

# **Trade Facilitation Activities of Asian Development Bank**

**Regional Organization Cooperation  
Mechanism for Trade Facilitation (ROC-TF)  
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# Overview

- GMS (Greater Mekong Subregion): 1992
  - Cambodia, PRC (specifically Yunnan Province and Guangxi Zhuang Autonomous Region), Lao PDR, Myanmar, Thailand, and Viet Nam.
- BIMF-EAGA (Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area): 1994
  - Brunei Darussalam, Indonesia, Malaysia, and Philippines.
- SASEC (South Asian Association for Regional Cooperation): 1996
  - Bangladesh, Bhutan, India, and Nepal.
- CAREC (Central Asia Regional Economic Cooperation ): 1997
  - Afghanistan, Azerbaijan, PRC, Kazakhstan, Kyrgyz Republic, Mongolia, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan.



# Background of GMS

- GMS program includes several sectors (in terms of investment): Transport (79%); Energy (17%); others (4%)
- GMS Program on Trade and Transport facilitation mainly has been focused CBTA.
  - Major coverage of GMS CBTA are:
    - single-stop, single-window inspection
    - facilitation of the cross-border movement of persons
    - transit traffic regimes, including exemptions from physical customs inspection, bond deposit, escort, and phytosanitary and veterinary inspection (Customs Transit System);
    - requirements that road vehicles must meet to be eligible for cross-border traffic
    - Exchange of commercial traffic rights
    - infrastructure, including road and bridge design standards, road signs, and signals

# Recent Development of GMS

- 2012 Projects in Trade Facilitation
  - Improved SPS in Cambodia (\$11.41 mn) and Lao PDR (\$14.46 mn)
- GMS Strategic Framework 2012-2022
  - New sector programs: tourism, environment, agriculture
  - Urban services: water and sanitation, feeder roads, transport such as railways
  - Technologically smart investments in energy and telecommunications
  - Green technology
  - Policy and institutional reforms – software that supports the infrastructure hardware
  - Knowledge management and partnership

Source: ADB. 2012. Greater Mekong Subregion Twenty Years of Partnership



# Background of BIMP-EAGA

- Fundamental objective
  - To close the development gap across and within the EAGA member countries as well as across the ASEAN-6 member states.
- Four Strategic Pillars
  - Enhanced connectivity
    - Trade facilitation
  - Food basket strategy
  - Tourism development
  - Environment
- Priority economic corridors
  - West Borneo Economic Corridor (WBEC)
  - Greater Sulu Sulawesi Corridor (GSSC)
- The Involvement of ADB
  - ADB was requested to provide assistance in developing priority economic corridors in BIMP-EAGA

Source: BIMP-EAGA Implementation Blueprint 2012-2016

# Recent Development of BIMP-EAGA (1)

- Customs, immigration, quarantine and security (CIQS)
  - A means to facilitate the cross-border flow of goods and peoples to, from, and within BIMP-EAGA
  - CIQS Task Force was created after the 6<sup>th</sup> Summit in October 2009
  - MOU on CIQS Harmonization was endorsed at the 18<sup>th</sup> Senior Official's Meeting and 14<sup>th</sup> Ministerial Meeting in August 2009. Scope of cooperation:
    - facilitating more efficient intra- and extra-industry trade and cross-border movement of peoples
    - strengthening the security of trade and transport activities

# Recent Development of BIMP-EAGA (2)

- BIMP-EAGA Implementation Blueprint 2012-2016
  - Kuala Lurah Border Crossing Facility (Brunei Darussalam)
  - Pandaruan Bridge (Brunei Darussalam )
  - Pontianak-Entikong Transport Link (Indonesia )
  - Palawan Ports Development Program (Philippines)
  - First Equator Asia Access Forum and Airline CEOs Summit (BIMP-EAGA)
  - Trans Borneo Power Grid: Sarawak-West Kalimantan Power Interconnection (Indonesia and Malaysia)
  - ICT Rural Outreach Program (Brunei Darussalam and Philippines)
  - Intelligent Clearance Identification (Brunei Darussalam and Malaysia)
  - Strengthening and Improvements in CIQS Procedures (BIMP-EAGA)



# Background of SASEC

- The Genesis
  - In 1996 four of the seven member countries of the South Asian Association for Regional Cooperation (SAARC), formed the South Asian Growth Quadrangle (SAGQ)
    - Bangladesh, Bhutan, India, and Nepal,
  - This subregional initiative was endorsed at the SAARC summit in Malé, Maldives in 1997.
- Sectoral Focus
  - Energy
  - Trade Facilitation
  - Transport
- The Involvement of ADB
  - The four member countries requested ADB's assistance in facilitating their economic cooperation initiative.
  - This request led to the implementation of the SASEC program.



# Recent Development of SASEC

- Trade Facilitation Framework
  - Modern and efficient customs agencies
  - Streamlined and transparent regulations and procedures
  - Enhanced service orientation
  - Transport agreements
- Trade Facilitation Program
  - Bangladesh (\$21 mn)
    - accession/implementation of RKC
    - Implementation of SAFE Framework
    - Piloting of NSW, Risk Management
  - Nepal (\$15 mn)
    - Customs Reform and Modernization Plan
    - E-customs masterplan
    - Piloting of NSW, Client Service Centers
  - Bhutan (\$11.67 mn)
    - Customs module of RAMIS
    - National TF Committee



# Background of CAREC

- Four pillars of CAREC activities:
  - Knowledge/capacity building
    - CAREC Institute
  - Regional infrastructure networks
  - Trade, investment and business development
  - Regional public goods
- Joint efforts:
  - ADB
    - 2006: \$5 mn – Customs Modernization Project (MON)
    - 2008: \$8 mn – Regional Customs Modernization and Infrastructure Development Phase II (TAJ)
  - EBRD: Guarantees for trade finance
  - World Bank: customs modernization (KAZ)

Source: CAREC Comprehensive Action Plan

# Recent Development of CAREC

- CAREC 2020: A Strategic Framework for the CAREC Program 2011–2020
  - CAREC 2020 provides the strategic framework for the Program's next 10 years.
  - It reflects the required enhancements in the Comprehensive Action Plan, which defined priorities for cooperation, to move the Program toward its vision of *Good Neighbors, Good Partners, and Good Prospects*.
- Ongoing Transport Projects with ADB Participation in 2012
  - CAREC Corridor 6 Improvement Project
  - Dushanbe-Uzbekistan Border Road Improvement Project
  - CAREC Corridor 2 Road Investment Program, Project 3



# For Further Details

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