



Facilitation of International Railway Transport in the ESCAP Region

Potential for a Legal Instrument

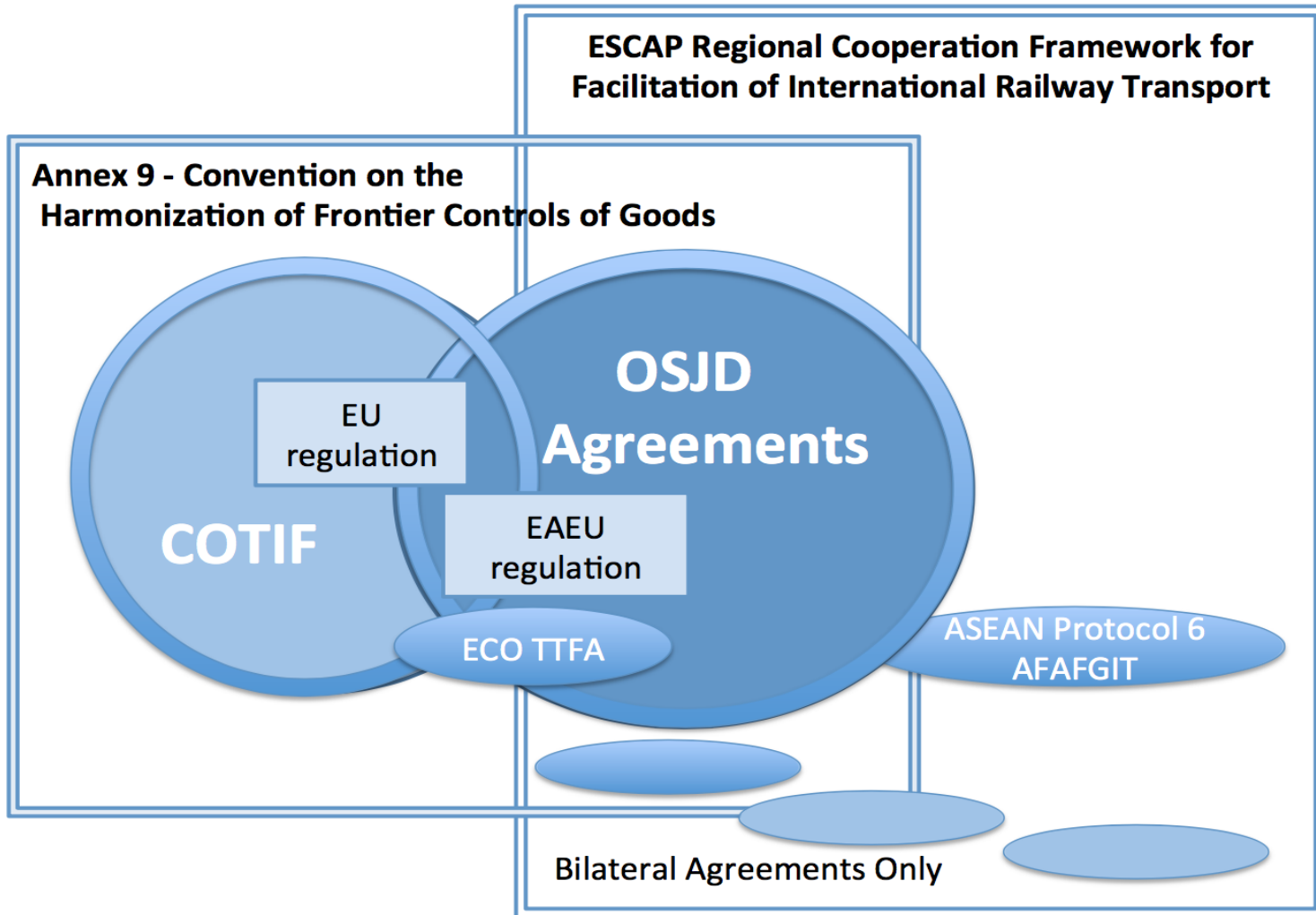


International Arrangements

- Transport
- Railways
- Customs
- Other Government Agencies

- Railway Conventions and Agreements OSJD Agreements / COTIF
- Sub-regional Agreements EEU / CIS / ECO / ASEAN
- Multilateral / Bilateral agreements on railway transport
- WCO Instruments Revised Kyoto Convention, SAFE FoS
- Conventions on Facilitation and Harmonization on Frontier Controls - Annex 9

Fragmented railway legal arrangements



Key issues / present and future trends



- Need for increased efficiency, in particular at railway border crossings
- Electronic exchange of information among railways (*bilateral level vs. regional approach*)
- Customs requirements for pre-arrival information, use of risk management and facilitation for authorized economic operators

Potential for further regulation



- Next steps towards implementation of ESCAP Resolution 71/7 (2015) on the Regional Cooperation Framework for the Facilitation of International Railway Transport
 - Large range of fundamental issues and areas for cooperation vs. focus on specific areas that require common legal and technical foundation in order to be implemented
- Highlight of international railway transport issues vs. general trade and transport facilitation issues
- Bridging diverse legal environment, consolidation of key provisions, creating conditions for improved connectivity
- Address the absence of regional arrangement on railway customs transit in ESCAP Region

Options to be considered

Amendments / Annexes/ Protocols of present legal arrangements

- National legislation
- Bilateral/Multilateral arrangements
- Sub-regional Arrangements
- Arrangements under OSJD and OTIF

ESCAP Regional level

- Intergovernmental Agreement on the TARN

New regional level Instrument(s)

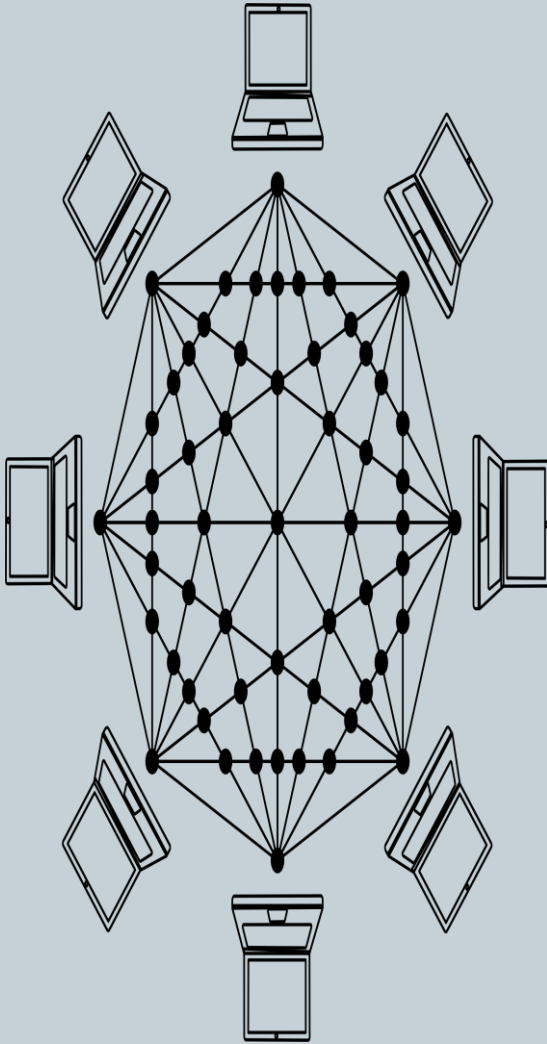
General Concept

- Common ground for harmonization and facilitation
- Relevant in diverse legal environment
- Inline with existing international instruments (e.g. UN, WCO, WTO, OSJD, OTIF)
- Applicable at different development levels
- Scope established in general level with directions for development of detailed provisions
- Could be basis for further facilitation arrangements (e.g. bilateral agreements, MoU)

Main areas to be addressed



- Information exchange between railways and among railways and control authorities
- Harmonization and facilitation of railway operational procedures at border crossings
- Harmonization and facilitation of Customs and OGA formalities





General Provisions

- Objective
- Definitions
- Scope

- **Objective:** to provide framework for cooperation regarding facilitation of crossing the borders in international railway transport
- **Definitions:**
 - Consignment Note (SMGS, CIM, CIM/SMGS, other)
 - Customs transit related definitions

Guiding Principles on Electronic Information Exchange




- Support for R2R electronic information exchange to the railways established in own territories
- The key messages to be electronically exchanged between the railways will include:
 - consignment note data;
 - train information; and
 - information on movement of wagons

Guiding Principles on Electronic Information Exchange



- The structure and format of the key messages
➔ harmonized and standardized
(based on already developed standards and practices)
- Uniform electronic data exchange concept:
 - use of common interfaces to link different national systems;
 - compatible methods of electronic communication;
 - common data protection and security standards;
 - common rules for coding and data harmonization.
- Functional and Technical Specifications
(accepted and/or developed by the established working group)



Information Exchange Between Railways

- **Electronic exchange of harmonized key messages**
(Consignment note, train information; movement of wagon info)
 - In advance before arrival of train
 - To be used for facilitation of railway operations
 - Bilateral/Multilateral arrangement between railways
(Model R2R electronic exchange Arrangement)



**Information
Exchange
among
Railways
and
Control
Authorities**

- **Pre-arrival information**
(at least two hours in advance)
- **Based on R2R electronic exchange of key messages**
(Consignment note, train information)
- **Format, content and procedure determined by national regulations** (not more than the information necessary to identify the goods and the means of transport as available in harmonized R2R electronic key messages)
- **National level Arrangement**
Customs – Railways Agreement / MoU

Harmonization and Facilitation of **Railway** Border Crossing Procedures

- Railway operations in respect of documents and procedures regarding crossing the borders
- Railway controls of rolling stock, containers
- Joint railway controls and reciprocal recognition of controls
- **Other to be considered...**

Harmonization and Facilitation of **Customs and Other Regulatory** Border Crossing Procedures

- 1. Submission of electronic pre-arrival intimation**
- 2. Harmonization of messages required for rail transit**
- 3. Reduced guarantees for transit by rail**
- 4. Recognition of a railway consignment note as a customs declaration**
5. Electronic single window for railway transport
6. Using new technologies for efficient completion of control measures
7. Joint controls at railway border crossings
8. Standardization & harmonization of information requirements

Customs and OGA Documentation



- Endeavor to minimize requirements for presentation of paper documents to Customs & OGA
- Simplified documentation procedures to be granted to **authorized railways** provided that:
 - satisfactory electronic systems for the exchange of information corresponding to the information contained in railway consignment notes and customs declarations are being used,
 - the authorized railways is obliged to keep the copies of paper-based accompanying documents and make them available to the customs and other control authorities if necessary.

Customs and OGA Controls

- Customs and other regulatory controls only on selected goods/transport means on the basis of risk assessment (from pre-arrival information)
- Only simplified controls at the railway border-crossings if necessary and moving controls to the stations of departure and destination
- No examination of goods at properly closed and sealed transport means - as a general rule
- Joint controls and mutual recognition of controls



Simplified Customs Transit Procedures for Authorized Railways

- Use of consignment note, as a customs transit declaration
- Use of electronic customs transit declaration (*with reduced data requirements, based on consignment note data elements*)
- Use of guarantee waiver (*or reduced comprehensive guarantee*)
- Use of railways seals of a special type
- Status of authorized consignor
- Status of authorized consignee

General Conditions for Authorized Railways

- The Railways regularly uses customs transit procedure;
- The Railways is able to meet the obligations under the customs transit procedure; and
- The railways has not committed any serious or repeated offences against customs and tax procedure

Consignment note as a Customs transit declaration



- Consignment note in paper based (or electronic form) as a customs transit declaration
- CIM/SMGS consignment note used as a customs transit declaration for the transport operations that move along international railway corridors across both, CIM and SMGS Parties
- Parties that do not participate in either CIM or SMGS regimes - endeavor to align consignment notes content with CIM, SMGS, CIM/SMGS content
- Bilateral/multilateral Customs transit arrangements

Electronic customs transit declaration with reduced data requirements



- In addition to paper based Consignment note
- Only for the part of the customs transit operations for the transport of the goods under simplified customs transit procedure in the territory of the Party (inward/outward/through customs transit)
- Reuse of R2R electronically exchanged messages
- National regulation for Railway Customs Transit

International Railway Customs Transit

Country A

Country B

Country C

Country D

National Transit A

National Transit B

National Transit C

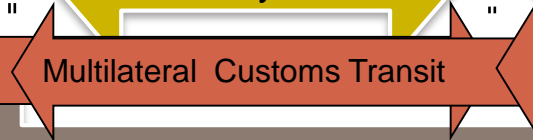
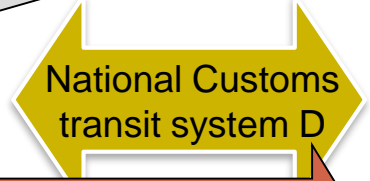
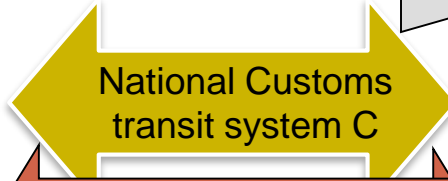
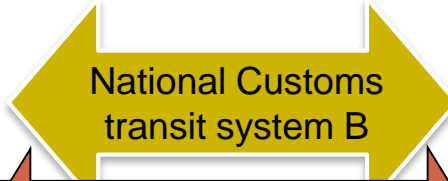
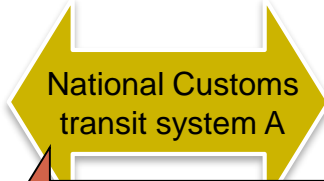
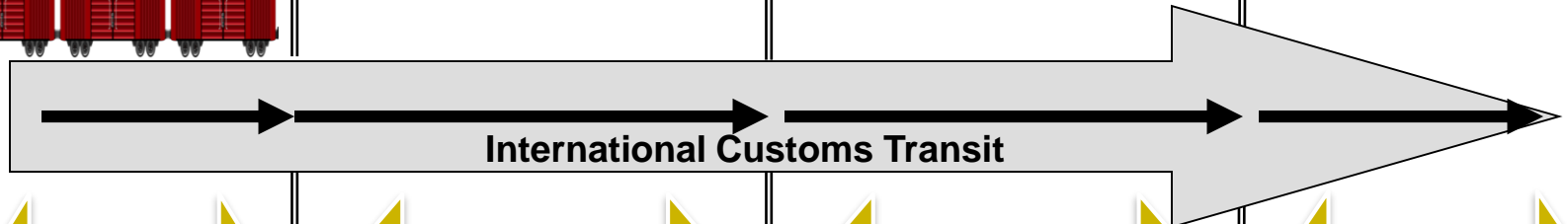
National Transit D

Outward Transit

Through Transit

Through Transit

Inward Transit



CN as CTD

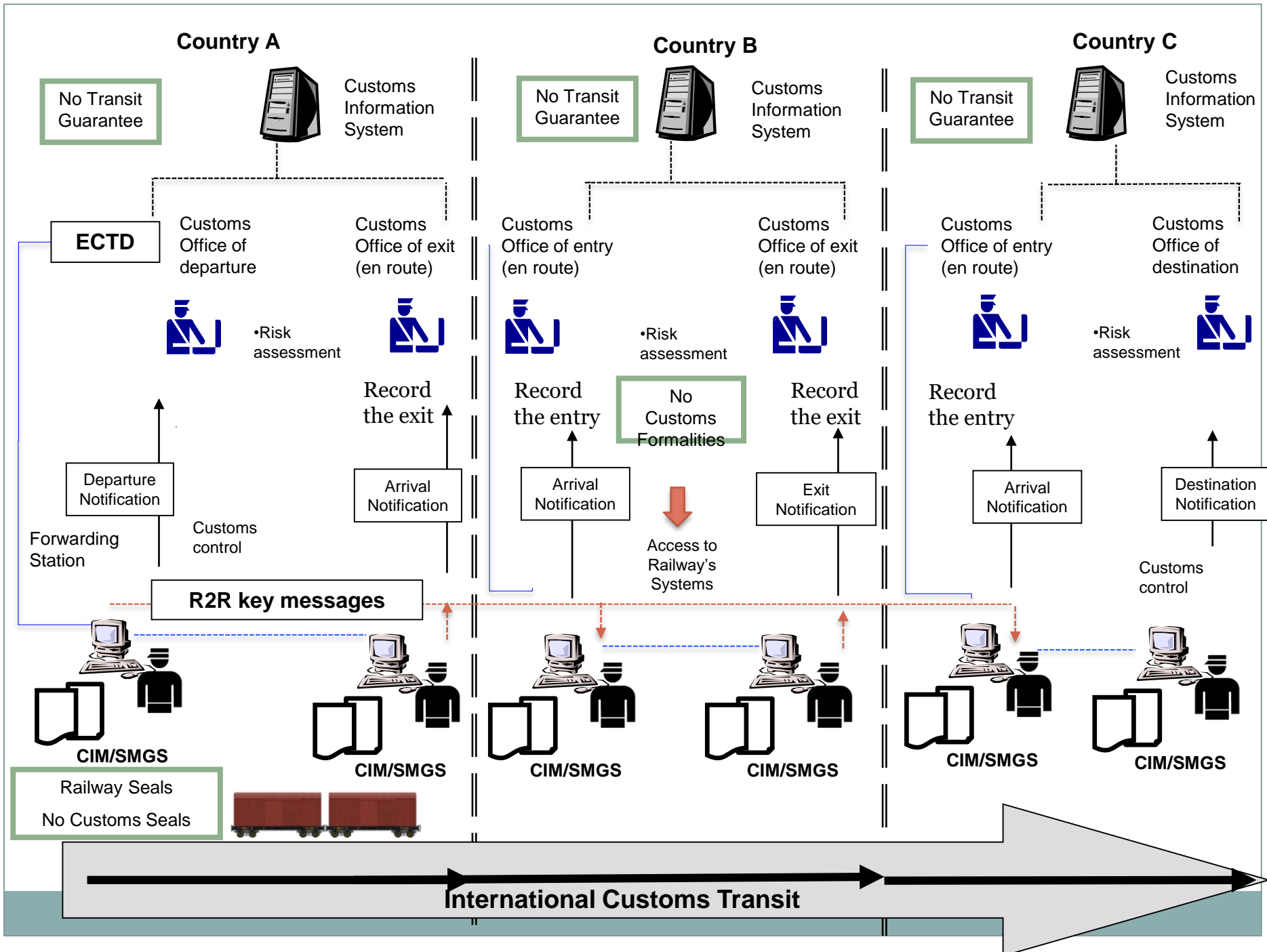
Simpl. e-CTD based on R2R

Railways as AEO

Guarantee waiver

Harmonized procedure

International cooperation



Implementing Provisions

- Mutual assistance (*regarding investigation of infringements and irregularities*)
- Liaison between the Parties (*national body or a single point of contact to act*)
- Governing structure (committee)
- Working Group(s) (*mandate, meetings*) (*representative of participating members, representative of railways, international railway organizations, other experts...*)
- Approximation of national legislation and regulations (*create a legally enabling environment*)