Corridor Performance Measurement and Monitoring

OSCE-UNECE Inter-regional Workshop
On Developing Euro-Asian Transport Links
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Asian Development Bank
Background

- Integrated Trade Facilitation
    - Corridors, Investments, and Technical Assistance
  - Corridor Performance Measurement Monitoring (CPMM)
    - CAREC Results Framework
  - Border Crossing Point Improvement and Single Window Development
  - National and Regional Joint Transport and Trade Facilitation Committees
For road transport, travelling on Corridor 1 is fastest while travelling on Corridor 4 is the slowest.

Transport time on Corridors 2 and 4 are volatile, making it hard to predict actual time of arrival.

Border crossing activities tend to reduce speed by half in most corridors.

When transporting a 20–ton cargo over 500km, a significant part of transport cost is spent on border crossing activities.

For road transport, the three most time-consuming activities are waiting time in queue, loading/unloading, and customs clearance. The three most costly activities are customs clearance, loading/unloading and GAI.

For rail transport, the three most time-consuming activities are railways security, waiting time in queue, and change of railways gauge. The three most costly activities are change of railways gauge, railways security and loading/unloading.

Unofficial payments are common. The top five activities involving unofficial payments are GAI, police checkpoints, border security control, customs clearance and phyto-sanitary inspections.
Corridors
CPMM Methods

- UNESCAP Time Cost Distance (TCD) Method
  - Driver’s Form
  - TCD Template
- Time Release Study (to be launched)
Institutional Arrangement

- Memoranda of Understanding with partner freight forwarders associations and road carrier associations
- ADB covers operational and capacity building costs
- Frequency of Collection
  - Average 30 TCDs/partner association/month
Partner Associations

- **16 Partner Associations**
  - Representing all of the initial 8 CAREC countries
    - Afghanistan (1)
    - Azerbaijan (1)
    - Kazakhstan (2)
    - Kyrgyz Republic (3)
    - Mongolia (2)
    - People’s Republic of China (Xinjiang Uyghur and Inner Mongolia Autonomous Regions) (4)
    - Tajikistan (1)
    - Uzbekistan (2)

- Members of the CAREC Federation of Carrier and Forwarder Associations (CFCFA)
- Cooperation with International Road Union (IRU)
Analysis and Reporting

- Data and statistical analyses are performed in ADB
- Quarterly reports are posted on CAREC Institute website (http://www.carecinstitute.org) and annual report is presented at Ministerial Conference
- Partner associations will be trained to perform national level data analysis
Data: April 2009-March 2010

Number of observations by mode of transport
- Road, 1,962, 75%
- Rail, 520, 20%
- Multimodal, 121, 5%

Number of observations by scope of transport
- Consumer goods, 16.17%
- Fruits and vegetables (inc juices), 14.39%
- Building and construction materials, 13.23%
- Textiles and clothing (inc wool and cotton), 11.15%
- Equipment (general), 10.96%
- Food items, 6.25%
- Minerals, 5.08%
- Electrical and electronics equipment, 4.35%
- Home appliances, 4.04%
- Wood, 3.74%
- Motor parts and motor vehicle, 3.25%
- Furniture, 3.18%
- Others, 1.78%
- Chemicals, 1.47%
- Not specified, 0.98%
## Unofficial Payments

<table>
<thead>
<tr>
<th>Activity</th>
<th>Official Count</th>
<th>Official Percent</th>
<th>Unofficial Count</th>
<th>Unofficial Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police checkpoint / stop</td>
<td>2,710</td>
<td>33.94%</td>
<td>5,275</td>
<td>66.06%</td>
</tr>
<tr>
<td>Customs clearance</td>
<td>1,910</td>
<td>44.10%</td>
<td>2,421</td>
<td>55.90%</td>
</tr>
<tr>
<td>Border security / control</td>
<td>1,120</td>
<td>32.95%</td>
<td>2,279</td>
<td>67.05%</td>
</tr>
<tr>
<td>Transport/GAI inspection</td>
<td>301</td>
<td>19.67%</td>
<td>1,229</td>
<td>80.33%</td>
</tr>
<tr>
<td>Phytosanitary</td>
<td>983</td>
<td>45.30%</td>
<td>1,187</td>
<td>54.70%</td>
</tr>
<tr>
<td>Health / quarantine</td>
<td>1,154</td>
<td>55.94%</td>
<td>909</td>
<td>44.06%</td>
</tr>
<tr>
<td>Weight/standard inspection</td>
<td>1,041</td>
<td>58.19%</td>
<td>748</td>
<td>41.81%</td>
</tr>
<tr>
<td>Vehicle registration</td>
<td>771</td>
<td>53.80%</td>
<td>662</td>
<td>46.20%</td>
</tr>
<tr>
<td>Environment/ecology checkpoint</td>
<td>459</td>
<td>46.50%</td>
<td>528</td>
<td>53.50%</td>
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<tr>
<td>Other activities</td>
<td>1,232</td>
<td>75.26%</td>
<td>405</td>
<td>24.74%</td>
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<tr>
<td>Veterinary inspection</td>
<td>660</td>
<td>64.14%</td>
<td>369</td>
<td>35.86%</td>
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<tr>
<td>Meals</td>
<td>7,733</td>
<td>97.25%</td>
<td>219</td>
<td>2.75%</td>
</tr>
<tr>
<td>Loading / unloading</td>
<td>1,751</td>
<td>93.94%</td>
<td>113</td>
<td>6.06%</td>
</tr>
<tr>
<td>Transhipment</td>
<td>55</td>
<td>53.40%</td>
<td>48</td>
<td>46.60%</td>
</tr>
<tr>
<td>Repair / tire replacement</td>
<td>490</td>
<td>93.69%</td>
<td>33</td>
<td>6.31%</td>
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<tr>
<td>Waiting/ queue</td>
<td>2,178</td>
<td>99.05%</td>
<td>21</td>
<td>0.95%</td>
</tr>
<tr>
<td>Rest/overnight stay</td>
<td>2,084</td>
<td>99.05%</td>
<td>20</td>
<td>0.95%</td>
</tr>
<tr>
<td>Visa / immigration</td>
<td>269</td>
<td>94.72%</td>
<td>15</td>
<td>5.28%</td>
</tr>
<tr>
<td>Escort / convoy</td>
<td>305</td>
<td>95.61%</td>
<td>14</td>
<td>4.39%</td>
</tr>
<tr>
<td>Detour</td>
<td>47</td>
<td>94.00%</td>
<td>3</td>
<td>6.00%</td>
</tr>
<tr>
<td><strong>All</strong></td>
<td><strong>13,029</strong></td>
<td><strong>61.57%</strong></td>
<td><strong>8,132</strong></td>
<td><strong>38.43%</strong></td>
</tr>
</tbody>
</table>
Border Crossing Points

- BCPs are major bottlenecks
- Border Crossing Point and Single Window Development
- A regional loan is being formulated to improve border crossing points and help facilitate regional connectivity of single windows
Concluding Remarks

• Trade facilitation initiatives such as BCP infrastructure improvement, Customs Modernization, single window schemes will significantly reduce delay and cost along corridors
  – Singapore reduced turn around time from 3-4 days to 15 minutes; from 24 forms to 1 form once they introduced automated system
  – Average processing time at AZE BCPs were reduced from 4 days to 3 hours; forms from 40 pages to 2 pages after they adopted the single window
• Rich data from CPMM allows CAREC to conduct detailed analysis
• Detailed analytical reports are available in the CPMM quarterly reports
Recommendations

• Improve infrastructure and rolling stock/vehicles
• Improve operations at Border Crossing Points by minimizing or eliminating regulatory barriers and burdensome procedures
• Take measures to make more predictable freight arrival times
Thank you/Спасибо

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