Ladies and Gentlemen

For the road transport industry, the facilitation of trade and cooperation in transport and ensuring the security of domestic and international transport operations are not contradictory. The representatives of the road transport industry, whose internal production process is carried out on public roads, are very well aware of the high requirements they must meet in terms of public security and road safety. They also believe that, on account of the competition deriving from trade liberalisation in a globalised economy, logistic systems must remain efficient. This is why the implementation of the demands of security and risk management must result from cooperation between the public and private sectors, since the demands of efficiency always call for priority treatment.

Transport services provide the life-link between economic and social players, and road transport is the leading transport mode, carrying 85-95% of traded goods moved on land routes. In addition, this industry has a crucial economic role of its own. Its contribution to GDP amounts to 2-3% in developed and much more in emerging economies. Numerous studies demonstrate that any impediment to road transport therefore causes harm to the economy and trade. Indeed, by its very nature, road transport and, in particular, international road transport, on account of the high quality of the services it provides - is a litmus test for trade barriers.
It was in this context that, a few years ago, the IRU commissioned a study on the five main barriers (congestion, waiting at borders, etc.) confronting road transport operators in 5 representative countries\textsuperscript{1} in Eastern and Western Europe. The results were appalling:

- the estimated direct additional transport costs resulting from these five main barriers for transport operators from the five countries amounted to some USD 8 billion per year;
- with the estimated additional costs arising from further lost business opportunities of producers and traders, the figure amounted to some USD 16 billion.

This is why international trade procedures, particularly at borders, require special attention and targeted measures in order to maximise the use of the scarce political, financial and administrative resources available. Trade facilitation requires striking a proper balance between security and the protection of the budget, on the one hand, and the rapidity and efficiency of formalities required by shippers and transport operators, on the other.

The UNECE and the other institutions have, indeed, developed a wide range of international legal instruments, aimed both at the harmonisation of controls and at the facilitation of trade. However, whatever the manner and rigour with which these instruments are applied by the competent authorities, their implementation can only be efficient if the procedures are drawn up and applied in a spirit of cooperation and partnership between the public and private sectors.

Indeed, in order to take into account both the rapid development of international trade and the increasingly sophisticated practices of organised crime, the rules in force at national level are subject to frequent change. This often results in a lack of information and transparency which provides opportunities for cowboy operators, while penalising approved international trade operators. That is why the IRU has always advocated increased cooperation with the competent authorities with a view to establishing regular consultations with the industry before any decision is taken.

Allow me to recall that freedom of transit was made an obligation for WTO members through Article V of GATT a long time ago. However, so far this principle has not been properly nor universally implemented in road transport. The problems persist in many countries and even within the EU Member States. Indeed, the prohibition of transit and quantitative restrictions resulting from the Austrian ecopoints system, together with often prohibitive fiscal levies on road use, applied in many countries to commercial vehicles alone, are contrary to the notion of transit freedom foreseen by the GATT.

The complexity of the procedures for the issuance of visas to the professional drivers of commercial vehicles has long been a major obstacle to trade. Acknowledging the right of States to introduce visa systems, the IRU has always taken position in favour of the simplification and facilitation of procedures for issuing visas to professional drivers.

In addition, many countries subject heavy vehicles traffic to a multitude of traffic restrictions and prohibitions which constitute obstacles to the development of trade and, more particularly, international trade.

The IRU calls upon the authorities to refrain from introducing any new restraints and to harmonise the existing traffic restrictions in order to reduce their negative effects on sustainable development as far as possible.

\textsuperscript{1} Czech Republic, France, Italy, Poland, United Kingdom.
Ladies and Gentlemen,

I should now like to refer to another barrier to international trade, that of the increase in the activity of organised crime and the means to maintain security in international trade. The road transport system, available everywhere and to everyone, is very easily accessible. Easy access to road transport is one of the great advantages of this mode of transport, but it can turn into a drawback in terms of transport security.

Security as a sine qua non requirement in road transport is not new, in particular if seen as part of the obligation to achieve a result, to which the transport operator is subject in the framework of the overall quality and of the safety of his services.

In this presentation, I will briefly focus on the impact of the activities of organised crime in the international road transport industry. The issues covered encompass:

- Threats to trade and customs security,
- Illegal immigration,
- Transport of dangerous goods by road, and
- Theft of vehicles and cargo

As to threats to trade and transit:

The transit systems devised by Governments are managed jointly by the authorities and trade associations representing the transport industry. They are designed to facilitate trade and the work of the Customs authorities, by avoiding the burdensome inspection of loads and vehicles at each national border. These systems, covered by international pools of insurance companies, also permit the facilitation of customs procedures by replacing national requirements (guarantee, deposit of duty, etc.).

Organised crime penetrated the two transit systems most widely used in Europe in the early 90s. This was due to a major malfunctioning of customs procedures following the disappearance of internal borders within the EU, the creation of new borders and procedures in the recently independent countries of the former Soviet Union and the growth in trade resulting from the dismantling of political and economic barriers between the EU and Central and Eastern Europe. These developments resulted in a reduction in the efficiency of customs procedures and security in international transport.

On the basis of the experience acquired, both at the national level through our Members and at the international level, the fight against organised crime and customs fraud must be focussed on:

- Reinforcing co-operation between the public and private sectors; to adapt the procedures to the constantly changing practices of organised crime in order to identify defrauders without delay and to eliminate them;
- The rapid introduction of computerised systems permitting risk management in the transit systems, by the introduction of the NCTS System (New Computerised Transit System) for the common transit system and by the introduction of the SafeTIR system, including the reconciliation procedures, in the TIR System;
- Concentrating customs clearance procedures on reliable customs offices in those countries most vulnerable to crime;
- Tighter admission criteria to transit systems for shippers and transport operators;
• Intensifying customs administrations’ efforts to identify, without delay, the criminal structures behind widespread international fraud and eliminate them through a proper application of sanctions in compliance with their international obligations.

As to illegal immigration:

Illegal immigration has often hit the headlines in the media over the last few years. Despite this, it must be recognised that, to date, apart from a few exceptions, very little action has been taken at the international level to bring this new organised criminal activity under control. However, for the transport industry, the direct consequences are extremely damaging, since they seriously endanger international trade and our industry.

As long as Governments do not cooperate with their private sector partners to protect honest trade by concentrating the available resources on the organisers of illegal immigration networks and the recycling of their profits, it will be very difficult and even impossible, to attenuate the growth of this illicit activity which is hugely profitable and involves little risk.

Furthermore, the unfortunate experience in the United Kingdom has demonstrated very clearly that the organised activity of unscrupulous criminals involved in trafficking human beings cannot be prevented simply by placing full responsibility on the shoulders of transport operators who are, in almost all cases, the victims of - rather than the culprits in - illegal immigration.

In this field, too, the IRU wishes to be heard so that a fruitful partnership can be implemented, with the competent international and national authorities, to take the necessary measures to identify and control these illegal practices.

As to the transport of dangerous goods by road:

The security of dangerous goods transport by road has always been a major issue for our industry and the competent authorities. The issue is governed by an important international convention, the ADR Agreement, which also applies to domestic transport.

This Agreement provides a clear definition both of the high-risk dangerous goods barred from carriage, and of the special measures to be implemented to transport such goods with total safety. The latter concern, in particular, the packaging, marking, labelling and technical requirements to be applied to vehicles, including driver qualifications.

The road haulage industry recognises, however, that after 11 September 2001, there is a need to "re-evaluate these measures" to focus even more on the security aspect of transport, in addition to the safety aspect.

In the work undertaken in this respect, the industry approves the establishment of special "security plans" in all companies involved in handling and transporting the most sensitive hazardous goods.

The IRU also considers that further training of personnel in this field should be encouraged, and notably the implementation of clear recommendations on the use of appropriate parking lots and the selection of the best itineraries for "secured" transport operations. The most demanding elements in these new measures must, however, be limited to the most ultra-sensitive dangerous goods.
As to the theft of vehicles and cargo:

The oldest and most “classical” form of criminal activity affecting our industry involves the theft of vehicles and loads, which has become a growing concern in many countries. According to an ECMT report (Crime in Road Freight Transport, European Conference of Ministers of Transport, 2002), up to 1% of goods vehicles in circulation are stolen annually. This seemingly anodyne figure nevertheless implies that several tens of thousands of commercial vehicles are stolen. The current trend shows that the problem is becoming worse in many countries. Vehicle thefts between 1995 and 1999 were analysed for 11 countries and while two countries showed decreases, the other countries showed increases of up to 50%. The average overall increase for these countries was 21% over the five-year period.

As a result of much complicity, the selection of lorries stolen is not random. The lorries stolen always contain goods easy to put on the market and especially electrical and electronic goods, brand clothes and footwear, as well as household goods, food and, of course, cigarettes and alcohol, not on account of their toxicity, but of their high fiscal value. It is estimated that this type of crime results in an annual economic loss of over four billion Euros in the EU. In this sector, too, the solution lies in strengthening cooperation between the authorities and the private sector. The task is to facilitate information exchange and to harmonise anti-theft legislation and techniques (satellite vehicle tracking; the introduction of vehicle identification numbers, immobilisers, alarm systems, after-theft tracking devices, short-range detection systems and so on), to make this kind of activity more complex and more risky for thieves.

*****

Ladies and Gentlemen,

In summary, it must not be forgotten that more than 99.9% of all domestic and international transport operations by transport operators affiliated to our 165 national Member Associations in 65 countries are carried out by responsible and honest citizens. This is why any efficient fight against organised crime, which only accounts for 0.1% of transport operations, necessarily calls for targeted action, mainly resulting from fruitful cooperation between the competent authorities concerned and the private sector which we represent.

The IRU is thus particularly satisfied to have been associated in this joint meeting, organised on the initiative of the WCO and the UNECE. It expresses the fervent wish that this cooperation, at the highest level, between the public and private sectors, serve as an example at the national level.

The representative organisations cannot act alone in this ultra-sensitive area. Indeed, it is only by working together that we can hope to achieve our common objective: the facilitation of trade and transport while ensuring the security and safety of road transport which is the basic pre-condition for the economic and social development of any organised society.

Thank you for your attention.

*****