



**Organization for Security and Co-operation in Europe  
Secretariat**

EEF.IO/14/08/Rev.1  
20 May 2008

ENGLISH only

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**Conference Services**

**The 16<sup>th</sup> Meeting of the OSCE Economic and Environmental Forum**

**“Maritime and inland waterways co-operation in the OSCE area:  
Increasing security and protecting the environment”**

**Part 2 / Prague, 19 – 21 May 2008**

**Plenary Session II**


**Prospects for overcoming challenges faced by landlocked developing countries in the  
OSCE area**

Please find attached the presentation by Mr. Graham Smith, Consultant, International Trade Department, the World Bank.




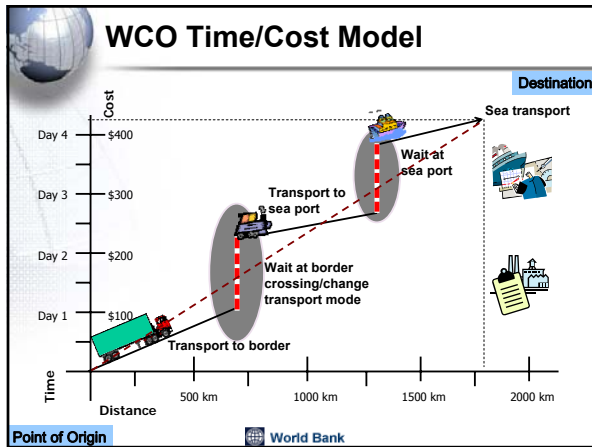

## Central Asia: Trade and Transport Facilitation Corridor Performance Measurements

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Olivier Le Ber, Graham Smith  
The World Bank





## Background

- The World Bank has financed performance measurements of transport corridors in order to:
  - Identify barriers to trade flows
  - Develop recommendations on improvement of infrastructure and procedures
  - Dialogue with the regional governments
  - Establish baseline to measure project impact: road construction, customs modernizations, trade facilitation and other projects
- Improved methodology based on experience from other Regional TTF programs (i.e. TTFSE, Africa) and Central Asia in collaboration with CAREC

## WCO Methodology



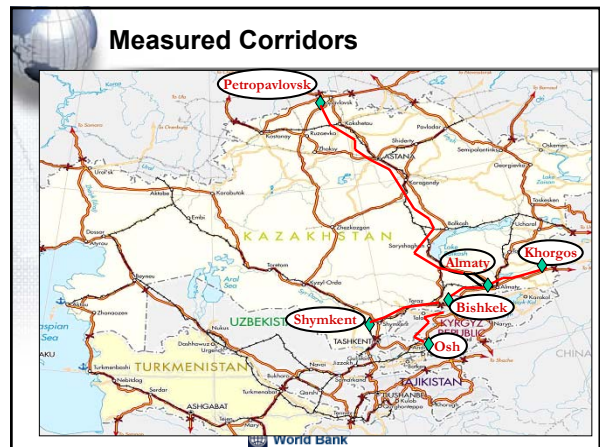
- Advantages:
  - Simple to use
  - Provides a 'snap-shot' of the present situation
  - Can track changes over time
  - Designed for comparing alternative route corridors
  - Powerful instrument for international cooperation
- World Bank enhancements:
  - Survey of infrastructure characteristics & services
  - Detailed monitoring of border crossings
  - Record of corridor events

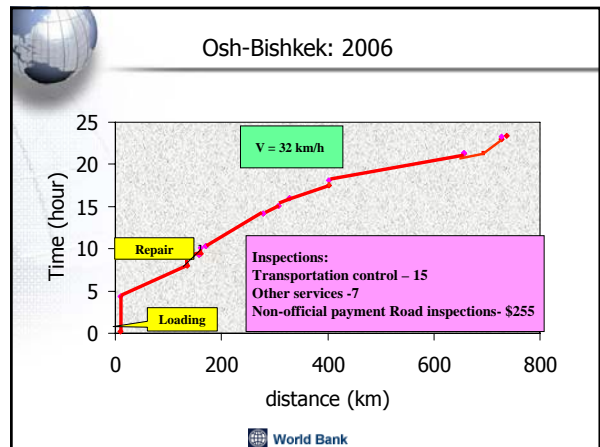
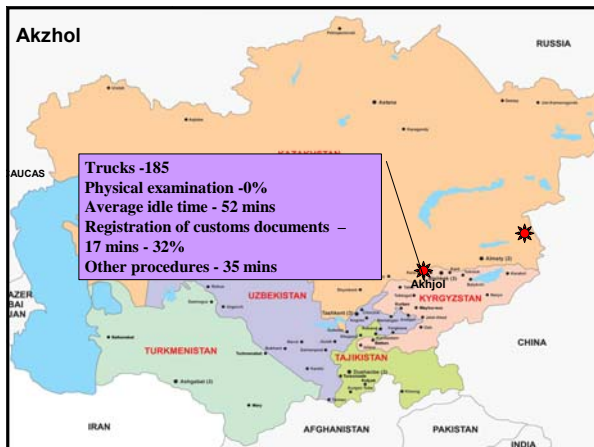
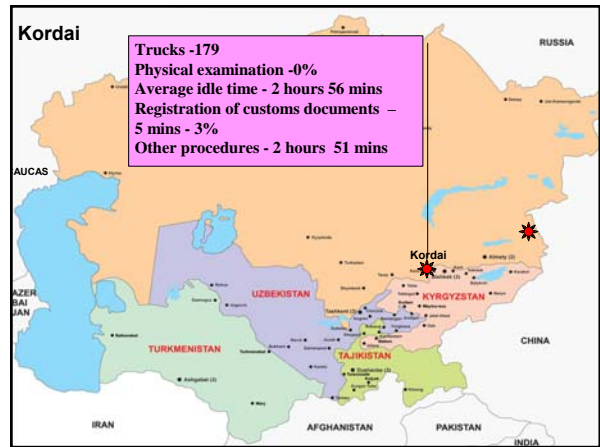
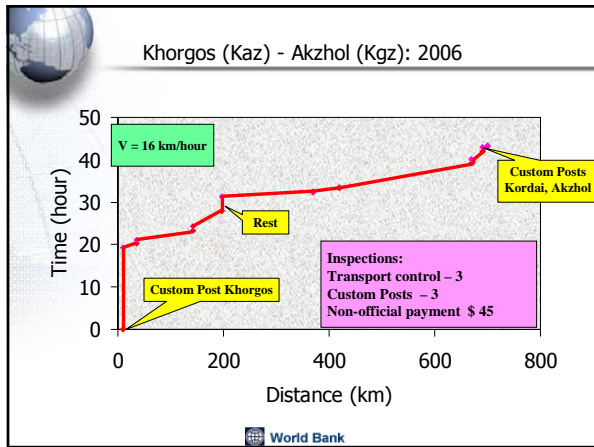
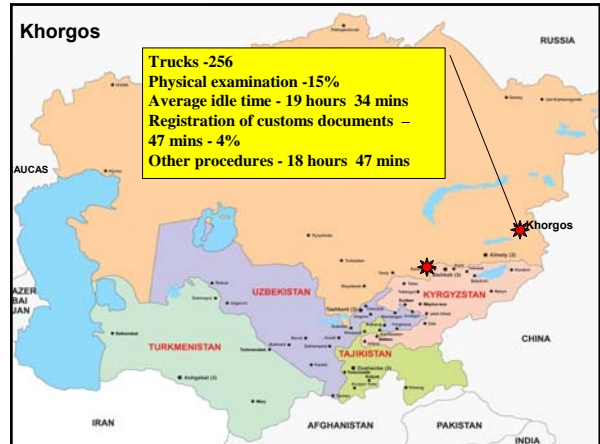
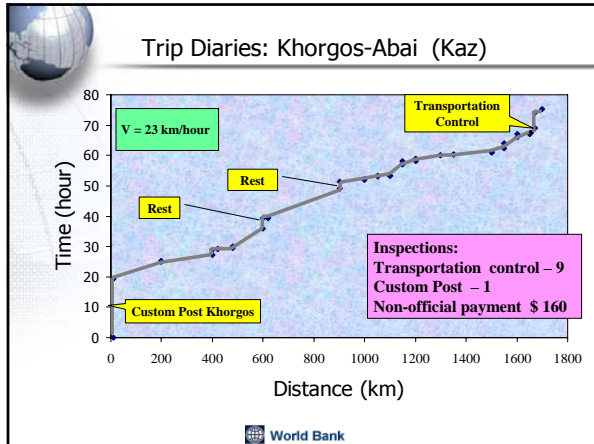



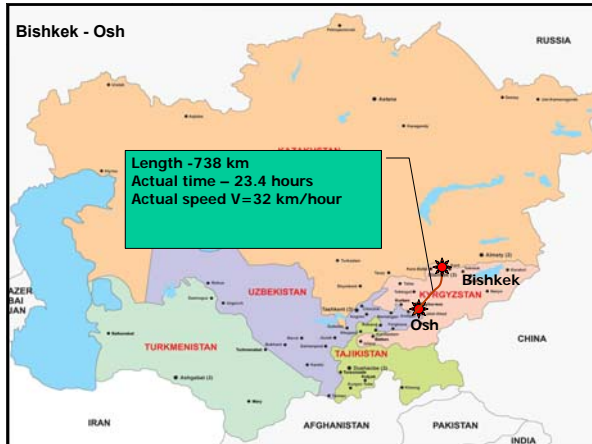
## Instruments

Five types of surveys:

- On-site physical measurements
- Truck driver interviews
- Survey of freight forwarders
- Survey of customs brokers
- Trip diaries

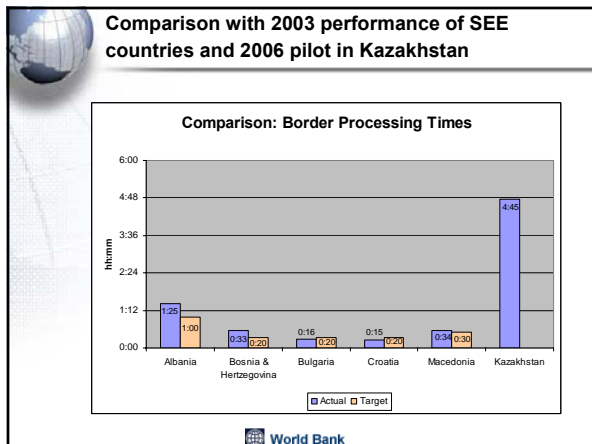
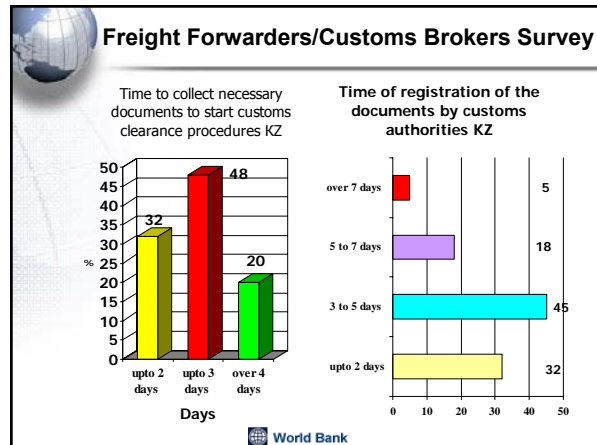
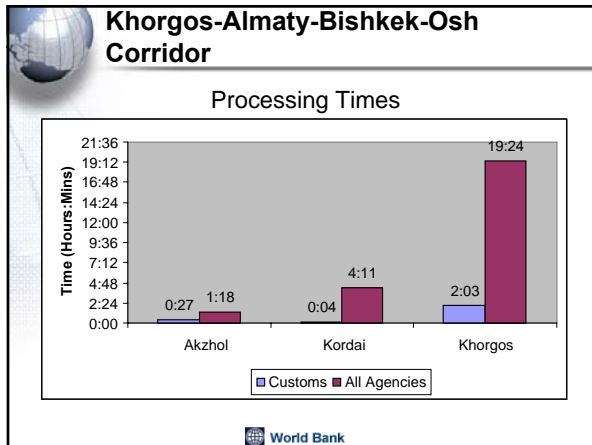




### Performance Measurement Results I

	Khorgos-Tashkent 1,700 km	Khorgos-Bishkek 700 km	Bishkek-Osh 738 km
Actual speed V=km/hour	23	16	31.5
Transport control stops	9	3	15
Custom Posts	1	3	-
Non-official payment	\$160	\$45	\$255

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- ### Summary of Performance Measurements
- Informal barriers are high in Central Asia.
  - Delays by other border agencies can be significantly more than Customs.
  - Elimination of delays needs careful assessment.
  - Measurements should be continued on a systemic basis.
  - Results should be disseminated in and outside the region.
  - Further support from governments and international organizations is needed.
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## Next steps

Expansion of Corridor Performance Measurements to South Asia (co-financed by USAID)

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## OSCE

- **Goal/mission:** to lessen international tensions and the risk of conflict, by providing forum for governments to air differences, gain information, and build trust.
- Its **main instrument** is discussion.
- **Evidence of its success:** extent to which agreements are cemented by the governments becoming signatories to international conventions, on transport, environment and other shared concerns.

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## World Bank

- **Goal/mission:** to help member countries alleviate poverty through economic development.
- Its **main instrument** is long-term loans for infrastructure and other public investments, conditional on implementation of sound economic policies.
- **Evidence of its success:** volume of lending, achievement of projects' developmental objectives.

World Bank

## Different Process, Similar Policies

- So our objectives are somewhat different, as are our core processes. World Bank proceeds one government and one project at a time. OSCE operates multi-laterally, its currency is information exchange with a view to creating political will. But there is much overlap in the public policies we support.

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## Almaty Program of Action

- Encourage neighbor countries to facilitate mutual trade and (for transit countries) to **facilitate transit traffic** of landlocked neighbors.
- Carry out programs of **public investment** in transport and border crossing infrastructure (uni-lateral and multi-lateral).
- Improve **public policies facilitating trade and transport**, including simplifying, rationalizing and harmonizing procedures (uni-laterally and multi-laterally)
- Develop **institutional capacity** to carry out the above.
- Strengthen **governance mechanisms**, including:
  - (i) building communication and trust between business community and government control entities, making clearer distinction between latter's facilitation of legitimate trade promotion activities and their law enforcement role;
  - (ii) measuring performance and efficiency of trade and border processes and making results public.

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## OSCE may wish to focus on:

- (a) dissemination of best practice on policies and institutional options (e.g. Handbook on Best Practices on Border Crossings);
- (b) strengthening of public-sector institutions (reform and training); and
- (c) improving governance of trade-related activities, especially building trust between public and private parties (e.g. PRO committees).

Such **multi-lateral activities** should centrally aim to **build confidence between trading partners**, and between landlocked countries and their transit country neighbor.

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