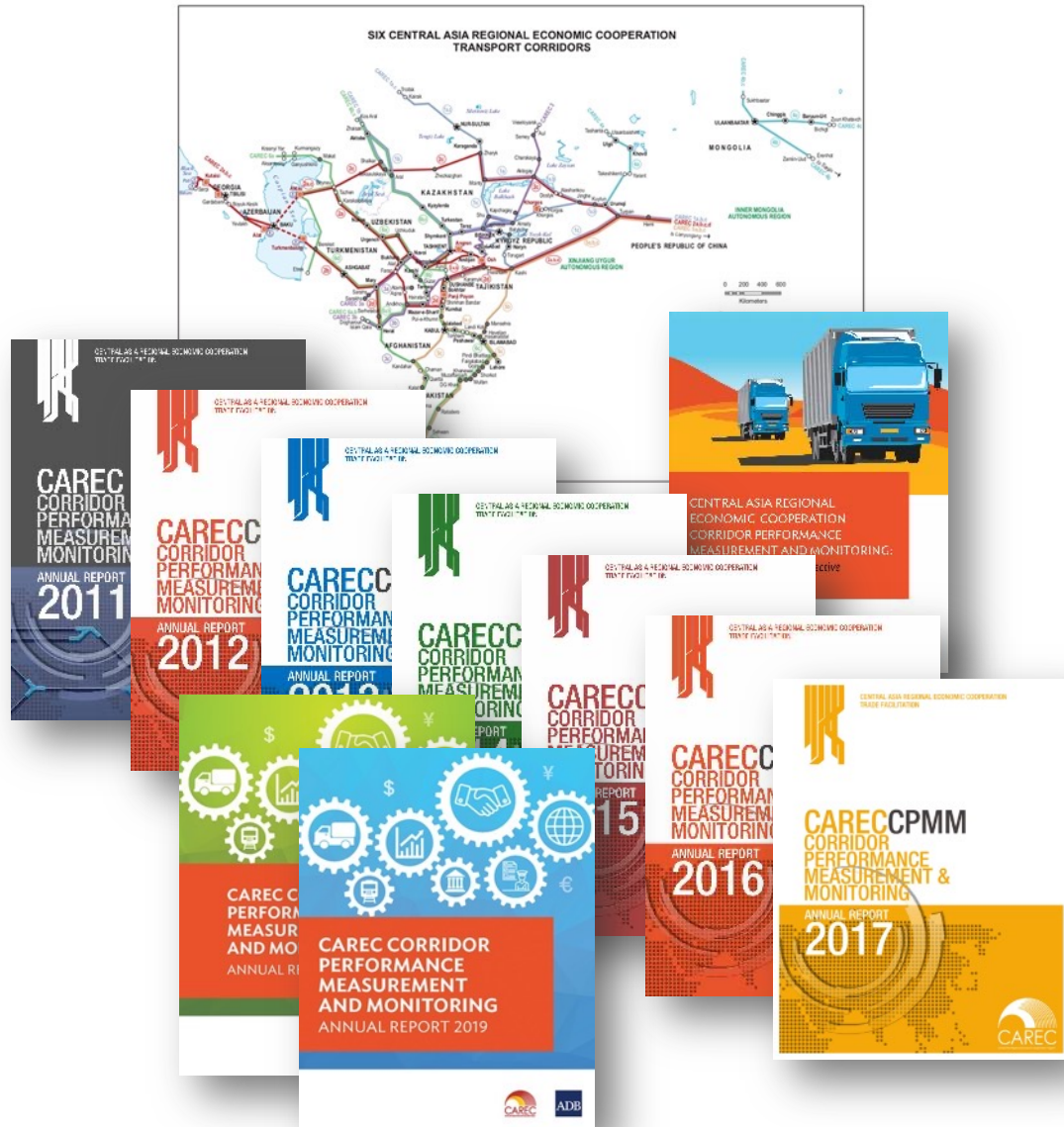
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# What is CPMM?

**CPMM is a tool to assess the efficiency of CAREC transport corridors:**

- i. identifies causes of delays and unnecessary costs along the CAREC corridor, including border-crossing points and intermediate stops.
- ii. helps authorities determine where and how to address identified bottlenecks.
- iii. assesses the impact of regional cooperation initiatives.



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# Study Overview

## Key Messages

- Trade facilitation measures in the CAREC region has made remarkable progress, evidences for which are supported in CPMM findings.
- To identify areas that need further attention.
- To suggest how ADB and other partners can address them.

### 1. Introduction

Brief overview of the study

### 2. Regional Trends and Developments

analyzes the trade patterns and performance

### 3. Impediments

focuses on the impediments that produce friction when goods move across the supply chains.

### 4. Recommendations

lists the recommendations for policymakers and actions that can benefit the region.

### 5. Outlook

looks at changes that can reshape the economic and trade patterns in the CAREC region

### 6. Country Performance

provides country analysis, transport and trade facilitation progress, issues, challenges, and possible solutions

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# Regional Trends and Development

## Regional Trade Patterns

Belt and Road Initiative

Growth of Container Express Trains

Eurasian Economic Union

Border Cooperation

Trans-Caspian International Transport Route

COVID-19 Responses and Outcomes

## Trade Facilitation Performance

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# Regional Trends and Development

## Road Rehabilitation Program Leading to Tangible Benefit in Mongolia



SWOD along Corridor 4 in 2013

SWOD along Corridor 4 in 2014

CPMM monitored the road rehabilitation program in Mongolia under CAREC Corridor 4. Once completed, this allowed cross-border transport to be moved on trucks much faster. The findings showed that average speed of vehicles along 4b between UB and Zamiin Uud increased from 25 kph to 38 kph (+52%) from 2013 to 2014.

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# COVID-19 Responses and Outcomes

## COVID-19

CAREC member countries adopted strict measures at the beginning of the pandemic to combat the spread of the COVID-19, which included various forms of border and sanitation controls.

Halting of foreign trucks at the border

Mandatory screening of drivers and transport workers crossing borders

Designation of sterile areas and quarantine zones

Disinfection and sanitation measures on personnel, vehicles and shipments

Complete closure of border-crossing points and only gradually opening them as conditions improved

**Severe delays at the borders**

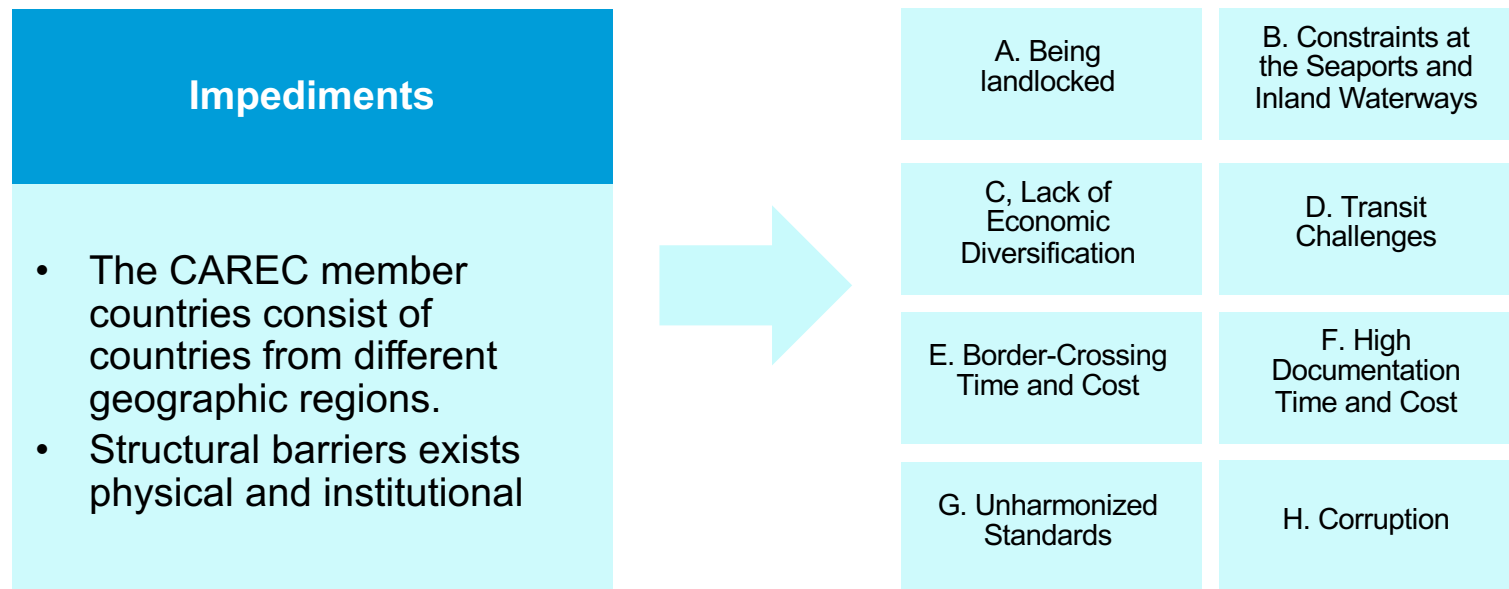
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# Impediments



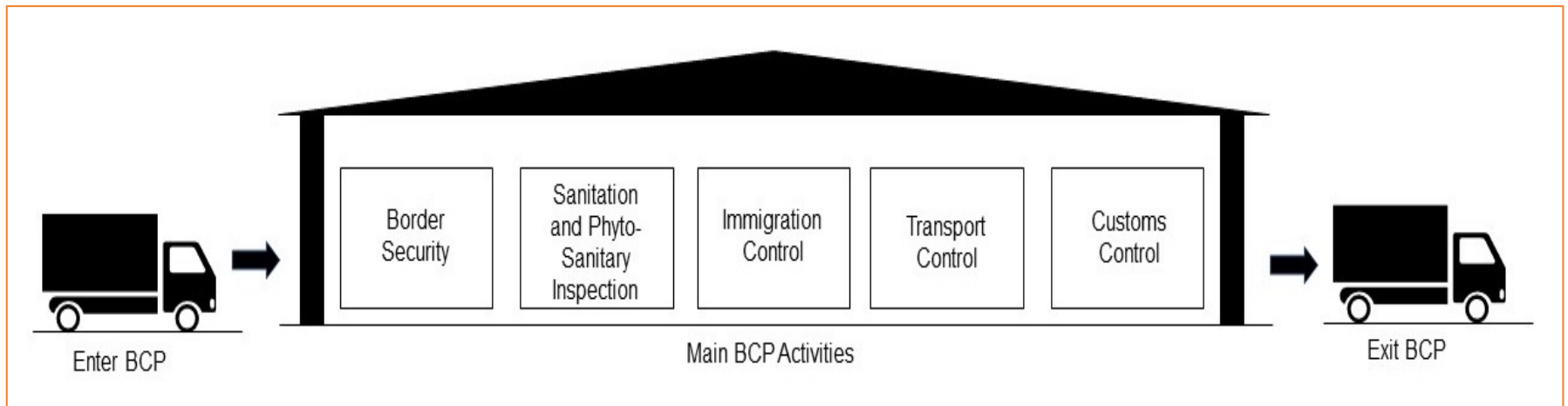
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# Border Crossings



Border crossings in CAREC are documented to be a key impediment. A standard procedure is illustrated above. The key reasons for delays are due to:

- Long waiting time in queue
- Cumbersome customs clearance or controls
- Loading and Unloading

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# Recommendations

A. Expand cross-border transport and logistics infrastructure

B. Harmonize transport and vehicle standards

C. Enhance customs efficiency and transparency

D. Coordinate border-crossing operations

E. Authorized Economic Operator (AEO)

F. Container freight train

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# Recommendations

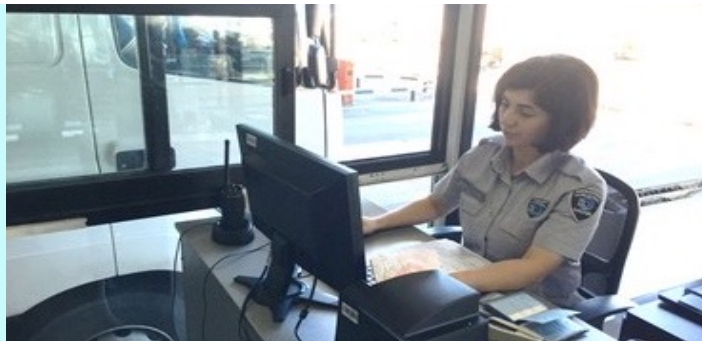
## Physical Infrastructure

- Logistics Facilities
- Truck parking lots
- TIR parks
- Road-side amenities and services
- Access roads
- Temperature –controlled storage
- Cross-Docking stations



## Institutional Initiatives

- Transport vehicle standards
- Weight Certification
- National Single Window
- Authorized Economic Operators
- Joint Customs Control



- Standardize the border-crossing operating hours,
- Extend the operating hours on both sides,
- Establish green lanes for TIR shipments and time-sensitive cargoes
- Advanced shipping notification management

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# Outlook

A. Emergence of New Economic Corridors

B. Modal Shift from Road to Rail

C. Digitalization

D. Regime Change in Afghanistan

E. Managing Corruption

F. Increase TIR Utilization

G. Cross-Border E-commerce

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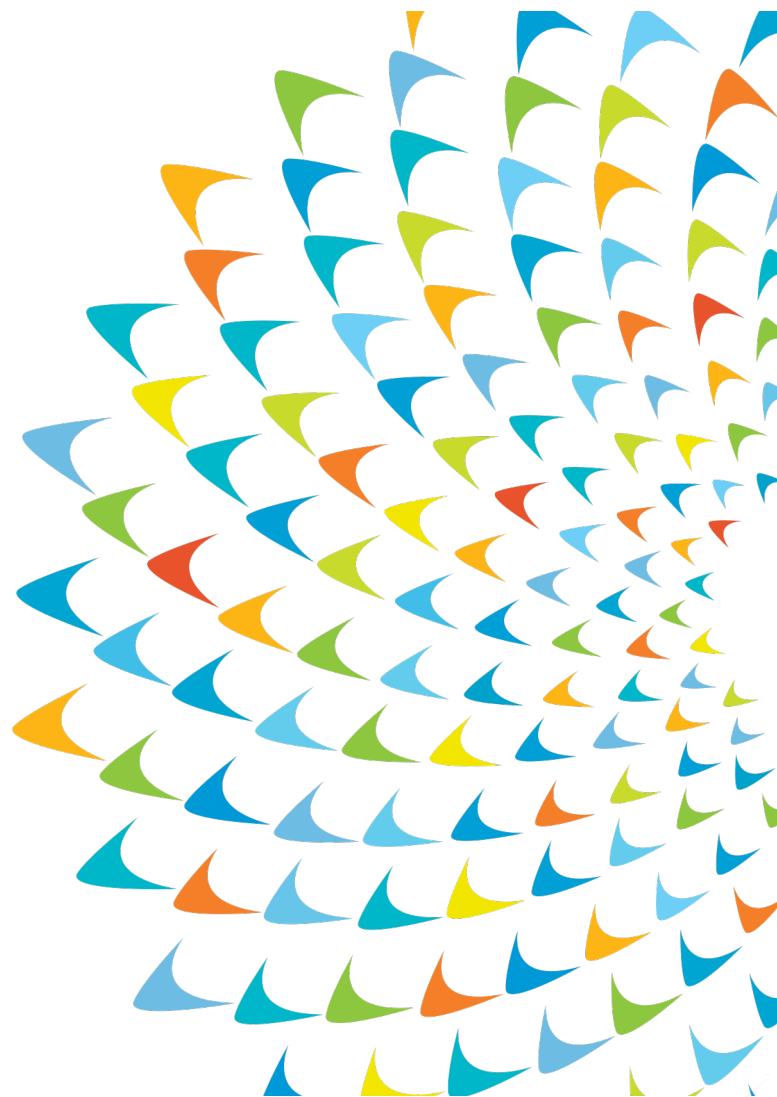
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# Thank You!



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