



TRACECA Project  
Trade Facilitation (TNREG 9308)  
**Customs Border Post  
Report - Volume 1**  
October 1996

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# Scott Wilson Kirkpatrick

Scott Wilson Kirkpatrick & Co Ltd • Scott House • Basing View • Basingstoke • Hampshire • RG21 4JG • England  
Telephone (01256) 461161 • Int. Code 44 1256 • Fax (01256) 460582 • Telex 858805

European Commission  
Directorate General IA  
External Relations - TACIS IAC/4  
88 Rue d'Arlon  
B - 1040 Brussels  
BELGIUM

Your Reference:

Our Reference: RML/CCJER/JF

28 November 1996

For the attention of Mr D Stroobants

Dear Mr Stroobants,

TRADE FACILITATION, CUSTOMS PROCEDURES, AND FREIGHT FORWARDING  
PROJECT NO. TNREG 9308 - CONTRACT NO. 96-0038

We have pleasure in submitting 5 bound and 1 loose-leaf copy of our Customs Border Post Report and Appendix 1: Survey Reports. Copies are also being sent to the EC Coordinating Units and Monitor. The Russian language version will be issued to the CU's shortly.

Yours sincerely  
for SCOTT WILSON KIRKPATRICK & CO LTD



Richard Levett

Enc.



**TRACECA PROJECT**

**TRADE FACILITATION, CUSTOMS PROCEDURES AND  
FREIGHT FORWARDING**

**SURFACE TRANSPORT CUSTOMS CONTROL POINTS**

**October 1996**

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## APPENDIX 1 SURVEY REPORTS

## EXECUTIVE SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

### Main Conclusions

- 1) The main activity at the border Customs control points is the processing of local traffic carried by CIS carriers and long distance international traffic carried mainly by non-CIS transporters. Only certain borders are permitted to process international movements.
- 2) Investment by national Governments has been made at most of the major crossings. This has not extended to the fitting out of the buildings where officers work and interface with drivers. The internal layouts have not generally been planned to reflect the processes being undertaken.
- 3) Some investment in construction and refurbishment of medium sized border posts has been undertaken, but most are either incomplete or have not been fitted out. Lack of funding means that facilities at some posts are sub-standard.
- 4) Investment at the minor posts has been limited. Most Customs control point facilities consist of mobile or temporary units in poor condition. As illegal traffic often tends to be routed through these minor crossings they should be regarded as important to the implementation of effective controls.
- 5) Rail Customs control points are usually located in rented or leased accommodation in rail buildings at the border station. These are generally in poor internal condition, though the buildings are structurally sound. Other rail control points consist of temporary buildings on the main platform or in the marshalling yard at the border station. These are mainly in poor condition.  
(...)
- 6) Port Customs control points consist of a main port office and sub-units around the port. The port offices in Georgia are structurally sound but require refurbishment internally. The Customs posts at the Caspian ferry terminals are in the wrong position resulting in congestion and safety concerns.  
(...)
- 7) Parking at the control points is mainly along the approach roads. At the major and medium crossings, the roads have been widened but this is insufficient for the numbers of vehicles parking to await processing. This leads to road congestion affecting both freight and passenger traffic.
- 8) Interfacing control points are usually sufficiently spaced to allow for parking of vehicles, but there are exceptions. Commercial activities between border posts create congestion and give rise to safety concerns. Road signage close to borders is poor, especially in Central Asia.
- 9) Most of the internal CIS borders do not contain a Customs Security Zone with restricted access, as takes place at the external CIS borders. This makes security more difficult to monitor and enforce.
- 10) Road and rail infrastructures are generally adequate, though there are some road problems, especially in the Caucasus. The road signage is poor, especially in Central Asia.

- 11) The current regulations do not allow the full benefits of bonded warehousing to be realised thus there is only a limited demand for such facilities. There are no road Inland Clearance Depots as the TIR parks do not have Customs clearance facilities.
- 12) Manning levels at most control points are adequate for the current labour intensive procedures. There may be an underlying level of overmanning but reductions in overall numbers could present problems at minor borders.
- 13) The general level of expertise is adequate, given the current repetitive nature of the work. It will be necessary to retain existing staff, as well as recruit new personnel. This may be difficult given the remote locations of many Control Points and the poor working terms and conditions.
- 14) Most borders work a 3 x 24 hour shift pattern with some small crossings having 48-72 hour changeovers. This long shift system contains inherent problems leading to lower productivity and makes the introduction of higher technology more difficult.
- 15) Most countries have a formal training scheme for new recruits and periodic testing for re-certification but there is a heavy dependence on on-the-job training. New skills will be required in the future, especially computer and language expertise.
- 16) Most control points are only provided with basic office furniture and a safe. Some new posts cannot be used because there is inadequate furniture. Air conditioners and heating are not available at many locations, even where harsh climatic conditions exist.
- 17) The introduction of computerisation at the border control posts is limited and this is generally concentrated at the main borders. Computers are used for statistical purposes by entering of registration data. In many cases printers have not been supplied. There is a shortage of trained staff to enter and process the data.
- 18) The telephone system at most control points is unreliable and cannot be used for transfer of data via EDI. The main problems appear to be within the localised telephone system with connections between entry and exit borders being unobtainable. The rail posts use the rail telephone system, which is reliable for internal system calls but is difficult to connect to the external system. Radios are more reliable but not widely used.
- 19) The reliability of power supply is a problem at most borders, given that many control points are distant from large conurbations. There are particular difficulties at the smaller remoter posts which suffer from regular power shortages in the winter.
- 20) There is a critical shortage of control, detection and testing equipment in the region. Previous assistance has been wasted due to lack of training and access to batteries. There are particular

problems related to drugs, arms and nuclear material movements which the personnel at the control points recognise occur but they lack the resources to combat.

- 21) The current border control point procedures are complex and labour intensive and lead directly to delays and increased transport costs. The major problem is the requirement to produce complete clearance documentation packages, even though the cargo is not being cleared.
- 22) Current border transit times are 20-30 minutes for a truck and 2 hours for a train. This is adequate at most borders, given the relatively low volumes of traffic. However, it is not sufficient at major borders where such performance results in delays. It will also be inadequate for future needs as traffic levels increase.
- 23) There are normally 5-9 different organisations represented at a border control point. There is considerable duplication of activities at many borders and a lack of clearly defined functional responsibilities. There is no concept of an integrated border service.
- 24) Investment is required at TRACECA border control points to bring them up to international standard. This consists of construction and refurbishment of buildings, upgrading of infrastructure, and provision of equipment. Preliminary estimates indicate a budget of approximately 11.5 million ECU.

#### Main Recommendations

- 1) It is recommended that, where a border is designated as an international road transport border, there should be no discrimination of usage based on the nationality of the road transporter - equal rights should apply to CIS and non-CIS carriers.
- 2) It is recommended that investment be provided to complete the fitting out of major border posts to reflect a positive image to both customers, freight and passenger, and to the staff based there. The allocation and layout of the rooms should reflect the process flow of the activities performed. New facilities should be designed using the "Form follows Function" concept to improve efficiency.
- 3) It is recommended that investment be provided to fit out new and refurbished medium sized control points and that a limited investment programme should be considered to construct new facilities on a prioritised basis.
- 4) It is recommended that a limited investment programme be considered to up-grade or provide permanent structures at some of the minor posts to improve the performance and the working environment of the staff assigned to these posts. The concept of joint Customs control points should be considered.
- 5) It is recommended that an investment plan to refurbish and construct new buildings at rail control points be considered. This will require formalisation or alterations to existing lease and rental agreements to ensure the security of the tenure.



- 6) It is recommended that investment for internal refurbishing and redesign of the layout of the port offices in Georgia be considered and that new facilities be constructed at both Baku and Turkmenbashi at the entrance to the terminal, rather than being adjacent to the ramps. This may require formalisation or alteration to existing lease and rental agreements to ensure security of tenure.
- 7) It is recommended that the roads at the main TRACECA borders be widened to allow three approach lanes - one for cars and buses, one for rapid clearance freight (TIR or empties) and one for standard freight. The length of the widening depends on the projected volumes of freight traffic. The development of border parking zones is only recommended if the majority of the border procedures can be undertaken on that site so as to significantly speed up the physical movement through the border control point.
- 8) It is recommended that road border control points be sufficiently spaced to ensure separation of traffic flows transiting the border and that planning restrictions be imposed on commercial development in the area between the posts. Road signage should be improved close to the border indicating the border name and direction.
- 9) It is recommended that consideration be given to introducing restricted access areas at the internal CIS borders, in line with those at the external borders. The exception to this would be where a common customs area is created for the specific purpose of simplifying control procedures.
- 10) It is recommended that consideration be given to designating the TRACECA route by a unique road number, such as with E-Roads in Europe, in addition to national road classification numbers. This would give the route international identity and assist drivers in following designated routes to the borders.
- 11) It is recommended that some TIR parks become approved Inland Clearance Depots (ICDs) with a permanent Customs presence giving a full cargo clearance capability. Approval of more bonded warehousing is also required following adjustments in regulations.
- 12) It is recommended that Management Information System workload measuring systems be developed and used in manpower planning at the borders. Both traffic levels and registrations should provide outline measuring systems. Reductions in staffing at border control points should be based on workload, rather than current total manning levels.
- 13) It is recommended that staff retention as well as recruitment programmes for Customs officers be developed. This may involve such measures as staff rotation between posts and regional offices, different shift patterns and promotion scheduling.
- 14) It is recommended that alternative shift patterns be examined at the main borders which are located near population centres. It is considered that shorter shifts would be more productive, particularly as

- the nature of the work at the border becomes more specialised and focused. Limited opportunities for change exist at the smaller control points.
- 15) It is recommended that increased emphasis be given to training Customs officers to provide them with a wider range of skills, including computer and languages, as well as the standard teaching in Customs legal and regulatory matters, documentation and control procedures.
  - 16) It is recommended that any control point refurbishment programme include a provision for the supply of office furniture as part of the fitting out process.
  - 17) It is recommended that computers and printers be provided at all major and medium crossings and that all officers have appropriate training in basic keyboard skills. The initial function would be the on-line registration of documentation and production of transit/transfer slips so that it becomes a "live" entry system. The programmes should include a local MIS package to assist in managing the post. All programmes should be to international standard to allow later connection to a full National Trade Data Transfer System.
  - 18) It is recommended that consideration be given to the installation of satellite phone systems and facsimile machines at the major TRACECA borders, that city or town lines are extended to border posts wherever possible and that, where reliable phone lines cannot be connected, a reliable radio system is installed.
  - 19) It is recommended that all border posts be equipped with a stand-by generator capable of providing emergency power, with an appropriate supply of spares. These generators should be of types available in the local market to ensure continuity of spare parts and ease of maintenance. Central Customs should allocate sufficient funds for fuel with an appropriate control mechanism. All computers should be fitted with UPS and power stabilisers to allow for loss and fluctuations in power supplies.
  - 20) It is recognised that there is a need to provide assistance to combat trade in drugs, arms and nuclear materials but this should be the focus of a more specialised report to assess the specific requirements. The lack of such resources does not affect trade facilitation.
  - 21) The recommendations in the "Trade Documents and Customs Procedure Report" propose a simplified procedure whereby the Customs control post becomes a limited checking point sufficient to record traffic only. A simplified documentation package would be required consisting only of the Cargo Declaration being used as a Community Transit (CT) document or TIR document and a Transit Advice Note. The production of support documentation should not be required except at the point of final clearance for imports and at the point of dispatch for exports. A similar system is recommended for rail traffics.
  - 22) It is recommended that border transit procedures be simplified and standardised with inspection only of key transit documentation. This would reduce processing times to approximately 5 minutes per vehicle which would give a substantial improvement in performance. Rail procedures could also be simplified to give 1 hour clearance.

- 23) It is recommended that clear lines of responsibility be established at border control points and that an integrated service be developed to provide a simplified border transit service with fewer organisations present and improved co-ordination between the parties on-site.
  
- 24) It is recommended that a prioritised investment programme be initiated to promote immediate and long term development of the border control points in such a way as to support development of the TRACECA corridor as a whole.

## 1. INTRODUCTION

The Customs control points are an important feature in international through transport logistics and are critical in the development of any successful surface transport corridor. This is because they represent a break or separate link in the transport chain involving a temporary delay or "dwell time" when the cargo is not physically being moved. Such delays in transport movements incur additional costs to the transporter which have to be recovered from the user.

The incidence and length of these delays at control points are especially critical in assessing the viability of using a particular transport corridor by traders and transporters, particularly if that corridor involves transit through several countries. Transportation along the east-west TRACECA corridor will, in most cases, require the crossing of more border control points than using the current north-south transport corridors. It is essential to the longer term viability of TRACECA that traffic can pass quickly and efficiently through these points, thus minimising dwell time and additional transport costs. Only if this can be achieved will the corridor be competitive.

The significance of the Customs control points was clearly indicated in the Terms of Reference (TOR). They required a specific study with the objectives of "identifying the principle surface transport Customs control points within and around the region and to analyse common problems as well as those specific to each". The TOR further indicated the specific nature of the task as follows: "The task will contribute a detailed analysis of concrete needs, for other components of the project, as well as studying specific actions or investments which might be required at border crossings and other bottlenecks which impede trade".

In particular the TOR required the Consultant to identify and visit all principle surface transport border crossings and Customs control points to examine the Customs infrastructure, equipment, personnel and procedural systems. The objective was to provide an overview of the existing situation cataloguing the Customs control points and proposing improvements to the existing installations and procedures at pre-feasibility level. Proposals were to cover:

- Infrastructure
- Data processing and telecommunications equipment
- Control, detection and testing equipment
- Staffing and training
- Consideration of the sufficiency and geographic disposition of Customs control points, bonded warehouses and similar infrastructure across the region.

The TOR background indicated "considerable congestion at some borders". The project team travelled extensively throughout the whole of the TRACECA region and can confirm that in general these delays are occurring at the external borders to the CIS, rather than on the corridor. Problems exist at all the borders to or from Turkey, Iran, Afghanistan and China which result in significant transport delays and extra operating costs to carriers. There was also evidence of delays at the Russian border crossings. The delays or "dwell time" incurred when crossing the internal TRACECA regional borders were much less. The main exceptions to this were the Trans-Caspian ferry crossing points and certain key crossings in Uzbekistan where delays exceeding 24 hours can regularly occur. The specific reasons for this are discussed later in this report.

The methodology used to accomplish the task is described in Section 2. The approach was essentially practical in nature involving a comprehensive visit programme, maximising the involvement of members of the National Trade Task Force (NTTF) in each country. It also required the active participation of those most affected by potential border delays - the transporters - and those most affected by any recommendations - serving officers at the border control points.

The Consultant would like to place on record their appreciation for the assistance of all these personnel, many of whom are operating under difficult working conditions. Their input to the study was an important element in understanding the current situation in the context of the local environment. This was essential to the process of assessing the potential options for change.

## 2. METHODOLOGY

### 2.1 General Approach

The methodology used for undertaking this task was to adopt the Logical Framework Approach being applied to TACIS projects. Using this approach inputs were identified to meet defined objectives leaving the final output in the form of an inspection report. The process placed particular emphasis on the maximum involvement of local personnel, especially those most affected by the problems and by the potential changes resulting from implementation of the recommendations.

The active participation of three main parties in each country was considered important:

- the Customs and/or forwarding specialist of the National Trade Task Force (NTTF)
- Customs officers at the control points and their regional controllers
- transport organisations and their drivers who regularly cross these borders

The study was essentially practical in nature and therefore required visits to be made by both the Consultant and the NTTF representative.

### 2.2 Selection of Customs Control Points

The Terms of Reference specifically required visits to the principle border control points. There are three main types of control point:

#### *Border Posts*

These posts control the movement of freight from one country to another across a national border. They process import, export and transit traffic flows.

#### *Road Posts*

These posts monitor the movement of international transport along selected roads within national boundaries. They are mainly located at provincial boundaries or on the approaches to major cities.

#### *Regional Clearance Posts*

These posts undertake the final clearance of import traffic or initially enter export traffics.

This study has been concentrated on the border posts. This is the type of control point located at national interfaces where significant delays can arise and which therefore influence the routing decisions made by major transport organisations. The delays can arise at either of the other two types of control points, irrespective of which transport corridor is utilised and they are therefore less significant in route selection. It is the perceptions of the service levels at the border crossings which will be a factor in persuading transporters and traders to send their cargoes along the TRACECA corridor.

The road posts are placed on all the main strategic routes in each country. Their primary role is to act as a control mechanism over the movement of uncleared international traffic within national boundaries. They monitor goods being transferred between the border post and the regional clearance post, or vice versa, and traffic transiting the country. The objective of the control is to ensure that cargo which is uncleared does not come into circulation for sale without payment of appropriate duties or inspection. There are reservations on the effectiveness of such procedures and as to whether it reflects a continuation of command economy controls, rather than achieving its objectives in a market economy. Under the recommendations in the "Documentation and Customs Procedures Report" the proposals to increase the use of TIR and develop a Community Transit system containing guarantees should eliminate the need for many of these posts. In view of the large numbers of such posts, the similarity of routines and their questionable long term future, it was decided not to undertake detailed inspection of such facilities, though their activities were observed during the visit programme.

The regional clearance posts are usually located within the Customs Regional Headquarters building. They are the points where the documentation is presented to either obtain final clearance of import traffic or to obtain clearance to move export cargo. It is recognised that significant delays can occur at such control points. However, these occur irrespective of which corridor is used. The main problems relate to procedures, and to a lesser extent documentation, rather than lack of infrastructure or equipment. The "Documentation and Customs Procedures Report" addresses problems at these clearance posts.

A total of 30 borders on the TRACECA corridor were identified in the Inception Report following initial discussions during the Extended Appraisal Mission. More detailed analysis of border crossings indicated that road and rail borders had separate facilities and that both types should be inspected. Discussions with the Customs Administrations led to requests that the visit programme should be extended to include all major border crossings. The reason was that it was considered important that the potential development of TRACECA border crossings was evaluated in the context of national requirements, rather than appraised in isolation. It was therefore agreed that a more extensive survey would be undertaken which would also include visits to main non-TRACECA borders. This resulted in a total of 73 border posts being covered by the survey of which 65 were visited by the project team, accompanied by NTTF experts.

### 2.3 Data Collection Methodology

The Terms of Reference required physical visits to the Customs control points. The option of collecting information using a structured questionnaire was considered. This was rejected for a number of reasons:

- lack of centralised data on the required aspects
- difficulty in distribution and collection of questionnaires from remote locations
- probable lack of standardisation in response, thus making comparisons between countries and borders difficult
- inability to validate data
- necessity to appreciate specific environmental situation.

It was decided to use a structured interview format during the visits to each border and to collect comparative data relating to those posts where access could not be undertaken within the timeframe of the programme or for security reasons. The structured interview format is reflected in the individual border posts survey shown in Appendix 1.

The information provided through the adoption of the structured interview format included the following:

#### *Surface Transport Customs Control Points*

This introductory section identified the country, the local name of the crossing, the interfacing countries and name of partner border post, the transport mode covered, whether it was currently operational, the working hours, whether it was located on the TRACECA corridor and whether it was considered to be a major or minor crossing.

#### *Annual Traffic Levels*

This section indicated approximate traffic flows in terms of estimated tonnage and numbers of vehicles or rail wagons. There was no data available on tonnage and therefore a multiplier was used based on the average truck or rail wagon capacity using that crossing. Also included was some outline data on the main types of cargo, the origin/destination of the traffic and the nationality of the main transporters using that border.

It should be noted that the traffic volumes were indicative, based on information provided during site interviews. Cross checking with registration books was made wherever possible, but the primary objective was to identify the relative importance of the crossing, rather than to collect detailed information on traffic flows.

Estimates had to be made by the Consultant where support documentation was not available. Some flow balancing allowances also had to be made due to differing estimates being provided by the posts either side of the border.

#### *Infrastructure*

This section gave a general description of the crossing, its location and the Customs buildings. An assessment was provided of the overall border site and its immediate environs. Due to the need to travel to each site, an outline appraisal of the road/rail network has also been included. These aspects will be covered in more detail by the respective TRACECA projects covering road and rail infrastructure.

#### *Human Resources*

This section identified the total number of staff allocated to a particular post, their working patterns, indications of their levels of experience, staff turnover and the training systems used for instructing new personnel.

#### *Equipment*

This section indicated the extent of the equipment provided at the post to enable the staff to carry out their designated activities. This included information on office equipment, computers, printers, copiers, assessed the reliability of power and telecommunications and identified the availability of testing and control equipment.

#### *Procedures*

This section only indicated any deviations from the standard Customs procedures adopted in that particular country. The main description of the procedures is included in the "Documentation and Customs Procedures Report".

#### *Performance*

This section attempted to estimate the average border crossing time. From the interviews it was clear that the border activity was not perceived as an integrated service and that each organisation represented at the border could only estimate the time taken to complete their particular procedures. It has therefore been necessary to make some adjustments to the timings - "dwell times" - to reflect the total time taken to pass through the crossing post.

#### *Other Processes undertaken at the Border*

This section identified the other organisations who either had a presence within the Customs border zone or had a control station within 1 km of the border. The procedures undertaken by these other parties affects the overall dwell time incurred at the crossing.

#### *Constraints /Problems*

This section indicated the current problems either at the border posts or within the immediate environs. The information is based on assessments made by the local staff, supplemented by input from the project team.

#### *Recommendations*

This section makes recommendations for the provision of infrastructure, equipment and alterations in procedures. These are mainly based on requests made by local personnel, supplemented by additional recommendations by the project team. Each border is evaluated in terms of its specific needs based on the supposition that sufficient funding could be made available. It is recognised that the needs of individual Customs control points have to be later evaluated and prioritised in the context of the requirements of all crossings and it is therefore appreciated that many of these recommendations may not be realisable in the short term. Section 5 - Basis of Prioritisation and Investment - of this report addresses the balance of the needs between the control points.



## 2.4 Border Control Points Surveyed

A total of 73 Customs Control Points were surveyed using the structured interview sheets. These were as follows:

(T=TRACECA Border Crossing, NT= Non TRACECA Border Crossing, V= Visited by Project Team)

<u>Country</u>	<u>Border Crossing</u>	<u>Mode</u>	<u>Classification</u>	<u>Visited</u>
Armenia	Agarak	Road and Rail	T	-
	Akuzik	Road and Rail	NT	-
	Ayrum	Rail	T	V
	Bagratashen	Road	T	V
	Bavra	Road	T	V
	Ejavan	Road and Rail	T	V
	Gogavan	Road	T	V
	Meghri	Road	NT	V
	Nyuvadi	Road and Rail	T	-
	Yeraskh	Road and Rail	T	-
Azerbaijan	Astara	Road	NT	V
	Baku	Port	T	V
	Belasuvar	Road	NT	V
	Bouk Kasek	Rail	T	V
	Julfa	Road	NT	-
	Qirmizi Korpu	Road	T	V
	Saderak	Road	NT	-
	Samur	Road	NT	V
	Yalama	Rail	NT	V
Georgia Batumi		Port	T	V
	Gardabani	Rail	T	V
	Guguti	Road	T	V
	Kazbegi	Road	NT	V
	Krasni Most	Road	T	V
	Lagodekhi	Road	NT	V
	Ninotsminda	Road	T	V
	Ochoshani	Road	NT	V
	Poti	Port	T	V
	Sadakhlo	Rail	T	V
	Sarpi	Road	NT	V

Kazakhstan	Aktau	Port	T	V
	Druzbha	Road	T	V
	Druzbha	Rail	T	V
	Fetisovo	Road	NT	V
	Khorguz	Road	T	V
	Korday	Road	T	V
	Lugovoye	Rail	T	V
	Merke	Road	T	V
	Zhivék Zholy	Road	T	V
Kyrgyzstan	Akzhol	Road	T	V
	Bishkek	Rail	T	V
	Chaldovar	Road	T	V
	Dostuk	Road	(NT)	V
	Irkeshstan	Road	(NT)	-
	Osh	Rail	(NT)	V
Tadjikistan	Aivaj	Road	NT	V
	Hoskadi	Rail	T	V
	Iskra	Road	NT	-
	Pakhtbad	Rail	T	V
	Patar	Road	(NT)	V
	Platinum	Road	T	V
	Post No 1	Road	T	V
	Sarazm	Road	T	V
Turkmenistan	Artyk	Road	NT	V
	Farap	Road	T	V
	Farap	Rail	T	V
	Sarakhs	Road and Rail	NT	V
	Turkmenbashi	Port	T	V
Uzbekistan	Alat	Road	T	V
	Anderhan	Road	(NT)	V
	Dustlic	Road	(NT)	V
	Farkhod-Bekabad	Road	T	V
	Gagaba	Rail	T	V
	Gisht-Koprik	Road	T	V
	Gulbakor	Road	(NT)	V
	Jarpeta	Road	T	V

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Kaggan	Rail	T	V
Ravot	Road	(NT)	V
Savay	Rail	(NT)	V
Sarasy	Road	T	V
Sarasy	Rail	T	V
Shumilova	Rail	T	V

Detailed Survey Reports on each of the above crossings are shown in Appendix 1.

The current TRACECA corridor is shown in Fig 1. This indicates that the corridor through northern Tadjikistan finishes at Hodjent, rather than continuing through to the fertile area in eastern Uzbekistan and southern Kyrgyzstan. If the corridor were later extended to cover this area and the new route through to China, then those borders designated (NT) would become TRACECA control points.

### 3. REGIONAL OVERVIEW

This section presents an overview of the Customs control points on a regional basis identifying and examining common problems and issues throughout the TRACECA corridor and the countries through which the corridor passes.

#### 3.1 Border Control Point Classification

The border control points are there to fulfil a statutory role as defined by each Government in its legislation and Customs Codes. This is primarily to control the movement of imports, exports and transit cargoes as they either enter or leave its national territory. The infrastructure, equipment and human resources necessary to perform this function will vary according to the volume of traffic passing through the control point. Each country has a mixture of major crossings with high passenger and freight flows and minor crossings with low traffic levels. Investment in border posts has naturally tended to be concentrated on modernising or upgrading the major posts, leaving limited funding to invest at the minor posts.

The main border crossings in the region are shown in Fig 2. For comparative purposes, the classification has been based on the following parameters:

Road:	Major crossing -	more than 150 trucks per day or 60,000 trucks per year
	Minor crossing -	less than 150 trucks per day or 60,000 trucks per year
Rail:	Major Crossing -	more that 1 million tonnes per year
	Minor crossing -	less than 1 million tonnes per year

Localised traffic movements have been excluded from the classification.

Based on these classifications, the following are the major regional crossings:

Armenia	Meghri border with Iran	Non-TRACECA
Azerbaijan	Bouk Kasek border with Georgia	TRACECA
Georgia	Batumi Port	TRACECA
	Gardabani border with Azerbaijan	TRACECA
	Kazbegi border with Russia	Non-TRACECA
	Poti Port	TRACECA
	Sarpi border with Turkey	Non-TRACECA
Kazakhstan	Druzgha border with China	TRACECA
	Korday border with Kyrgyzstan	TRACECA
	Lugovoye border with Kyrgyzstan	TRACECA
	Zhivek Zholy border with Uzbekistan	TRACECA
	Aktau Port	TRACECA
Kyrgyzstan	Akzhol border with Kazakhstan	TRACECA
	Bishkek border with Kazakhstan	TRACECA
Turkmenistan	Farap (rail ) border with Uzbekistan	TRACECA
	Farap (road) border with Uzbekistan	TRACECA
	Sarakhs border with Iran	Non-TRACECA
Uzbekistan	Alat border with Turkmenistan	TRACECA

Gisht-Koprik border with Kazakhstan	TRACECA
Kaggan border with Turkmenistan	TRACECA
Shumilova border with Kazakhstan	TRACECA

The major crossings in the region may therefore be summarised as follows:

#### Caucasus

- 1 TRACECA crossing - the rail border crossing between Azerbaijan and Georgia
- 2 TRACECA ports in Georgia
- 3 Non-TRACECA crossings into Russia, Iran and Turkey

#### Central Asia

- 6 TRACECA internal regional road and rail borders between Kazakhstan and Uzbekistan, Kazakhstan and Kyrgyzstan and Turkmenistan and Uzbekistan
- 1 TRACECA external border- the rail border between Kazakhstan and China
- 1 TRACECA port in Kazakhstan
- 1 Non-TRACECA border - the road border between Turkmenistan and Iran.

In addition to the above, there are the major non-TRACECA border crossings between Kazakhstan and Russia.

### 3.2 Annual Traffic Levels

The Customs control points maintain records of traffic passing through the frontier. This is generally undertaken using a series of registration books - import, export, inward transit and outward transit. This is normally a manual entry operation, though some of the larger borders are now provided with computers to enter the information at a later stage for statistical purposes.

It was noted that the officers manning these posts rarely had an immediate response to requests on throughput, even on a daily basis. It was only in response to discussions and inspection of the registers that data could be obtained. Where computer records existed, there was no summary function in the programme which produced flows over monthly or annual periods. It is clear, therefore, that the completion of registers has become a routine clerical function and the data is not used for planning or for statistical purposes at control point level. The traffic information from the interfacing posts was never compatible and adjustments had to be made.

The data on the traffic flows was required to identify the demand levels, though in practice there was no specific evidence to indicate that manning or investment priorities were based on such data. The origins and destinations were important to identify short and long distance traffic movements and how much of the journey was along the TRACECA corridor. The current main traffic flows are as follows:

Armenia	-	south/north from Iran by road
Azerbaijan	-	west/east from Turkey by road
	-	east /west to/from the Georgian ports by rail
Georgia	-	east/west between the Georgian ports and Azerbaijan by rail
	-	west/east from Turkey by road
	-	north/south to/from Russia by road
Kazakhstan	-	north/south from Russia and Europe by road and rail
	-	south/north from Iran and Turkey via Uzbekistan by road

- west/east to China from Kazakhstan and Russia by rail
- Kyrgyzstan - east/west to/from Russia and Kazakhstan by road and rail
- south/north from Turkey and Iran by road
- Tadjikistan - north/south to/from Russia and Kazakhstan by rail
- west/east from Turkey and Iran by road
- Turkmenistan - south/north from Iran and Turkey by road
- Uzbekistan - north/south from Russia and Europe by road and rail
- south/north from Iran and Turkey by road

It can be seen that the main trade routes are to/from Russia, China, Iran and Turkey and that the key borders are the external frontiers. There are relatively low volumes moving through the total length of TRACECA corridor, but significant traffic transits along sections of the corridor as part of another route. There are large volumes moving along the corridor in the Caucasus and in Central Asia north of Chardzhou. The Caspian Sea represents a major break in the corridor and most of the traffic between the two regions or from Turkey is being routed south through Iran. Almost the only traffic moving along the length of the corridor is alcohol moving from Turkey or Poti to Central Asia which is not allowed to transit Iran. The northern spur via Aktau is used only for rail movements.

The data on the nationality of the road transporters indicates the dominance of the Turkish and Iranian transporters in the international road transport market. In the Caucasus, there are relatively few heavy vehicles (over 16 tonnes carrying capacity) owned by national carriers. In Armenia, there is almost no heavy transport crossing the borders, except some Iranian trucks in the south. In Georgia, most heavy transport is Turkish trucks coming into Georgia or transiting through to Azerbaijan. Georgian transporters with large trucks tend to concentrate on container transport centred on Poti, with the occasional through movement to Azerbaijan. In Azerbaijan, the main heavy transport is either Turkish vehicles coming in from Georgia or Iranian trucks coming up from the south. Azerbaijan international transporters tend to concentrate on movements up to Russia, rather than using the corridor. The situation is similar in Central Asia with the international road market dominated by either the Turkish or Iranian carriers, although north of Samarkand there are more Russian and European trucks which transit using the northern route through Russia. There are national heavy transport fleets in Kazakhstan, Kyrgyzstan and Uzbekistan. These tend to concentrate on traffic between neighbouring countries or to Russia and through to Europe. Only Uzbekistan has some heavy transport travelling along the southern route into Iran.

The main activity at the borders is the processing of CIS trucks travelling relatively short distances, (not multi border transits), and long distance international carriers, mainly Turkish or Iranian with an occasional CIS vehicle. Most Turkish trucks are travelling under the TIR carnet system. Iran is not using TIR, though most trucks are marked with the TIR plates. They are almost all travelling using the CMR note as the master document. At many borders the CMR was used as if it were a TIR carnet. Most countries limit the numbers of border control points which can accept international freight traffic but only Uzbekistan has adopted some separate border routings for CIS and non-CIS transporters.

It is recommended that where a border is designated as an international road transport border that there should be no discrimination of usage based on the nationality of the road transporter - equal rights should apply to both CIS and non-CIS carriers.

### 3.3 Infrastructure

#### 3.3.1 Buildings

There were wide variations in size and standard of the border control points as would be expected over such a wide geographical area, subject to different economic conditions. In general, there were five main categories of border:

- Major road - large border posts handling over 150 trucks per day
- Medium road - border posts handling 50-150 trucks per day
- Minor road - border post handling under 50 trucks per day
- Rail posts
- Port Offices

#### *Major Road*

At most of the major crossings the national Government has provided some investment in the last few years to construct new buildings. The main concept design used is for a central administrative building with traffic lanes either side, each provided with overhead canopies, elevated walkways and inspection pits. The buildings are normally constructed with stone, except in Georgia where prefabricated steel structures have been used.

Externally these buildings are in good condition, but most have not been completed internally, in terms of fitting out of offices and decoration. Thus, the image created by the external facade does not reflect the internal environment where Customs are working and interfacing with transporters. In general, these facilities have been designed to create an external image and therefore used "Form", rather than "Function", as the predominant architectural basis.

A Customs control point is there to perform a process function. The normal system used in western countries in design would be to examine the process requirements - "the Function" - and then provide a structure covering that process - "the Form". This design system is known as "Form follows Function" concept. Using this system, the internal layout reflects the process and the various elements of the process follow in a logical sequence. For example, a driver enters one end of the building and proceeds along a series of desks to undertake a sequence of activities and comes out the other end cleared to continue the journey. The prefabricated border structures in Georgia are generally based on this design concept. However, at most of the major borders the internal layout does not correspond to the process leading to confused activity flows and congestion within the building.

The only major road borders on the TRACECA route where new facilities have either not been completed or are under construction are in Kazakhstan. The most important is at Zhivek Zholy on the border with Uzbekistan. An area approximately 3 kms to the north of the existing site has been allocated but no evidence of detailed planning and finance was available. The border into Kyrgyzstan at Korday is also scheduled for redevelopment. However, the development of the common Customs area covering Kazakhstan, Kyrgyzstan, Russia and Belarus is expected to significantly reduce the border process and therefore the demand for major border facilities to be constructed may change.

It is recommended that investment is provided to complete the fitting out of major border posts to reflect a positive image to both customers, freight and passenger, and to the staff based there. The allocation and layout of the rooms should reflect the process flow of the activities performed. New facilities should be designed using the "Form follows Function" concept to improve efficiency.

#### *Medium Road*

There has been some level of investment at these crossings. The scale of the investment tends to reflect the amount of finance which the respective Government can or is able to allocate to the Customs Authorities. For example in Uzbekistan, new facilities are being constructed at all of the medium sized borders, whereas in the Caucasus investment is more limited. In most cases where new buildings have been provided or existing buildings refurbished, they are incomplete and wait fitting out internally, including decoration.

Most of the medium sized crossings consist of a single building, often shared with another organisation. The building is at one side of the road and the controls are provided by various types of barriers. Many have roadside booths representing Customs, Border Guard, Police, Veterinary etc. The design layout is less

important as the volumes of people and freight for processing is lower and therefore less dependant on process flow techniques to avoid congestion.

As indicated, there are significant variations in investment and additional financial resources are needed to complete, refurbish or replace buildings at these borders. Where there has been a lack of funding, existing offices are in poor condition, though most are structurally sound. The issue of which borders require this investment is addressed in Section 4 - National Overview.

It is recommended that investment is provided to fit out the new and refurbished medium sized control points and that a limited investment programme is considered to construct new facilities on a prioritised basis as indicated in Section 5.

#### *Minor Road*

These Customs control points are usually in remote locations on relatively minor roads. At the majority of such crossings, the Customs buildings are temporary structures which are being used as permanent buildings. They consist of one or two timber or metal "mobile office" units, often split into working and sleeping areas.

Most of the units are in poor condition and in need of replacement by a permanent structure. Customs officers and other site personnel are providing maintenance and some construction work themselves where access to central or local funding is not available. No internal fitting out work has been undertaken, partly because they were initially installed as a temporary facility.

It is recognised that investment in infrastructure at these control points is difficult, both to provide funds and justify the expenditure, given the current economic conditions in the region and the requirement to find funding for the larger control points. Most countries accept that these small posts are vital in controlling the import or transit of contraband and illegal traffics which often tend to be routed by smugglers towards these minor crossing points.

The funding difficulties would suggest that consideration should be given to operating joint border control points containing Customs from both countries. This would be particularly appropriate at the small remote posts where low traffic levels make justification of investment funding difficult.

It is recommended that a limited investment programme is considered to up-grade or provide permanent structures at some of these minor posts to improve the performance and the working environment of the staff assigned to these posts. The concept of joint border posts should be considered.

#### *Rail Posts*

The main requirement for a rail Customs control point is that it is adjacent to the rail operations offices and the border marshalling yard. As a result, most rail border posts are located either within railway buildings at the border station or in an area allocated by the Rail Authorities for offices on the passenger platform, or in the border marshalling yard.

The most common control point is located in rented rooms within an existing rail office building. Due to the historical importance of the rail system in Soviet times, the buildings are generally of reasonable quality and are structurally sound. External maintenance has been undertaken, but the internal condition of the offices has deteriorated. Customs have usually not invested in the offices, internally or externally, because of the temporary nature of the lease or rental arrangements. Any refurbishment would require longer term agreements to ensure Customs remained in possession of their up-graded facilities.

Where no offices are available, the Rail Authorities have allocated an area where Customs can have their own facilities. These are usually at the far end of the main passenger platform or on spare ground adjacent to the marshalling yard. These structures are mainly temporary "mobile office" units which are in poor condition. In some cases, officers have constructed their own offices themselves on railway property.



There is clearly a need to invest in rail control points along the TRACECA corridor, as rail is expected to be the predominant mode in the short to medium term. There is some evidence to indicate that rail Customs are not perceived as being as important as either air or road Customs, possibly due to the reduced public interface. This may also be a reason for the lack of investment in rail Customs facilities.

It is recommended that an investment plan to refurbish and construct new rail Control Point buildings should be considered. This will require formalisation or alterations to existing lease and rental agreements to ensure the security of the tenure.

### *Port Offices*

The port Customs control points infrastructure consists of a central Customs office and sub-units at the port gate and on the various quays. The key requirement for the central office is to have a building which is located close to the port operations but which has good external access for forwarders, transporters etc. The main port offices at both Poti and Batumi are in separate buildings rented from the Port Authority. In Poti, this is on an external site close to the port gate and is ideally positioned. At Batumi, the office is inside the port, thereby limiting access. However, Batumi is a rail port and therefore public access is less. As with rail posts, the main buildings appear to be structurally sound and have been maintained externally, though internal works have been limited.

The security of tenure is considered an issue in that Customs are reticent about investing in facilities which they do not own and could be reallocated by the landlord. In practice, this is probably more of a perceived risk than a probability. The insides of these buildings require refurbishment and improved internal layouts reflecting the status of Customs and the changing nature of the processes.

The sub-units on the dock consist of booths or allocated areas of the shed where officers and forwarders can interface in connection with the examination and inspection procedures. There is limited requirement or justification for improved facilities, except at specialised terminals - container and ro-ro berths and the cotton warehouses - as they are developed.

At both Baku and Turkmenbashi, the Customs have a main office located outside the port area and a control post at the ferry terminal. The position of the ferry control post is adjacent to the landside end of the ramps. This creates congestion in the key cargo handling area and results in mixing of passenger and the road and rail cargo flows. This slows handling speeds and gives rise to safety concerns. The post at Baku consists of three separate buildings but at Turkmenbashi the post is combined into a single prefabricated steel structure.

It is recommended that investment for internal refurbishing and redesign of the layout of the port offices in Georgia should be considered and that new facilities be constructed at both Baku and Turkmenbashi at the entrance to the terminal, rather than being adjacent to the ramps. This may require formalisation or alteration to existing lease and rental agreements to ensure security of tenure.

### **3.3.2 Parking Areas**

At most border posts there is limited parking for trucks awaiting or undergoing processing. At the major and medium sized Customs control points, the road is wider on the approaches to the border. This allows trucks to park at the side and still leaves a single carriageway in each direction for passenger traffic.

There are significant parking problems at most major and medium crossings. The demand for parking is created by several different factors:

- Processing speeds - average Customs document processing times are 20-30 minutes per truck. Most posts can also only process one truck at a time, thus leading to extended border "dwell" times
- Lack of streaming - all trucks are initially processed in the same manner, even if empty or travelling under TIR carnets so there is no "streaming" to speed up traffic.
- Multi-organisational presence - the Customs are only one of the organisations present at a border crossing. Delays occur with the other authorities or at the interfaces between them.

- Convoys - the use of the Customs or police convoy system for all or sensitive loads results in "bunched" arrival at the post or additional waiting time to form a leaving convoy.
- Security - due to security concerns on the road network, drivers tend to form their own convoys, thus incurring additional waiting time
- Rest periods - because border clearance is perceived as slow and will involve extended waiting, drivers tend to park-up for rest periods at the border so as to avoid losing driving time.

All of these factors combine to result in congestion at the control points with queues of trucks at the side of the road. At the busier crossings the road width is insufficient to allow for this extra parking requirement and the road becomes difficult to access for passenger as well as freight traffic.

Some crossings have a truck or TIR park within 300 metres of the border post. This theoretically reduces the roadside congestion on the approaches to the post. Drivers have to walk up to the post to undertake the preliminary border processes and therefore there is a mix of pedestrian and vehicle flows. Current procedures do not enable a full transit clearance to be obtained and therefore some limited roadside waiting is still incurred on the final movement through the border. There are security concerns at TIR and truck parks because drivers are not always in attendance.

At the minor crossings the road is narrow and vehicles usually park on the road, thus restricting the road to one lane. Whilst this is not recommended practice, this is usually not a major problem since the numbers of vehicles parked is low and other conflicting road traffic is limited.

The rail control posts are usually located in the vicinity of the border sidings. In general, there are sufficient rail sidings relative to the overall volume of rail traffic and current quality of service being provided. The availability of sidings and marshalling areas will be addressed by the respective TRACECA rail projects.

It is recommended that the roads at the main TRACECA borders are widened to allow three approach lanes - one for cars and buses, one for rapid clearance freight (TIR or empties) and one for standard freight. The length of the widening depends on the projected volumes of freight traffic. The development of border truck parks is only recommended if the majority of the border procedures can be undertaken on that site so as to significantly speed up the physical movement through the border control point.

### 3.3.3 Site Access

There are few problems on site access, apart from the parking problems discussed above. Some sites suffer from loss of road surfacing due to the large numbers of trucks manoeuvring in the immediate area. Where roadside parking is taking place there are additional problems with loss of edging resulting in uneven surfacing.

Most interfacing border control points are set sufficiently far apart from each other to ensure that traffic does not back up from one post to another. The posts are usually several kilometres from their interfacing post and are often out of vision. However, there are exceptions to this which present specific problems.

Few of the border control points have a restricted Customs Control Zone. They are therefore open to the public. The area between the borders can become congested by market activities, either trading between communities both sides of the border, or providing services to transporters who are waiting to cross. This creates congestion and can present major road safety and site security concerns. Two examples are the congestion at Red Bridge between Georgia and Azerbaijan where a trading market exists at one end of the bridge and the trading area between the Zhivek Zholy (Kazakhstan) and Gisht-Koprik (Uzbekistan). It is noted that both Uzbekistan and Kazakhstan plan to build new border facilities away from the conurbation to separate market and border post activities.

The new border posts at Alat (Uzbekistan) and Farap (Turkmenistan) are less than 1 km apart. Current congestion at the Uzbek border is resulting in traffic backing up from Alat through the Turkmen border. It is hoped that this is a temporary problem during the construction of Alat. This border is already subject to congestion risks because of the restrictions created by the Amu-Darya pontoon bridge.

Rail posts are usually spaced well apart as they tend to be located at the last main station before the border. Road access is often difficult requiring the use of minor roads, many of which are in poor condition. This is a problem if continuance of current Customs procedures leads to the requirement to resolve disputes at the border crossing. This results in traders and forwarders having to physically visit facilities which are difficult to access by road.

A significant problem for foreign, and even national, drivers is poor road signage in the vicinity of the border. This tends to be more of an issue in Central Asia than in the Caucasus. Signage at or through the last town is particularly poor, and at present is usually only in Cyrillic script and is therefore illegible to foreign drivers. This adds to transport costs because of extra running on wrong routes and the need to employ the same drivers each time, or use "routemasters" to map out routes for company trucks.

It is recommended that road border control points are sufficiently spaced to ensure separation of traffic flows transiting the border and that the area between the posts has planning restrictions in terms of commercial development. Road signage should be improved close to the border indicating the border name and direction.

#### 3.3.4 Site Security

Very few of the border posts on the TRACECA route contain a Customs Control Zone from which the public are excluded. The Border Guard are the security provider at most posts, though Police and Customs are responsible for security at some minor crossings. The external border control points do have restricted access.

Customs are concerned at the extent of public access at the internal CIS borders and the resulting risks. Trucks are parked up awaiting clearance and are often unattended as the driver is at the Customs post being processed. Theft is occurring in the areas adjacent to the border. Contraband movements are being carried across the frontier, particularly on the small local vehicles. It is recognised that it is significantly more difficult to monitor movements in an open unrestricted area.

It is recommended that consideration be given to introducing restricted access areas at the internal CIS borders, in line with those at the external borders. The exception to this would be where a common customs area is created whereby control procedures are considerably simplified.

#### 3.3.5 Adjacent Road/Rail Conditions

This subject is covered in detail by the respective TRACECA road and rail infrastructure projects. The condition of the road network, in particular, affects the routing used by drivers and thus the traffic flows. In general, the TRACECA road network is in reasonable condition. Lack of maintenance disciplines and restricted funding is evident in the incidence of potholing, corrugation and rutting which limits vehicle transit speeds.

The exception is in the Caucasus region, particularly Georgia and to a lesser extent Armenia. In Georgia, the road is in bad condition north of Batumi along the coast and on most roads to the Armenian border. The minor crossings in Armenia into Georgia are also in poor condition. In Turkmenistan the road around Mary and in Kazakhstan up towards China are both only in moderate condition. The northern route from Chimkent to Aktau is in poor condition in parts with extensive loss of surfacing.

It was noted that the following crossings are constraints to TRACECA in that damage to them could close the corridor without an easy alternative route:

- pontoon bridge over the Amu-Darya river in Turkmenistan
- rail bridge over the Amu-Darya river in Turkmenistan
- Red Bridge road crossing between Azerbaijan and Georgia.

It is noted that a review of the Amu-Darya crossings is contained in the TRACECA rail infrastructure project.

The rail infrastructure problems mainly appear to be reflected in restricted transit speeds. There is no evidence that border delays affect the overall performance of the rail system, though specific instances do occur.

Road signage is a major problem as indicated in Section 3.3.3. This is particularly significant on the approaches to the border but is also a common problem throughout the road network, especially in Central Asia. It is recommended that consideration should be given to the TRACECA road route being allocated a specific road number, such as with E-Roads in Europe, in addition to its national road number. This would give the route international identity and assist drivers in following designated routes to the borders.

### 3.3.6 Bonded Warehousing

The system of bonded warehousing and Inland Clearance Depots (ICDs) is not yet fully developed in the TRACECA region. The current Customs procedures limit the benefits and therefore demand for such facilities. In general, goods are either cleared at the border or move inland to the regional Customs office for final clearance. The Customs officers monitor discharge of the goods to warehouse, but in most cases it is physically cleared at that time. The Customs procedures to effectively monitor external warehouses is not fully established in most countries.

The TIR parks are essentially a secure parking area and may also act as a Customs monitoring point. However, most do not have full clearance facilities and are therefore not ICDs. The new facilities being developed in Ashgabat will provide an ICD service. Some borders have associated local bonded warehouses for cross border traffics and free trade zones. These are relatively limited operations at this stage.

It is considered that at present there are sufficient bonded warehouses to meet demand. More will be required if Customs regulations are altered to permit the benefits of bonded storage to be fully realised. An expansion in the provision of ICDs is expected as multi-modal transport becomes more established. The existing TIR parks could be developed into ICDs with limited capital expenditure.

It is recommended that some TIR parks become approved Inland Clearance Depots (ICDs) with a permanent Customs presence giving a full cargo clearance capability. Approval of more bonded warehousing is also required following adjustments in regulations.

## 3.4 Human Resources

The customs service in all of the countries on the TRACECA corridor is less than six years old. Whilst it was originally modelled on the old Soviet system, it is a service in transitional development. The respect and knowledge of Customs in the West has only evolved over many years. The problems associated with this lack of tradition and consequent respect in the TRACECA region is most apparent at the borders where officers have the greatest interface with the public.

### 3.4.1 Manning Levels

The manning levels at each of the Customs control points has been decided by central and regional Customs offices. It is theoretically based on the level of activity, although there is no evidence of such activity or measurement systems available for use in structured manpower planning. In general, there were limited indications given as to undermanning during discussions with officers at the various control points. In practice, this tends to suggest that there is therefore an underlying level of overmanning.

The manning requirements are related to the workload. The current border procedures are complex and labour intensive, requiring full inspection of all documents, as well as the vehicles. This will naturally result in a demand for high staffing levels. However, although border procedures are similar, there were significant differences in manning levels at interfacing border posts, where theoretically the workload should be identical. For example the manning at the Uzbek borders into Kazakhstan and Turkmenistan are significantly higher than the interfacing posts and is lower at the Azeri border at Red Bridge than at the Georgian post. The level of manning is therefore as much related to local "Custom and Practice" as to workload. There was no evidence to indicate that border transit delays are occurring as a result of lack of Customs manpower.

There is pressure in some of the countries to reduce overall Customs manning, such as is currently taking place in Kazakhstan. It is of concern that such reductions are not being formulated on the basis of demand for services but on a percentage reduction of staff across the organisation. This system would be expected to

present significant problems at the minor posts where manning is already at the minimal level to provide 24 hour cover.

It is recommended that Management Information Systems (MIS) workload measuring systems are developed and used in manpower planning at the borders. Both traffic levels and registrations should provide outline measuring systems. Reductions in staffing at border control points should be based on workload rather than current total manning levels.

### 3.4.2 Experience

The overall level of experience within the Customs service is limited by the age of the service itself. At the borders, the work is relatively routine and therefore there is normally adequate experience for operating the post efficiently. The shortage of long term experience is expected to be reflected in lack of flexibility as new situations arise and the necessity to use autocratic management control systems at the major posts. There was evidence of both in all countries. It was noted that the border posts with the best performance and image were usually controlled by the most efficient Head of Post, usually with limited management delegation.

A major constraint throughout the region is recruitment. The major problems relate to the location of the posts and the service image. The majority of the border posts in the southern CIS are in remote locations with no significant conurbation within 50 kms. As a result it is necessary to adopt an unsociable shift pattern, incur extra unpaid hours and costs travelling to/from work, temporary absence from family and difficult working conditions in harsh climatic conditions. The lack of service tradition also means that in many countries being a Customs officer does not have the same respect as in Europe. These factors combined with comparatively low pay for the hours and working conditions leads to high staff turnovers at many of the locations. The job security benefits of the job would be expected to erode when the economies expand and overall unemployment levels fall. It was noted that highly qualified people were joining the Customs, partly because of lack of alternative employment. Staff turnover problems are expected to continue and it is therefore important to consider ways of job retention to build up the appropriate experience. At most posts only 40-50% of officers have worked for 2 years or more. The dependence of on-the-job training makes it essential that experienced staff are retained.

It is recommended that staff retention as well as recruitment programmes for Customs officers are developed. This may involve such measures as staff rotation between posts and regional offices, different shift patterns and promotion scheduling.

### 3.4.3 Shift Patterns

The main shift pattern is for 3 shifts of 24 hours each shift. This is in line with the traditional working patterns of the old Soviet Union and such a pattern is still used in much of the local economy. The remoteness of many locations would make the introduction of shorter shift period difficult, because of travel time and costs. Some remote locations work a 48 or even 72 hour shift patterns to compensate for travel problems.

It is recognised that a shorter working period of 8-12 hours would assist in performance at the busier borders, especially as new computerised systems are introduced. The 24 hour shift will always have inherent performance problems with the rest period requirements during the shift and lower motivation levels towards the end of the shift. It is therefore critical that the procedures are simplified to be able to have less staff on unsociable shifts. Shifts of this length will make it more difficult to introduce higher levels of technology due to the more concentrated nature of the work.

It is recommended that alternative shift patterns are examined at the main borders which are located near population centres. It is considered that shorter shifts would be more productive, particularly as the nature of the work at the border becomes more specialised and focused. Limited opportunities for change exist at the smaller control points.

### 3.4.4 Training

Most countries have an established training programme. This is usually based on a short induction course held at the head office or regional headquarters followed by testing and certification. The officer is posted to a Custom control point where he continues with on-the-job training. Period testing takes place at regional level.

This system is generally adequate for the current nature of Customs activities at the border which are mainly repetitive clerical and inspection routines. There is, however, a high dependence on the on-the-job training and, in some countries or at certain borders, a total reliance on this type of training. This emphasises the importance of staff retention programmes to limit the training demand and retain experienced officers who can pass on their skills.

It may be necessary to consider the gradual introduction of more professional training standards involving longer training periods and higher standards of education. It was noted that Uzbekistan has established specific training centres to up-grade the qualifications of existing and new officers. As the Customs service develop in the region, it is expected to follow EU trends of having a smaller more professional service.

Computerisation is gradually being introduced at some of the borders and is expected to become more widespread within the next few years. Computers are currently used for statistics collection but will be introduced as a control system in the future. The present level of computer skills is low with usually only 1-2 staff capable of entering data. Given the shift system, this effectively means "live" data cannot be entered at certain times.

It is recommended that increased emphasis is given to training Customs officers to provide them with a wider range of skills, including computer and languages, as well as the standard teaching in Customs legal and regulatory matters, documentation and control procedures.

### 3.5 Equipment

In order for the Customs to effectively perform their designated functions at the Border Control Point, it is important that they have the appropriate equipment for the task.

#### 3.5.1 Office Equipment

At all except the new border complexes, the amount of office equipment is very limited and is generally in poor condition. This mirrors the lack of internal maintenance and decoration in the buildings. The office equipment usually consists of tables, chairs and a safe. The facilities are therefore very basic with little access to western-type equipment. The smaller border crossings and rail posts are generally in the worst position with regard to access to equipment. The situation is slightly better at the major borders, though the office equipment used by junior personnel is old and in poor condition.

Few of the border facilities are fitted with air conditioners and many lack adequate heating. Most of the border control points are located in places with extremes of temperature, often in exposed desert areas or on mountain passes. Power supply problems were indicated as the main reason for lack of this equipment.

It is recommended that any control point refurbishment programme should include a provision for the supply of office furniture as part of the fitting out process. It was noted that some new border posts have been built but cannot be used because of lack of office furniture.

#### 3.5.2 Data Processing

The overall level of introduction of computers at the Customs control points is low. This is a combination of lack of investment, the lack of a clear IT strategy and the power and telecommunications difficulties. No country has yet established computers at all border control points, though Uzbekistan, for example, has them at key crossings.

Where computerisation has been introduced, it is being used for the collection of statistics rather than any processing functions. The registration data is entered into the system on a periodic basis and transferred to the regional office by diskette, or occasionally by modem. This duplicates the manual recording process but does

provide more accurate and rapid collections of statistics. As indicated in Section 3.4.4, there is a shortage of trained personnel with computer basic skills which results in data only being entered on certain shifts when these trained officers are available. It was noted that some border posts provided with computers have no printers, whilst others have no staff capable of operating them.

The software that has been developed internally contains no analytical programmes to provide simple Management Information System (MIS) for use at control post level. For example, it does not produce period analysis of throughput or growth rates for manpower planning etc. It is considered important that officers using the computer are performing more than merely duplicating the manual registration book entries and they can use the computers as a tool to improve their work and provide meaningful data at post level.

The primary requirement for computerisation at the border control points is to provide a control function. This would be achieved as a data entry point in a fully computerised Customs Clearance System. The relevant systems architecture for such a system is described in the "Computer Systems Report". Only Armenia has such a system in operation and this has not yet been extended beyond regional office level. The extension to the borders will be difficult given the power and telecommunications problems at most border posts. However, it is important that any developments at the borders are compatible with that end objective. Uzbekistan is developing a border control system on the railways which tracks movements.

It is recommended that computers and printers are provided at all major and medium crossings and that all officers have appropriate training in basic keyboard skills. The initial function would be the on-line registration of documentation and production of transit/transfer slips so that it becomes a "live" entry system. The programmes should include a local MIS package to assist in managing the post. All programmes should be to international standard to allow later connection to a full National Travel Data Transfer System.

### 3.5.3 Communication Equipment

The remoteness of many of the border control points results in communication problems. Although most posts are connected to local telephone systems, they are not sufficiently reliable for automated transfer of computer data or even to fully perform the control function. For example, it is almost impossible for an entry border post to contact an exit border post to check on transit movements. The reliability of the Customs telephones reflects the national system in that some countries have more reliable systems than others.

There are several communication problems. The border posts are mainly connected into a local telephone network which then connects into a national system through an operator system. Many of these borders are significant distances from the nearest main town and the local link is therefore some distance from the local switchboard. These local lines are generally less reliable, especially in winter with high winds. The national telephone systems are more reliable, though not of sufficient quality for Electronic Data Interchange (EDI) purposes. The rail control points are almost all connected into the rail telephone system. This presents problems as the rail telephone system is designed to fulfil an internal function, rather than the external communication system required by Customs. Rail Customs posts have to go through the rail operators to contact their regional offices. This makes communication unreliable, incurs delays and precludes the use of EDI at a future date.

Many medium and minor posts are provided with radios as the main form of communication. These are of relatively short range and are used to connect with the regional Headquarters and neighbouring posts. In general these are more reliable, but are often constrained by lack of power. In both Georgia and Tadjikistan computer data is sent by radio modem between selected border posts and the regional office.

It was noted that, overall, the standard of communication between the head office and borders was poor. For example during the visit programmes, central Customs were often unable to contact posts to advise them in advance of the teams arrival. It would appear that the main problems are between the regional office and the border which is where the system is most unreliable.

Few Customs control points were equipped with facsimile machines. Given the extent of paperwork and the control concerns, it would have been expected that more would have been present. The lack of direct links particularly inhibits the use of this system.

It is recommended that consideration be given to the installation of satellite phone systems and facsimile machines at the major TRACECA borders, that city or town lines are extended to border posts wherever possible and that, where reliable phone lines cannot be connected, a reliable radio system is installed.

#### 3.5.4 Power

In general, the power situation reflects the overall reliability of power supplies in each country. However, the remote location of many of the control points presents additional problems. Most of these posts have unreliable supplies, especially in winter. This is a particular problem at the small remote posts in mountain or desert areas far from towns where power cuts can be frequent and of long duration. Many locations are subject to high winds in winter causing damage to the power lines.

Portable or mobile generators have been installed at some of the posts. However, it was noted that many of these were inoperative due to shortages of spare parts or lack of finance for fuel. The radios were often linked to a battery system because of power problems. In one case, Customs were reliant on connecting up to the alternators of passing vehicles to send messages because no power is available for long periods.

It is recognised that power is a general problem in many of these countries, especially outside the main cities. It is therefore necessary to adopt a strategy to counter these difficulties. It is recommended that all border posts should be equipped with a stand-by generator capable of providing emergency power. This should include a provision for an appropriate supply of spare parts and ease of maintenance. These generators should be of types available in the local market to ensure continuity of spare parts and ease of maintenance. Central Customs should allocate sufficient funds for fuel with an appropriate control mechanism. All computers should be fitted with UPS and power stabilisers to allow for loss and fluctuations in power supplies.

#### 3.5.5 Control, Detecting and Testing Equipment

Most major borders are equipped with only basic control equipment. This is mainly limited to metal detectors and torches. Some of the larger borders have been provided with endoscopes, drug testing kits and Geiger counters. However, there are many borders which have no equipment and others have no batteries so the equipment is inoperable.

Customs recognise that there are significant control problems throughout the region. It is known that there is smuggling going on through border posts and across the extensive unmanned border areas. This is partly identified through the proportion of incomplete transfer and transit slips which indicate that uncleared goods have disappeared into the domestic distribution system without payment of duty. It is possible that a proportion of these are clerical errors and the inability to link up the entry and exit forms, rather than smuggling on a large scale.

A more serious problem, particularly in Central Asia is the movement of drugs, arms and nuclear materials. It is generally recognised that drugs are moving north up from the "Muslim Triangle" and the "Golden Triangle" into Russia and through to Europe. Surplus weapons are moving south, particularly through to Afghanistan and there is circumstantial evidence of nuclear materials moving from Russia down to the Middle East.

It is clear that countries do not have the appropriate resources to control this type of contraband activity. Some EU and USAid assistance has already been given in terms of specialised detection equipment and drug kits. However, it was noted that most of this equipment has never been used because of lack of instructions, training or availability of batteries.

It is clear that there is a need for additional resources to be provided. There is a requirement for both specialised equipment, resources and training. This must be focused and a programme developed by an external organisation such as EuroCustoms with emphasis on specific control procedures. This project is concentrated on trade facilitation and the movement of traffic through the border posts. There is no evidence that the lack of such equipment is hindering the flow of trade and therefore the proposals for investment in control, testing and detection equipment and training should be the subject of proposals under an alternative programme.



### 3.5.6 Other Equipment

Requests for other items of equipment were received in the course of the interviews. These were for copiers and weighbridges. It is recognised that copiers would be of assistance, but in practice their usage is difficult to control. It was noted that where they had been installed most were out of order due to shortages of spares, copier refills or even paper. It is not considered that the supply of such office equipment is essential to the work of most border control points.

The requests for weighbridges was to be able to correlate the load with the documentation by check-weighing the truck. The facility could also be used to check Gross Vehicle Weights to identify overweight vehicles. Such facilities are very expensive to install and maintain, particularly in harsh climatic conditions. It requires an experienced weights and measures engineer to be able to correlate a load with the unladen weight of a vehicle and its documented cargo. The standard use of a weighbridge is to weigh either the full vehicle to determine gross vehicle weight or to weigh the vehicle in full and empty condition to check-weigh the cargo. The proposed use of the weighbridge by Customs does not conform to either of these applications, as they cannot unload the vehicle. It is not recommended that weighbridges are provided at border control points in connection with Customs work. They may be required by other organisations such as the Police, in which case Customs should have access to the use of the equipment.

### 3.6 Procedures

The procedures are discussed in more detail in the "Trade Documents and Customs Procedures Report". The inspection reports of the border control points in Appendix 1 only identifies where procedures differed from national practice.

The major procedural problem is that at most Customs control points a full inspection of all import or export documentation is required, even though little cargo is actually being cleared at the border. This includes presentation of the Cargo Declaration, TIR or CMR, invoices, certificates, contracts and the transfer note/transit slip if vehicles are exiting the country. This procedure is labour intensive and results in border delays. The delaying of vehicles due to the absence of support documentation when the traffic is in transit to another country is a cause for concern as it represents an interference in other country's traffic and such issues are difficult to resolve at the border.

The recommendations in the "Trade Documents and Customs Procedure Report" propose a simplified procedure whereby the Customs control post becomes a limited checking point sufficient to record traffic only. A simplified package would be required consisting only of the Cargo Declaration being used as a Community Transit (CT) document or TIR document and a Transit Advice Note. Support documentation should not be required to be produced, except at the point of final clearance for imports and at the point of origin for exports.

The rail procedures are generally much simpler and the support documentation is often not required. However, particular problems are experienced when such documents are required and are not available. This can result in extensive shunting to release the wagons and traders have to travel to another country to sort out the problem. Simplified procedures are also recommended for rail traffics.

### 3.7 Performance

The average border clearance times were 20-30 minutes per vehicle at the road borders and 2 hours at the rail borders.

The time taken to transit a border is a direct reflection of the complexities of the procedures to be undertaken. The current necessity to check the driver documents, followed by a complete set of cargo documents and issue of the transit or transfer notes and payment of road taxes requiring visits to several offices is time consuming. It is considered that the 20-30 minute period taken is not unreasonable under current circumstances. It should be noted that the export process is as time consuming as imports, whereas in the EU it would be significantly faster.

The problems arise when the traffic volumes increase because it still takes 20 minutes per truck and normally only one truck in each direction can be processed at a time. It can be seen that at the busier borders delays can rapidly build up, particularly if there is an uneven flow of arrivals at the post - traffic "bunching".

As indicated in Section 1, the overall level of delays was less than that indicated within the Terms of Reference. The major delays are at the external border posts to/from Turkey, Iran, Afghanistan and China. This is caused by complex procedures and the restricted hours of working at the foreign border post, rather than any problems with the CIS. The external delays have a knock-on effect at borders covered in this report because of the consequent "bunching" effect. There are also delays at the Russian border posts, particularly with Kazakhstan, due to heavy volumes of traffic and complex procedures.

The main road border problems on the TRACECA corridor are currently at the Uzbekistan borders, where delays can extend to 2-3 days at certain times of the year. These borders are the busiest and therefore the 20-30 minute processing period will automatically lead to delays. It was noted that the processing at the interfacing Kazak and Turkmen borders was faster due to simplified procedures or less rigid interpretation of those procedures. The construction of new facilities at Alat and Gisht-Koprik should partially alleviate these problems, providing that the number of vehicles that can be processed simultaneously can be increased and/or the processes simplified. The construction of new terminals in itself will not automatically reduce clearance speeds and consequent delays.

The economies of many of the countries have been in recession since independence and this has resulted in a substantial reduction in overall traffic volumes. There is evidence to show that the economies have "bottomed-out" and there is expected to be substantial growth over the next few years. This will lead to a general increase in traffic volumes along the corridor. If the current clearance performance is maintained at 20-30 minutes per vehicle, there will be substantial delays at all the main borders. It will therefore be essential to improve border transit times either by raising manning levels to enable increased numbers of vehicles to be processed simultaneously or simplify the procedures to reduce the transit time. The second option would appear to be the most practical and economic solution.

The border transit times of 2 hours at the rail Customs control points is adequate given the average transit speeds on the rail network and the need for shunting in the border area to change locomotives. There is limited evidence to indicate that Customs are a factor in traffic delays on the rail network. As with road, a substantial increase in rail traffic would be expected in the next few years, especially with the opening of the Mashhad - Sarakhs rail link. This, combined with expected improvements in both infrastructure and operations resulting from other TRACECA projects, will mean that performance will need to be improved as 2 hours will be excessive. A similar simplification of procedures will be essential. Wagons are currently being held up for lack of support documentation. These wagons should be able to proceed to the point of clearance and be held at that point rather than in mid-transit where it is difficult to provide missing documentation.

It is recommended that border transit procedures are simplified and standardised with inspection only of key transit documentation. This would require only inspection of the Cargo Declaration or a TIR carnet followed by a visual inspection of the vehicle to check the seal. This would reduce processing times to approximately 5 minutes per vehicle which would give a substantial improvement in performance. Rail procedures could also be simplified to give 1 hour clearance.

### 3.8 Other Processes at the Border

#### *Service Organisations*

The Customs are only one of the service providers at the border control point. The other main organisations present are Border Guard, Traffic Police, Veterinary, Sanitary, Road Tax Authorities and occasionally banks and doctors. It is clear that there is no integration of services and considerable duplication of responsibilities.

Drivers passing through a border post can be faced with a series of barriers. The Border Guard is usually the first barrier where immigration duties are undertaken. This is followed by the police who check the driver and vehicle documents and then the Customs who check the cargo documents. The Veterinary and Sanitary then make inspections if it involves animal or agricultural cargoes. The road tax is paid to the Road Tax

Authorities. The banks provide exchange services to pay for Customs documentation services and the road tax, although many charges are payable only in hard currency.

Unfortunately the process indicated above rarely happens in practice. For example, at most borders the Customs require inspection of driver and vehicle documents, veterinary and sanitary certificates and road tax receipts as well as their own documentation. Similar overlaps occur with other authorities.

There is confusion at many posts as to who is responsible for what and thus the duplication has evolved. In western countries, the border post is a Customs Security Zone where immigration and police provide a supporting role with their own clear Terms of Reference. The overall responsibility for the border appears to lie with whoever is the provider of security. This varies at crossings from the Border Guard to Customs to the Police. In many posts Customs are clearly subordinate to the Border Guard, and often the Police.

There is no concept of an integrated border service where the various organisations work together as a cohesive unit or delegate their responsibilities to another party. A number of possible options to rationalise the border organisations exist:

- Customs take over responsibility for all internal borders with the Border Guard and Police in a supportive role
- Border Guard take over responsibility for the final external border barrier with Customs controlling the processing areas with the police in support
- Veterinary and Sanitary processes are all undertaken at the initial point of entry or final point of clearance, rather than at the border. This would reduce the requirement to locate staff at remote border locations.
- Road Tax could be collected by one of the other organisations present at the border.

The objective would be to reduce the number of organisations present and the amount of processing undertaken at the border. It would also provide for clarification of responsibility and functional roles.

It is recommended that clear lines of responsibility are established at border control points and that an integrated service can be developed with fewer organisations present to provide a simplified border transit service with improved co-ordination.

#### *Security*

Security is a concern at many of the remoter locations where illegal trade is taking place. Customs are armed in some countries and not in others. In general, the responsibility for security lies with the Border Guard who are armed as part of the military. However, at smaller borders they are not present and Customs are responsible for their own security.

A number of requests were made for the provision of arms to increase security. These were noted but such matters are regarded as a matter of internal security in the countries concerned. It is not considered that any submission for financial assistance for arms could be supported or justified in connection with this project, even though the particular circumstances and dangers to Customs officials was appreciated.

It was noted that the provider of security at any particular control point appeared to be the organisation in charge of the overall facility. Relationships between the Border Guard and Customs often appeared to be on a senior and junior level, rather than a partnership.

#### *Transshipment*

Transshipments were taking place at a number of borders, mainly the external borders with Iran and China. These are generally occurring because of the high cost of foreign vehicles transiting the country, as opposed to transshipping to national vehicles. Only in the case of the Russian/Azerbaijan border was transshipment mandatory because of the situation in Chechnya. Most transshipment takes place at the border under Customs supervision.

*Trading Markets*

In the Caucasus trading markets have been developed in the border areas. These are to encourage trading between the communities at either side of the border. Whilst they are not theoretically duty free markets, the individuals using the market purchase in quantities which are often below the dutiable limit and therefore no duty is liable. In general, such markets are on a relatively small scale and have a negligible effect on overall trade. The Customs officers attached to the border control points often monitor such markets.

This section has provided an overview of the 73 border crossings representing the existing situation. It has included proposals for improvements to the existing installations and procedures. In order to proceed to proposals for investment at pre-feasibility level, it is essential to review the national situation in each country as a first step to prioritisation of investments.

#### 4. NATIONAL OVERVIEW

Section 3 catalogued the 73 Surface Border Control Points and proposed improvements to the existing installations and procedures on a regional basis. This section considers each of the control points in a national context and examines its individual needs in preparation for recommending an investment programme. Detailed descriptions of each border control point are contained in Appendix 1.

##### 4.1 Armenia

Armenia is landlocked and has borders with four countries - Azerbaijan, Georgia, Iran and Turkey. The conflict with Azerbaijan over Nagorno-Karabakh has resulted in the closure of borders between the two countries. Though a cease-fire was established in 1994, no permanent solution to the conflict has been found. Turkey supported Azerbaijan and placed an embargo on trade with Armenia, thus effectively closing its borders. The only borders currently open are to the north with Georgia and to the south with Iran. International trade therefore currently travels along a north-south axis.

The conflict has affected the road and rail infrastructure. The main road between Yerevan and the south was along the Araks River through Nakhichevan, which is an Azeri enclave between Armenia and Turkey. This route is now closed and the main road is now diverted through the mountains making access to the south more difficult, especially in winter. The main rail route which ran along the Iranian and Turkish borders is also closed.

##### *Agarak*

There is currently no border control point at Agarak due to closure of the Armenia/Azerbaijan border. Agarak is located on the old main route along the Araks valley, which passes through Nakhichevan. Indications are that the roads on either side are in reasonable condition and could be easily reopened but the rail line is out of operation west of Meghri.

Investment would be required to provide a new Customs control point serving both road and rail modes. However, a more cost effective alternative may be to use the near-by Meghri post. This would require some minor modifications in road layout and procedures to allow trucks to move between Meghri and Agarak in bond.

##### *Akuzik*

Akuzik is the main border link with Turkey with major road and rail crossings. Due to the conflict with Azerbaijan this border is now closed. It would be anticipated that on re-opening, this border control point could become the busiest in Armenia.

Investment is required for both road and rail control infrastructure. However, the Armenian Customs have already made provision to provide specialist facilities at Akuzik and intend to build a new control point similar to that being constructed at Meghri. Additional funding will be required for fitting out these buildings and office and provision of communication equipment.

##### *Ayrum*

Ayrum is the only rail border control point in Armenia, due to the closure of all the other rail links. All rail traffic is routed on the Armenia/Georgia line as both the Turkish and Azerbaijan rail lines are non-operational. This point controls through freight services only, as there are currently no through passenger services. The post handles approximately 560,000 tonnes and 8,000 rail wagons per annum. The rail line appears to be in reasonable working order. The control point is on the main platform in Ayrum in accommodation rented from the rail authorities and is adjacent to the border marshalling yard.

The main problems are the poor condition of the rented building and the lack of reliable communication and power services. Investment is required to either provide a new building or refurbish the existing structure. This second option would require negotiation of a long term lease to ensure security of tenure after the up-grading. Provision is also required for new independent communication systems, mobile/portable generators and data processing equipment that could eventually be linked up to the ASYCUDA system.

*Bagratashen*

Bagratashen is the second largest road border in Armenia and controls the main road link into Georgia. It handles approximately 40,000 tonnes and 5,000 trucks per annum. The post is located at the southern end of the bridge over the Debed River. A new border control point has recently been constructed close to the bridge.

The major problem was the use of temporary facilities but the new control point is now assumed to be open. There have been security concerns relating to the road on the Georgian side of the border and the illicit collection of extra transit payments. Though these have partially been resolved, there is a tendency by truckers to travel to/from Georgia in convoys, thus creating an uneven workload at the border leading to delays and parking problems.

Investment is required to complete the fitting out of the building and to purchase and install additional communication and data processing equipment.

*Bavra*

Bavra is the third largest road crossing in Armenia and controls the most direct route between Armenia and the Georgian ports of Poti and Batumi. It handles approximately 50,000 tonnes and 4,000 trucks per annum. The post is located in a remote mountainous area in the north-west of the country. The access roads from Armenia are in reasonable condition but are very poor over the border in Georgia. This adversely affects volumes. There is also a border between Georgia and Turkey close to Bavra, but at this stage there is limited traffic between Turkey and Armenia for political reasons.

The main problem apart from the access roads, is that the buildings being used are temporary office buildings which are not well-suited to the harsh climate in the winter. Both communication and power services are also unreliable. This post is controlled by the Police, rather than the Border Guards, and this appears to result in some procedural difficulties.

Investment is required to provide permanent office structures, fitting out, new communication systems, a portable/mobile generator and computers. However, such investment is unlikely to be justified until the connecting roads in Georgia are up-graded. It is understood that Georgia has applied for World Bank funding to rebuild this road.

*Ejavan*

Ejavan was the main border post between Armenia and Azerbaijan. Although the border is closed, the control point is still accessible from Armenia with a reasonable road up from Dilijan. The adjacent rail infrastructure appears in moderate condition but has been out of operation for several years.

On re-opening investment would be required to fit out the two storey stone building located at the border. This would have to include a provision for communication and data processing equipment. There is currently no rail facility, so a new structure would be needed. The distance from the road border to the marshalling yards is approximately 3 kilometres. It may therefore be possible to develop a rail sub-office, thus limiting expenditure on a special rail building.

*Gogavan*

Gogavan is a remote border control point between Armenia and Georgia and is located in the mountains north of Vanadzor. It is a direct alternative or 'back route' to the busier Bagratashen crossing. It only handles approximately 15,000 tonnes and 2,000 trucks per annum. Road access is poor, especially from the Georgian side.

The major problem is the poor condition of the buildings which are temporary in nature. The Border Guards have an adjacent stone building but this has been abandoned due to flood water coming down the hillside. Communications are very difficult and power supplies are unreliable, especially in winter.

Investment is required to provide a new building, which would then be required to be fitted out and provided with communications equipment, a mobile/portable generator and a computer. An alternative strategy would

be to close this border for international freight movements and concentrate the investment at the larger Bagratashen crossing point.

### *Meghri*

Meghri is the only border post with Iran and is the largest border control point in Armenia. It handles approximately 250,000 tonnes and 30,000 trucks per annum. The post is located at the northern end of the bridge over the Araks River, which forms the border. The immediate area is mountainous and the border post area is constrained by the rising ground. A new bridge has recently been built over the river.

The main problems at this post relate to the infrastructure and lack of traffic planning. The existing facilities were designed to service the old pontoon bridge, rather than the new bridge which is positioned upstream. As a result the traffic system is compromised and there is considerable congestion on the narrow access road with a 180 degree turn close to the Customs zone. The resultant congestion on the approaches is made worse by the mixing of trucks being processed, transferring loads and parking waiting for loads. The Iranians allow empty Armenian trucks to cross in the morning for loads and return full in the afternoon, thus creating a "bunching effect". The Customs post was destroyed by fire and temporary units are being used.

Some investment is taking place with the re-alignment of the road and approval for the construction of a new Customs control point. The main residual problems are the lack of traffic planning, traffic "bunching", poor communication services and the high staff turnover at this remote location. The main investment requirements would be fitting out of the new offices, improved telephone or radio links and the supply of data processing equipment to link up with the ASYCUDA clearance system.

### *Nyuvadi*

There is currently no border control point at Nyuvadi due to closure of the Armenian/Azerbaijan border. The access roads from Azerbaijan were indicated as being in reasonable condition through the 'sterile' border zone, but the access route through to Meghri in Armenia is unsuitable for heavy transport. The rail line is still being used for local rather than through traffic. A competing road route has been built by the Iranians on the south side of the Araks River handling most of the traffic between Azerbaijan and Nakhichevan.

Investment would be required to provide a new Customs control point, which could ideally serve both the road and rail modes. However, this would require completion of a new road between Nyuvadi and Meghri. Work had commenced on a new routing but has been suspended due to funding difficulties. The rail system would probably only require limited investment as it is operational.

### *Yeraskh*

Yeraskh is located close to Yerevan and is the northern entry point into Nakhichevan on the main road along the Araks valley. This border is currently closed and there are no facilities. The road is in good condition and the rail line is still in use between Yerevan and Yeraskh.

Investment would be required to provide a new border control point which could serve both the road and rail modes. It would be assumed that much of the traffic between central and southern Armenia would be redirected back to the road through Nakhichevan when the border is re-opened and therefore traffic levels could be high.

## 4.2 Azerbaijan

Azerbaijan is landlocked in terms of direct access to the open sea, but has an eastern border onto the Caspian Sea. It has borders with Russia in the north and Iran in the south. To the west it has borders with both Armenia and Georgia. The conflict with Armenia over Nagorno-Karabakh has resulted in the closure of the border with Armenia. Though a cease-fire was established in 1994, no permanent solution to the conflict has been found.

Instability in the southern Russian territories bordering onto Azerbaijan have created additional problems. Whilst the conflict in Chechnya is the most severe, there are problems of instability in Ossetia and Dagestan.

This has resulted in severe restrictions being imposed, which have theoretically closed the border between Azerbaijan and Russia, though in practice some limited trade is still taking place.

Nakhichevan is an Azeri enclave located between Armenia and Turkey in the Araks valley. It has a border with Armenia which is closed, 13 kms of border with Turkey and a border with Iran. The main trade is with the Azerbaijan and this is conveyed along a new road through Iran on the south bank of the Araks River. Nakhichivan is considered to be politically important to Azerbaijan.

It can be seen that the key trade routes are west into Georgia giving access to the Black Sea or south into Iran and access to the Persian Gulf. There is also limited trade across the Caspian Sea to Turkmenistan and then either up to Russia or across to Central Asia.

#### *Astara*

The largest international road border in Azerbaijan handles the major traffic between Azerbaijan and Iran. The control point currently handles approximately 550,000 tonnes and 50,000 trucks per annum. The post is located in the south of the country on the main road along the west shore of the Caspian Sea. The infrastructure consists of a modern border complex with a central office structure and overhead canopies. The connecting roads are in reasonable condition, though they deteriorate towards the border.

There are few operational or infrastructure problems at this large efficient facility. Some additional investment is required to up-grade the communication systems and purchase generators to provide a more reliable power system.

#### *Baku - Ferry Terminal*

The main border control point in the port is located at the ferry terminal. The road/rail ferry service operates five sailings per week across to Turkmenbashi in Turkmenistan. Due to the downturn in trade and restrictions on the Volga-Don canal, the port of Baku has limited other traffics. The post handles 400,000 tonnes, 7,000 rail wagons and 13,000 trucks per annum. In practice, the control point is mainly responsible for the road traffic as rail tends to be controlled at the marshalling yards away from the terminal. The post consists of three separate buildings facing onto the access area close to the ferry ramps.

The main problems are that the ferry service is an on-demand, rather than a scheduled, service. As a result it is necessary to provide 24 hour cover, though night arrivals and departures are infrequent. The layout of the buildings is confused and the siting is too close to the working area, thus creating congestion.

Investment is required to provide a consolidated single building using 'Form follows Function' design concepts to ensure good traffic flow systems. This would need to be located at or close to the entrance to the terminal, rather than close to the cargo handling areas. Funds would be required to fit out the building and provide on-line computer linkage with the main Customs port office. It may be possible to incorporate these plans with the rebuilding of the port caused by the rising sea level.

#### *Belasuvar*

Belasuvar is the third largest international road crossing in Azerbaijan and controls the important link between Azerbaijan and Nakhichevan via Iran. It is located on the Iranian border and is the designated entry and exit point for domestic movement passing through Iran. The control point handles approximately 750,000 tonnes and 70,000 trucks per annum of which 70% are domestic movements.

The main problem is the congestion caused by the restrictive working practices of Iranian Customs. The lack of night work in Iran means that this post can only open between 0900 and 1800 hrs. Further restrictions include the imposition of one direction processing. The current office is in poor condition and is a temporary mobile office unit. There are also significant power problems and the communication systems are unreliable.

A new office complex is under construction approximately 300 metres closer to the border. Additional funding is required for fitting out, a mobile/portable generator, improved communication systems and



computers. However, the priority remains the lifting of the restrictive practices in Iran as the new building is not expected to have a significant effect on performance.

#### *Bouk Kasek*

Bouk Kasek is the largest rail border in Azerbaijan and processes all imports and exports moving through to the Georgian ports. The border control point processes approximately 1.8 million tonnes and 100,000 rail wagons per annum. The post is located at the last main station before the Georgian border where the marshalling yards are situated. However, it is at a remote location which is difficult to access by road. The control point consists of a single room office on the upper level of the railways office.

There are no major problems, other than the offices are small and poorly fitted out. The communication system is adequate but could be improved. There is a computer which is used for registration purposes.

There are no major investment requirements but some up-grading of the facilities, the communication system and installation of computer systems is needed.

#### *Julfa*

Julfa is the main crossing point between Nakhichevan and Iran across the Araks River. The post handles approximately 200,000 tonnes and 35,000 trucks per annum, mostly from Azerbaijan via the Belasovar crossing. The road conditions either side of the border are poor but construction is taking place.

The major problems relate to the restrictive working practices imposed by the Iranians. Trucks are only allowed to cross during a three hour working period each day. This leads to appreciable waiting times. There is no communication system and the power supplies from Iran are unreliable.

The main investment requirements are provision of a reliable communication system with the capability of direct contact with Azerbaijan, a portable/mobile generator and computers for registration purposes. The major requirement to improve performance would be a lifting of the Iranian restrictions.

#### *Qirmizi Korpu - Red Bridge*

Qirmizi Korpu is the second largest international road crossing in Azerbaijan. It is located on the western border with Georgia and is responsible for all the road traffic to/from Turkey and the Georgian ports. The post handles over 300,000 tonnes and 35,000 trucks per annum. The border control point is located at the eastern end of the bridge on the side of a hill. There is a flat border zone with new facilities consisting of six rooms facing out onto the processing area.

The major problems relate to the location. There is a large market at the western end of the bridge that congests the single lane bridge. The space in the zone in front of the building is also limited and trucks have to park down the hill and the drivers walk up to commence clearance procedures. The communication system is poor and the power supply unreliable, especially in winter. It is understood that significant delays can arise at this crossing at peak periods, though there were no queues during the inspection.

Investment is required to provide a reliable communication system. The computer is used for statistical services only but could be up-graded to an on-line system if telephone or radio modems could be installed.

#### *Saderak*

Saderak is the only road border post between Nakhichevan and Turkey and is the second largest in the enclave. This link is important both politically and economically. The actual border is only 17 kilometres long. Its political importance is demonstrated in that a large modern border complex has recently been completed. It currently processes approximately 17,000 tonnes and 2,000 trucks per annum. The rail link is closed but this complex would be capable of controlling rail traffics as well when it re-opens.

The main problems are the lack of communication systems. The only telephone connections are with the Turkish Customs and there is no direct contact with Azerbaijan. The power supply is obtained from Turkey and is unreliable. Turkish Customs only work in the day so Azerbaijan Customs can only offer a daytime service.

The main investment needs are for access to a new communication system, a portable/mobile generator and the supply of computers for registration purposes. Any extension of working hours by Turkish Customs would reduce delays caused by "bunching" of arrivals.

#### *Samur*

Samur is the main road border with Russia and is located on the important coast road running up the west shore of the Caspian Sea. Due to the problems in southern Russia, it is technically closed but the border control point is currently handling approximately 25,000 tonnes and 3,000 trucks per annum. Only Russian trucks can use the border and most tranship loads in the border Zone rather than travel through into Azerbaijan. Azeri trucks cross the Caspian and travel up the east shore. The office building is a single storey structure in reasonable condition and the access roads on both sides are adequate.

The major problem is the instability in southern Russia which restricts trade and causes a diversion of cargo across the Caspian to the eastern shore. The border post has spare capacity to handle higher volumes of traffic when conditions improve.

Investment is needed to refurbish the main office. Improved communication systems are required to enable the existing computer to be used more effectively. A portable/mobile generator is also needed because existing power supplies are unreliable, especially in winter.

#### *Yalama*

Yalama is the second largest rail control point in Azerbaijan and is located on the Russian border close to the Caspian Sea coast. Due to the problems in southern Russia, there has been a substantial reduction in volumes from 10 trains per day to only one. Though technically the border is closed, there is traffic still moving. The post handles nearly 300,000 tonnes and 13,000 rail wagons per annum. It is located on the main platform in Yalama station.

The main problem is that the building is a mobile office structure in poor condition positioned at the far end of the platform. Working conditions are not ideal and it is difficult to find by external organisations if Customs problems arise. Computers have been provided but are not in use.

Investment is required to construct a more substantial permanent building which is then furnished and has an independent communication system. It is recognised that such investment may not be justified until the difficulties in southern Russia are resolved and traffic increases again.

### 4.3 Georgia

Georgia is the only country on the TRACECA corridor with access to the open sea. The Black Sea forms the west coast, with Poti and Batumi being the main ports. The northern border is with Russia, the southern border with Armenia and the smaller eastern border is with Azerbaijan. Whilst all of these borders are open, there are a number of disputes which are limiting trade and restrict traffic through the control points.

The northern border with Russia was traditionally the main trade route using the Military Highway. This road travels north from Tbilisi through the Greater Caucasus mountains. It passes through Ossetia and close to Chechnya in southern Russia, both areas of instability and where drivers are subject to security concerns.

Georgia has been subject to internal disputes. In 1993 there was conflict in the north west of Georgia in Abkhazia. A cease-fire has been brokered and maintained by Russia but the region is closed to international traffic. The south western area of Adzharia proclaimed autonomy and straddles the key transport route through to Turkey. It also contains the strategically important port of Batumi. Whilst the region is still accessible to transport, it implements its own practices and procedures.

The southern border with Armenia is formed by the Lesser Caucasus mountains. Whilst these road routes are open, they are generally not in good condition. Access in winter can be difficult and most are unsuitable for heavy transport.

The roads in Georgia are normally of only moderate condition compared to the neighbouring countries. The worst roads are in the Lesser Caucasus in the south and on the important road along the coast north of Batumi. The rail system is in moderate condition but has a number of infrastructure problems, especially signalling, which limits performance.

#### *Batumi*

Batumi is the second largest port in Georgia. It is essentially a bulk and semi-bulk cargo facility with all surface traffic arriving and leaving the port by rail. It currently handles approximately 1.4 million tonnes per annum, mainly imports. It has a deeper draught than Poti, so can accommodate larger vessels. The main activities are the import of oil products and grain and the export of scrap metal. The border control point is located within the port complex. The building has a metal covering and Customs rent 10 rooms from the Port Authority.

There are no major problems at this control point. Because the traffic arrives and leaves by rail, there is limited public interface and less time pressures on transit clearance. The current communication system is inadequate for use with a modem for connection with the ASYCUDA system, though sufficient for current needs.

Minor investment is required to refurbish the offices, which would have to be secured by means of a long term lease to ensure security of tenure. Additional facilities will be required if the port diversifies into handling general and unitised cargoes, as this will increase road traffic. An enhanced communication system will need to be developed to connect with ASYCUDA, probably through a direct line to the near-by regional office. Additional computers will also be required to be installed.

#### *Gardabani*

Gardabani is the main rail crossing in Georgia and controls the main east-west line into Azerbaijan. It currently handles approximately 1.8 m tonnes and 100,000 rail wagons per annum. The post is located on the passenger station and is adjacent to a large industrial area and the border marshalling yards. The rail infrastructure is in reasonable condition, though there are some operating constraints.

The main problem is that the offices are in poor condition, though the building is structurally sound. The communication system is linked into the rail network. This is adequate for current purposes but would present problems if ASYCUDA were installed. There are no computers at this site at present.

The main investment requirement is to refurbish the existing offices. This may require negotiation of a longer term lease to ensure security of tenure. Additional investment is required to provide an independent communication system, which could support the use a modem for data transfer. Computers could initially be installed for registration purposes but these could later connect up with ASYCUDA.

#### *Guguti*

Guguti is the central of the three road border control points with Armenia through the Lesser Caucasus. This is the 'back' road alternative to the busier Sadakhlo crossing. This is an isolated mountain crossing with difficult roads either side of the border, but especially in Georgia. The post handles 15,000 tonnes and 2,000 trucks per annum. The control point consists of a single storey unit.

The main problems relate to the condition of the adjacent road network and consequent inaccessibility. The building itself is in poor condition and there is no communication system, so the post is acting in total isolation of other posts. The power supply is also unreliable, especially in winter.

The main investment requirements are on the roads on the Georgian side of the border. A substantial refurbishment of the offices is required and the installation of a reliable communication system, probably using a radio system. An independent power system would be required using a potable/mobile generator for emergency supply. An alternative strategy would be to rationalise the border posts and concentrate the international traffic at the larger Sadakhlo crossing.

*Kazbegi*

Kazbegi is the main border control point with Russia straddling the Military Highway. Despite the restrictions resulting from the disturbances in Chechnya, the post is currently handling approximately 70,000 trucks per annum. The border post is located in a narrow mountain defile but the access roads are in reasonable condition.

It was not possible to make a detailed inspection of the facilities due to problems with security clearances. It is assumed that there would be a requirement to refurbish the facilities, based on conditions at other control points but a more detailed evaluation would be required to identify investment requirements.

*Krasni Most - Red Bridge*

Krasni Most is the second largest road border in Georgia. It straddles the main east-west corridor with Azerbaijan. It currently handles 300,000 tonnes and 35,000 trucks per annum, most of which is transit traffic through to Azerbaijan from the Georgian ports or from the Sarpi crossing with Turkey. The post itself is located some kilometres west of Red Bridge on a flat open area. It consists of a single storey building at the side of the road with a canopy checking facility traversing the road.

The main problem is the poor condition of the building, especially internally. It should be noted that this building is very small compared to the corresponding Azeri control point. There are also difficulties with both the telephone and power services which are unreliable, particularly in winter.

Investment is required to refurbish the building to create a positive image and improve the working conditions. This should include provision for enhanced communication services, possibly using radio systems, and an independent power source, probably a mobile generator. The provision of data processing equipment will also be required to link this important border with the ASYCUDA system.

*Lagodekhi*

Lagodekhi is the minor border crossing into Azerbaijan and is the direct alternative to using Krasni Most. It is used only for local traffics and diversions and handles relatively low volumes. The railhead at Bakurtsikhi near-by is now closed for international traffics. Although the post is in a flat area, the access road through the Ivri Highlands is in poor condition. The control point consists of two buildings, a railway carriage and a container.

The main problems are the difficult access road and the poor condition of the temporary office units. There is no communication system and the power supplies are unreliable. Investment is required to rectify these adverse situations, but it is expected that these would be relatively low priority given the funding requirements for the larger international crossings.

*Ninotsminda*

Ninotsminda is the most westerly control point in the Lesser Caucasus with Armenia. Although it controls the direct road between Yerevan and the Georgian ports, this route is not well used due to the poor road conditions and security concerns. The post is located on a mountain pass in a remote area, which is difficult to access. It currently handles approximately 50,000 tonnes and 4,000 trucks per annum. The control point consists of three temporary office units.

The main problem is accessibility, particularly from the Georgian side with complete loss of surfacing over a 50 kms stretch approaching the border. The temporary office units are in poor condition and are not well suited to the harsh climatic conditions. The communication and power services are also unreliable, especially in winter.

This border could be developed in that it is the shortest distance from Armenia to the Georgian ports and to the near-by Ochoshani crossing into eastern Turkey. However, this is unlikely to be realised until the road on the Georgian side is reconstructed. In the event of this being undertaken, there will be a requirement for a new permanent structure, provided with radio communication equipment and a mobile generator.

*Ochoshani*

Ochoshani is a new border control point opened last December between Georgia and Turkey. It is located in a remote region in the Lesser Caucasus and acts as a 'back' road into eastern Turkey. It tends to be used by smaller trucks and empty vehicles returning to Turkey. The post currently handles 60,000 tonnes per annum and 14,000 trucks. The road conditions either side of the border make it unsuitable for large fully laden vehicles. Some construction work on the road has been undertaken in Georgia but this is inadequate. This border is close to the Ninotsminda post with Armenia and it was partly constructed to service potential movements between Armenia and Turkey. It is also strategically important because it is the only border with Turkey not in Adzharia. \$2m has been spent on a new prefabricated steel structure with canopies either side of a central office unit.

The main problems relate to the remoteness of the location. The roads are difficult to access from either side and there is no communication system. The control point is therefore acting in complete isolation from other border posts. The building itself is well planned but has not been completely fitted out. The Russian Military are present to check vehicles to ensure arms are not being imported which could be transferred up to southern Russia. Their procedures delay transits. The Turkish Customs only work during the day which also results in some border congestion.

The investment requirements are to complete and fit out the existing building and pave the parking areas within the compound. Provision should also be made for the supply of communication systems, probably radios, and computers for registration purposes. This would be unlikely to exceed \$0.5m. More substantial investment would be required on the adjacent road network. Changes in procedures and responsibilities would improve handling times.

*Poti*

Poti is the largest of the Georgian ports and handles bulk, semi-bulk and general cargoes. It has a container berth with regular feeder services to Istanbul and a ro-ro ferry to Bulgaria. Current traffic is approximately 1.7 million tonnes per annum, mainly imports. There are 15 berths of which 11 are in operation. The main Customs control point is located in the Port Authority building with sub-units at the port gate and on the quays.

The major problem is that the office has had limited investment as it is rented from the Port Authority. Whilst this does not affect performance, it creates an adverse image for such a busy facility. The main activity has been geared to large volumes of rail traffic, whereas the main growth is now in road traffic. This requires additional facilities both in the office and on the dockside. The power system is unreliable and there is only a single computer.

Investment is required at the main office to modernise it. Any refurbishment would have to be secured by means of a longer term lease to ensure security of tenure. Further investment on power systems, probably with the purchase of a mobile generator and additional computers will be required to enable linkage with the ASYCUDA system being installed in Tbilisi. Consideration should also be given to developing autonomous units on the dock at the ferry and container berths to enable complete transit clearance to be undertaken there, rather than through the head office. Slow clearance times at the ferry berth are a cause for concern. This could be improved by using modern clearance procedures.

*Sadakhlo*

Sadakhlo is the main road border crossing into Armenia through the Lesser Caucasus. It is situated in the Debed valley at the eastern end of the border. The road from Tbilisi is in poor condition but it is still the most accessible of the three crossings with Armenia. The control point currently handles approximately 40,000 tonnes and 5,000 trucks per annum. The post consists of a converted 6 metre container used as a temporary structure.

The main problem is the poor road condition from Tbilisi which limits the use of heavy transport. The current office is not suitable for the climatic conditions and has limited potential to handle larger volumes of traffic.

when economic conditions improve. There are no communication systems, so the office works in isolation of other posts.

Investment is required to provide a new permanent structure with appropriate fittings. This should include a reliable communication system, possibly using radios or telephone, with linkage to the regional office. Data processing equipment will be required to link into the ASYCUDA system as this is the main border with Armenia.

#### *Sarpi*

Sarpi is the largest road border control point in Georgia. It is located on the strategically important coast road from Georgia into Turkey and is situated in the region of Adzharia. It handles approximately 600,000 tonnes and 90,000 trucks per annum. A large modern complex has been constructed using elementary 'Form follows Function' concepts.

There are no significant problems with the border control point which is well planned and managed. The main constraints are due to external factors. The Turkish Customs only work during the day leading to delays in processing and a 'bunching' effect. The Russian Military are present with the Border Guard checking incoming trucks. This involves the breaking of seals to ensure that arms are not being smuggled which could be sent to groups in Ossetia and Chechnya. A third constraint is the requirement in Adzharia to accompany all vehicles in convoys whilst in the region. All these factors combine to affect performance and result in delays at or in the vicinity of the control point.

The main investment requirement would be for improvements in the coast road north of Batumi. The existing control point is in good condition and has adequate supplies of office communication and data processing equipment.

#### 4.4 Kazakhstan

Kazakhstan is landlocked in terms of access to the open sea, but has a western border onto the Caspian Sea. It is the largest of the Central Asian Republics with a long northern border with Russia, an eastern border with China and southern borders with Kyrgyzstan, Turkmenistan and Uzbekistan. All the borders are open.

Kazakhstan has signed a Customs Union with Russia, Kyrgyzstan and Belarus. Theoretically, this would be expected to reduce the requirement for Customs control points on the internal borders between union member states. However, in practice the procedures are very similar in that full documentation checks are undertaken and delays are occurring, particularly at the northern borders with Russia. The Union has incurred some implementation problems and is not fully operative.

The road network is generally in reasonable condition, though requires substantial investment in maintenance. The road between Chimkent and Aktubinsk is in poor condition around the Aral Sea and the road link between Aktubinsk and Aktau is difficult for heavy transport. The rail system is in moderate condition but average transit speeds are only 30-40 kmph.

#### *Aktau*

Aktau is the main port in Kazakhstan and is located on the Caspian Sea. It is essentially a bulk and semi-bulk facility handling mainly export steel, grain and oil exports to Iran and smaller shipments to Azerbaijan. There are limited shipments using the Volga-Don canal. The control post handles approximately 250,000 tonnes per annum, all of which arrives or leaves by rail. The port is being re-developed due to the rising water level with assistance from the European Bank. The control point is within the port in a Port Authority building, which is also used as a workshop. The regional headquarters office is in the city, approximately 5 km from the port.

The main problems relate to the location and infrastructure. The rail system at Aktau is split into two, the national rail system - western region - which services the country and Kascor who service the port area. There are a number of interfacing difficulties, some of which involve Customs. The office is located far from the interfacing station and the various quays. Customs have no transport and therefore processing delays can occur. The office is in poor condition and is being shared with workshops. The telephones are connected into

the port system and are good for communication around the port but are not considered to be reliable for external calls.

Investment is required to provide a new Customs control point. It is intended that there should be substantial rebuilding of the administrative offices of the Port Authority. It is important that the Customs and the Port establish a closer relationship in order to assist in mutual development of the port. It is recommended that Customs are provided with new offices as part of the port development. This should be close to or within the new port offices. Provision should be included for improved telecommunications. It is understood that satellite telephone links to the port are being installed.

#### *Druzbha (Road)*

Druzbha is the smallest and most remote of the three main border crossings into China, the other two being Khorguz and Bahty. This border was closed for sometime and has yet to be fully re-established as an international road border. The Chinese Customs only allow a one-way flow of traffic, inbound in the morning and outbound in the afternoon. The border area is still considered to be sensitive and the joint Russian-Kazak Border Guard restrict access 90 kms from the border. The post handles approximately 6,000 tonnes and 600 trucks per annum. It consists of a modern two storey office building.

The main problems are the restrictions placed on the operation of the post by the Chinese Customs, and to a lesser extent the Border Guard. Due to its recent closure only certain trucks are permitted to use this crossing. Delays tend to be limited due to the low volumes of traffic. The current duplication of clearance at the post and at another office in Druzbha creates inefficiency and requires additional manning at this remote location. The modern office has been partially constructed, but not fitted out. Communication is through the rail telephone system and is unreliable in terms of Customs needs. The power supply is also unreliable, especially in the windy conditions during winter.

Investment is required to complete the fitting out of the office, installation of an independent communication system, supply of a mobile generator and provision of computers for registration purposes. However, none of this investment can be justified until the border is fully recognised as being available to international traffic, Chinese Customs allow simultaneous direction processing and Kazakhstan Customs centralise procedures on a single post.

#### *Druzbha (Rail)*

Druzbha is the only rail crossing from Central Asia into China and is of key strategic importance. It currently handles approximately 950,000 tonnes and 40,000 rail wagons. Most of the traffic is export traffic into China - ores, fertilisers and agricultural goods - with only limited imports. Agreements have recently been signed to double the volumes. The Kazak and Chinese railway gauges differ and therefore the boggies have to be changed in the marshalling yards at Druzbha. There are indications that there is a shortage of sidings on the Chinese side which affects performance. The control point is on the ground floor of a railway building in the border marshalling yard.

The major problem relates to procedures in that, similar to the road, there is a duplication of controls. Whilst the main control point is in the marshalling yard, there is another check point closer to the border undertaking similar work. This requires extra manning at a remote location. The office requires refurbishment, though the building appears structurally sound. Communication is via the railway network and contact between the office and regional headquarters is difficult. Power supplies are unreliable, especially in winter.

Investment is required at this strategically important control point. This should either consist of the construction of a new structure in the vicinity of the marshalling yard or refurbishment of the existing offices secured by a long term lease. An independent communication system is required, probably using radio, and mobile generators for emergency power. Computers should be installed for registration purposes. None of this investment can be justified until the procedures are reviewed to eliminate the current duplication.

*Fetislovo*

Fetislovo is the main border control point between Kazakhstan and Turkmenistan and controls the road along the eastern shore of the Caspian Sea. This route is mainly used for traffic transiting between Azerbaijan and Russia which is being diverted because of the instability in southern Russia. The post currently handles approximately 300,000 tonnes and 30,000 trucks per annum. It is located 90 kms north of the border in a desert area and consists of a two storey stone building constructed by Customs personnel.

The major problem is the remoteness of the location and the road system. The post is positioned at a road junction south of Novy Uzen in a remote desert mining and oil drilling area. The road from Aktau is in reasonable condition but between Fetislovo and Turkmenbashi the road is in variable condition and is sometimes more a track than a road. The road north of Aktau is also in poor condition with extensive loss of surfacing. There is no reliable communication system but contact can be made through the radio to neighbouring mining developments.

Investment is required to complete the building and fit it out. Provision is needed for a reliable communication system, probably a radio station, to ensure good contact direct with Aktau. There are concerns at possible understaffing following the latest cut-backs. It is recognised that this border area is very difficult to control given its size and the extensive network of desert tracks.

*Khorguz*

Khorguz is the main road border from Kazakhstan into China, the others being Bahty and Druzba. It controls the traffic between China and the Central Asian Republics and it currently handles approximately 80,000 tonnes and 6,000 trucks per annum. It is also a busy passenger crossing point. The control point consists of a large modern complex with separate passenger and freight compounds. Most of the imports in Chinese trucks are either transhipped through bonded warehouses close to the border or accompanied by Customs through to Almaty.

There are no major problems at this modern well managed facility. The adoption of extended hours by the Chinese Customs and a reduction in the requirements for accompanied convoys would facilitate trade. There are minimal investment requirements, though changes in the software programmes would provide MIS (Management Information system) data to assist in managing the post.

*Korday*

Korday is the main road border post between Kazakhstan and Kyrgyzstan. It controls the main route from the north to Bishkek processing traffic to/from Russia and Europe, as well as local movements from Kazakhstan. There is also some transit traffic between Uzbekistan and Kazakhstan which passes through northern Kyrgyzstan using this control point, though most trucks utilise the ring road to avoid passing through Kyrgyzstan. The post handles approximately 1.3m tonnes and 125,000 trucks per annum.

The main problem is that the control point consists of a temporary mobile office which is in poor condition. There is no specific Customs zone, though there are concrete barriers to control traffic. The telephone system is connected to the local system only and is unreliable. No power is available after 2200 hrs. The procedures are slightly simplified for local vehicles due to the Customs Union and therefore no major delays occur. Investment is required to provide a permanent structure as a check point suitable for the simplified procedures used for local vehicles and the standard procedures used for non-CIS movements. This should include fitting out of the offices and the establishment of reliable telephone or radio links with Bishkek. A mobile/portable generator is required for nighttime power and to provide reliability of power supply prior to installation of computers.

*Lugovoye*

Lugovoye is the main rail control point between Kazakhstan and Kyrgyzstan. Following independence, the Soviet rail system was split up approximately on a national basis. However, the actual sector responsibilities do not exactly correlate with the international boundaries. This situation exists at this border where Merke is



the border town and is in Kazakhstan but the rail system there is part of Kyrghyzstan railways. Lugovoye is some distance from the border but is the last station before the rail line is controlled by the Kyrghyzs. The post currently handles approximately 1.2m tonnes and 40,000 rail wagons per annum. These are mainly export movements from Russia and Kazakhstan to Kyrghyzstan. The Customs rent 4 rooms in a railway building at the far end of the passenger platform.

There are no major problems at this control point. The office building is structurally sound, the communication system via the rail network is adequate and power is reasonably reliable. Investment is required to refurbish the office to improve the working environment. This would need to be secured by means of a longer term lease. An independent communication system is recommended and computers should be installed for registration purposes. Possible linkage with the rail tracking system should be considered.

#### *Merke*

Merke is the second largest road border between Kazakhstan and Kyrghyzstan. It controls the main route from the south to Bishkek processing traffic from Turkey, Iran and Uzbekistan, as well as local traffics. The road between northern and southern Kyrghyzstan has three high passes and is closed in winter. This control point processes these domestic movements, which have transited through Tashkent. The post handles approximately 180,000 tonnes and 12,000 trucks per annum.

The main problem is that the control point consists of a temporary mobile office in poor condition with no rest facilities. Additional problems are that there is no communication system and the power supply is unreliable. Traffic volumes are relatively low and much of the traffic is local or domestic, thus using simplified procedures so delays are minimal despite these adverse working conditions.

Investment is required to provide a permanent structure as a check point for the traffic using the simplified procedures, as well as the international traffic with standard procedures. There should be adequate provision to fit out the office and supply a communication system, either radio or telephone. A mobile/portable generator is required prior to installation of any computer equipment.

#### *Zhivek Zholy*

Zhivek Zholy is the largest road border post in Kazakhstan on the TRACECA route. Located close to Tashkent in Uzbekistan, the Customs control point is in the centre of a small town. It handles approximately 1m tonnes and 70,000 trucks per annum, making it the busiest road border on TRACECA. The post consists of a single mobile office unit split into two offices.

The main problems at this control point relate to its location and the infrastructure. Its position in the main street of a small town leads to significant congestion and the inability to operate a traffic control system. Trucks are parked both sides of the border awaiting clearance or parked up for rest periods all within the same area. The post is only 500 metres from the Uzbek post and traffic backs up through the Kazak post at peak periods. The border zone is open to public access and traffic flows are confused. The existing building is in poor condition and there are no power or communication systems.

These problems are appreciated by Kazakhstan Customs who plan to relocate to a new site approximately 3 kilometres north of the border outside the urban area. A site has already been identified and reserved. Investment is required to construct and equip this new site. This will consist of an office building and associated checking facilities, such as overhead canopies and inspection pits. Funding is also required to fit out the building, provide communication and power services and to install data processing equipment. It is essential that 'Form follows Function' design concepts are used due to the high traffic volumes. The planning could provide for a closed Customs Zone with no commercial facilities within 300 metres of the border and restricted access.

#### *Kyrghyzstan*

Kyrghyzstan is landlocked and is the Central Asian Republic furthest from the open sea. It has borders with other countries - Kazakhstan in the north, Uzbekistan in the west, Tadjikistan in the south and China in the east. The country is over 90% mountains and is divided by high mountain ranges - part of the Tien Shan.

The roads in the north and around Osh in the fertile Fergana valley are in good condition but the mountain roads are in poor condition, many being closed in winter. Traffic between the north and south has to transit through Uzbekistan in winter as the high passes are closed.

Kyrgyzstan has signed the Customs Union with Russia, Belarus and Kazakhstan. However, it is understood that Kyrgyzstan has not fully implemented the agreement due to some outstanding issues.

#### *Akzhol*

Akzhol is the largest road border crossing in Kyrgyzstan handling all the road traffic to/from the north. This is the route used for transport of cargoes to/from Russia, Europe and Kazakhstan. Some of the southern traffics from Iran and Turkey also use this route to avoid congestion on the busy road across northern Kyrgyzstan. The control point handles approximately 1.3 m tonnes and 125,000 trucks per annum. This part of the country is flat and the roads are in good condition. A new border post with overhead inspection canopies has been constructed with French aid. There is a Free Trade Zone located close to the border. Vehicles transiting between this Zone and Akzhol have to be accompanied by Customs if loaded.

The main problem is that due to lack of funding the building has not been fitted out and therefore has limitations. There is no telephone connection, with reliance on a radio system to connect with Bishkek. The power supply is unreliable, especially in winter.

Further investment is required to complete the post, mainly in terms of office furniture and equipment. A telephone link should be installed in order to place a computer here for registration purposes that could later go on-line to the headquarters in Bishkek. An emergency generator is also required. An application has been made through the French Embassy for additional funding but support has not been confirmed.

#### *Bishkek*

Bishkek is the largest rail control point in Kyrgyzstan. All imports and exports by rail are both controlled and cleared at the destination or originating station, rather than at the geographical borders where there are no facilities. There are 12 different stations capable of such clearance/entry procedures. Rail Customs are a separate part of the Customs organisation and have their own headquarters building in Bishkek. Their offices are located close to the main marshalling yard. It handles approximately 1.1 m tonnes and 20,000 loaded rail wagons per annum, mainly imports.

There are no major problems with the main office in good condition, although it is expected that control points at many of the other locations may require refurbishment. Additional data processing equipment will also be required, although much will depend on the installation of a centralised computerised Customs Clearance System. Strengthening of the communication system will also be necessary and requires additional investment.

#### *Chaldovar*

Chaldovar is the second largest border crossing in the north with Kazakhstan. This control point handles most of the traffic coming from the south, particularly from Iran and Turkey as well as Uzbekistan. It is also the main crossing used for domestic movements to/from the south and currently handles approximately 180,000 tonnes and 12,000 trucks per annum. The post consists of two mobile office units in poor condition.

The main problem is that a new office unit was constructed under the French aid project but has never been occupied. The reasons for this are not clear and the fabrication is starting to deteriorate. No funding was available for equipping the office. There is no communication as the radio is broken and there are power problems in winter.

Investment is required to refurbish the new building so that it can be occupied. This will consist mainly of internal works. The office will need furniture and heating/cooling appliances. This is not a remote location that connection with the national telephone system should be possible. A mobile generator is required for emergency power, particularly if computers are to be installed.

### *Dostuk*

Dostuk is the main road border crossing into southern Kyrghyzstan from Uzbekistan. This handles all the traffic coming up through Uzbekistan from Turkey and Iran, as well as domestic movements from the north, which either transit via Tashkent in winter or through Andijan in summer, rather than use the national roads via Dzalal-Abad. There are also transit cargoes to/from China and the Pamir region of Tadjikistan. The control point handles 300,000 tonnes and 20,000 trucks per annum. The post consists of two temporary office buildings and a restroom and it is located approximately 10 kms from Osh.

The main problem is that the offices are basic and in poor condition and are temporary in nature. This is despite construction work undertaken by resident officers. The adverse working conditions can affect performance. There is no telephone linkage to Osh, though there is a radio set which is unreliable. The power supply is also variable, especially in winter.

Investment is required to provide a permanent structure at this important road crossing. Funding should include provision for office equipment, a telephone connection with Osh, an emergency power generator and at least one computer. It should be noted that this is a full clearance office as well as a border control point.

### *Irkeshtan*

Irkeshtan is a new border crossing being developed by Kyrghyzstan with China. The other borders with China are high mountain passes which are only open for a few months each year. This lower southern route is intended to attract traffic from Uzbekistan and the south which is currently being sent up through Kazakhstan to Khorguz. A new border post is under construction for completion in 1996.

The main problem has been the access roads both sides of the border. A bilateral agreement has been signed to reconstruct these roads. This route will still require transit of the Taldyk Pass (3619 metres) making access difficult in winter. It is assumed that adequate funds have been provided to equip the control point with furniture and adequate communication equipment, but based on other recent investments this may not be so. It is essential that they are provided to ensure that the post functions as expected.

### *Osh 1&2*

Osh is the main rail Customs control point for southern Kyrghyzstan covering the fertile Fergana valley. It handles approximately 50,000 tonnes and 2,000 rail wagons per year. It should be noted that most traffic to/from southern Kyrghyzstan moves by road rather than by rail. The post is located in the rail freight building in the main marshalling yard. There were no indications of problems on this section of the rail network.

The main problem is a shortage of space as only two rooms are rented. An additional room is required for interfacing with customers. The offices require some refurbishment, which would have to be secured by a longer term lease. Computers are needed for registration purposes and could be linked in with a future computerised Customs Clearance System.

## 4.6 Tadjikistan

Tadjikistan is landlocked and has borders with four other countries - Kyrghyzstan in the north and east, Uzbekistan in the north and west, China in the east and Afghanistan in the south. Tadjikistan has experienced problems since independence which led to conflict between the north and the south. This resulted in substantial casualties and 500,000 refugees. The north received support from Russia and achieved a victory over the south. However, no settlement has been achieved and a state of civil unrest still exists, though it is mainly confined to the Pamir region in the east. Russian troops are still present. The war has also created some regional tensions with neighbouring Uzbekistan.

The civil war and the on-going conflict in Afghanistan means that trade is effectively confined to the borders with Uzbekistan and Kyrghyzstan. The country is also divided geographically by a high range of mountains which can only be crossed in summer. Domestic traffic movements between the north and south have to detour through Uzbekistan for most of the year. The roads in both the north and the south are in moderate

condition but the interconnecting road routes are often in poor condition. The rail network appears mainly in good condition and Tadjikistan is very dependant on the rail mode. As a result of the civil unrest, traffic volumes have declined.

#### *Aivaj*

Aivaj is a remote road crossing with Uzbekistan close to the Afghanistan border. It is the main border for the fertile southern part of Tadjikistan and is used mainly for import of humanitarian aid and export of agricultural goods. The control point currently handles approximately 35,000 tonnes and 4,000 trucks per annum. The post consists of two temporary structures, one on a wheeled unit.

The main problems are the remoteness of the location and the existing infrastructure. The roads are in moderate condition but the post is in a remote desert region subject to extremes of climate. It is therefore not an attractive posting, making recruitment difficult and exposing staff to security risks. The buildings are in poor condition with a lack of internal fittings and no heating or cooling equipment. Communication is by radio but the power supply is variable. There is also no water on-site.

Investment is needed to provide a permanent structure which would give improved working conditions. This would include a mobile generator for emergency power to enable temperature controlling equipment to be installed and to improve communication.

#### *Hoskadi*

Hoskadi is the rail control point for the line connecting southern Tadjikistan and Uzbekistan. It handles approximately 180,000 tonnes and 4,000 rail wagons per annum, much of which is imports of humanitarian aid and exports of agricultural goods. The control point is located within a rail depot owned by the cotton industry. The border transit station is approximately 200 metres from the depot and 10 kms from the border. The Customs rent a single room which is used for transit clearances and sleeping.

The main problem is that in this remote location working shifts are 72 hours and therefore rest facilities are required. One room is available and therefore working and sleeping personnel are mixed. Only basic facilities are available and power supplies are unreliable, especially in winter. Communication is via radio as there are no telephone services in the vicinity.

Investment is required for internal work to divide the rented area into working and rest areas. This can be achieved with partitioning and soundproofing. Some refurbishing is also required to improve working conditions. An emergency generator is also needed so that computers can be installed at a later stage.

#### *Iskra*

Iskra is a remote mountain crossing between southern Tadjikistan and Uzbekistan. It is, in reality, a 'back' route alternative to Aivaj. The control point currently handles 2,000 tonnes and 200 trucks per annum in addition to passenger movements. The poor road conditions limit commercial movements and much of the volume is local trading between communities either side of the border. The post consists of two temporary caravan units.

The main problem is accessibility, given the poor road conditions either side of the border in rugged mountain terrain. The buildings are in poor condition and there is no power or water. Communication is reliant on a radio system using batteries.

Investment is difficult to justify given the low traffic volume. A more realistic alternative would be to close the border post as a permanent manned facility and replace it with a mobile Customs control point. This is the strategy which has been adopted by Uzbekistan Customs at the other side.

#### *Pakhtbad*

Pakhtbad is the largest rail border crossing in Tadjikistan handling imports and exports. It is located in the city of Turzen-Zade, some distance from the border with Uzbekistan. The control point handles approximately 1 m tonnes and 30,000 loaded rail wagons. A substantial percentage of this traffic relates to

raw materials for and finished products from the major aluminium smelter located outside Turzen-Zade. The post consists of a wheeled caravan unit located outside the main rail sidings.

The main problem is the temporary nature of the facility. It is intended that Customs will rent an office in the new rail buildings currently under construction. The existing facility has only basic equipment and furniture. Public access is difficult through a narrow side entrance to the rail complex.

The investment requirements are dependent on the move to new accommodation. On the assumption that this has been agreed, funding will probably still be required to fit out the offices and provide equipment.

#### *Patar*

Patar is the smaller of the borders with Uzbekistan in northern Tadjikistan. It is handling mainly domestic movements across eastern Uzbekistan as well as international transit traffic through to the Fergana region of Uzbekistan and southern Kyrghyzstan. The control point handles 90,000 tonnes and 13,000 trucks per annum. The post consists of two temporary metal portable office units. All access roads are in reasonable condition for heavy transport.

The main problem has been the poor condition of the offices. Plans have been made to consolidate border control points and construct a new facility. This should include provision for an emergency generator as power supplies in this area are unreliable. A computer for registration of international traffics could be installed when the new building is in operation.

#### *Platinum*

Platinum is the busiest road border crossing in northern Tadjikistan. The main traffic is transit traffic travelling through to/from the Fergana valley of eastern Uzbekistan and southern Kyrghyzstan, rather than imports and exports for Tadjikistan. The control point handles approximately 1 m tonnes and 110,00 trucks per annum. Of these only 28,000 trucks are concerned with international traffics, as opposed to local movements. The post consists of a single brick building in reasonable condition.

There are no major problems at this border. The building requires some internal refurbishment but communication and power were indicated as adequate. The main investment would be for computers for registration purposes. These would be restricted to international registrations only.

#### *Post No 1 - Turzen-Zade*

This is the main road border crossing in Tadjikistan connecting with Uzbekistan, as the northern road borders are predominantly handling transit cargoes. It is the control point for road traffic to/from the central region around Dushambe. It currently handles approximately 100,000 tonnes of international traffic, 80,000 tonnes of domestic traffic and 20,000 trucks per annum. All access roads are in reasonable condition. The border post consists of two office blocks within a walled compound, representing a secure Customs Zone.

The main problems relate to completion of the construction work, fitting out and the lack of equipment. The main two storey building at the rear has some offices finished but most await completion. Furnishings are required in all offices to improve the image and working environment. There is no telephone but the radio was indicated as reliable. Power is a problem, especially in winter.

Investment is required to finish existing work. Since construction was being undertaken at the time of inspection, it is possible that this has now been completed. Additional funding for fitting out will probably be required. Installation of a computer system at this important border is desirable. This would require funding of computers, an emergency generator and possible provision of a phone line.

#### *Sarazm*

Sarazm is the only road crossing from Uzbekistan to the central valley. The valley lies between the Sanskijchrebel ranges which divide Tadjikistan. The roads through these mountains are closed for over half of the year and therefore the valley is cut off. In summer traffic to/from Dushambe uses this frontier to obtain direct access into central Uzbekistan. The control point handles approximately 40,000 tonnes and 3,000

trucks per annum and it is also a busy passenger crossing. A new two storey building is under construction with completion late 1996.

The main problem is accessibility limiting through cargoes. The only local traffics are agricultural goods and equipment to the gold mine. If the 15km tunnel on the southern range is completed, then additional traffics to/from central Tadjikistan would use this route. The new building should resolve problems with the existing office. It is noted that an emergency generator is being installed.

It is assumed that adequate funds are available to complete the scheduled works, but finance for fitting out the building may not have been agreed. Funding for this and computers for registration purposes may still be required.

#### 4.7 Turkmenistan

Turkmenistan is located in the centre of the TRACECA route. It is landlocked in that it has no direct access to the open sea. It has a western border with the Caspian Sea and has surface borders with four countries - Kazakhstan in the north west, Uzbekistan in the north and east and Afghanistan and Iran to the south. All these borders are open, though traffic to Afghanistan is minimal given the civil war in that country.

Turkmenistan has a number of strategically important borders and has a key role in the transport environment of Central Asia. The key road corridor is currently to/from Iranian and Turkey from/to the Central Asia Republics. All the main entry crossings used by Turkish and Iranian transporters into Central Asia are in Turkmenistan. The most important road link between the two parts of TRACECA also traverses the country. The road border between Turkmenistan and Uzbekistan is one of the busiest on the whole corridor. It is also strategically important for rail, especially as the primary focus on development of TRACECA will be on the establishment of a reliable rail corridor for cotton shipments. The main rail line from Russia runs along the Uzbek/Turkmen border to the rail hub at Chardzhou in Turkmenistan. This is one of the busiest freight lines in the region.

The roads are generally all in moderate condition, except close to the Iranian border and around Mary, in the east, where they are in poor condition. The rail system has certain infrastructure problems which limit transit speeds to 40 kmph. There are problems at both the road and rail crossings over the Amu-Darya River, close to the Uzbek border. These are being addressed by one of the other TRACECA projects. The potentially important rail link with Iran connecting Sarakhs in Turkmenistan to Mashhad in Iran was opened in May 1996 but is still not operative, awaiting completion on the Iranian side late 1996. This is expected to attract increasing volumes of rail traffic next year as it connects through to Bandar Abbas on the Persian Gulf.

#### *Artyk*

Artyk is the second largest road border crossing with Iran and is only 90 kms east of Ashgabat. It currently has extra traffic due to the temporary closure for road repairs of the Gaudan border, immediately south of Ashgabat. Artyk is less attractive to transit traffic for Central Asia than the more easterly crossing at Sarakhs but that crossing cannot be used by non-Iranian trucks. This control point currently handles approximately 300,000 tonnes and 24,000 trucks per annum, mostly in transit. The short access road to the border is in poor condition and the main route from Ashgabat has some damage. The post consists of a modern border complex with offices and inspection facilities completed only three years ago.

The main problems relate to the restrictions imposed by the Iranian Authorities, such as special routing and no nightwork. This latter restriction results in "bunching" of arrivals from Iran and delays on departure to Iran, as despatch from Turkmenistan is not permitted from late afternoon onwards. The facilities are in good condition, though the layout of the offices leads to a confused process flow in obtaining transit clearance. The facility has no mains water for washing or sanitary purposes.

There are no major investment requirements, other than the provision of water from an adjacent source. This is quite important given that this is a desert area with very high summer temperatures. The communication system may need to be up-graded to allow use of a modem for data transfer to Ashgabat.

*Farap (rail)*

Farap is the Turkmen control point on the largest rail border of the TRACECA corridor. The major traffic flows are to/from the Chardzhou rail hub and are mainly rail traffic using the Chardzhou/Russia rail link, rather than the TRACECA line via Ashgabat. Traffic is expected to increase with the opening of the Iranian rail service. The control point currently handles approximately 10 m tonnes and 280,000 rail wagons per annum. The post is located in the main marshalling yards north of Chardzhou, but immediately south of the major rail bridge over the Amu-Darya River. The post consists of a small two room building constructed by Customs officers in a spare area of the yard.

The main problems relate to the rail infrastructure regarding marshalling performance, limitations within the Turkmen rail system and the structural concerns regarding the Amu-Darya rail bridge. The control point is in poor condition and is clearly not suitable as a major rail clearance office, despite the efforts of the resident officers.

Investment is required to provide a new pre-fabricated building and fit it out as a major control point. This should include installation of computers for registration purposes. The current location is suitable for a new building, provided ground lease agreements can be concluded with the rail authorities.

*Farap (Road)*

Farap is the largest road border crossing in Turkmenistan and controls the key road route with Uzbekistan. The control point handles approximately 950,000 tonnes and 90,000 trucks per annum. The main traffic is northbound, with 50% of southbound trucks being empty. The post is located north of the Amu-Darya River close to the border. It consists of a two storey building which has only been recently completed.

There are two major problems at this control point. The main constraint is the pontoon bridge over the Amu-Darya River. This is a toll crossing in poor condition with night closure. This results in "bunched" arrivals northbound and delayed onward movement southbound. The second problem is the delays occurring at Alat, the interfacing Uzbek control point. With the "bunching" and delays in processing, the queue of waiting vehicles can stretch back from Alat through the Turkmen post, as there is only approximately 500 metres between posts. This results in processing delays at Farap.

The road width is insufficient to cope with these extra parking requirements and the road becomes blocked. The new post has been completed externally but is incomplete inside, resulting in a poor working environment. There is no telephone connection, though the radios work effectively.

Investment is required to widen the road to provide a traffic separation system to implement an expedited clearance system for empties and TIR movements and to provide sufficient parking to cope with "bunched" arrivals from the bridge. Funding is also required to finish the new building internally and provide it with the appropriate equipment. This includes the installation of computers for registration purposes and a possible telephone connection capable of taking a modem link.

*Sarakhs*

Sarakhs is the main road entry point from Iran into Turkmenistan and on to Central Asia. Iran only permits their vehicles to use this crossing, Turkish and other vehicles being diverted to the more westerly crossings. Uzbekistan has dispensation to use Sarakhs for empty trucks only. The rail link was not open at the time of the inspection, except from the Iranian border station where flour was being loaded. The control point currently handles 700,000 tonnes of road traffic, 150,000 tonnes rail traffic and 65,000 road trucks and 3,000 rail wagons per annum. The access road towards Ashgabat is in fair condition but the direct route to Mary is in poor condition. The rail lines are new and therefore in good condition. The boggie changing facility is ready but not yet in operation as there is no through traffic. The road post was completed in 1994 and has a central office facility and inspection canopies either side.

The main problems relate to limitations by the Iranian Authorities who permit daywork only which results in "bunching" of arrivals from Iran and delayed exit to Iran. The rail line is not open due to the need to complete some sections within Iran. The control point is structurally sound but has a poor internal finish.

Communication is a problem with access only via a manual exchange and the direct dialling system is out of order. The power supply was indicated as being unreliable. The rail control point was not completed, though a site was selected. Most of the officers will be based at the road crossing which is close-by.

Investment is required to up-grade the internal finish within the post so as to improve the image and working environment. The direct dialling system (Iskra) should be re-installed to allow later use of a modem. A mobile generator is required to provide emergency power. The existing computer could be used for registration work with the appropriate software and training. It has been assumed that adequate funds are available for the rail post from the overall Sarakhs development plan.

#### *Turkmenbashi*

Turkmenbashi is the only port in Turkmenistan and has the ferry link across the Caspian Sea to Azerbaijan which is critical to the TRACECA corridor. Though there is a substantial oil activity, the ferry represents the main port operation with approximately five sailings per week. The control point for the ferry service is located at the shore end of the ramp. It currently handles approximately 400,000 tonnes, 7,000 rail wagons and 13,000 road trucks per annum. The rail traffic is principally to/from Central Asia, whereas the road traffic is to/from Russia using the route up the eastern shore of the Caspian. The post consists of a steel shed containing eight rooms.

The main problems relate to the performance of the ferry service and the location of the control point. The ferry service is an on-demand service based on the demand from Baku. This can result in significant congestion of both rail and road traffics in Turkmenbashi awaiting a ferry to be filled in Baku. The actual turnaround time in the port is excessive. This is caused by slow clearance of the vessel and lack of shunting engines to discharge the rail traffic from the ship in tandem. The Customs post is close to the end of the ramp and vehicles are checked on the ramp, thus delaying discharge. Communication is via the port system and is not suitable for national communication. An additional problem is the rising water level of the Caspian, which may require substantial redevelopment of the port, including the ferry ramps.

The primary requirement is to improve the performance of the ferry service by making it a scheduled link and reducing the turnaround times, especially by better co-ordination with the railways. The current clearance times prior to commencement of discharge are not appropriate for a ferry service and should be reviewed by all the parties concerned, including Customs. This procedure takes 15 minutes in the EU but can take up to 4 hours at Caspian Sea ports. The Customs control point is in the wrong position and should be closer to the port gate. Only road trucks cleared to be shipped should be allowed into the main terminal area and trucks exiting the vessel should move towards the gate area to obtain transit clearance. As in Baku, there is a need to take the Customs activity away from the key working areas. It may be possible to move the building, given that much of it is a pre-fabricated steel unit or, alternatively, move the freight activity to a new location and retain the existing shed for passenger traffic only. If the existing unit is moved, there is scope for improved internal layout to reflect the process and avoid contraflows. Investment is required to provide telephone links and computers for registration purposes. The changes in location may be possible in connection with the funding of any port redevelopment.

#### 4.8 Uzbekistan

Uzbekistan is unique in that it is the only landlocked country which in turn is surrounded by landlocked countries. Uzbekistan, like Turkmenistan, has a key strategic location in the centre of the TRACECA corridor and is positioned as the transport hub for Central Asia. It has borders with five other countries - Kazakhstan in the north, Kyrgyzstan and Tajikistan in the east and Afghanistan and Turkmenistan in the south. All the borders are open, though certain borders with Kyrgyzstan and Tajikistan have been closed at times in recent years.

The main road route is from the Turkmen border in the south-east to the Kazak border in the north-east near Tashkent. The main rail route runs parallel to the road. Termez in the south is a key transport centre for traffic into Afghanistan and southern Tajikistan. From Samarkand, a north easterly transport corridor runs up to the Fergana valley through northern Tajikistan and into southern Kyrgyzstan. Most roads are in



moderate condition, through there is some deterioration in the mountainous area close to Termez. The rail infrastructure was indicated as being in reasonable condition.

#### *Anderhan*

Anderhan is the larger of the two border crossings between eastern Uzbekistan and northern Tadjikistan. It handles traffic which is traversing northern Tadjikistan between central Uzbekistan and the eastern region and southern Kryghyzstan in the Fergana valley area. Unlike its partner border, Ravot, Anderhan is open to all traffics, irrespective of the nationality of the transporter. It currently handles 60,000 tonnes and 6,000 trucks per annum. All roads are in reasonable condition. The post consists of a mobile office with two rooms.

A problem is the poor signage and local knowledge about the post making it difficult to find. The mobile office is in poor condition and construction work on the new border post has been suspended. There is no telephone link, though the radio system is working.

Investment is required to recommence and complete the construction of the new control point. This will be substantial because, although materials are on site, no major work other than foundations has been undertaken. Funding should be sufficient to fit out the building and install computers for registration purposes. It is essential that signage in the area is improved to direct traffic to this border post.

#### *Alat*

Alat is the second largest road border crossing in Uzbekistan and is a key TRACECA crossing. It controls the important road route up from Turkmenistan used by the Iranian and Turkish, as well as CIS, road transporters. This busy post handles approximately 950,000 tonnes and 90,000 trucks per annum. The access roads are generally in reasonable condition, subject to the problems on the Turkmen side with the Amu-Darya pontoon bridge. It should be noted that Alat is over 100 kms from the nearest city - Bukara - and is therefore remote, as opposed to the interfacing Farap post which is close to Chardzhou. A major new border complex is under construction and is due for completion during 1996.

The major problem is the delays which are occurring as a result of the construction of the new control point. The offices within the new complex are already being used but the road through the site was not open and therefore the inspections were taking place on a narrow unsurfaced road alongside. This restricted the numbers of vehicles which could be processed. As a result, long delays were occurring and extensive queues were forming, occasionally backing up through the Turkmen border 500 metres south. The approach roads either side of the border become congested with waiting trucks making access difficult for non-freight traffic. However, based on the examination of Gisht-Koprik in the north, it is also considered that irrespective of the construction work, the procedures being adopted will also result in delays. The current handling times are not sufficiently fast as to be able to cope with the volume of traffic without incurring substantial waiting times.

The production of a new modern terminal will not in itself improve performance. A preliminary inspection does not indicate that 'Form follows Function' concept design has been used and it is clear that integration of the various organisations has not been achieved. It is critical that this visually impressive 'Form' will significantly improve the functional aspect. It is essential that a review is made of the procedures with a view to installing 'fast' lanes for empties and TIR (and Community Transit when introduced) and reducing the documentation inspection procedures. This is required to ensure that the control point is capable of handling increased volumes of traffic without the current levels of delay. Additional funding may be required to complete the fitting out of the new offices and installation of a communication system which can accommodate a modem for transfer of data to the regional headquarters at Bukara.

#### *Dustlic*

Dustlic is the main border between Uzbekistan and Kyrghyzstan. It handles mainly imports and exports to/from the Osh region but also has some transit traffic through to China and the Pamir region of eastern Tadjikistan. The control point processes approximately 300,000 tonnes and 20,000 trucks per annum. All roads are in reasonable condition. The post consists of a mobile office with two rooms.

The main problem has been the poor condition of the mobile unit giving an adverse working environment. A new office block was under construction on an adjacent site, but work had been suspended. Services are generally adequate, though both power and telephones are subject to interruptions in windy conditions.

Investment is required to complete and fit out the new office block, if this has not already been provided. The construction work is well advanced and limited extra work is required. The proposed warehouse at the rear of the block is not considered essential. It is recommended that other organisations are also accommodated in this block so as to be able to provide an integrated border facility. Consideration should be given to the provision of a mobile generator for use in winter and investigations made as to whether the telecommunications can be improved.

#### *Farhoed-Bekabad*

Farkoed -Bekabad is the main entry/exit point for traffic travelling through the north of Tadjikistan. It therefore handles movements to/from the Hodjent region of Tajikistan as well as traffic to/from eastern Uzbekistan and southern Kyrghyzstan. The post processes 1m tonnes of cargo and 110,000 trucks per annum but most of this is domestic or local movements. Only approximately 150,000 tonnes and 14,000 trucks are international traffic. All roads are in reasonable condition. The post consists of an office block set back from the road on an adjacent hillside with a processing booth under the flyover.

The major problem has been the positioning of the post. There is a dam immediately in front of the existing post. Previously the post was at the other end of the dam but this resulted in concerns with trucks queuing on the road, which is part of the dam wall. The current position is better and protection to the processing booth is given by the overhead road junction. The office building is structurally sound but there is no telephone link.

Investment is required to refurbish the office internally to improve the working environment. Investigations should be undertaken to establish whether a telephone link could be installed in order to transfer data to/from the regional office. Road signage needs to be improved as this border post is difficult to find.

#### *Gagaba*

Gagaba is the rail control point for the lines into both southern Tadjikistan and Afghanistan. It currently handles 180,000 tonnes and 3,700 loaded rail wagons for southern Tadjikistan and 185,000 tonnes and 5,100 loaded rail wagons for Afghanistan per annum. Volumes have dropped to these levels as a result of the civil conflicts. A significant proportion of the traffic is movements of humanitarian aid into those countries. The post is located close to Termez on the rail spur to both countries and Customs rent two offices in a railway building adjacent to the line.

There are no significant problems, though the office requires refurbishing to improve the working environment. The installation of an independent telephone system would enable direct transfer of registration data to the regional office in Termez.

#### *Gisht-Koprik*

Gist-Koprik is the largest road border crossing in Uzbekistan and is one of the most important TRACECA crossings. It controls the important road between Tashkent in Uzbekistan and Chimkent in Kazakhstan. It is used by transport coming from Europe and Russia to southern Central Asia and by transport from Iran and Turkey coming through to northern Central Asia. The control point handles approximately 1 m tonnes and 70,000 trucks per annum. The post consists of a modern border complex with a large office block and processing booths.

The major problem at this border is processing speeds in relation to the traffic demand. Although the physical processing speed is similar to that at many other borders, the extra volume and inability to process more than one vehicle simultaneously in each direction can lead to long delays. The queues can often back up to the Kazak border in busy periods. The post is in an urban area and is congested by local traffic as well as border movements. The existing post is in reasonable condition, though it could be up-graded internally. However, there are plans to move to a newly constructed terminal 500 metres north. The new design is understood to be

based on the Alat model. The telephone system at the control point is not connected to the city lines which will make use of a modem difficult.

The priority is to review the processing procedures as the current methods result in unacceptable delays. This will have to involve the introduction of segregation of traffic with a 'fast' lane for empties and TIR (and Community Transit when introduced) vehicles and reduced inspection procedures on other trucks. It is hoped that the new facility is in a less built-up area and that planning permission is not allowed for ancillary services, such as trading stalls and eating places within 300 metres of the border checking zone, so as to avoid the current congestion and road safety concerns. Though the existing border complex is adequate, the new facility must incorporate 'Form follows Function' concepts to ensure that it achieves enhanced handling speeds. Adequate funding must be provided to fit out the offices and install city line connection to provide on-line computer connections with the head office.

#### *Gulbakor*

Gulbakor is a remote border crossing with Tadjikistan close to the Afghanistan border. It handles approximately 35,000 tonnes and 4,000 trucks per annum. A significant proportion of this traffic is humanitarian aid destined for southern and eastern Tadjikistan. The road links are reasonable given the difficult desert terrain and low utilisation. The control point consists of a single temporary building, incorporating both working and sleeping areas.

The main problems arise due to the remoteness of the location. This is reflected in the poor condition of the building, adverse working environment, problems with recruitment and lack of communications. Despite these circumstances, the performance is satisfactory and delays are minimal.

Investment is required to provide a permanent structure which would give better working conditions. This should include heating and cooling equipment to cope with the harsh climatic conditions and an emergency generator, as power supplies are unreliable. Some improvement in communication systems is desirable but it is recognised that this may be difficult in the short term.

#### *Jarpeta*

Jarpeta is the main border post between Uzbekistan and the central valley of Tadjikistan. This valley lies between the Sanskijchrebet ranges and is cut off from the rest of Tadjikistan during the winter. The route through from this valley is open to Dushambe in the summer. There are, therefore, significant fluctuations in traffic flows with higher volumes in the summer. It currently handles 40,000 and 3,000 trucks per annum, most of which is local traffic. It is also a busy passenger border. The roads are in reasonable condition, subject to the seasonal restrictions in Tadjikistan. The control point consists of two temporary buildings used as an office and a canteen.

The major problem is the ability to effectively control traffics as the valley is wider at this point and crossings can be made by-passing this control point. The existing offices are in poor condition but a new facility is being completed which has an office block and a processing building. There are no telephone links to the Samarkand regional office, communications being by radio. The power supply is unreliable in the windy conditions that occur in winter.

Additional investment may be required to fit out the new buildings. Provision should be made for an emergency generator and possible improvements in communications. This post would be suitable for installation of a computer for registration purposes.

#### *Kaggan*

Kaggan is the largest rail border in Uzbekistan and on the TRACECA corridor. It currently handles 10 m tonnes and 280,000 rail wagons per annum. Much of the traffic is routed via the Chardzhou rail hub and transits along the line traversing the Uzbek/Turkmen border towards Russia, rather than along the TRACECA line via Ashgabat. The opening of the Iranian link is expected to generate additional volumes. The rail infrastructure was indicated as being in reasonable condition. The control point consists of two separate posts

within the main railway station at Buchara. Post No 2 tends to handle the documentation checks and Post No 4 the physical inspections.

There are no major problems at this control point, though the divided office structure must result in some degree of either inefficiency or duplication. Visiting Post No 4 requires a special permit and is therefore not accessible to customers.

Limited investment would be required to combine the posts into a single integrated function with better customer access. The location of Post No 2 is ideal and possibly an additional rented area could be obtained to accommodate the staff from Post No 4. Some investment may also be required on telecommunications to install a modem link to transfer data to the regional headquarters in Buchara.

#### *Ravot*

Ravot is the smaller of the two borders in eastern Uzbekistan with northern Tadjikistan. This border post can only process CIS traffics with other international movements being diverted to Anderhan post. It currently handles 50,000 tonnes and 10,000 trucks per annum. The roads in this area are in moderate condition. The control point consists of a two storey office building.

The main problem is the limited utilisation of this border due to the imposition of restrictions to handle only CIS trucks. The building is in poor condition and there is no telephone system. Communication is by radio but this only has a 50 km range.

It is recommended that this post is open to all traffics and that the current discrimination is removed. Investment is required to refurbish the building but this expenditure could only be justified by additional traffic as a result of opening the border to all vehicles. A computer could be installed for registration purposes and an examination should be made as to whether a telephone link for modem purposes could be installed.

#### *Sarasy*

Sarasy is the main road crossing point between Uzbekistan and central Tadjikistan. In addition to international traffics, there are domestic movements between north and south Tadjikistan which are routed through Uzbekistan when the mountain roads are closed. The control point handles approximately 100,000 tonnes and 10,000 trucks per annum. The surrounding roads are all in reasonable condition. The post consists of a two storey office building and adjacent temporary buildings for canteen and rest purposes.

The main problem is that the existing office block is not sufficient to accommodate all the Customs activities and therefore there is a functional split on site. There are also other organisations present, all with their own separate office units resulting in a confused process flow. The power supply can also be problematical in adverse winter conditions.

Investment is required to extend the facilities to accommodate both the Customs and some of the other organisations present, so as to be able to provide an integrated border service. Funding should include a provision for fitting out the premises and the supply of an additional computer. Supply of a mobile/portable generator should also be considered and up-grading of the telecommunication system to accept a modem, if this is technically possible.

#### *Sarasy (Uzun)*

Sarasy (Uzun) is the rail border control point between Uzbekistan and central Tadjikistan. It currently handles approximately 950,000 tonnes and 40,000 rail wagons. A substantial proportion of the traffic is raw materials to, or finished products from, the aluminium smelter at Turzen-Zade in Tadjikistan. The post consists of three rented rooms on the main passenger platform in Uzen station.

There are no major problems, though the offices require refurbishment to improve the working environment. This may require a longer term rental agreement to justify and secure the investment. Funding is also required to provide a computer and ancillary equipment for registration purposes.

*Savay*

Savay is the main rail border control point in eastern Uzbekistan covering the border with Kyrgyzstan. It currently handles 50,000 tonnes and 2,000 rail wagons per annum. The rail network is in reasonable condition in this region. This post has a number of subsidiary checkpoints, including one closer to the border, but the document checks are all undertaken at this central office. Three rooms are rented on the top floor of an office block at Andijan rail station.

There are no major problems at this post with the offices in reasonable condition and they are easily accessible to customers. Investment is required to install computers for registration purposes with a modem link to the regional headquarters building in Andijan.

*Shumilova*

Shumilova is the main rail control point in Tashkent controlling the line running north into Kazakhstan. It is also a major rail head in its own right with a large multi-modal rail container terminal. The control point has two functions - control of transit movements and clearance of imports/exports in Tashkent area. It current handles approximately 1 m tonnes, 50,000 containers and 40,000 rail wagons per annum. The post consists of an office block rented from the rail authorities with Customs having the ground floor and the upper levels being apartments for rail personnel.

The main problem has been the shared facilities with the railways and the dual role of the building. A new office block has been built on an adjacent site, close to both the existing building and the container terminal. This should resolve most of the problems. It was noted that the road access was poor for a terminal of this size and the signage was limited.

Only limited further investment is required to ensure that the internal finish and office equipment are adequate for a facility of this importance with a substantial public interface. It may be necessary to consider installing improved telecommunications to support on-line services to the central headquarters computer system.

This section has identified substantial investment requirements to improve the border control points throughout the regions through which the TRACECA corridor will operate. It is recognised that there is insufficient funding to address all the issues raised and therefore some prioritisation is required. This is discussed in the next section.

## 5. BASIS OF PRIORITISATION AND INVESTMENT

### 5.1 General Principles

The Terms of Reference required 'a study to identify the principle surface transport Customs control points within and around the Region and to analyse common problems as well as those specific to each'. This has been undertaken in Sections 3 and 4. The requirement 'to propose improvements to the existing installations and procedures,' has also been covered. However, it is considered essential to identify an investment and implementation programme, as insufficient funds and resources are expected to be available in the short term.

This project is part of the TRACECA programme, which is specifically designed to stimulate the use of that corridor. The basis of prioritisation must, therefore, be directed towards those border control points which are located on the agreed TRACECA routes. However, development proposals must have regard to their national context, as outlined in Section 4.

Having established initial prioritisation on the TRACECA route, it is necessary to indicate lower levels of prioritisation as there are still insufficient funds and resources for simultaneous action on all requirements at all TRACECA borders. There is a need to concentrate funding on the larger border crossings. This is because such investment would be expected to have maximum impact at the busier locations. These are the control points where the traffic volumes are sufficiently large to be able to generate the required benefits to justify investment on the basis of a cost benefit approach to funding.

It is recognised, however, that some investment will also be required at the smaller control points, which have not attracted funding in the past and where the cost benefits will be less evident. There is an overall requirement by Governments to have facilities to control international traffics passing through their national borders, irrespective of volumes. Some border control point rationalisation may be required to channel international traffics towards specific borders, thus increasing volumes through consolidation. It is also expected that, as economic conditions improve, there will be an appreciable growth in trade and appropriate resources will need to be available to handle the increased traffic. Much of this growth may be directed towards these smaller borders where the procedures are perceived as simpler and more flexible.

A programme needs to be developed which recognises the need to balance the prioritisation of investment on the larger control points with the requirement to maintain services at the smaller control points. The prioritisation indicated in Section 6 is based on freight requirements, rather than passengers and therefore may differ from the overall priorities given by national Governments.

### 5.2 Historical Prioritisation

There has been substantial investment at many of these borders in recent years. Prior to independence, there were no international border control points on the TRACECA corridor, except at the Georgian ports and the Chinese borders. In some cases, the present Customs control points replaced an existing internal regional border checkpoint. However, many new facilities have had to be constructed to fulfil a function which only arose due to independence.

There have been clear differences of approach between the countries. This has been partially caused by variations in the access to national funds by the Customs Authority, in general, and specifically for funding of control point construction. Much of the investment has been directed towards the external, rather than internal CIS borders. Only Uzbekistan has undertaken a major investment programme for internal road borders, whereas other countries have limited funding and have opted for directing those funds to the external borders:

- Armenia - Meghri
- Azerbaijan - Astara
- Georgia - Sarpi, Ochoshani
- Kazakhstan - Druzba, Khorguz
- Kyrgyzstan - Irkeshtan

- Turkmenistan - Sarakhs

It is appreciated that most Customs Authorities have had limited funding and have only had the financial capacity to provide basic facilities at the internal CIS borders. With independence came an immediate requirement for control points without adequate planning data on projected traffic levels and procedures being available. It is only now that the service has matured and traffic levels are known, that planned facilities could be provided.

### 5.3 Future Role of Control Points

One of the reasons for limiting investment on the internal borders has been the evolution of the CIS and potential moves towards development of an overall Customs Union. There is already such an agreement between Kazakhstan, Kyrgyzstan, Russia and Belarus, though full implementation has not yet been achieved.

During project discussions with Customs, indications were given that border control points would be eliminated with implementation of a Customs Union, as has happened in the EU. Any investment recommendations should consider this possibility. It is considered that progress towards an effective overall Customs Union involving membership of all the countries will be difficult to achieve and there are clear differences of approach towards this goal. It is therefore unlikely that such an agreement can be implemented within the next 10 years, although more limited bilateral or regional agreements will probably be signed.

The European Community has been a Customs Union for many years. Internal border control points continued to exist between the member states before such posts were finally removed recently. Even with bilateral and regional agreements, it is considered that there will be an on-going requirement for border control points for at least the next 15 years until sufficient confidence in the Union is established to eliminate such controls.

It is envisaged that there will be a gradual change of role as agreements are ratified. It is expected that there will be increased functional emphasis on border posts becoming a "check point" rather than a processing facility. This will involve a significant reduction in workload, especially relating to inspection of both documentation and cargoes. The recommended changes contained in the "Documentation and Customs Procedures Report" are designed to simplify transit procedures and controls. This more limited role will require less officers to be stationed at the borders and result in an increased integration of the remaining organisations present at the borders. The future emphasis in border control point development should therefore be towards smaller functionally designed facilities incorporating improved working conditions and a positive image of Customs.

### 5.4 Image

Image was considered by most of the Customs organisations to be of considerable importance. The Customs is perceived internally in the region as a "young" service which does not yet command the respect that Customs organisations in Europe have managed to develop over many years. The "trade" and public often do not fully appreciate the role of the Customs Authorities and their potential benefit to the country as a whole. On the contrary, adverse publicity particularly with regard to corruption has created a negative image in the "market". This negative image is re-enforced at many borders, where officers are poorly paid and are often working in deteriorating buildings with no equipment and in some cases no uniforms. There was general agreement that improvements in facilities were required and that they should be used to create a more positive image of the Customs service.

There was a recognition of the importance of the national image at control points, particularly at the external CIS borders. The control point is either the first or last point of interface with a country. It can be important in people's perception of that country. The new facilities at Alat in Uzbekistan have been developed with specific emphasis on creating a positive image, both of the country and the governmental organisations.

In Sections 3 and 4 mention was made of the requirement to refurbish control points. This is designed to create a positive image of Customs and border organisations as well as to improve the working environment.

New developments at borders should be designed to create a positive image of both the country and the organisations that work there.



## 6. INVESTMENT REQUIREMENTS

There are three different types of investment:

- Investment in Training
- Investment in Equipment
- Investment in Buildings and Infrastructure

Each of these is addressed on a national basis in the context of the overall TRACECA programme.

The main external requirement for training would be in connection with the development of computerisation of registration and linkage to a computerised National Trade Data Transfer System based on the regional office structure. Provision for this type of training has been included in the "Computer Systems Report".

The investment in equipment is based on the following estimated unit costs:

- |   |           |
|---|-----------|
| • Computer, UPS, power stabiliser and printer | 3,000 ECU |
| • Portable /mobile generator                  | 1,000 ECU |

The investment in buildings and infrastructure is based on the following estimated costs;

- |                               |   |
|-------------------------------|---|
| • Office Refurbishment        | 10-50,000 ECU depending on size of building |
| • Inspection Canopies         | 30,000 ECU                                  |
| • New building minor crossing | 150,000 ECU                                 |
| • New building major crossing | 3,000,000 ECU                               |

It is recommended that at some of the remote minor crossings consideration be given to investment in a joint facility, rather than separate investment by each country. This would limit the capital expenditure where the cost benefits are more questionable and improve co-operation between national customs organisations at remote locations.

### 6.1 Armenia

Armenia has the following eight TRACECA Control Points:

- Agarak
- Ayrum
- Bagratashen
- Bavra
- Ejavan
- Gogavan
- Nyuvadi
- Yeraskh

Due to the closure of the Azerbaijan borders, only the Georgian borders are open. The investment appraisal has only covered these four borders as no early opening of the others is expected in the short term. The investment priority should be at Ayrum and Bagratashen as the busiest borders, followed by Bavra and possibly Gogavan if it still remains an international crossing.

#### *Training*

The officers stationed at the border control points in Armenia are principally trained through on-the-job training programmes with limited formal training at central or regional headquarters. There is a 3 year testing

programme and some specific courses. Despite this major reliance on on-the-job training, there is no evidence to indicate that their performance is better or worse than other countries which have adopted a more formalised approach to training.

Specific training on computerisation will be required as the ASYCUDA system is extended. This will require investment in training of a significant proportion of Customs officers in keyboard skills as there must be adequate numbers of personnel per shift capable of making "live" entries. Such training can be provided internally as part of the ASYCUDA investment programme. Some language training in English would also be beneficial.

All training requirements could be met by national resources and there should be no requirement for external funding.

#### *Equipment*

The following equipment requirements were identified at the TRACECA control points in order to enhance their functional capabilities:

- Ayrum Telephone connection  
Portable generator  
Computer, UPS, power stabiliser, printer
- Bagratashen Computer, UPS, power stabiliser, and printer
- Bavra Repair to generator  
Improved telephone connection  
Computer, UPS, power stabiliser and printer
- Gogavan Portable generator

The total cost of the above investment programme is estimated to be approximately 15,000 ECU.

#### *Infrastructure*

The following infrastructure requirements were identified at the TRACECA control points in order to improve the working environment, image and control capabilities:

- |               |                                       |             |
|---------------|---------------------------------------|-------------|
| • Ayrum       | Office refurbishment and partitioning | 20,000 ECU  |
| • Bagratashen | Extend and refurbish new offices      | 50,000 ECU  |
|               | Provision of inspection canopy        | 30,000 ECU  |
| • Bavra       | Provision of new offices              | 150,000 ECU |
| • Gogavan     | Provision of new offices              | 150,000 ECU |

The new offices at Bavra and Gogavan could be shared with Georgian Customs to reduce capital expenditure. The case for investment without shared facilities at Gogavan appears weak.

## 6.2 Azerbaijan

Azerbaijan has the following three TRACECA Control Points:

- Baku
- Bouk Kasek
- Qirmizi Korpu

None of the borders with Armenia have been included because they were inaccessible. The investment priorities should be Bouk Kasek as the only major border and then Baku and Qirmizi Korpu.

*Training*

The officers stationed at the border control points in Azerbaijan are trained through initiation courses in Baku. Following certification, they receive on-the-job training at their assigned post. Some specific training will be required in computer keyboard skills to increase the numbers of personnel capable of making "live" entries, even though there are no plans developed for a computerised Customs Clearance System. Some language training would also be beneficial.

All training requirements could be met by national resources and there should be no requirement for external funding.

*Equipment*

The following equipment requirements were identified at the TRACECA control points in order to enhance their functional capabilities:

- Baku Computers, UPS, power stabilisers and printers
- Bouk Kasek UPS, power stabiliser and printer
- Qirmizi Korpu New telephone connection
- Qirmizi Korpu UPS, power stabiliser and printer
- Qirmizi Korpu New communication system, telephone or radio with modem capability

The total cost of the above investment is estimated to be approximately 15,000 ECU

*Infrastructure*

The following infrastructure requirements were identified at the TRACECA control points in order to improve the working environment, image and control capabilities:

- |                 |                      |               |
|-----------------|----------------------|---------------|
| • Baku          | New Control Post     | 3,000,000 ECU |
| • Bouk Kasek    | Office refurbishment | 30,000 ECU    |
| • Qirmizi Korpu | Minor refurbishment  | 15,000 ECU    |

The Baku facility would be a passenger and freight control point. Provision for this should be included in proposals to redevelop the port.

**6.3 Georgia**

Georgia has the following seven TRACECA control points;

- Batumi
- Gardabani
- Gugati
- Krasni Most
- Ninotsminda
- Poti
- Sadakhlo

The investment priorities should be Poti, Batumi and Gardani as the major borders. Funding of minor border developments should be Krasni Most, Sadakhlo, Ninotsminda and Gugati, if it remains an international control point.

*Training*

The officers stationed at the border control points in Georgia are trained at induction courses followed by certification. On-the-job training is undertaken at the post. Specific training in computer keyboard skills will be required as data processing equipment is introduced at more borders. There are currently insufficient trained personnel to make "live" entries. Some training will be provided by the UNCTAD team when the ASYCUDA system is installed.

All training requirements, other than the specialist ASYCUDA training, could be met by national resources and there should be no additional requirement for external funding.

*Equipment*

The following equipment requirements were identified at the TRACECA control points in order to enhance their functional capabilities:

- Batumi                      External telecommunication link  
Additional computer, UPS, power stabiliser, printer and copier
- Gardabani                 Computer, UPS, power stabiliser and printer  
External telecommunications link
- Guguti                     Portable generator
- Krasni Most               Portable generator  
Computer, UPS, power stabiliser and printer  
Enhanced telephone link
- Ninotsminda              Portable generator  
Computer, UPS, power stabiliser and printer
- Poti                        Additional computer, UPS, power stabiliser, printer and copier
- Sadakhlo                 External telecommunications link  
Computer, UPS, power stabiliser and printer

The total cost of the above investment programme is estimated to be approximately 25,000 ECU

*Infrastructure*

The following infrastructure requirements were identified at the TRACECA control points in order to improve the working environment, image and control capabilities:

- |               |                                 |             |
|---------------|---------------------------------|-------------|
| • Batumi      | Office refurbishment            | 40,000 ECU  |
| • Gardabani   | Office repair and refurbishment | 60,000 ECU  |
| • Guguti      | New office                      | 150,000 ECU |
| • Krasni      | Most New office                 | 150,000 ECU |
| • Ninotsminda | New office                      | 150,000 ECU |
| • Poti        | Office refurbishment            | 50,000 ECU  |
| • Sadakhlo    | New office                      | 150,000 ECU |

The new offices at Ninotsminda and Guguti could be shared with Armenian Customs to reduce capital expenditure. The case for investment without shared facilities at Guguti appears weak.

It can be seen that there is a requirement for a substantial investment programme in Georgia where many of the TRACECA border facilities are in poor condition. This contrasts with the major investments at border posts with Turkey where modern facilities have been constructed.

#### 6.4 Kazakhstan

Kazakhstan has the following eight TRACECA control points:

Aktau  
Druzbha (rail)  
Druzbha (road)  
Khorguz  
Korday  
Lugovoye  
Merke  
Zhivek Zholy

The investment priorities should be at Zhivek Zholy, Druzbha (rail), Korday, Lugovoye and Aktau as these are all major crossings. Funding of the minor border developments should be Khorguz, Merke and Druzbha (road).

#### *Training*

The officers stationed at the border control points in Kazakhstan are principally trained through on-the-job training programmes with periodic testing. This system does present some problems at the more remote locations with high staff turnover and problems of inflexibility. There is limited evidence to indicate that their performance is better or worse than in countries where a more formalised approach has been adopted.

Specific training on computerisation will be required if computers are to be installed at even the major control points. Khorguz is the only border post with computers so the level of computer literacy and keyboard skills is expected to be low and a major programme will be required. The use of computers in Kazakhstan is widespread and appropriate resources for such training should be available nationally. Some language training is needed at the main posts.

All training requirements could be met by national resources and there should be no requirement for external funding.

#### *Equipment*

The following equipment requirements were identified at the TRACECA control points in order to enhance their functional capabilities:

- Aktau                      Computer, UPS, power stabiliser and printer  
                                 independent telecommunications system
- Druzbha (rail)            Computer, UPS, power stabiliser and printer  
                                 Portable generator  
                                 Independent telecommunications system
- Druzbha (road)          Computer, UPS, power stabiliser and printer  
                                 Telecommunications system  
                                 Portable generator

- Khorguz            Portable generator  
                         Additional computer, UPS, power stabiliser and printer
- Korday            Enhanced telecommunications equipment  
                         Portable generator  
                         Computer, UPS, power stabiliser and printer
- Lugovoye        Computer, UPS, power stabiliser and printer  
                         Independent telecommunications system
- Merke            Telecommunications system  
                         Portable generator  
                         Computer, UPS, power stabiliser and printer
- Zhivek Zholy    Computers, UPS, power stabilisers and printers  
                         Mobile generator  
                         Telecommunications system

The total cost of the above investment programme is estimated to be approximately 40,000 ECU.

### *Infrastructure*

The following infrastructure requirements were identified at the TRACECA control points in order to improve the working environment, image and control capabilities:

• Aktau	New offices	150,000 ECU
• Druzbha (rail)	Office refurbishment	40,000 ECU
• Druzbha (road)	Office refurbishment	20,000 ECU
• Khorguz	Furnish offices	10,000 ECU
• Korday	New offices	150,000 ECU
• Lugovoye	Office refurbishment	30,000 ECU
• Merke	New offices	150,000 ECU
• Zhivek Zholy	Provision of new complex	3,000,000 ECU

It can be seen that there is a major requirement for investment in control points. The main priority is the facility at Zhivek Zholy as existing arrangements are unsatisfactory. The new facilities in Aktau could possibly be funded from the EBRD loan, which includes provision of new offices.

### **6.5 Kyrghyzstan**

Kyrghyzstan has the following three TRACECA control points:

Akzhol

Bishkek

Chaldovar

The investment priorities should be at Akzhol and Bishkek as the major crossings, and then Chaldovar as the minor border.

*Training*

The officers stationed at the border control points in Kyrgyzstan are trained through a mix of on-the-job training and special induction courses, dependent on the location. This reliance on on-the-job training may affect flexibility but does not appear to affect performance. Only the rail customs office in Bishkek uses computers at present. A training programme will be required to provide computer literacy and keyboard skills. Both the other two posts are close to Bishkek so adequate training resources should be available close by.

All training requirements could be met by national resources and there should be no requirement for external funding.

*Equipment*

The following equipment requirements were identified at the TRACECA control points in order to enhance their functional capabilities:

- Akzhol                      Office furniture  
                                  Portable generator  
                                  Computer, UPS, power stabiliser and printer  
                                  Enhanced telephone system
- Bishkek                     None
- Chaldovar                 Office furniture  
                                  Portable generator  
                                  Computer, UPS, power stabiliser and printer  
                                  Telephone system

The total cost of the above investment programme is estimated at approximately 15,000 ECU

*Infrastructure*

The following infrastructure requirements were identified at the TRACECA control points in order to improve the working environment, image and control capabilities:

- Akzhol                      None
- Bishkek                     None
- Chaldovar                 Office refurbishment                                      30,000 ECU

Kyrgyzstan has invested in these control points in recent years, mainly through an aid programme with France and therefore infrastructure investment requirements are minimal

**6.6 Tadjikistan**

Tadjikistan has the following five TRACECA control points:

- Hoskadi
- Pakhtbad
- Platinum
- Post No 1
- Sarazm

There are no major border crossings and the investment priorities should be Pakhtabad, Post No 1, Platinum, Hoskadi and then Sarazm.

*Training*

The officers stationed at the border control points in Tadjikistan are initially trained in Dushambe with a formal one month induction course. Following certification, training is continued using on- the-job training at the allocated post. There is a staff rotation system around local posts. There is currently no data processing equipment at any of the border control points. If these are to be installed, a major training programme will be required. Due to the difficult civil situation in Tadjikistan the overall level of computer literacy is low and therefore the availability of training resources is also correspondingly expected to be low. This may be overcome by a more phased programme to limit the training requirement at any particular time. An alternative would be to "train the trainers" in neighbouring countries.

No investment allowance has been included on the basis of using a phased training programme based on use of local resources.

*Equipment*

The following equipment requirements were identified at the TRACECA control points in order to enhance their functional capabilities:

- Hoskadi                      Portable generator  
                                    Office furniture  
                                    Telecommunications system
- Pakhtbad                     Office furniture  
                                    Computer, UPS, power stabiliser and printer  
                                    Independent telecommunication system
- Platinum                     Computer, UPS, power stabiliser and printer
- Post No 1                     Office furniture  
                                    Computer, UPS, power stabiliser and printer
- Sarazm                        Computer, UPS, power stabiliser and printer

The total cost of the above investment programme is estimated to be approximately 20,000 ECU

*Infrastructure*

The following infrastructure requirements were identified at the TRACECA control points in order to improve the working environment, image and control capabilities:

- |             |  |            |
|-------------|--|------------|
| • Hoskadi   | Refurbishment and partitioning of office | 40,000 ECU |
| • Pakhtbad  | None as moved to new building            |            |
| • Platinum  | Refurbishment of existing building       | 40,000 ECU |
| • Post No 1 | Complete existing building               | 50,000 ECU |
| • Sarazm    | Complete new building                    | 50,000 ECU |

Tadjikistan has been providing new buildings at the control points and therefore no major investment is now required.

**6.7 Turkmenistan**

Turkmenistan has the following three TRACECA control points:

Farap (road)

Farap (rail)





Kaggan  
 Sarasy(rail)  
 Sarasy (road)  
 Shumilova

Alat, Gisht-Koprik, Kaggan and Shumilova are all major TRACECA borders and should have priority. Funding for the minor crossings should be Farkhod-Bekabad, Sarasy (rail), Sarasy (road), Gagaba and then Jarpeta.

#### *Training*

The officers stationed at the border control points in Uzbekistan have attended formal training programmes in Tashkent or Samarkand, followed by certification. Training has been given a high profile in Uzbekistan Customs and adequate internal resources are available to meet their training needs. Some additional training in computer skills is still required in order to make "live" entries.

No external funding should be required.

#### *Equipment*

The following equipment requirements were identified at the TRACECA control points in order to enhance their functional capabilities:

- Alat                                      Enhanced telephone system
- Farkhod-Bekabad                      Enhanced telephone system
- Gagaba                                    Office furniture  
Enhanced telephone system
- Gisht-Koprik                            Enhanced telephone system
- Jarpeta                                    Computer, UPS, power stabiliser and printer  
Enhanced telephone system
- Kaggan                                    Enhanced telephone system
- Sarasy (rail)                            Computer, UPS, power stabiliser and printer
- Sarasy (road)                            Additional Computer, UPS, power stabiliser and printer
- Shumilova                                Enhanced telephone system

The main requirement is for an enhanced telephone system capable of being used for transfer of data via a modem. The total cost of the above investment programme is estimated to be 20,000 ECU, but further research is required under the technical assistance recommended in the "Computer Systems Report" as to the extent of the system problems.

#### *Infrastructure*

The following infrastructure requirements were identified at the TRACECA control points in order to improve the working environment, image and control capabilities:

- Alat                                      New complex under construction
- Farkod-Bekabad                      Refurbishment of offices                      50,000 ECU
- Gagaba                                    Refurbishment of offices                      20,000 ECU
- Gisht-Kopric                            New control point under construction

- Jartepa                      New offices under construction
- Kaggan                      Provision to furnish new offices                      20,000 ECU
- Sarasy (rail)                Refurbishment of offices                              30,000 ECU
- Sarasy (road)               Refurbishment and expansion building              50,000 ECU
- Shumilova                   New offices completed

This limited investment programme reflects the significant investment in infrastructure made by Uzbekistan Customs in recent years.

#### 6.9 Investment Cost Summary

The following table summarises the investment requirements for TRACECA control points

Table 1 - Investment Costs

Country	Equipment	Buildings/Infrastructure	Total
Armenia	15,000 ECU	400,000 ECU	415,000 ECU
Azerbaijan	15,000 ECU	3,045,000 ECU	3,060,000 ECU
Georgia	25,000 ECU	750,000 ECU	775,000 ECU
Kazakhstan	40,000 ECU	3,550,000 ECU	3,590,000 ECU
Kyrgyzstan	15,000 ECU	30,000 ECU	45,000 ECU
Tadjikistan	20,000 ECU	180,000 ECU	200,000 ECU
Turkmenistan	15,000 ECU	3,250,000 ECU	3,265,000 ECU
Uzbekistan	20,000 ECU	170,000 ECU	190,000 ECU
<b>TOTAL</b>	<b>165,000 ECU</b>	<b>11,375,000 ECU</b>	<b>11,540,000 ECU</b>