HARMONIZATION CONVENTION DRAFT ANNEX 10 ON SEAPORTS

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A number of routes provide strategic connections between the hinterland and seaports. Such linkages are of great importance to UNECE countries and their economic development.

The Expert Group of the Working Party on Transport Trends and Economics was established with the approval of the UNECE Inland Transport Committee and Executive Committee in the spring of 2008.

The Expert Group organized a high-level UNECE Conference on Hinterland Connections of Seaports that was hosted by the Government of Greece in Piraeus in the fall of the same year.

The Group developed and distributed a questionnaire survey of hinterland connections that was answered by more than thirty seaport authorities from fifteen countries of the UNECE region.

On the basis of conclusions of the Piraeus Conference and responses to the questionnaire survey, a number of recommendations were developed for the UNECE and its member States.
REPORT STRUCTURE AND OBJECTIVES

OBJECTIVE 1
To determine key issues in existing literature relating to performance of seaports and their hinterland connections;

OBJECTIVE 2
To assess key trends in the container and ferry markets in the UNECE region, including port hinterland flows;

OBJECTIVE 3
To identify best practice in achieving efficient and sustainable hinterland goods movements;

OBJECTIVE 4
To consider ways in which the specific problems faced by landlocked emerging economies can be overcome;

OBJECTIVE 5
To recommend ways in which the connectivity of seaports and their hinterlands can be improved.
Hinterland connections of seaports are the weakest link in global supply chains and the apparent need for further work in this area.

To identify areas in which modifications to current United Nation international conventions and agreements administered by UNECE may be necessary:

(a) amendments to the WP.30 Harmonization Convention (with a new annex on border crossing procedures);

(b) amendments to the WP.24 AGTC Agreement (an update of the list of seaports mentioned in Annex D of the Agreement and a specification of minimum infrastructure and operational standards in such seaports);

(c) amendments to AGR and AGC Agreements (minimum infrastructure and operational standards for efficient connection of seaports with the international road and rail networks).
CHAPTER XI
TRANSPORT AND COMMUNICATIONS
A. Custom Matters
Geneva, 21 October 1982
Entry into force: 15 October 1985, in accordance with article 17(1).
Registration: 15 October 1985, No. 23583
HARMONIZATION CONVENTION, 1982

STATUS OF CONTRACTING PARTIES TO THE CONVENTION:
TURKMENISTAN ACCEDED ON 27 NOVEMBER 2016;
ENTRY INTO FORCE: 27 FEBRUARY 2017:
58 CONTRACTING PARTIES.
Scope of the Harmonization Convention

1. All goods moved across borders (exported, imported or in transit)
2. All control services
3. All modes of transport
4. Specific provisions for certain transport modes and goods
5. Also addresses certain issues with regard to vehicles and drivers
BENEFITS

1. Reduction of border delays,
2. Reduction of transport cost,
3. Reduction of trade transaction cost,
4. Reduction of border operating costs for state budget,
5. More efficient investments in border facilities.
MAIN FEATURES

CHAPTER I: GENERAL PROVISIONS INCLUDING DEFINITIONS

CHAPTER II: HARMONIZATION OF PROCEDURES
CO-OPERATION BETWEEN ADJACENT COUNTRIES EXCHANGE OF INFORMATION, DOCUMENTS

CHAPTER III: GOODS IN TRANSIT

CHAPTER IV: MISCELLANEOUS
OPERATIONAL ANNEXES
“BUY-SHIP-PAY” MODEL
(Source: UN/CEFACT International Supply Chain Reference Model)

Prepare for Export
Commercial Procedures

Export
Transport Procedures

Prepare for Import
Regulatory Procedures

Import
Financial Procedures
SUPPLY CHAIN SYSTEM = A NETWORK OF LOGISTICS

Supplier
Roadways
Plant
Roadways
Customer’s Warehouse
Roadways
Regional Distribution Center

Customer (Retailer)

Consumer

Ocean liner
Customs Agent
Sea Port
Airways
Road + Rail
DOMESTIC INTRA-SERVICE COORDINATION:

There are many control authorities at the border. Who takes the lead?

Control mentality is an obstacle;

Each control authority wants to have their share;

A decision should be taken at the highest possible political level;
THE GAPS OR BREAKS IN SUPPLY CHAIN

TRANSPORT INFRASTRUCTURE MANAGEMENT

TRANSPORT LEGISLATION

TRADE LEGISLATION

ANNEX 10 TO HC?

FAL CONVENTION

KYOTO CONVENTION & OTHER GA LEGISLATION
DIGITAL TRANSPORT CORRIDORS

No effective trade - transport business process between the client and his contractor;

No uniformed system of information flows management in the supply chain;

No monitoring and control of goods movement on all the route of their transportation;

No end-to-end interaction between transport infrastructure, logistics centers and the customer's wishes regarding the service, terms and cost of cargo delivery.
HARMONIZATION CONVENTION
DRAFT ANNEX 10 ON SEAPORTS

1. To facilitate cross border transport of goods
2. Through nationally coordinated,
3. Internationally harmonized,
4. Shorter, reduced formalities and
5. Controls of goods at borders
INFRASTRUCTURE

Necessary equipment and facilities at frontier points;

Common facilities and shared use of equipment;

To the extent possible, controls should be moved from the border to other locations (e.g. departure or Destination (hinterland));

At border crossing points, controls should be replaced by verification of internationally standardized Documentation;
DOCUMENTS AND INFORMATION

Internationally standardized (UN Layout Key) documents and certificates;
Use of any technical/commercial documents;
Use of ICT;
Exchange of Information;
Transparency with respect to legislation, regulations and procedures.
(Draft) ANNEX 10

1. The Administrative Committee of the Harmonization Convention (AC.3) in October 2014, recommended the initiation of consultations with interested stakeholders on the elaboration of a new Annex 10 to the Harmonization Convention on border crossing procedures at seaports. (see ECE/TRANS/WP.30/AC.3/20, para. 14).

2. Pursuant to informal consultations during 2014–2015, it transpired that a number of business associations and national experts welcomed the elaboration of a new Annex to the Harmonization Convention that would contribute to improving cooperation between border control agencies and private operators at sea ports. The Working Party on Customs Questions Affecting transport (WP.30) requested the secretariat to prepare a first draft of a possible new Annex 10, to serve as a basis for further discussions (see ECE/TRANS/WP.30/280, para. 42).

3. In line with this request, the secretariat has prepared a preliminary first draft of a new Annex 10 for the consideration and comments of delegations, organizations and industry representatives.
There is not, currently, a single, international and comprehensive legal instrument dedicated exclusively to customs procedures at seaports.

However, there are several international conventions and other legal instruments that either include seaports, or refer to specific aspects of port procedures. Such instruments should be taken into account in the preparation of a potential new Annex 10 to the Harmonization Convention.

In the first instance, the new Annex would need to be aligned with, or at least, not contradict, existing obligations incumbent upon Port and Flag States. As a further step, Contracting Parties could, if they so wish, look into additional elements that could be addressed in the new Annex.


PROPOSALS ON A NEW ANNEX 10 ON SEAPORTS

DISCUSSIONS ON A NEW ANNEX 10 ON SEAPORTS IS STILL ONGOING.
ON THE BASIS OF A FIRST DRAFT, VARIOUS PARTIES HAVE SUBMITTED COMMENTS. ARGUMENTS RELATE TO THE REPETITIVE CHARACTER OF SOME PROVISIONS AND THE RELEVANCE OF THE INTERNATIONAL MARITIME ORGANIZATION FAL 65 CONVENTION, WHICH ALSO DEALS WITH MARITIME TRAFFIC.

THANK YOU FOR ATTENTION

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