# Regional: Strengthening Institutional Knowledge and Capacity of Customs Administrations for Trade Facilitation within the Association of Southeast Asian Nations

Project Name	Strengthening Institutional Knowledge and Capacity of Customs Administrations for Trade Facilitation within the Association of Southeast Asian Nations				
Project Number	46192-001				
Country	Regional				
Project Status	Active				
Project Type / Modality of Assistance	Technical Assistance				
Source of Funding / Amount	TA 8709-REG: Strengthening Institutional Knowledge and Capacity of Customs Adminsitrations for Trade Facilitation within ASEAN				
	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				
Sector / Subsector	Industry and trade - Industry and trade sector development - Trade and services				
Gender Equity and Mainstreaming	No gender elements				
Description	Trade and investment is one of the four pillars of ADB''s Regional Cooperation and Integration Strategy. The ASEAN Trade in Goods Agreement (ATIGA) and other free trade agreements have led to a reduction in tariff barriers across Southeast Asia but intraregional trade remains less than 30% of total ASEAN trade . Customs, as one of the key trade facilitation enforcement agencies, should play a leading role to facilitate intra/extra regional trade. However, the performance of Customs administrations in the region requires considerable improvement. As trade facilitation is increasingly recognized as an important policy tool to regional integration and development, there is an urgent need to upgrade the capacity of Customs administrations in the region. Facilitating trade in the region is particularly important in building a well-connected and integrated ASEAN. The ASEAN Economic Community (AEC) Blueprint further points out that trade facilitation is a primary means towards free flow of goods, and identifies policy and procedural measures for Customs that are critical to facilitate trade. ADB has been supporting trade facilitation initiatives in the region mainly through subregional cooperation programs, but further efforts are required to accelerate the achievement of the AEC. Regional knowledge sharing and capacity-building on best practices in Customs administration is essential for addressing trade facilitation issues. Knowledge sharing on trade facilitation can also contribute to enhanced coordination of border management and operations within and among countries. Therefore, it is desirable to build a knowledge platform for trade facilitation so that all related information can be consolidated and shared among all relevant stakeholders and partners. Knowledge sharing and capacity building also needs to be tailored in accordance with the level of development in the region, as well as with country-specific conditions and circumstances.				
Project Rationale and Linkage to Country/Regional Strategy	The objective of the R-CDTA is to strengthen the institutional capacity of Customs administration in the region to facilitate the free flow of goods and to increase intra/extra-regional trade. Freer flow of goods from improved Customs policies, procedures, regulations, and operations is expected to contribute to the realization of AEC as a single market and production base. The TA will complement existing TAs and contribute to relevant stakeholders and partners in Southeast Asia with a regional platform to share knowledge and experiences on trade facilitation so that more relevant, effective and efficient solutions for trade facilitation can be found.				
Impact	Trade facilitation by customs administrations in participating countries is enhanced in accordance with various ASEAN agreements, thus contributing to the realization of AEC				

#### **Project Outcome**

Description of Outcome	Customs administrations implement procedures, regulations and management measures to facilitate the cross-border movement of goods
Progress Toward Outcome	
Implementation Progress	
Description of Project Outputs	Knowledge gaps and other constraints for customs to facilitate trade are assessed Work plans for customs to facilitate trade at border crossings developed. Capacity of customs to implement trade facilitation work plans improved
Status of Implementation Progress (Outputs, Activities, and Issues)	<ul> <li>( as of 14 March 2017)</li> <li>In close collaboration with the World Customs Organization and the ASEAN Secretariat, two workshops held back-to-back were supported by the TA: (i) Asia/Pacific Regional Workshop on Strategic Initiatives for Trade Facilitation, (16-18 March 2015, in Jakarta, Indonesia) and the (ii) Workshop on WTO Trade Facilitation Agreement in the Context of the ASEAN Economic Community (AEC), (19 March 2015 in Jakarta, Indonesia). The meetings gathered representatives of both customs and trade ministries of ASEAN member-States for an initial stock-taking of trade facilitation initiatives among participating countries vis-a-vis international frameworks and standards and to the AEC, in particular. Outcomes from the workshops served as inputs to developing the work plan of the training programs that will be conducted under the TA.</li> <li>Consultation meetings were held with Customs agencies and site visits to border-crossing points were conducted in Cambodia, Lao PDR, Myanmar and Viet Nam in July-August 2015 to identify knowledge gaps and country specific requirements. Discussions were also held with Customs administrations in Brunei Darussalam and with the Philippines Bureau of Customs to identify forms of support. Work Plans reflecting priority activities to be undertaken under the TA were subsequently developed. Among the areas identified where support was requested include:</li> <li>(i) _post clearance audit,</li> <li>(ii) _enhancement of risk management and intelligence,</li> <li>(iii)_accession/ implementation of RKC;</li> <li>(iv) _development of customs strategy; and</li> <li>(v) _enhancement of human resources management skills.</li> <li>Implementation of the work plan under each country is on-going in close coordination and complementary manner with other ADB's Trade Facilitation related initiatives. These initiatives have been very much appreciated by the recipient countries. A total of 720 trainees participated in the trainings / workshops.</li> <li>Fifteen (15) consultants</li></ul>

Geographical Location

## Summary of Environmental and Social Aspects

Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		
Stakeholder Communication, Participation, and Consultation		
During Project Design		
During Project Implementation		

## **Business Opportunities**

Consulting Services	A total of 53 person-months of consultancy services will be engaged consisting of 30 person-months of international consultancy and 23 personmonths of national consultancy.			
Procurement	Customs enforcement equipment will be procured in accordance with ADB's Procurement Guidelines (2013, as amended from time to time). Upon TA completion, procured equipment will be turned over to participating governments in accordance with relevant ADB guidelines.			

## **Responsible Staff**

Responsible ADB Officer	Sasradipoera, Kanya S.
Responsible ADB Department	Southeast Asia Department
Responsible ADB Division	Public Management, Financial Sector and Trade Division, SERD

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#### Timetable

Concept Clearance	02 May 2013
Fact Finding	01 May 2013 to 29 Aug 2013
MRM	-
Approval	22 Aug 2014
Last Review Mission	-
Last PDS Update	30 Mar 2017

#### TA 8709-REG

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

Financing Plan/TA Utilization							Cumulative Disbu	irsements	
ADB	Cofinancing	Count	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	1,131,823.88

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