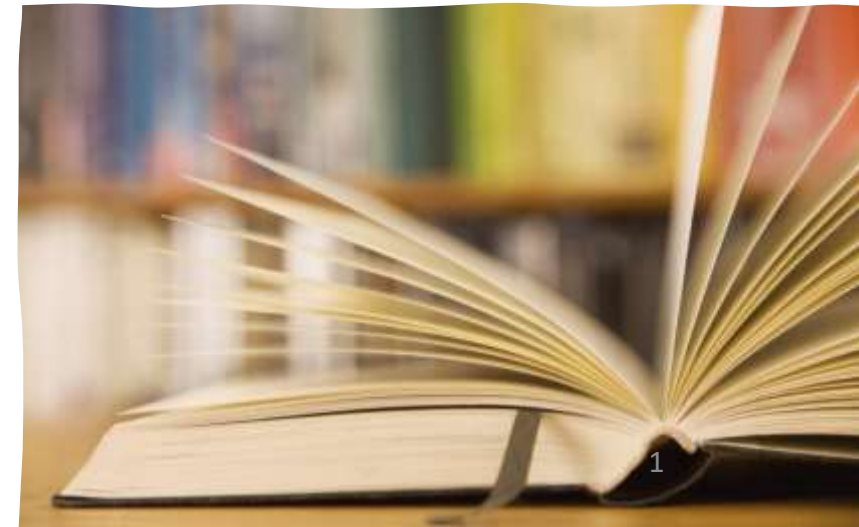


Opportunities for Sustainable Trade through Efficient Regional Transport Network

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Key enablers for trade (including transit trade)

- Complementarity of products and services
- Efficient and standardized road, rail and air infrastructure
- Efficient data-driven border handling services
- Trade and transit agreements to facilitate trade diversions and movement of goods and carriers
- Wider linkages with trade routes to provide economies of scale

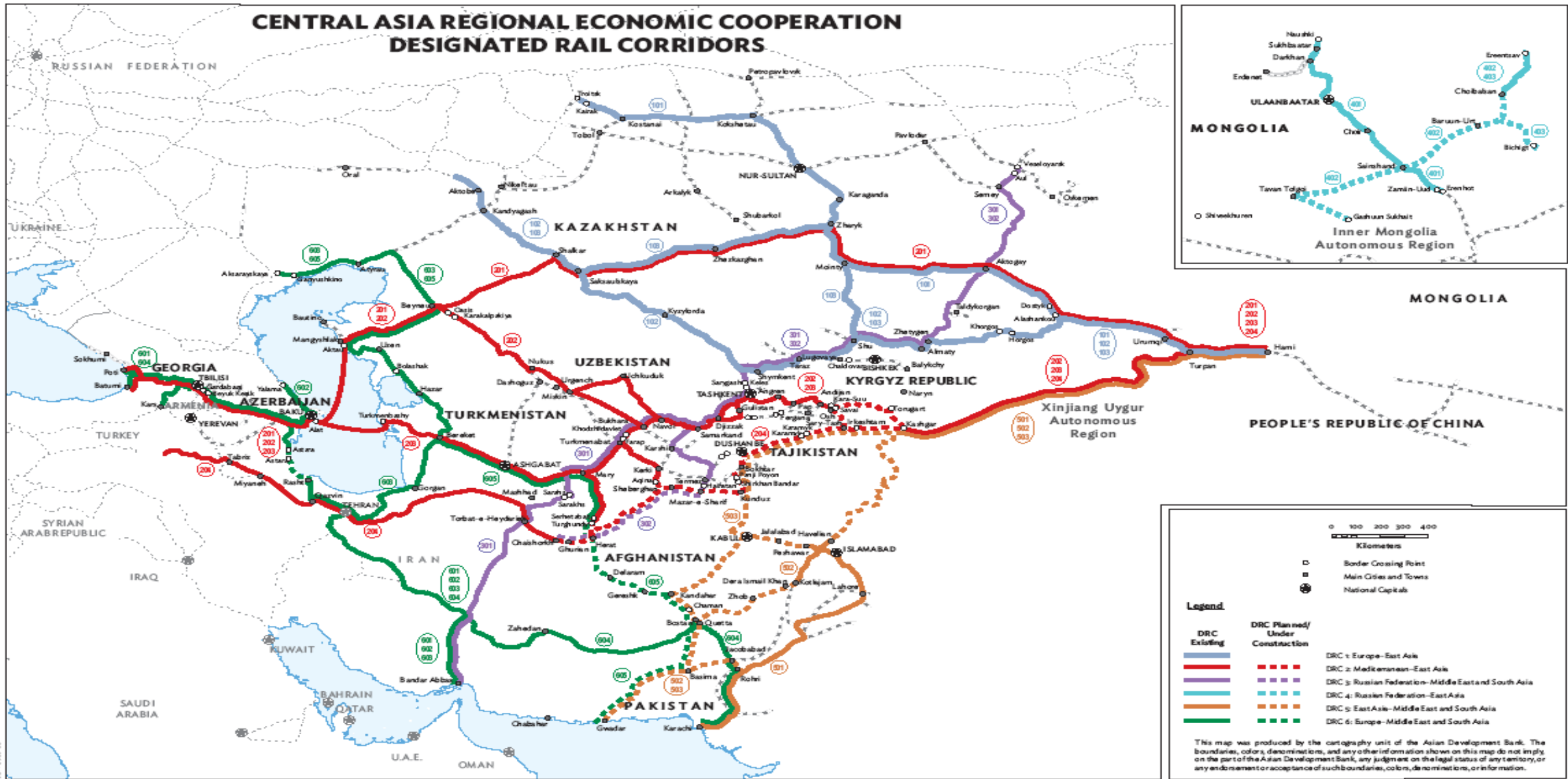


CAREC Program



- Partnership of 11 countries
 - Afghanistan, Azerbaijan, People’s Republic of China, Georgia, Kazakhstan, Kyrgyz Republic, Mongolia, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan
- Regional development through cooperation
- Six Development partners
 - Asian Development Bank (ADB). Serves as the CAREC Secretariat.
 - European Bank for Reconstruction and Development (EBRD)
 - International Monetary Fund (IMF)
 - Islamic Development Bank (IsDB)
 - United Nations Development Programme (UNDP)
 - World Bank

CENTRAL ASIA REGIONAL ECONOMIC COOPERATION DESIGNATED RAIL CORRIDORS



Source: CAREC Secretariat

Renewed focus on integrated transport

- Technological developments allowing development for multi-modal transport networks
- Production processes re-alignment , with global and regional value chains involving enhanced demand for transportation services
- Trade and transit facilitation under WTO agreements
- Enhanced resilience of regional trade against global shocks
- BRI (PRC), Partner for Quality Infrastructure (Japan) , TRACECA and Global Gateway (EU)- Aim of enhanced geo-economic gain



Sustainable Trade through Regional Transport Networks - Opportunities for Pakistan

- CPEC –BRI connectivity . Becoming part of PRC's continental vision
- CAREC Corridors
 - Access to Central Asia's landlocked economies
 - Access to European Union and Eurasian Union
- Transit route for landlocked CAREC Economies (utilizing already established excess port facilities)
- Kickstart economic activities in backward areas of border hinterlands
- Tourism potential along transport connectivity infrastructure



Developing transport connectivity: How does Pakistan Fare ?

- Corridor Performance Monitoring and Measurement
- Empirical tool designed by the CAREC Program to assess and track the time and cost of moving goods across borders and along the transport corridors
- Spanning the 11 participating countries—Afghanistan, Azerbaijan, the People’s Republic of China (PRC), Georgia, Kazakhstan, the Kyrgyz Republic, Mongolia, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan
- Developed by ADB, now partnered with CAREC Institute

<https://www.adb.org/sites/default/files/institutional-document/777881/carec-cpmm-annual-report-2020.pdf>



Pakistan in CPMM

- Corridor 5
 - Most time consuming (least efficient)
 - Slowest for trucks to move
 - Further aggravation in COVID pandemic
 - Huge costs
 - Slower pace





Pakistan in CPMM – Cost of Border Crossing at Corridor 5

- Cost (US\$)
 - Customs Inspection 221
 - Commercial Inspection 189
 - Loading/Unloading 101
 - Unofficial Payments Customs 88
- Time for Border crossing 55.7 hours
- One of the highest costs among corridors





Recommendations-1

- Proactive trade diplomacy to complement geo-economic strategy
- Focused negotiations for market access and transit trade facilitation
- Implementation of Quadrilateral Agreement on Transit through Ministry of Commerce
- Integration of PSW in Regional Single Windows
- Data exchange agreement with Afghanistan and Central Asian countries for real time exchange of cargo data for transit and trade
- Early implementation of TFA commitments for joint inspection at borders





Recommendations-2

- Approve national freight logistics policy (by Cabinet)
- Enhances use of smart parks and tags
- Fully operationalize Ghulam Khan to divert traffic load at Torkham
- Early completion of ITTMS at Torkham and Chaman BCPs
- Improve train infrastructure and incentivize freight trains from Karachi to Torkham
- Fully utilize financing options for infrastructure improvement (CAREC/CPEC)



