IV. TRANSPORT FACILITATION AND BILATERAL AGREEMENTS

Introduction

The negotiation and conclusion of bilateral agreements were boosted by the geopolitical changes which took place in the early 90ies and by the fact that many countries in the ESCAP region began to focus on international trade as a vehicle for economic development. Bilateral agreements have had a vital importance for economies of the twelve landlocked member countries of ESCAP, for which access to the sea is crucial. As trade is not possible without transport, countries in the ESCAP region have signed in the last two decades a large number of bilateral agreements covering international transport operations, with the main objective to facilitate the commercial exchanges between them. The majority of the bilateral agreements cover road transport; many countries have signed more than ten bilateral agreements on road transport and some have signed about thirty such agreements. A large number of agreements to be observed (or complied with) represents however a challenge for all the stakeholders and may cause difficulties notably for carriers and drivers. Proper management and implementation of such numerous agreements require tremendous time and capacity and institutional building for both public and private sectors.

This situation is not characteristic to the ESCAP region only. In 1990's in Europe (and especially in Central and Eastern Europe) road transport was regulated at bilateral level by a plethora of different agreements. The European Conference of Ministers of Transport (ECMT) sought to offer its member countries a tool for the harmonization of bilateral agreements and recommended, in 1997, a model bilateral agreement on road transport. This model is contained in Annex IV – 1.

In order to assist countries in the ESCAP region in harmonizing bilateral agreements the guidelines elaborated in this chapter indicate the main elements that should be considered for inclusion in a bilateral agreement on transport facilitation. The list of the elements cannot be exhaustive as each negotiation will have its specificities depending on the interests of the parties concerned. The guidelines mainly address the international road transport as it remains the mode most frequently regulated by bilateral agreement.

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. A standardized framework agreement on international bilateral road transport should contain at least five sections namely general provisions, arrangements for transport, Customs and other controls, miscellaneous provisions and final provisions.

Guidelines on drafting and negotiating bilateral agreements

A. General Provisions

The guidelines below are designed to provide policy makers with a clear view on the coverage, scope, contents and sequence of a typical bilateral agreement on road transport/transit facilitation. It is hoped that the information contained herein would provide a common framework that would lead to fruitful negotiation and effective results.

1. Scope of Application

Bilateral agreements on transport have in the past focused mainly on transport of goods between the two Contracting Parties. The current trend is to cover transport of goods and passengers as well as transit to/from third countries. This reflects to a large extent the interdependence of the countries and the liberalization of trade: besides their bilateral exchanges, on the one hand transit countries allow access of landlocked countries to the sea and on the other hand landlocked countries become land-linking countries. This section of the agreement should clearly state the type(s) of transport covered, namely

- bilateral transport of goods and/or
- regular or occasional transport of passengers and/or
- transit of goods and/or passengers from/to one of the Contracting Parties to/from third countries through the territory of the other Contracting Party.

Usually, the section contains an indication whether the type(s) of transport covered by the agreement has to be performed by means of transport registered in one of the Contracting Parties. It may also state what type(s) of transport is not covered by the agreement, for example cabotage.

2. Definitions

The section should be as comprehensive as possible**,** to include all the terms which might be used in the agreement. The most common terms used in a bilateral agreement on road transport are: *Contracting Party, territory of a Contracting Party, third country, country of establishment, host country, competent authorities, authorization/permit, undertaking, transport operator/carrier, user charge, toll, motorway, profession/occupation of international road transport operator, domestic legislation, international traffic, transport, cabotage, transit, regular/occasional passenger service, vehicle, trailer, semi-trailer, combination of vehicles, articulated vehicle, bus, coach, vehicle hired, registration, driver, permissible maximum mass, laden/unladen mass, transport for hire and reward/on own account, intermodal/multimodal/combined transport.*

B. Arrangements for Transport

1. Traffic and Transit Rights

Depending on the Contracting Parties' policy on market access and on their economic relationship, this section of the agreement may state one or a combination of the following possibilities:

- bilateral transport between the territories of the Contracting Parties is liberalized and there is no need for transport permits. This type of arrangement is more common between countries which are members of an economic integration structure;
- bilateral transport between the territories of the Contracting Parties is subject to transport permits but there is no limitation (no quota) in the number of permits. This type of arrangement is more common between partner countries the economies of which are doing well and their exchanges are balanced;
- bilateral transport between the territories of the Contracting Parties is subject to transport permits which are limited in number. This type of arrangement is more common between competing countries or when one of the countries has a special

interest to protect. Such a special interest may be, among others an environmental concern or a policy to encourage combined transport and protect road transport infrastructure or a desire to avoid competition for its own transport operators;

- transit of vehicles of one Contracting Party to/from third countries through the territory of the other Contracting Party is allowed without permit. This is a rather exceptional favor granted by the Contracting Parties to each other, as the main goal of most of the bilateral agreements is to encourage exchanges between their two countries. This type of arrangement should however be included in bilateral agreements when the Contracting Parties negotiating it are also Contracting Parties to one of the international legal instruments providing for freedom of transit;
- transit of vehicles of one Contracting Party to/from third countries through the territory of the other Contracting Party are subject to permits but there is no limitation (no quota) in the number of permits. This is also not a very common situation; however such an arrangement could occur in cases when one of the Contracting Parties is a landlocked country;
- transit of vehicles of one Contracting Party to/from third countries through the territory of the other Contracting Party are subject to permits which are limited in number. This is the most common arrangement in the case of bilateral agreements covering transit to/from third countries.

These possible arrangements are applicable both for the transport of goods and passengers; the differences between the two reside in the details for their application such as duration, validity, number of journeys etc.

Should the less liberalized arrangement be agreed by the Contracting Parties, the text may be formulated in the following manner:

"Vehicles registered in the territory of one of the two Contracting Parties and used for the transport of goods and/or passengers between the territories of the two Contracting Parties shall require a permit, subject to a quota system for entry and exit.

Vehicles registered in the territory of one of the two Contracting Parties and used for transit transport of goods and/or passengers through the territory of the other Contracting Party shall require a permit and shall be subject to a quota system.

The annual quotas shall be mutually agreed upon by the Joint Committee, provided for by Article … of the present agreement or by correspondence between the competent authorities of the Parties, taking into consideration the principles of reciprocity."

The section may contain specific provisions on the form, content, language, validity, use and method of distribution of the permits. The most common provisions in this respect are that:

- the permits are to be printed in the language of the issuing Contracting Party and at least in one international language agreed by the competent authorities of the Contracting Parties;
- the permits are to be distributed to the carriers of each Contracting Party by the competent authority of that Party;
- the permits for direct/bilateral transport are usually valid for one entry and return journey;

- the permits for transit transport to/from a third country are usually valid for one transit passage and return transit journey;
- the permits are to be kept on the vehicles to which they belong and shall be produced upon request to any person authorized in the territory of either country to demand them;
- permits are not transferable between carriers;
- the competent authorities of the two Contracting Parties shall exchange the agreed number of permits during the month of … each year (normally, it should be at the end of the year, to ensure the necessary permit from the beginning of the coming year).

The section may also contain an indication on the type(s) of transport exempted from the permit system, such as but not limited to transport of: household effects for non-commercial purposes, goods for fairs and exhibitions, properties for theatre, music and sport performances (including race horses, race vehicles and boats), damaged vehicles, live animals (other than for slaughtering), corpses and humanitarian transports.

This section of the agreement should state, unless already stated in the scope of application, which type of transports are excluded from the agreement. Most commonly the cabotage i.e. transport operations on the territory of one Contracting Party, with the loading and unloading points being located on that territory, of a transport operator established on the territory of the other Contracting Party is forbidden.

2. General Conditions for Transport

This section is meant to establish the general conditions under which the bilateral transport and/or the transit through the territories of the two Contracting Parties can take place. One of the principles to be stated in the section is that transport between the territories of the Contracting Parties and transit to/from a third party under the agreement will only be granted to means of transport registered in the two Contracting Parties. Another principle that may be included in the section is that only carriers licensed by the competent authorities of each of the Contracting Parties can be allowed to perform transport operations under the agreement. In case of transport of passengers, the section may state the matters on which the competent authorities are mandated to decide such as routes, stops, time schedule, fares, frequency and the carriers allowed to perform regular passenger transport. The specific details are usually negotiated and agreed in the annual meetings of the Joint Committee and are included in the Committee's report.

3. Designation of Routes, Border Crossings and Ports

Ideally, the whole infrastructure network should be open for international transport/transit; however, taking into account the level of development of the transport infrastructure, the conditions at border crossing and the specific interest of the Contracting Parties, this section may indicate that transport and transit under the agreement will only be allowed on designated routes and at designated border crossings, including, if appropriate, ports open for the operations of the Contracting Party which is a landlocked country. The list of designated routes, border crossings and ports may be included in this section but in order to reflect developments it is recommended to include the list in an Annex to the agreement, the amendment of which may be easier and quicker than in case of the agreement itself.

4. Carriage of Dangerous Goods and Special Goods

As a rule, bilateral agreements impose special requirements for the carriage of cargoes classified as dangerous or special: weapons, ammunition, military equipment, explosives, chemical and other harmful substances, as defined by recognized legal instruments in force. Should they be authorized by the competent authorities of the Contracting Parties, such types of transport are subject to a special permit. This section of the agreement may state the conditions for the issuance of the special permit, preserving however the right of the Contracting Parties to refuse their issuance. It may also include designated routes on which the cargoes would be transported. In case no consensus is found on the conditions for such transports, the section may state that they will be subject to the national legislation of each of the Parties.

5. Representative Office of Carrier

The right to establish a representative office of a carrier registered in a Contracting Party on the territory of the other Contracting Party is stipulated in some bilateral agreements on transport, even if this is not an exclusive competency of the transport authorities. The authorization to establish representative offices would help transport operators to familiarize themselves with local laws, adapt quickly to changes of local laws, assist in handling of accidents/incidents/infringements involving their vehicles or crew, and deal with any other problem relating to transport process.

This section of the agreement may indicate that, subject to national legislation of each Contracting Party and with prior approval of competent authorities, a transport operator established/registered in one Contracting Party can establish offices and/or appoint representatives and/or agencies in the territory of the other Contracting Party. Normally, for the transport of passengers there should also be an indication that the transport operator shall not act as a travel agency in the territory of the other Contracting Party.

6. Taxes and Charges

This is an important section of the bilateral agreement as each of the parties usually tries to negotiate favorable conditions for their transport operators and at the same time collect revenue from user charges. The section may state the exemptions that may be granted for vehicles which are registered in the territory of one Contracting Party while they perform transport/transit operations on the territory of the other Contracting Party, such as:

- import duties and taxes and charges levied on the possession of vehicles when vehicles are temporarily imported into the territory of the other Contracting Party. This exemption may be granted in the territory of each Contracting Party as long as the conditions laid down in the Customs regulations in force in that territory for the temporary admission of such vehicles into that territory without payment of import duties and import taxes are fulfilled;
- taxes and charges levied on the road use. Such exemptions are less and less granted in the bilateral agreements, as countries need to recuperate their investment in infrastructure. In any case, this exemption should normally not apply to taxes and charges included in the price of fuel or to tolls or charges for the use of particular bridges, tunnels, ferries, roads, sections of road or classes of road;

- taxes and charges levied on transport operations carried out in the territory of the other Contracting Party. In general, this exemption is granted if the two countries have also concluded an agreement for the avoidance of double taxation, which is in force;
- duties, taxes and other charges levied on the fuel contained in the supply tanks of the vehicle, according to the national law of the other Contracting Party;
- Customs duties and other import charges and taxes on spare parts temporarily imported into the territory of the other Contracting Party, intended for the breakdown service of vehicles operating under the agreement, in accordance with Customs regulations. As a rule, replaced spare parts shall be re-exported or destroyed under the control of the competent Customs authorities of the other Contracting Party.

In general the Contracting Parties do not exempt charges, if gross vehicle weight, dimensions or load of the vehicle exceed the limits prescribed in their national legislation.

7. Payment

If the Contracting Parties have in their national legislations restrictive provisions on the international financial flow or foreign exchanges, arrangements need to be made in the agreement so that transport operators can obtain appropriate payment from host country and in appropriate currency circulated or exchanged in home country. This section may include such arrangements, providing for example that payments between the Contracting Parties concerning operations under the agreement shall be made in convertible currency to be accepted by the authorized banks of the Contracting Parties.

8. Safety and Security

Including safety and security issues in the bilateral agreements on transport is a relatively new practice. The main concerns of the Contracting Parties in this respect are the compliance with traffic rules, the road safety and mitigating the risks of accidents, the security of goods, passengers, vehicles and crew and the settlement of accidents.

This section of the agreement may state that vehicles and drivers shall comply with the local traffic rules. It may also state that the competent authorities of the Contracting Party in the territory of which an accident takes place shall have the right to investigate and settle the accident, provided they keep their counterparts in the other Contracting Party duly informed of the accident and settlement. Provisions on the assistance to the injured in accidents, even though not common in the existing agreements, might be added in the section.

There are no standard clauses with respect to security that might be used as reference when drafting and negotiating a bilateral agreement on transport. Generally, it is considered that the provisions restricting/prohibiting the transport of dangerous and special cargoes are covering to some extent the concern of security. However, this section may indicate immediate actions to be taken by stakeholders in case of threat to security, for example in case of armed robbery of drivers/vehicles carrying goods.

9. Environment

The environmental concern of the Contracting Parties can be reflected in this section of the agreement in several ways, of which the following are suggested:

- the number of permits can be increased for less polluting vehicles (with lower emissions);
- the number of permits can be increased for vehicles using combined transport techniques (e.g. Ro-La, truck on train);
- user charges can be significantly higher on infrastructures crossing protected/sensitive areas;
- traffic can be prohibited in certain areas or routes depending on environmental factors.

With increasing environmental awareness, such provisions will be more and more considered by the countries for inclusion in their bilateral agreements.

10. Technical Requirements for Vehicles

The main aspects concerning the technical requirements for vehicles that are usually considered for inclusion in the bilateral agreements are the road worthiness, dimensions and weight. In general it is easier for the Contracting Parties in a bilateral agreement to recognize each other's documents, in this case the certificate for technical inspection and the weighing/measurement certificate, than in the case of subregional agreements.

This section may state the principle of mutual recognition of documents, specimens of which might be included in an Annex to the agreement. The section may also set conditions for transport of cargoes with abnormal dimensions; usually they are subject to payment and a special authorization which should be asked before the transport takes place in order to allow the necessary adjustments to be made on route to make the transport possible and avoid possible damages.

11. Compulsory Insurance of Vehicles

This section is important as it should make clear the liability in case of incidents/accidents produced in the territory of the Contracting Parties. The insurance activities are organized and function well in the majority of the countries in the ESCAP region.

In cases where a third-party liability insurance system exists and is recognized, the section may require that:

- a third-party liability insurance complying with the laws and regulations in force in each of the Contracting Parties shall be applied to a vehicle used in the international carriage of passengers and/or goods between the Contracting Parties and/or in transit through their territory, and
- an insurance complying with the laws and regulations in force in the Contracting Party in which the vehicle is registered shall be applied to passengers and/or goods, against damages that they will have during the carriage .

In cases where no third-party liability insurance system exists, the section may be formulated in more general terms and require that transport operations carried out under the terms of the agreement shall comply with:

- the provisions in force in the country in which a vehicle is being operated concerning the insurance of vehicles in relation to damages caused to third parties;
- the provisions in force in the country in which the vehicle is registered for the insurance of passengers and goods carried.

Without clear provisions, traffic accidents cannot be efficiently settled and compensated, impeding the smooth movement of goods and passengers and jeopardizing countries' efforts to facilitate transport between them or in transit through their respective territories.

12. Driving permit

This section of the agreement should normally state the mutual recognition by the Contracting Parties of valid domestic driving permits or international driving permits corresponding to the category of vehicle used for transport under the agreement, issued by each other's competent authorities.

It may occur that in the two countries the legislation is slightly different with respect to the conditions for obtaining the driving permit, for example the age at which a driver can drive heavy vehicles or vehicles carrying dangerous goods or passenger buses/coaches. In such cases this section of the agreement should contain the conditions agreed by the Contracting Parties for recognition of each other's driving permits.

C. Customs and Other Controls

1. Temporary Admission

This section of the agreement should state the commitment/decision of the Contracting Parties to take all the measures which they deem necessary in order to facilitate, simplify and accelerate to the greatest extent possible the Customs and other formalities relating to the transport of passengers and goods between or in transit through their territories.

It is a common practice that Parties grant each other exemptions on import duties and taxes and charges levied on the possession of vehicles when vehicles are temporarily imported into their respective territories. The exemption is usually granted if the vehicles undertaking international transport are accompanied by Customs temporary admission documents (Carnet de Passage en Douane), as provided for in the Customs Convention on the Temporary Importation of Commercial Road Vehicles, 1956 or in the Convention on Temporary Admission (Istanbul Convention), 1990, issued by the appropriate authorities of the Contracting Parties.

If such international Customs documents are not available and the agreement is not containing specific provisions regulating temporary admission, the national legislation of the Contracting Party concerned shall be applicable.

If the international transport of goods is performed under a Customs transit document such as a TIR Carnet (for road transport) or, in the future by a SMGS Consignment Note (for railway transport) the regulations laid down in the TIR Convention and in the Convention on International Customs Transit Procedures for the Carriage of Goods by Rail under Cover of SMGS Consignment Notes (when it will enter into force) respectively shall be applicable.

If the international transport of goods is not covered by a Customs transit document and the agreement is not containing specific provisions regulating transit, the national legislation of the Contracting Party concerned shall be applicable.

2. Visa for Driver and Crew

Facilitating visa issuance for professional drivers and crew is an outstanding issue on the agenda of international intergovernmental organizations and NGOs representing the interests of the transport industry. Since granting the visa is the competency of the Ministries of Foreign Affairs this matter cannot, generally, be covered by a transport agreement. Depending on the negotiation mandates and the terms agreed by the Contracting Parties this section of the agreement may be formulated in several ways:

- it may state that the competent authorities of the Contracting Parties shall grant visas valid for … months and for … entries for each other's professional drivers and crew performing transport/transit operations between/through the territories of the Contracting Parties in accordance with the provisions of the agreement and their relevant national laws and regulations;
- it may be formulated using words like "the Contracting Parties shall endeavor to facilitate the procedures for the granting of visas for each other's professional drivers and crew performing transport/transit operations between/through the territories of the Contracting Parties in accordance with the provisions of their relevant national laws";
- it may only state that the drivers of vehicles performing transport/transit operations in accordance with the provisions of the agreement shall be in possession of a valid passport containing all necessary visas .

3. Overall Customs and other Controls

Overall Customs and other formalities and procedures for vehicles, drivers, goods and passengers are beyond the control of the transport sector but they are essential for the transport process. Depending on the mandate of the Contracting Parties and the conditions agreed this section may state the willingness/commitment/decision of the Contracting Parties to cooperate with other national competent authorities in order to facilitate the transport/transit operations performed under the agreement. Some examples might be the simplification of the phytosanitary and veterinary controls, processing with priority the transport of passengers, livestock, perishable goods, fresh vegetables, dangerous goods or creating "green lanes" for transports under the cover of a Customs transit document as well as performing joint controls.

D. Miscellaneous Provisions

1. Domestic Legislation

The majority of the bilateral agreements follow the same practice namely they indicate in this section that all the issues that are not covered by the agreement shall be subject to national rules and regulations applicable in each of the Contracting Parties.

Even though other sections of the agreement may mention this obligation, this section may emphasize that vehicles and drivers of one Contracting Party shall, when in the territory of the other Contracting Party, comply with national laws and regulations in force in that

territory. In case it is so agreed, the section may also state that neither of the Contracting Parties shall impose on vehicles of the other Contracting Party requirements which are more restrictive than those applied by its national laws and regulations upon its own vehicles.

2. Infringement

Most bilateral agreements allow the authorities of host countries to take action on infringement of rules in their territories with notice to the competent authorities of home countries. Some agreements also provide for details of the sanctions for infringement, such as warning, temporary suspension or cancellation of the permit. In order to avoid disputes between the Contracting Parties and lengthy debates in the meetings of the Joint Committee, this section should clearly state the measures to be taken in case of an infringement. For example, in the event of any infringement of the provisions of the agreement by a vehicle or driver of one Contracting Party when in the territory of the other Contracting Party, the competent authority of the Contracting Party in whose territory the infringement occurred may (without prejudice to any other lawful sanctions that Contracting Party may apply) request the competent authority of the other Contracting Party to:

- issue a warning to the carrier in question;
- issue such a warning together with a notification that subsequent infringement will lead to a temporary or permanent exclusion of that carrier from the territory of the Contracting Party in which the infringement occurred; or
- issue a notice of such exclusion.

The competent authority receiving any such request shall comply therewith and shall as soon as possible inform the competent authority of the other Contracting Party of the action taken.

The section should also state the commitment of the Contracting Parties to inform each other in due time of the changes in their national rules and regulations and to treat each other's vehicles and drivers in a non-discriminatory and transparent manner.

3. Competent Authorities

Many of the bilateral agreements on transport designate the ministries in charge of transport as competent authorities. Some agreements designate several ministries and assign them the implementation of different provisions of the agreements (clearly indicating the responsibilities). This issue depends upon the institutional structures of the Contracting Parties and their capacity of inter-agency coordination. The Contracting Parties need to find the best way for efficient and effective implementation of their agreement according to their national specificities.

4. Coordination and Cooperation

Effective implementation of the agreement is the key to achieving its stated objectives. This section may provide for the establishment of a monitoring and implementation mechanism for the agreement. Most of the bilateral agreements on transport establish, in order to settle any question which may arise from the application of the agreement, a Joint Committee, composed of the representatives of the Parties. The section may include the terms of reference of the Joint Committee for example:

- to monitor/supervise the proper implementation of the agreement;

- to analyze the possible problems in the implementation and make proposals for the solution of the problems, especially in case of problems not settled directly between the competent authorities of the Parties;
- to review all other relevant issues that fall within the scope of the agreement and make recommendations thereof for improvement;
- to substantiate and recommend any amendment to the agreement and/or annexes thereto and submit it to the competent authorities for approval;
- to consider any other matters relevant for the implementation of the agreement;
- to meet, normally, every year alternately in each of the Contracting Parties.

Some agreements establish a simpler mechanism for monitoring and implementation of the agreement such as meetings of competent authorities (regular or when the need arises). The terms of reference for this kind of mechanism are basically the same as for the Joint Committee.

In any case, a mechanism for monitoring and implementation should be foreseen in the agreement as it generally contributes to resolving problems that arise in the implementation and enhances the trust of the competent authorities in each other.

5. Relationship with other Treaties

Most bilateral agreements on transport indicate that the agreements do not affect the rights and obligations of each Contracting Party arising from the existing international treaties in which either Contracting Party participates.

E. Final Provisions

This section aims at ensuring clarity, trust and stability, as they are important elements for an agreement to achieve its objectives.

1. Entry into Force and Duration

The terms in which this sub-section may be formulated depends to a large extent on the rules and regulations of each Contracting Party in respect of ratification of treaties. The present guidelines can only give an orientation, based on the existing bilateral agreements and the relevant international legal instruments. The sub-section might indicate the following steps:

- each Contracting Party shall notify the other in writing through diplomatic channels that the measures necessary for giving effect to the agreement in their territory have been taken, in accordance with their national legislations;
- the agreement shall enter into force on the … day [usually thirtieth] after the date of the later of these two notifications;
- the agreement shall remain in force for a period of… year(s) after its entry into force. It is common for the new agreements to provide for an initial validity of one year; after the Parties gain confidence the validity is increased to longer periods of time, up to five years. In cases where the two Contracting Parties have a long tradition of cooperation they may even agree to have an open validity, without specification of time;

- thereafter, the agreement shall be automatically renewed for periods of … year(s) unless one of the Parties notifies in writing the other Party of its wish to terminate it …months [usually three or six] in advance;
- the Parties may also agree that the agreement shall be provisionally applied from the date of signing for a period of … months [usually six].

In case the Contracting Parties were bound by a previous agreement on the same subject, the sub-section may also state that upon its entry into force the present agreement shall replace, in relation to the Contracting Party One and the Contracting Party Two the agreement between the Contracting Party One and the Contracting Party Two signed at … on….

When drafting and negotiating this sub-section, consideration should be given to the fact that transport is an important element of trade flow and supply chain; therefore familiarity, confidence, predictability and certainty of the transport-related processes are essential to the development and facilitation of transport and implicitly trade.

2. Amendment

While some bilateral agreements on transport do not set out procedures for amending the agreements, providing for such procedures would be helpful for the Contracting Parties to adapt the agreement to new developments and increase its efficiency and effectiveness. The sub-section may state that the agreement may be amended with the mutual consent of both Contracting Parties, upon proposal of either of them or upon proposal of the Joint Committee. The sub-section may also establish more detailed steps for receiving a proposal for amendment and dealing with it.

3. Dispute Settlement

Most of the bilateral agreements provide for the settlement of disputes on application and interpretation of the agreement through consultation or negotiation by competent authorities, either directly on specific areas or in the formal framework of the Joint Committee.

4. Authentic Text

As a rule, the text of the bilateral agreements is authenticated in the national languages of the two Contracting Parties. Some agreements however use a different language (usually English) to be referred to in case of divergence in the interpretation of the agreement.

It is a common goal of the ESCAP member countries and the secretariat to harmonize legal regimes on transport facilitation across the region. To achieve this goal, no effort should be spared and no tool should be ignored. While international conventions facilitate transport through international standards, norms and practices, including documentation and formalities en route and at border crossing, they do not provide traffic rights for undertaking international transport. It is more and more frequent for subregional agreements to seek for a subregional road permit system; however traffic rights and transport arrangements are still largely relying on bilateral agreements. This is the main reason why harmonization of bilateral agreements is needed. It can be achieved through enhanced capability of countries in the formulation and implementation of legal instruments. UNESCAP has the necessary expertise and the willingness to assist countries, at their request, in acquiring appropriate

capability to harmonize their legal regimes on transport facilitation, including in the preparation and implementation of bilateral agreements.