

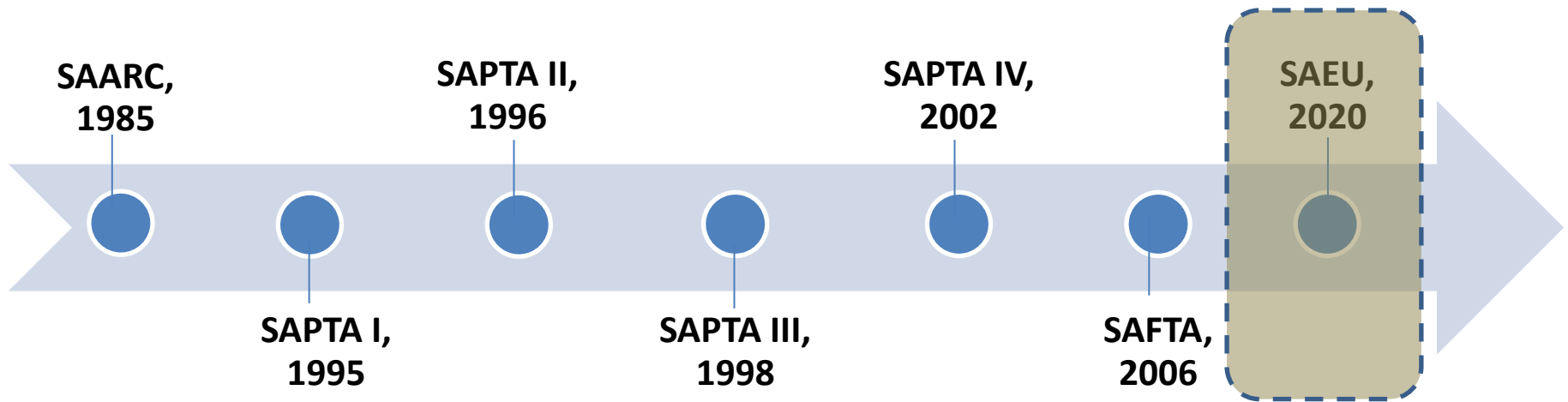
Improving Trade and Transport Facilitation and Transit in South Asia

Prabir De
RIS, New Delhi

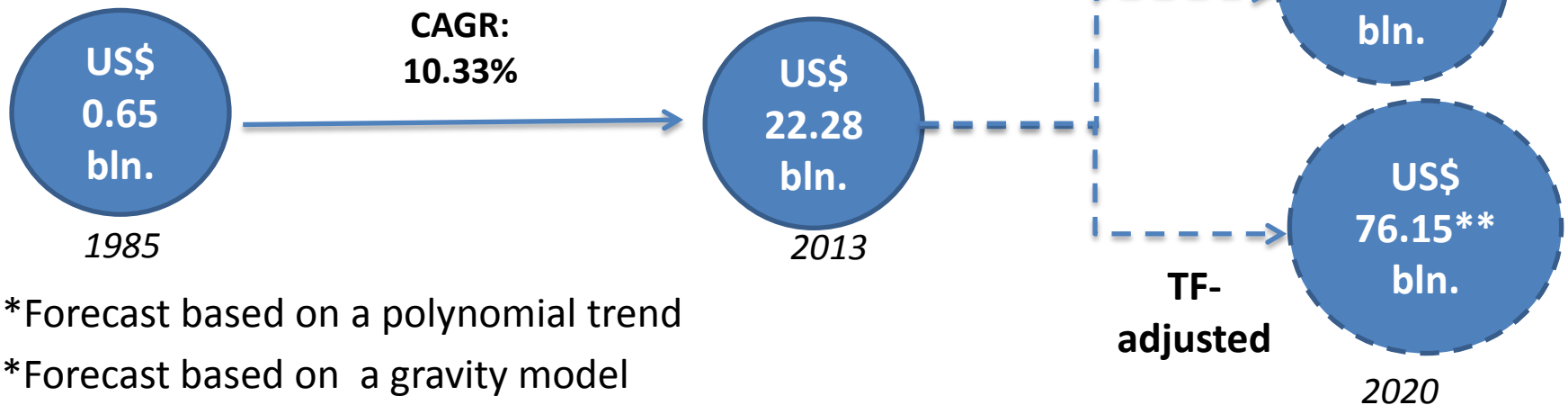
**Regional Conference on Deepening Economic
Cooperation in South Asia: Expectations from
the 18th SAARC Summit**
SWATEE, Kathmandu
3-24 November 2014

South Asian integration over time

36 years



Infra-SAARC Trade



*Forecast based on a polynomial trend

**Forecast based on a gravity model

South Asia trade facilitation

Period	Regional trade* (US\$ billion, %)	Trade liberalization	Trade facilitation
1980-89	0.98; 3.11	Nil	Nil
1990-99	1.73; 4.15	SAPTA	Nil
2000-09	8.04; 5.96	SAPTA, SAFTA	Nil
2010 - 13	21.65; 5.40	SAFTA + SATIS**	Motor Vehicle Agreement^ Rail Agreement^

*In terms of exports **To be implemented

^Proposed to be signed at 18th SAARC Summit, 2014

Source: Calculated based on IMF DOTS

Intra-South Asia trade costs > Inter-South Asia

(ad valorem equivalent, manufactured goods, 2011)

	East Asia & Pacific	Europe & Central Asia	Latin America & Caribbean	Middle East & North Africa	South Asia	Sub-Saharan Africa
East Asia & Pacific	79.96					
Europe & Central Asia	217.95	141.63				
Latin America & Caribbean	218.25	286.04	170.40			
Middle East & North Africa	213.23	179.34	281.70	119.77		
South Asia	121.38	216.35	234.58	143.60	243.46	
Sub-Saharan Africa	238.28	319.79	316.39	232.89	188.30	181.49

Source: Arivs et al, 2012 based on ESCAP-World Bank Trade Cost Database

Bilateral trade costs more within South Asia

Reporter	Partner	Export (avg. 2010-12)	NTC (2010)
		(US\$ million)	Adv. Eqv. (%)
India (47)	Afghanistan (143)	458.36	226.85
	Bhutan (128)	202.75	55.54
	China^ (27)	17168.77	79.62
	Nepal (147)	2549.33	48.95
	Pakistan (110)	1891.48	124.13
	Sri Lanka (137)	4103.05	87.67
	United States^ (15)	31055.27	88.85
Pakistan (110)	Afghanistan (143)	1889.42	72.83
	China^ (27)	2119.40	96.03
	India (47)	384.51	124.13
	Nepal (147)	0.99	229.24
	Sri Lanka (137)	286.95	136.43
	United States^ (15)	3509.85	103.76
Sri Lanka (137)	China^ (27)	93.98	126.78
	India (47)	526.80	87.67
	Maldives (125)	50.30	80.40
	Nepal (147)	0.57	303.51
	Pakistan (110)	72.27	136.43
	United States^ (15)	1972.26	125.68

Source: De (2014)

Rising intra-regional trade, commodity level

	Commodity groups	2000	2011	Average (2000-11)
		(%)		
HS-1	Live animals	24.08	23.74	27.27
HS-7	Edible vegetables and certain roots and tubers	27.72	20.35	26.44
HS-9	Coffee, tea, mate and spices	8.15	13.29	11.54
HS-10	Cereals	13.96	13.74	18.66
HS-14	Vegetable plaiting materials, vegetable products nes	38.55	35.27	39.98
HS-17	Sugars and sugar confectionery	25.58	29.63	28.72
HS-18	Cocoa and cocoa preparations	15.19	22.36	12.39
HS-19	Cereal, flour, starch, milk preparations and products	13.75	17.50	14.95
HS-23	Residues, wastes of food industry, animal fodder	21.59	29.29	25.77
HS-25	Salt, sulphur, earth, stone, plaster, lime and cement	17.77	17.47	14.74
HS-52	Cotton	14.80	23.40	18.69
HS-60	Knitted or crocheted fabric	11.19	17.83	9.74
HS-86	Railway, tramway locomotives, rolling stock, equipment	1.26	17.27	5.92
HS-87	Vehicles other than railway, tramway	11.99	12.17	11.32

Elements holding back South Asia's integration

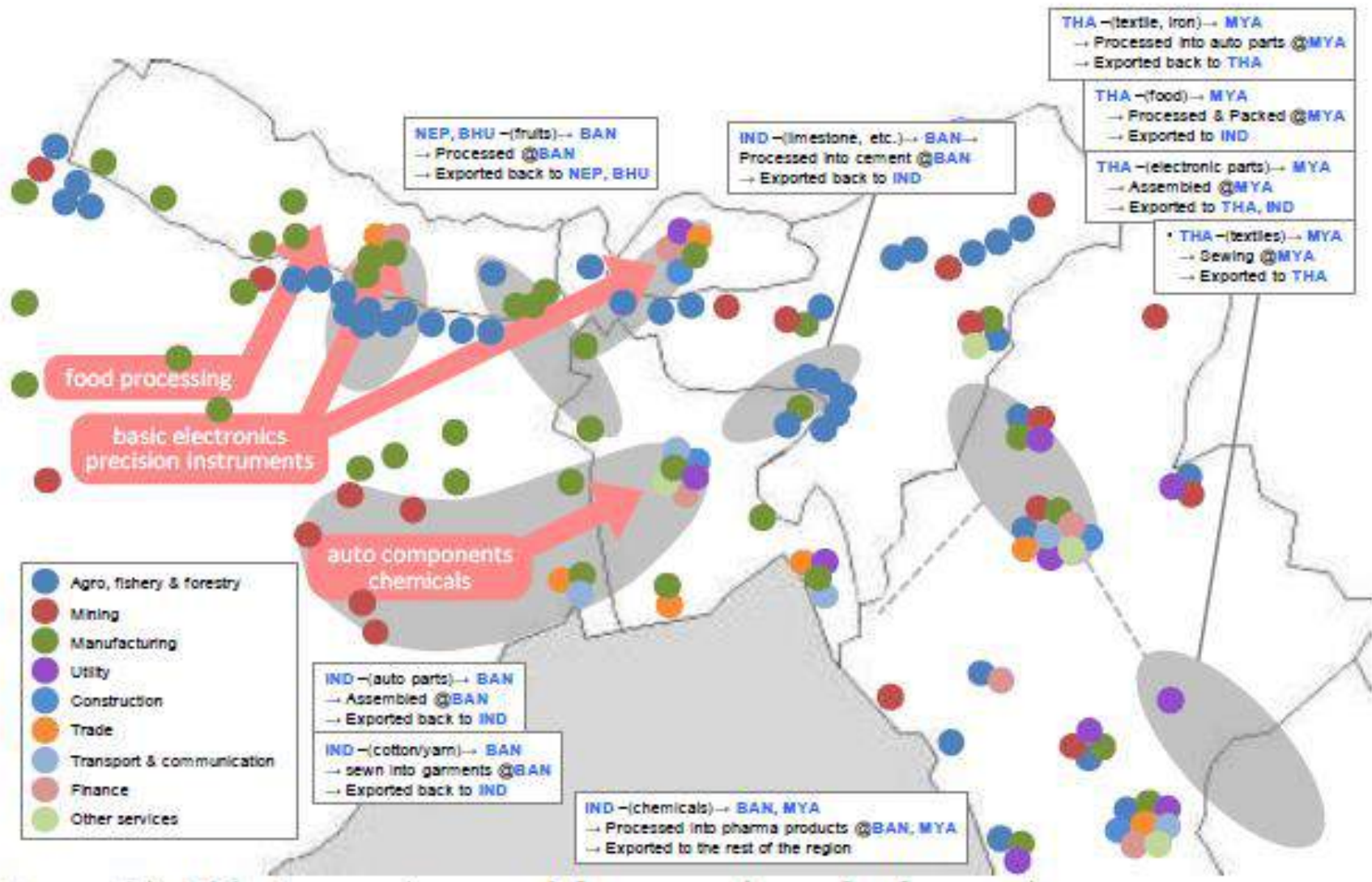
At Macro Level

1. Inadequate infrastructure – national and regional (inadequate & poor stock and link of infrastructure)
2. Absence of regional transit trade (no regional transit)
3. High NTMs (complicated and non-transparent)
4. Poor institutions and governance (no regional mechanism)
5. Lack of coordination at border authorities
6. High trade transaction costs (transport costs slow down regional integration)

At Micro Level

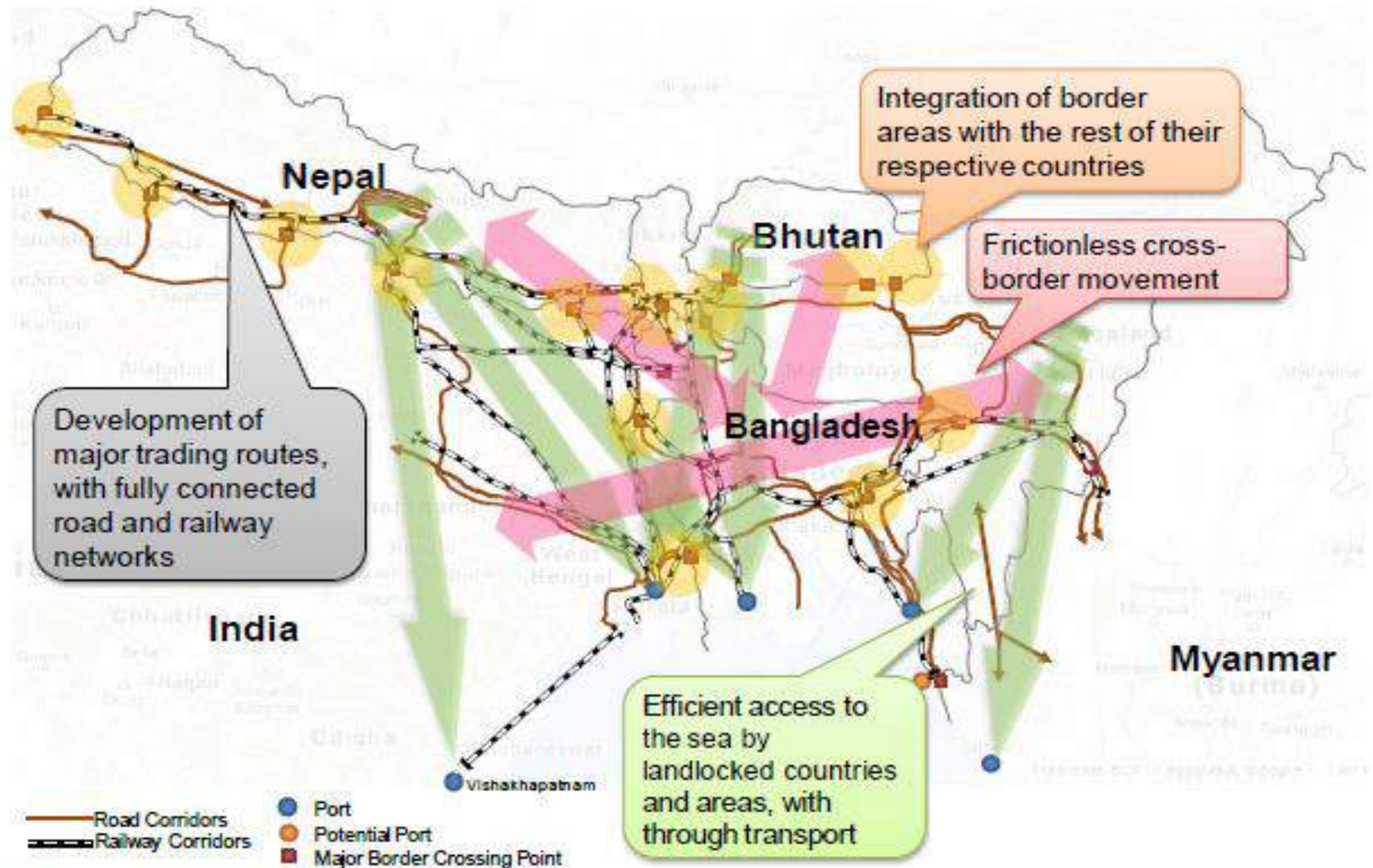
1. Lack in simplification and harmonization of trade procedures, more particularly at border.
2. Absence of modern corridor management techniques in selected corridors
3. No fast track lane and priority of goods in transit to cross the border
4. Lack of SOPs at border
5. Unequal or absence of testing facilities, banks, etc.
6. Costs at border exceed cost behind border in many cases

Potential of regional value chains



Source: JICA, March 2014

Required enhancement of regional connectivity



Source: JICA, March 2014

Progress in customs cooperation

- SAARC Agreement on Mutual Administrative Assistance in Customs Matter, signed in 2005
- The Seventh Meeting of the Sub-Group on Customs Cooperation (11-12 February 2010) made following recommendations with a view to facilitating trade in goods in SAARC.
 - **Building infrastructure** including roads and railways networks near the LCSs.
 - **Customs clearance procedures** at LCSs need to be smoothed;
 - Customs Administrations may consider **a system of customs facilitation** in which export documentation of one Member State could be considered by the Customs Administration in the importing country for the purposes of assessing and clearing the consignment.
 - Need for developing an **Electronic Data Exchange System** within the region, including at LCSs, with a view to ensure better facilitation of trade in goods among the SAARC countries including improved compliance.
 - **SAARC Secretariat to develop a regional/sub-regional project to set up automated customs clearing mechanism at the designated LCSs.**
 - **Harmonisation of 8-digit tariff lines** is needed, and in order to make this task easier, all Member States would further provide upto only 100 8-digit tariff lines with a trade potential of 75% (in value terms) in the region.

Current status of modernisation of customs system

Modernization Component	Bangladesh	Bhutan	India	Myanmar	Nepal	Thailand
Application of e-Customs	○	○	○	△	○	◎
e-Customs software	ASYCUDA ++/ ASYCUDA World ^a (with full DTI capability)	BACS/ RAMIS ^b	ICES ^c (with full DTI capability)	(UNI- PASS) ^d	ASYCUDA ++ ^e	◎ ^f
Application of preclearance	×	×	○	×	×	○
Application of risk management program	×	×	◎	×	○	◎
Application of AEO system	△	×	○	×	×	○

Abbreviations: AEO = authorized economic operator, ASYCUDA = Automated System for Customs Data, BACS = Bhutan Automated Customs System, DTI = direct trader input. ICES = Indian Customs and Excise System, RAMIS = Revenue Administration Management Information System, UNCTAD = United Nations Conference on Trade and Development

Notes: ^a Bangladesh is in the process of upgrading ASYCUDA++ to ASYCUDA World (both systems developed by UNCTAD). ^b Bhutan currently uses BACS, which it developed with assistance from India, but it plans to roll out RAMIS with ADB assistance. ^c Developed by India. ^d Myanmar is in the process of rolling out an e-Customs system (UNI-PASS) developed by the [Republic of] Korea Customs Service. ^e Nepal has rolled out ASYCUDA ++, but is considering changing to UNI-PASS. ^f Thailand has e-Customs software (called “e-Customs”) it developed itself.

Legend: ◎ = the system has been applied and is fully operational; ○ the system has been applied but could be improved and/or extended; △ = the system is under development; × = development of the system has not been started

TF measures are narrow in South Asia, but further scopes of improvement

- 1. Modern and effective customs administration and management**
→ *Accession to and alignment with RKC; SAFE Framework implementation*
- 2. Streamlined and transparent trade processes and procedures**
→ *ASYCUDA World; National EDIs and Single Windows, WTO TFA*
- 3. Improved services and information for traders**
→ *Trade portals; Trade facilitation committees*

Recent developments on regional connectivity (strong impact on South Asian integration)

1. Regional connectivity and TF between India, Bangladesh, Nepal, and Bhutan (SASEC)
2. Integrated check posts (ICP)
 - Attari in Punjab, Moreh in Manipur, Agartala in Tripura, Petrapole in West Bengal, and Raxul in Bihar
3. Higher use of ICT in trade transactions and Customs modernization
 - EDI system of India (ICEGATE), higher involvement of private sector of Bangladesh, a.o.
4. India – ASEAN connectivity projects, particularly Trilateral Highway

Trade facilitation performance

Trade facilitation in South Asia – mixed performance

- Progress made in reducing time of import/export since 2005,
 - but developed economies also improved during that period
- On average, it still takes 33 days to move goods from factory to deck-of-ship at the nearest seaport (2014)
 - South Asia: 33 days (31 days SSA) for export and 34 days (38 days SSA) for import
 - East Asia & Pacific: 21 days for export and 22 days for import
 - OECD high income: 11 days for export and 10 days for import
- Improvements in TF could bring US\$ 250 billion in additional trade for Asia and the Pacific (APEC, 2011)

Logistics - performance of LLDCs matters

Logistics Performance Index, 2014

Country	Overall LPI score	Overall LPI rank	% of highest performer
	score	rank	
Korea	3.67	21	100.00
China	3.53	28	94.95
India	3.08	54	78.02
Pakistan	2.83	72	68.46
Maldives	2.75	82	65.54
Sri Lanka	2.70	89	63.58
Nepal	2.59	105	59.56
Bangladesh	2.56	108	58.63
Bhutan	2.29	143	48.39
Myanmar	2.25	145	46.88
Afghanistan	2.07	158	40.12

Source: LPI Database, 2014, World Bank

Wide variation in LPI, rising divergence

	2014	2010	2014	2010
	overall LPI score		overall LPI rank	
Korea	3.67	3.64	21	23
China	3.53	3.49	28	27
India	3.08	3.12	54	47
Pakistan	2.83	2.53	72	110
Maldives	2.75	2.40	82	125
Sri Lanka	2.70	2.29	89	137
Nepal	2.59	2.20	105	147
Bangladesh	2.56	2.74	108	79
Bhutan	2.29	2.38	143	128
Myanmar	2.25	2.33	145	133
Afghanistan	2.07	2.24	158	143
CV (South Asia)	0.12	0.12	0.34	0.28

Source: LPI Database, 2014, World Bank

Rising gap between LDCs and developing countries in LPI

Country	2014	2010	2014	2010	2014	2010	2014	2010	2014	2010	2014	2010
	Customs		Infrastructure		International shipments		Logistics quality and competence		Tracking and tracing		Timeliness	
KOR	24	26	18	23	28	15	21	23	21	23	28	28
CHN	38	32	23	27	22	27	35	29	29	30	36	36
IND	65	52	58	47	44	46	52	40	57	52	51	56
PAK	58	134	69	120	56	66	75	120	86	93	123	110
MDV	49	98	82	111	72	125	74	117	92	121	148	133
LKA	84	143	126	138	115	117	66	142	85	142	85	125
NPL	123	131	122	143	104	143	107	143	87	140	92	139
BGD	138	90	138	72	80	61	93	96	122	92	75	70
BTN	140	118	132	141	131	120	111	127	140	105	158	122
MMR	150	146	137	134	151	131	156	148	130	129	117	82
AFG	137	104	158	139	156	141	152	141	159	128	149	146
CV*	0.39	0.27	0.31	0.30	0.40	0.35	0.37	0.29	0.31	0.26	0.34	0.30

*For South Asian countries

Source: LPI Database, 2014, World Bank

Export takes longer time in LLDCs

(Number of Days)

Year	Afghanistan	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
2006	66	35	38	27	21	43	31	25
2007	67	35	38	27	21	43	22	25
2008	67	28	38	18	21	43	22	21
2009	74	28	38	17	21	41	22	21
2010	74	25	38	17	21	41	22	21
2011	74	25	38	17	21	41	21	21
2012	74	25	38	17	21	41	21	21
2013	74	25	38	16	21	41	21	20
2014	81	25	38	16	21	42	21	20

LLDCs face rising costs of export

(US\$ per container)

Year	Afghanistan	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
2006	2,500	902	1,150	864	1,200	1,600	996	647
2007	2,500	902	1,150	864	1,200	1,600	515	647
2008	2,500	844	1,150	820	1,200	1,600	515	660
2009	3,000	970	1,210	945	1,348	1,764	611	715
2010	3,350	970	1,210	945	1,348	1,764	611	715
2011	3,545	920	2,230	1,055	1,550	1,960	611	590
2012	3,545	965	2,230	1,095	1,550	1,960	611	590
2013	3,545	1025	2,230	1,120	1,550	1,975	660	595
2014	4,645	1075	2,230	1,170	1,625	2,295	660	595

Source: Doing Business Database, The World Bank

Business processes, time, cost

Corridor	Exporter	Importer	Products	Procedures (No.)			Time (Day)	Cost (US\$/TEU)
				Exporter	Importer	Total		
Corridor 1: Kakarvitta- Panitanki-Fulbari- Banglabandha	Nepal	Bangladesh	Lentil	18	13	31	23.40	791.8
	Bangladesh	Nepal	LAA	12	16	28	29.26	1402.05
Corridor 2: Phuentsholing- Jaigaon-Hasimara- Changrabandha - Burimari	Bhutan	Bangladesh	Orange	18	14	32	18.60	569.84
	Bangladesh	Bhutan	Fruit Juice	9	16	25	20.13	527.61
Corridor 3: Kathmandu-Birgunj- Raxaul-Kolkata	Nepal	Third country*	Carpet	23		23	26.00	2285.40
	Third country**	Nepal	CSO		21	21	18.00	689.74

*Excluding export processes

**Excluding import processes

Source: ADB

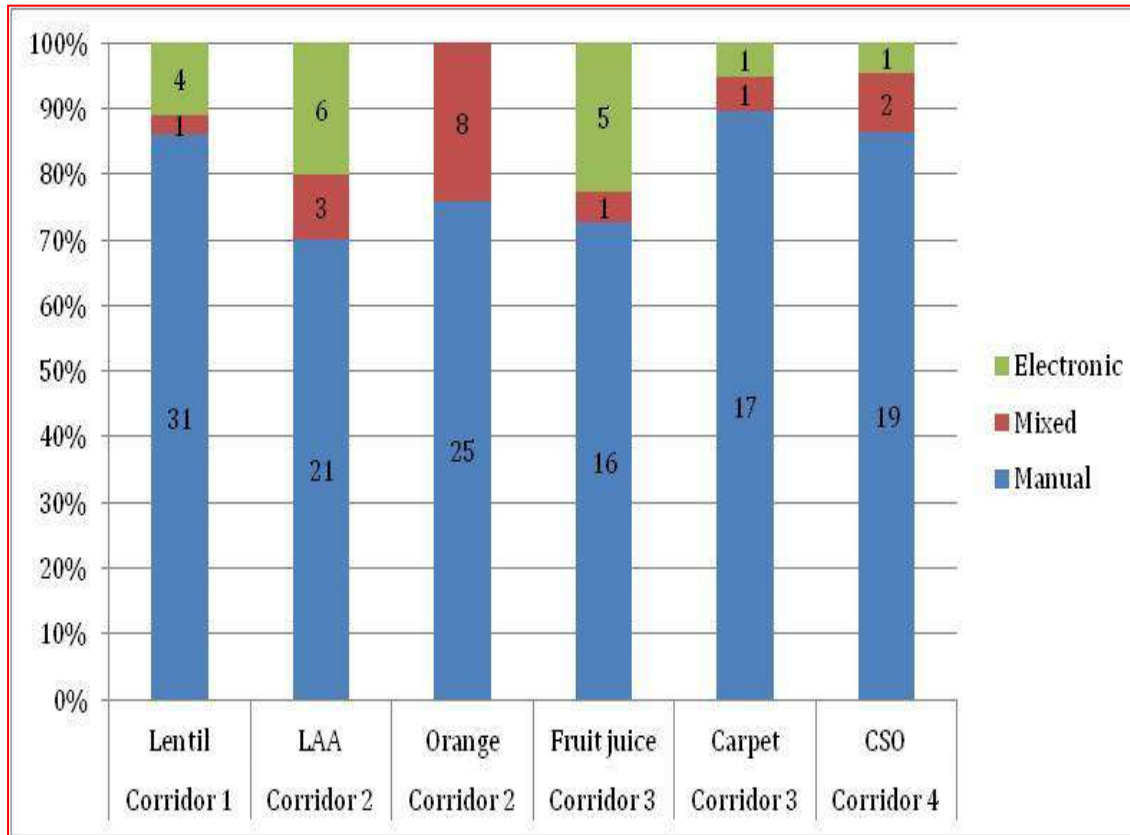
Documents and copies required

Corridor	Exporter	Importer	Products	Documents & Copies (No.)		
				Exporter	Importer	Total
Corridor 1: Kakarvitta-Panitanki-Fulbari-Banglabandha	Nepal	Bangladesh	Lentil	18 (44)	18 (71)	36 (115)
	Bangladesh	Nepal	LAA	15 (50)	15 (33)	30 (83)
Corridor 2: Phuentsholing-Jaigaon-Hasimara-Changrabandha-Burimari	Bhutan	Bangladesh	Orange	14 (26)	18 (69)	32 (95)
	Bangladesh	Bhutan	Fruit Juice	9 (30)	16 (44)	25 (74)
Corridor 3: Kathmandu-Birgunj-Raxaul-Kolkata	Nepal	Third country*	Carpet	19 (44)		19 (44)
	Third country**	Nepal	CSO		22 (49)	22 (49)

*Excluding export processes **Excluding import processes

Numbers in parentheses are copies needed for export and import.

Submission of documents

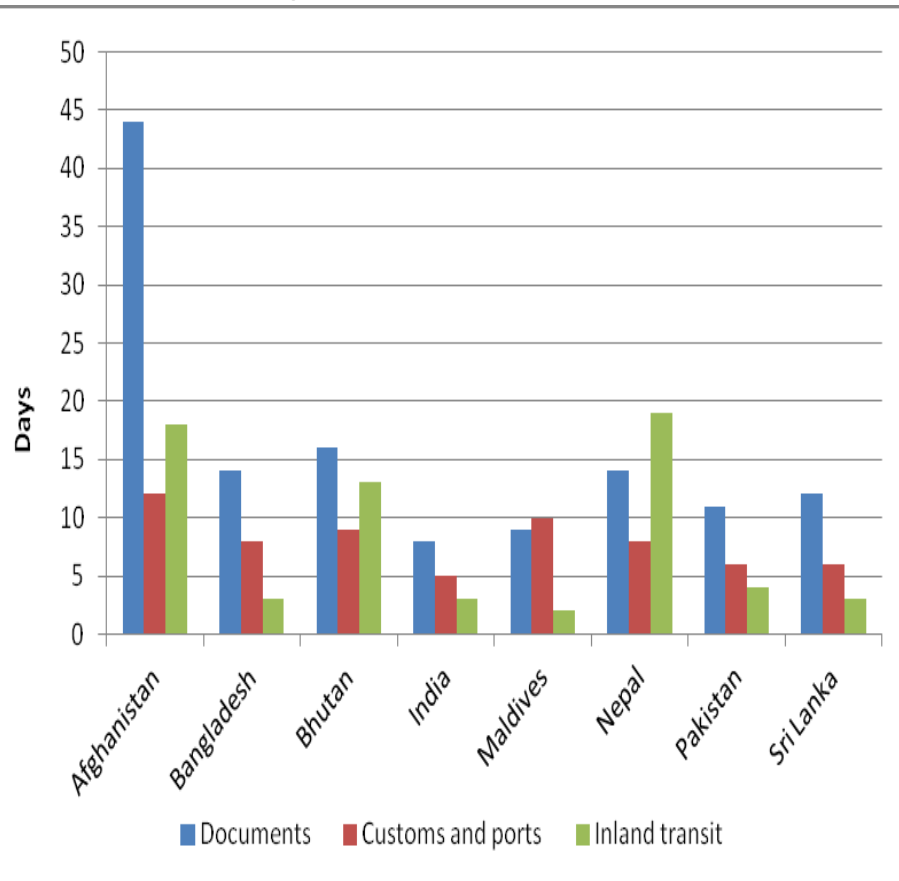


- Submission of documents largely handled manually (over 80% of trade documents on avg.)
- Automation of trade documentation is relatively a new process in SASEC except India.

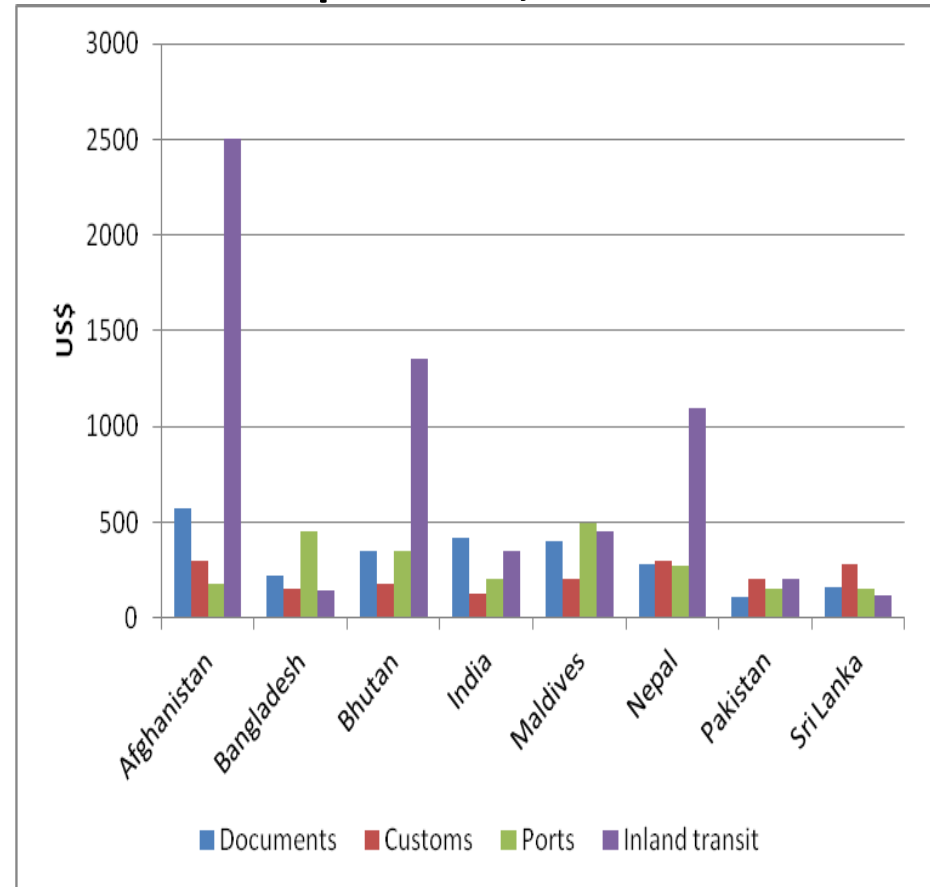
Source: ADB

Policy-related non-tariff trade costs more important in South Asia

Export Time, 2013



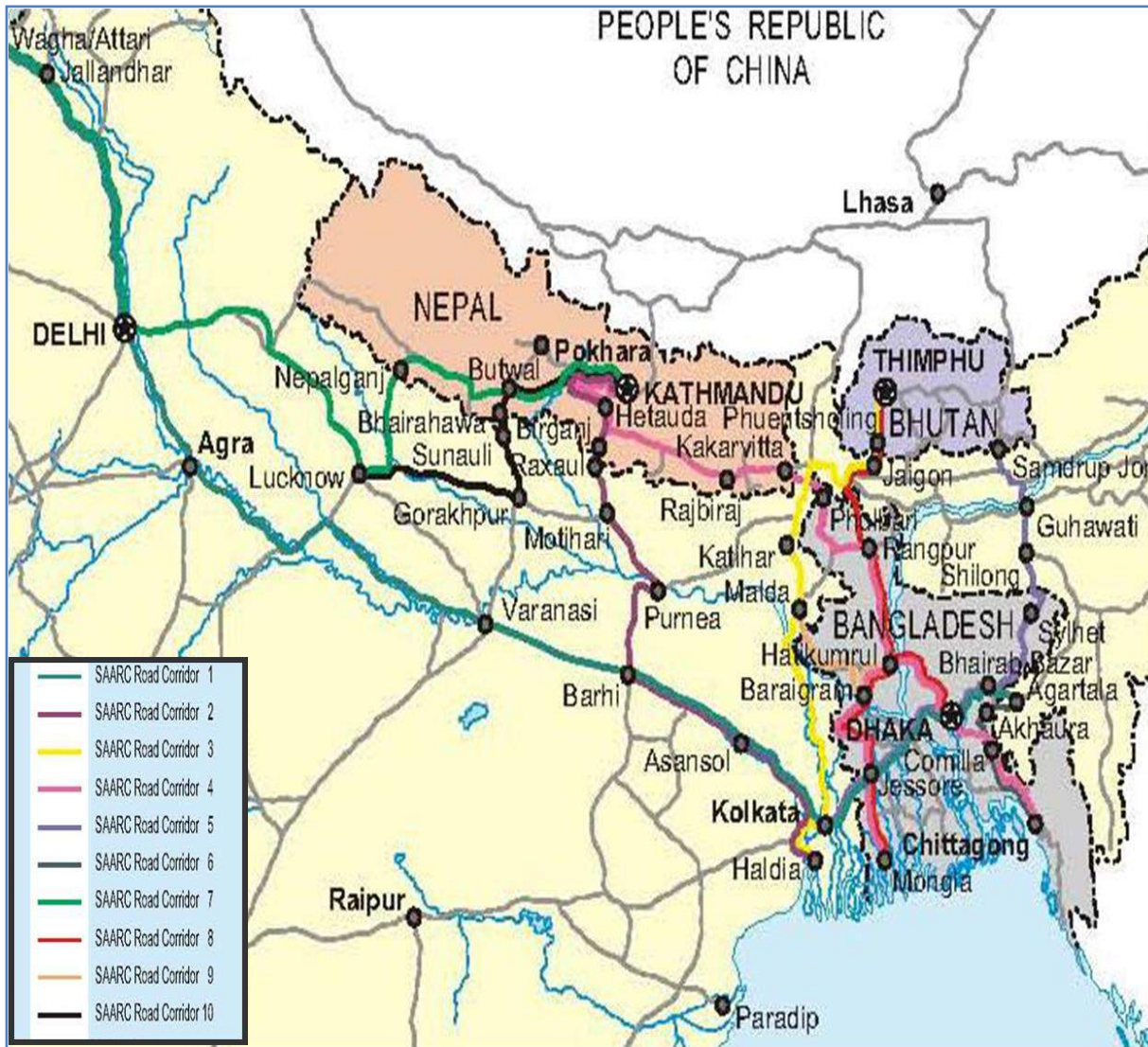
Export Cost, 2013



Source: Doing Business Database, World Bank

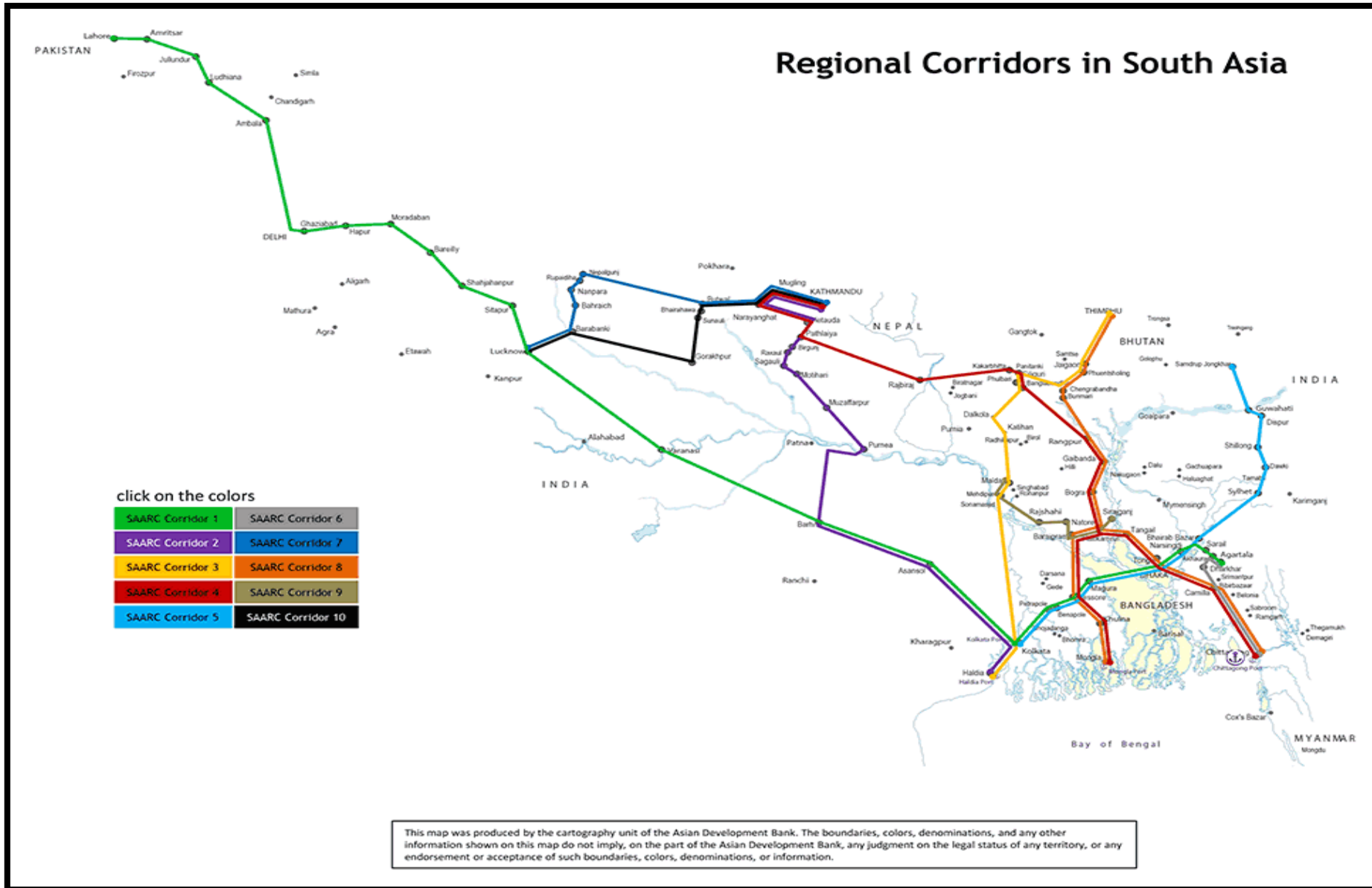
Corridor Development

SAARC RMTS

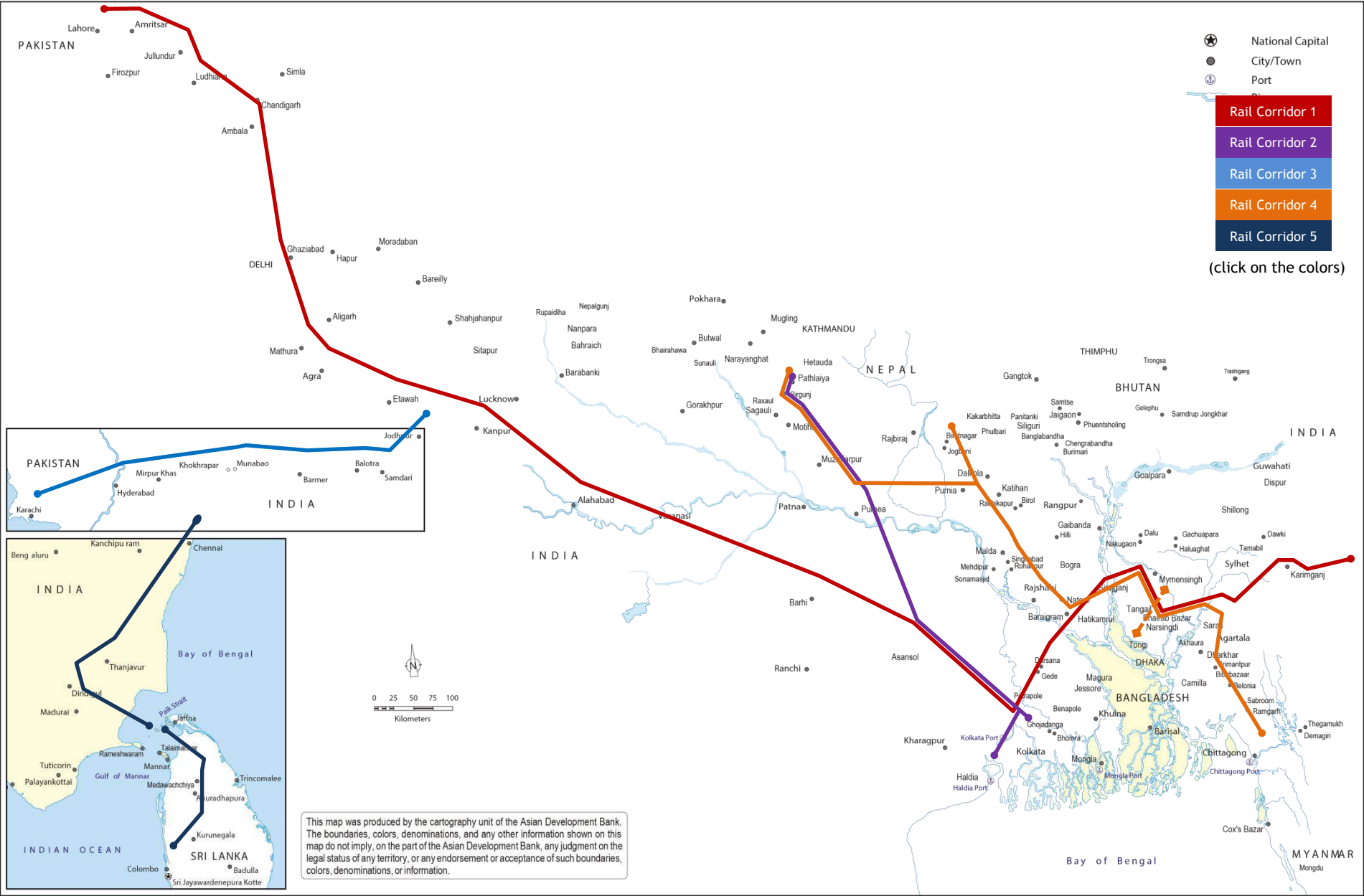


- 10 regional road corridors/gateways
- 5 regional rail corridors/gateways
- 10 maritime gateways
- 7 aviation gateways
- Policy measures to improve transport & trade facilitation

SAARC regional road corridors

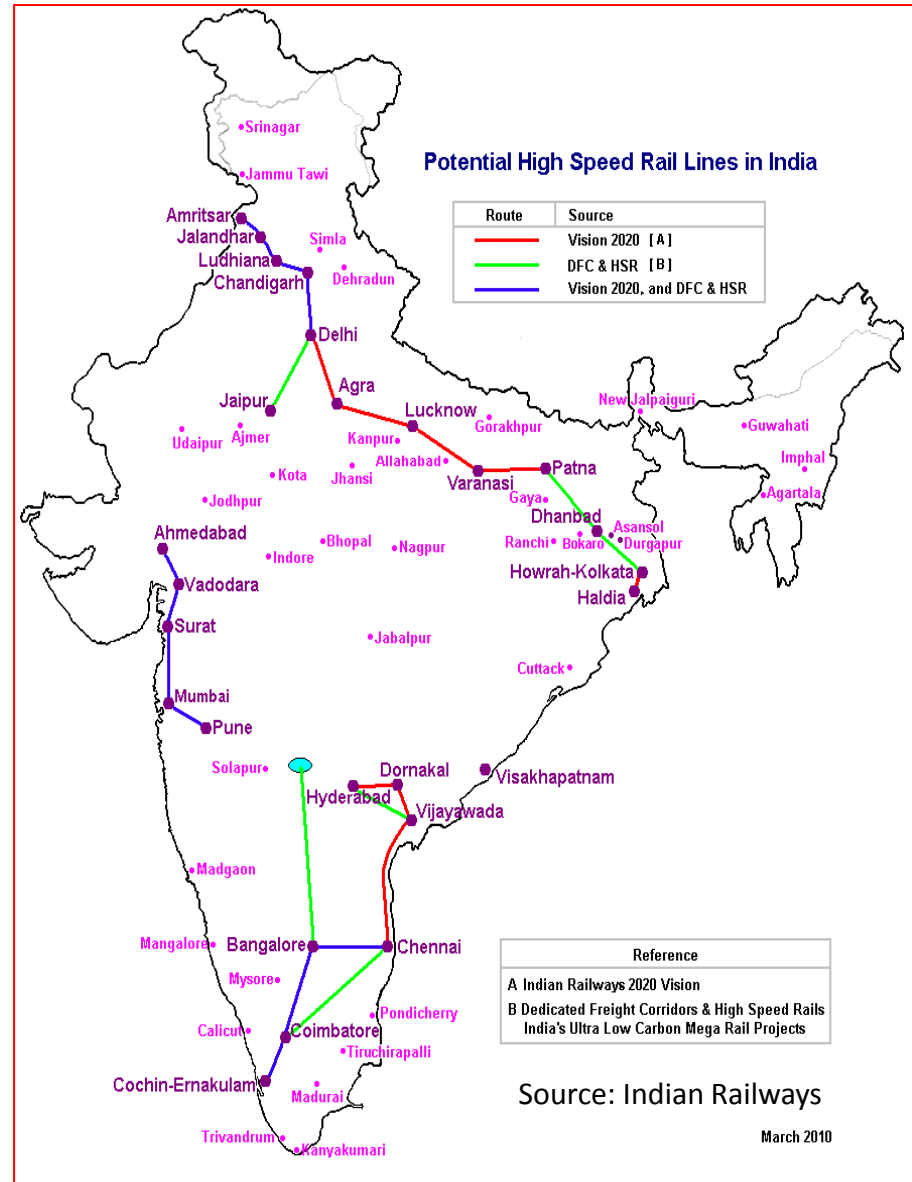
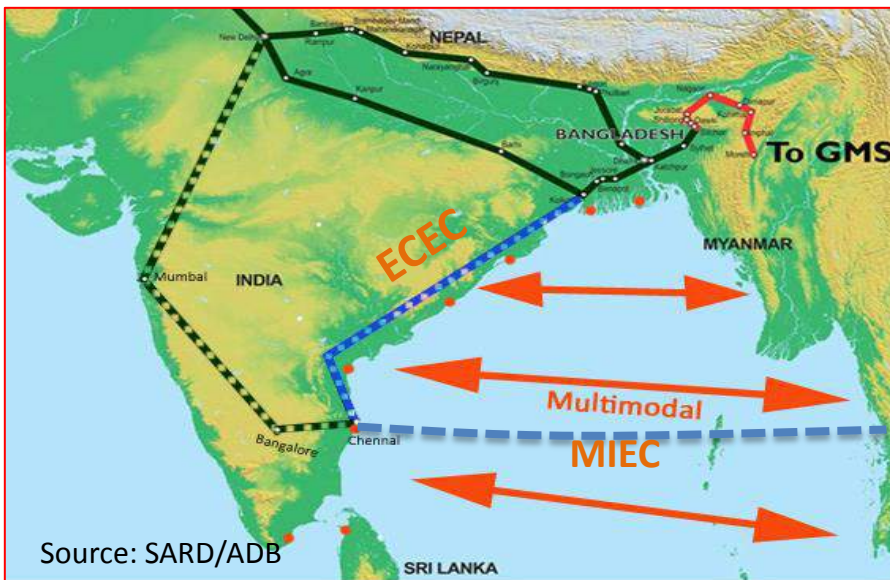
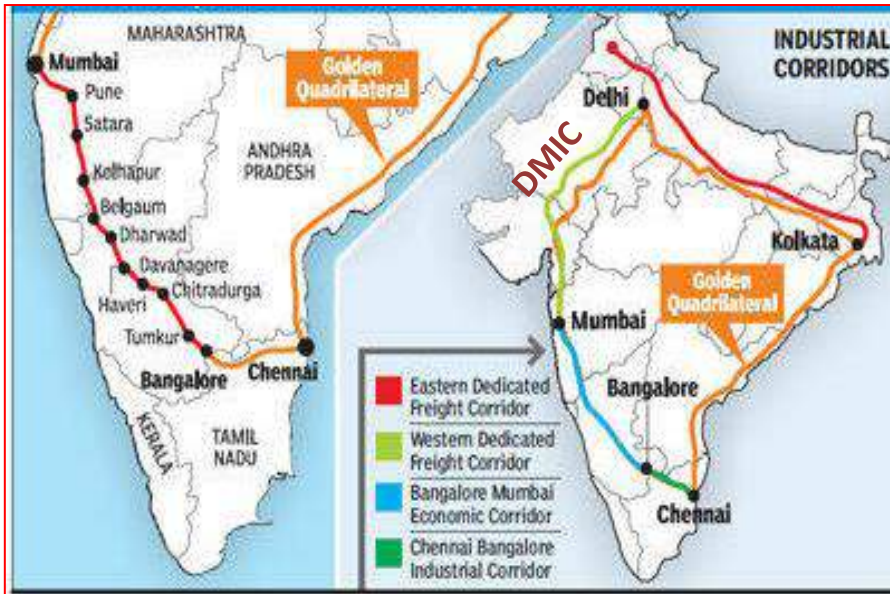


SAARC rail corridors

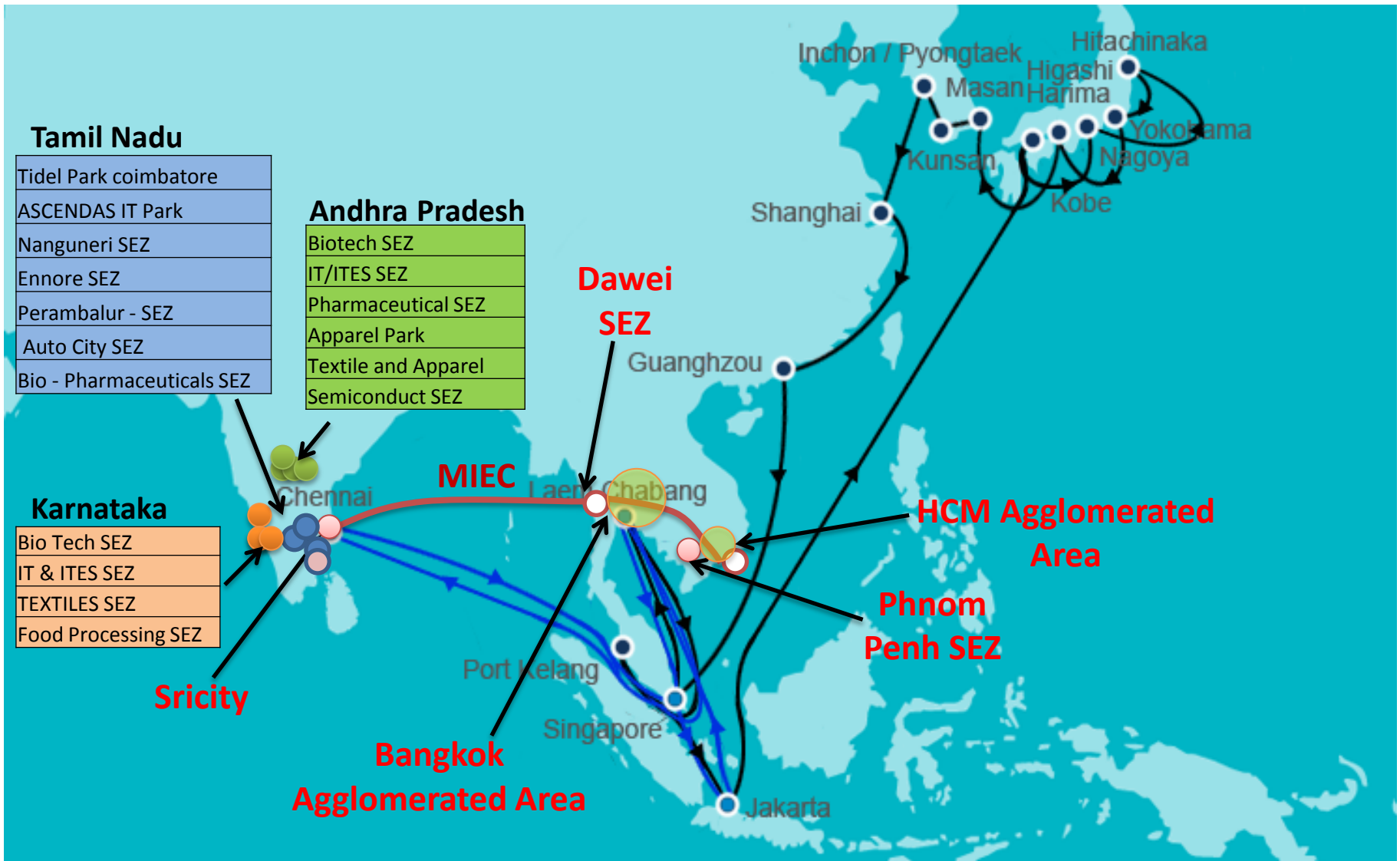


Source: ADB

India's emerging national corridors



MIEC – Connecting industrial space



Vision of a Single Market

	Harmonized & integrated road and railway network	Maritime & waterways network	Aviation policy	One 'Customs'	Transit	Competition Policy
EU	✓	✓	✓	✓	✓	✓
ASEAN	x	x	x	✓**	✓**	x
NAFTA	x*	✓	✓	✓	✓*	✓
SAARC	x	x	x	x	x	x

* Except US and Mexico

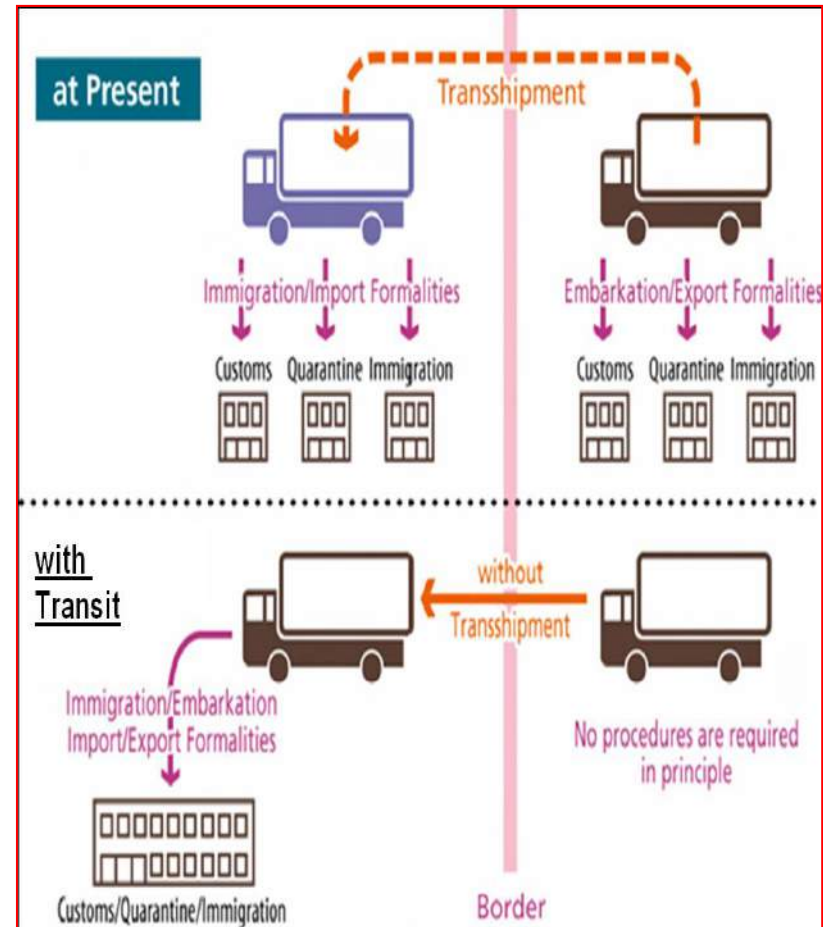
**In part

TF that can unlock the potentials of South Asia

- Agree to SAARC corridors
 - 4 road, 3 rail and 4 IWT
- Accept regional transit – road and rail
 - 4 road and 3 rail corridors
- Regional trade facilitation programme
 - SAARC single window, customs cooperation, etc.

Regional transit

- Objectives: Seamless movement of vehicles
 - Transit and paperless trade
- Transport agreement being negotiated
- Select road and rail sector can be operationalized
 - India – Bangladesh – Nepal – Bhutan transit is a financially viable project.
- Transit would transform South Asia from least integrated to highly integrated region.



Source: ADB

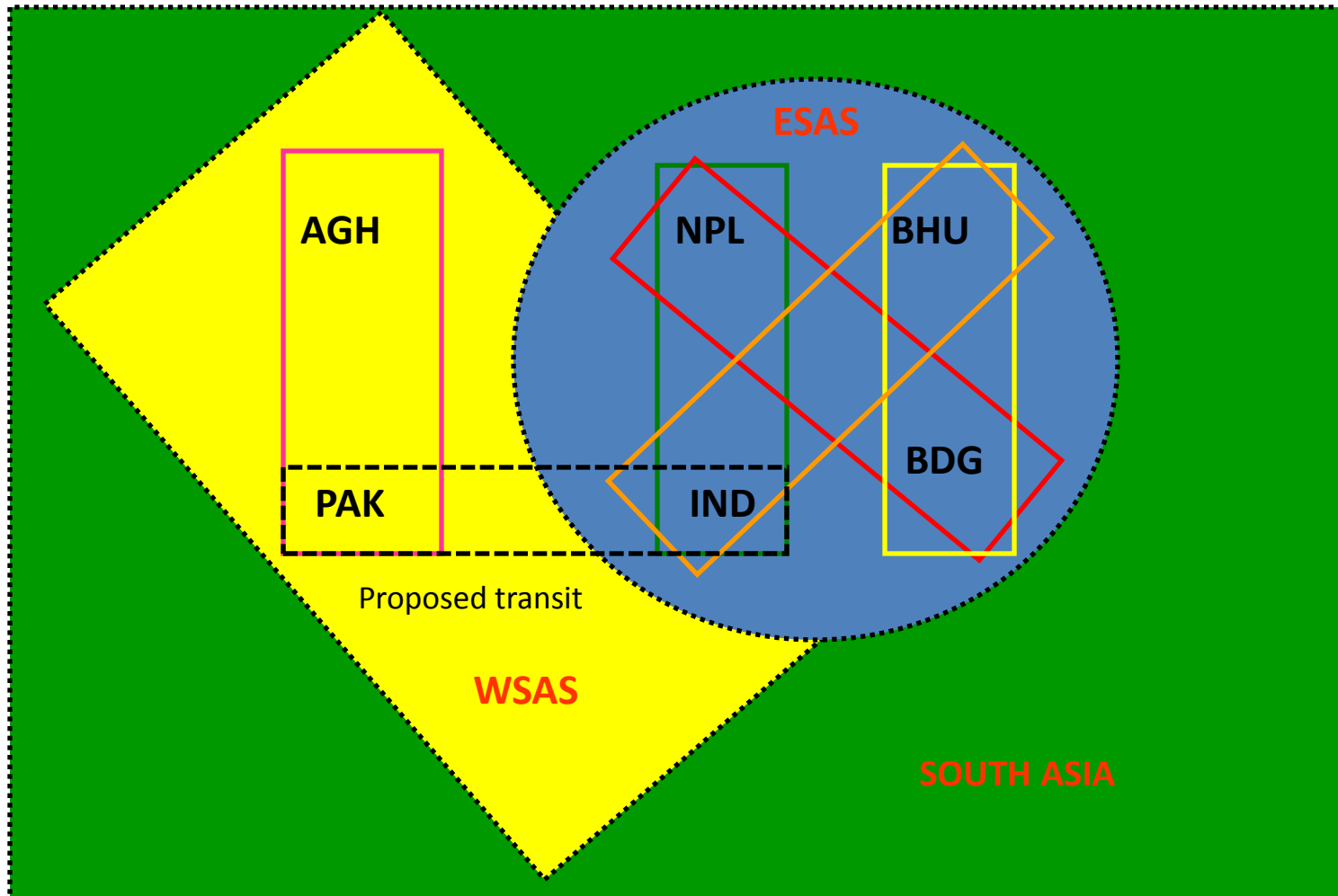
Trade and transit arrangement

Agreement	Type	MFN Trade	MFN Transit	Signatories
India-Bangladesh	Bilateral	Yes	No	Yes
India-Nepal	Bilateral	Yes	Yes	Yes
India-Bhutan	Bilateral	Yes	Yes	Bhutan – observer
India-Pakistan	Bilateral	No*	No	Yes
Pakistan-Afghanistan	Bilateral	Yes	Yes	Afghanistan – observer
Bangladesh-Nepal	Bilateral	Yes	Yes	Yes
Bangladesh-Bhutan	Bilateral	Yes	Yes	Bhutan – observer
Bhutan-Nepal	Bilateral	Yes	No	Bhutan – observer

Overland transit arrangements

Bangladesh-India Agreement	No route officially announced	Not working
India-Nepal Agreement	12 routes	Working with restrictions
Bhutan-India Agreement	Four routes	Working with restriction
Bangladesh-Nepal Agreement	Banglabandha (Bangladesh)-Phulbari (India)-Khakarbitta (Nepal)	Working
Bangladesh-Bhutan Agreement	Burimari (Bangladesh) - Changrabandha (India) - Jaigaon (India) -Phuentsholing (Bhutan)	Working
Pakistan – Afghanistan Agreement	<ul style="list-style-type: none"> • Karachi – Peshawar – Torkhum • Karachi – Chaman – Spin Boldak 	Working with restrictions

Subregional transit better option to open regional transit



Source: Author

ESAS: Eastern South Asia Subregion
WSAS: Western South Asia Subregion

Selection of corridor

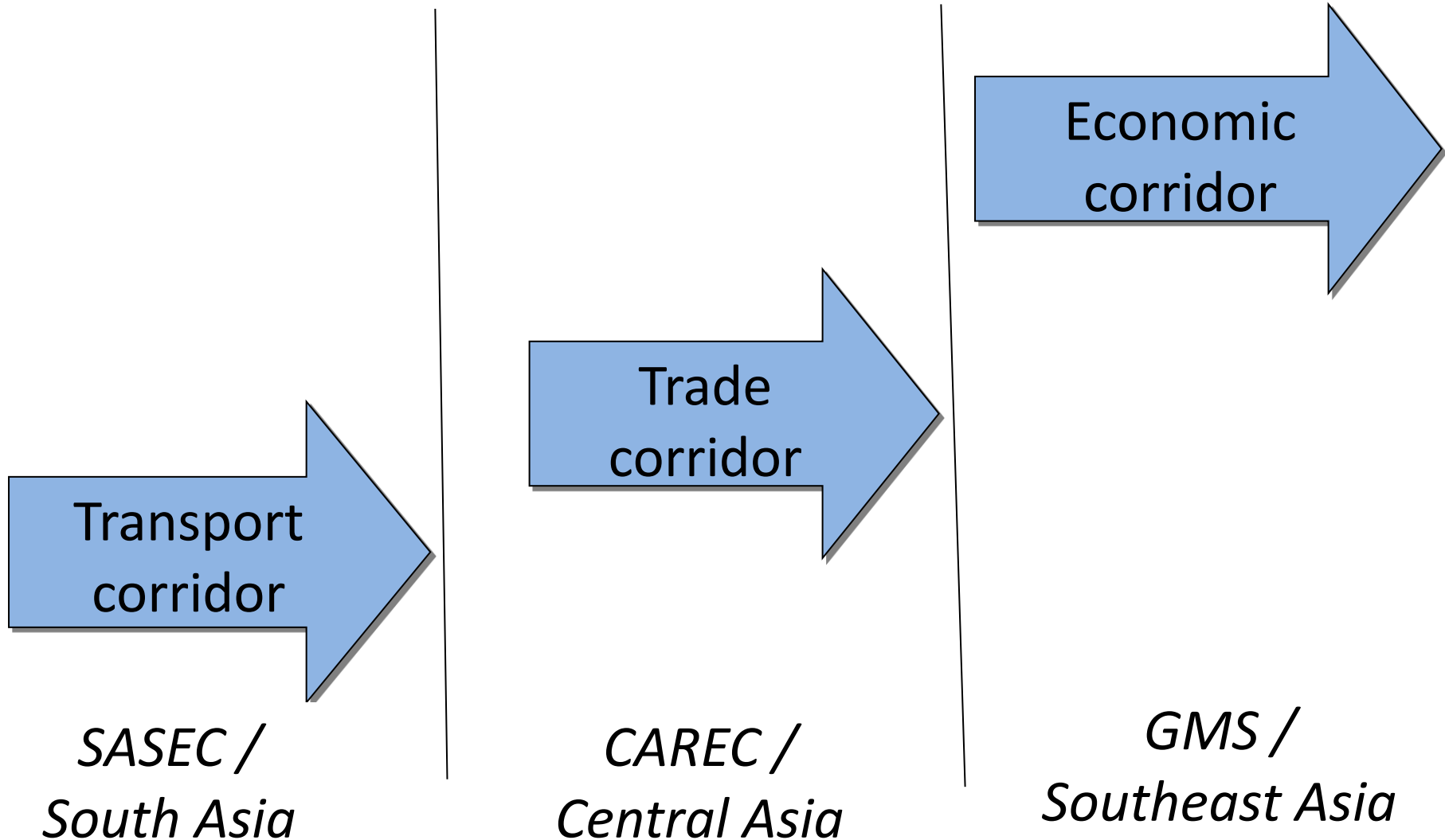
Baseline technical efficiency scores, DEA

DMU / Corridor	Input-saving		Output-oriented	
	Normal (CRS)	Change in Tech. (VRS)	Normal (CRS)	Change in Tech. (VRS)
SAARC Corridor 1	1.00	1.00	1.00	1.00
SAARC Corridor 2	0.85	1.00	1.12	1.00
SAARC Corridor 3	0.64	1.00	12.11	1.00
SAARC Corridor 4	0.48	1.00	10.01	1.00

*Corridor with scores <1 is inefficient in input-saving, whereas corridor with scores >1 is inefficient in output-oriented.

Source: De and Kumar (2014), SWATEE, Forthcoming

Corridor: Stages of development



Corridor development policy

Stage	Corridor	Policy	Measure	Role
1	Transport corridor	Trade facilitation	<ul style="list-style-type: none">• Integrated trade facilitation• Customs cooperation	<ul style="list-style-type: none">• Government• Private sector
2	Trade corridor	Trade liberalization	<ul style="list-style-type: none">• Border policies• Behind-the-border policies	<ul style="list-style-type: none">• Government
3	Economic corridor	Economic development	<ul style="list-style-type: none">• Corridor value chains• Corridor township development• Cross-border investments	<ul style="list-style-type: none">• Government• Private sector

Trade and transport facilitation needs

Modern and Efficient Customs Agencies

- Customs Automation & Modernization
- EDI
- Border Management
- Risk Management Systems (AEOs, pre-clearance)
- RKC

Customs

- Customs
- Commerce
- Transport
- ITC

Streamlined and Transparent Regulations and Procedures

- NSW
- Simplified Paperwork/Proceedures
- Interministry/Inter-agency coordination
- Laboratory Testing & Accreditation

Customs++

- Commerce
- Agriculture
- Standards Institute
- Border Check Points
- Transport
- Private Stakeholders

Enhanced Service Orientation

- Customs websites
- Trade portals
- Market access information
- Business Initiatives

Private Stakeholders

- Chamber of Commerce
- Traders
- Freight Forwarders/Truckers
- Logistics Operators/Shipping Companies
- Banks/Insurance

Transport Agreements

- SAFE Framework
- Supply Chain Security
- Harmonization of border operations
- Single-stops at borders
- Transshipment
- RFID
- Security
- Immigration

Transport

- Transport
- BCPs
- Immigration
- Customs
- Regulatory Institute

WTO TFA 2013 and South Asia

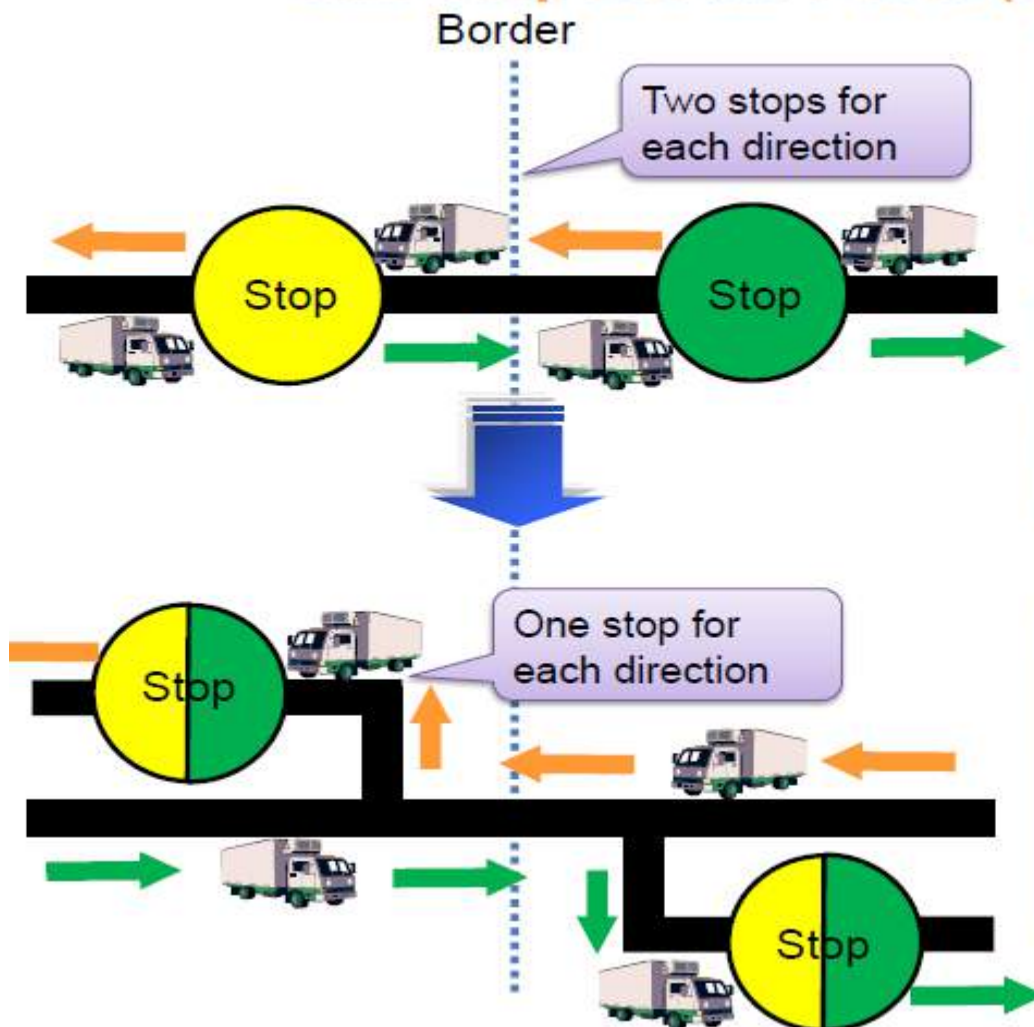
- The trade facilitation is a legally binding agreement
- Section I is comprised of 13 Articles, Section II has S&DT provisions for developing country and LDC members; and 3 categories of countries
 - Three distinct provisions for: (i) faster and efficient customs procedures, (ii) paperless trade, and (iii) technical assistance and capacity building.
- TFA aims to build common standard(s) mandatory for all countries.
- Aid for Trade and TF:
 - To assist developing countries and LDCs in meeting the TF commitments

WTO TFA: A 9. Border Agency Cooperation

	Commitment	Current status
Clause 2 (i) Alignment of working days and hours	Possible	Not fully done, ex. India – Bangladesh
Clause 2(ii) Alignment of procedures and formalities	Possible	Partly done
Clause 2(iii) Development and sharing of common facilities	Possible	Don't exist
Clause 2(iv) Joint controls	Possible	Don't exist
Clause 2(v) Establishment of one stop border post control	Difficult in short run	Don't exist

One Stop Border Posts

One-Stop Border Posts (OSBPs) in Africa



Construction of Facilities

- ✓ Chirundu (Zambia/Zimbabwe)
- ✓ Namanga (Kenya/Tanzania)
- ✓ Rusumo (Rwanda/Tanzania)

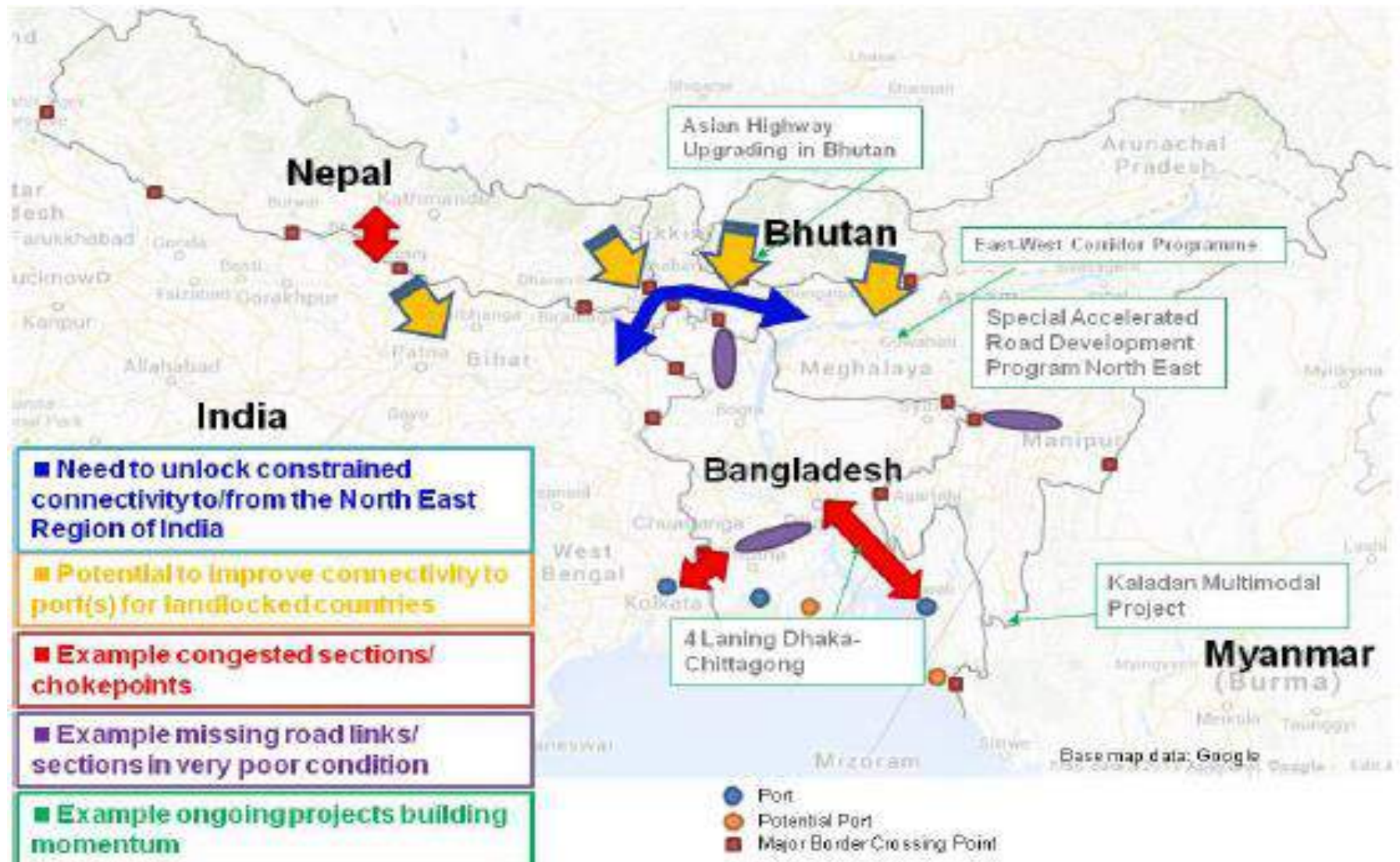
Legal Procedures

- ✓ Namanga (Kenya/Tanzania)
- ✓ Rusumo (Rwanda/Tanzania)
- ✓ East African Community (EAC)

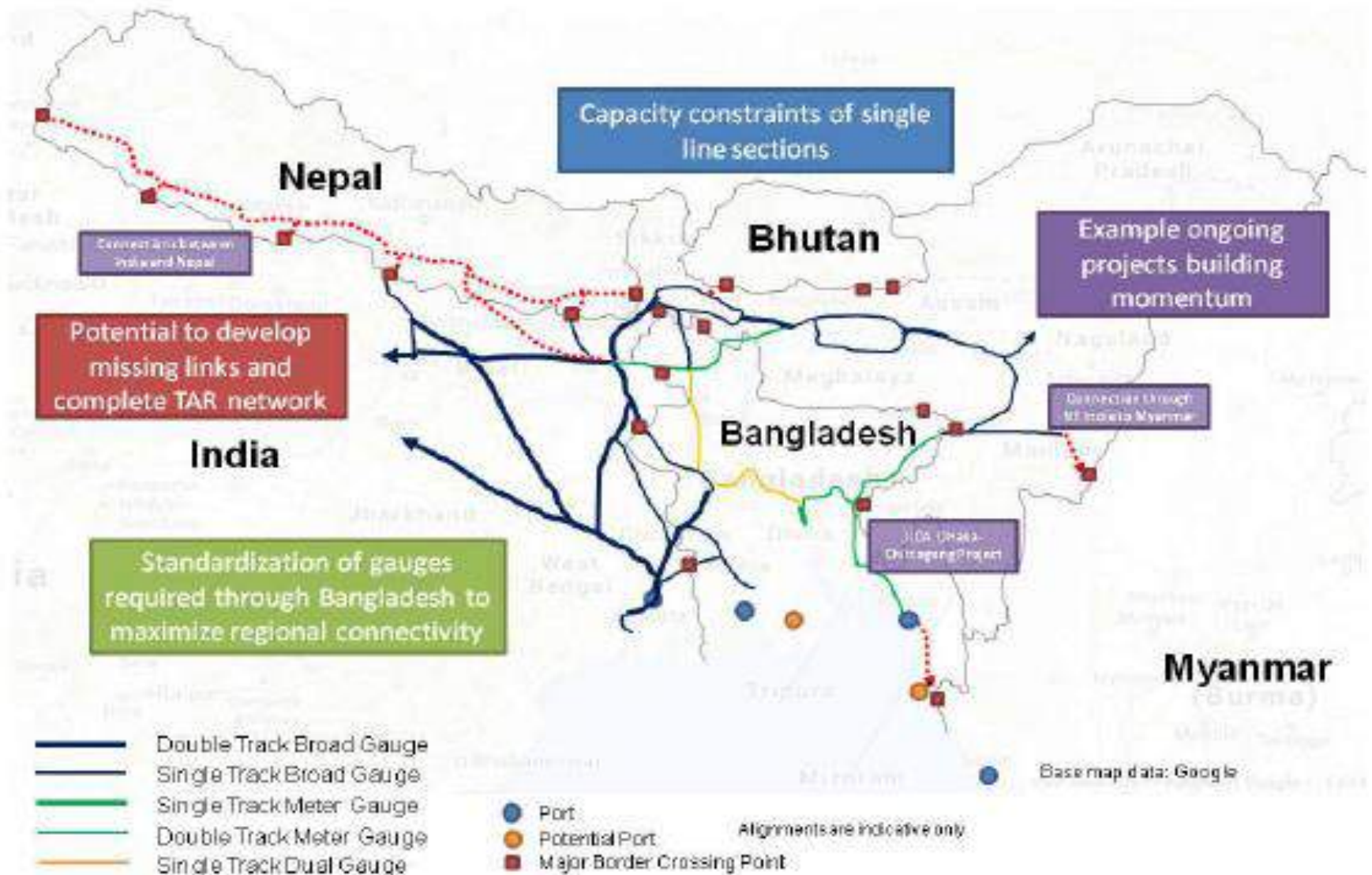
Capacity Building

- ✓ Customs administration in the EAC
- ✓ Establishment of a OSBP at the Mamuno (Botswana)/Trans-Kalahari (Namibia) border crossing
- ✓ Training of border officials at Chirundu (Zambia/Zimbabwe)

Potential regional road networks



Potential regional rail networks



SAARC Single Window

- National single windows by most of South Asian countries
- Regional convergence of national single windows

SAARC Motor Vehicles Agreement to be Signed at 18th SAARC Summit 2014

- Member states to allow their vehicles to ply in their territories for transportation of cargo and passengers subject to various terms and conditions.
- India to sign similar bilateral agreements and protocols with other SAARC member states
 - Signing of a bilateral agreement for the regulation of passenger traffic between India and Nepal on the sidelines of the SAARC summit to start with
- Closer regional economic cooperation and integration through enhanced regional connectivity by allowing movement of goods and passengers in the region through road transport

SAARC Rail Agreement to be Signed at 18th SAARC Summit 2014

- Development of **missing links** for seamless movement
- **Basic standard of technical characteristics common** to all SAARC countries
- **Standardization of documentations and customs procedures**
- Maintenance and operating arrangements
- Communication facilities – dedicated lines
- **Safety and security of trains** on the originating and terminating points as well as on transit
- Aim of having **common railway receipts / passenger tickets for movement** on the regional networks
- **Visa facilities** – multiple entry visa valid for one year for railway personnel on duty

Dealing SAARC observer countries

- Engage them in regional infrastructure projects
 - ACCC in ASEAN for implementation of MAC
- Financing projects, technical assistance, training and capacity building, etc.

Some specific recommendations

1. Accept subregional and subsequently regional **transit**
2. **Fast track lane and priority of goods in transit** to cross the border and move towards **OSBP**
3. Set-up **SAARC Single Window (Customs)** (pilot run of authorized economic operator, AEO; and mutual recognition agreement)
4. **Simplification and harmonization of trade procedures**, more particularly at border.
5. Introduce **modern corridor management techniques** in selected corridors
6. Promote **multimodal transportation (with rail transit, regular container train in the region)**
7. Improve the **efficiency of border corridors** (both side of border improvement in ICP project in parallel)
8. Effective **project coordination** among government stakeholders
9. Stronger **institution (public-private interface)** for trade facilitation is urgently needed.
10. On-arrival visa, **SAARC Business Travellers Card** for facilitation of trade and investment, etc.
11. Intermodal connectivity – **Air Services Agreement** (single ticket to fly between SAARC nations)
12. **Electronic payment system**

Conclusions

- Transit trade is a doable project and shall be in container only
- If we implement the transit, it would eventually lead to SAARC economic corridors
- Trade and transport facilitation monitoring mechanism (TTFMM) may be considered to measure the performance in implementing trade facilitation.
 - Business Process Analysis (BPA) is another tool to implement paperless trade.
- Let SAARC land borders operate on 24x7 basis
- Single Window in customs
- Implementation of WTO TFA, which will help moving towards a transit regime
- A regional mechanism and also sectoral approaches may yield benefits
- Strengthen and empower the SAARC Secretariat and other / new institutions