



Development of Co-ordinated National Transport Policies - Republic of Kazakhstan, Republic of Tajikistan, Kyrgyz Republic, Republic of Uzbekistan, Republic of Turkmenistan

Transport Facilitation in Central Asia: key challenges

Anthony Pearce



WTO definition of trade facilitation

“the simplification and harmonisation of international trade procedures for collecting, presenting, communicating and processing data required for more efficient movement of goods in international trade”.

Central Asian facilitation

- Both within Central Asia and between Central Asian states and the rest of the world, continues to be hampered by numerous barriers:
 - complex trade policies that are badly coordinated and lack transparency;
 - high costs from poor transport and transit conditions;
 - delays at border crossings;
 - onerous administrative and clearance requirements.

Other facilitation problems

- Transport quotas and licences
- Non compliance with MFN treatment
- Requirements for transshipment
- Mandatory convoys
- Illegal immigration
- Mandatory use of certain commercial services
- Problems in obtaining visas for professional drivers
- Transit or quasi transit fees
- Quasi security measures
- Measures without prior or with short notice

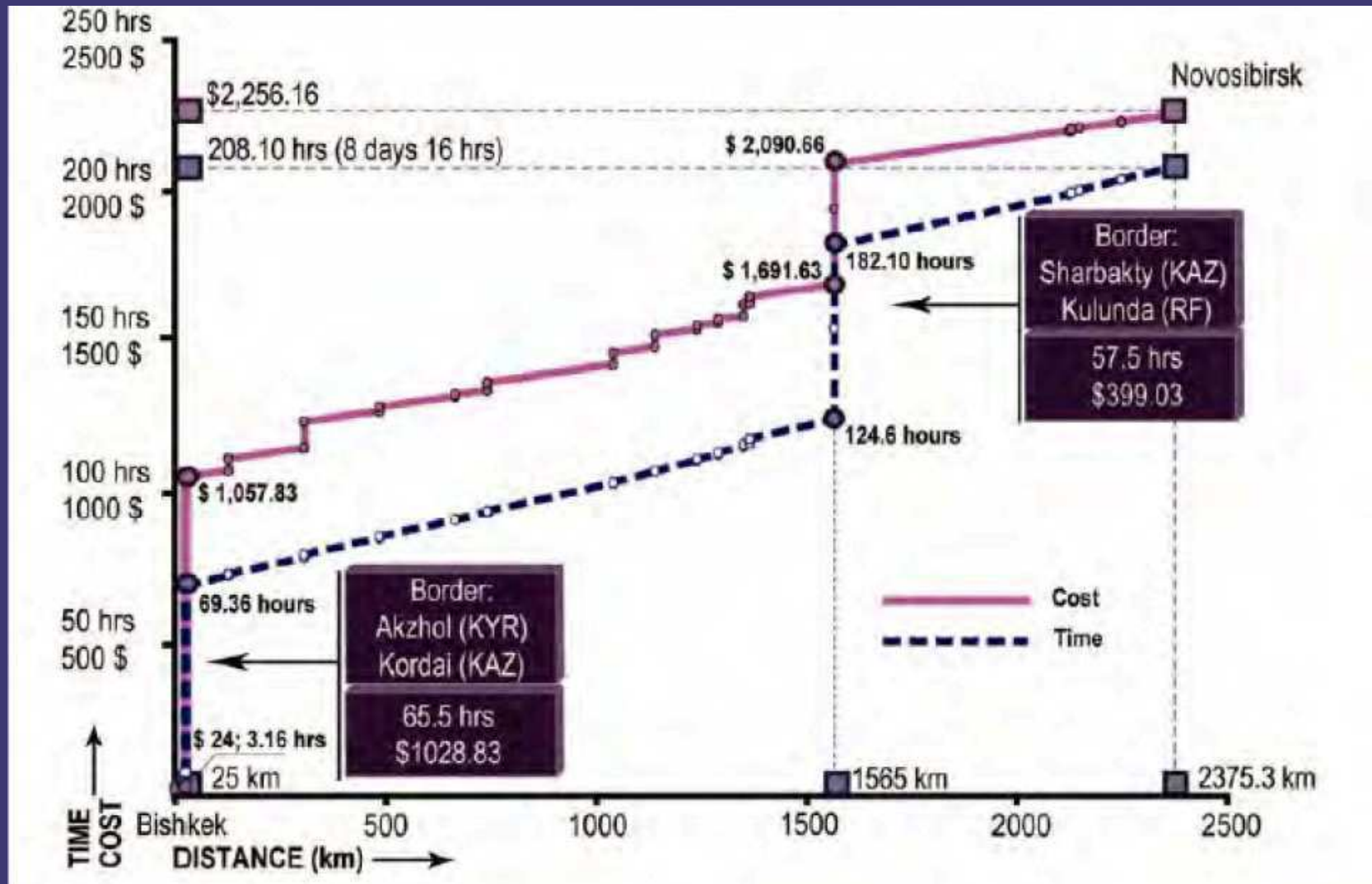
Delays

- In Kazakhstan it takes an estimated 93 days to move standard cargo from the factory gate to the nearest export port to fulfil all the customs, administrative and export requirements
- In Uzbekistan 139 days are needed on average to import a standardised shipment of goods.



Delays

- Bishkek to Novosibirsk by road



Delays

- Former Soviet Union, regional averages, 2007,

	EXP ORTS			IMP ORTS		
	No. docs	Time days	Cost (\$)	No. docs	Time days	Cost (\$)
Central Asia	11	79	2,695	12	85	3,445
Caucasian Countries	8	33	1,662	10	31	1,795
European Countries	7	31	1,548	10	35	1,583
Baltic States	5	9	765	5	10	810

Delays

- Customs clearance and technical control, Former Soviet Union, regional averages, 2007

	EXP ORTS		IMP ORTS	
	Days	Cost (\$)	Days	Cost (\$)
Central Asia	8	180	11	193
Caucasian Countries	4	120	4	58
European Countries	3	200	5	205
Baltic States	1	68	2	68

Consequences of delays

- A World Bank study (2006) found that each day of delays reduces a country's export volumes by about 1%.
- Long delays increase probability that trade will not take place ...
- ... and make it impossible to export perishable agricultural products such as meat, fruit and vegetables.
- This factor is of particular importance in Central Asia where such commodities make up a significant proportion of the exports.

Challenges

- National economies cannot create adequate wealth and employment without efficient transport networks.
- Central Asian countries, despite recent progress, still suffer the consequences of decades of neglect and under-investment in the area of transport infrastructure.
- Problems aggravated by lack of sufficient funds.
- Operators complain of lack of logistic facilities.

What is needed

- To advance trade and transport facilitation requires interventions at the following three levels:
 - **Transport simplification**, eliminating unnecessary duplications in formalities, processes and procedures;
 - **Transport harmonisation**, alignment of national procedures, operations and documents with international conventions, standards and practices; and,
 - **Transport standardisation**, developing internationally agreed formats for practices and procedures, documents and information,

Key international conventions

UN ESCAP Resolution 48/11 –

- Convention on **Road Traffic** of 1968
- Convention on **Road Signs and Signals** of 1968 and the European Agreement of 1971 and the Protocol to the Convention 1973
- Customs Convention on the International transport of Goods under Cover of TIR Carnets (**TIR Convention**) of 1975
- Customs Convention on the **Temporary Importation of Commercial Road Vehicles** of 1956
- Customs Convention on **Containers** of 1972
- International Convention on the **Harmonisation of Frontier Control** of Goods of 1982, and
- Convention on the Contract for the International Carriage of Goods by Road (**CMR**) of 1956.

Key international conventions

Also

- Directive 96/53/EC on the **maximum weights and dimensions of vehicles** in international and national traffic.

Additional international legal instruments proposed

- International Convention on the **simplification and harmonisation of customs procedures** 1974, as amended;
- Convention on customs treatment of **pool containers** used in international transit 1994;
- Agreement concerning the establishing of **global technical regulations for wheeled vehicles** 1998;
- The UN Convention on Liability of Operators of **Transport Terminals** in International Trade 1991.

Other key benchmarks

- Work of Crews in International Road Transport (**AETR**), 1970
- Dangerous Goods by Road (**ADR**), 1957
- Perishable Foodstuffs (**ATP**), 1970

Agreements and Conventions

	Kazakhstan	Kyrgyzstan	Tajikistan	Uzbekistan	Turkmenistan
MLA recommended Conventions					
TIR Convention, 1975 *	+	+	+	+	+
International Convention on the Harmonisation of Frontier Controls of Goods, 1982	+	+		+	
Customs Convention on Containers, 1972	+			+	
UNESCAP Resolution 48/11 recommended					
Convention on Road Traffic, 1968 *	+	+	+	+	+
Convention on Road Signs and Signals, 1968 *	+	+	+	+	+
TIR Convention, 1975	+	+	+	+	+
Customs Convention on the Temporary Importation of Commercial Road Vehicles, 1956 *		+		+	
Customs Convention on Containers, 1972 *	+			+	
International Convention on the Harmonisation of Frontier Controls of Goods, 1982 *	+	+		+	
Convention on the Contract for the International Carriage of Goods by Road (CMR), 1956 *	+	+	+	+	+
CLBTT Protocol recommendations to MLA					
International Convention on the simplification and harmonisation of customs procedures 1974, as amended					
Convention on Customs Treatment of Pool Containers Used in International Transport, 1994				+	
Agreement concerning establishing Global Technical Regulations for Wheeled Vehicles, 1998					
Convention on the liability of operators of transport terminals in international trade, 1991					

Other issues to be addressed

- Provide high quality infrastructure and logistic facilities
- Reform customs and other border agencies through better inter-agency co-ordination and cross-border co-operation
- Harmonise weights and dimensions of vehicles
- Improve environmental standards
- Improve road safety
- Cut transit and other charges - suspicion that economic/fiscal regulation is applied in an arbitrary and inconsistent way

Thank you for your attention

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