



# **Joint Regional Transport and Trade Facilitation Progress Report and Work Plan (November 2009–March 2010)**

**Senior Officials' Meeting on  
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## SUMMARY HIGHLIGHTS

### A. Key Developments

#### 1. Transport:

- Road: By 2009 901 km of the roads sections were built or improved (10% of the sections in the plan) — 25% short of the targeted 1,200km. Some 5,470 km of the road sections are being constructed, of which 1,669 km will be completed in 2010.
- Railway: 781 km railway lines (14% of the railway lines in the plan) were completed — 35% short of the target. Some 310 km are being constructed, of which 227 km will be completed in 2010.
- Aviation, Ports and Logistics Centers: Fifteen projects (5 aviation, 3 ports, and 7 logistics centers) are ongoing.
- Cross Border Transport Agreement (CBTA): Kyrgyz Republic and Tajikistan agreed to most of the Agreement during the 4<sup>th</sup> negotiation meeting in March 2010. CBTA, to be finalized at the 5<sup>th</sup> negotiation meeting in May 2010, is targeted to be signed at the 9<sup>th</sup> CAREC Ministerial Conference in October 2010. Supplementary activities to hasten the implementation of the CBTA at the border-crossing points will be identified at the 5<sup>th</sup> negotiation meeting.

#### 2. Trade Facilitation:

- Substantial progress has been achieved in putting in place the various institutional mechanisms to successfully implement the Transport and Trade Facilitation Strategy (TTFS) and Action Plan. The Regional Joint Transport and Trade Facilitation Committee (RJC) was established on 24 February 2010 at the RJC Meeting in Tashkent, Uzbekistan. At the same meeting, CAREC member countries emphasized the urgent need to revitalize and strengthen the National Joint Transport and Trade Facilitation Committees or similar structures to ensure effective implementation of TTFS at the country level.
- The CAREC Federation of Carrier and Forwarder Associations, the private sector group that is hoped will participate actively in the CAREC trade facilitation program, ratified its Constitution and By-laws and elected a set of officers on 1 March 2010.
- The Customs Cooperation Committee continues to serve as the main platform for customs cooperation initiatives and provides leadership and support to the overall integrated trade facilitation efforts of CAREC. A regional investment project on Border Crossing Point Improvement and Single Window Development (BCPSW) is being proposed to improve the infrastructure and facilities at border crossing points and reduce the administrative burden of providing, collecting, and sharing data on international trade.

## B. Issues

- Slower-than-Targeted Progress: Main causes are weak institutional capacity, insufficient funds, and countries' weak ownership, and limited coordination among donors. It is necessary to identify main causes of slowed progress and recommend midcourse action.
- Inadequate Border Infrastructure and Facilitates: Inadequate border infrastructure and facilitates and complicated border-crossing procedures significantly undermine the potential impact of transport improvement on trade. To realize intended impacts on cross-border trade, infrastructure and facilities at 29 border-crossing points needs urgent improvement.
- Hard and Soft Aspects Needed for the BCPSW: A strategic Regional Approach is needed to maximize regional public goods in the design of the regional BCPSW project. These will include not only infrastructure investments, but also coordinated policy and legal reforms.
- Weak Institutional Capacity: Countries' weak capacity causes piecemeal planning, limited coordination, and inadequate regulation. Strengthening capacity is critical to efficient implementation of TTFS Action Plan.
- Need to develop capacity building framework on Trade Facilitation: to rationalize and synchronize sustainable skills development at national and regional levels that would optimize resources
- Effective role and function of new trade facilitation institutions (RJC, NJC, and CFCFA):
  - Need to maintain the momentum by providing consistent and supportive measures.
  - Need for Strong NJCs, considering their critical role in RJC and implementation at national level
  - Effective CFCFA to become effective advocate of private sector in CAREC process and to serve the needs of its members

## I. INTRODUCTION

1. The Transport and Trade Facilitation Strategy (TTFS) intends to develop the six transport corridors across the CAREC region, and simplify and harmonize regulations on cross-border trade. Its Action Plan, which covers the 10-year period, 2008-2017, will support the TTFS's goal of strengthening the region's competitiveness and expanding trade among CAREC economies and the rest of the world. The Action Plan takes an integrated approach, combining transport investments with trade facilitation initiatives and enhancing the three pillars of the TTFS of infrastructure, management, and technology. Under the Action Plan, a coordinated investment program for 2008–2017 with 65 priority projects was launched in 2008 to construct or improve 7,974 km of road sections, 5,569 km of railway lines, 7 airports, 3 ports, and 7 logistics centers.

2. **Trade Facilitation.** Substantial progress has been achieved in putting in place the various institutional mechanisms to successfully implement the Transport and Trade Facilitation Strategy (TTFS) and Action Plan. The Regional Joint Transport and Trade Facilitation Committee (RJC) was established on 24 February 2010 at the RJC Meeting in Tashkent, Uzbekistan. The RJC Statement, which includes the Committee's terms of reference and work plan for 2010-2011, was approved at the Meeting for submission to the Senior Officials' Meeting (SOM). During the same meeting, CAREC member countries have emphasized the urgent need to revitalize and strengthen the National Joint Transport and Trade Facilitation Committees (NJC's) or similar structures to ensure effective implementation of TTFS at the country level. Meanwhile, the CAREC Federation of Carrier and Forwarder Associations (CFCFA), the private sector group that is hoped will participate actively in the CAREC trade facilitation program, ratified its Constitution and By-laws and elected a set of officers on 1 March 2010. The Customs Cooperation Committee (CCC) continues to serve as the main platform for customs cooperation initiatives and provides leadership and support to the overall integrated trade facilitation efforts of CAREC.

## II. KEY DEVELOPMENTS

### A. Transport

3. By 2009, 901km of the roads sections were built or improved (10% of the sections in the Plan) — 25% short of the targeted 1,200km. Some 5,470 km of the road sections are being constructed, of which 1,669 km will be completed in 2010.<sup>1</sup> Likewise, completed were 781km railway lines (14% of the railway lines in the plan) — 35% short of the target. Some 310 km are being constructed, of which 227 km will be completed in 2010. Fifteen projects (5 aviation, 3 ports, and 7 logistics centers) are ongoing. CAREC corridor maps and tables showing implementation progress are presented in Appendixes 1 and 2. The following summarizes the implementation status for roads, railways, and other sectors:

#### 1. Corridor 1 (Europe-East Asia)

4. Some 108 km of the road sections were improved<sup>2</sup> and 3,380 km are being constructed. Ongoing sections include KAZ's West Europe-West PRC; KGZ's Bishkek-Torugart; and PRC's Korla-Kuqa, Guozhigou-Qin Shiu He, and an access road at Jinghe-Ala Shankou. With another

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<sup>1</sup> By February 2010 of the 26 road investments, 19 are ongoing, 1 completed, and 6 planned for 2011-2017. Of the 22 railway investments, 11 are ongoing, 2 completed, and 9 planned.

<sup>2</sup> They include 80 km of KAZ's West Europe-West PRC and 28km of PRC's Lianyungang–Khorgas expressway.

1,021 km sections to be completed in 2010 (501km in KAZ, 400km in PRC, and 120km in KGZ)<sup>3</sup>, about 30% of the sections in corridor 1 will be improved.

5. Some 668 km of railway lines were completed in PRC: Jinghe-Yining-Khorgas and Wuxi-Jinghe. Civil works for KAZ's Korgas-Zhetygen railway line began and electrifying PRC's Urumqi–Ala Shankou line is underway.

## **2. Corridor 2 (Mediterranean-East Asia)**

6. Some 271 km of the road sections were improved<sup>4</sup> and 731 km are being constructed. KAZ's Aktau-Beineu road project is being prepared for ADB financing and its civil works will start in 2010. Ongoing sections are AZE's east-west highway and KGZ's Osh-Sary Tash-Irkeshtan. With another 231 km sections to be completed in 2010 (131km in AZE, 61km in KGZ, and 40km in UZB), about 36% of the sections in corridor 2 will be improved.<sup>5</sup>

7. About 113 km of UZB's Navoi–Uchkuduk-Sultanuizdag-Nukus railway line was completed. AZE's east–west railway line upgrading and UZB's railways improvement are ongoing.

## **3. Corridor 3 (Russian Federation–Middle East and South Asia)**

8. Some 137 km of the road sections were improved<sup>6</sup> and 406 km are being constructed. Ongoing sections include: AFG's Bala Murghab-Qaisar, Bala Murghab-Leman and Leman-Armalick; and KGZ's Sary Tash-Karamik. With the 82 km sections to be completed in 2010 (41km in AFG, 41km in KGZ), about 43% of the sections in corridor 3 will be improved.<sup>7</sup>

9. Civil works for AFG's Hairatan-Mazar-e-Sharif railway line just began in 2010 and will be completed by early 2011. In 2010 UZB's Yangier-Djizzak line and Yangier-Fakhad line totaling 68 km will be completed.

## **4. Corridor 4 (Russian Federation–East Asia)**

10. By 2009 48 km of MON's 748 km road section was completed. With the 12 km section to be completed in 2010, about 4% of the corridor 3 section will be improved.

## **5. Corridor 5 (East Asia–Middle East and South Asia)**

11. Some 100 km of TAJ's Nurobod-Nimich-KGZ border sections were improved and 185 km are being constructed. Ongoing sections are TAJ's Nurobod-Nimich-KGZ border and Dushanbe-AFG border, and AFG's Pul-e-Khumri–Doshi sections. With the 190 km sections to be completed in 2010 (26km in AFG, 164km in TAJ), about 85% of the sections in corridor 5 will be improved.<sup>8</sup>

<sup>3</sup> They include 501 km of KAZ's West Europe-West PRC, 120 km of KGZ's Bishkek-Torugart, 50 km of PRC's Jinghe-Ala Shankou, 51 km of PRC's Lianyungang-Khorgas Expressway, and 299km of PRC's Korla-Kuqa.

<sup>4</sup> They include 37 km of AZE's east-west highway and 34 km of KGZ's Osh-Sary Tash-Irkeshtan.

<sup>5</sup> They include 130 km of AZE's east-west highway, 61 km of KGZ's Osh-Sary Tash-Irkeshtan, and UZB's 40 km.

<sup>6</sup> They are 20 km of Bala Murghab-Qaisar, 55 km of Naibabad-Hairatan, and 62km of Sary Tash-Karamik.

<sup>7</sup> They are AFG's Bala Murghab-Qaisar (20km), Bala Murghab-Leman (20km), and Leman-Armalick (21km) and 41 km of KGZ's Sary Tash-Karamik.

<sup>8</sup> They are 26 km of AFG's Pul-e-Khumri–Doshi, TAJ's 89km Nurobod-Nimich-KGZ border and 75 km Dushanbe-AFG border.

## **6. Corridor 6 (Europe–Middle East and South Asia)**

12. By 2009 the 237 km road section of TAJ's Dushanbe-UZB border (Chanak) was completed. With the 113 km sections to be completed in 2010, about 98% of the sections in corridor 6 will be improved.

13. Electrifying UZB's railway lines, including three lines, totaling 465 km (Marokand-Karshi, Karshi-Tashguzar, and Tashguzar-Kumkurgan) and 84 km of the Tukimakchi-Angren line, will start in 2010. Civil works for 68 km of UZB's Yangier-Jizak railway lines will start in 2010.<sup>9</sup>

## **7. Ports, Aviation, and Logistics**

14. PRC's Xinjiang airport project (Urumqi international airport and Kashi airport expansion) was almost completed in 2009. Civil works for KAZ's Shymkent airport and UZB's Bukhara airport began in 2009. MON's Olgiy and Khovd Airports were almost completed (about 80% of earth works and runway preparation) and the remaining 20%, mostly concrete placement work, will be completed in 2010. Constructing MON's New Ulaanbaatar international airport is ongoing. Upgrading KGZ's air traffic control system will begin in 2010.

15. Two port projects (northern expansion of KAZ's Aktau port and AZE's Baku international sea- trade port complex) began in 2009. Upgrading AZE's Caspian Sea shipping ferries will begin in 2010.

16. PRC's three ongoing projects include developing freight logistics park (adjacent to airport), expanding the existing freight logistics park (adjacent to border crossing points), and constructing large-scale logistics center in Khorgos, Xinjiang. Developing MON's three free trade zones will start in 2010.

## **8. Progress on the Cross Border Transport Agreement**

17. The Cross Border Transport Agreement (CBTA) was developed to ease cross-border movements along the CAREC corridors. The key elements of CBTA are simplifying and harmonizing procedures and regulations on cross-border trade. During the 4<sup>th</sup> negotiation meeting in March 2010, KGZ and TAJ agreed to most of the Agreement. The CBTA, which is expected to be finalized at the 5<sup>th</sup> negotiation meeting in May 2010, is targeted to be signed at the 9<sup>th</sup> CAREC Ministerial Conference tentatively scheduled for October 2010. Supplementary activities to hasten the implementation of the CBTA at the border-crossing points will be identified at the 5<sup>th</sup> negotiation meeting.

## **B. Trade Facilitation**

18. During the period October 2009 to April 2010, the trade facilitation program of the TTFS Action Plan focused on establishing and strengthening the cooperation institutions and mechanisms necessary for successfully implementing the Action Plan, namely the Regional Joint Transport and Trade Facilitation Committee (RJC), the National Joint Transport and Trade Facilitation Committees (NJC) and the CAREC Federation of Carrier and Forwarder Associations (CFCFA). Work has also continued satisfactorily on the Corridors Performance Measurement and Monitoring (CPMM) program and the pilot testing of joint customs control (JCC) and regional transit schemes.

<sup>9</sup> Electrification of UZB's 250km Tashguzar-Boysun-Kumkurgan (ongoing) is not included since no data is reported.

19. The CAREC trade facilitation (TF) team started laying the groundwork for the establishment of the RJC in early 2009. At the RJC meeting held on 24 February 2010 in Tashkent, Uzbekistan, the RJC Statement<sup>10</sup> was formally endorsed. Several countries sent ministerial level representatives to the meeting. The objective of the RJC is to provide regional leadership in coordinating the implementation of the TTFS Action Plan as well as to address issues of common interest pertaining to the removal of barriers to trade and transport in the CAREC region. The RJC is comprised of representatives of NJCs and related regional groupings under the CAREC umbrella.<sup>11</sup> As its success will be critically dependent on the success of NJCs at the country level, it recommended that individual countries work with ADB to revitalize and strengthen their respective NJCs. The meeting also agreed to recommend to the SOM the following four indicators for the trade facilitation component in the CAREC Results Framework: (i) time taken to clear border crossings; (ii) costs incurred for border crossing clearances; (iii) speed taken to travel corridor sections; and (iv) costs incurred traveling on corridor sections.

20. The CFCFA is expected to bring the private sector's voice into the CAREC trade facilitation process. It held its first meeting on 1 March 2010 in Almaty, Kazakhstan to approve its Constitution and Rules of Procedure,<sup>12</sup> and elect officials and Executive Board Members. Most CFCFA members are also participating in the CPMM activities. Mr. N. K. Issingar, Chairman of the Kazakhstan Freight Forwarder Association, and former Deputy Primer Minister and Minister of Transport of Kazakhstan, was elected as the Chairperson. Mr. Lin Zhong, Deputy Secretary General of the China International Freight Forwarders Association, was also elected as the Vice Chairperson.

21. The CAREC CPMM program regularly collects and analyzes transport and border crossing data on time and cost in six CAREC transport and trade facilitation corridors to identify and address bottlenecks. The third CPMM workshop was held in Almaty on 2 March 2010 aimed at improving the quality of data collection and at gathering detailed feedback on some specific statistical results. The workshop also discussed indicators to be used for trade facilitation in the CAREC Results Framework, and the plan to enhance partner associations' capacities to conduct their own country-level analyses. The CPMM was started in April 2009. The first report, covering data collected during the second quarter of 2009, was issued prior to the SOM in October 2009. The 2009 3rd Quarter Report which covers the period July-September 2009 has been finalized. Some of the major findings include:<sup>13</sup>

- Waiting at border crossing points (BCPs) is the major cause of delay – about 14 hours for road and 11 hours for rail
- The transport cost for road travel is about 58 percent of total cost while cost of activities is 42 percent. Escort services is a major cost item for both road and rail transport.
- Using the TIR carnet significantly reduces time spent on customs related procedures but at a higher cost.

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<sup>10</sup> The RJC Statement is in Attachment 1.

<sup>11</sup> Such as the Customs Cooperation Committee (CCC), Trade Policy Coordination Committee (TPCC), Transport Coordination Committee (TSCC), and CFCFA.

<sup>12</sup> The Minutes the Meeting and the Constitution are in Attachment 2.

<sup>13</sup> Major findings and a more detailed report will be presented separately to the SOM

**Table 1: Comparison of CPMM 2<sup>nd</sup> Quarter and 3<sup>rd</sup> Quarter Results**

	3 <sup>rd</sup> Quarter 2009	2 <sup>nd</sup> Quarter 2009
No of Time Cost Distance (TCD) data submitted	574	345
Reduction in Gross Speed due to stops	14%-75%	32%-49%
Average net road speed	39 kph	21.6 kph
Average cost of road transport (per 500km/20ton-load)	\$375.05	\$405.58
Average cost of activities (per 500km/20 ton-load)	\$270.63	\$236.99

CPMM will continue for at least 5 years and quarterly results will be used to reflect seasonal variations and compose annual averages for contributing to CAREC Results Framework.

22. ADB proposed a regional investment project on “**Border Crossing Point Improvement and Single Window Development (BCPSW),**” which has been included in the TTFS Action Plan, in response to preliminary findings of the CPMM which identified BCPs as major bottlenecks in transport and trade in the CAREC region. A significant portion of delays is due to poor physical infrastructure, poor utilization of inspection and information communication technologies, and inadequate trade logistics facilities at the BCPs. The proposed project will include BCP infrastructure improvements, development of trade logistics support services adjacent to BCPs, support for National Single Window (NSW) development, and support for the development of a regional platform to achieve interoperability among NSWs. The project aims to maximize the regional public goods feature of BCP and SW development through a regional approach.<sup>14</sup> It is envisaged that at least 7 CAREC member countries will participate in the project.<sup>15</sup>

23. Customs cooperation is another key component of the trade facilitation program of CAREC. The 8<sup>th</sup> CCC Meeting held in Dushanbe, Tajikistan on 15-16 September 2009, noted the need to improve BCPs along the identified CAREC transport and trade corridors and suggested the expansion of Joint Customs Control (JCC) pilot tests. It also recommended the replication of successful regional transit schemes for wider application in the region, and supported the adoption of international best practices and standards in NSW development, mainly through the use of standardized data and the strengthening of information exchange among CAREC members.

24. Significant progress has been made in the area of JCC. A pilot-test program between Mongolia and PRC customs, which was officially launched in 15 December 2009, is now underway and a memorandum of understanding (MOU) on the harmonization of cargo manifests was signed on 12 December 2009. Meanwhile, a "safe packets" pilot project that was introduced at three border posts between Kyrgyz Republic and Kazakhstan yielded positive results and it was proposed that the use of "safe packets," which are a more cost-effective way for the small carriers and forwarders to transport cargo, be expanded. To measure the impact of JCC pilot projects, the ADB has engaged an international consultant to develop a means for assessing quantitative improvements accruing from the pilot projects and also come up with a similar monitoring mechanism for the 'safe packets' pilot project on regional transit systems.

25. A workshop to develop a better approach to capacity building based on training needs assessments for customs, integrated trade facilitation and transport was held in Tashkent on 25

<sup>14</sup> BCPs need to be coordinately developed on both sides of the border and along CAREC corridors. SWs need to allow networking and interoperability regionally to give maximum benefits to the transport and trading community.

<sup>15</sup> Azerbaijan has indicated it might not participate in the project.

February 2010. New approaches will seek to rationalize and synchronize skills development efforts of these related sub-sectors. The capacity building work program for 2010 will focus on developing a few selected priority courses for maximum impact.

26. Coordination with other development partners is being strengthened. The World Customs Organization (WCO) has been participating in CAREC customs cooperation activities and has expressed an interest in formally institutionalizing collaborative arrangements with ADB through an MOU. The United States Agency for International Development (USAID) is launching a regional trade facilitation and customs modernization project in Kazakhstan, the Kyrgyz Republic, and Tajikistan. Potentials for cooperation for ADB in this initiative are in the areas of strengthening NJCs and improving the NSW policy and operational environment in the three countries. The United Nations Economic and Social Commission for Asia-Pacific (UNESCAP) and United Nations Economic Commission for Europe (UNECE) have also been consulted and involved in various CAREC TF activities. ADB will co-organize the Asia-Pacific Trade Facilitation Forum and Exhibition 2010 (APTFF 2010) with UNESCAP in September or October 2010.

### III. ISSUES

27. **Transport.** Following are key issues relating to transport:

- **Slower-than-Targeted Progress.** Only 32% of the road sections in the Action Plan is expected to be completed in 2010. Work progress varies by corridor, with 98% of the sections in corridor 6 and 4% in corridor 4 completed. Improving railway lines is slow: only 4% of the railway plan will be completed in 2010. Lines using private sector investment are slowest. Main causes are weak institutional capacity, insufficient funds, and weak ownership of countries, and limited coordination among donors. It is necessary to recommend midcourse actions to address slowed implementation progress.
- **Inadequate Border Infrastructure and Facilitates.** Trade facilitation requires balanced improvement on infrastructure, management, and technology. Inadequate border infrastructure and facilitates as well as complicated border-crossing procedures significantly undermine the potential of transport improvement on trade. To realize intended impacts on cross-border trade, infrastructure and facilities at 29 border-crossing points needs urgent improvement.
- **Weak Institutional Capacity.** Capacity to implement the TTFS Action Plan remains weak. This causes piecemeal planning, limited coordination, and inadequate regulation.

28. **Trade Facilitation.** The following key issues need to be prudently and effectively addressed to ensure a successful 2010 – 2011 work program:

- **Maintaining the momentum of new trade facilitation institutions.** Consistent and supportive measures are needed to keep the momentum of newly established institutions, such as RJC/NJCs and the CFCFA, going.
- **Need for Strong NJCs.** NJCs are critical not only for a representative and effective RJC at the regional level, but most importantly, also for the effective coordination and

implementation of national level transport and trade facilitation initiatives as part of the CAREC TTFS Action Plan, and therefore must be revitalized and strengthened.

- **Hard and Soft Aspects Needed for the BCPSW.** A strategic regional approach is needed to maximize regional public goods in the design of the regional BCPSW project. These will include not only infrastructure investment, but also coordinated policy and legal reforms.
- **Need for Effective Private Sector Advocacy.** The CFCFA needs to become an effective representative of the private sector's voice within the CAREC process and, at the same time, be sustainable and serve their members' needs.
- **Need to Develop Capacities.** A capacity building framework that will rationalize and synchronize sustainable skills development at national and regional levels is necessary to optimize resources.

#### IV. WORK PLAN

##### A. Transport

29. Priority areas for 2010 include:

- Midcourse actions for transport component of TTFS implementation
- Improving infrastructure and facilities at border-crossing points and harmonizing procedures on cross-border trade, to visualize synergy trade effects of improved transport infrastructure

30. Activities in priority areas to deliver key outputs include:

- Establish a monitoring system for transport component of TTFS implementation
- Undertake an interim assessment of implementation progress
- Prepare the transport sector progress report and hold the 10th Transport Sector Coordination Committee meeting in July 2010
- Expand the application of CBTA to other CAREC countries
- Improve infrastructure and facilities at cross-border points: TAJ-AFG (corridor 5), KGZ-TAJ (corridor 5), KGZ-PRC (corridor 1), KAZ-UZB (corridor 6)
- Seek external funding to fill a financing gap
- Conduct training on simplified and harmonized procedures at cross border points, adequate management of road assets, and integrated development planning.

31. Outputs envisaged for the 10<sup>th</sup> CAREC Ministerial Conference include:

- Interim assessment and midcourse measures for the Implementation of the Transport and Trade Facilitation Strategy
- Signing of CBTA between KGZ and TAJ
- Infrastructure and facilities improvement investment at the cross-border points
- Signing of AFG's 55km Naibabad-Hairatan section

## B. Trade Facilitation

32. Trade facilitation priorities for 2010 include:<sup>16</sup>

- ADB working closely with the RJC and respective NJCs at the country level for the preparation of proposed regional BCPSW project. Loans under the project are expected to be approved in 2011.
- CPMM program continuing into its second year, during which a performance review of the partner associations will be made; additional carrier or forwarders associations will be invited; and efforts will be made to streamline data collection and enhance the quality of analysis, particularly at the country level. In addition, the WCO's time release study at BCPs will be introduced at selected BCPs to support the formulation of the BCPSW project.
- Seminars and workshops to enhance capacities of NJC/RJC members will be held in coordination with development partners. Technical and specific customs and trade facilitation courses will be conducted in cooperation with international customs training institutes.
- Support for country-level activities for revitalization, consolidation and strengthening of national transport and trade facilitation bodies into NJCs.
- The conduct of regular and special meetings of RJC, CFCFA and CCC to review implementation status of respective work programs and provide updates to the SOM.
- The conduct of a number of seminars and capacity building activities that are in the pipeline for 2010, including the following
  - Seminar on "**Building Seamless Connections for New Prosperity – the CAREC Vision**" in conjunction with ADB 43<sup>rd</sup> Annual Meeting in Tashkent, Uzbekistan;
  - Review of Joint Customs Control and "safe packets" pilot testing;
  - Single Electronic Window Seminar: Azerbaijan Case Study; and
  - BCP and Trade Logistics Seminar: Time Release Method, Logistics Performance Index and Logistics Mapping and Investment.

33. The measures recommended to address key issues listed above are the following:

- Promote and support political will, strong leadership, effective organizational structure, concrete and achievable work programs with performance targets, and sustainable funding for RJC/NJCs and the CFCFA. The proposed regional BCPSW project will be a good case for these institutions to work on and to build trust among their respective members. The success of the regional BCPSW project will be critically dependant on the effective functioning of the RJC and NJCs.

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<sup>16</sup> CAREC Customs and Trade Facilitation Updates and Work Program 2008 can be found in CAREC Website: <http://www.adb.org/documents/events/2008/7th-CAREC-Ministerial-Conference/default.asp>

- Consolidation and strengthening of existing NJC types of groupings in CAREC member countries. ADB and other donor partners will need to develop tailor-made programs to make sure NJCs are truly consolidated, revitalized, strengthened, and functioning.
- Review and coordination at the country level of investment plans for BCPs and NSWs by the appropriate NJCs to ensure all stakeholders views are fully taken into account, and at the regional level by the RJC to ensure coordinated investment and development on both sides of borders and along relevant corridors. The RJC can also be used as a platform for developing free trade agreements that will allow mutual recognition of electronic transfer of data, which is necessary for developing a regional platform linking NSWs.
- Provision by ADB of sufficient support to CFCFA, particularly on their participation and contribution to the CAREC process. ADB, however, would need to keep at an appropriate distance from the organization to encourage it to organize its own work program and find a revenue model that will be sustainable and of use to its memberships' needs.
- The setting up of working groups at the NJC level to develop national capacity building work plans and coordinate with the RJC on regional trainings and skills development.