UNITED NATIONS



## Economic and Social Council

Distr. GENERAL

TRANS/2004/7 11 December 2003

Original: ENGLISH

#### **ECONOMIC COMMISSION FOR EUROPE**

#### INLAND TRANSPORT COMMITTEE

(Sixty-sixth session, 17-19 February 2004, agenda item 6(c))

#### INTERSECTORAL ACTIVITIES

## **Transport and Trade**

Note by the secretariat

The attached document is an updated version of document TRADE/2003/9 which was submitted to the Committee of Trade, Industry and Enterprise Development at its seventh session, held from 13 to 16 May 2003. It describes the activities of the Inland Transport Committee that are related to areas of interest to the Committee for Trade, Industry and Enterprise Development (CTIED). In this connection, particular attention is drawn to the modern electronic data processing mechanisms which may soon be introduced into the TIR system to simplify customs formalities and documents, as part of a cross-sectoral automation project between the UNECE Trade Development and Timber Division and the UNECE Transport Division (e-TIR).

\* \* \*

#### TRANSPORT AND TRADE

(updated version of TRADE/2003/9)

# Activities of the UNECE Inland Transport Committee of Interest to the Committee for Trade, Industry and Enterprise Development

## DOCUMENT FOR INFORMATION AND DISCUSSION

## Note by the secretariat

## **INTRODUCTION**

- 1. This describes the activities of the UNECE Inland Transport Committee (Inland Transport Committee) that are related to areas of interest to the UNECE Committee for Trade, Industry and Enterprise Development (CTIED). These common areas of interest represent opportunities for cooperation between the two Committees.
- 2. Among the principal objectives of the CTIED is to facilitate and strengthen the integration of all countries, and especially those in transition, into the European and global economy, and to prevent the development of new barriers to trade within the region.
- 3. The CTIED seeks to achieve these objectives through the following activities:
  - Assistance in the reduction of technical barriers to trade and market access;
  - Development and promotion of standards, common procedures and best practices for trade;
  - Encouragement of the adoption of international and, if appropriate, regional standards and norms related to trade and business.
- 4. The overall aim of the Inland Transport Committee is the development of a safe, well-balanced and sustainable transport system in the UNECE region as a basis for the promotion of trade and development. The Inland Transport Committee aims to promote the harmonization and the improvement of transport-related standards in international legal instruments, regulations and recommendations; to simplify and harmonize border crossing procedures; to harmonize methods and definitions for transport statistics and to promote sub-regional cooperation in transport.
- 5. Many of the Inland Transport Committee's current activities touch upon areas of interest to the CTIED. These common areas of interest are described below.

#### **Part One**

#### REDUCTION OF TECHNICAL BARRIERS TO TRADE

#### I. PROMOTION OF SUB-REGIONAL COOPERATION

- 6. One of the CTIED's principal objectives is to assist in the integration of all countries, and especially countries in transition, into the European and global economy and preventing the development of new barriers to trade within the region.
- 7. Similarly, one of the Inland Transport Committee's general objectives is to promote subregional cooperation. Such cooperation has developed in connection with countries in transition in central and eastern Europe, in particular, through the Trans-European North-South Motorway project (TEM) and the Trans-European Railway project (TER), as well as in central Asia and the Caucasus. The aim is to coordinate the development of transport systems and infrastructures in those countries and to facilitate and liberalize international transport among them.

#### II. TRADE FACILITATION AND SECURITY

- 8. The Trade Development and Timber Division is working with the Transport Division on the combined issue of trade facilitation and security. Together, the Divisions addressed the UNECE meeting on "Achieving Trade Security Within a Standardised, Efficient and Transparent International Framework", held in Geneva on 24 February 2003. The Trade Facilitation experts are currently examining the possible specific areas where trade security standards are required. Some of these areas, such as, for instance, the quality of containers, their transport and tracking, relate directly to the activities of the Inland Transport Committee.
- 9. The two Divisions will also prepare a joint publication on UNECE Trade and Transport Facilitation Instruments and Recommendations.

## III. BORDER CROSSING FACILITATION

10. The facilitation of border crossing in all areas of inland transport is an important element in meeting both the Inland Transport Committee's goal of improving international road, rail and inland waterway transport, and the CTIED's aim of facilitating international trade in general.

#### A. General

11. Currently, international carriers and others involved in international trade encounter many difficulties in crossing borders, increasing time and costs and hampering international trade. The complexity and variety of border control formalities slow down the crossing procedure. For example, the absence of cooperation between different national control bodies can lead to reexamination of cargo by frontier guards after inspection by Customs officers. There is sometimes

also, a lack of cooperation between Customs authorities of neighbouring countries. If the authorities on both sides of the border carried out Customs controls jointly, border-stopping times could be greatly reduced.

- 12. The stability, harmonization and simplification of Customs regulations, documents and procedures would also greatly improve efficiency for international carriers. To this end, the UNECE legal Instruments on transport facilitation have been updated to make border crossing procedures for inland transport more efficient and simplify the formalities required. The use of simplified procedures and streamlined and harmonized documents and computerization also reduces the administrative expenses of Governments and international traders.
- 13. The Inland Transport Committee has initiated a broad analysis of the difficulties encountered related to border crossing formalities with a view to finding administrative solutions to existing problems. This analysis will cover health, phytosanitary, veterinary and quality controls, the application of standards and public safety controls.
- 14. The analysis began with a study of the possibility of developing a new Annex to the International Convention on the Harmonization of Frontier Control of Goods (Harmonization Convention) on road transport, including an international lorry weight certificate, mutual recognition and visa facilitation. The progress made in this area is described in further detail in section 2.2.2.2 below.
- 15. As the second step in its analysis of the difficulties encountered related to border crossing formalities, the Inland Transport Committee plans to conduct a study of concrete measures that would facilitate border crossing procedures for railway transport, as described in section 2.2.3 below.
- 16. In analyzing the state of implementation of trade facilitation measures, the CTIED has identified some important obstacles to efficient border crossing activities. For instance, a large part of the administrative proceedings in some CIS regions are paper based and, therefore, very time-consuming.

## B. Road Transport

## 1. The TIR system

17. In the area of international transport of goods by road, measures are being taken to ensure the efficient functioning of the Customs Convention on the International Transport of Goods under Cover of the TIR Carnet (TIR Convention), used in over 50 UNECE member countries. Under the TIR system, goods transported are not normally checked at border crossings between the Customs offices of the country of origin and the destination country. This facilitates trade by considerably speeding up transport times.

- 18. Modern electronic data processing mechanisms may soon be introduced into the TIR system to simplify Customs formalities and documents, as part of a computerized project (e-TIR). Working together, the Trade Development and Timber Division and the Transport Division, in a cross-sectoral approach, have developed a proposal to computerize the TIR Carnet using the electronic business solutions being developed by the Trade Development and Timber Division, in particular, the Unified Modelling Methodology set up by UN/CEFACT and (United Nations electronic Trade Documents (UneDocs)).
- 19. This joint proposal is groundbreaking in terms of information and communication technology as it addresses both the issues related to business processes and the automation of data exchange. The project's main areas of innovation are the development of cost-effective and feasible technical solutions to enable use of both the electronic and paper versions of the TIR carnet in transition economies and interface with the new automated EU transit system (NCTS). This strategic TIR revision process will create a unique worldwide Customs transit system and could serve to reduce delays due to customs and cargo requirements as well as the security controls. The abovementioned UN/CEFACT Modelling methodology provides a procedure for specifying, in an implementation independent manner, business processes involving information exchange, such as the TIR procedure.

## 2. <u>Broad Analysis of Border Crossing Difficulties by the Inland Transport</u> Committee

- 20. The reduction of border crossing difficulties is an important element in border crossing facilitation, and in the facilitation of international trade in general.
- 21. The Inland Transport Committee began its broad analysis of border crossing difficulties with a study of the possibility of developing a new Annex on road transport to the Convention on the Harmonization of Frontier Controls of Goods ("Harmonization" Convention), including an international lorry weight certificate, the mutual recognition of vehicles and visa matters.
- 22. In October 2000, the Administrative Committee for the "Harmonization" Convention began preparation of Annex 8 to the Convention, aiming to detail all the major elements necessary for efficient border crossing procedures in the international road transport of goods, in accordance with the general conclusions on this subject of the Working Party on Customs Questions Affecting Transport.
- 23. The purpose of Annex 8 is to supply provisions that are complementary to those already in Annex 1 to the "Harmonization" Convention and define, as a first step, the measures necessary to facilitate border crossing procedures for international road transport. Other border control provisions applying specifically to rail, inland water and possibly maritime and air transport could be added at a later stage. The Working Party has stressed in this context that Annex 8 should cover requirements for: various types of cargos including perishable foodstuffs; road

vehicles; and drivers (including facilitating the obtainment of visas); in addition to border-crossing procedures and infrastructures.

- 24. The Regional Road Transport Committee (RRTC), established in the framework of the Southeast European Cooperative Initiative (SECI), prepared the concept and technical specifications for the International Vehicle Weight Certificate for lorries that is part of the proposed Annex 8 to the "Harmonization" Convention.
- 25. The secretariat of the Inland Transport Committee has conducted consultations with the Contracting Parties of the Harmonization Convention to explore how remaining problems in adopting the new Annex 8 to the Convention could be resolved, and has prepared new proposals for consideration by the Administrative Committee based on these consultations. The final draft text for Annex 8 to the Convention is to be considered at the forthcoming session of the Administrative Committee on 5-6 February 2004.

## C. Rail Transport

- 26. As the second step in its broad analysis of difficulties related to border-crossing formalities, the Inland Transport Committee plans to study concrete measures facilitating border-crossing procedures for railway transport, in cooperation with the Working Party on Rail Transport. The Working Party has asked the Organization for Railways Cooperation (OSZhD), in collaboration with interested Governments if necessary, to prepare an initial proposal describing border-crossing issues to be discussed at a future international meeting which would involve Governments, railways, Customs and police authorities and other actors.
- 27. The Inland Transport Committee's Working Party on Rail Transport has also considered the specific difficulties encountered in border crossing by rail with a view to accelerating border crossing operations and establishing a programme to deal with problems common to several routes. Specifically, the Working Party seeks to harmonize border-crossing requirements for international railway transport, including the simplification and harmonization of documents and procedures at border crossings, such as the possibility of using CIM and SMGS consignment notes <sup>1/2</sup> as Customs documents.
- 28. Another measure aimed at simplifying rail border crossing procedures is the establishment of a pilot programme in eastern and south-eastern Europe to study border-stopping times of international goods trains at 10 border stations in the participating countries. The Working Party also aims to facilitate international rail transport through the harmonization and development of standardized requirements for the use of railway infrastructure, regarding rail safety and, in particular, the facilitation of rail operations through computerization.

These are the consignment notes found in the International Convention on the Carriage of Goods by Rail (CIM) and the Agreement on International Goods Transport by Rail (SMGS).

## D. Reduction of Fraud

29. While the simplification and harmonization of border controls will promote the international transport of goods, the Inland Transport Committee remains attentive to the increased risk of fraud inherent in such changes. Accordingly, the Inland Transport Committee is studying specific legal and other measures to fight fiscal fraud resulting from simplified Customs and other border crossing procedures. In addition, the Inland Transport Committee plans to promote further the exchange of intelligence among Customs authorities of UNECE member countries regarding abuses, with a view to identifying measures to combat such occurrences.

## Part Two

## DEVELOPMENT AND PROMOTION OF STANDARDS, COMMON PROCEDURES AND BEST PRACTICES FOR TRADE

30. An important activity of the Inland Transport Committee is the development and promotion of standards to facilitate trade. The CTIED is also heavily involved in similar activities, in areas as diverse as agricultural products and information flow. Standardization helps to reduce the costs of international trade by providing a more stable trading environment. In addition, standardization helps facilitate trade by simplifying the exchanges of information required for international trade and improving access to information.

#### I. TECHNICAL STANDARDIZATION OF TRANSPORT INFRASTRUCTURES

31. The Inland Transport Committee works to promote, in the UNECE region, the harmonization and improvement of: technical and operational regulations; standards; and recommendations related to inland transport. To facilitate the circulation of goods in inland transport, the Inland Transport Committee develops and supports physical standards for transport infrastructures, including transport arteries and transport equipment. International infrastructure agreements provide UNECE Governments with the legal framework to construct and develop coherent international transport networks for road, rail, inland water and combined transport.

## A. <u>Technical Standardization of Transport Arteries</u>

## 1. Road

32. The European Agreement on Main International Traffic Arteries (AGR) provides a legal framework for the harmonization of road transport infrastructures and defines the European road (E-road) network in Europe including in central Asian countries and the Caucasus. The E-road network, which includes over 150,000 kilometres of road, comprises all arteries of international importance in Europe as agreed upon by countries Parties to the AGR. This agreement also

defines the infrastructure parameters for the E-roads and provides a numbering system for the E-road network. Road signs are harmonized on E-roads under the Vienna Convention on Road Signs and Signals, further facilitating international road traffic.

#### 2. Railways

- 33. The principal legal instrument supporting technical standardization of railway systems is the European Agreement on Main International Railway Lines (AGC). Through this instrument, the Inland Transport Committee works to harmonize railway systems to achieve interoperability and coordination between systems. The Inland Transport Committee aims to assist in the improvement of railway operation parameters, including the harmonization of rail safety requirements (such as speed on railways) and the elaboration of a uniform mapping system.
- 34. Such measures are likely to improve the situation at border crossings in the TER (Trans-European Railway Project) <sup>2/</sup> countries and help eliminate bottlenecks in international rail transport.

## 3. Road and Rail Tunnels

35. Currently, the Inland Transport Committee is focusing on road and rail tunnel safety and is working to maximize international harmonization to improve safety levels and minimize the risk of accidents and their effects.

## 4. Inland Waterways

- 36. The European inland waterway network (E-waterway network)  $^{3/}$  was established by the UNECE European Agreement on Main Inland Waterways of International Importance (AGN). Thirteen States, Contracting Parties to AGN, are currently engaged in the development of the E-waterway network, according to the uniform conditions set up in the AGN  $^{4/}$ .
- 37. Through AGN, the Inland Transport Committee seeks to achieve technical standardization of inland waterways, to enable vessels to navigate easily throughout the whole E-waterway

The UNECE TER Project is a sub-regional cooperation project established in 1990 by the Governments of central, eastern and south-eastern European countries. Its main objectives are the improvement of the quality and efficiency of transport operations, assistance with the integration process of European Transport Infrastructure systems and the development of a coherent and efficient international railway and combined transport system in the region, in accordance with the UNECE Pan-European infrastructure agreements: the AGC and the European Agreement on Important International Combined Transport Lines and Related Installations (AGTC).

Sixteen countries are full members of TER at present: Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Georgia, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russian Federation, Slovakia, Slovenia and Turkey. In addition, six observer countries participate in certain activities of the project: Belarus, the former Yugoslav Republic of Macedonia, Serbia and Montenegro, Latvia, Republic of Moldova and Ukraine.

The E-waterways are made up of some 28,000 km of waterways to be used by commercial shipping and about 350 ports of international importance. They also include coastal routes.

These countries are Bulgaria, Croatia, Czech Republic, Hungary, Italy, Lithuania, Luxembourg, Netherlands, Republic of Moldova, Romania, Russian Federation, Slovakia and Switzerland. Five other countries (Austria, Finland, France, Germany and Greece) that signed the AGN are also expected to become Contracting Parties to it.

network. Along with the harmonization of technical and manning requirements for inland navigation vessels, as well as the rules of the road and signalization on inland waterways, the implementation of AGN technical and operational standards will help ensure the competitiveness of inland water transport vis-à-vis other modes of transport.

- 38. To this end, the Inland Transport Committee is working toward the elimination of bottlenecks and the completion of missing links in the E-waterway network. Furthermore, consideration is given to the establishment of particular river-sea routes in the context of the AGN agreement.
- 39. In close cooperation with the EC, work is carried out with a view to establishing throughout the E-waterway network, a standardised River Information Service (RIS). The Inland Transport Committee endorsed the use on inland waterways, of electronic navigational charts based on a uniform standard compatible with the standard used in the merchant marine.

## B. <u>Technical Standardization of Equipment</u>

## 1. Road Vehicles

- 40. The World Forum for Harmonization of Vehicle Regulations (Inland Transport Committee's WP.29) has been developing specific vehicle construction regulations (UNECE Regulations) for the last 45 years under the Agreement of 20 March 1958, to harmonize the safety and environmental performance of road vehicles. The Agreement ensures the reciprocal recognition of type approvals of vehicles and their equipment and parts amongst its 40 Contracting Parties, which include the European Community, Japan, Australia, New Zealand and South Africa. One hundred and sixteen UNECE Regulations are currently in force and applied by various Parties.
- 41. In 1998 a new Global Agreement was established to harmonize vehicle construction regulations worldwide. Its current 22 Contracting Parties include all major road vehicle manufacturing countries in Europe, North America, Asia, Africa and Australia. Fifteen priorities have already been set for establishing the first global technical regulations.
- 42. Furthermore, for the European members of UNECE, the 1997 Agreement on Periodical Technical Inspections of road vehicles harmonizes the rules for environmental and safety inspections of vehicles involved in international transport. Currently there are only seven Parties to this Agreement, but the Rule No. 1 concerning the environment-related inspections of commercial vehicles is already in force.

## 2. <u>Inland Waterways</u>

43. The Inland Transport Committee works to unify technical provisions regarding inland navigation vessels, to ensure, among other things, that every vessel can navigate easily throughout the entire E-waterway system. Standardization of technical requirements for vessels

will facilitate the reciprocal recognition of ship's certificates between UNECE countries and serve to reduce legal, technical, administrative and organizational obstacles encountered by international inland navigation operators. Similarly, the Inland Transport Committee is looking forward to achieving the standardization of technical requirements for vessels for sea-river navigation.

## 3. <u>Intermodal and Combined Transport</u>

44. The Inland Transport Committee is also monitoring possibilities for the standardization of loading units (containers and swap bodies) used in combined transport.

## 4. <u>Harmonization of Technical Regulations</u>

- 45. In 2001, the UNECE Working Party on Technical Harmonization and Standardization Policies (WP.6) adopted the Recommendation "L" ("International Model for Technical Harmonization"). This voluntary Recommendation suggests mechanisms for interested Governments to harmonize their mandatory regulations using existing relevant international standards.
- 46. In 2002, WP.6 asked UNECE Subsidiary Bodies to help identify areas for developing pilot projects on harmonization of technical regulations based on UNECE standards. A pilot project for the harmonization of regulations in the telecommunications industry has been launched in cooperation with the International Telecommunication Union (ITU) and it may be worth exploring with relevant working parties the interest in a similar project for selected transport equipment.

#### II. STANDARDIZATION OF INFORMATION FLOWS

- 47. One of the Inland Transport Committee's general objectives is the simplification and harmonization of border crossing procedures and documentation. Similarly, one of the CTIED's principal areas of activity is the development and harmonization of norms, standards and recommendations to facilitate trade in general. The development and standardization of information exchanges would, in particular, facilitate trade by improving the circulation of goods throughout the UNECE region.
- 48. A number of CTIED recommendations on trade facilitation are directly related to inland and maritime transport activities, and are described below:
  - ➤ Recommendation 15 on Simpler Shipping Marks describes a simple and standardized approach to identify cargo in order to reduce costs, mistakes, confusion and shipment delays. The Standard Shipping Mark established in this Recommendation is used for marking on packages moved internationally by all

modes of transport, for reproduction in related documents, and for data elements in trade data interchange.

- ➤ Recommendation 16 (the UN/LOCODE) on Code for Ports and other Locations provides a five-letter alphabetic code for abbreviating the names of locations of interest to international trade, such as ports, airports, inland freight terminals, and other locations where Customs clearance of goods can take place, and whose names need to be represented unambiguously in data interchange between participants in international trade. The code list for UN/LOCODE currently contains 60,000 codes for locations around the world.
- ➤ Recommendation 19 on Codes for Modes of Transport establishes a one-digit numerical code for representing transport modes and provides for a second digit for sub-divisions, which might be required. This Recommendation applies to all cases where the mode of transport is represented in coded form in international trade documents and where a simple code structure suffices.
- ➤ Recommendation 23 on Freight Cost Code was recently revised and provides a naming system for the establishment of harmonized descriptions of freight costs and other charges related to the international movement of goods. It also specifies an unambiguous coded representation of those descriptions. This Recommendation applies in all cases where the descriptions of freight costs and other charges have to be stated in plain language or in coded form, be it in paper documents or by electronic means.
- Finally, recommendation 24 on Trade and Transport Codes provides Transport Status Codes to satisfy the requirements for exchanging coded information about the status of consignments, goods or means of transport at a certain time or place in the transport chain. Representation of transport status codes can be given in plain language or in coded form. The codes provided for in this Recommendation are intended for use in manual and/or automated systems for the exchange of information between participants in international trade.
- 49. The CTIED has also been involved in a number of more general projects on the standardization of information exchanges. In the early 1960s, recognizing the crucial role documents play in international trade, the UNECE developed the United Nations Layout Key (UNLK), an internationally accepted standard for trade documents. The UNLK has significantly contributed to trade efficiency by allowing the design of aligned series of trade documents, such as the Single Administrative Document used for trade within the European Union.
- 50. In 1986, the CTIED introduced Electronic Data Interchange for Administration, Commerce and Transport (UN/EDIFACT) to boost information flows throughout the UNECE region. UN/EDIFACT is a single international standard for electronic data interchange

developed to meet the needs of Governments as well as private enterprise worldwide. UN/EDIFACT offers uniform, "paperless" documentation and a single "language", accelerating international trade transactions and cutting costs by eliminating manual copying and entering of data. Although UN/EDIFACT is currently the most widely used international EDI standard, it has not provided a general solution for electronic trade documents due to the high investments required for implementation.

- 51. To further develop its work in this area, in 1996, the CTIED expanded its work on information flow for trade facilitation by creating the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT). UN/CEFACT aims to facilitate international transactions, by simplifying and harmonizing procedures and information flows, using, for example, the United Nations Layout Key (UNLK) and UN/EDIFACT. UN/CEFACT is also involved in the creation of e-business standards such as ebXML (in partnership with the Organization for the Advancement of Structured Information Standards (OASIS)), projects such as UNeDocs and the International Supply Chain Model.
- 52. ebXML (electronic business eXtended Markup Language) provides an open XML-based infrastructure enabling the global use of electronic business information in an interoperable, secure and consistent manner by all parties.
- 53. The UNeDocs project studies the feasibility of an international standard for electronic aligned trade documents. It aims to promote the use of electronic trade documents in an effort to increase the integration of supply chain processes, significantly reduce transaction costs and risks and contribute to combating fraud. UNeDocs does not seek to eliminate paper documents but rather to open a migration path from paper to electronic documents by defining electronic document layouts that are equivalent to their paper-based peers, to facilitate the adoption of electronic documents for SMEs and developing economies.
- 54. The International Supply Chain Model (UN/ISCM) sets out to identify and model the key processes and the relationships between the parties involved. This Model helps in understanding how a supply chain operates, and it can be used to highlight opportunities for "best practice" improvements in international trade for countries, businesses, governments or economies. Since the Model covers the entire trade transaction process, transport arrangements represent one of its core elements.
- 55. Finally, the CTIED is developing a recommendation for a "Single Window" system that would allow traders to lodge all export-related regulatory requirements with a single body.

## III. STANDARDIZATION OF THE LEGAL FRAMEWORK

56. The legal framework is an important aspect of trade harmonization and standardization. The CTIED recognizes the need for policy development in this area as well as for the implementation of existing legal norms and standards. The Inland Transport Committee has contributed to the harmonization of the legal and administrative work carried out by international organizations such as the Economic and Social Commission for Asia and the Pacific (ESCAP), the United Nations Conference on Trade and Development (UNCTAD), the European Commission (EC) and the Organization for Railways Cooperation (OSZhD).

## A. <u>Harmonization of Civil Liability Rules</u>

- 57. One of the principal legal issues in the area of transport is the harmonization of civil liability rules, and in particular the reconciliation and harmonization of the various existing civil liability rules governing multimodal transport.
- 58. The Working Party on Combined Transport is pursuing the task of reconciling and harmonizing civil liability rules governing multimodal transport, taking into consideration the possible difficulties arising from differences in modal liability regimes and/or gaps in full coverage during combined transport operations, including storage and transhipment operations. The Working Party is focusing on the development of a civil liability regime for multimodal transport in the UNECE region based on an overland transport approach, possibly including short-sea shipping. This regime would take into account developments in various international forums and the requirements of the users of combined and multimodal transport in the UNECE region.
- 59. Progress was made to coordinate all United Nations activities in this field (UNECE, UNCTAD and the United Nations Commission on International Trade Law (UNCITRAL)) regarding transport law for multimodal transport operations.
- 60. The ad hoc expert group on civil liability rules in multimodal transport has considered a first draft for a Convention for multimodal overland transport. This draft will be further elaborated before being submitted to the Working Party, after taking into account developments in this field within other intergovernmental organizations, in particular UNCTAD and UNCITRAL.
- 61. UNCTAD has also been working in the field of multimodal transport and has conducted a feasibility study on a new international legal instrument in this field. As part of this study, the UNCTAD secretariat issued a questionnaire to canvass the views of all parties involved in multimodal transport. 5/

Interested parties can find more information about the feasibility study and the questionnaire on the following web site: http://www.unctad.org/en/subsites/multimod/mt1home.htm

62. For its part, UNCITRAL is developing a new legal instrument covering the transport of goods, wholly or partly, by sea. The draft instrument <sup>6</sup>/<sub>2</sub> contains door-to-door provisions, meaning that it may have a multimodal scope.

## B. <u>Harmonization of Legal Provisions by Type of Transport</u>

## 1. Road

63. In order to simplify and harmonize the requirements for international road transport and to facilitate this type of transport, the Inland Transport Committee is updating appropriate international instruments such as the AETR, drafting a Protocol to the CMR in order to legalize electronic data interchange, and studying selected aspects of international transport of goods by road (a new version of the Consolidated Resolution on the Facilitation of International Road (R.E.4) Transport is currently being undertaken). The Inland Transport Committee is focusing on the instruments related to the facilitation of road transport between eastern and western Europe and the simplification and harmonization of administrative procedures and documentation. Similarly, the Inland Transport Committee seeks to promote the harmonization of fiscal and other measures in order to avoid discriminatory practices in international road transport.

## 2. Railways

64. The Inland Transport Committee also seeks to increase standardization and harmonization of railway legislation in the TER countries and the harmonization of legal regulations applicable to the contract for the transport of goods by rail. Progress has been made in the elimination of difficulties arising from different legal systems in international rail transport.

## 3. <u>Inland Water Transport</u>

65. The Inland Transport Committee seeks to unify legal provisions governing inland water transport to facilitate and promote international water transport in Europe. It is working to identify legislative obstacles that hamper the establishment of a harmonized and competitive Pan-European inland waterway transport market, and to formulate solutions to overcome them.

## 4. Multimodal or Combined Transport

66. The Inland Transport Committee plans to implement a set of best practices and partnership models for combined transport.

This instrument is contained in UNCITRAL document A/CN.9/WG.III/WP.32.

## IV. STANDARDIZATION OF STATISTICS

## A. <u>Development of Common Methodologies</u>

A general objective of the Inland Transport Committee is the development of appropriate methodologies and definitions for the collection, compilation and harmonization of inland transport statistics for purposes of comparability and consistency. The harmonization of statistics includes methodologies for the collection and compilation of data on road traffic accidents and statistics on road, rail, inland waterway, pipeline and combined transport. The Inland Transport Committee also seeks to develop common methodologies, criteria and guidelines for traffic data collection and processing, as well as traffic forecasts. The existence of common methodologies facilitates and improves the collection, comparability and analysis of information on road and rail traffic flow, as well as infrastructure parameters, through annual bulletins, surveys and censuses. As mentioned before, in section B.1 on the TIR-convention, the CTIED, and more particularly, UN/CEFACT have also been working on a methodology to model business processes involving information exchange.

## B. Exchange of Data

68. The Inland Transport Committee promotes the collection, harmonization, analysis and exchange of data on the environmental and health aspects of transport. It aims to harmonize transport data internationally and/or eliminate any duplication of efforts between organizations.

## C. Glossary and Terminology

69. As part of its work to harmonize transport accident statistics and statistics on transport and the environment, the Inland Transport Committee is continuously developing, updating and revising a glossary for transport statistics and a new classification system for these statistics (NST/2000). The Intersecretariat Working Group on Transport Statistics continues to promote the incorporation of harmonized terminology in statistics.

## V. DANGEROUS GOODS

70. A wide variety of goods, including chemicals, are considered dangerous in international trade, and are subject to safety regulations concerning their manufacture, transport, storage and use. The development of a harmonized regulatory framework contributes to increased safety, and is also essential for trade facilitation. The Inland Transport Committee and the ECOSOC Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals (CETDG/GHS) play a key role in the global harmonization process.

## A. Global Harmonization of Regulations on the Transport of Dangerous Goods

71. The UNECE Transport Division provides the secretariat services to the ECOSOC CETDG/GHS. This Committee has developed and regularly updates recommendations presented under the form of "UN Model Regulations on the Transport of Dangerous Goods". These recommendations are addressed to Governments and international organizations concerned with the regulation of the transport of dangerous goods, which, by implementing them through their respective national or international legal instruments, ensure harmonization. The globally harmonized regulations are those concerning the identification and classification of dangerous goods; authorized packaging and their marking and labelling; standards for construction, testing and approval of packaging, intermediate bulk containers, multimodal portable tanks, gas receptacles; and transport documentation. Trade facilitation recommendation 11 was elaborated by the CTIED in consultation with the Transport Division and focuses on the documentary aspects of the international transport of dangerous goods and sets forth actions to harmonize information requirements and to simplify documentary procedures for the transport of dangerous goods in order to decrease complexity and increase accuracy and efficiency.

## B. <u>Harmonization of Regulations on the Transport of Dangerous Goods at the European Level</u>

72. Like the International Maritime Organization in the area of sea transport (through the International Maritime Dangerous Goods Code) and the International Civil Aviation Organization for air transport (through its Technical Instructions), the Inland Transport Committee gives full effect to the UN Model Regulations on the Transport of Dangerous Goods by implementing them, for inland transport, through the international legal instruments under its responsibility. These instruments are the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), the European Agreement concerning the International Carriage of Dangerous Goods by Inland Waterways (ADN) and, in cooperation with the Intergovernmental Organization for International Carriage by Rail (OTIF), the Regulations for the International Carriage of Dangerous Goods by Rail (RID). These three instruments are kept closely harmonized and each includes additional provisions specific to the mode of transport involved, to address aspects not covered by the UN Model Regulations, such as the construction and operation of vehicles.

## C. The Globally Harmonized System of Classification and Labelling of Chemicals (GHS)

73. The ECOSOC Committee referred to in 3.5.1 adopted, in December 2002, a new set of recommendations known as the GHS (Globally Harmonized System), which aims at the intersectoral harmonization of rules and regulations applicable to the classification and labelling of chemicals under various regulatory regimes (transport safety, workplace safety, consumer

protection, environment protection). The objective is the intersectoral harmonization of all these regulations worldwide by the year 2008.

## VI. PERISHABLE FOODSTUFFS

74. As with the transport of dangerous goods, the harmonization of regulations and standards for the transport of perishable foodstuffs is crucial to the protection and promotion of this type of international trade.

## A. Harmonization of Regulations and Standards

- 75. Both the CTIED and the Inland Transport Committee seek to harmonize regulations and standards, in their own domains, related to food products. Specifically, in the area of agricultural commercial quality the CTIED's Working Party on Standardization of Perishable Produce and Quality Development (WP.7) has been working to develop internationally harmonized standards for perishable produce on the basis of existing national standards or trade practices. The meat standards it has developed specifically refer to the work of the Inland Transport Committee's Working Party on Perishable Foodstuffs (WP.11).
- 76. This Working Party strives to harmonize regulations and standards relating to the international transport of perishable foodstuffs and the facilitation of such transport operations under the Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be Used for Such Carriage (ATP Agreement). The Inland Transport Committee also seeks to update this Agreement on a regular basis in order to keep it consistent with technological developments, as well as safety and quality standards.

## B. Border Crossing Difficulties

77. As part of its follow-up of resolution No. 243 on "Improving the traffic flow of ATP vehicles for the transport of foodstuffs covered by ATP" for better facilitation, the Inland Transport Committee has scheduled into its Programme of Work, as an output expected by the end of 2003, the consideration of the difficulties encountered at border crossings, for the transport of perishable foodstuffs, work that will be continued on an annual basis.