



Regional: Strengthening Trade Facilitation in the GMS through Partnerships with the Private Sector

Project Name	Strengthening Trade Facilitation in the GMS through Partnerships with the Private Sector	
Project Number	46191-001	
Country	Regional	
Project Status	Active	
Project Type / Modality of Assistance	Technical Assistance	
Source of Funding / Amount	TA 8707-REG: Strengthening Trade Facilitation in the GMS through Partnerships with the Private Sector	
	Japan Fund for Poverty Reduction	US\$ 1.50 million
Strategic Agendas	Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development	
Sector / Subsector	Industry and trade - Industry and trade sector development - Trade and services	
Gender Equity and Mainstreaming	No gender elements	
Description	<p>Facilitating cross border trade in the Greater Mekong Subregion (GMS) is essential to ensure the transformation of existing transport corridors into economic corridors. The GMS Economic Cooperation Program Strategic Framework 2012-2022 (GMS Strategic Framework) has prioritized the development of the major GMS transport corridors into economic corridors, and emphasizes that improvements in transport and trade facilitation are essential to the transformation process. GMS Customs administrations are responsible for the clearance of goods at border crossings and play a critical role in trade facilitation. Currently, there are efforts focused on modernizing, streamlining and harmonizing complex customs and other trade-related procedures and documentation requirements which, taken together, impose significant transaction costs on the private sector involved in cross border trade. While improvements in Customs operations and services can help to facilitate cross border trade, greater engagement with the private sector is also essential for facilitating trade. The GMS Business Forum (GMS-BF) pointed out at the third GMS Economic Corridors Forum in June 2011 that there is a need for greater inputs from the private sector on how best to facilitate cross border trade. The GMS Freight Transport Association (GMS FRETA) was established as a subsidiary body of the GMS-BF in 2012 to enable the trade-related private sector to identify issues and solutions concerning cross-border trade in the GMS. Considering that the private sector is the primary engine for trade activities, the private sector is a key source of practical means and measures to facilitate trade. The trade-related private sector can help to identify bottlenecks to border trade, define realistic targets for improvement, and propose practical solutions for simplifying and streamlining trade regulations, procedures, and documentation to import and export goods.</p> <p>Customs administrations have also come to understand the importance of promoting private sector participation and partnerships in trade-related supply chains. One such partnership is the Authorized Economic Operator (AEO) scheme, under which compliant traders can utilize simplified Customs procedures. However, certain segments of the private sector, especially small-and-medium-sized enterprises (SMEs), are usually less aware of Customs procedures, regulations and standards. This also hampers the access of SMEs to regional and global markets. Customs administrations need to employ more effective public relations strategies to reach out to the private sector, particularly SMEs, in order to provide them with necessary and timely information, and help them better understand and comply with the Customs requirements.</p>	
Project Rationale and Linkage to Country/Regional Strategy	The objective of the R-PATA is to promote greater dialogue and partnership between Customs administrations and the trade-related private sector in the 5 GMS countries in order to identify and remove constraints to cross border trade. More efficient trading of goods across GMS border crossings will contribute to economic corridor development.	

Impact	Partnerships are forged between customs administrations and the trade-related private sector, thereby facilitating the cross-border movement of goods along economic corridors.
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Project Outcome

Description of Outcome	Established or strengthened schemes and measures for customs administrations to better coordinate with the private sector for more effective trade facilitation
Progress Toward Outcome	Project implementation has been focusing on Myanmar and Viet Nam, as there was little progress in other countries. A number of key initiatives are introduced in each country that are expected to be sustained beyond the project.

Implementation Progress

Description of Project Outputs	Trade facilitation constraints and solutions are identified via surveys of the trade-related private sector. Capacity and procedures of customs administrations improved to enable more effective partnership and engagement with the trade-related private sector
Status of Implementation Progress (Outputs, Activities, and Issues)	<ol style="list-style-type: none"> 1. Trade survey had been conducted in Myanmar and Viet Nam in 2015 and 2016. Based on the survey findings, multiple initiatives have been developed in partnership with relevant government agencies to address the identified constraints. 2. Capacity building programs for trade-related private sector, Customs officers and Other Government Agency officials to strengthen their understanding and coordination to facilitate international trade supply chains have been delivered, namely (i) implementation of WTO Valuation Agreement; (ii) International Trade Supply Chain (ITSC); and (iii) possible training, testing and licensing schemes for Customs brokers. In Myanmar, the ITSC Working Group has been institutionalized in January 2017 with limited project's technical support, bringing together ITSC stakeholders from both public and private sectors to review ITSC processes and initiate actions to improve their efficiency. 3. The further development of Authorised Economic Operators (AEO) schemes in Myanmar has made most significant progress, with complementing capacity building programs to be delivered to ensure their efficient and effective implementation.
Geographical Location	

Summary of Environmental and Social Aspects

Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	

Stakeholder Communication, Participation, and Consultation

During Project Design	Various consultation with Customs administrations in participating countries were undertaken.
During Project Implementation	Initial consultation with Customs administrations, trade ministries and related stakeholders were conducted throughout the implementation period to deliver the relevant project activities.

Business Opportunities

Consulting Services	A total of 106 person-months of consultancy services will be engaged consisting of 21 person-months of international consultancy and 85 person months of national consultancy. International consultancy inputs consist of 16 person-months for a Team Leader and Customs Specialist and 5 person-months for resource persons. National consultancy inputs consist of 65 person-months for 5 Trade Facilitation Country Specialists and 20 person-months for a Project Administrator.
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Responsible Staff

Responsible ADB Officer	Nguyen, Hung Ba
Responsible ADB Department	Southeast Asia Department
Responsible ADB Division	Public Management, Financial Sector and Trade Division, SERD
Executing Agencies	<i>Asian Development Bank 6 ADB Avenue, Mandaluyong City 1550, Philippines</i>

Timetable

Concept Clearance	18 Jan 2013
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Fact Finding	12 Jul 2013 to 18 Jul 2013
MRM	-
Approval	22 Aug 2014
Last Review Mission	-
Last PDS Update	30 Mar 2017

TA 8707-REG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
22 Aug 2014	-	22 Aug 2014	31 Aug 2016	31 Aug 2017	-

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
0.00	1,500,000.00	0.00	0.00	0.00	0.00	1,500,000.00	22 Aug 2014	1,380,353.29

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Request for Information	http://www.adb.org/forms/request-information-form?subject=46191-001
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