



Technical Assistance Report

Project Number: 46192-001
Regional—Capacity Development Technical Assistance (R-CDTA)
August 2014

Strengthening Institutional Knowledge and Capacity of Customs Administrations for Trade Facilitation within the Association of Southeast Asian Nations (Financed by the Japan Fund for Poverty Reduction)

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Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
AEC	–	ASEAN Economic Community
ASEAN	–	Association of Southeast Asian Nations
GMS	–	Greater Mekong Subregion
IMT-GT	–	Indonesia–Malaysia–Thailand Growth Triangle
JICA	–	Japan International Cooperation Agency
JMOF	–	Japan Ministry of Finance
LPI	–	logistics performance index
OECD	–	Organisation for Economic Co-operation and Development
TA	–	technical assistance
WCO	–	World Customs Organization

NOTE

In this report, "\$" refers to US dollars.

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CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE AT A GLANCE

1. Basic Data		Project Number: 46192-001	
Project Name	Strengthening Institutional Knowledge and Capacity of Customs Administrations for Trade Facilitation within the ASEAN	Department /Division	SERD/SERC
Country	REG, BRU, CAM, LAO, MAL, MYA, PHI, THA, VIE	Executing Agency	Asian Development Bank
Borrower	x		
2. Sector	Subsector(s)	Financing (\$ million)	
✓ Industry and trade	Industry and trade sector development		0.75
	Trade and services		0.75
		Total	1.50
3. Strategic Agenda	Subcomponents	Climate Change Information	
Inclusive economic growth (IEG)	Pillar 1: Economic opportunities, including jobs, created and expanded	Climate Change impact on the Project	Low
Regional integration (RCI)	Pillar 2: Trade and investments		
4. Drivers of Change	Components	Gender Equity and Mainstreaming	
Governance and capacity development (GCD)	Institutional development	No gender elements (NGE)	✓
Knowledge solutions (KNS)	Application and use of new knowledge solutions in key operational areas		
	Knowledge sharing activities		
	Pilot-testing innovation and learning		
Partnerships (PAR)	Bilateral institutions (not client government)		
	Implementation		
	Official cofinancing		
	Private Sector		
	Regional organizations		
5. Poverty Targeting		Location Impact	
Project directly targets poverty	No	Not Applicable	
6. TA Category:	B		
7. Safeguard Categorization	Not Applicable		
8. Financing			
Modality and Sources		Amount (\$ million)	
ADB		0.00	
None		0.00	
Cofinancing		1.50	
Japan Fund for Poverty Reduction		1.50	
Counterpart		0.00	
None		0.00	
Total		1.50	
9. Effective Development Cooperation			
Use of country procurement systems	No		
Use of country public financial management systems	No		

I. INTRODUCTION

1. The Asian Development Bank (ADB) has been supporting regional connectivity in Southeast Asia mainly through three subregional cooperation programs: (i) the Greater Mekong Subregion (GMS) Economic Cooperation Program, (ii) the Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT), and (iii) the Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA).¹ All three programs have prioritized trade facilitation as an important means to enhance regional connectivity and utilization of physical linkages.

2. The technical assistance (TA) aims to support customs administrations to better implement the various Association of Southeast Asian Nations (ASEAN) trade facilitation initiatives. The TA is consistent with ADB's development agenda on regional integration under the Midterm Review of Strategy 2020 and would build upon previous and ongoing ADB support for transport and trade facilitation in Southeast Asia.² The TA is in line with the trade facilitation initiative, the Asia Cargo Highway, launched by the Government of Japan in 2011, which involves four development partner institutions: (i) ADB; (ii) the Customs and Tariff Bureau, Ministry of Finance, Japan (CTB-MOF), (iii) Japan International Cooperation Agency (JICA); and (iv) the World Customs Organization (WCO). Under the initiative, the four development partners provide coordinated assistance for customs administrations in Asia; the initiative is fully endorsed by the ASEAN directors general and commissioners of customs administrations.³ The TA concept paper was approved in May 2013 and ADB fielded fact-finding missions to Brunei Darussalam, Cambodia, Lao People's Democratic Republic (Lao PDR), Malaysia, Myanmar, Philippines, Thailand, and Viet Nam (the target countries) in May–August 2013. The missions reaffirmed the strong interest and demand for the TA in the target countries. The TA design and monitoring framework is in Appendix 1.⁴

II. ISSUES

3. The ASEAN Economic Community (AEC) Blueprint, adopted by the ASEAN leaders in November 2007 to establish ASEAN as a single market and production base by 2015, comprises five core elements, including the free flow of goods. Significant progress has been achieved in tariff elimination under the ASEAN Trade in Goods Agreement. However, the free flow of goods requires more than zero tariffs. The AEC Blueprint also points out that trade facilitation is one of the primary means to facilitate the free flow of goods, and identifies policy and procedural measures for customs that are critical to facilitate trade. Recognizing that customs administrations play a key role in facilitating trade to build a well-connected and integrated AEC, the ASEAN Agreement on Customs (2012) and the Strategic Plan of Customs Development, 2011–2015 were adopted to simplify, harmonize, integrate, and modernize customs operations in ASEAN in accordance with relevant international standards, such as those recommended by the International Convention on the Simplification and Harmonization of Customs Procedures (the Revised Kyoto Convention). Other ASEAN agreements, such as the trade in goods agreement and the ASEAN Framework Agreement on the Facilitation of Goods in Transit include provisions to promote greater predictability, transparency, and efficiency of customs administrations, as well as to harmonize and simplify customs procedures. These

¹ Details about the GMS program are available at <http://www.adb.org/gms>. For the IMT-GT and BIMP-EAGA programs, see <http://www.adb.org/IMT-GT/> and www.adb.org/bimp/.

² ADB. 2014. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila.

³ ASEAN-Japan Customs Directors General and Commissioners Meeting on Trade Facilitation, April 2011, Phnom Penh, Cambodia.

⁴ The TA first appeared in the business opportunities section of ADB's website on 21 March 2014.

agreements serve as important road maps to facilitate trade in ASEAN, thereby contributing to establishing ASEAN as a single market and production base.

4. ADB has been supporting trade facilitation initiatives in the region, including comprehensive analytical work, development, and early implementation of the Cross Border Transport Facilitation Agreement in the GMS; conduct of time-release studies in some Southeast Asian countries; and capacity building for customs, immigration, quarantine, and security agencies of BIMP-EAGA. The governments of Australia and Japan have been the two key strategic development partners for ADB in delivering trade facilitation support in the region. Other partners such as the European Union, JICA, United States Agency for International Development, World Bank, and WCO are active in supporting trade facilitation in Southeast Asia.⁵ ADB recently convened a meeting of development partners to promote closer coordination on trade facilitation support in the GMS.⁶

5. Despite these numerous initiatives, many ASEAN members need to accelerate efforts to realize the AEC by its 2015 target. Intraregional trade remains less than 30% of total ASEAN trade.⁷ The ASEAN logistics performance index (LPI), a measure of customs performance published by the World Bank, is low compared with Organisation for Economic Co-operation and Development (OECD) countries, and diverse among ASEAN member countries themselves.⁸ The Doing Business Report indicates that an additional week, on average, is required to export or import goods in Southeast Asia compared with OECD countries.⁹ Furthermore, the AEC scorecard, published by the ASEAN Secretariat in 2012, shows that only 49% (23 of 47) of measures for free flow of goods, including measures for trade facilitation and integration to be implemented by 2011, have been met.¹⁰ Several performance indicators show that strengthening of the capacity of customs administrations is urgently needed to improve the implementation of trade facilitation policies, procedures, regulations, and management measures in Southeast Asia, and reduce institutional capacity gaps among ASEAN members.

⁵ The World Bank has been supporting Cambodia and Lao PDR to modernize customs administration by introducing Automated Systems for Customs Data. The Government of Australia has been supporting GMS member countries to implement the cross-border transport agreement for transport and trade facilitation in the GMS. The European Union has been supporting the ASEAN to operationalize the ASEAN Customs Transit System under the ASEAN Regional Integration Support by the European Union. The United States Agency for International Development supports the establishment of the ASEAN Single Window. JICA is dispatching customs advisors to Cambodia, Lao PDR, Malaysia, Myanmar, Philippines, and Thailand, and supporting Myanmar and Viet Nam to develop customs automation systems. WCO has been providing capacity-building activities for customs administrations in Southeast Asia in collaboration with JMOF and ADB.

⁶ At the development partners meeting, 22–23 April 2014, at ADB headquarters, the partners agreed to share information on their ongoing support to ASEAN member states—multilateral, ASEAN, subregional, and national. The information is to be consolidated into one document and used by all development partners to identify who is best placed to deliver certain aspects of the trade facilitation initiative and where collaboration is desirable.

⁷ ADB. 2013. *The Asian Economic Integration Monitor*. Manila.

⁸ World Bank. 2014. *Connecting to Compete 2014: Trade Logistics in the Global Economy, The Logistics Performance Index and Its Indicators*. Washington, DC. The average LPI of customs in ASEAN is 2.93, and 3.55 for OECD. Rankings of LPI for customs for ASEAN member states are Singapore (3rd), Malaysia (27th), Thailand (36th), Philippines (47th), Indonesia (55th), Viet Nam (61st), Cambodia (71st), Lao PDR (100th), and Myanmar (150th).

⁹ World Bank. 2013. *Doing Business 2014: Understanding Regulations for Small and Medium-Size Enterprises*. Washington, DC. The average time to export is 18.8 days and to import is 18.5 days in Brunei Darussalam, Cambodia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand, and Viet Nam. In contrast, the average time to export in OECD countries is 10.9 days, while importing takes 10.1 days.

¹⁰ ASEAN Secretariat. 2012. *ASEAN Economic Community Scorecard*. Jakarta. The outstanding measures include modern tariff classification, customs valuation, and customs techniques (i.e., implementing the ASEAN cargo processing model, ASEAN customs declaration documents, pre-arrival clearance for customs clearance, and cargo release).

6. While regional and international customs frameworks and standards provide general principles and guidelines for various customs measures to facilitate trade, trade can only be facilitated effectively and efficiently if customs administrations are equipped with sufficient institutional knowledge and capacity to apply those principles and guidelines. While customs plays a key role in facilitating trade at border crossings, trade procedures involve other border control agencies, including immigration, quarantine, and security. Therefore, sharing knowledge on regional and international best practices will contribute to enhancing coordinated border management and operations conducted by customs, immigration, quarantine, security, and other government agencies within and between countries. More effective communication among various border control agencies, and more active participation of the private sector engaged in cross-border trade business are also essential measures of trade facilitation.

7. Achieving the AEC goal of a single market and production base, given the varied progress of trade facilitation in individual ASEAN member states, is difficult. Such diversity, however, provides scope for knowledge sharing and partnerships. Knowledge sharing among member states would narrow capacity gaps for harmonized procedures and operations. It would also improve the effectiveness of development partner assistance for trade facilitation in the region. With unique trade environments, and diverse customs administrations, each member state would require tailored work plans for trade facilitation as well as tailored institutional capacity-building programs. Such work plans would be developed to support each member to implement trade facilitation measures as prescribed in ASEAN and international customs frameworks and standards.

III. THE CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE

A. Impact and Outcome

8. The impact will be enhanced trade facilitation by customs administrations in participating countries in accordance with various ASEAN agreements, thus contributing to the realization of AEC. The impact will be measured by improvements in logistics performance index scores for the efficiency of customs and border clearance procedures. The outcome will be the implementation of procedures, regulations, and management measures by customs administrations to facilitate the cross-border movement of goods.

B. Methodology and Key Activities

9. The outcome will be achieved by the delivery of three main outputs: (i) knowledge gaps and other constraints for customs to facilitate trade assessed, (ii) work plans for customs to facilitate trade at border crossings developed, and (iii) capacity of customs to implement trade facilitation work plans improved.

10. **Output 1: Knowledge gaps and other constraints for customs to facilitate trade assessed.** The TA will support the comprehensive assessment of the need to strengthen the knowledge and institutional capacity of customs administrations, and identify institutional, procedural, and regulatory constraints to improve performance. This will involve (i) a review of trade facilitation policies, procedures, regulations, and management measures of the participating customs administrations in relation to ASEAN and other international customs frameworks and standards; (ii) a review of border management coordination between customs administrations and other border control agencies; and (iii) identification of trade facilitation best practices and experiences that can be shared and applied by participating countries. The assessment will develop a performance scorecard to identify knowledge gaps and capacity-

building needs. It will serve as the basis for focused advisory services and training programs, and the preparation of initial work plans for trade facilitation.

11. **Output 2: Work plans for customs to facilitate trade at border crossings developed.** The TA will prepare country-specific initial work plans for trade facilitation based on findings of the assessment and the performance scorecards. The plans will specify practical steps to introduce trade facilitation measures tailored for each participating customs administration, including measures to improve coordination of border control agencies performing customs-related functions; the necessary policies, actions, and resources to implement recommended trade facilitation measures; and the necessary follow-up actions for possible loan intervention projects. A regional workshop will be organized to present and discuss the findings of the assessments, the performance scorecards, and the initial work plans for trade facilitation. The workshop will facilitate the sharing of trade facilitation-related experience of customs administrations and promote dialogue with other government agencies involved in trade-related activities, the private sector, and development partners. This dialogue will serve as a platform for customs administrations to discuss and identify trade facilitation bottlenecks requiring a coordinated approach to address and to refine the work plans.

12. **Output 3: Capacity of customs to implement trade facilitation work plans improved.** Upon the endorsement of the trade facilitation work plans for each country under output 2, the TA will support plan implementation and strengthen the capacity of customs officials. Building upon the institutional sharing of knowledge and operating capacity of ASEAN member states, the TA will organize tailored capacity-building national workshops for customs administration in each of the participating countries so that effective implementation of the work plans can be achieved. The workshops will take into account possible collaboration with other development partners as appropriate. The TA will help participating countries improve and institutionalize an information-sharing mechanism for customs, immigration, quarantine, security, and other national and regional government agencies to share the implementation progress of participating countries' respective work plans. Equipment to improve customs administrations and modernize their operations, such as personal computers and customs inspection apparatus, will be introduced, where necessary.

C. Cost and Financing

13. The TA is estimated to cost \$1.5 million and will be financed on a grant basis by the Japan Fund for Poverty Reduction. ADB will administer the grant. The detailed cost estimates and financing plan is in Appendix 2.

D. Implementation Arrangements

14. The TA will be implemented from 1 September 2014 to 31 August 2016. ADB's Southeast Asia Department will be the executing agency. ADB will work closely with customs administrations in the ASEAN members as implementing agencies.¹¹ Close coordination and collaboration will be maintained with CTB-MOF, JICA, and WCO during TA implementation. As needed, officials from CTB-MOF, JICA, and WCO experts dispatched to customs administrations in Southeast Asia will be engaged as workshop resource persons to share best practices on international frameworks and customs standards. The TA will be implemented in

¹¹ Royal Customs and Excise Department, Brunei Darussalam; General Department of Customs and Excise, Cambodia; Customs Department, Lao PDR; Royal Malaysian Customs Department, Malaysia; Customs Department, Myanmar; Bureau of Customs, Philippines; Customs Department, Thailand; and General Department of Viet Nam Customs, Viet Nam.

coordination with ongoing trade facilitation initiatives in the GMS supported by ADB, including (i) Trade Facilitation Support for AEC Blueprint Implementation for GMS/IMT-GT,¹² (ii) the proposed TA for Strengthening Trade Facilitation in the GMS through Partnerships with the Private Sector,¹³ and (iii) the TA for Support for Implementing the Action Plan for Transport and Trade Facilitation in the GMS, Subproject 2.¹⁴

15. A total of 53 person-months of consulting services will be engaged, comprising 30 person-months of international consultants and 23 person-months of national consultants. A team leader and customs specialist will be engaged to undertake needs assessment and customs performance scorecards for trade facilitation, draft initial work plans for trade facilitation, and organize capacity-building activities for customs administrations. A trade facilitation specialist for customs will undertake the preparation of the initial work plans for trade facilitation and support the team leader. Resource persons will be engaged to provide expert views on various issues such as authorized economic operators and use of a national single window. They will participate in regional and national capacity-building workshops and support the team leader. Seven country specialists will provide country-specific support to the team leader to assess the knowledge gaps and constraints for strengthening customs capacity for trade facilitation in Brunei Darussalam, Cambodia, Lao PDR, Malaysia, Myanmar, Thailand, and Viet Nam. One project administrator will provide logistical support for project implementation. ADB will engage the consultants on an individual basis in accordance with the Guidelines on the Use of Consultants (2013, as amended from time to time). The outline terms of reference for consultants are in Appendix 3. 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. Disbursements under the TA will be done in accordance with ADB's *Technical Assistance Disbursement Handbook* (2012, as amended from time to time).

16. ADB review missions will be conducted to regularly monitor and report on the progress of major TA activities, and evaluate the TA outputs. Knowledge products produced and good practices and lessons from TA implementation will be made available on ADB websites and circulated as necessary.¹⁵

IV. THE PRESIDENT'S DECISION

17. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance not exceeding the equivalent of \$1,500,000 to be financed on a grant basis by the Japan Fund for Poverty Reduction for Strengthening Institutional Knowledge and Capacity of Customs Administrations for Trade Facilitation within the Association of Southeast Asian Nations, and hereby reports this action to the Board.

¹² ADB. 2012. *Technical Assistance for Trade Facilitation Support for ASEAN Economic Community Blueprint Implementation (Greater Mekong Subregion/Indonesia-Malaysia-Thailand Growth Triangle)*. Manila.

¹³ ADB. 2014. *Technical Assistance for Strengthening Trade Facilitation in the Greater Mekong Subregion through Partnerships with the Private Sector*. Manila. The TA will support customs administrations in five GMS countries (Cambodia, Lao PDR, Myanmar, Thailand, and Viet Nam) to promote partnerships with the private sector and facilitate cross-border trade along the GMS corridors.

¹⁴ ADB. 2014. *Technical Assistance for Support for Implementing the Action Plan for Transport and Trade Facilitation in the Greater Mekong Subregion, Subproject 2*. Manila. The TA is cofinanced by the Government of Australia. The Australian government indicated that the focus of subproject 2 would be to support an accelerated implementation of customs transit system in GMS countries (Cambodia, Lao, Myanmar, and Viet Nam) in accordance with international best practices.

¹⁵ Complementary inputs from ADB's Regional Cooperation and Integration Community of Practice in the review of knowledge products will also be sought.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>Impact</p> <p>Trade facilitation by customs administrations in participating countries is enhanced in accordance with various ASEAN agreements, thus contributing to the realization of AEC</p>	<p>By 2020, average score based on LPI for customs efficiency in participating countries improves by 10% (2014 baseline: average LPI for customs administrations in Cambodia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, Thailand, and Viet Nam: 2.78)^a</p>	<p>LPI, World Bank</p>	<p>Assumptions</p> <p>Governments in participating countries remain politically committed to regional cooperation and trade facilitation.</p> <p>Continued development partner support to participating countries for improving their customs efficiency is assured.</p> <p>Risk</p> <p>The participating countries are politically unstable.</p>
<p>Outcome</p> <p>Customs administrations implement procedures, regulations, and management measures to facilitate the cross-border movement of goods</p>	<p>By 2017, at least one additional measure required for customs facilitation and integration is implemented in each participating country (2012 baseline: based on the AEC scorecard, 23 of 47 measures for free flow of goods, including measures for customs facilitation and integration were implemented)^b</p>	<p>AEC scorecard, the ASEAN Secretariat, reports of ADB review missions</p>	<p>Assumption</p> <p>Participating customs administrations remain committed to trade facilitation in Southeast Asia.</p> <p>Risk</p> <p>Governments require long periods of time to approve policy, regulatory, and institutional reforms to enhance customs administrations' capacity.</p>
<p>Outputs</p> <p>1. Knowledge gaps and other constraints for customs to facilitate trade assessed</p> <p>2. Work plans for customs to facilitate trade at border crossings developed</p>	<p>Performance scorecards, which assess current trade facilitation policies, procedures, regulations, and management measures against regional and international customs frameworks and standards, presented to the eight participating customs administrations by Q3 2015</p> <p>Eight work plans for trade facilitation in customs endorsed by the eight participating customs administrations by Q4 2015</p>	<p>Published reports on the assessment</p> <p>Reports of ADB review missions</p>	<p>Assumptions</p> <p>Relevant government agencies including customs administration in participating countries provide full support and participate actively.</p> <p>Development partners supporting participating countries in modernizing and harmonizing customs operations collaborate effectively.</p>

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
3. Capacity of customs to implement trade facilitation work plans improved	At least 50 customs officials in each country improved their capacity to implement the work plans by Q3 2016	Workshop proceedings	
<p>Activities with Milestones</p> <p>1. Knowledge gaps and other constraints for customs to facilitate trade assessed (November 2014–August 2015)</p> <p>1.1 Draft inception report to include an initial needs assessment for customs administrations based on existing work.</p> <p>1.2 Conduct case studies, stock taking, and policy analysis on trade facilitation of the eight participating customs administrations.</p> <p>1.3 Draft performance scorecards for the eight participating customs administrations.</p> <p>1.4 Complete a needs and constraints assessments report for the eight participating customs administrations.</p> <p>2. Work plans for customs to facilitate trade at border crossing developed (April–October 2015)</p> <p>2.1 Draft initial work plans for trade facilitation for the eight participating customs administrations.</p> <p>2.2 Organize a regional workshop with participation of trade facilitation-related stakeholders including customs administrations, other relevant border controlling agencies, private sector, and development partners.</p> <p>2.3 Facilitate work plans for trade facilitation to be endorsed by the eight participating customs administrations.</p> <p>3. Capacity of customs to implement trade facilitation work plans improved (November 2015–June 2016)</p> <p>3.1 Upon endorsement of the work plans, organize national workshops for the eight participating customs administrations to build their capacity in the identified area(s).</p> <p>3.2 Institutionalize and improve the information-sharing mechanism among CIQS and OGAs.</p>		<p>Inputs</p> <p>Japan Fund for Poverty Reduction: \$1.5 million</p>	

ADB = Asian Development Bank; AEC = ASEAN Economic Community; ASEAN = Association of Southeast Asian Nations; CIQS = customs, immigration, quarantine, and security; LPI = logistics performance index; OGA = other government agencies.

^a World Bank. 2014. *Connecting to Compete 2014: Trade Logistics in the Global Economy The Logistics Performance Index and Its Indicators*. Washington, DC. The LPI score for Brunei Darussalam is not available.

^b ASEAN Secretariat, 2012. *ASEAN Economic Community Scorecard*. Jakarta. The AEC scorecard reports the need to implement the following actions for customs facilitation and integration: (i) modernize tariff classification, customs valuation, and customs techniques (i.e., implement ASEAN cargo processing model, ASEAN customs declaration documents, pre-arrival clearance for customs clearance and cargo release); (ii) steps taken to establish ASEAN customs transit system; (iii) promote mutual assistance on customs; and (iv) implement measures under the ASEAN single window.

Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
Japan Fund for Poverty Reduction^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	675.00
ii. National consultants	92.00
b. International and local travel	213.00
c. Reports and communications	50.00
2. Equipment ^b	150.00
3. Training, seminars, and conferences ^c	170.00
4. Miscellaneous administration and support costs ^d	70.00
5. Contingencies	80.00
Total	1,500.00

^a Administered by the Asian Development Bank.

^b Equipment includes personal computers and customs inspection apparatus that strengthen the capacity of customs operations. The equipment will be turned over to customs administrations during the conduct of capacity-development activities.

^c Training, seminars, and conferences will finance national and regional workshops.

^d Miscellaneous administration and support costs include the cost for translation of local documents into English, and the cost of printing the reports.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. Under the supervision of the Southeast Asia Department (SERD) team overseeing regional capacity development technical assistance (TA) implementation, 30 person-months of international consultants (including resource persons) and 23 person-months of national consultants will be engaged to support TA implementation. The general requirements for the consultants will be (i) relevant technical expertise based on training and professional experience, (ii) familiarity with regional cooperation concepts and initiatives, (iii) excellent oral and written communication skills, and (iv) human relations skills and ability to work with a multicultural and multidisciplinary team. The consultants will prepare reports on their tasks and other such reports as required and requested by the TA. The basic reports will include the following unless otherwise specified: (i) inception report within 1 month of the start of engagement; (ii) progress report, to include results from workshops, field visits, and consultations; and (iii) final report.

A. International Consultants

2. **Customs specialist and team leader** (15 person-months, intermittent). The consultant will coordinate TA implementation across the participating countries. Key deliverables include (i) draft reports of the needs assessment on trade facilitation of participating customs administrations; (ii) draft performance scorecards of trade-facilitation policy, regulation, operations, and management of the participating customs administrations; (iii) lead the trade facilitation specialist in drafting eight country-specific initial work plans for trade facilitation for participating customs administrations; and (iv) organize capacity-building activities and the workshops. The consultant will have a graduate degree and at least 8 years of work experience in customs or trade facilitation. International experience will be preferable. Responsibilities include:

- (i) conduct a stock-taking of existing studies, works, and surveys on customs performance and efficiency;¹
- (ii) conduct an initial needs and constraints assessment based on existing documents, works, and reports on trade facilitation in the participating customs administrations;
- (iii) plan and conduct the needs and constraints assessment on trade facilitation of participating customs administrations including stock-taking and case study of trade facilitation best practices;
- (iv) identify and analyze the gaps between current trade facilitation policies, regulations, operations, and management of customs administrations and regional and/or international frameworks and standards of customs, and the constraints that cause the identified gaps;
- (v) draft eight performance scorecards for participating customs administrations;
- (vi) lead the trade facilitation specialist in drafting country-specific initial work plans for customs administrations based on the performance scorecards;
- (vii) supervise other consultants as team leader;
- (viii) coordinate and facilitate the inputs of other consultants;
- (ix) organize regional workshops to present and share (a) the needs assessments, (b) the performance scorecards, and (c) the country-specific initial work plans;

¹ Existing studies, work, and surveys on customs performance and efficiency include the following: World Customs Organization. 2007. *Compendium of Integrity Best Practices*. Brussels; World Customs Organization. 2014. *Compendium on Authorized Economic Operator Programmes*. Brussels; and ASEAN Customs Procedures and Trade Facilitation Working Group. 2011. *Compendium of Temporary Admission Practices of ASEAN Member States*. Jakarta.

- (x) provide participating countries with advisory support for finalizing and endorsing the work plans;
- (xi) organize national workshops for participating countries to provide capacity to implement the work plans;
- (xii) prepare summary reports within 2 weeks after each workshop, and a final report; and
- (xiii) participate in Asian Development Bank (ADB) missions as necessary.

3. **Trade facilitation specialist for customs administrations** (7 person-months, intermittent). The consultant will draft the country-specific initial work plans for eight participating countries; assist the team leader; and work closely with the team leader to review current customs policies, regulations, operations, and management in light of regional and international frameworks and customs standards. The consultant will have a graduate degree and at least 5 years work experience in customs or trade facilitation. International experience will be preferable. Responsibilities will include:

- (i) review of current customs policies, regulations, operations, and management for eight participating countries in light of regional and international frameworks and customs standards;
- (ii) help the team leader prepare the customs performance scorecards on trade facilitation;
- (iii) draft country-specific initial work plans for trade facilitation and facilitate capacity-building workshops for eight participating customs administrations;
- (iv) help the team leader design and plan capacity-building activities for participating customs administrations, including designing and proposing an e-learning module for customs officials to develop their presentation skills;
- (v) provide other necessary inputs to the team leader;
- (vi) cooperate with the team leader in planning and organizing workshops; and
- (vii) participate in ADB missions as necessary.

4. **Resource persons** (8 person-months combined). The TA is expected to require highly specialized skills on tasks to be performed by other specialists. These evolving needs will be addressed by engaging resource persons on a short-term basis to support the tasks of the team leader and serve as resource persons in meetings and workshops conducted under the auspices of the TA.

B. National Consultants

5. **Country specialists** (7 person-months combined). The specialists will provide country-specific support for project implementation, including collection and translation of administrative and commercial documents related to trade procedures and required by the team leader in performing the assignments. The specialists will work under the supervision of the team leader, and should be capable to do research, reports, and translation. Responsibilities will include:

- (i) research trade procedures in the countries;
- (ii) collect necessary administrative and commercial documents related to trade procedures;
- (iii) translate the collected documents into English as necessary;
- (iv) support the team leader in performing assignments for TA implementation; and
- (v) support SERD staff in implementing the project.

6. **Project administrator** (16 person-months, intermittent). The consultant will provide logistical support for project implementation and work closely with the team leader, trade

facilitation specialist, resource persons, and SERD to help coordinate and administer the project. The consultant should be familiar with project administration under ADB guidelines to support the work of international consultants, and should have experience working in developing countries. Responsibilities will include:

- (i) support the team leader, trade facilitation specialists, and resource persons in performing their assignments to implement the project;
- (ii) support SERD staff in implementing the project;
- (iii) provide necessary logistical support to the team leader, trade facilitation specialists, and resource persons to perform their assignments to implement the project;
- (iv) provide necessary logistical support to ADB missions;
- (v) facilitate communication between consultants, government agencies, and ADB; and
- (vi) participate in ADB missions as necessary.