



Central Asia Regional Economic Cooperation Program

Reference Document
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November 2014

Trade Facilitation Sector Progress Report and Work Plan (2013–2014)

**Senior Officials' Meeting
Central Asia Regional Economic Cooperation
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I. KEY DEVELOPMENTS

A. Priority Area Implementation

1. This progress report covers activities conducted since submission of the prior progress report to the June 2014 Central Asia Regional Economic Cooperation (CAREC) Senior Officials' Meeting (SOM). The prospective work plan covers activities scheduled to take place over the next six months (November 2014–April 2015).
2. To support implementation of the refined Transport and Trade Facilitation Strategy (TTFS) 2020, the Trade Facilitation Work Plan has been correspondingly refined. Implementation of the three Regional Technical Assistance (RETA) projects, approved last year, funded by Japan Fund for Poverty Reduction (JFPR) for priority areas of customs cooperation, has been launched. Funding has also been secured to sustain the conduct of Corridor Performance Measurement and Monitoring (CPMM) for a further three years.
3. The 13th Annual Meeting of the CAREC Customs Cooperation Committee (CCC) held in Issyk-kul, the Kyrgyz Republic on 22–23 September 2014 focused on how to more effectively implement the three RETA projects using CCC as a platform. The meeting also covered selected integrated trade facilitation issues that significantly involve customs, such as the Regional Improvement of Border Services (RIBS) project. The World Customs Organization (WCO) and Japan Customs representatives provided technical inputs during the meeting. A number of good initiatives were discussed and the expected results can significantly improve trade facilitation in the CAREC region. The CAREC Federation of Carrier and Forwarder Associations (CFCFA) held its 5th annual meeting in Urumqi, PRC, on 1–3 September 2014. CFCFA elected officers and directors, and its working groups developed a work plan for 2015. The meeting coincided with the 4th China Eurasia Expo, affording CFCFA members to attend the Expo and identify business opportunities with other participants at the Expo.
4. Implementation of the initiative on promoting cooperation in sanitary and phyto-sanitary (SPS) measures is on track. An Interim Report has been reviewed by ADB with recommendations for (i) legislative amendments and institutional adjustment, (ii) improved laboratory testing infrastructure and capacity, (iii) enhanced efficiency of border agri-food trade processing operations. ADB anticipates funding investments in CAREC to address SPS identified needs regionally.
5. A study on facilitation on movement of people was presented to the Trade Policy Coordination Committee (TPCC) meeting held in conjunction with the CAREC Senior Officials' Meeting (SOM) in June 2014. The study noted that complex and ambiguous visa issuance rules, limited consular missions, and inadequate facilities at border crossing points (BCPs) impede people movement in CAREC countries. Visa reforms, the use of modern information and communication technology (ICT), and regional cooperation initiatives among immigration agencies and other trade control agencies can help facilitate easier movement of people and expand trade and improve competitiveness of the region.
6. Implementation of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) is high on the agenda of CAREC countries and development partners. Considering that five CAREC countries are WTO members, two are near accession, and others are considering accession, all CAREC countries and their development partners could benefit from the conduct of Trade Facilitation Needs Assessments.

1. Institutional Support

7. The CCC has been one of the longest running sector committees under CAREC. Over the past 13 years the Committee remained very active in advancing the trade facilitation agenda in the region in a coordinated fashion. The annual meetings serve as a useful venue where the members update each other on reforms introduced, issues encountered and solutions undertaken.

8. At the 13th CCC annual meeting, the implementation status of the JFPR funded RETAs which focus mainly on 'at the border' and 'behind the border' issues, including regional transit was also reviewed and next steps discussed. Under the RETA on Aligning Customs Trade Facilitation Measures with Best Practices which supports priority areas such as RKC accession and compliance; CAREC customs authorities reported that almost all countries have amended their customs codes to align them with the Revised Kyoto Convention (RKC) principles, two countries (KGZ and TAJ) are in the final stages of accession to RKC and 2 countries (AFG and UZB) are taking initial steps toward accession. Assessment of existing risk management systems are being undertaken with the help of WCO experts with a view to adopting a more structured approach to managing risk including introduction of the Authorized Economic Operator (AEO) Program (AZE, MON and KAZ) whereby low-risk traders are permitted to operate under less stringent regulatory requirements.

9. The RETA on Coordinated Border Management (CBM) for Results has supported national planning workshops to conduct time release study (TRS) in various countries. On the PRC-MON joint custom control (JCC) pilot, the harmonized cargo manifest is now being used at 4 BCPs and the use of electronic cargo manifest has been launched. A case study will be developed to identify success factors and provide recommendations on expanding the JCC pilots to other BCP pairs in other countries. Results are expected to be presented at a regional workshop in 2015. To move the JCC forward towards a CBM approach, a partnership with the International Organization on Migration (IOM) is being pursued. IOM will help develop an initial standard operation procedures roadmap and conduct joint technical trainings for customs and immigration on CBM.

10. Under the RETA on Facilitation of Regional Transit, a consulting firm has been engaged to implement the RETA. Four main task groups will be created: to identify priority corridors; to develop a pilot regional guarantee scheme along a corridor; to prepare a set of draft requirements for a regional transit regime; and to recommend an ICT system to support a regional transit regime. It was highlighted in the CCC meeting that a common agreement on the principles of a regional transit system needs to be reached.

11. Activities planned for 2014–2015 for CCC include (i) RKC situation/gap analyses for countries in early stage of accession and technical/advisory services to support final accession processes for countries in advanced stage; (ii) assessment of existing risk management systems to formulate improvement plans in selected countries and authorized economic operator (AEO) workshops to introduce trusted traders program as part of their risk management operations; (iii) establishment of the customs information exchange mechanism building on the experience of Afghanistan and Pakistan; (iv) TRS National Planning workshops and case studies in selected BCPs; (v) case study on Mongolia and PRC JCC pilots and formulation of an expansion plan to other pairs of BCPs; (vi) initiation of steps toward CBM including cooperation with immigration authorities; (vii) stakeholder consultations on establishing

efficient transit schemes through the CAREC corridors; and (viii) putting up an information portal for customs law and regulations of CAREC customs authorities.

12. Since its establishment in 2009, CFCFA has steadily grown into a noticeable group in promoting trade facilitation regionally and nationally. CAREC Trade Facilitation continues to build the capacity of CFCFA with the objective of ensuring its self-sustainability. Transfer of custody and concurrent upgrade of the *cfca.net* website to the Tashkent-based Association for Development of Business Logistics (a founding member of CFCFA) was completed in October 2014. Phase 2 of the RETA on Working with the Private Sector in Trade Facilitation will provide resources to engage the services of experts in ensuring the sustainability of CFCFA.

13. CFCFA has three working groups (WGs) established in 2011 to promote standardization and best practices, cross-border and corridor development, and organizational development and funding, respectively. Initiatives implemented by WGs in the past included capacity building workshops and business networking forums. At this year's CFCFA annual meeting, WGs highlighted the need to (i) develop standard training modules; consider alternatives for regional transit as compared to TIR;¹ (ii) push for the development of better insurance products, particularly liability insurance for carriers and freight forwarders; (iii) initiate a project to standardize forms for carrier and forwarding operations under CFCFA; (iv) continue to develop a CAREC corridor e-Atlas to provide detailed information on location of gas stations, rest areas, and road conditions; (v) facilitate pre-arrival declaration, particularly as it relates to rail shipments entering Kazakhstan; (vi) approach Kyrgyz Republic authorities to reclassify the Karamyk border crossing point (on corridors 3 and 5) as international and open it to 3rd country vehicles; and (vii) encourage member associations to post policy and business information on CFCFA web site² as well as start to collect advertisement fees on the web site.

14. A knowledge sharing session on insurance was organized at this year's CFCFA annual meeting and representatives from Sinosure and PICC³ introduced their products on trade finance, equipment lease, receivables, as well as liability insurance for carriers and forwarders. At the moment, liability insurance for carriers and forwarders is not well developed even for domestic markets in many CAREC member countries. There is virtually no such product for cross-border shipping. CFCFA collectively as a group can help insurance companies conduct better actuarial analysis, pre-screen clients, better coordinate with their peers in other countries, and develop cost efficient liability insurance products.

2. Training and Capacity Building

15. Specialized training programs for CAREC customs officers are conducted in cooperation with the Shanghai Customs College and with technical support from the WCO. CAREC Institute has expressed interest in supporting these activities. CFCFA training programs are being developed based on materials and experience generated by the CAREC Institute-sponsored pilot training programs conducted in August 2013. These CFCFA training programs, intended to generate revenue for CFCFA, will be designed and conducted by CFCFA for the benefit of members and other practitioners engaged in the provision of trade logistics services. ADB is also supporting USAID in the conduct of a Logistics Training program in Bishkekin November 2014.

¹ TIR stands for "Transports Internationaux Routiers" or "International Road Transports". It refers to a multilateral treaty on international transport of goods under cover of TIR carnets.

² *cfca.net*.

³ China Export and Credit Insurance Corporation and the People's Insurance Company (Group) of *China*.

16. With support from CAREC Institute, ADB Institute, and the European Union (EU), a second annual CAREC Trade Facilitation Learning Opportunity was conducted in Mongolia in October 2014. Participants representing the public and private sectors benefited from lessons learned by Latvia and Lithuania in modernizing their SPS measures in connection with WTO and EU accession. The learning opportunity used a 2007 World Bank report as a point of departure, following up on a recommendation to share this experience with CAREC countries.

3. Corridor Performance Measurement and Monitoring (CPMM)

17. CPMM collects and analyzes time and cost data on transporting cargo along CAREC corridors, providing intermediate outcome indicators to monitor and evaluate the TTFS implementation, and contributing the trade facilitation indicators (TFIs) for the CAREC Development Effectiveness Review (DEfR).

18. Table 1 shows the levels of TFIs during 2010–2013, as well as during the first six months of 2013 and 2014. Comparing the performance of the first 6 months of 2014 and 2013, TFI1, reversed the trend of 2013 and deteriorated; while TFI2, cost to cross a border, improved. TFI3, cost incurred to travel a corridor section exhibited slight deterioration, and TFI4, speed to travel on CAREC corridor section, remained the same.

**Table 1: Trade Facilitation Indicators for DEfR
(2010–2014H1)**

Indicators	2010	2011	2012	2013	2013 H1	2014 H1	YoY
<u>TFI1</u> Time taken to clear a border crossing (hours)	8.7	7.9	10.9	10	8.5	14.9	76%
<u>TFI2</u> Costs incurred at a border crossing point (\$)	186	156	157	235	249	180	-28%
<u>TFI3</u> Costs incurred to travel corridor section (\$)	712	959	999	1,482	1,228	1,403	14%
<u>TFI4</u> Speed to travel 500 km on CAREC corridor section (kph)	24	22	23	20	21	21	0.3%

TF1 = trade facilitation indicator #1; H1 = first half; YoY = year on year; kph = kilometer per hour.

**The baseline year is set at 2010.*

19. **TFI1: Time taken to clear a border crossing (hours).** The average border crossing time the CAREC corridors was 14.9 hours for the first half of 2014, 76% higher from the same period in 2013. A major cause of the deterioration of TFI1 is the delays at road BCPs such as Torkham (AFG) and Peshawar (PAK) BCPs where crossing time averaged 60 hours and 35 hours respectively. Similar delays were observed at newly included road BCPs, Spin Buldak (AFG) and Chaman (PAK). Other causes of delay are waiting in queues at popular BCPs, loading/unloading, and break in gauge. For rail BCPs, the average clearing time increased from 24.7 to 33.3 hours. This is largely attributable to longer time at Dostyk (KAZ) and Alashankou (PRC) for westbound shipments. On the KAZ side, reasons for delay include busy reloading facilities, lack of available wagons and marshalling, while on the PRC side, trains are restricted to enter into the BCP area. Border crossing time at Corridor 4 BCPs Zhamyn-Uud (MON) and Erenhot (PRC) remained the same: trains spend up to 72 hours at Erenhot (PRC) as goods from MON are transloaded. Increased delays at BCPs connecting to Russia-Belarus-Kazakhstan Customs Union remain significant, particularly in Alashankou for rail.

20. **TFI2: Costs incurred at a border crossing point (\$).** For the first half of 2014, average costs incurred at a BCP decreased by 28% to \$180 compared to the same period of 2013. Lower border-crossing costs were observed at most of the BCPs across CAREC (especially along corridors 1 and 4, and to a lesser extent corridor 2). It is notable that fees were lowered for PRC exports at Khorgos (KAZ) and Torugart (KGZ), particularly loading/unloading fees and lower fees imposed on goods from PRC at ZamynUud along corridor 4. Costs incurred at rail BCPs also declined, mostly noticeable in transloading fees for the break in gauge, and customs inspection fees imposed on KAZ-bound goods at Dostyk (KAZ) along corridor 1.

21. **TFI3: Costs incurred to travel corridor section.** In the first half of 2014, TFI3 presented a 14% increase in nominal terms due to higher transit cost for rail. The increase is more noticeable on corridors 3, 5 and 6. Corridors 1, 2 and 4, on the other hand, recorded decreases in transit cost. Poor road conditions in Tajikistan and reconsolidation of goods in Dushanbe or NizhniPanj for Kabul bound cargoes adds to the total cost of shipment. In addition, quotations for transport services vary depending on the season and the business volume.

22. **TFI4: Average Travelling Speed (kph).** In the first half of 2014, the Speed Without Delay (SWOD) improved (from 36 kph to 41 kph) compared to the first half of 2013. This implies better conditions for road and railway facilitating faster travel along the corridors. Despite the improvement in SWOD, the overall Speed with Delay (SWD) indicator remained the same at 21 kph, affected largely by longer border crossing delays. Travel along Corridors 3, 4, and 5 was faster due to improved road conditions such as the completion of the trans-Mongolian highway in late 2013, but border crossing delays along corridor 5 increased. Meanwhile, rail conditions remain challenging. Freight trains from Russia to PRC via Mongolia can only manage an average SWD of 9.5 kph along corridor 4. West-bound PRC trains on corridor 1 are subjected to long hours of delay at Dostyk (KAZ) due to waiting for reloading (56.3 hours) and waiting for wagons (19.3 hours).

B. Addressing Actions Proposed in the 2012 CAREC Development Effectiveness Review and Ongoing Key Issues

23. Table 2 provides the latest updates for priority actions proposed in the 2012 CAREC DEfR. Table 3 provides updates on actions identified in the Wuhan Action Plan.

Table 2: Priority Actions Proposed in the 2012 CAREC DefR

Priority Action Required	Action Initiated / Completed	Next Step
Review the TTFS and Implementation Action Plan for consideration at the SOM and Ministerial Conference	CAREC Ministers adopted a refined CAREC TTFS 2020 and the Implementation Action Plan in October 2013. The refined TTFS advocates intensified efforts in: (i) customs reform and modernization, (ii) Coordinated Border Management; (iii) national single window development, and (iv) beyond-Customs trade facilitation.	New technical assistance programs are being implemented to support the refined TTFS. To the extent possible, regional CAREC trade facilitation objectives will be reinforced through cross-conditionality embedded in national policy-based lending programs.
Maximize the benefits of CAREC corridors by identifying key nonphysical barriers to cross-border transport and implementing the endorsed approach to corridor-based transport facilitation arrangements.	<ul style="list-style-type: none"> • Consultants are conducting an SPS needs assessment. They presented their interim findings at the CAREC Trade Facilitation Learning Opportunity in Mongolia in early October 2014. • Consultants have been engaged to make recommendations to remove customs-related impediments to transit through the corridors. • Data submissions from partner associations continue to enrich the CPMM database. 	<ul style="list-style-type: none"> • Upon completion of the SPS needs assessment, preparation of a Regional Upgrade of SPS Measures for Trade project will commence.⁴ • CPMM funding for 2015–2017 has been secured. ADB approved Phase 2 of RETA: Working with the Private Sector in Trade Facilitation in October 2014.
To sustain operations growth, (i) update the medium-term priority project list endorsed at the Ministerial Conference of 2012 and (ii) commence mainstreaming priority projects into national development plans of the CAREC countries.	The May 2014 CAREC Transport Sector Coordinating Committee reviewed the list of medium-term priority projects. New project proposals have been submitted and reviewed.	<ul style="list-style-type: none"> • Further work is needed to ensure that regional projects are developed in a collaborative fashion. This is particularly important where cross-border facilities are concerned. • Including regional project proposals in national programs is essential if priority regional projects are to be mainstreamed into national development plans.
To counter the drop in finance mobilization, step up efforts to explore cofinancing opportunities among CAREC	Japan's Trade Facilitation Mechanism has provided \$4.0 million through the JFPR to fund CAREC TAs. Funding from ADB's RCIF and the PRC's PRCF has been secured to support additional	

⁴ ADB's Strategy and Policy Department has made available \$50 million in cofinancing for this project from the Asian Development Fund's subregional allocation. Accessing these funds will require a corresponding allocation of Performance-Based Allocation resources by ADF-eligible country programming teams.

Priority Action Required	Action Initiated / Completed	Next Step
governments, multi- and bilateral institutions, other development partners, and the private sector.	integrated trade facilitation initiatives.	
Ensure relevant sector-focused training and capacity building activities are implemented through the CAREC Institute	CAREC Institute and the CAREC trade facilitation team have been working closely since 2012 to design activities that aim to (i) disseminate more broadly CPMM data analysis and improve/increase its use as a policy development and decision-making tool, (ii) share with senior CAREC officials through Trade Facilitation Learning Opportunities the results of good practice that may be applicable to CAREC countries, (iii) with technical support from WCO, improve capacities of customs to assume their role as trade facilitators, and (iv) build the professional skills and capacity of transport service to complement efforts by governments to streamline procedures and reduce the time and cost of delivering goods to market. CAREC Institute published the proceedings of a learning opportunity to allow CAREC NFPs to benefit from Georgia's experience in implementing trade facilitation reforms. ⁵ Kyrgyz CFCFA members requested for a CPMM seminar akin to that conducted in Almaty in March 2013.	The CAREC trade facilitation team is coordinating closely with CAREC Institute colleagues to ensure that joint initiatives continue to be delivered.

CFCFA = CAREC Federation of Carrier and Forwarder Associations; CPMM = Corridor Performance Measurement and Monitoring; RKC = Revised Kyoto Convention; OSCE = Organization for Security and Cooperation in Europe; Authorized Economic Operator (AEO); TTFS = Transport and Trade Facilitation Strategy; SPS = Sanitary and Phytosanitary; JFPR = Japan Fund for Poverty Reduction; RCIF = Regional Cooperation and Integration Fund; PRCF = Poverty Reduction and Regional Cooperation Fund; WCO = World Customs Organization.

⁵ ADB. 2014. "At the border" and "behind the border": Integrated trade facilitation—reforms and implementation. Workshop Proceedings; Tbilisi, Georgia; 10–13 April 2013. Manila.

Table 3: Actions Identified in the Wuhan Action Plan

Priority Action Required	Action Initiated	Next Step
Renovation of border crossing points (BCPs).	Problematic road and rail BCPs with reported delays ranging from 6 to 60 hours have been identified under the CPMM. The Regional Improvement of Border Services (RIBS) project is improving the physical infrastructure at BCPs along the priority CAREC corridors.	A RIBS Phase 2 can be planned given the new CAREC corridor alignments in Pakistan and Turkmenistan, changing trade patterns, increased trade volumes, evolving country priorities, and construction of new roads.
Adoption of new/amended customs codes	Some CAREC countries have enacted or amended customs codes guided by the RKC. Five CAREC countries have acceded to the RKC; five others are at various stages of the accession process. ADB RETA is helping CAREC customs authorities align their policies and procedures with the RKC.	<ul style="list-style-type: none"> • A training event on sharing RKC accession experience will be organized in November 2014 at the Shanghai Customs College. • RKC situation/gap analyses for non-acceded countries in early stage of accession will be conducted. • Technical/advisory services to support final accession processes for countries in advanced stage will be provided.
Investing in automated Customs information systems	ADB has completed projects for development of automated information systems for the customs services of KGZ, MON, and TAJ. The World Bank is making similar investments in AFG and KAZ. PAK in 2013 introduced its Web-Based One Customs.	<ul style="list-style-type: none"> • PAK–AFG customs have initiated an electronic data interchange project • Design of a regional framework for a customs information exchange mechanism will start next year.
Moving toward establishment of national single windows (NSWs).	The RIBS project in KGZ and TAJ includes NSW development. AZE has introduced its NSW and expanded the number of agencies providing trade-related services via the NSW. The World Bank's Customs Modernization Project for KAZ includes an NSW component. The Republic of Korea's International Cooperation Agency is investing in the development of an NSW for UZB.	The next critical steps will be to initiate information sharing protocols among CAREC countries' NSWs inter alia to augment risk management efforts, support the expansion of AEO programs, enable mutual recognition of laboratory test results for goods subject to SPS measures, etc. on a regional basis.
Upgrading border control risk	Training courses on risk management and customs	Risk management assessment missions will help identify major

Priority Action Required	Action Initiated	Next Step
management systems	modernization for CAREC Customs officials have been conducted. The OSCE, jointly with Swiss Customs, conducted a Risk Management assessment for KGZ in August 2014. A Risk management workshop and assessment was conducted for UZB and KAZ in October 2014. A workshop on introduction of Authorized Economic Operator (AEO) program was organized in AZE in October.	impediments to implementing risk management best practices.

CPMM = Corridor Performance Measurement and Monitoring RKC = Revised Kyoto Convention; OSCE = Organization for Security and Cooperation in Europe; Authorized Economic Operator (AEO) BCP = border crossing points; RIBS = Regional Improvement of Border Services; NSW = national single window.

II. KEY ISSUES FOR GUIDANCE BY THE SOM

24. In the past, ADB's support for regional cooperation and integration (RCI) initiatives largely focused on physical connectivity. The Midterm Review of ADB's Strategy 2020 calls for greater attention to trade facilitation, expanding connectivity and extending value chains, and support for second-generation RCI initiatives focusing on productivity-led growth. Trade facilitation has sometimes been seen as the soft side of transport infrastructure investment by policy makers, almost as an afterthought. CAREC policy makers will need to recognize the significant contribution of trade facilitation and encourage stakeholders both from private and public sectors to work together to achieve greater goals.

25. Some trade facilitation indicators from CPMM have shown deteriorations in 2013 and the 2014 performance is expected to be mixed based on data collected in the first half of 2014. Actual situations on corridors and BCPs differ and overall there are many segments of corridors and pairs of BCPs that have seen improvements of performance due to considerable efforts of CAREC member authorities and stakeholders. The deteriorations of the indicators are mostly due to bottlenecks at certain locations, for certain transport and trade control activities. In addition to more detailed CPMM analysis, additional data collected from the SPS and Regional Transit RETAs, and Time Release Studies can provide more specific information on what and where those bottlenecks are. Based on the results of more detailed analyses and additional data collected, public investments can be planned and supported by ADB such as phase 2 of RIBS and Regional Upgrade of SPS measures for Trade (RUST). Guidance is sought on the need to encourage more CAREC countries to participate in the planning for the RIBS project phase 2 and RUST.

26. The TTFS midterm review revealed that collaboration between customs, other border control agencies such as SPS agencies, immigration, etc., and transport authorities, needs to be strengthened to move towards the CBM approach.⁶ Political will is essential to successfully implement CBM. Establishment/strengthening of interagency national joint transport and trade facilitation committees (NJC) has been introduced as the best international practice and the

⁶ The CBM principles focus on: shared information; shared resources; shared work and shared responsibilities.

June 2013 SOM acknowledged the need for greater cross-sector coordination and private sector participation in trade facilitation. CAREC policy makers' support in cross-agency coordination is appreciated.

27. The RETA supporting improvement of regional transit trade has started implementation. An efficient regional transit system is critical to expanding trade in CAREC and it is necessary to have a common understanding of the concepts and principles by all the stakeholders; to have a regional guarantee system and a comprehensive insurance backup that will be recognized across borders; and a legal framework to support the regional arrangements. This is a great challenge and only possible if CAREC governments strongly support it. CAREC policy makers' commitment and support will be appreciated.

28. An initial examination of the movement and mobility of people within CAREC has been prepared by the Trade Facilitation team and circulated to the TPCC. Complex and ambiguous visa issuance rules, limited consular missions and inadequate facilities at BCPs impede people movement. Visa reforms, use of modern ICT and regional cooperation initiatives can help liberalize movement of people and expand trade and improve competitiveness of the region. Guidance is sought on how best to treat people movement in the CAREC context.

29. Trade facilitation measures should be implemented in better coordination with trade policy reforms. The revised Trade Policy Strategic Action Plan (TPSAP) approved by CAREC ministers in October 2013 complements refinements to the TTFS, and also included issues such as SPS, technical barrier to trade, as well as trade in services. Guidance is sought on how to put in place a better and effective coordination mechanism between CAREC trade facilitation bodies and TPSAP.

30. CAREC development partners are keen to assist with implementation of the various provisions of the Trade Facilitation Assessment (TFA). Sharing the results of the TFA assessment reports may be useful to CAREC countries which have yet to do the assessment and even for countries that have not yet acceded to WTO should they opt to conduct such assessments. The assessment reports can also help better direct investments and technical assistance provided by development partners.

III. CHANGES TO SECTOR ACTION PLAN

31. The Trade Facilitation Work Plan has been updated following formal adoption of the refined TTFS. To complement the piloting of Designated Rail Corridors, CPMM is being expanded to capture more (and more accurate) data on railways. It will be modified also to capture data on the performance of trade logistics services. CPMM will be broadened and deepened by collecting a broader set of variables for policy analysis. To communicate better with policy makers nationally and regionally, CFCFA will provide more customized CPMM results analyses combined with actual stories behind these data. Action to implement the new initiative on SPS is underway and capacity building activities for customs (training on TRS, risk management, customs modernization, and RKC accession and compliance) continue. Further updates will be introduced and reported to the SOM as implementation of the refined TTFS warrants.