



TERMS OF REFERENCE
CFCFA Work Group 2
Cross-border and Corridor Development

A. Background

The CAREC Transport and Trade Strategy (TTFS) have three overarching goals:

1. establish competitive corridors across the CAREC region;
2. facilitate efficient movement of people and goods through CAREC corridors and across borders; and
3. develop sustainable, safe, user-friendly transport and trade networks

Through priority trade corridor development, single-window schemes, streamline processing and enhanced interagency coordination, TTFS promotes efficient and effective regional trade logistics development.

CAREC transport and trade facilitation programs promote courses of action to streamline transport, trade logistics, customs, and other trade-related border control operations to increase cross-border trade in Central Asia. Efficient movement of goods and people allows CAREC countries to participate more fully in global supply chains to fuel trade-led economic growth and improved regional living standards.

Border crossing points (BCPs) have been identified as the major bottleneck for transport and trade in the CAREC region. The CPMM program reveals that, for a typical 500 km journey by a 20 ton truck, more than three quarters of the total stopping time, or 25 hours, occurs at BCPs. Of these, more than 18 hours are spent simply waiting for the start of border-crossing formalities. A significant portion of delays is attributable to poor physical infrastructure, low utilization of inspection and information and communication technologies (ICTs), and limited supporting trade logistics facilities at the BCPs.

The lack of logistics facilities, cargo hubs, road side service facilities and truck parks also hinder transport and trade development along CAREC corridors.

B. Objectives of the Cross-border and Corridor Development Working Group

Mission

The mission of the Cross-border and Corridor Development Working Group is to:

- Facilitate the cross border movements of goods and people along CAREC Corridors
- Promote balanced, inclusive and sustainable economic development of cities, towns and villages along CAREC Corridors

Outcome and Impacts

The expected outcome is the creation of efficient and effective transport corridors used for major global and regional trade and for supporting CAREC regional economic development and integration.

C. Participation

Each Executive Board member should serve on at least one working group. All non- Executive Board members should also join at least one specific work group, but not more than two.

D. Scope of Work

To support CAREC corridor development, the working group shall assist CAREC RJC and NJC, as well as member country government agencies to accomplish the following features for each corridor:

- Enables timely, reliable, safe and economical flow of cargo
- Facilitates the flow of critical information to supply chain participants
- Improve the interlinks of different transport modes for seamless door to door movements
- Supports broad based, sustainable growth for both large and small companies and in both urban and rural areas

E. Detailed Tasks

1. Undertaking an assessment of the current state of logistics and transport development along CAREC corridors, focusing on the legal, institutional, and regulatory conditions affecting movement of goods and people (with special emphasis on cross border impediments). The assessment shall include:
 - Identify key factors that impede cross border transport and trade logistics
 - Discover ways to encourage private sector investment on corridor development
 - Apply international experiences (both success and failures) and best practices
2. Reduce impediments to cross border cargo and people movements due to border management processes (customs and other border management agencies). Streamlining tariffs, insurance, licensing and certification requirements. Simplify border management processes. Harmonizing border management laws and regulations.
3. Assist ADB on its Regional Improvement in Border Services (RIBS) program, which includes both BCP infrastructure improvements and Single Window schemes.
4. Recommend hard infrastructure improvements to facilitate cross border movements, including:

- BCP facility design and layout modernization
 - Value creating transport and logistics facilities developments near BCP (e.g. logistical centers, trade centers, manufacturing centers, trans-shipment facilities, multimodal hubs, inland dry ports, container yards and truck parks)
 - Effective, efficient and reliable linkage to different transport modal networks at or near BCP
 - Comfort facilities - like restrooms, truck parks, restaurants and motels
5. Recommend soft infrastructure improvements to facilitate cross border movements, including:
 - Simplified cross border procedures
 - IT systems integrating data from trade related government agencies
 - Electronic filing of data (e.g. customs declarations) with government agencies and electronic approval by government agencies (e.g. permits and licenses)
 - Harmonization of laws, regulations, standards, metrics
 - Improved institutional framework
 6. Propose an effective structure and a coordinated, integrated interagency approach for corridor transport and trade development.
 7. Offer policy recommendations and action plans that can be adopted by CAREC governments to foster trade logistics and multimodal transport development.
 8. Encourages the private sector to participate in corridor development investment
 9. Raise the capability and professionalism of CAREC transport and logistics operators (including logistics training classes, international best practice benchmarking, etc.)
 10. Recommend measures for CAREC governments to track progress in trade logistics development and for private operators to analyze management performance.
 11. Organize workshops for open dialogues between Government agencies and private sector stakeholders. These workshops shall be a key platform for CFCFA to express its views on key transport and trade issues.