



Regional Technical Assistance Report

Project Number: 40015
November 2007

Integrated Trade Facilitation Support for Central Asia Regional Economic Cooperation

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
ASEAN	–	Association of Southeast Asian Nations
CAREC	–	Central Asia Regional Economic Cooperation
CCC	–	Customs Cooperation Committee
EurAsEC	–	Eurasian Economic Community
GTZ	–	Deutsche Gesellschaft für Technische Zusammenarbeit
PRC	–	People’s Republic of China
RETA	–	regional technical assistance
TA	–	technical assistance
TFCCC	–	Trade Facilitation and Customs Cooperation Committee
TFS	–	trade facilitation strategy
TIR	–	Transports Internationaux Routiers (International Road Transit)
UNECE	–	United Nations Economic Commission for Europe
UNESCAP	–	United Nations Economic and Social Commission for Asia and the Pacific
WCO	–	World Customs Organization

TECHNICAL ASSISTANCE CLASSIFICATION

Targeting Classification	–	General intervention
Sector	–	Industry and trade
Subsector	–	Trade
Themes	–	Sustainable economic growth, regional cooperation, capacity development
Subthemes	–	Promoting economic efficiency and enabling markets; trade and investments; client relations, network, and partnership development.

NOTE

In this report, “\$” refers to US dollars.

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I. INTRODUCTION

1. This regional technical assistance (RETA) will support the implementation of the trade facilitation aspects of the Transport and Trade Facilitation Strategy endorsed by the Sixth Ministerial Conference on Central Asia Regional Economic Cooperation (CAREC) held in Dushanbe, Tajikistan on 3 November 2007. The Design and Monitoring Framework is in Appendix 1.¹

2. The Asian Development Bank (ADB) has been playing a major role in support of a regional and concerted approach for trade policy reforms and trade facilitation. Initially, the program comprised seven ADB developing member countries: Azerbaijan, People's Republic of China (PRC), Kazakhstan, Kyrgyz Republic, Mongolia, Tajikistan, and Uzbekistan.² Afghanistan later joined CAREC in 2005. The program has been coordinated by the Customs Cooperation Committee (CCC), consisting of the heads of customs administrations of the nine participating countries. The CCC endorsed an action plan in its first meeting in Urumqi, PRC in August 2002.

3. ADB has served as the secretariat of the CCC, and supported the regional trade facilitation program through five loans and two regional technical assistance (RETA) projects.³ The short- to medium-term objectives of the CCC are to promote concerted customs reforms and modernization, and to serve as a regional forum to address issues of common interest. The priority areas were proposed by participating member countries to the CCC, taking into consideration changing country and regional priorities and circumstances.

II. ISSUES

4. The CCC has been successful in: (i) establishing a cooperative spirit among the region's customs officials; (ii) introducing international best practices; (iii) achieving bilateral agreements; (iv) formulating appropriate strategies and sequencing of activities with clearly identified goals, objectives, outputs, and activities; and (v) building good organizational structures for regions customs equipped with skilled human resources.

5. However, a more coordinated and consistent approach is needed across all CCC members for simplification and harmonization of customs procedures and practices. Project implementation capability needs to be strengthened to reduce overreliance on donor support. Better and effective coordination is also needed with other trade related agencies and stakeholders for integrated trade facilitation, where customs may provide a leadership role. While training and studies are necessary, achieving results on the ground is critical to sustain the momentum of the trade facilitation program.

¹ The RETA first appeared in *ADB Business Opportunities* on 9 November 2007.

² Turkmenistan, as an observer of CAREC, has been attending the Customs Cooperation Committee (CCC) meeting and other activities on a regular basis.

³ ADB. 2006. *Regional Technical Assistance for Trade Facilitation and Customs Cooperation*. Manila (RETA No. 6058), approved on October 2002, for \$2,000,000; ADB. 2004. *Regional Technical Assistance for Regional Trade Facilitation and Customs Cooperation (Phase II)*. Manila (RETA No. 6203), approved on December 2004, for \$900,000; ADB. 2002. *Technical Assistance to Kyrgyz Republic for Regional Trade Facilitation and Customs Cooperation Program*. Manila (Loan No. 1926-KGZ(SF)); ADB. *Technical Assistance to Tajikistan for Regional Trade Facilitation and Customs Cooperation Program*. Manila (Loan 1927-TAJ(SF)); ADB. 2004. *Technical Assistance to Kyrgyz Republic for Regional Customs Modernization Loan*. Manila (Loan No. 2113-KGZ(SF)); and ADB. 2004. *Technical Assistance to Tajikistan for Regional Customs Modernization*. Manila (Loan No. 2114-TAJ(SF)), both approved on November 2004; ADB. 2006. *Technical Assistance to Mongolia for Customs Modernization Project*. Manila (Loan No. 2307-MON(SF)), approved on December 2007.

6. After years of reform and intensified regional cooperation efforts, the participation of Central Asian countries in global production networks and related international trade remains limited.⁴ Despite their geographical proximity, trade between the Central Asian countries and Afghanistan remains limited. The exports of Central Asian economies are dominated by a small number of primary products and there has been limited success in diversifying exports. The degree of integration in the global economy has been disappointing, largely because trade has been obstructed by unnecessary high costs of trade. Some of these costs derive from the CAREC countries' landlocked situation, which makes trade and transit problems especially severe.

7. Trade facilitation plays a vital role for the CAREC countries, especially in expanding intra- and inter-regional trade, which is perceived to spur investments and economic growth in the long term. The benefits from the removal of deficiencies and inefficiencies in cross-border trade can be much greater to stakeholders than the removal of tariff barriers.⁵ Trade facilitation relates to a wide range of activities such as import or export procedures (e.g., customs or licensing procedures); transport formalities; and payments, insurance, and other financial requirements. It is distinguished from trade policy, as reflected in legislated tariff rates or nontariff barriers to trade, and from the hard infrastructure of roads, ports, etc. An alternative way of delimiting trade facilitation, which is useful in the CAREC context, is to distinguish between trade costs that arise because of (i) lack of integrated border management, so that complex procedures at the border, or in preparation for crossing the border, impose time and money costs on traders; (ii) lack of coordination between the two sides of the border; and (iii) behind-the-border trade costs.

8. Studies have documented the excessive border delays and large number of forms needed by importers and exporters in the region. At most borders, it is necessary to comply with a range of procedures in addition to customs—including animal quarantine, inspection of plants and other agricultural materials, checking of drivers' licenses, axle loads, and compliance with other rules of the road. Simplification and harmonization of these procedures are a core business of trade facilitation. International agreements on standardized forms⁶ can help, but a key requirement is the need to shift policy emphasis to place more weight on trade facilitation rather than trade control. In addition, behind-the-border trade costs, especially the frequent road checks that are often accompanied by an official or unofficial fine, are endemic and considerably raise the cost of doing business in the region. This must be dealt with primarily at the national level.

9. During the CAREC Ministerial Conference in Urumqi, PRC in October 2006, the ministers called for action to overcome trade and other impediments to development. The draft TFS was considered at the Sixth Meeting of the CCC on 6–7 September 2007 in Manila, Philippines. The CCC broadly endorsed the key elements of the TFS and recommended that a

⁴ One indication of this is the relatively low degree of intra-industry trade. The Grubel-Lloyd index shows that Azerbaijan, Kazakhstan, and Tajikistan are involved in intra-industry trade to a much lesser degree than the PRC and, while intra-industry trade is relatively high for resource-based, unskilled labor-intensive products, it is low for skilled-labor and technology-intensive products (ADB. 2006. *Central Asia: Increasing Gains from Trade through Regional Cooperation in Trade Policy, Transport and Customs Transit*. Manila.). The PRC has become much more involved in international production networks over the last decade, but these are primarily with countries in East and Southeast Asia and only involve Xinjiang to a limited degree.

⁵ Trade and Investment Division. 2006. *Trade Facilitation in Selected Landlocked Countries in Asia*. Bangkok: United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP).

⁶ WCO and the Eurasian Economic Community (EurAsEC) are working with the United Nations Economic Commission for Europe (UNECE) to harmonize regional data and document standards.

time-bound action plan be prepared for implementation of the TFS. The draft TFS was later presented to the CAREC Senior Officials' Meeting on 8–9 September 2007 and obtained its endorsement. A key feature of the TFS is to concentrate trade facilitation reforms along the designated CAREC transport corridors. It also proposes a results based approach to monitor travel time and costs along the priority corridors, and envisages strengthening interaction with both international technical agencies and regional organizations.

10. Guidance from the CAREC Senior Officials' Meeting included: (i) placing emphasis on the role of trade facilitation in improving the competitiveness of CAREC countries' goods and services; (ii) the need to take account of the different level of development of CAREC countries; (iii) the desirability of coordinating with non-CAREC neighboring countries and subregional organizations; (iv) addressing integrity issues more explicitly; (v) supporting bilateral agreements and accession to multinational agreements; (vi) improved coordination among CAREC sector committees; (vii) the importance of supporting logistics development; and (viii) the importance of improving national coordination of the range of agencies involved in trade facilitation.

11. Customs cooperation will remain the core of the TFS. The medium-term objective will be to promote concerted customs reforms and modernization, with the Trade Facilitation and Customs Cooperation Committee (TFCCC), with an expanded mandate for integrated trade facilitation, serving as a regional forum to address issues of common interest. The process of changing the culture of customs administrations from control orientation to compliance facilitation, which is crucial, has begun. The strategy will support this process. The TFCCC will also assist in establishing or strengthening national trade facilitation committees in CAREC countries. Participation in the national committees will be tailored to ensure effective functioning within each country's relevant government and other structures. Lastly, the trade logistics component of the strategy will facilitate the development of an efficient regional logistics industry. The work program, which will be closely coordinated with related efforts of the CAREC transportation facilitation program, will include (i) establishment of a regional forum to harmonize and plan trade logistics development; (ii) support for national level trade logistics assessments; and (iii) facilitation and financing of key investments, including public-private partnerships.

12. ADB has been working closely with WCO and the World Trade Organization from the beginning of the CAREC trade facilitation program for joint studies and seminars. ADB has also cooperated with the United Nations Economic Commission for Europe (UNECE), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), and Eurasian Economic Community (EurAsEC), including implementation of joint programs. The World Bank, United Nations Development Programme, and European Commission—as well as some bilateral donors such as German development cooperation through GTZ and the State Secretariat for Economic Affairs (SECO) of Switzerland—are also active in trade facilitation and transit trade programs in the CAREC region. The new strategy envisages continued cooperation with these organizations.

III. THE PROPOSED TECHNICAL ASSISTANCE

A. Impact and Outcome

13. The impact of the proposed RETA is sustained economic growth and improved living standards through the expansion of international and intra-regional trade. The outcome is greater volume of trade, intra- and extra-regionally, due to time and cost savings achieved from harmonized cross-border regulations, procedures, and standards; and improved logistics.

14. The expected outputs of the RETA include (i) strengthened customs cooperation as the core program of the trade facilitation strategy, (ii) expanded scope of the work program to address broader issues of trade facilitation, (iii) focusing trade facilitation efforts on the CAREC transport corridors, (iv) adoption of a results-based approach in monitoring time and cost savings as the key indicators of the program, (v) support for logistics assessments and planning focusing on priority corridors and developing national and regional implementation strategies to facilitate trade, (vi) support for bilateral initiatives among CAREC countries with sharing of experience, (vii) enhanced partnership between CAREC's participating multilateral institutions and key international agencies supporting customs reform, trade facilitation, and logistics development in the region, (viii) dialogue and cooperation with the private sector, which would help formulate and utilize trade facilitation measures, (ix) capacity-building activities in areas of integrated trade facilitation as well as in broader areas related to trade and transport facilitation,⁷ and (x) knowledge products such as policy and strategic papers, publication of analytical pieces, and presentation at conference on issues of customs cooperation, integrated trade facilitation, and trade logistics issues.

B. Methodology and Key Activities

15. The following actions will be undertaken:

- (i) Promoting concerted customs reform and modernization and serving as a regional forum to address issues of common concern, focusing on tasks of (a) harmonization of custom procedures and documentation; (b) customs automation; (c) data exchange; (d) joint customs control; (e) risk management, post-entry audit, and customs intelligence; (f) regional transit development; (g) frameworks for customs cooperation; and (h) training.
- (ii) Supporting an integrated trade facilitation approach by (a) establishing a regional mechanism for integrated trade facilitation to complement and strengthen the CCC process; (b) establishing national transport and trade facilitation committees; (c) establishing one-stop and single electronic window services; (d) enhancing cooperation in other trade related areas (such as quarantine, sanitary and pseudo sanitary) as well as those behind the border issues (such as product standards and other technical barriers to trade); (e) priority trade facilitation support for the designated CAREC transport corridors; (f) bilateral initiatives to pilot test an integrated trade facilitation approach; (g) accession to international conventions in support of integrated trade facilitation; (h) establishing a technical level forum for the range of agencies involved in providing trade facilitation support to the region to improve coordination and develop good practice models; and (i) managing for results through establishing a

⁷ ADB is running a set of streamlined training programs through the CAREC Institute. The institute can also play an instrumental role in disseminating information on the monitoring of transport corridors through the portal, forums, and publications. Part of its role could be to support think tanks in the region and they could play a role in analyzing the issues and problems involved with making improvements to the passage of vehicles on the monitored transport corridors.

- monitoring mechanism to measure performance (including time/cost/distance surveys, user surveys and administrative data from national agencies).
- (iii) Developing efficient regional trade logistics industries to (a) establish a regional forum to harmonize and plan trade logistics development; (b) support national level trade logistics assessments; and (c) facilitate and assist to finance key investments, including public-private partnerships.

16. The proposed RETA has been designed and will be implemented in close coordination with the CAREC regional transport cooperation program. Studies such as WCO's time release analyses will be conducted for six CAREC transport corridors, and trade facilitation measures will be introduced. The RETA will also support strengthening of trade and transport facilitation committees.

C. Cost and Financing

17. The total cost of the TA is estimated at \$3,600,000 equivalent, of which \$3,000,000 equivalent is proposed to be provided by ADB on a grant basis from ADB's TA funding program. The governments participating in the RETA will contribute around \$600,000 equivalent in total by providing counterpart staff; office space; and support for training, seminars, and conferences. The TA will primarily finance the costs of the conferences, seminars, and training, as well as administrative costs associated with TFCCC annual meetings. Details of the cost estimates are in Appendix 2.

D. Implementation Arrangements

18. ADB will be the Executing Agency for the RETA. The Country Coordination, Regional Cooperation, Governance, Finance and Trade Division of the East Asia Department will administer and implement the RETA with support from the Central and West Asia Department, concerned customs administrations, and other stakeholders. No activity in the territory of a country will be financed by ADB under the RETA unless such member country has concurred to such financing.

19. The RETA will require 50 person-months (25 international and 25 national) of intermittent consulting services. There is a separate budget to engage additional international and national specialists for specific technical areas during implementation, as the need arises. Consultants and resource persons will be specialists in the areas of customs reform and modernization, integrated trade facilitation, and regional trade logistics. In view of the RETA's varied activities, consultants and resource persons will be selected and engaged on an individual basis in accordance with ADB's *Guidelines on the Use of Consultants* (2007, as amended from time to time). The outline terms of reference for consultants and resource persons are in Appendix 3. Procurement of equipment under the RETA will be undertaken in accordance with ADB's *Procurement Guidelines* (2007, as amended from time to time). Implementation is expected to cover 3 years from January 2008 to December 2010.

IV. THE PRESIDENT'S RECOMMENDATION

20. The President recommends that the Board approve the provision of technical assistance not exceeding the equivalent of \$3,000,000 on a grant basis for Integrated Trade Facilitation Support for Central Asia Regional Economic Cooperation.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions
<p>Impact Sustained economic growth and improved living standards through the expansion of international and intra-regional trade</p>	<ul style="list-style-type: none"> • Greater competitiveness and greater volumes of trade among CAREC economies and with the rest of the world 	<ul style="list-style-type: none"> • Trade statistics and reports by relevant agencies and statistics offices of member countries 	<p>Assumption</p> <ul style="list-style-type: none"> • Public and private financial resources are made available • Stable global economy
<p>Outcome Greater volume of trade intra- and extra-regionally from time and cost savings—resulting from harmonized cross-border regulations, procedures, and standards; and improved logistics</p>	<ul style="list-style-type: none"> • Significant reduction in transaction costs and time • Moving toward free movement of goods and businesspeople • Improved transparency of laws, regulations, procedures, and forms 	<ul style="list-style-type: none"> • Direct and indirect sources of trade statistics and performance analyses • TA completion report 	<p>Assumption</p> <ul style="list-style-type: none"> • Coordination with international institutions • Governments remain committed to implement the strategy
<p>Outputs 1. Customs Cooperation To promote concerted customs reform and modernization, and to serve as a regional forum to address issues of common interest</p>	<ul style="list-style-type: none"> • Simplification/harmonization of customs procedures and documentation <ul style="list-style-type: none"> – Cargo manifest harmonized – Accession to Revised Kyoto Convention • Customs automation <ul style="list-style-type: none"> – Automation system adopted (Kyrgyz Republic, Tajikistan) and upgraded (Mongolia) • Data exchange <ul style="list-style-type: none"> – Data elements for cargo manifests and customs declaration harmonized – Technology solutions for data exchange agreed bilaterally • Joint customs control <ul style="list-style-type: none"> – Pilot testing implemented and extended to other countries • Risk management, post-entry audit, and customs intelligence <ul style="list-style-type: none"> – Risk management practices adopted and upgraded • Regional transit development <ul style="list-style-type: none"> – PRC's accession to TIR Convention – Bilateral/trilateral transit agreements signed and implemented • Framework for customs cooperation <ul style="list-style-type: none"> – Bilateral agreements on mutual administrative assistance and customs cooperation signed and implemented 	<ul style="list-style-type: none"> • Progress reports by consultants and the implementing agencies • Supervision by review missions 	<p>Assumptions</p> <ul style="list-style-type: none"> • Acceptance and implementation of sound recommendations by relevant government agencies • Timely availability of required data, and good participation of stakeholders

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions
<p>2. Integrated Trade Facilitation To support an integrated trade facilitation approach through interagency cooperation and partnership with the private sector</p> <p>3. Trade Logistics To facilitate the development of an efficient regional logistics industry</p> <p>4. Knowledge Products</p>	<ul style="list-style-type: none"> • Training and capacity building <ul style="list-style-type: none"> – Training provided to both senior and mid-level customs agencies in the designated priority areas. At least a dozen officials participated in training activities in each CAREC member country. • Establish regional mechanism for integrated trade facilitation to complement and strengthen the CAREC Customs Cooperation Committee process • National (transport and) trade facilitation committees established • Establish one-stop and single electronic window services • Priority trade facilitation support to the designated CAREC transport corridors • Bilateral initiatives to pilot integrated trade facilitation approach • Accession to international conventions in support of integrated trade facilitation • Technical level forum for the range of agencies involved in providing trade facilitation support to the region established to improve coordination and develop good practice models • Monitoring mechanism established to measure performance including time/cost/distance surveys, user surveys, and administrative data from national agencies • Provide a regional forum to harmonize and plan trade logistics development • Support national level trade logistics assessments • Facilitate and finance public-private partnerships • Knowledge products generated such as policy and strategic papers, publication of analytical pieces, and presentation at conferences on issues of customs cooperation, integrated trade facilitation, and trade logistics issues 	<ul style="list-style-type: none"> • Progress reports by consultants and the implementing agencies • Supervision by review missions • Progress reports by consultants and the implementing agencies • Supervision by review missions • Progress reports to knowledge products committee • Supervision by review missions 	<ul style="list-style-type: none"> • Acceptance and implementation of sound recommendations by relevant government agencies • Timely availability of required data, and good participation of stakeholders • Acceptance and implementation of sound recommendations by relevant government agencies • Timely availability of required data, and good participation of stakeholders

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions
<p>Activities with Milestones</p> <p>1.1 Provide consultation and advisory support for pilot initiatives with regard to simplification/harmonization of customs procedures including PRC and Kazakhstan, and PRC and Mongolia.</p> <p>1.2 Sponsor training programs on adoption of WCO data model in CAREC member countries and provision of technical support to participating countries on data exchange, including Kyrgyz Republic, Uzbekistan, Tajikistan, and Kazakhstan.</p> <p>1.3 Organize seminars on integrated border management and field visits to ASEAN border crossing points focusing on customs automation and joint customs control.</p> <p>1.4 Organize seminar/forum on risk management, post-entry audit, customs intelligence, with an aim to kick start some pilot programs.</p> <p>1.5 Share experience of TIR application among members for harmonization of approaches for regional transit, and study the use of "safe packets" for movement of goods across border crossing points along the six identified corridors in the region, as proposed by Kazakhstan.</p> <p>1.6 Co-organize seminars and workshops with PRC customs for seminar and mid-level customs officials on general customs administration issues.</p> <p>2.1 Organize activities to foster synergy between the TFCCC and transportation facilitation committee's work program.</p> <p>2.2 Establish a regional mechanism for integrated trade facilitation where one-stop and single electronic window services could be one area of the targeted work program.</p> <p>2.3 Support accession to international conventions in support of integrated trade facilitation.</p> <p>2.4 Organize seminars/workshops on tools and methodologies used in UNESCAP's time/cost-distance methodology and WCO's time-release study.</p> <p>2.5 Conduct studies and surveys on the border crossing points along each of the identified six CAREC corridors.</p> <p>2.6 Establish a monitoring mechanism to measure performance, including time/cost/distance surveys, user surveys, and administrative data from national agencies.</p> <p>3.1 Conduct national trade logistics studies for all CAREC participating countries in 2008.</p> <p>3.2 Identify logistics service requirements at border posts, including logistics centers and logistics related basic infrastructure.</p> <p>3.3 Assist in the establishment of cooperation mechanism among CAREC members for trade logistics development.</p> <p>3.4 Organize conferences to present the key findings and recommendations of these studies to the CAREC participants, which will help them in their efforts to develop an integrated approach to trade facilitation and logistics development.</p> <p>4 Disseminate best practices and facilitate high-level policy dialogues through knowledge products such as strategic publications, policy and strategy papers, conferences, and targeted media actions.</p>		<p>Inputs</p> <ul style="list-style-type: none"> • ADB grant: \$3,000,000 equivalent • Governments' in-kind support: \$600,000 • In-kind contribution of other stakeholders • The TA fund will primarily finance the costs of the conferences, seminars, and training, as well as administrative costs associated with TFCCC annual meetings 	

ADB = Asian Development Bank, ASEAN = Association of Southeast Asian Nations, CAREC = Central Asia Regional Economic Cooperation, PRC = People's Republic of China, TA = technical assistance, TFCCC = Trade Facilitation and Customs Cooperation Committee, TIR = Transports Internationaux Routiers (International Road Transit), UNESCAP = United Nations Economic and Social Commission for Asia and the Pacific, WCO = World Customs Organization.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Total Cost
A. Asian Development Bank Financing ^a	
1. Consultants	
a. Remuneration and Per Diem	
i. International Consultants	750
ii. National Consultants	150
b. International and Local Travel	170
c. Reports and Communications	50
2. Equipment	10
3. Training, Seminars, and Conference	
a. Facilitators (Interpreters and Translators)	100
b. Training, Seminars, and Conferences	1,000
4. Miscellaneous Administration and Support Costs	40
5. Resource Persons	300
6. Publications	50
7. Contingencies	380
Subtotal (A)	3,000
B. Government Financing	
1. Office and Logistical Support	180
2. Training, Seminars, and Conference	180
3. Counterpart Staff, and Administrative and Translation	180
4. Contingencies	60
Subtotal (B)	600
Total	3,600

^a Financed by the Asian Development Bank's technical assistance funding program.
Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. International Consultants (25 person-months)

1. International consultants in the following areas of expertise, as well as resource persons, will be recruited on an individual basis. The person-months indicated are primarily for planning purposes. Sufficient flexibility based on periodic progress assessment will be allowed in determining the duration of expertise inputs required. The international consultants will be under the supervision of the Asian Development Bank (ADB) task manager(s). The reporting requirement will be given to each consultant engaged and it will generally include inception, interim, and final reports. The consultants and resource persons are also expected to prepare training materials and conduct training sessions; and perform other tasks as requested by the ADB task manager. In addition to their professional contributions, all consultants and resource persons are responsible to assist ADB in dissemination of best practices and facilitating high-level policy dialogues through knowledge products such as strategic publications, policy and strategy papers, conferences, and targeted media actions.

1. Customs Cooperation (10 person-months)

2. The consultants will

- (i) provide consultation and advisory support for pilot initiatives with regard to simplification and harmonization of customs procedures, including PRC and Kazakhstan, and PRC and Mongolia;
- (ii) recommend measures to integrate customs regulations and procedures with that of other trade related agencies, such as quarantine, sanitary and pseudo sanitary, and product quality inspection agencies;
- (iii) sponsor training programs on adoption of the World Customs Organization (WCO) data model in Central Asia Regional Economic Cooperation (CAREC) member countries; and provide technical support to participating countries on data exchange, including between Kyrgyz Republic and Uzbekistan, and between Tajikistan and Kazakhstan;
- (iv) continue to support development of the customs automation plans in selected CAREC countries, including an architectural design and integration plan based on best international practices;
- (v) organize seminars on integrated border management and field visits to Association of Southeast Asian Nations (ASEAN) border crossing points, focusing on customs automation and joint customs control;
- (vi) formulate risk management strategies appropriate for each country, including identification of risk areas, selectivity, risk profiling, and targeting;
- (vii) organize seminars on risk management, post-entry audit, and customs intelligence, with an aim to kick-start some pilot programs;
- (viii) assess the effectiveness of individual countries' customs intelligence systems, and data and intelligence sharing mechanisms among customs administrations and various law enforcement agencies;
- (ix) share experience of Transport Internationaux Routiers (TIR) application among members for harmonization of approaches for regional transit, and study the use of "safe packets" for movement of goods across border crossing points along the six identified corridors in the region, as proposed by Kazakhstan; and
- (x) co-organize seminars and workshops with People's Republic of China (PRC) customs for seminar, and mid-level customs officials on general customs administration issues.

2. **Integrated Trade Facilitation** (8 person-months)

3. The consultants will

- (i) organize activities to foster synergy between the Trade Facilitation and Customs Cooperation Committee (TFCCC) and transportation facilitation program;
- (ii) establish a regional mechanism for integrated trade facilitation where one-stop and single electronic window services could be one area of the targeted work program;
- (iii) support accession to international conventions in support of integrated trade facilitation;
- (iv) organize seminars and workshops on tools and methodologies used in the time/cost-distance methodology of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and WCO's time-release study;
- (v) support bilateral initiatives to pilot test integrated trade facilitation approach;
- (vi) support priority trade facilitation activities for the designated CAREC transport/economic corridors;
- (vii) conduct studies and surveys on the border crossing points along each of the identified six CAREC corridors; and
- (viii) establish a monitoring mechanism to measure performance, including time/cost/distance surveys, user surveys, and administrative data from national agencies.

3. **Trade Logistics** (7 person-months)

4. The consultants will

- (i) conduct trade logistics studies for CAREC participating countries to
 - (a) identify policy, institutional, and financial issues regarding logistics industry development in CAREC member countries;
 - (b) compile a preliminary list of public investment projects as well as public-private partnership projects for logistics industry development for CAREC governments to consider;
 - (c) address containerization issues such as demand, cost, and benefits; and multimode transport of containers;
 - (d) assist in developing master plans for logistics industry development with particular attention to public infrastructure and logistics platform for trade logistics providers; and
 - (e) assist in the development of the regional trade logistics system in the region with matching transportation network centers;
- (ii) identify logistics service requirements at border posts (including logistics centers, logistics related basic infrastructure, and logistics companies) in improving efficiency of the customs clearance;
- (iii) recommend ways to improve the efficiency of financial services for logistics operations, focusing on cross-border financial services;
- (iv) conduct institutional capacity building activities for the logistics industry, including public education, vocational training, job markets and funding, as well as establishment of logistics training centers;
- (v) organize conferences to present the key findings and recommendations of these studies to CAREC participants, which will help them in their efforts to develop an integrated approach for trade facilitation and logistics development; and
- (vi) assist in the establishment of cooperation mechanism among CAREC members for trade logistics development.

B. National Consultants (25 person-months)

5. National consultants and resource persons will be recruited to assist the international consultants. The national consultants will have extensive and in-depth regional and local knowledge, and good contacts in various areas of customs operations, trade facilitation, and trade logistics. The national consultants will be guided and supervised by the respective international consultants, whom they are expected to support by, among others, translating various documents into English; researching and compiling government policies, regulations, and adopted procedures; and ensuring that work by the international consultants is appropriate to the regional situation.