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Committee on Trade Facilitation

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**NOTIFICATION OF ARRANGEMENTS AND PROGRESS IN THE PROVISION OF TECHNICAL ASSISTANCE AND CAPACITY BUILDING SUPPORT OF CATEGORY C DESIGNATIONS**

COMMUNICATION FROM CAMBODIA

*Revision*

The following communication, dated 18 August 2022, is being circulated at the request of the delegation of Cambodia for Members' information.

Following up from the notification dated 23 February 2021 (G/TFA/N/KHM/4), Cambodia hereby notifies a revision of the information on the arrangements concluded and progress made in the provision of technical assistance and capacity building support of the following category C designations, in response to Article 16 of the Trade Facilitation Agreement.

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 1.4	Notification	C	31 December 2018	31 December 2023
<b>Donors:</b> EU-ARISE Plus Cambodia				
<b>Progress in the provision of technical assistance and capacity building support:</b> Currently, the General Department of Customs and Excise of Cambodia (GDCE) has published laws, regulations, and procedures related to trade facilitations, as well as information on importation, exportation, and transit procedures on the Customs website. The most updated contact points of main customs sites are also available on the website ( <a href="https://customs.gov.kh/en/about/13023">https://customs.gov.kh/en/about/13023</a> ). In addition, Cambodia is planning to establish a website of the National Committee on Trade Facilitation (NCTF) to publish the various laws, regulations and procedures and other activities on trade facilitation. The development of NCTF website is under the support of EU-ARISE Plus Cambodia project. At the meantime, Cambodia has a National Trade Repository (NTR) website, which is not regularly updated and need to be improved. The enhancement of the NTR is also supported by the same project.  Moreover, the other government agencies involved in international trade, which their representatives being members of NCTF, have published laws, regulations, trade policies, and other information related to import, export, and transit on their websites as well.				

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 7.1	Pre-arrival Processing	C	31 December 2019	31 December 2025
<b>Donors:</b> EU-ARISE Plus Cambodia; Swisscontact/Global Alliance for Trade Facilitation				
<b>Progress in the provision of technical assistance and capacity building support:</b> The Pre-Arrival Clearance Procedure has been introduced since 1st October 2019 for high compliant traders (Best Traders) as pilot stage. So far, there has been 257 SADs using this procedure, due to the lack of advanced information exchange.  The GDCE has intensified the need for financial and technical assistance on development both procedure and ICT infrastructure for pre-arrival and pre-departure processing (PAP/PDP) to cover sea consignments, express consignments, postal consignments and land border consignments.				

Currently, EU-ARISE Plus Cambodia is providing assistance to GDCE to develop pre-arrival processing and export digitization for maritime cargo (Digitising Global Maritime Trade Project-DGMT) project in developing the ASYHUB connecting ASYCUDAWorld and shipping data platforms, such as TradeLens, for PAP/PDP implementation. The project is seeking to expand to pre-arrival processing and export digitization for express consignments (Digitising Global Trade-DGT).

In addition, Swisscontact/Global Alliance for Trade Facilitation is supporting to develop Electronic Advance Data (EAD) by interfacing GDCE's ASYCUDAWorld and UPU Customs Declaration System of Cambodia Post. This project contributes to the PAP/PDP for postal consignments.

However, financial and technical assistance are needed to extend PAP/PDP to land border consignment.

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 7.7	Trade Facilitation Measures for Authorized Operators	C	31 December 2020	31 December 2023

**Donors:** Japan International Cooperation Agency (JICA); EU-ARISE Plus Cambodia

**Progress in the provision of technical assistance and capacity building support:**

GDCE has implemented the Best Trader Mechanism (BTIM) successfully, which is a basic platform of Authorized Economic Operators Program (AEO), since 2014. Currently, 46 Companies are accredited as the BTIM. In order to comply with Article 7.7 of the WTO-TFA and WCO SAFE, GDCE identified the need to establish AEO strategy and work plan, develop AEO regulations, establish application and accreditation process, establish AEO section, as well as to develop IT function for the program.

Under the assistance of EU-ARISE Plus Cambodia, GDCE has conducted legal, regulatory and institutional gap analysis, baseline assessment and target model for AEO and BTIM. The project also arranged private sector consultation workshop to inform public and collect feedback. Currently, AEO strategy document and action plan has been completed.

JICA has provided capacity building support through study visit in Malaysia to get more knowledge, experience, and model for the implementation of AEO. JICA promised continuing the support on capacity building in the future.

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 8.2	Border Agency Cooperation	C	31 December 2022	31 December 2025

**Donors:** ADB and World Bank expressed their interests to support the implementation of this provision

**Progress in the provision of technical assistance and capacity building support:**

Currently, Cambodia has the MoU on Customs Cooperation and Mutual Assistance with Vietnam (October 2019), Thailand (May 2016) and Laos (June 2008). Cambodia is also a party of Cross Border and Transport Agreement (CBTA).

**Financial, Technical, and Capacity Building supports are needed for the implementation of this provision**

At the 2<sup>nd</sup> NCTF meeting on 19 July 2022, ADB and World Bank expressed their interests to provide technical assistance for the implementation of this provision.

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 10.4	Single Window	C	31 December 2022	31 December 2025

**Donors:** EU-Arise Plus Cambodia provided support on the assessment of National Single Window for further Implementation and Enhancement

**Progress in the provision of technical assistance and capacity building support:**

The National Single Window (NSW) has been implemented since July 2019 to allow traders to submit electronic license/permit/certificate/others (e-LPCO) for import/export. NSW is connected to customs clearance system ASYCUDA, which has operated since 2008. Implementing NSW is a step-by-step approach. During Phase I, Customs clearance system (ASYCUDA) was connected with e-CO System of the Ministry of Commerce in order to link to ASEAN Single Window through ASEAN Gateway. The phase II was planned to cover among inter-ministerial agencies including GDCE, Ministry of Commerce (MOC), Council Development of Cambodia (CDC), Ministry of Health (MOH), Ministry of Industry, Science, Technology and Innovation (MISTI), and Ministry of Agriculture Forestry and Fisheries (MAFF). The development of the system in phase II was entirely utilized national budget.

Cambodia is planning to expand the NSW to phase III by connecting the system to other OGAs such as National Bank of Cambodia (NBC), Ministry of Environment (MOE), Ministry of Interior (MOI), Ministry of National Defence (MOD), Ministry of Culture and Fine Arts (MCFA), Ministry of Economy and Finance (MEF), Ministry of Post and Telecommunication (MPTC), and Ministry of Mine and Energy (MME), listed in Sub Decree on Prohibited and Restricted Goods.

Moreover, Cambodia has implemented ASEAN Single Window (ASW) for exchanging electronic documents with ASEAN Member states including Certificate of Origin e-Form D since July 2019 and ASEAN Customs Declaration Document (ACDD) since December 2020.

Cambodia received support from the EU-Arise plus Cambodia to conduct assessment and review of the implementation of NSW Phase II in order to get recommendations on further development, implementation and enhancement. The final report of the assessment is expected to be finalized in 2022.

In conclusion, Cambodia needs further financial, technical and capacity building assistance/support from development partners to expand the NSW to phase III.

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 11.5	Freedom of Transit	C	31 December 2022	31 December 2025
<b>Donors:</b> ADB expressed their interest to support the implementation of this provision				
<b>Progress in the provision of technical assistance and capacity building support:</b>				
Cambodia has fully implemented most provisions of Article 11 on Freedom of Transit, to mention provisions 11.4, 11.6 to 11.17 being designated in category A. However, the provision 11.5 is about the encouragement of the physically separate infrastructures such as lanes, berths and similar for traffic in transit is not yet fully implemented and seeking for financial and technical assistance from development partners.				
At the 2 <sup>nd</sup> NCTF meeting on 19 July 2022, ADB expressed their interest to provide assistance for the implementation of this provision.				