Modernization of Border Crossing Points in Turkey: New Prospects in the ECO Region

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Who is TOBB – GTI?

- TOBB

The Union of Chambers and Commodity Exchanges of Turkey

- The top representative of Turkish private sector
Who is TOBB – GTI?

• GTI is established by TOBB in order to modernize and operate the border gates, in 2005

• GTI is the partnership of more than 137 chambers and commodity exchanges

• GTI carries out the projects by Public – Private – Partnership and Build – Operate – Transfer
  – Private sector’s efficiency and profit-seeking principle and public service consciousness delicately balanced.
What is Modernization of Border Gates

• A contemporary architecture
  – Easier and rapid custom formalities
• Technological innovations
  – X-ray inspection systems, CCTV
GTI Projects

- We have currently modernized and been operating 5 border gates around Turkey. We have been commissioned to take over 4 additional border gates.
  - İpsala, Habur, Cilvegözü, Kapıkule, Sarp, Dereköy, Esendere, Nusaybin, Dilucu
Stages of the Modernization Projects

- **Build**: TOBB – GTI reconstructs and refurnishes all the governmental and commercial buildings
- **Operate**: The commercial facilities are operated by TOBB – GTI
- **Transfer**: The modern facilities are transferred to the public
Build – Operate – Transfer Model

• A special kind of financing model
• Projects that need high technological sources and high investment costs, and normally performed by public institutions
• Pay back of the project is provided by the selling of products or services
• All of the investment of the modernization projects are done by TOBB
  – No financial burden on public budget
• Enables effective management skills of private sector
• At the end of concession period the modern facilities are transferred to public
Customs and Tourism Enterprises (GTI) invested $185,000,000 to the modernization projects until now.
Noticeable Increase in Tax Revenues

$17,000,000 tax has been paid to the government
Outcomes of the Projects

- Effective struggle with smuggling and illegal traffic
- User satisfaction
- More rapid and effective service
  - No more queues
  - Process time decreased from 30 minutes to 10 minutes
• No financial burden on the public budget
• The privileged projects for the public are done
• Additional tax revenue
• During the operation period TOBB does not use the public authority instead it undertakes only the commercial facilities.
CILVEGOZU BORDER GATE (SYRIA)

Before Modernization

After Modernization
HABUR BORDER GATE (IRAQ)

Before Modernization

After Modernization
SARP BORDER GATE (Georgia)

Before Modernization

After Modernization
KAPIKULE BORDER GATE (Bulgaria)

Before Modernization

After Modernization
KAPIKULE BORDER GATE
KAPIKULE BORDER GATE
Modernization of Border Crossing Points in Turkey:
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The Revitalization of Silk Road – Alternative Routes

Northern Corridor: 6500 km. / 12-14 days
Central Corridor: 5100 km. / 14-18 days
Southern Corridor: 4000 km. / 12-14 days
First Step for the Facilitation of Border – Crossings

- Turkey – Georgia Joint Border Crossing Model
What is Joint Border Crossing Model? (JBCM)

- One border gate area but two teams from both countries acting together.
- Objective is to eliminate redundancies:
  - Joint control of certificates. No duplications.
  - Relevant checks done by just incoming country’s authorities
  - E-customs and data-sharing between authorities

- Modernization of the custom facilities are to be financed by GTI
Start

Automatic registration of vehicle and cargo

Entry and Exit Passport Control (both countries’ police force)

Radioactivity Control

Decontamination Procedures

Joint procedures that do not require repetition

Scaling and measurement of vehicle

Weight/ measurement violation?

Issuance of control document

Drawing up a record

Customs and Documentation Control in the Platforms

Suspected Vehicle?

X-Ray

Detailed Search?

Preparation and confirmation of the documents, finalization of the customs procedures for both countries

Vehicle leaving customs control area

End

Immediate re-sending of the vehicle
Or
Vehicle being taken to the pre-determined customs area and the appropriate procedures to be started
Why JBCM?

- In the next 5 years, demand over border crossing points is expected to increase extremely
  - More **efficient** crossings will also stimulate demand
- Joint Border Crossing Model is the ideal solution to meet the increasing demand
  - With the realization of the project, **60-70 % of decrease** in the **BORDER WAITING TIME** is expected.
  - Capacity will increase threefold.
- **Investment and operational costs** are significantly **lower**.
- Joint model is the most suitable model for many of the ECO region countries.
Our Target

• Support for the project “The Revitalization of Silk Road”

• To make all the border crossing points much more effective and rapid through ECO region
  – Joint border crossings or special models
Thank You....