

### 13. TRACECA TRADE FACILITATION

<b>Geographic Focus:</b>	Republic of Armenia, Azerbaijan Republic, Georgia, Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Turkmenistan, Republic of Uzbekistan
<b>Project Budget:</b>	<b>EURO 980,000</b>
<b>Contractor:</b>	Scott Wilson
<b>Implementation timetable:</b>	March 1996 through September 1997

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#### **Background**

Trade throughout the TRACECA region is in need of harmonised documents and simplified customs procedures. This requires changes to trade documentation and encouragement to all concerned (freight forwarders, customs authorities,...) to simplify systems for the best cost effective service.

#### **Objectives**

- To collate the currently used international trade documentation
- To propose a simplified system and to improve the co-operation between customs authorities, and freight forwarders throughout the region
- To investigate the introduction of electronic data interchange (EDI)
- To analyse the principle surface transport customs control points with influence on the TRACECA route and to analyse common problems as well as those specific to each location
- To provide assistance in the creation of trade and freight forwarding associations

#### **Key Issues**

The project was designed to investigate and recommend, as it was felt that implementation could be handled by the NTTTF or other TRACECA and Euro-customs programmes. An extension was set up to provide assistance in the export of cotton from Uzbekistan through the Port of Poti in Georgia.

#### **Achievements**

This project worked in partnership with the Legal and Regulatory Framework project being conducted at the same time. The key issues were evaluated using an International Trade Task Force (ITTF) based in the UK and a National Trade Task Force (NTTF) based in each country, comprising local experts. An appraisal of the documentation systems resulted in the recommendation that a simplified system was introduced based on the EU **Single Administrative Document** (SAD). The Customs **computerisation review** identified the need for a computer-based programme such as the UN ASYCUDA system. A full appraisal and report was produced on 73 road or rail **Border Posts**. A Familiarisation Tour for the NTTTFs took place in the United Kingdom and two conferences were held, one in the UK and the other, at the end of the project, in Almaty, where the recommendations of the report were fully accepted. The **cotton project** generated an initial report that was well received and gave a comprehensive view of the total cotton market, the key issues and the problems to be overcome and the final report clarified the cost implications of the route options and the main issues to be resolved in both bulk and containerisation. This has resulted in a further TRACECA cotton investment project. A programme of seminars on international forwarding and logistics were provided throughout the project which helped to establish **National Freight Forwarding Associations** in Georgia, Azerbaijan and Kazakhstan and achieve recognition by The International Federation of Freight Forwarders Associations (FIATA). It also provided advice on further development to the existing National Association in Uzbekistan. It helped over 10 companies, throughout TRACECA, achieve the status of Associate membership of FIATA. The work done in establishing National Freight Forwarding Associations was recognised by FIATA. In co-operation with the Legal Framework Programme it expressed the need for the development of a **multilateral agreement** and the establishment of a Joint Commission.