

TECHNICAL COOPERATION ABSTRACT

I. BASIC INFORMATION

Country/Region:	Regional/ Ecuador y Colombia		
Name and number of the operation:	Support to Coordinated Border Management. (RG-T2367)		
Project Team:	Sandra Corcuera (INT/TIU), Team Leader; Manuel Márquez, Alternate Team Leader (INT/TIU); Raúl Rodríguez (INE/TSP); and Maria Rospide (INT/TIU).		
Type of TC	Client support		
Letters of Intent:	Solicitud CAN Asistencia Tecnica BID Carta Interes Colombia		
Date:	May, 2013.		
Beneficiaries:	Customs Administrations and other border agencies.		
Executing Agency:	Inter-American Development Bank, through the Trade and Integration Sector (INT/TIU).		
Amount requested:	US\$700,000	Counterpart:	US\$125,000
Disbursement Period:	30 months.		
Execution Date:	July, 2013.		
Type of consultancy:	Individual consultants		
Responsible Unit for preparation:	INT/TIU.		
Responsible Unit for disbursement:	INT/TIU.		
Included in EBP:	No	Included in CPD:	No
Sector Priority GCI-9:	No. 4 Regional and Global Competitiveness and Integration		

II. DESCRIPTION

A. Justification and Objective

- 2.1 Coordinated Border Management (CBM) is a global concept which has been developed based on the academic work of international institutions such as WCO, WTO and UN, and on good practices around the world. CBM includes land, maritime, air, river border crossing and interior facilities (Free Zones, customs and fiscal warehouses). Furthermore, it involves the wide variety of agencies that operate at the border (customs, animal and vegetal health, immigration, security, police, environment, etc.). CBM aims to enhance collaboration at the border to streamline processes and eliminate redundancies and inefficient procedures. A more comprehensive approach to border management is needed to ensure a proper balance between security and facilitation and to improve the competitiveness of the private sector.

- 2.2 CBM requires a high level of integration from all border agencies, advanced and reliable information, the implementation of uniform and coordinated processes, an information sharing system, and the equipment and infrastructure needed to perform a sound risk analysis using non-intrusive inspection techniques. Additionally, CBM involves the implementation of measures and programs at the border and nationally, such as Single Window environment, International Transit of Goods (TIM), Non-Intrusive Control Systems, Post Clearance Controls, Authorized Economic Operator, and also processes specific for each border station and the support and collaboration of the private sector.
- 2.3 Despite the general acceptance of the benefits of implementing a CBM system, little has been done to enhance collaboration at the border and the coordination is, at best, weak among all border agencies. Therefore, it is required to carry out action plans specific for each border station and awareness initiatives to develop a coordinated strategy to implement solutions. This operation will provide the conceptual elements and action plans to identify and implement investments needed in each of the selected border crossings. There are currently several initiatives in progress by the Bank in the border crossing of Ecuador (EC-L1116) and Colombia (CO-L1130), and this TC will assist in the advancement of these initiatives.

B. Description of Activities

- 2.4 **Component I: Design of operational processes to each border crossing:** the design of operational processes to each border crossing includes the following activities: (i) mapping of current processes and harmonization proposal to conduct joint controls and inspections; (ii) review of legislative framework and recommendations; (iii) comprehensive redesign of current infrastructure and facilities and estimated cost; (iv) acquisition of new technologies to control movement of goods at borders; (v) recommendation plan to create and train a workforce under the CBM system; and (vi) investment recommendations, action plans, technical specifications, roadmap and timetable to implement the proposed solutions.
- 2.5 **Component II: Support to implementation of common standards:** to complement the redesign operational processes, this component will support regional consensus and agreements between countries to implement common standards at national level to facilitate and secure trade, and new infrastructures to achieve economies of scale and a coordinated approach through the following: (i) widespread use and implementation of TIM; (ii) support to interoperability initiatives of single window and electronic data exchange; and (iii) creation of working groups including all control agencies of participating countries to better coordinate and implement the proposed solutions and systems.
- 2.6 **Component III: Private sector perspectives on regional integration issues:** (i) preparation of analytical documents to support the dialogue between private sector leaders on issues of regional integration with special emphasis on transport sector, CBM, logistics and infrastructure to enhance competitiveness; (ii) round of dialogue sessions with private sector to analyze the main bottlenecks, opportunities, and public-private roadmap to advance regional integration; and (iii) final report with recommendations

from dialogue sessions and private sector proposals to advance integration and facilitate investments.

C. Budget

2.7 This Technical Cooperation request amounts to US\$700,000 and it will finance the following:

Activities/Components	IDB (US\$)	Local (US\$)	Total (US\$)
Component I. Design of operational processes to each border crossing	400,000	80,000	480,000
Component II. Support to implementation of common standards	125,000	25,000	150,000
Component III. Private sector perspectives on regional integration issues	100,000	20,000	120,000
Administration, coordination and contingencies	75,000		75,000
Total	700,000	125,000	825,000

Beneficiaries will provide as a counterpart (up to 20%) logistical support and all the necessary equipment to carry out regional activities, workshops and technical missions.

D. Executing Agency and Implementation Structure

2.8 The IDB will be the executing agency through INT/TIU in coordination with INE/TSP and CID, sectors that execute other technical cooperations that support the objectives of this TC. A proper coordination mechanism will be devised.

E. Risks

2.9 Risks derived from this TC are related with the lack of coordination among border agencies. The strategy to mitigate these risks is based on the IDB role as executing agency and on the strong collaboration with the beneficiary countries to integrate the official entities in this project.

F. Social and Environmental Classification

2.10 This operation has been pre-classified as Category C by the Environmental and Social Safeguard System of the Bank.