

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: Regional Cooperation and Operations Coordination Division (SERC)

TA No., Country and Name		Amount Approved: \$225,000	
TA 8190-MYA: Trade Facilitation Support for ASEAN Economic Community Blueprint Implementation (Myanmar)		Revised Amount: N.A.	
Executing Agency: Asian Development Bank	Source of Funding: Japan Fund for Poverty Reduction	Amount Undisbursed \$75,124.80	Amount Utilized: \$149,875.20
TA Approval Date: 8 October 2012	TA Signing Date: 20 February 2013	Fielding of First Consultant: 25 October 2013	TA Completion Date Original: 31 October 2013 Actual: 31 October 2014 Account Closing Date Original: 31 October 2013 Actual: 31 March 2015
Description <p>The TA was processed to supplement TA 8079-REG: Trade Facilitation Support for Association of Southeast Asian Nations (ASEAN) Economic Community (AEC) Blueprint Implementation (Greater Mekong Subregion/Indonesia–Malaysia–Thailand Growth Triangle (GMS/IMT–GT) and include Myanmar into the region-wide transport and trade facilitation (TTF) efforts. The TA was expected to contribute to improve the capacity of Myanmar Customs Department (MCD) to benchmark trade facilitation services by conducting time release studies (TRS) and to help MCD align the regulatory framework of its Customs operations with international standards.</p>			
Expected Impact, Outcome and Outputs <p>The expected impact of the TA is to improve Customs operations in Myanmar. The envisioned outcome of the TA is enhanced readiness of Customs administration to improve trade facilitation. The TA is designed to deliver two outputs: (i) trade facilitation indicators established through TRS; and (ii) regulatory framework and operations of Customs reviewed.</p>			
Delivery of Inputs and Conduct of Activities <p>The TA design was adequate and its scope and implementation arrangements were appropriate. The overall performance of ADB as the Executing Agency was satisfactory. The Myanmar Resident Mission (MYRM) provided logistical support in the conduct of the workshops and in coordinating with MCD and other concerned government agencies. The performance of the consultants was satisfactory and the three planned workshops were well organized. There were substantial savings at TA completion due to lower than expected cost of consulting services. In-kind contributions from MCD and tapping into the pool of experts from the World Customs Organization (WCO) and the Customs and Tariff Bureau, Ministry of Finance, Japan (CTB/JMOF) for technical support also contributed to the savings. The TA was to be implemented over a period of 12 months, with completion in October 2013. Due to late receipt of the no objection letter from the Government of Myanmar, TA implementation was delayed, and hence TA completion date was extended to 31 October 2014.</p> <p>The TA provided assistance to MCD in conducting the first-ever TRS in Myanmar. A national TRS planning workshop was held in November 2013. The CTB/JMOF and the WCO were invited to share their knowledge about TRS and explain TRS data requirements and methodologies. Other government agencies (OGA) as well as the private sector such as the Myanmar Customs Brokers Association (CBA) and representatives from the shipping and airlines industries participated. The TRS was conducted at three locations in March 2014: (i) at the Asia World Port Terminal (ii) the Yangon International Airport Warehouse; and (iii) the Muse Border Checkpoint. These locations are centers of trade for sea, air, and land transport modes. The results and findings of the TRS were disseminated and ways to improve trade facilitation were discussed at a conference held in Yangon in September 2014. More than 80</p>			

participants from the MCD, OGAs as well as representatives from the business and trading communities participated.

To facilitate Myanmar's ratification of the Revised Kyoto Convention (RKC), a national workshop was organized, in cooperation with the WCO and Japan International Cooperation Agency, and held at the MCD in May 2014. The WCO shared information and knowledge about RKC including its benefits to the MCD, OGAs and the CBA. An initial review of Myanmar's Customs regulatory framework in light of the RKC was also undertaken during the national workshop. The review identified the legal gaps between the provisions of RKC and current Customs laws and administrative orders. A draft action plan was developed as a result of the review to facilitate Myanmar's accession to RKC.

Evaluation of Outputs and Achievement of Outcome

The TA is very timely and relevant. It was among the first TAs approved in 2012 soon after ADB resumed operations in Myanmar. The TA successfully delivered the two expected outputs. The TRS was completed and its results and recommendations published and disseminated at the Conference on 26 September 2014 in Yangon. The main recommendations in the TRS Report are to rollout Myanmar's Automated Cargo Clearance System, introduce the authorized economic operator concept, and continue training in key areas. The review of the regulatory framework and operations of Customs was also achieved and an action plan was completed. The initial regulatory gap analysis helped MCD officials understand the benefits of RKC as well as the required changes to Myanmar's existing regulations on Customs operations. An RKC working group in MCD was established to implement the action plan to enable Myanmar's accession into the RKC.

Overall Assessment and Rating

The TA is rated successful in view of relevance, good quality of outputs, and positive impact. The TA enabled MCD to develop preliminary trade facilitation indicators that are compliant with international standards and methodologies, and hence useful for comparative analytics. The initial regulatory gap analysis and the subsequent action plan will be inputs to a comprehensive assessment on Myanmar's regulations to identify specific measures and other concrete forms of intervention necessary for Myanmar's accession to RKC.

Major Lessons

The implementation of the TA highlighted a few lessons. Conducting the first-ever TRS was a challenge for MCD. Hands-on support by the TRS expert helped MCD conduct and complete the TRS efficiently and effectively. Being the first initiative that highlighted the importance of TRS in facilitating trade, the conduct of the TRS was strongly supported both by the government and the private sectors.

Communication and coordination were significant challenges in TA implementation. The number of government officials with English proficiency was limited, and therefore, translator services were critical. Direct face-to-face meetings were often the most effective and efficient means to get information. Closer coordination with MYRM will be continued to help alleviate some of these communication difficulties.

Recommendations and Follow-Up Actions

It is recommended that ADB continue to provide support to help Myanmar carry out the Action Plan for its accession to RKC and monitor the status of its implementation. As an initial response to this recommendation, a minor change in implementation arrangements was approved to include Myanmar in TA 8079-REG, thereby enabling ADB to continue providing support to Myanmar on its accession to the RKC. It is further recommended that a follow-on TA be provided in time for the conduct of the next TRS in 2017, since the Myanmar Automated Cargo Clearance System is being introduced in 2016.

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