



PAGE 4: B.1) YOUR CASE STORY: TITLE AND DESCRIPTION

Q1: TITLE OF CASE STORY

Regional Economic Cooperation and Integration in Asia

Q2: CASE STORY ABSTRACT

Regional economic integration and the reduction of trade barriers have great potential to increase internal economic output and will eventually increase the regions competitiveness on global markets. intraregional trade flows in Asia remain relatively low accounting for 27% of all cross border trade in Southeast- and 5% of all trade in Central Asia Despite reaching political agreements in Asia, the implementation of those agreements and trade facilitation measures is impeded by the lack of regional cooperation. As a consequence, tariff- and non-tariff barriers still hamper intra-regional trade. Hence, the implementation of regional trade agreements and trade facilitation measures is crucial to overcome limited domestic markets and to increase regional trade activities. The program focuses on fostering trade between border regions on a sub-national level by supporting regional and national stakeholders in the context of sub-regional cooperation initiatives in Asia by providing capacity building, organising dialogue events, and conducting sector studies.

Q3: LONG DESCRIPTION OF THE CASE STORY

Regional economic integration allows countries in one region to form common markets. The reduction of trade barriers has great potential to increase internal economic output within that region and will eventually increase the regions competitiveness on global markets. In order to achieve sustainable economic integration, collective effort and joint interests of all stakeholders are necessary. Despite the fact that political agreements have been reached in Asia, the implementation of those agreements and trade facilitation measures is impeded by the lack of regional cooperation, which mainly stems from mutual distrust following the turbulent political history of the region. As a consequence, tariff- and non-tariff barriers still hamper intra-regional trade. Especially less developed countries cannot fully tap potential benefits of regional economic integration as their private sector lacks the capacity to deal with non-tariff barriers to trade. Also national administrations have difficulties to implement rules and regulations which facilitate cross-border exchange.

Land-locked countries like Lao PDR or Mongolia face even higher obstacles when engaging in regional trade due to their dependency on neighbouring transit countries.

Hence, the implementation of regional trade agreements and trade facilitation measures is crucial to overcome limited domestic markets and to increase regional trade activities.

So far intra-regional trade flows in Asia remain relatively low accounting for only 27% of all cross border trade in Southeast- and merely 5% of all trade in Central Asia. Considering these numbers, it becomes apparent that regional integration is far from reaching its full potential. Furthermore, trade performances of Asian economies vary significantly in im- and export composition and performance. This is due to highly heterogeneous social and economic structures, which span from transformatory LDCs, like Cambodia or Myanmar, to leading trade nations such as Japan or the People's Republic of China.

Our approach: GIZ is implementing the programme with a unique focus on fostering trade between border regions on a sub-national level. It supports regional and national stakeholders in the context of sub-regional cooperation initiatives in Asia by providing capacity building, organising dialogue events, and conducting sector studies. Wherever suitable, it includes European integration experiences. and – in cooperation with

PUBLIC SECTOR CASE STORY TEMPLATE

other GIZ projects – regional best practices by facilitating knowledge exchange.

Special emphasis is placed on capacity building measures for less developed countries in order to ensure that these countries can benefit from regional trade liberalisation and can increase intra-regional trade. The programme encompasses three focus areas: First, it addresses functional aspects of regional cooperation within the ASEAN-China Pan-Beibu Gulf (ACPBG) by providing capacity building measures that aim at strengthening the ability of smaller member countries to engage in regional cooperation. Second, within the framework of the Greater Tumen Initiative (GTI), it contributes to the implementation of projects in GTI priority areas through technical trainings and the provision of international expertise. Third, it facilitates the transfer of best practices among the four Asian regional initiatives PBG, GTI, Central Asia Regional Economic Cooperation (CAREC) and Greater Mekong Subregion (GMS) through peer-to-peer learning and network creation.

Results achieved so far: In support of the PBG cooperation, the RCI Programme, contributed to drafting a Road Map which outlines the strategic and institutional framework for the PBG cooperation by providing expertise and conducting selected priority sector studies. The programme's study on potentials for port cooperation in the PBG region revealed the demand of PBG member countries for capacity building measures aiming at improved coordination and management processes. Therefore, the GIZ is organising trainings and studytours in order to support PBG maritime logistics.

Training events and roundtables for stakeholders from Cambodia, Laos, and Viet Nam contributed to assessing the impact of regional trade agreements. Although many regional trade agreements, such as the ASEAN-China Free Trade Agreement, are in force, businesses still face obstacles when exporting goods to partner countries. Therefore, the GIZ Programme has encouraged private sector involvement to deal with the existing non-tariff barriers by increasing awareness about entry requirements and necessary trade certifications.

In the scope of its support for GTI, the RCI Programme has contributed to fostering trade through international expertise and consultancy within the context of ongoing GTI projects. Despite the great significance of border-regions for intra-regional trade, some regions lack the administrative infrastructure to benefit from increasing economic activity. Therefore, the programme has provided capacity building measures on cross-border activities for Northeast Asian local governments as well as on organisational improvement of the GTI secretariat.

In GTI member country Mongolia the RCI Programme has provided services to support the National Single Window implementation procedures, which aim at easing customs procedures. As a consequence, Mongolia is able to reinforce its position within the GTI and CAREC integration processes. The programme also conducted technical trainings and assisted with the transmission of lessons learned from other countries via the promotion of South-South knowledge exchange. Here, experiences from Kyrgyz Republic, Tajikistan, and Senegal have been transferred to Mongolia.

Q4: Please add here web links to project/programme materials.

http://twitter.com/rci_asia

<http://de.scribd.com/RCI%20Asia>

<http://de.slideshare.net/RCI-Asia>

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Q5: YOUR CONTACT DETAILS

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Q6: FUNCTION	Public sector
Q7: FUNDING PARTNER Tick the appropriate box(es)	Bilateral donor
Q8: Additional information	<i>Respondent skipped this question</i>
Q9: START DATE OF PROJECT/PROGRAMME	2011
Q10: STATUS OF PROJECT/PROGRAMME	On-going
Q11: DURATION OR, IF ON-GOING, EXPECTED DURATION OF PROJECT/PROGRAMME	3-5 years
Q12: COST OF PROJECT/PROGRAMME	Between US\$5 million and US\$10 million
Q13: Additional information	<i>Respondent skipped this question</i>
Q14: TYPE OF FUNDING FOR PROJECT/PROGRAMME	Grant

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Q15: PROJECT/PROGRAMME TYPE	Regional
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Q16: SINGLE COUNTRY/CUSTOMS TERRITORY	<i>Respondent skipped this question</i>
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Q17: REGION (If the region does not appear in the drop down menu, please enter manually.)	Other (please specify) Northeast Asia, Southeast Asia
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Q18: MULTI-COUNTRY(Enter all countries or customs territories)

Member countries of ASEAN-China Pan Beibu Gulf (ACPBG) Economic Cooperation, Greater Tumen Initiative (GTI), Central Asia Regional Economic Cooperation (CAREC), Greater Mekong Subregion (GMS)

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Q19: CASE STORY FOCUS Tick the appropriate box(es)

Customs reform, Other border agency reforms,
Support for compliance with non-tariff measures (including standards)
,
Improving skills levels in service sectors

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Q20: HOW SUCCESSFUL WAS THE PROJECT/PROGRAMME Tick the appropriate box(es)

On-going project

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Q21: WHAT WERE THE OUTPUTS OF THE PROJECT/PROGRAMME Tick the appropriate box(es)

Officials trained,
Customs laws amended or updated,
Other border agency law updated,
New customs procedures,
New other border agency procedure

Q22: Additional information(maximum 300 words)

Respondent skipped this question

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Q23: WHAT WERE THE OUTCOMES OF YOUR PROJECT/PROGRAMME Tick the appropriate box(es)	Reduction in customs clearance time, Reduction in other border agency clearance time , Increase in merchandise imports, Increase in merchandise exports
Q24: Additional information (maximum 300 words)	<i>Respondent skipped this question</i>

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Q25: WHAT WERE THE IMPACTS OF THE PROJECT/PROGRAMME Tick the appropriate box(es)	Increase in foreign investment, Export market diversification
Q26: Additional information (maximum 300 words)	<i>Respondent skipped this question</i>

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Q27: LESSONS LEARNT Tick the appropriate box(es)	Importance of alignment with national priorities, Importance of alignment between different development partners in programming , Importance of engagement by private sector, Importance of political will and commitment by project partner
Q28: Additional information (maximum 300 words)	<i>Respondent skipped this question</i>
Q29: PROJECT OR PROGRAMME MONITORING AND EVALUATION FRAMEWORK Tick the appropriate box(es)	M&E framework used