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 transhipment
- 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,

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Delays

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

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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;
Other key benchmarks

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