

Enhancing Cooperation in Digital Trade

21-30 SEPTEMBER 2021



20th Meeting of the CAREC Customs Cooperation Committee 28 September 2021

HIGHLIGHTS OF DISCUSSION

Introduction

1. The CAREC Customs Cooperation Committee (CCC) Meeting was held on 28 September 2021. Mr. **Javad Gasimov**, Deputy Chair, State Customs Committee of Azerbaijan chaired the meeting, and Ms. **Emma Fan**, Director, Public Management, Financial Sector, and Regional Cooperation Division (EAPF), East Asia Department, Asian Development Bank (ADB) co-chaired the meeting.

2. In his welcome remarks, Mr. Gasimov welcomed the participants to the meeting and emphasized that the main objective is to present the progress of the CCC under the CAREC Integrated Trade Agenda (CITA) 2030 and its Rolling Strategic Action Plan (RSAP) 2021-2023. Mr. Gasimov thanked ADB for the opportunity to chair the CCC meeting. He also emphasized the important role that customs authorities play in the sustainability of supply chain amidst the pandemic.

3. In her opening remarks, Ms. Fan expressed deep gratitude to the government of Azerbaijan for its excellent chairmanship of CAREC trade meetings this year. She mentioned that COVID-19 pandemic has challenged customs with restricted mobility and disrupted flow of goods but was able to quickly adapt to the changes and played an important role in facilitating trade and leveraging new technologies. Ms. Fan identified potential key areas for further cooperation including use of blockchain technology or big data to support data sharing and advance information, electronic certification not only for customs declaration but other trade documents, e-payment systems, single window, digital trade networks or platform for customs and small and medium-sized enterprises.

Session 1: Bolstering Recovery, Renewal and Resilience for a Sustainable Supply Chain

4. Mr. **Moez Ahmed**, Project Manager, COVID-19 Project, Compliance and Facilitation Directorate, World Customs Organization (WCO) emphasized WCO's work to assist customs administrations in dealing with unpredictable and disruptive events. He shared WCO initiatives under the 2021 theme *Bolstering Recovery, Renewal and Resilience for a Sustainable Supply Chain*. To drive the recovery process, Mr. Ahmed highlighted the need for customs for enhanced cooperation with stakeholders, robust implementation of the Revised Kyoto Convention and the SAFE Framework of Standards to Secure and Facilitate Global Trade. To support the increase of cross-border e-commerce volumes, WCO encouraged CAREC customs to implement the 15 standards under the Framework of Standards on Cross-border E-commerce. To enable renewal, WCO carried out digitalization initiatives, such as the free use of WCO Data Model, launch of the "BAnd of CUstoms Data Analysts" or the BACUDA Project, and conduct of regional workshops to

collect and share best practices on the use of new technologies with members. To build resilience, WCO called customs administration to position themselves when faced with multiple potential realities, such as political environment, social, and economic factors.

5. Georgia sought the guidance of the WCO on the practical implementation of e-customs initiatives and the set of priorities that customs should implement on customs digitalization. In response, WCO highlighted the on-going BACUDA project, launched in September 2019, with the objective to analyze the needs of members in developing data analytics. Regional and national workshops on data analytics were also conducted. Georgia supported WCO and stated that the project is important to digitalization and stressed the need to invest more in paperless processes to cooperate more effectively.

6. Asked if there are cases and lessons learned from other regions used by other customs agencies using disruptive technologies, WCO provided examples such as: (i) using Artificial Intelligence (AI) to screen passengers in airports during the COVID-19 pandemic when travel restrictions were enforced, and (ii) using data analytics for risk management and profiling. Mr. Gasimov supported WCO and emphasized the importance of AI for customs administration and noted that Azerbaijan commenced its work in this area and expressed readiness to share their experience.

Session 2: Around the Table/Country Intervention

7. **CCC Updates.** Ms. Dorothea Lazaro, Regional Cooperation Specialist, ADB in presenting the CCC workplan under the CITA 2030's RSAP, recalled the three CCC priority areas: (i) customs development, (ii) customs technologies, and (iii) customs services. Ms. Lazaro shared activities undertaken since September 2020 under the customs purview, such as knowledge-sharing modules on regional improvement of border services (RIBS) projects, ADB study on cross-border e-commerce, and the joint meeting of the CCC and Sanitary and Phytosanitary Measures (SPS) Regional Working Group on risk management and digitalization.

8. **Azerbaijan.** Mr. Samad Garalov, Director of Head Department on Customs Control and Trade Facilitation, State Customs Committee of Azerbaijan, informed the CCC on the potential of the new Zangezur corridor for East-West cross-border trade. Since 2019, Azerbaijan introduced full and abridged e-declaration systems, which enables the implementation of green corridor in customs clearance. The approach is different from authorized economic operators (AEOs), where importers can offload their goods at their own warehouse, while exporters can ship from their own facility. Goods will then skip customs offices and proceed directly to border crossing points (BCPs). The absence of face-face contact between traders and customs showed good results during the pandemic and contributed to the increase of export of agricultural goods. Azerbaijan also uses non-intrusive customs control methods and reconstructed all customs border services. Azerbaijan continues to create various innovations, including centers of customs clearance at the new "Red Bridge" BCP (bordering Georgia), which simplifies trade processes. Azerbaijan also plans to introduce similar centers at the borders with Russia and other BCPs. With the help of ADB, Azerbaijan plans to build a new BCP "SilkWay" (bordering Georgia), with joint customs control features. Azerbaijan as an observer on the European Convention on Common Transit also plans to implement the New Computerised Transit System (NCTS) and requested CAREC members' and ADB's support in this area. Azerbaijan also asked assistance from ADB on the implementation on their proposed electronic single window that may be conducted together with other CAREC countries.

9. **People's Republic of China.** Mr. Yuan Ziwei, Deputy General Director of General Administration of Customs of the PRC (GACC), delivered updates on recent initiatives undertaken by PRC. PRC called for continued cooperation on three areas: (i) promotion of AEO framework. PRC concluded mutual recognition agreements (MRAs) with 46 countries on AEOs and has on-going discussions with Mongolia to implement MRA on AEOs between borders. PRC encouraged CAREC customs to use AEO MRAs to expedite customs clearance. PRC also (ii) introduced the C-TOP Project, which is designed for China Railway Express. PRC signed C-TOP agreement with Kazakhstan and carried out a pilot project with Belarus. Using smart lock and exchanging data by high technology, the project helps speed up cargo clearance of China Railway Express. PRC encouraged CAREC customs to join the project. On (iii) cooperation on sanitary and phytosanitary (SPS), PRC recalled that Mr. Kexin Bi of Food Safety Bureau chaired the Transboundary Animal Diseases and Food Safety session during the CAREC SPS Week held in April 2021. Based on the characteristics of export plants and related products, Mr. Yu Zaodung of GACC presented law and regulations of quarantine and relevant working procedures of PRC during the session. PRC also emphasized the details on risk analysis and capacity building cooperation. On the RSAP 2021-2023, PRC had no comments but expressed willingness to promote the implementation of RSAP activities. PRC also expressed their ambitions to work with CAREC partners to deepen cooperation to develop safe and convenient environment and jointly create prosperity in the region.

10. **Georgia.** Mr. Samson Uridia, Head of the Department for International Relations of Georgia Revenue Service, reported Georgia's recent initiatives including the implementation of NCTS and creation of IT platform to launch this system. Georgia also successfully implemented the exchange of preferential Certificates of Origin (COO), with Azerbaijan and PRC, based on blockchain technologies for COO validation. Mr. Uridia called CAREC members to invest further in paperless trade mechanisms noting the big impact on facilitation and enhancement of trade. AEO is also on the top of agenda of Georgia, who work together with Azerbaijan and PRC customs to implement AEO MRAs. For bilateral projects, Georgia underlined the importance of joint customs control (JCC) border with Azerbaijan (Silk Road Project), and mentioned that CAREC countries share common interest and should establish JCC projects across the region. Georgia also hopes to finalize the CAREC Advanced Transit Agreement (CATS) to improve access to the European market. Georgia asked CCC members to prioritize digitalization of trade through bilateral and regional projects.

11. Azerbaijan Chair confirmed that Azerbaijan and Georgia sought support from ADB on the implementation of the said JCC project.

12. **Kazakhstan.** Mr. Bolat Sultanovich Ibragimov, Head of Division of Customs Methodology, State Revenue Committee, Ministry of Finance of Kazakhstan, noted that the spread of COVID-19 and the measures undertaken by countries to contain it have led to large scale crisis. It has formed a new realities and significantly changed the basic scenarios for developing countries. Existing challenges were exacerbated by the following trends: (i) reducing competitiveness of economy; (ii) digitalization of all sectors, and (iii) change in economic paradigm and consumption pattern. Digital technology has become a key factor for Kazakhstan in developing business and creating demand for digital commerce. Since April 2021, the Eurasian Economic Union (EAEU) commenced discussions on trade in goods procured by persons using business-to-customs platforms. Goods procured under e-trade will be separated into a certain category and will be subjected to special regulation. E-trade declarations, e-trade operations, use of bonded warehouses will also be introduced under special EAEU regulations. Rate for such trade will be at zero duties. Kazakhstan also focus on the amendments to legal framework to ensure customs administrations can facilitate the arrangement of using e-declarations for e-commerce goods,

ensuring proper inflow of duties from e-commerce to the budget, enforcing intellectual property rights, and simplifying customs control and bonded warehouse procedures.

13. **Kyrgyz Republic.** Mr. Kubanych Shatermirov, Deputy Chairman, State Customs Service under the Ministry of Economy and Finance, shared key initiatives undertaken by customs, including (i) pilot implementation of the “Sanarip Tamga” project on 11 December 2020, at Dostuk BCP, which will allow to promptly exchange pre-arrival information submitted by traders with regulatory authorities before the arrival of goods and to step up and streamline inspection procedures at BCPs. In December 2020, Kyrgyz Republic also (ii) launched pilot operations of the Situation Center (SC), aimed to enhance the efficiency of customs administration when moving goods and vehicles across BCPs, to automate record-keeping on movements of goods and ensure transparency at all stages of customs operations. The Kyrgyz Republic, as a Contracting Party to the International Transport of Goods (TIR) Convention, also (iii) introduced the TIR- electronic pre-declaration (TIR-EPD) system and is working on digitalization of TIR operations and implementation of a pilot e-TIR project with neighboring countries. In the future, the Kyrgyz Republic plans to improve the customs control system by introducing e-customs declaration with subsequent launching of a system for automatic release of goods. This will significantly accelerate implementation of customs formalities and minimize the "human factor" in decision-making of customs operations, thus creating favorable conditions for foreign economic activities.

14. Azerbaijan Chair asked whether the situation center in Kyrgyz borders have surveillance cameras. Mr. Shatermirov confirmed that there are cameras, and the center enables monitoring of all customs processes.

15. **Mongolia.** Ms. Tsendsuren Davaa, Senior Customs Officer, International Cooperation Division, Customs General Administration of Mongolia shared that Customs Strategic Plan 2021-2024 in line with WCO strategic plan, was finalized. Mongolia wants to focus on risk management with integrated with border agencies, based on WTO Trade Facilitation Agreement (TFA) Article 8. Mongolia’s implementation rate is at 23.5% of Category A provisions, 56.3% of Category B provisions, and is expected at 100% by 2026. Customs modernization covers hard infrastructure development, including targeting center building, tele-control system (CCTVs covering 46 BCPs), customs central and branch laboratories and equipment, smart gate, x-ray/NII, and fiber optic cable. Through ADB financing, Regional Improvement on Border Services were also established at BCPs in Altanbulag, Sukhbaatar, Bichigt, Borshoo, as well as information technology innovation (CAIS) and single window system. Funded by PRC’s aid for 2019-2020, construction and upgrade of BCPs at Zamiin-uud and Gashuunsukhait were also implemented. For trade facilitation, Mongolia signed an MRA on AEO with Korea customs, while discussions are on-going with PRC customs. Under the RIBS project, the information technology system uses the WCO Data Model version 3.7, which enables exchange of information in region, that is needed for a regional single window. The data model also introduced Mongolia to paperless trade, trade facilitation, risk-based selectivity system, and AEO. Mongolia also challenges, such as the need to move to digital operations, border-agency cooperation, single window, capacity building, early warning system, use of disruptive technologies (AI, big data, IoT). For 2021, Mongolia plans to prioritize key areas, such as legal updates (ratify international conventions), human resource development (introduce rotation system), risk management innovations, digital customs, technological interoperability, and use of AI. On RSAP 2021-2023, Mongolia expressed its full support, while they focus on their own strategic action plan activities.

16. **Pakistan.** Mr. Habib Ahmad, Director of Transit Trade, Pakistan Customs shared that Pakistan acceded the TIR convention in 2015 and established connectivity with IRU system in

2018. Compared to other countries, Pakistan is lagging in implementation in the number of companies registered and TIR carnets per year. Rules were relaxed after December 2020, with these changes: (i) financial guarantee to cover fines and penalties was changed from bank guarantee to insurance guarantee; (ii) minimum vehicles for a local company was changed from 5 to 1; (iii) minimum vehicles for foreign company from 10 to 5; (iv) proof of sound financial condition from 3 years audited bank statement to certified bank statement; (v) taxpayer status from active to registered; (vi) vehicle fitness certificate from that issued by National Highways Police to that issued by any standard inspection facility. Mr. Ahmed also shared that Afghanistan-Pakistan Transit Trade Agreement (APTTA), which was signed in 2010. The volume of Afghanistan transit trade through Pakistan increased from 0.123 m TEUs or \$5.3 B in 2019-2020 to 0.121 m TEUs or \$4.7 B in 2020-2021. Rules relaxed after August 2021 with the following changes: (i) assessment of consignments from 100% manual to 100% automated; (ii) examination has been eliminated from 5%; (iii) security from insurance guarantee per consignment to one-time revolving insurance guarantee. The Pakistan Single Window (PSW) is a flagship customs project launched in October 2017, with 44 government departments brought together in one portal. It is estimated to reduce time of 140 hours/consignment for imports and 45 hours/consignment for exports, and bring \$500 million annual savings of economic operators. PSW is targeted to be completed in June 2023.

17. **Tajikistan.** Mr. Azim Tursunzoda, First Deputy Head, Customs Service shared that within the framework of the Medium-term Development Program for 2020 - 2024, Tajikistan plans to apply modern customs control, computer technologies, global communications, and more customs infrastructure. To modernize the risk management system, Tajikistan works with the Republic of Korea on a system that was put into production in the structure of the EAIS. Together with World Bank, Tajikistan established cooperation, within the framework of the project "Program for Improving Regional Communication Routes in Central Asia Phase 4", which is aimed at modernization and simplification of trade procedures and the introduction of the electronic ASYCUDA system. Since Tajikistan's implementation of the single window in 2020, 44,686 electronic applications for permits and certificates were processed, and 38,394 permits and certificates were issued. Tajikistan also developed an Action Plan to align its legislation with the Revised Kyoto Convention, where paragraph 26 of the Action Plan, equipped customs post with customs payment terminals and allowed customs payments using electronic forms. Tajikistan and the Russian Federation also developed a draft Agreement on the mutual application of electronic certification of origin of goods, the signing of which is scheduled this year. With the support of GIZ, from November 2020 to March 2021, a second study of the time of release of goods was also conducted. The Customs Code of Tajikistan was amended to add a new Chapter 81 to introduce the concept of "Authorized Economic Operator" to minimize administrative and technical barriers to export and import and simplify customs clearance and of customs control of goods and vehicles.

18. **Turkmenistan.** Ms. Chemengul, Senior Inspector of the Department of Law and International Relations of the State Customs Service of Turkmenistan, expressed her gratitude to the CAREC Program for the activities and projects aimed at modernizing, improving and increasing the capacity of customs in the CAREC member countries. Activities carried out by the customs of Turkmenistan were implemented as part of a 4-year Modernization Program developed and adopted for the period from 2017 through 2021. In 2021, efforts were focused on (i) the introduction of modern approaches to the management of the customs service; (ii) the modernization of the personnel training system, from managers to ordinary employees; (iii) the revision and improvement of laws and regulations; (iv) the accession to international conventions related to customs; (v) the introduction of preliminary information on cargo and goods; (vi) the introduction of a "single window" system; and (vii) active participation in activities of international

organizations. In 2021 alone, Turkmenistan became a party to three international customs conventions: (i) the revised Kyoto Convention; (ii) the Customs Convention on Containers; and (iii) the Convention on Customs Treatment of Pool Containers used in International Transport. Turkmenistan signed agreements on preliminary exchange of customs data in electronic format with Azerbaijan, Iran and Afghanistan. It is expected that agreements on the organization of the exchange of preliminary information on goods and vehicles will be signed with Uzbekistan and Kazakhstan in October 2021. In partnership with UNCTAD, the national prototype of the integrated customs information system ASYCUDA World has been implemented and the Single Window for Export-Import Operations project has been launched. In February 2021, by decree of the President, an interdepartmental committee was created to coordinate the work of this system. Turkmenistan is also developing cooperation with the United Nations Economic Commission for Europe (UNECE) and the International Road Transport Union (IRU) for the possible implementation of the e-TIR system, as well as the TIR-EPD preliminary cargo declaration system. With regard to transit transport corridors, Turkmenistan noted that a trilateral Roadmap for cooperation on the Lapis-Lazuli corridor was signed in January 2021.

19. **Uzbekistan.** Mr. Rovshankhon Akramov, Head, International Cooperation Department, State Customs Service, Uzbekistan shared recent activities undertaken by Uzbekistan customs, which is based on the Concept of Customs Bodies Reforms in 2020-2023. Among the achievements include: (i) reduction customs clearance time from 3 to 1 day depending on risk level, (ii) improvement of risk management system at road and rail border customs posts; (iii) introducing modern types of customs controls with GPS-monitoring and electronic seals, and (iv) automation of customs clearance system. Uzbekistan also became a member of the Revised Kyoto Convention and the Convention on Temporary Admission. Uzbekistan also introduced e-TRANZIT (automated transit declaration), improved customs warehouses operations and financial guarantees systems. Uzbekistan also improved the legal framework focused on procedures for the recognition of certificates of conformity by the Organisation for Economic Cooperation Development member countries, International Laboratory Accreditation Cooperation, and International Accreditation Forum, pay customs duties through mobile applications, and rapid clearance procedures of perishable goods, and reduced the checkpoints not exceeding 30 minutes for trucks and 15 minutes for cars. Uzbekistan focuses its work on the implementation of its single window, with 6 government agencies connected to the system, and 843,000 permits issued and 38,000 registered users. Uzbekistan shared other planned activities in 2021, including (i) implementation of transit declaration system, wide implementation of customs audit, improvement of single window, reducing human factor in processing, and implementation of unified information exchange system at BCPs.

20. Mr. Garalov of Azerbaijan clarified with Uzbekistan if the center of customs clearance and distribution of declarations among officers are located within this center or at local offices. Mr. Akramov confirmed that the customs clearance system is still in hybrid-type centers, but the single customs clearance center commenced its operation as a pilot.

(i) At the end of session, Ms. Lazaro recapped the request and inputs of countries for inclusion on the RSAP 2021-2023 including (i) Azerbaijan's proposal on the application electric window mechanism and (ii) capacity building activities on AEO, transit, customs declarations, and paperless trade. She highlighted that for investment projects for ADB financing, these must be coordinated with each of the country's Ministry of Finance with a formal request submitted to ADB through resident missions/country offices.

Session 3: Special Reports

21. Ms. **Zulfia Karimova**, Principal Regional Cooperation Specialist, ADB briefly introduced the report on *Progress in Trade Facilitation in CAREC Countries: A CPMM 10-Year Perspective*. The special report marks the ten years of implementation of the CAREC Corridor Performance Measurement and Monitoring (CPMM) mechanism and aims to identify significant trade facilitation initiatives and areas that need further attention and suggest how ADB, and other development partners can address these gaps. The report also focuses on the impediments that disrupt movement of goods across the supply chain and provide lists of recommendation beneficial to the region. Ms. Karimova noted to circulate the report to CCC members once internal review is finalized.

22. Mr. **Jonathan Koh**, ADB consultant presented a report on *Assessing the Capacity and Readiness of CAREC Customs Agencies for Cross-Border E-Commerce Consignments*. The study reviews the legislative framework, customs procedures, and customs information systems in CAREC for managing and facilitating cross-border e-commerce. The challenges faced by CAREC customs in handling cross-border e-commerce include steep increase of volumes of small consignments that creates complex customs processing difficulties. Low de minimis regulations also create significant revenue leakage. Lack of bonded facilities for cross-border e-commerce also brings inadequacies in logistics operations and distribution processes. The study also provides recommendations, including reforms on de minimis threshold regime, pre-arrival processing, immediate release or expedited clearance through categorizing goods, simplified declaration forms for low-value consignments, digitizing postal labels, and use of non-intrusive inspection equipment.

23. During the open discussion, Georgia commended the reports and suggested that the outcomes establish the link to existing projects and initiatives of each CAREC country. Georgia also suggested agreeing to find common ground in addressing the challenges and asked to consider the practical recommendations of the e-commerce study to be implemented at the regional level. ADB requested CCC members to review and validate the information reflected in the e-commerce study presented by Mr. Koh, to further develop more concrete solutions. Ms. Karimova added that ADB and CAREC Institute are closely working together to make the CPMM data more useful for CAREC countries. Policy briefs were developed for specific countries based on existing CPMM data and shared with countries. The same efforts will be done for other countries.

24. **CAREC Advanced Transit Agreement (CATS)**. Azerbaijan underscored the need to finalize and sign the draft CAREC Advanced Transit System (CATS) Agreement developed between Azerbaijan, Georgia, and Kazakhstan, and invite other CAREC countries to participate in the project. ADB noted that virtual consultations were undertaken for Kazakhstan to facilitate their technical needs on implementing the CATS prototype in August 2021. Kazakhstan noted that the draft Agreement is undergoing domestic review within respective agencies to ensure that it does not conflict with other existing transit agreements. State Revenue Committee of Kazakhstan is working with the Ministry of Justice and other involved agencies on the possibility of Kazakhstan being a member of two transit agreements at the same time.

25. As a way forward, Azerbaijan proposed to have the draft Agreement signed bilaterally between Azerbaijan and Georgia and open it for accession to other CAREC countries. Georgia noted that there are various transit regimes in Georgia, including the NCTS and TIR. Georgia supported the bilateral approach proposed by Azerbaijan to provide options to economic

operators to apply the appropriate transit system. Georgia noted customs' important role to be the driving force to ensure implementation of these initiatives. As an action point, ADB will coordinate with Azerbaijan and Georgia on the preparatory works to facilitate the signing of the draft CATS Agreement between two countries. ADB will also follow up with Kazakhstan if they can possibly join the signing of the Agreement.

Session 4: Development Partners Intervention

26. Azerbaijan Chair invited development partners to provide information on ongoing projects and insights on regional and national initiatives for CAREC countries.

27. Mr. **Mario Apostolov**, Regional Adviser, Economic Cooperation and Trade Division, UNECE, presented on a new initiative on data and document exchange in multimodal transport aligned to UN standards, where it aims to modernize existing standards and develop new standard for different types of transport using UN/CEFACT standards data model. UNECE plans to pilot the application, and is currently working with Azerbaijan, Georgia, Ukraine, and Uzbekistan on the project. The standards create an interoperability scheme between different modes of transport ensuring that the data seamlessly flow when the means of transport changes. The stakeholder agency may process the standardized data using the single window and similar platforms and may retain control over their documents and legal framework. Georgia requested the CAREC Secretariat to take into consideration the information presented by UNECE noting that customs digitalization, transport, and commercial documents are key documents that may be agreed in bilateral, trilateral, or regional format.

28. Ms. **Tatiana Rey-Bellet**, Director, TIR and Transit, IRU, provided information on the use and digitalization of TIR as a transit regime. IRU noted that all CAREC countries are users of TIR and there is an increase of TIR usage from CAREC countries. Other CAREC countries initiated the work to connect to e-TIR. Customs digitalization is a priority among CAREC members, and in line with that, IRU has been ensuring business-customs (and vice versa) connectivity between participants of trade. TIR IT tools enable sending of TIR information in advance to participants allowing them to perform risk assessment. With the new Annex 11 on e-TIR, countries are preparing to connect with the e-TIR with the international system hosted by UNECE to ensure customs-customs exchange. In November 2020, Uzbekistan opened digital TIR corridor with Kazakhstan joined by Tajikistan in May 2021 and will be joined by Kyrgyz Republic in October 2021. In September 2021, ADB and IRU also conducted a joint workshop on advancing digital TIR for select countries, with the goal of expanding to the CAREC region. IRU also encouraged CAREC countries to establish green lanes to provide further facilitation and secure digital transit.

29. Pakistan noted its low usage of the TIR system and requested IRU of the trends that will show why TIR is not popular in Pakistan despite being a useful tool. As a response, IRU noted that one issue that needs to be reviewed is the access to the TIR system that may be limited because of existing legislations in Pakistan. IRU suggested that Pakistan should consider amendment of the Customs Code to favor the security and facilitation using the TIR system. IRU committed to continue working closely with Pakistan and other CAREC countries to provide security and enhance facilitation of trade in different routes using the TIR system.

30. Mr. Iskandar Abdullayev, Deputy Director, CAREC Institute provided information on its ongoing work, such as the joint activities with ADB on e-phyto certificate and CPMM. CAREC institute also launched its online training platform and conducted economic reviews reflecting trade and customs development issues. CAREC Institute expressed readiness to respond to the capacity building needs of CAREC countries.

Closing Session

31. Ms. Lazaro noted that country suggestions will be included in the revised RSAP 2021-2023 and continue the follow-up actions in partnership with development partners. Action items include:

- (i) ADB to update the RSAP for circulation to CAREC members;
- (ii) ADB and participating countries to facilitate arrangements on the signing of the draft CATS/ICE agreement and the deployment of its prototype;
- (iii) CAREC countries to validate and send comments on the special reports on CPMM and cross-border e-commerce presented in Session 3;
- (iv) ADB to work with UNECE on the possible application of data exchange in multimodal transport in the CAREC region; and
- (v) ADB and Azerbaijan to work on the proposal on the application of an electric window mechanism.

32. Mr. Gasimov thanked ADB, country delegation from CAREC countries, development partners and experts for the excellent organization of the meeting and productive discussions. He underscored the importance of working together with the follow-up activities under the RSAP 2021-2023.