

Welcome Address

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Distinguished Country Delegates,
Representatives and Resource Speakers,
Ladies and Gentlemen,

At the outset, let me apologize on behalf of my Director Ms. Noy Siackhachanh, who is unable to join us today due to scheduled ADB Management meetings on planned assistance for the Kyrgyz Republic and Mongolia.

It is my great pleasure and honor to join Mr. Wang Donghong in welcoming our distinguished country delegates, representatives and resource speakers from our Forum partners, the IRU, CrimsonLogic, UNECE, UNESCAP, and WCO. On behalf of our Customs colleagues, let us extend our special welcome to the country representatives from private transport associations whose cooperation with Customs Administrations is essential for trade facilitation and success of transit development. Indeed trade facilitation requires a broad-based approach. Partnership with the private sector and cooperation with relevant agencies and international organizations are key features of our Program.

On behalf of ADB and country delegates, I would like to express our sincere gratitude to the General Administration of PRC Customs and its Shanghai Customs for hosting the event and making generous financial contribution to our Trade Facilitation Program. This has been the fifth event hosted by the PRC Customs demonstrating its strong commitment to this regional trade facilitation initiative sponsored by ADB. Taking this opportunity, let us also thank the PRC Customs for fully funding a training seminar to be held in Urumqi in 2006 on WCO's New Framework of Standards and its Common Data Model.

TIR as the Enabler for Regional Transit Development

The importance of PRC's TIR accession and the use of the "TIR Customs Transit System" cannot be overemphasized. The TIR Transit System is the only international transit system in existence. A number of participating countries in our Program are active users of the System, particularly Kazakhstan which issued 17,000 TIR Carnets in 2004, followed by the Kyrgyz Republic (4,900), Azerbaijan (3,900) and Uzbekistan (2,400). Mongolia issued 150 TIR Carnets in 2004 but expects a significant increase with PRC's

accession to the TIR Convention and completion of the Central North-South Corridor Road financed by ADB that will link Russia and PRC's Tianjin Port through Ulaanbaatar. There is broad hope among our participating countries in this Program that with PRC's accession to the TIR Convention and her active use of the TIR Customs Transit System, Central Asia and the Western part of the PRC could regain its glory as the modern silk road for transit trade between East and West, and Mongolia will become a major transit country and will significantly boost her trade through PRC's Tianjin Port. In this regard, we deeply appreciate PRC's accession efforts including holding of a similar event and undertaking feasibility studies sponsored by PRC's Ministry of Communications. Such concerted efforts by relevant ministries in PRC will undoubtedly accelerate the accession process.

TIR as the Catalyst for Regional Cooperation

An effective TIR transit system requires a number of pillars to ensure its secure and effective operations, such as (i) mutual administrative assistance, and recognition of customs controls and seals, (ii) partnership between Customs and trade associations, (iii) risk management, and (iv) use of information technology for data exchanges—all are priority areas of our Trade Facilitation Program. In this sense, the success of the TIR Transit System reflects the success of our Program and deepened cooperation between Customs and trade associations. Our improved knowledge on the TIR will also help us in supporting institutions and cooperation mechanisms for the implementation of the bilateral transit agreements reached among the member countries, and regional transit agreements such as the one being developed under the Greater Mekong Economic Cooperation Program supported by ADB. A transit agreement has no economic impact, unless it can be viably implemented.

To conclude, let me venture to say that TIR as an acronym has quite nicely captured the nature of our trade facilitation program:

We can say that “**T**” stands for **T**ransit development in our Region which is a key priority area of the Program;

“**I**” for **I**nteragency cooperation and partnership with the private sector reflecting our determination to embrace a broad approach for trade facilitation; and

“**R**” for **R**egional customs cooperation, a pillar for regional transit development and a goal of our Trade Facilitation Program

With this note, I wish you success in your deliberations and pleasant stay in this beautiful city!

Thank you very much for your attention.