Roundtable Seminar on Ways Forward for Corridor-Based Transport Facilitation Arrangements in the CAREC Region

International Experience in Implementing Cross-Border Transport Facilitation

> 2-3 July 2012 Beijing, PRC



Introduction

- Experience collected from various parts of the world (e.g., Greater Mekong Subregion, Europe, Africa)
- While not necessarily directly applicable, successes from elsewhere may be transferable
- Failures may also provide valuable lessons on what to avoid

Lesson 1: A corridor approach can be an effective way of implementing transport and trade facilitation

- A corridor approach provides a focus for practical and realizable improvements rather than a discussion of generalities.
- The aim is to concentrate resources for both investment and operational management.
- Particular solutions for specific corridors may be easier to implement than arrangements covering all roads, major and minor.

Lesson 2: Political will and ownership is essential

- Importance of ownership by government agencies concerned
- Implementation of the GMS CBTA lagged because of insufficient ownership by customs
- Lesson learned: examples of World Bank Lao PDR Customs and Trade Facilitation Project and Single Window Project in Azerbaijan



Lesson 3: A cross-agency perspective is required

- Several agencies present at the border complicates coordination
- Through a rigorous value chain analysis in Cambodia, the World Bank confirmed that transport/trade facilitation involves issues of role clarity across agencies and problems of information sharing and coordination between/among agencies and the private sector

Lesson 4: It is important to adopt a pragmatic orientation toward results

- Results may achieved pragmatically through bilateral agreements, plurilateral agreements, multilateral agreements, and other initiatives
- What is important is to have measures that will achieve the desired results as far as possible
- The mindset must not be MOU or agreement oriented, but a coordinated problem solving approach based on achievements

Lesson 5: It is necessary to develop a sound business case for cross-border transport facilitation initiatives

- The business case should be focused on presenting practical solutions to clearly identified problems
- It should appeal to all stakeholders and demonstrate likely benefits, if possible including a cost-benefit analysis



Lesson 6: There is a need to avoid trying to do too much

- In the case of the GMS CBTA, one implementation MOU required completion of 55 actions by specific deadlines
- "The perfect is the enemy of the good" (Luc de Wulf, Customs Specialist)
- Lesson learned: World Bank Trade Facilitation and Competitiveness Project in Cambodia adopted a slower but more sustainable pace



Lesson 7: Implementation should generally focus on highly critical provisions that relate to matters that create outright barriers to cross-border traffic

- The initial focus should be on vehicle-related provisions, driver-related provisions, and transport operator provisions.
- In the near term at least, generally less focus should be on addressing moderately critical provisions and the provisions of limited criticality



Lesson 8: A sound legal/regulatory framework is important, although the need for change should not delay implementation

- East African Community: a regional one-stop border posts act
- Albania: national integrated border management strategy begins each component with the legal framework
- GMS: ADB C-R-PATA includes a comprehensive legal review, although it is not programmed first, to focus more directly on implementation

Lesson 9: There is a need to provide adequate human and financial resources for transport and trade facilitation

- There are enormous pressures on border agency officials, e.g., to maximize revenue collection with high rates of physical inspection
- The scale and scope of changes required is extensive, and adequate resources must be provided to achieve the changes required and sustainable results

Lesson 10: Achieving "quick wins" will be vital to establish credibility and to prepare for harder-won victories

- Quick wins can provide the political capital necessary to implement more difficult, but potentially more beneficial solutions
- Lesson learned: World Bank Lao PDR Customs and Trade Facilitation Project
- Lesson learned: Rwanda IFC Trade Logistics Initiative



Lesson 11: There is a need for all countries in a regional grouping to benefit from transport and trade facilitation

- To some extent this has been an issue in the GMS
- Landlocked ("landlinked") Lao PDR borders all GMS countries but may not benefit from transport and trade facilitation initiatives unless specific measures are taken (e.g., to strengthen its trucking industry)



Lesson 12: It is important to involve the private sector in transport and trade facilitation initiatives

- Too often the private sector is not involved and has limited awareness of initiatives
- One good-practice example is the use of a "citizen scorecard" approach to enhance accountability to service users (Cambodia)



Lesson 13: Border checkpoint infrastructure can be a constraint but installation of new facilities must be supported by modern border management

- Investment in new border infrastructure should be preceded by a comprehensive reengineering of procedures and designed to support modern border management
- Principles in designing BCPs: flexibility, modularity, adaptability to new control methods, process integration, control by exception and in lanes, appropriate size, communication of identity (M. Zarnowiecki)

