DRAFT DISCUSSION PAPER 1 (B)

Harmonization and Strengthening of the Regulatory and Legal Framework Pertaining to International Transport and Transit

TECHNICAL SESSION 1

Promoting fundamental transit transport, and infrastructure development and maintenance in the LLDCs (Priorities 1 and 2 of APoA)

The views expressed in this draft discussion paper do not necessarily reflect those of the United Nations or any other landlocked developing country mentioned herein.

This draft discussion paper has been issued without formal editing.
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I. Introduction

Landlocked developing countries face serious constraints in the economic development caused by lack of territorial access to the sea, remoteness and isolation from world markets and high transport costs. Their international trade and transport depends on cross-border and transit transport over land, which is extremely difficult due to existence of numerous physical and non-physical barriers, in particular non-physical barriers. To discuss ways to deal with these constraints, the Almaty Programme of Action stressed the importance of harmonization of legal and regulatory regimes for transit and landlocked countries, such as accession to international conventions, formulation and implementation of subregional agreements relating to transit transport, formulation and implementation of bilateral agreements relating to transit transport, promotion of simplified formalities and procedures, as mentioned mainly under the APoA: Priority 1 - fundamental transit policy issues; Priority 2 - infrastructure maintenance and development; and Priority 3 - international trade and trade facilitation.

This paper provides an overview of the key issues and specific actions relating to the regulatory and legal framework included in the Almaty Programme of Action. It also presents the relationship between regulatory and legal frameworks in overcoming developmental challenges faced by landlocked and transit developing countries.

II. Review of Progress in development of regulatory and legal framework

This section provides an overview of the progress made by landlocked and transit developing countries in developing regulatory and legal framework in the last decade. The focus is on the core areas of transport facilitation which have greatest significance for the landlocked developing countries as indicated under the three priorities of APoA.

A. Accession to and implementation of international conventions relating to transit transport

International conventions relating to transit and transport are a major means to simplify, harmonise and standardise transit operations and therefore they play a significant role in enhancing international land transport. This fact was recognized by ESCAP member states as early as in 1992 when ESCAP adopted resolution 48/11 on “Road and rail transport modes in relation to facilitation measures”. The resolution identified seven essential transport and transit facilitation conventions from around 50 existing transport related international legal instruments aimed at facilitating the movement of goods, people and vehicles across borders. It recommended to the member countries to consider the possibility of acceding to them, if they had not already done so.

The facilitation conventions in the resolution aimed at providing countries in the region with a common and harmonized set of standards for the international land transport. Since

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The seven conventions are: Convention on Road Traffic (Vienna, 8 November 1968); Convention on Road Signs and Signals (Vienna, 8 November 1968); Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention) (Geneva, 14 November 1975); Customs Convention on the Temporary Importation of Commercial Road Vehicles (Geneva, 18 May 1956); Customs Convention on Containers (Geneva, 2 December 1972); International Convention on the Harmonization of Frontier Controls of Goods (Geneva, 21 October 1982); and Convention on the Contract for the International Carriage of Goods by Road (CMR) (Geneva, 19 May 1956)
adoption of the resolution, the secretariat together with other relevant organizations/institutions organized many seminars and workshops to increase awareness of the conventions and provided advisory services to the countries facing difficulties in implementation of these conventions.

These efforts led to considerable progress by a number of countries in accession to the international conventions recommended in resolution 48/11. Annex I shows the status of ESCAP members with respect to the international conventions listed in the Resolution 48/11, as of 27 April 2012. Among the landlocked countries of the region, Azerbaijan, Kyrgyzstan and Uzbekistan have acceded to all seven conventions. Kazakhstan has acceded to six conventions, Armenia and Mongolia each to five conventions and Tajikistan and Turkmenistan each to four conventions. The Lao People’s Democratic Republic acceded to one of them. Transit developing countries are also making efforts to accede to these conventions. Georgia has acceded to six conventions. China has undertaken national studies to explore possibilities for accession and hosted a number of subregional/national seminars on international conventions.

In 2006, the ESCAP secretariat undertook a study to examine issues relating to participation in international conventions. The study found that resolution 48/11 remains valid and relevant to transport facilitation and it identified some key issues inhibiting implementation of the resolution 48/11, namely:

- Lack of territorial continuity of some of the countries where Conventions are in force;
- Accession to different versions of the same Convention (e.g. Convention on Road Traffic, 1949 or Convention of Road Traffic, 1968); and
- Non-accession to Protocols (e.g. Protocol to the Convention on the Contract for the International Carriage of Goods by Road).

In addition, some countries had concerns with respect to:

- Cost of adjustment to meet the requirements of conventions;
- Difficulties in implementation;
- Lack of involvement in elaboration and amendment of conventions;
- Cost of participation in meetings; and
- Inadequate national capacity.

The study recommended that ESCAP member countries still in the process of considering accession take measures to bring their laws and regulations in conformity with the main principles enshrined in international conventions and consideration may be given to amend the resolution 48/11 to address the issues identified in the study. Finally, the study proposed the inclusion of three additional legal instruments, namely:

- The Protocol to the Convention on the Contract for the International Carriage of Goods by Road, 1978;
- The International Convention on the Simplification and Harmonization of Customs Procedures, as Amended (Revised Kyoto Convention), 1973; and
Based on the findings from the study, a new strategy is needed to help member countries address the major issues. This may include:

- Making a geographical analysis of country participation in international conventions to formulate an advocacy strategy;
- Assisting countries with territorial connections in obtaining traffic rights;
- Assisting countries in making practical arrangements for implementation;
- Delivering and applying a financial and economic model to analyse cost and benefits of participation in major conventions;
- Developing guidelines on practical implementation of the conventions;
- Discussing with UNECE more economical ways to facilitate involvement of ESCAP member countries in elaboration and amendment of conventions; and
- Providing technical and financial assistance for the implementation of international conventions.

Further, the Project Working Group on Transport and Border Crossing of the United Nations Special Programme for the Economies of Central Asia (SPECA) at its second session held in 1999 recommended the following additional legal instruments for consideration of accession:

- European Agreement on Main International traffic arteries (AGR) (1975);
- European Agreement on Main International Railway Lines (AGC) (1985);
- European Agreement on Important International Combined Transport Lines and Related Installations (AGTC) (1991);
- European Agreement supplementing the Convention on Road Traffic opened for signature at Vienna on 8 November 1968 (1971);
- European Agreement supplementing the Convention on Road Signs and Signals (1971);
- European Agreement concerning the Work of Crews of Vehicles Engaged in International Road Transport (AETR) (1970);
- Customs Convention on the Temporary Importation of Private Road Vehicles (1954);
- European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) (1957); and
- Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be used for such Carriage (ATP) (1970).

**B. Formulation and implementation of subregional agreements relating to transit transport**

A number of subregional transport facilitation agreements relating to transit and landlocked countries have been developed in the region to support subregional economic development, trade and integration. The foregoing paragraphs discuss the efforts and initiatives of member countries and their development partners including ESCAP in the formulation and implementation of subregional agreements relating to transit transport.
ASEAN\textsuperscript{2} Agreements on Transport Facilitation

Under the auspices of ASEAN, several agreements relating to transport facilitation have been formulated, including:

- Agreement on the Recognition of Domestic Driving Licenses issued by ASEAN Countries, 1985;
- Customs Code of Conduct, 1995;
- Agreement on Customs, 1997;
- Agreement on the Recognition of Commercial Vehicle Inspection Certificates for Goods Vehicles and Public Service Vehicles issued by ASEAN Member Countries, 1998;
- Agreement to Establish and Implement the ASEAN Single Window, 2005;
- Framework Agreement on Multimodal Transport, 2005; and

Among these ASEAN agreements, the one on transit (1998) and inter-state transport (2009) are more comprehensive. They are similar in structure and obligations but cover different transport types as indicated in the titles of the agreements. The agreement on inter-state transport mostly uses the regimes and definitions from the agreement on transit.

The Framework Agreement on the Facilitation of Goods in Transit was signed in December 1998, and entered into force in October 2000. It covers transit transport by road and rail. It is open to ASEAN member countries and is administered by a Transit Transport Coordinating Board. The objectives of the agreement are to facilitate transport of goods in transit, simplify and harmonize regulations and requirements, and establish an effective, efficient, integrated and harmonized transit transport system. The agreement has thirty-three articles and nine protocols\textsuperscript{3}. Protocol 6 on Railways Border and Interchange Stations and Protocol 7 on Customs Transit System have yet not been completed.

Agreements of the Commonwealth of Independent States (CIS)\textsuperscript{4} and the Eurasian Economic Community (EurAsEC)\textsuperscript{5} related to Transport Facilitation

The CIS and EurAsEC countries use stand-alone agreements to regulate different issues in transit transport. Since 1992, many agreements have been signed. Most agreements have been ratified by the countries and are in force, It has been reported though that many of the agreements are either not being implemented or not fully participated by the countries.

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\textsuperscript{2} Association of Southeast Asian Nations (ASEAN) with member countries of Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam.


\textsuperscript{4} CIS member-states are: Azerbaijan, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

\textsuperscript{5} EurAsEC member-states are: Belarus, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan and Uzbekistan.
Some CIS and EurAsEC agreements try to establish common transport area (union) or overall common standards or procedures, which are provided in the following agreements:

- CIS Agreement on Principles of Formation of Common Transport Area and Cooperation of the CIS Member States in the Field of Transport Policy, 1997;
- EurAsEC Agreement on Establishment of Transport Union, 1998;
- EurAsEC Agreement on International Road Transport between the Member States of the Transport Union, 1998;
- EurAsEC Agreement on Concerted Implementation Policy of Formation and Development of the Eurasian Economic Community Transport Corridors, 2005

CIS countries also establish common standards or procedures for specific issues or areas in relation to international road transport, such as:

- CIS Agreement on Transit Procedures, 1992;
- CIS Agreement on Inter-State Transport of Dangerous and Discharge Goods, 1993;
- CIS Convention on International Road Transport of Passengers and Luggage within the CIS, 1997;
- CIS Agreement on Implementation of the Coordinated Policy in the Field of Evaluation of Transport Tariff, 1997;
- CIS Convention on the Reciprocal Recognition and Enforcement of Judgments in the cases of offences of traffic rules, 1997;
- CIS Agreement on Transit through the Territories of the CIS Countries, 1999;
- CIS Agreement on Compulsory Insurance of the Passengers in International Road Transport, 1999;
- CIS Protocol on the customs procedure of CIS Member States in the transportation of special cargo and military products, 1999;
- CIS Agreement on Weights and Dimensions of Vehicles Undertaking International Transport on the CIS Roads, 1999;
- CIS Agreement on the cooperation of CIS Member States in the sphere of international road transport of goods, 2003;
- CIS Agreement on the introduction of an international certificate of weighing commercial vehicles on the territories of CIS Member States, 2004; and
- CIS Agreement on harmonization of requirements for additional training and professional competence of international automobile carriers of CIS Member States, 2006.

In addition, some agreements on customs and visas, in particular EurAsEC agreements, have been signed to support integration of their member countries, including:

- EurAsEC Protocol on Customs Escort between the Customs Union Member States, 1998;
- EurAsEC Protocol on Customs Clearance of Goods Transported under Customs Control between the Customs Union Member States, 1998;
- EurAsEC Agreement on Unified Conditions for Transit through the Territories of the Customs Union Member States, 1998;
- EurAsEC Protocol on Unified Procedures of Applying Technical, Medical, Pharmaceutical, Sanitary, Veterinarian, Phyto-Sanitary and Ecological Standards,
Norms, Regulations and Requirements in respect of Goods Imported into the Member States of the Customs Union, 1999; and

- CIS Agreement on Customs Procedures and Control of Goods Transported between the Member Countries of the Agreement on Establishment of Free Trade Zone, 1999;
- EurAsEC Protocol on Additions to the Agreement on Unified Conditions for Transit through the Territories of the Customs Union Member States, 1999;
- EurAsEC Agreement on Simplified Customs Procedures for Goods Transported between the Customs Union Member States, 1999;
- EurAsEC Protocol on Customs Control of Goods and Transport Vehicles between the Customs Union Member States, 2000;
- EurAsEC Agreement on mutual visa-free travels, 2000;
- EurAsEC Protocol on Common Approach in Application of Information Technology under Customs Control over Transit Goods and Transport Means across the Frontiers of the Member States of the Eurasian Economic Community, 2001; and

More recently, after the establishment of the Customs Union of Belarus, Kazakhstan and Russian Federation within EurAsEC framework in 2007, a number of international agreements in relation to the Customs Union’s policies towards international road transport were signed by those three countries, including:

- Treaty on the Customs Code of the Customs Union, 2010;
- Agreement on the Customs Valuation of Goods crossing the Customs Union Border, 2008;
- Agreement on the Specifics of Use of International Carriage Transport Vehicles, transporting Passengers as well as Trucks, Semitrailers, Containers and Railway Rolling Stocks transferring Cargo and/or Luggage for Internal Carriage within the Customs Territory of the Customs Union, 2010; and

ECO⁶ Transit Transport Framework Agreement, 1998⁷

This agreement covers transit transport by road, rail, inland waterway, multimodal and access by port. It was signed in May 1998 by ECO member countries namely, Afghanistan, Azerbaijan, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey and Turkmenistan, and entered into force in May 2007 with ratification by six signatories.

The main objectives of the agreement include: to facilitate transit transport and provide necessary facilities, ensure safety, avoid unnecessary delay, avoid fraud/tax evasion and

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⁶ ECO - Economic Cooperation Organization. Its member countries include Afghanistan, Azerbaijan, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey, Turkmenistan and Uzbekistan.

⁷ The Agreement has been signed by Afghanistan, Azerbaijan, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey and Turkmenistan, and ratified by Afghanistan, Azerbaijan, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan and Turkey.
harmonize administrative affairs. The agreement is composed of forty articles in twelve parts and eight annexes and its implementation is monitored and coordinated by the Transit Transport Coordination Council (TTCC) established under the agreement.

**GMS Agreement for Facilitation of Cross-border Transport of Goods and People, 1999**

The Greater Mekong Subregion (GMS) Agreement for Facilitation of Cross-border Transport of Goods and People (GMS Cross-border Transport Agreement) was formulated with support of the Asian Development Bank (ADB). It was originally a trilateral agreement among the Lao People’s Democratic Republic, Thailand and Viet Nam and signed by the three countries in November 1999. With accession of other GMS countries, the agreement became a subregional agreement. The main agreement entered into force in December 2003.

The objectives of the agreement are to facilitate cross-border transport of goods and people, simplify and harmonize legislation, regulations, procedures and requirements, and promote multimodal transport. It covers road transport and road-related multimodal transport. There are forty-four articles, seventeen annexes and three protocols in the agreement. The negotiation of the annexes and protocols that were completed in 2007 are partly in force. The functioning of the agreement is monitored and assessed by a Joint Committee of the contracting parties.

Since 2004, the ESCAP secretariat has been supporting the countries in the GMS, including one landlocked developing country, namely the Lao People’s Democratic Republic, and the ADB to negotiate and implement the Agreement for the Facilitation of the Cross-Border Transport of Goods and People in the GMS. In this connection, the secretariat undertook a study on transit charges, which assisted the countries in establishing a harmonized charging system. The secretariat also helped to train the negotiators of the GMS countries to ensure consistency of the agreement and its annexes with relevant international conventions. In addition, the secretariat assisted in establishing a guarantee system for cross-border and transit transport to implement the agreement.

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8 Annexes: 1. Maps and prescribed road, railway and inland waterway transit routes across territories of the contracting parties; 2. Minimum technical characteristics of roads to be used by transit traffic; 3. Minimum technical characteristics of railway transport to be used by transit traffic; 4. Technical requirements of road vehicles; 5. Motor vehicle third party insurance; 6. Rules of carriage by road transport; 7. Customs control; 8. Terms of reference of Transit Transport Coordination Council (TTCC).

9 Greater Mekong Subregion (GMS) includes Cambodia, China, Lao PDR, Myanmar, Thailand and Viet Nam.


Protocols: 1. Designation of Corridors, Routes, and Points of Entry and Exit (Border Crossings); 2. Charges Concerning Transit Traffic; 3. Frequency and Capacity of Services (Quotas) and Issuance of Permits.
Agreement between the Governments of the Shanghai Cooperation Organization (SCO)\textsuperscript{11} Member States on Facilitation of International Road Transport

ESCAP initiated the formulation of the agreement in 2004. With support of the SCO secretariat, ESCAP and ADB, the SCO member states reached consensus on the main agreement at Cholpon-Ata, Kyrgyzstan, in June 2008. Afterwards, ESCAP and the SCO secretariat have been supporting the negotiation of the annexes to the agreement, which was concluded in March 2012.

The agreement has twenty-seven articles and three annexes\textsuperscript{12}. It will be open for other countries to accede to after entry into force. According to the currently agreed texts of the main agreement and draft annexes, facilitation measures will be discussed and adopted through a joint committee to be established under the agreement.

Basic Multilateral Agreement on International Transport for the Development of the Europe-Caucasus-Asia Corridor, 1998

The agreement was signed under the TRACECA\textsuperscript{13} programme in September 1998 by the participating countries of the programme. It covers bilateral and transit transport by road, rail, maritime, air, multimodal and pipelines. It is open to accession by any country. The agreement and its four annexes have been ratified.

The objectives of the agreement are to develop economic relations, trade and transport, facilitate access to international market of transport and international transport, ensure safety, security and environment, harmonize transport policy/legislation and create equal competition of transport modes. The agreement includes sixteen articles and four technical annexes\textsuperscript{14}. A new annex on international customs transit procedures has been formulated. An Inter-Governmental Commission was set up to regulate the implementation and application of the agreement in 2000 and has also been transformed into an intergovernmental organization.

C. Formulation and implementation of bilateral agreements relating to transit transport

Bilateral agreements between landlocked and transit countries provide landlocked countries with access to seaport(s) through the transit countries. Over the last two decades a large number of bilateral agreements covering international land transport operations have been negotiated with many countries having signed more than ten, and some over 40 bilateral agreements on road transport.

\textsuperscript{11} Member countries of SCO are China, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan and Uzbekistan.

\textsuperscript{12} Annexes: 1. Routes and State Border-checkpoints for International Road Transport; 2. Permits for International Road Transport; 3. Terms of Reference for the Joint Committee on Facilitation of International Road Transport.

\textsuperscript{13} Participating countries of the Transport Corridor Europe – Caucasus – Asia (TRACECA) are Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Ukraine and Uzbekistan.

\textsuperscript{14} Technical Annexes on International Road Transport, International Railway Transport, International Commercial Maritime Navigation and Customs and Documentation Procedures.
During 2006-2007, the ESCAP secretariat collected and analyzed more than 30 bilateral agreements on international road transport. The study by the secretariat found that while some existing bilateral agreements are clearly structured, others do not follow a logical sequence of issues or cover different issues in the same article. Also, many of the agreements have not been fully implemented due to difficulties in some specific arrangements or issues beyond transport.

The commonly addressed features are the traffic rights, designation of transport routes, border crossings and ports, conditions for transport, technical requirements of vehicles, compulsory insurance of vehicles, driving permits, temporary admission, duties, taxes and charges, safety and security, environment, visas for professional driver and crew, overall customs controls and other controls, application of domestic legislation, institutional arrangements, relationship with other treaties.

Bilateral agreements often define specific routes rather than road networks and carriers are permitted to deliver goods only to fixed destinations as designated in agreements, causing many empty runs and long idle time for vehicles. Due to this restriction the advantage of road transport, including door-to-door delivery and flexibility, over other modes of transport is lost.

D. Establishment of regional transport corridors and adoption of common rules and standards

Regional transport corridors and adoption of common rules and standards play a major role in facilitation of transit transport. Some of the initiatives of multilateral organisations and member countries in promotion of regional transport corridors are explicated below.

1. Euro-Asian Transport Links (EATL)

This project was jointly implemented by the two United Nations regional commissions, ESCAP and Economic Commission for Europe (ECE). Working with 18 countries of Europe and Asia, the EATL project identified major road and rail links between the two continents for priority development and cooperation. The participating countries include Afghanistan, Armenia, Azerbaijan, Belarus, Bulgaria, China, Georgia, Greece, Iran (Islamic Republic of), Kazakhstan, Kyrgyzstan, Moldova, Romania, Russian Federation, Tajikistan, Turkey, Turkmenistan, Ukraine and Uzbekistan.

Phase I of the project was completed during the period 2002-2007 in which major activities included identification of the routes, transshipment points and a preliminary analysis of non-physical barriers. Under this phase the ESCAP and ECE secretariats conducted National Workshops and Advisory Services on the Facilitation of Interregional Transport along Euro-Asian Transport Links in Azerbaijan, Georgia, Kyrgyzstan and Kazakhstan.

In Phase II (2008-2012), the focus continued on removing non-physical obstacles to transport and improving data on transit and border-crossing operations; launching the GIS database on the ECE Website; cooperating with the Organisation of Organization for Security and Co-operation (OSCE) in preparing a Handbook of Best Practices at Border Crossings – A Trade and Transport Facilitation Perspective; and various other areas relevant to the development of interregional transport linkages.
The landlocked countries along the Euro-Asian transport links are interdependent on each other to access global markets. However, the non-physical barriers that lead to inordinate delays at the border crossing continue to deter the transport operators to explore alternative routes. The development of EATL will provide an additional transport alternative to the existing maritime routes and will particularly benefit the participating landlocked countries by spurring economic activity and growth along the corridors.

International legal instruments relating to transport and transport facilitation are promoted in the countries along the routes for facilitation of international transport.

2. Central Asian Regional Economic Cooperation (CAREC) corridors

One of the elements of the CAREC transport sector strategy for the period 2008-2018 is establishment of transport corridors across the CAREC region to enhance access of landlocked Central Asian countries to neighbouring countries and markets. Based on current and future trade flows six corridors have been developed under the CAREC programme. These corridors links economic hubs and connect landlocked countries of Central Asia to Eurasian and global markets.

Transport operations by road along the corridors can be mostly covered by the Agreement between the Governments of the Shanghai Cooperation Organization (SCO) Member States on Facilitation of International Road Transport. With support of ADB, Kyrgyzstan and Tajikistan signed an Agreement on the Cross-Border Transport of Persons, Vehicles and Goods in 2010.

3. Greater Mekong Subregion (GMS) economic corridors

The GMS countries adopted economic corridor approach to development during 8th GMS ministerial meeting held in Manila in 1998. There upon under the GMS economic cooperation programme three economic corridors were identified in 2000 to accelerate the subregional economic cooperation.

The corridors were planned to be operated under the GMS Agreement for Facilitation of Cross-border Transport of Goods and People.

4. Promotion of “corridor-based” approach

In addition, in response to Almaty Programme of Action the ESCAP secretariat developed and implemented the project “Institutional capacity building for facilitation of international trade and transport in the landlocked and transit countries” from 2005 to 2007. The goal of the project was to assist governments in adopting policies and plans to reduce non-physical bottlenecks in international trade and transport through establishing or strengthening national trade and/or transport facilitation committees and applications of ESCAP guidelines and tools for trade and transport facilitation.

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16 CAREC is a partnership of 10 countries of Central Asia and 6 multilateral institutions and promotes development in the region through regional economic cooperation. It focuses on energy, transport, trade facilitation, and trade policy
Under the project, a series of studies were conducted on international conventions relating to trade and/or transport facilitation, subregional agreements on transport facilitation and bilateral agreements on land transport. The purpose of the studies was to explore ways to harmonize and strengthen regulatory and legal framework for international transport and transit. In addition, further studies were conducted on national facilitation committees, application of information and communication technologies (ICTs) for facilitation, and on updating the ESCAP Time/Cost-Distance methodology.

Two regional meetings for selected landlocked developing countries and their neighbouring partner transit countries were organized to increase their cooperation. Five national workshops (including advisory services) were also organized in Kazakhstan, Kyrgyzstan, the Lao People's Democratic Republic, Mongolia and Tajikistan to enhance national capacity for facilitation.

One of the findings of the above project was the need for more regular coordination mechanisms for transit transport facilitation. In response to this need, ESCAP, like several other organizations, has promoted the use of “corridor-based” approaches to foster joint action and cooperation along specific geographic corridors.

To assist member countries in approaching corridor development and sharing experiences on the development of intermodal transport corridors, the ESCAP secretariat implemented a project on “Operationalization of international intermodal transport corridors in North-East and Central Asia” during the period 2008-2010. Under the project selected intermodal transport corridors connecting North-East Asia and Central Asia were identified based on existing routes of the Asian Highway (AH) and the Trans-Asian Railway (TAR) and potential trade flow. Within the project, three expert group meetings were organized: in Tashkent in March 2009, in Bishkek in November 2009 and in Uijeongbu-city, Republic of Korea, in July 2010. In these meetings, member countries shared their experiences as well as issues and challenges related to the development and operationalization of intermodal transport corridors. The meeting held in Uijeongbu-city adopted a joint statement of experts to enhance corridor-based cooperation among member countries.

In January 2012, ESCAP together with the Economic Commission for Africa (ECA) and the United Nations Conference on Trade and Development (UNCTAD) launched a new project entitled “Capacity building for control authorities and transport operators to improve efficiency of cross-border transport in landlocked and transit developing countries”.

The project seeks to build sustainable capacity of stakeholders in landlocked and transit developing countries to improve cross-border and transit transport operations. This is to be achieved through three channels, namely corridor-based institutional and technological solutions enabling identification of operational barriers, the design and implementation of readily applicable solutions, as well as the formulation of national and corridor action plans for transport facilitation.

The project will demonstrate the use of collaborative mechanisms and facilitation methodologies to identify corridor-related national constraints to smooth and efficient transport operations and identify ways to effectively address the problems. By focusing on the transport corridor linking Kazakhstan, Kyrgyzstan and Tajikistan, the project will also demonstrate the cooperation for cross-border and transit transport among landlocked developing countries.
E. Promotion of simplified formalities and procedures

One of the major reasons for high cost of imports and exports from the landlocked countries is numerous formalities and cumbersome procedures that are required to be completed at origin and during transit. Numerous initiatives have been taken by the landlocked countries and their development partners during the decade to simplify formalities and procedures. This section dwells upon some of the significant initiatives to further streamline the procedures and formalities particularly with regard to transit facilitation.

Under the Customs cooperation component of the trade facilitation programme of CAREC joint Customs controls have been identified as the initial step leading to Single Window that requires high levels of inter-agency coordination. The CAREC countries are implementing a border crossing point improvement and single window development project in the subregion with the aim of supporting National Single Windows (NSWs) and developing a regional platform for networking of NSWs through the participation of the private sector.

One of the initiatives that countries in the region have taken for implementing joint Customs controls is to promote use of unified cargo manifest. It is being used at China (Dulata)/Kazakhstan (Kalzhat), Kazakhstan/Krygystan and Mongolia/China borders. It was reported that adoption of a unified cargo manifest coupled with simplified procedures has reduced Customs clearance time\(^\text{18}\) by 35 per cent. The use of a unified cargo manifest is conducive to consistency and coordination of Customs control and leads to efficient Customs clearance. The carrier may submit the manifest only once to avoid duplication. The document also serves as the basis for revenue collection, anti-smuggling operations and accurate data collection.

Under the GMS Agreement for Facilitation of Cross-border Transport of Goods and People various measures have been initiated to simplify and expedite border formalities by having a single window inspection to carry out joint and simultaneous inspection of goods and people by respective competent authorities of agencies such as customs, immigration and quarantine. Some countries have take steps for setting up single window inspection and single stop inspection to carry out joint and simultaneous inspections. In the case that control posts are not located adjacent to each other, the control officials of one country are allowed to perform these inspections in other countries. Arrangements are in place for coordination of working hours of the frontier posts and advance exchange of information on goods and people to facilitate their clearance.

III. Looking forward -challenges and opportunities

This section describes future challenges and opportunities in relation to the key areas discussed above.

A. Existence of numerous legal instruments can cause conflicts during implementation

There are a plethora of legal instruments in vogue to facilitate transit transport such as international conventions, subregional agreements and hundreds of bilateral agreements.

Accession to and effective implementation of international legal instruments, conventions and agreements, are proven way of achieving simplification and harmonization of formalities and procedures for international transport. Subregional facilitation agreements can be a valuable stepping stone towards harmonization at regional and international levels provided they promote international legal instruments, or complement international legal instruments with provisions which are not covered by them and do not contain provisions contradicting the international legal instruments.

Most of the subregional agreements relating to transport facilitation have been developed over the past two decades. Some of them are more comprehensive than the others and cover not only the transport issues but also the related border crossing formalities. These agreements are playing an important role in opening up international road traffic, promoting international conventions, harmonizing and simplifying formalities and procedures and establishing common standards not covered by the international conventions.

Many of the subregional agreements took years to conclude the negotiations and to complete the legal process for entry into force. The ASEAN agreement on transit transport was signed in 1998 and its protocols have not been fully finalized till now. The ECO agreement on transit transport was signed in 1998 and took nine years to enter into force. The GMS agreement on cross-border transport was signed in 1999 and the formulation of its annexes and protocols was completed in 2007. The formulation of the SCO agreement on facilitation of road transport has not been signed after eight year’s of negotiation.

For most comprehensive subregional facilitation agreements, focus will be on the implementation in the next five to ten years. The implementation of such a comprehensive agreements involves many government ministries and authorities. It also requires adjustment in domestic legislations, existing formalities and procedures, and functions of some agencies and authorities. Such tasks may be more challenging than the formulation of the agreements and strong political support from member countries will be needed to implement the agreements.

Several of the subregional agreements overlap in geographical scope creating potential legal conflicts between the agreements for example in the adoption of international conventions. This is likely to cause difficulties in the implementation for the countries covered by more than one agreement as well as future harmonization between different but contiguous subregional agreements.

To help overcome some of these problems a regional network of national negotiators/experts, experts of subregional organizations and legal experts of transport operators and their associations could be established to discuss and work towards the harmonization and coordination of different legal regimes on transport facilitation. Through the network, member countries and subregional organizations may:

- Exchange information;
- Coordinate with each other;
- Pinpoint areas of legal conflicts between different subregional agreements and their implications;
- Suggest solutions for legal conflicts in geographically overlapping countries;
- Suggest connections between countries in different subregions and under different subregional agreements; and
The network may also help promote international facilitation conventions, formulation and implementation of subregional facilitation agreements and development and improvement of bilateral agreements on international road transport.

The network of core professionals and experts on legal issues in road transport facilitation may be organized through electronic communication, seminars, expert meetings, group studies and individual studies. The ESCAP secretariat may provide secretariat support to the network and financial support for some years subject to resource availability. In the long run, the network could operate independently and undertake studies as entrusted by ESCAP and other organizations/institutions. Further information is available on the ESCAP website (http://www.unescap.org/tdw/common/TFS/LegalNetwork/Legal-Network.asp).

B. Fragmented approach to facilitation of cross-border and transit transport has led to suboptimal results

The cross-border and transit transport is impeded by the presence of numerous non-physical barriers. ESCAP at its 67th session held in May 2011 observed that the non-physical barriers continue to hinder the intra-regional trade and transport and requested the ESCAP secretariat to take tangible measures to address them. It reiterated the importance of eliminating or at least reducing such barriers to transport including waiting times at the border crossings by streamlining and simplifying Customs formalities.

Some of the significant non-physical barriers that impede the movement of goods in cross-border and transit transport are: cumbersome border crossing formalities involving repeated inspections of goods by different agencies, excessive documentation, non-transparent rules and regulations and frequent changes in them without informing the concerned parties, different technical standards for vehicles, restrictive visa procedures for drivers and crew, different procedures for temporary admission of vehicles, non accession to various international conventions by some countries in the region leading to contiguity problems, numerous and some times overlapping transport agreements having potential for legal conflicts while implementation.

Countries of the region have been making efforts to address the non-physical barriers and in this regard they have entered into a number of subregional/bilateral agreements to facilitate road transport. Some have acceded to related international conventions. While, progress has been made to reduce these barriers, yet it has been slower than anticipated as some of the facilitation efforts have been taken in relative isolation leading to fragmented results. In addition, sometime conflicts in implementing these agreements have appeared, while some facilitation measures could not be implemented due to range of institutional reasons.

Recognizing the need for an integrated and comprehensive approach to address non-physical barriers, the ESCAP secretariat undertook a comprehensive study on these issues in 2011. Based on the findings of the study, it proposed a regional strategic framework for the facilitation of international road transport. The framework identifies key issues and suggests possible solutions to address non-physical barriers in the region. It also provides for seven modalities to support the international road transport. The framework was adopted by the member states at the Ministerial Conference on Transport held in March 2012 and subsequently endorsed by 68th session of the Commission through its resolution 68/4 of 23
may 2012. It provides member countries with a guide post on each of the issues identified and will ensure that the facilitation efforts of the countries converge in the long run. More details about the framework are provided in Annex II.

C. Operational difficulties continue to impede transit transport

Though the international community has made much headway in developing various international legal instruments for landlocked countries allowing them access to sea ports through the transit countries, yet smooth transit transport for landlocked countries continue to face difficulties mainly due to operational challenges. These operational issues pertain to the pressing concerns of the control authorities and the practical and efficient arrangements for the transport operators duly supported by the legal arrangements.

Keeping in view this fact, the ESCAP secretariat has developed a series of models to facilitate cross-border and transit transport to address operational issues in transit transport.

The four models developed by ESCAP as a complete package can help address non-physical barriers through identification and monitoring of bottlenecks and more flexible and practical arrangements for transport movements en-route and at border crossings. These models together provide a comprehensive package of solutions for cross-border and transit transport among countries. The brief introduction of the models is provided in the following paragraphs.

1. Secure Cross-Border Transport Model

The Secure Cross-Border Transport Model provides a conceptual and standard basis for design of a cross-border vehicle monitoring system using new technologies, including ICT, satellite positioning and electronic seals. The model prescribes standardized components, their interaction and institutional requirements for its application in the cross-border transport.

It demonstrates how the use of these technologies can secure and facilitate the trade and transport, while taking care of the concerns of control authorities, giving the control authorities the confidence they need, to open up more international land routes for international trade and transport. It also allows transport operators to manage safe and efficient operation. Further details are available on the ESCAP website at the link: http://www.unescap.org/ttdw/common/TFS/SCBM.asp

2. Efficient Cross-Border Transport Models

The Efficient Cross-Border Transport Models provide practical solutions to the difficulties in cross-border operations of land transport. With limited requirements of inter-governmental arrangements or absence of such arrangement, goods and passengers can be more efficiently moved across borders and for onward carriage based on the models.

With recent developments of trucking industry and technologies, the models use prime mover-trailer system and commercial cooperation to overcome institutional barriers and conflicts of commercial interests in international land transport. It can also largely reduce concerns on safety and security with entry of foreign vehicles in the region. It can also minimize the needs for difficult cross-border arrangements, such as visa for driver, driving
license, vehicle insurance, temporary importation of vehicles, standards of vehicles and transport permits. Similarly, the models also provide good practices for efficient inter-country railway operations. More details on the model are available on the ESCAP website at: http://www.unescap.org/publications/detail.asp?id=1511

3. Model on Integrated Control at Border Crossing

The Model on Integrated Control at Border Crossing provides more efficient information flow and sharing among various agencies at border crossings by application of modern technologies (including ICT as a centre) and streamlined process of documentation and procedures. It can help minimize interventions in the process of crossing borders by various border agencies while maintaining good controls.

The model promotes optimized use of modern equipment by different agencies and multiple use of the results of inspections. It also helps streamline and simplify formalities and procedures for crossing border with re-aligned integrated scheme for a border crossing rather than different schemes for different agencies at the same border crossing. Further details are available on the ESCAP website at: http://www.unescap.org/publications/detail.asp?id=1509

4. Time/Cost-Distance Methodology

The Cost/Time-Distance Methodology is based on the graphical representation of data collected with respect to the cost and time associated with the transport process. The vertical axis of the model represents the time and cost incurred while the horizontal axis represents the distance travelled from origin to destination. The methodology enables easy comparison and evaluation of competing modes of transport operating on the same route and comparison of alternate transport routes.

The methodology is based on the premise that the unit costs of transport may vary between modes, with the steepness of the cost/time curves reflecting the actual cost, price or time. At border crossings, ports and inland terminals, delays occur and freight/document-handling charges and other fees are usually levied without any material progress or movement of the goods being made along the transport route. This is represented by a vertical step in the cost curve. The height of the step is proportional to the level of the charge or time delay.

The purpose of the methodology is to identify inefficiencies and isolate bottlenecks along a particular transport route and monitor improvement of transport process with facilitation measures. The methodology can be further refined to break down to a greater level of detail the contributory costs and time, for example, associated with border crossings. This may be particularly useful to policy makers in focusing their policy approaches on the most critical issues. Similarly, the inclusion in the methodology of data on inventory costs for particular commodities, demurrage charges and other indirect costs may be useful to specific export/import industries in evaluating their logistics performance. Further details on time cost methodology is available at: http://www.unescap.org/tdw/common/TFS/ImprovingTx/CostTime_more.asp
D. Integrated approach to trade and transport facilitation measures

One of the weaknesses of many transit transport facilitation initiatives is the lack of coordination between ministries responsible for trade and transport at the national level. Coordination mechanisms are needed to harmonize and strengthen the regulatory and legal frameworks relating to international transport and transit. In this regard, as a part of the project “Institutional capacity building for facilitation of international trade and transport in the landlocked and transit countries”, the ESCAP secretariat undertook a study and recommended governments to establish trade and transport facilitation committees at the national level.

Based on this experience, the ESCAP secretariat published “Guidelines on Establishing and Strengthening of National Coordination Mechanisms for Trade and Transport Facilitation in the ESCAP region” in 201119. These guidelines lay down broad principles, salient aspects and main requirements for national coordination mechanisms to be successful. The secretariat is conducting national workshops and advisory services in selected countries to assist them in establishing and/or strengthening such coordination mechanisms.

IV CONCLUSIONS AND POLICY RECOMMENDATIONS

As discussed in the previous sections, consistency and interoperability between different legal instruments are crucially important for cross-border and transit transport. However, existence of numerous and overlapping legal instruments pose risk and difficulties to cross-border and transit transport and its facilitation. In this regard, the ESCAP Regional Network of Legal and Technical Experts on Transport Facilitation can serve as an effective forum to harmonize the legal and regulatory frameworks for the transit and landlocked countries. Through its activities such as information exchange and experience sharing, identification of areas of legal conflicts between different subregional agreements and their implications, suggest solutions for legal conflicts in geographically overlapping countries as well as promotion of participation in international conventions relating to transport facilitation, the network has a potential to help establish smooth and efficient transit transport system that will benefit the transit as well as landlocked countries. Therefore, the first policy recommendation is that the relevant control authorities particularly of transit and landlocked countries become members of the network and take active participation in its activities, and international financial institutions and donor countries provide support for the operation of the network.

Moreover, the implementation of facilitation measures has been fragmented due to lack of common approach. This has led to suboptimal results for facilitation measures and tardy progress in achieving a smooth transit transport. Member countries of ESCAP adopted the Regional Strategic Framework for the Facilitation of International Road Transport. The framework identifies major issues in international road transport and provides long term targets for each of the issue identified. It also provides seven modalities to support efficient international road transport such as participation in international conventions, formulation of subregional agreements, wider application of new technologies, professional training of stakeholders, establishment of national coordination mechanisms, joint controls at the border crossings, development of special economic zones/logistics centers in border areas. To provide maximum impact of the facilitation measures and achieve harmonization of legal

and regulatory regimes in transit and landlocked countries, the second policy recommendation for the countries and their development partners is to conceive and plan the facilitation measures in line with the Regional Strategic Framework for Facilitation of International Road Transport to achieve synergies among facilitation measures.

In addition, the major challenge to transit transport happens in the operation of the transit systems. To provide efficient transit operations, the ESCAP secretariat has developed a series of transport facilitation models. These models will address pressing concerns of the control authorities and help develop efficient operations for transport operators. They will also help overcome many problems relating to legal and regulatory arrangements. Accordingly, the third policy recommendation for the transit and landlocked countries and their development partners is to apply the ESCAP transport facilitation models to the selected transport corridors to achieve the efficiency gains.

Further, one of the main challenges in harmonization and strengthening of legal and regulatory regimes for transit and landlocked countries is the lack of effective coordination among the agencies responsible for implementing the control measures. An effective coordination mechanism for trade and transport facilitation will ensure that potential legal and regulatory conflicts in conceiving, planning and during implementation of facilitation measures are avoided. Therefore, the fourth policy recommendation for the transit and landlocked countries is to institute effective national coordination mechanisms for trade and transport.

The ten year review of the Almaty Programme of Action is an opportunity to look forward to learn from the experiences of the past decade and provide for a vision as well as practical solutions to harmonize the legal and regulatory framework for transit and landlocked developing countries to ensure their full participation in international trade and transport.
ANNEX

Annex I: Status of accession of ESCAP Regional Members to the international Conventions listed in Commission resolution 48/11, as of 23 April 2012

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Annex II. ESCAP Regional Strategic Framework for the Facilitation of International Road Transport

I. Fundamental elements of international road transport

A. Road transport permits and traffic rights

1. Description of the issue

Across Asia, international movement by road is largely confined to border areas and a limited number of roads. Most transport permits are issued for only a single trip along a designated route by a specified individual vehicle. Another constraint to international road transport is the restriction of transit operations. As a result, goods carried by road often have to be trans-shipped at border areas or loading points along a designated route. This adds needless costs and delays to the transport process.

2. Target

Wider application of multiple-entry transport permits issued to a carrier for any compliant vehicle in its fleet. Such permits, valid for one year, could be used on multiple routes or road networks for both interstate and transit transport operations. In addition, multilateral transport permits should be promoted for wider application in parallel with bilateral transport permits.

3. Process

When member countries formulate or renew their bilateral and multilateral agreements on international road transport or hold consultations on the implementation of the agreements, they may consider adopting transport permits valid for multiple entries with one year validity and/or on multiple routes or road networks and allow their competent authorities to issue the permits to their carriers instead of particular vehicles.

B. Visas for professional drivers and crews of road vehicles

1. Description of the issue

Unlike seafarers and aircrews, professional road vehicle drivers do not benefit from streamlined global arrangements for the issuance of visas or temporary entry to undertake international transport operations. Visa issuance for professional road vehicle drivers is largely subject to bilateral agreements on visas. In recent years, some countries have tried to address the issue through subregional arrangements. International organizations have also made an effort to help facilitate visa issuance for professional road vehicle drivers. In spite of this, there
is still no specific visa category for vehicle drivers in many countries and in most countries in the region they are considered either visitors or foreign labourers for the purpose of visa issuance.

Professional road vehicle drivers have to go through complicated and difficult procedures to apply for visas and are generally granted only a single-entry visa each time. In some countries, drivers are required to apply for visas in person at embassies or consulates in major cities and wait a week or more to either obtain a visa or to learn that their application has been rejected.

As a result, visa difficulties continue to cause delays in the delivery of goods and sometimes require the changing of vehicles or at least drivers at border crossings.

2. Target

As a minimum target, regional member countries may pursue multiple-entry visas valid for one year for professional drivers and crews of road vehicles. Countries may also agree to a uniform set of documents and basic procedures.

3. Process

In order to achieve this target, the competent national authorities for international road transport can act as intermediaries to facilitate the issuance of visas by embassies or consulates. The competent national authority in one country may, as appropriate, prepare a list of professional drivers and exchange it with their counterpart in another country for onward transmission to ministries of foreign affairs, embassies or consulates. Alternatively, the competent national authorities may provide certifying letters along with guarantees from carriers when drivers apply for visas.

The transport authorities need to consult with ministries of foreign affairs when they negotiate subregional facilitation agreements that include clauses for visa arrangements. If necessary, they should request relevant authorities to negotiate bilateral/subregional visa arrangements for professional drivers.

C. Temporary importation of road vehicles

1. Description of the issue

In most countries where vehicles are permitted to cross borders, it is common to use a guarantee of some sort (such as a bond, a cash deposit through a local agent or the payment of a one-time charge upon each entry) to satisfy the requirements of the Customs authorities. Only a few countries in the region do not impose such requirements.

There exist a few international conventions relating to temporary admissions to which most countries in the region have not acceded.

The use of unified subregional agreements and a subregional guarantee system is not the most convenient solution for carriers, but it does help avoid cash or bond deposits or charges at each border and for travel through several countries. However, charges for the use of the documents and guarantees issued under this system can be a major concern. If such charges are higher than the one-time charge of a fixed amount at border crossings, the guarantee system loses its advantages.
2. **Target**

As a minimum regional standard, the application of international conventions on temporary importation should be encouraged.

3. **Process**

The countries that have not acceded to the international conventions on temporary importation\(^{20}\) should take steps to gradually promote the same. These conventions have identical commitments with respect to the temporary importation of vehicles. The countries that are already contracting parties may take action to ensure that practical arrangements for full implementation are put in place.

D. **Insurance of vehicles**

1. **Description of the issue**

Insurance is commonly required to be purchased at each border crossing throughout the region, which causes delays and obliges drivers to obtain individual receipts for cash payments. Although subregional insurance schemes have been planned for many years, much remains to be done before such schemes can become operational.

2. **Target**

Third-party insurance should be used as a regional minimum standard for vehicles undertaking international road transport through the use of either the Green Card system\(^{21}\) or a similar subregional system.

3. **Process**

It is desirable for member countries to join the Green Card system. Countries in subregions that have road transport links with Europe may adopt the Green Card system for easy access to Europe. Countries in other subregions may develop subregional motor vehicle third-party insurance schemes compatible with the Green Card system while maintaining the long-term goal of acceding to the Green Card system. For countries that are not participating in any subregional insurance scheme, bilateral or trilateral arrangements based on the Green Card system may be considered.

E. **Vehicle weights and dimensions**

1. **Description of the issue**

For many regional member countries, damage to roads and bridges caused by overweight vehicles is a serious problem which can be compounded by overloaded foreign vehicles. The problem exists partly because different countries have different technical standards on permissible weights and dimensions, and partly because some carriers desire to turn a higher profit through fewer runs with heavier loads.

\(^{20}\) The Customs Convention on the Temporary Importation of Commercial Road Vehicles and/or the WCO Convention on Temporary Admission (Istanbul Convention).

\(^{21}\) See, for example, ECE/TRANS/SC.1/2009/6.
At the same time, repeated weighing and inspections at border crossings and inland weight stations for international vehicles impede transport efficiency. Carriers have requested that weighing procedures be simplified and that the number of weighings and inspections within countries reduced.

There is no international or regional standard on weights or dimensions of vehicles permitted to travel on roads. Member countries have been trying to harmonize or unify standards at the subregional level. Bilateral agreements on international road transport normally require carriers to observe the domestic standards of host countries, which are mostly different from the countries where the carriers are registered.

2. **Target**

   For healthy and sustainable development of international road transport in the region, it would be helpful if permissible weights and dimensions of vehicles, including axle loads, became unified at the bilateral, trilateral, quadrilateral and subregional levels.

3. **Process**

   A practical approach could be to unify such standards through bilateral and multilateral, including trilateral, quadrilateral and subregional arrangements.

   Member countries may also consider negotiating a control system for overloaded vehicles through bilateral and multilateral agreements. The control system may include fines together with warning notices and suspension of transport permits.

**F. Vehicle registration and inspection certificates**

1. **Description of the issue**

   Currently, ESCAP member countries use bilateral or multilateral agreements to mutually recognize vehicle registration and inspection certificates. However, the use of characters of national languages in registration certificates and number plates is still common. This causes difficulties when border crossing officials attempt to clear vehicles for entry. It also causes difficulties for traffic police and will cause further difficulties when electronic clearance systems are introduced.

   For mutual recognition of vehicle registration certificates, standardized distinguishing signs of the State of registration, detailed requirements of technical conditions and periodic inspections of vehicles as well as the standardized registration number plates or marks of vehicles need to be used. The registration number plates or marks should be composed of either Arabic numerals or Arabic numerals and capital Latin characters, as defined in the Convention on Road Traffic [1968].

2. **Target**

   Adoption of the standards on vehicle registration certificates, number plates or marks, and country distinguishing signs, as contained in the Convention on Road Traffic [1968], should be encouraged.
3. **Process**

Countries that have not yet become contracting parties to the Convention on Road Traffic [1968] need to take measures to accede to it.

Countries that would find it difficult to accede to the Convention in the short term may consider adopting the standards contained in the Convention, as well as exploring the possibility of using other mechanisms that are consistent with that convention and avoiding the use of different standards in any bilateral and multilateral agreements into which they may enter.

II. **Key modalities for facilitating international road transport**

Valuable experience has been gained in the region, and a wealth of knowledge exists at the national, subregional and regional levels with respect to successful and less successful approaches to both the formulation and subsequent implementation of transport agreements. To provide a focus for collaborative efforts, cooperation and exchange of experiences among member countries, the key modalities described below are suggested.

A. **Building an effective legal regime**

International conventions, subregional and bilateral agreements have a vital role to play.

1. **Establishment of a regional network of legal experts on transport facilitation**

Promoting and implementing international facilitation conventions, formulating and implementing subregional agreements, concluding bilateral agreements and harmonizing documentation and procedures all rely on national, subregional and international legal experts. A regional network of national and subregional negotiators and legal experts from governments, transport associations and academic institutions could therefore play a vital role by providing advice and promoting the harmonization and coordination of different legal instruments on transport facilitation.

Through the network, member countries and subregional organizations/institutions would be able to do the following:

- Exchange information
- Coordinate with each other
- Pinpoint areas of legal conflict between different subregional agreements and their implications
- Suggest solutions to legal conflicts where a country is party to two or more agreements
- Suggest ways to connect countries located in different subregions that are party to different agreements the existence of which impedes
- Share experiences

The network might also help promote international facilitation conventions and the formulation and implementation of subregional facilitation agreements and assist in the development and improvement of bilateral agreements on
international road transport. It would become a network of core professionals on legal issues surrounding road transport facilitation in the region, providing legal support for formulation and implementation of agreements.

The network may exchange information through electronic communication, seminars, training, expert meetings, group studies and individual studies. The ESCAP secretariat may provide secretarial support to the network and financial support for some years. In the long run, the network would operate independently with the secretarial support of ESCAP and undertake studies as requested by governmental agencies, ESCAP and other organizations/institutions.

2. Accession to selected international facilitation conventions

Commission resolution 48/11 provides countries in the region with a common and harmonized set of standards in the field of international land transport facilitation through an initial set of conventions\(^\text{22}\) to which countries in the ESCAP region could accede.

A study undertaken by the secretariat in 2006, as requested by the Commission, concluded with the proposal that three further international legal instruments were added to complement those recommended in resolution 48/11:

(a) The Protocol to the Convention on the Contract for the International Carriage of Goods by Road, 1978;

(b) The revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures, 1999;

(c) The Convention on Temporary Admission (Istanbul Convention), 1990.

Together, the 10 international legal instruments can provide a consistent framework for simplification and harmonization of regional facilitation initiatives in line with international standards.

Member countries that have not acceded to the core conventions, as amended, need to consider doing so. If acceding involves a prolonged process due to internal procedures, then member countries should consider adopting the standards set in the conventions at the level of national legislation as a transitional measure.

Effective implementation of the international conventions is as equally important as accession to the conventions. Member countries need to review the obligations of the international conventions together with their existing legislation and practices, and to adjust, as appropriate, their legislation, documentation and procedures relating to international road transport.

3. **Subregional agreements**

The key intention behind subregional agreements on international road transport facilitation is to open up subregional traffic, harmonize and simplify formalities and procedures and establish common standards while maintaining consistency with international conventions. Effective implementation of subregional agreements has become an important but challenging task for most regional member countries.

The implementation of subregional agreements involves many ministries and authorities. It also requires amendments to domestic legislation, existing formalities and procedures, and the functions of some agencies and authorities. Strong political support from member countries is needed in order to implement such agreements. Financial and technical support from international organizations and institutions is also needed. Regional advocacy needs to be enhanced to help draw the attention of national Governments and the international community to this important issue.

4. **Bilateral agreements**

In view of difficulties in the management and implementation of numerous bilateral agreements on international road transport faced by many countries in the region, a regional strategy may be taken to apply international conventions and subregional agreements wherever possible and using bilateral agreements to cover the areas which cannot be realized through international conventions and subregional agreements. The development of a model guideline with a recommended standard structure for bilateral agreements on international road transport could assist member countries in better formulating and implementing numerous bilateral agreements while at the same time working towards greater harmonization.

B. **Wider applications of new technologies**

The application of new technologies, including information and communications technology applications can significantly enhance road transport facilitation. Building modern border crossings and international road transport equipped with new technologies and electronic declaration systems should be further promoted. The use of new technologies to facilitate border-crossing controls for international road transport is still relatively new within the region. Before such technologies can be fully utilized, legislation needs to be amended and existing formalities and procedures need to be simplified. Regional experience with innovative and integrated applications of new technologies to clearances and inspections for international road transport can be promoted through the exchange of experience, which may lead to greater levels of harmonization in the region.

C. **Development of professional training for international road transport**

As the part of the regional strategic framework, professional training of all stakeholders, including policymakers, managers and drivers for international road transport needs to be developed to ensure that they are competent to fulfill their tasks in international operations. Over the mid- to long term, it is desirable to establish national training institutions for national policymakers, managers and drivers undertaking international road transport. However, in South Asia and South-East Asia, subregional training institutions focusing on courses on subregional operations would be more helpful and effective in the short term and help overcome some of the financial and capacity constraints. In Central Asia and
West Asia, which have stronger links to Europe, training for subregional operations may be undertaken in parallel with courses for interregional operations.

The ESCAP secretariat could provide assistance, defining the main subjects to be included in the curricula of training institutions, in order to promote the setting of common standards in professional training.

D. Establishment/strengthening of national facilitation coordination mechanisms

A comprehensive and integrated approach, with the involvement of relevant government ministries/agencies and the private sector, is required to address transport facilitation challenges effectively. Such collaboration is crucial to the formulation and implementation of various facilitation measures. Some countries in the ESCAP region have in place coordination mechanisms that could fulfil all of the tasks required and should be further strengthened to ensure that they are fully effective. In addition, mechanisms should be developed to promote the exchange of experiences.

E. Promotion of joint control at border crossings

Joint control at border crossings at the bilateral level, including single window clearance, single stop inspection, joint customs control, establishing priority clearance for certain kinds of goods (for example, perishable goods) on a reciprocal basis and reduction of control agencies at border crossings should be promoted in line with international standards. However, the complexity of joint controls and differences from border crossing to border crossing in the implementation of joint controls needs to be fully recognized and specific comprehensive and detailed studies and designs for each border crossing need to be undertaken before implementing joint control. In this regard, the sharing of experiences among member countries can help in ensuring optimum design in terms of infrastructure and operations.

F. Promotion of economic zones at border crossings, dry ports and logistics centres

Recent developments in free economic zones and joint free economic zones at border crossings, as well as dry ports and logistics centres, have provided new opportunities for authorities and road transport operators to overcome many difficulties in international road transport. The potential benefits in terms of facilitating international road transport and logistics need to be exploited.

G. Further application of facilitation tools

Facilitation tools, such as the time/cost-distance methodology, can help identify impediments to international transport as well as possible remedies. They should be further expanded and promoted with the support of transport ministries and other authorities as well as transport operators. The use of facilitation tools can help refine projects and measure the benefits derived.