



The European Union's Tacis TRACECA programme
for Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan,
Turkey, Turkmenistan, Ukraine, Uzbekistan

Harmonisation of Border Crossing Procedures Project

for Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan,
Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey,
Turkmenistan, Ukraine, Uzbekistan

Second Progress Report

November 2002 – April 2003



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A project implemented by
Scott Wilson / Compass / NEA / Sema

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1.2 Report Cover Page

Project Title:	Harmonisation of Border Crossing Procedures		
Contract Number:	01-0167		
Countries:	Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tadjikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan.		
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Date of Report: April 2003

Reporting Period: November 2002 to April 2003

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1.3 Project Synopsis

Wider Objectives: To promote and develop a harmonised TRACECA Transport Corridor within the region and between the Caucuses/Central Asia and Europe

Specific Project Objectives: To create a platform for harmonised border crossing procedures within the region. To work towards regional integration with international transport and trade practices and to promote the movement of traffic along the TRACECA corridor and to lay the foundations for convergence with EU practices.

Outputs: The following outputs will be provided:

- Institutional deliverables: IGC Coordination Development, Customs Working Groups, Institutes of Customs Brokers, Training in modern border procedures within the Working Groups;
- Technical: Border Procedures Evaluation and Database, Border Documentation Report, Harmonised Controls and Implementation Plan, Manual for Customs Officers, User Guide for transport operators and traders, Pre-Feasibility Report on Development of Common Transit Procedures;

Activities:

1. Development of a Coordination Mechanism with the IGC and the National Commissions.
2. Review of Previous Work and Recommendations.
3. Audit of Designated Border Crossings and Procedures.
4. Development of Reports on Designated Documentation and Harmonisation Controls.
5. Establishment of Customs Working Groups and Brokers Institutes.
6. Training in Modern Border Procedures within the Working Groups.
7. Proposals for a Common Transit Procedural System.
8. Production of User-Guides and Manuals (Russian/English)

Target Group: The direct Beneficiary is the National TRACECA Commissions (or their equivalent) and the Inter Governmental Commission. The indirect beneficiaries will be the various border organisations, traders and transport organisations through harmonised and simplified procedures.

Inputs: Technical assistance will include 960 person-days of long-term experts, 490 person-days of short-term experts. A project office will be established in Baku within the IGC and there will be a Focal Point within the National Commissions in each country. Visits will be made to all relevant organisations and selected border crossings. Liaison will be maintained with other TRACECA projects and the other IFIs active in the region.

Assumptions:

- TRACECA National Commissions have sufficient influence to implement changes in border procedures and facilitate the work of the project;
- National Customs will be fully supportive of Customs Working Groups and allow external involvement in meetings;
- Customs Broking Institutes can be formed and established as legal entities.

2.0 SUMMARY OF PROJECT PROGRESS SINCE THE START

2.1 Start Situation – Inception Phase - November 2001 to March 2002.

- The Contract was signed on the 12th of November 2001.
- The Project Mobilisation commenced in Azerbaijan 15th of November 2001.
- During the Inception Phase, the Project Manager was supported by the two Project Regional Team Leaders. (1) Black Sea and Caucasus and (2) the Asia Region.
- The Project undertook two Kick-off meetings in Tblisi (December 2001) and Ashgabat (February 2002) with the Main Project Recipients.
- Constant meetings with staff and advisors of the Intergovernmental Commission (IGC).
- Evaluation of the TOR to ascertain significant anomalies and required adjustments for the needs of the Project.
- Inception Report was completed, distributed and subsequently approved by the EU Project Task Manager.
- The longer-term Project Planning details were discussed with the Project Partners.
- The HBCP Project Manager attended and made presentations at the following TRACECA formal meetings:
 - The TRACECA International Working Group meeting on 10th-11th December 2001 in Tblisi, Georgia.
 - The second TRACECA International Working Group meeting that took place on 25th-26th February 2002 in Ashgabat, Turkmenistan.

2.2 First Project Phase – April 2002 to October 2002.

- Final discussions on Audit Methodology and commencement of the Border Audit on Designated TRACECA Border Crossing Points by the two Project Team Leaders for the Black Sea & Caucasus and the Asia Regions.
- The HBCP Project Manager attended and made presentations at the following TRACECA formal meeting:
 - The Annual TRACECA International Meeting that took place on 23rd to 25th April 2002 in Tashkent, Uzbekistan.
- Additionally there were Project Presentations and full involvement at the following events:
 - European Conference of Ministers of Transport and World Bank Seminar on Transport Policies – Tblisi, Georgia, 18-19 April 2002
 - TransCaspian2002 – 1st International Transport and Logistics Exhibition and Conference – Baku, Azerbaijan, 22-24 May 2002

- The Project also produced and distributed to all TRACECA Programme countries several reports during the Project phases as follows:
 - Draft Inception Report on 12th March 2002. (Approved by the Task Manager)
 - Monthly Reports for April, May, June, July, November and December 2002.
 - Quarterly Report covering April to August 2002.
 - Monthly Reports for January, February and March 2003
(Note: Where Monthly Report timing is adjacent to the production of Project Progress Reports then there will be no issue.)
- The Project Regional Team Leaders completed the majority of Borders Audits in September 2002.
- The Borders Harmonisation Evaluation Workshop was held in September 2002. Within the workshop timeframe, Evaluation Seminars were held with Customs, IGC Specialists and Freight Forwarders. At its conclusion, the workshop issued extensive Borders Harmonisation Recommendations.
- In October 2002 the formation of Customs Working Groups (CWG's) commenced under the Chairmanship of the National Secretary of each TRACECA Member State with the Regional Team Leader acting as an Advisor.
- The Project also produced and distributed, to all TRACECA Programme countries, Working Groups Awareness Training Material on Modern International Border Harmonisation Practices during the Project phases as follows:

- Issue 1 – October 2002

Case Studies:

Latvian Experience

Croatia – Pilot Scheme

Discussion Papers:

New Export System (NES) of UK

Blueprint for Europe Customs Future

- In October 2002 the First Project Progress Report was produced and distributed to all TRACECA Programme countries.
- October 30th – 31st 2003 HBCP Project Asian Team Leader made presentations and training for the Interagency Training Activity under the auspices of The UN Resident Coordinator in Uzbekistan at Termez-Hayraton Border.

2.3 Second Project Phase – November 2002 to April 2003.

- Continued Institutional Support and Development of the IGC structure with particular attention to the National Secretaries and the Customs Working Groups.
- Reviewing expansion possibilities of the CWG's to encompass the other two TRACECA Institutional Projects, UPTFT and CLBTT, to form Trade Facilitation Working Groups (TFWG's)
- The Project also produced and distributed to all TRACECA Programme countries Working Groups additional Awareness Training Material on Modern International Border Harmonisation Practices during the Project phases as follows:

- Issue 2 – November 2002

Discussion Papers:

Customs Information Technology

Trade Facilitation

International Conventions

Table – Status of Conventions as of September 2002

- Issue 3 – December 2002

Case Studies:

Integrated Border Management (IBM) – (USA / Canada)

Discussion Papers:

'A Convenient Frontier'

Description of World Customs Organisation (WCO)

Revised Kyoto Convention – Frequently Asked Questions

(Note: Further Awareness Training Material is being prepared for issue together with the Second Progress Report in April 2003)

- November 18th there was an official Project Visit by the Project Regional Team Leader for Asia to the Head of World Customs Organisation (WCO) in Paris to discuss synergy between the WCO, the Project and the TRACECA Member States.
- January to April 2003 saw continued support and Working Group evaluation by the Regional Team Leaders. In addition, there was excellent work done by the National Secretaries with the progress of the Working Groups in relation to the study and acceptance of the HBCP Project Harmonisation Recommendations. Please see Regional Progress Indicative Synopsis Table in [Appendix 01](#).
- January to April 2003 saw the practical results of the Working Groups with the commencement of Harmonisation Objectives Guidelines and Tables 1 - Assessment, 2 - Evaluation and 3 – Harmonisation Overview. Please see Example of Objectives Tables in [Appendix 02](#).

- January 2003 saw the practical start of the Common Legal Basis for Transit Transportation Project (CBLTT) and the possibility to align all three TRACECA Institutional Projects within the established Working Groups to develop sustainable Trade Facilitation Working Groups (TFWG's). Additionally, the CBLTT Project could update the MLA Statutes to reflect the changes within the TRACECA Institutional Structure requirements.
- The HBCP Project made a presentation of the concept and requirements for the augmentation of CWG's to TFWG's at the January 2003 Seminar of the National Secretaries in Baku, Azerbaijan that was organised by the CBLTT Project. See [Appendix 03](#).
- The Project continued its close cooperation with World Bank, UN and ADB with the exchange of documentation and cooperation on Working Groups.
- On March 4th to 6th 2003 the Project Regional Team Leader for the Black Sea & Caucasus paid an official Project Visit to Geneva to obtain the latest information concerning Borders Transit, Documentation and Conventions from the following organisations UNECE, IRU and WHO. See [Appendix 07](#).
- On March 7th 2003 The Project Regional Team Leader for Asia made a presentation of the HBCP Project at the Almaty conference concerning the EU Central Asian Border Crossing Project.
- On March 19th 2003 The Project Regional Team Leader for the Black Sea & Caucasus attended and made presentations at the Black Sea PETra Steering Committee Conference in Odessa.
- Additionally presentations were made at the UNESCAP SPECA Conference on March 27th to 29th 2003 in Baku. This saw the official inclusion of the HBCP Project Borders Harmonisation Recommendations into the SPECA Action Programme for Transit Transport Cooperation for SPECA countries – Section 3 on Trade Facilitation. For details, please see [Appendix 08](#).
- The Project continues its input with Institutional Support and Development of the IGC structure with particular attention to the Communications Process, the National Secretaries Task Descriptions and the Trade Facilitation Working Groups. The Project is currently fulfilling the remaining Project Activities and Tasks.

3.0 SUMMARY OF PROJECT PLANNING FOR THE REMAINDER OF PROJECT

3.1 Planned Areas of Development.

The current planning and success of the HBCP Project is founded on flexibility of approach and working closely with individuals and entities who will be directly responsible for change in the practical improvement of Border Crossing Procedures. The Project Team will continue with this flexible approach to all remaining Activities and Tasks of the HBCP Project and will maintain its close cooperation with all direct and indirect Project Partners. The importance of supporting and developing the capabilities of the TRACECA National Secretaries, together with the TFWG's, cannot be over-emphasised as they are vital to the functioning and sustainability of the TRACECA Transport Corridor. As part of this capacity building exercise, for National Secretaries, the HBCP Project Legal Expert will work together with the CLBTT Project Experts to formulate relevant Task Descriptions and integrate them into the Articles of the MLA. This is planned for May 2003.

A significant planned Project event will be the 2nd Borders Harmonisation Evaluation Workshop (BHEW) at the end of July 2003. This will bring together the EU Project Experts to evaluate Project progress, future input requirements and any further recommendations that are a result current Project methodology and experience.

The further Project Planning input will follow the remaining planned Activities, Tasks and Sub-tasks as laid out in the Project Planning and the Project Activities Tables. See Table in Appendix 01. The Tasks indicated below are those planned for the remainder of the Project.

Task 4. Customs Working Groups (CWG's)

The HBCP Project current emphasis, concerning the CWG's, is to expand their overall role and activities and encourage a greater awareness and involvement in Trade Facilitation. This will include encompassing the activities of the two other TRACECA Projects of Unified Policy on Transit Fees & Tariffs (UPTFT) and the Common Legal Basis for Transit Transportation (CLBTT). This will then form parallel but integrated working groups under the title Trade Facilitation Working Groups (TFWG's) but still under the Chairmanship of the respective National Secretaries. See TFWG Proposal Document and Presentation in [Appendix 03](#). The methodology of the TFWG's was created, by the HBCP Project, as a 'Results Oriented' process and has produced practical success and 'Verifiable Indicators'. See Working Group Table in [Appendix 01](#).

In the case of Turkmenistan, where there is no National Commission or Secretariate structure, the HBCP Project will still maintain contact and visit with the Turkmen TRACECA Coordinator and the Head of Customs Services. Additionally all HBCP Project documentation and Awareness Training Material will continue to be copied to both Turkmen parties.

Task 7. Document Preparation

The collection of documentation was completed in November 2002 and was correlated and processed into two hard copy manuals. For several TRACECA countries much of this documentation is either obsolete or in obsolescence due to their entry or proposed entry into the European Union. However, the Project will still monitor any documentation changes within the region and update the manuals. Additionally, the HBCP Project made a specific visit to UN entities in Geneva, Switzerland concerning the standardisation of Border Crossing documentation to ensure an awareness of the latest global strategies. The indications and trends from the Geneva visit will be progressively incorporated, where appropriate, into the TFWG's and the monitoring element of this Task will now be encompassed within Task 8.3. See Geneva Visit in [Appendix 07](#).

Task 8. List of Harmonisation Controls and Implementation Plan

The HBCP Project Recommendations and Harmonisation Controls, that were a result of the Borders Harmonisation Evaluation Workshop, are progressively being processed through the TFWG's in each country using the designated Working Group Tables 1,2 and 3. See [Appendix 02](#). It is also planned to create interaction between countries by using two adjacent countries as a 'Pilot Scheme' to, initially, arrange for both respective TFWG's to meet at the Border Crossing Post to discuss practical implementation and simplification of the Border Procedures based on their progress with Working Group Tables 1,2 and 3.

The HBCP Project currently plans to adopt a realistic Implementation Plan and approach for the 'Harmonisation' of borders by bringing together, in a progressive manner, two adjacent countries at one time. It is planned to achieve the first 'Harmonisation Pilot Scheme' between Azerbaijan and Georgia at the Red Bridge Border Crossing in late May or early June 2003.

This will create a logical progression that is 'Result Oriented' and can be duplicated throughout all TRACECA Border Crossing points. This will further the aim of developing the process of a TRACECA Transit Visa that is now being developed in cooperation with the CLBTT Project. As foreseen in the TOR, the development of the TRACECA Transit Visa is a lengthy process and primarily a 'legal' process. The CLBTT Project has both the expertise and time to address this Task.

Task 9. Management Development and Training

The HBCP Project Management Development and Training will be further augmented with work on:

- the Customs Manual, in CD format, that will contain several Modern Customs Management discussion items that can be utilised as a Power Point Presentations. The HBCP Project has drawn together, from several sources, high quality material on Customs Practices and Trade Facilitation.
- a new Project initiative with the production of a Computer-based Animated Graphic Borders Transit Presentation.

- the User Guide in alignment with the Project Website material.
- interfacing the Awareness Training Material on Modern International Border Harmonisation Practices for Working Groups. Further Training Material will be issued at the time of the Second Progress Report.

Task 10. Establish an Institute of Customs Brokers

The HBCP Project has interfaced this Task into the work functions of the TFWG's. The Working Groups are utilising the Customs Brokers Evaluation Document and the Standard Institute Establishment Recommendations Documents in countries where Customs Brokers do not already exist. The TFWG's will work together with both Customs and the Private Transport Sector. The Project Management is also dealing with International Brokers Associations in support of the TFWG's.

Task 11. Prefeasibility for a Common Transit Procedure

This task is aligned with the TFWG's Functions and the Borders Harmonisation Recommendations. These will form part of the Implementation Plan in Task 8 and the new TRACECA Common Legal Basis for Transit Transportation Project will take forward any legal or institutional changes based on the HBCP Project recommendations.

Task 12. Liaison with other Projects and IFI's

This Task remains very important and is seen as a continuous process of interaction to be built on during the Project and maintained in the future by the PS IGC and the National Secretaries. Particular attention is being given to avoid overlap by maintaining close cooperation with the World Bank, ADB, USAID, UNECE, UNESCAP WHO and EU entities.

Task 13. Progress Reports

The Second Project Progress Report is currently being distributed to all 13 TRACECA Programme Countries and the Project Draft Completion Report will be due in September 2003. Additionally, Brief Monthly Project Reports are also issued except where they coincide with Progress Reports.

Task 14. Final Report

The Project Draft Final Report will be completed in September 2003 which is two months prior to the completion of the HBCP Project. The Final Project Report is due on the 12th of November 2003.

Task 15. Computerisation

The Project Website is under construction and will include the BordAudit Database in Russian and English. There was a delay in the construction of the Website due to, newly issued, EU Visibility Guidelines that meant a complete change of 'webpage' design format. The further development and filtering of Website material will continue now until May 2003 when the Website is due to be launched progressively over a two-month period. Please see [Appendix 06](#).

4.0 PROJECT PROGRESS IN THE REPORTING PERIOD

4.1 Introduction

Project background

The year 2003 brought the 10 Year Anniversary of TRACECA and the 5 Year Anniversary of the PS IGC in Baku. This celebration also highlighted the value of the TRACECA concept as a Transport Corridor and equally the value it brings in regional stability. The cargo throughput over the 10 years has risen from zero to 30 million tons and this alone makes TRACECA a unique success story and a satisfying result for EuropeAid Cooperation Office investment. Much of the grounds for success of TRACECA must be attributed to the Member States Leaders for their foresight in creating and supporting this Regional Initiative and also to the National Commissions, National Secretaries and the PS IGC whose practical day to day input creates a viable and functioning Transport Corridor. For those not directly involved in TRACECA it is not always understood that TRACECA was formed by the Members States who have signed the TRACECA Multi-Lateral Agreement (MLA). Although TRACECA is supported by Infrastructure and Technical Assistance project funding by EuropeAid the selection, by full membership consensus, of the projects is carried out by the Member States. This process of 'consensus' and the formulation of a TRACECA Action Plan gives ownership and responsibility to the TRACECA Members.

The current regional economic and security background, throughout the majority of TRACECA Member States, has stabilised subsequent to 9/11 in 2001 and the recent Iraq war in 2003. This relative stable situation creates an improved platform for the HBCP Project and the TFWG's to develop the Harmonisation of Border Procedures, in terms of a reduction in delays due to decreased security measures. With a normalised situation, it is easier for Border Security Entities to agree to change and in particular when it involves practices such as 'risk assessment' rather than full searches and 'one-stop' style border posts. However, it will take some time before the full effects of simplified procedures, new style infrastructure and benefits of Harmonisation are experienced at all TRACECA Regional Border Crossings.

Project Intervention

The HBCP Project has also ensured that, were possible, the input of expertise has been apportioned to all 13 Countries of the TRACECA Programme. Additionally the Project input, in particular by the 3 Key Experts, has been predominantly in the TRACECA Member States, constant and intensive to ensure maximum Project Partner support and participation. See Country Distribution and Expert Input tables in [Appendix 01](#).

The HBCP Project has utilised the most successful method of achieving a 'results oriented' Technical Assistance Project by concentrating on actual Project Partner individuals, such as National Secretaries, who are motivated to be actively involved in practical activities, through the TFWG's, that will carry the Project forward.

Please see the Project Activities Tables in [Appendix 01](#).

The original Project Approach enabled the Project to be planned and monitored in an effective manner by breaking down the eight Project Activities into fifteen Main Tasks and then the Tasks into Sub-tasks. This then gave a method of 'flexible' Project Management with an overview of completed and outstanding tasks and a progressive monitoring system. Please see **Appendix 01**.

The HBCP Project has undertaken the Eight Main Project Activities that were designated in the TOR, amended where required, and then consolidated in the Approved Inception Report. The Activities are now within the planned but flexible timeframe of the Project. The Eight Main Project Activities are listed below:

1. Development of a Coordination Mechanism with the IGC and the National Commissions.
2. Review of Previous Work and Recommendations.
3. Audit of Designated Border Crossings and Procedures.
4. Development of Reports on Designated Documentation and Harmonisation Controls.
5. Establishment of Customs Working Groups and Brokers Institutes.
6. Training in Modern Border Procedures within the Working Groups.
7. Proposals for a Common Transit Procedural System.
8. Production of User-Guides and Manuals (Russian/English)

The Eight Main Activities together with Project Reporting have been expanded into Fifteen Activities with additional Sub-Tasks to give a clearer breakdown of the Project and to permit more efficient monitoring and evaluation.

The Main Fifteen Tasks are as follows:

1. Inception
2. Inception Meetings
3. Review of Previous Work and Recommendations
4. Working Groups –Customs Working Groups (CWG's)
5. Inception Report
6. Border Procedures Audit
7. Document Presentation
8. List of Harmonisation Controls and Implementation Plan
9. Management Development and Training
10. Establishment of an Institute of Customs Brokers
11. Prefeasibility for a Common Transit Procedure
12. Liaison with Other Projects and IFI's
13. Progress Reports
14. Final Reports
15. Computerisation

Details of the Tasks, Sub-tasks, Completion Status and an overview, in line with Project Cycle Management, can be found in the Project Activities Table in **Appendix 01**.

The Project

The Project has maintained excellent progress from November 2002 to April 2003 and has undertaken the majority of Activities, Tasks and Sub-tasks in-line with the original Project Objectives. With the completion and distribution of the Borders Harmonisation Recommendations, that were a result of the Border Audit and the Evaluation Workshop in September 2002, the subsequent establishment of the Working Groups in each of the TRACECA Member States has ensured practical progress towards the Harmonisation of TRACECA Borders.

The on-going work of strengthening the institutional capabilities of the National Commissions and National Secretaries is seen, more than ever, as a vital part of the Project as, in particular, the National Secretaries will be the sustaining factor for the future of TRACECA. The CWG's are now well established and are fully functioning in all 12 TRACECA Member States. The current initiatives to rationalise the work of all three TRACECA Institutional Projects HBCP, UPTFT and CLBTT under the aegis of the current CWG's and develop them into Trade Facilitation Working Groups (TFWG's) has so far been well received as a logical step towards consolidating the work of the National Secretaries. See TFWG Proposal Document in [Appendix 03](#).

Borders Recommendations Process.

The National Secretaries and the TFWG's, over the current phase of the Project, have achieved excellent progress in reviewing the package of HBCP Project Border Harmonisation Recommendations, processing positive recommendations and preparing them for forwarding to the relevant entities and ministries of each country for acceptance and possible ratification. This is, initially, achieved by having the highest-level representation of the Border Crossing Entities as full members of the TFWG's.

The methodology, that was devised by the HBCP Project, is a series of progressive evaluation tables numbered 1, 2 and 3 that cover the decision process of the TFWG's for each 'recommendation' within each of the modes of transport. The three tables cover: 1. Assessment, 2. Evaluation and 3. Harmonisation Overview.

Example of Table 2.

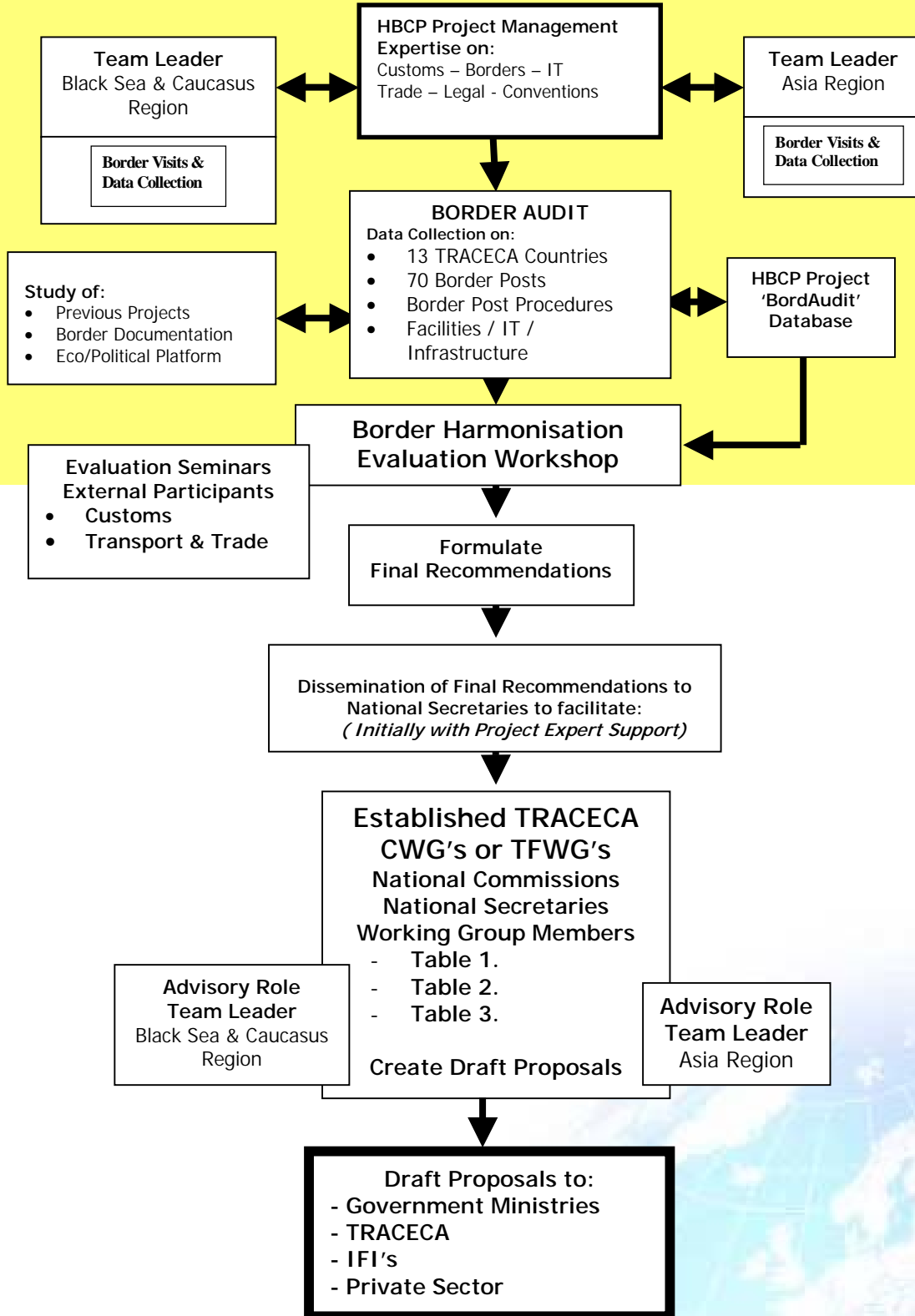
Table 2 : Evaluation and detailed review of implications of harmonisation of border crossing procedures

IMPLICATIONS OF HARMONISATION AND ACTIVITIES FOR CHANGE	Car Passenger Inward	Car Passenger Outward	Trucks Inward	Trucks Outward	Rail Passenger Inward	Rail Passenger Outward	Rail Freight Inward	Rail Freight Outward	Ferry Inbound	Ferry Outbound	1 Discussion 2 Agreement 3 Action required 4 Action Taken 5 Current Status Report Available
Legal	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	
IT	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	
Equipment	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	
Training	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	
Financial	3	3	3	3	3	3	3	3	3	3	
Infrastructure ¹	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	

For further examples of the Recommendation Process Methodology please see [Appendix 02](#).

¹ All infrastructure needs are to be discussed and agreed with the neighbouring country's representatives.

Border Harmonisation Recommendations – Intervention Logic Second Phase



TFWG's – Development Tables 1, 2 & 3 Progress Overview - March 2003		
Note: Working Groups are established and functioning in all 12 TRACECA Member State Countries		
Country	Status regarding tables	Comment
Armenia	Table 1 and 2 draft available	Need to be discussed and agreed, next meeting April. Assumed more meetings required.
Azerbaijan	Table 1 await decision Table 2 to be prepared	NS will invite for next WG Further WG inputs awaited based on decision by Government. Assumed more meetings required.
Bulgaria	Tables 1,2 not available as yet	Meeting in April. Assumed more meetings required.
Georgia	Table 1 available. Decisions in favour of the proposals made. Table 2 needs to be done	Meeting in April. Assumed more meetings required.
Moldova	Table 1 available. Decisions in favour of the proposals made Table 2 available, summary to be prepared	NS asked for meeting. Meeting to be set. Assumed more meetings required.
Romania	Table 1 available. Decisions in favour of the proposals made Table 2 expected by 10 April	NS asked for next meeting. Meeting to be set. Assumed more meetings required.
Turkey	First draft table 1 available, requires to be up-dated. Final Tables 1 and 2 to be submitted.	Next meeting April 03. Assumed more meetings required.
Ukraine	Table 1 available. Decisions in favour of the proposals made but one exemption: SMAP wants to stay at the BCP. Table 2 (individual tables) available from all parties. Overall table 2 to be prepared.	NS has asked for next meeting. Next meeting needs to be agreed. Assumed more meetings required.
Kazakhstan	Table 1: comments and feedback from customs, border guards, ministry of agriculture, chamber of commerce received 2 working group meetings performed General approval from all parties Table 2: to be prepared through organisation of sub working group between customs and border guards before submitting in global meeting to all participants for discussion.	Meetings chaired by the vice ministry of transport Presence of UNDP representative for coordination with the silk road development programme Organisation of sub group between customs and border guard by the NS Next general meeting after completion of table 2 as common position from sub group
Kyrgyz Republic	Table 1: to be discussed on next meeting on 9 April Proposal of delegating bodies border crossing responsibility to only 2 border crossing authorities – customs/border guards Proposal to gather a unified data basis of all border crossing bodies national instructions Table 2: to be prepared	Next meeting on 9 April The NS receives a specific administrative assistance from the project to manage the project development
Tajikistan	Table 1: to be prepared Table 2: to be prepared	Difficult to reach the NS
Uzbekistan	Table 1: global feedback as non approval of the current situation analysis Waiting for communication of the working group conclusions Table 1: to be prepared following alignment between the project and working group recommendations Table 2: proposed to the NS and accepted as methodology model, to be prepared	Next meeting decided at end of April
Turkmenistan	Table 1: to be delivered and prepared Table 2: to be delivered and prepared	New customs approach Project interest to be presented again

Training on Modern Borders Procedures.

The Awareness Training within CWG's has also been well received and the interim evaluation of the Training Material, by a 'questionnaire' to each of the National Secretaries, has verified the high quality of the Discussion Papers and Case Studies relating to many areas of Modern Borders Management and Trade Facilitation. See Training Material Evaluation Questionnaire examples in **Appendix 04**. Further material will be augmented throughout the Project duration with the latest Awareness Training Material and list of Material being part of this Progress Report. See **Appendix 05**.

4.2 Achievements in Comparison with Planned Results

The Project achievements now compare very favourably with the Project Planning for the period. The input of the Project Management in Baku and the two Project Regional Team Leaders has had significant impact in terms of results oriented progress. The Borders Harmonisation Recommendations have been generally well accepted and the TFWG's adoption of the three process tables has proved to be extremely successful.

The excellent work done by the National Secretaries in accepting the challenge of forming the TFWG's and then acting as Chairmen to the meetings must be highly commended. However, it is obvious that it would be near impossible to develop all 13 TRACECA Programme countries at the same speed. Therefore, we are currently evaluating which National Secretaries require additional assistance to overcome the secondary TFWG's development and which require support to prepare Action and Business Plans.

To develop additional support for the National Secretaries there is a requirement to first define their current role and how that role interfaces with the National Commissions and the PS IGC. To this end and together with the CLBTT Project it was decided to enhance the understanding and contents of the 'Articles' in the MLA and clearly define the role and tasks of the senior officers within the TRACECA Institutional Structure.

4.3 Deviation from Original Planning and Reasons

There were no major deviations from the original planning that was contained in the Approved Project Inception Report. There were also no major deviations from the Project recommended TOR changes and other Project adjustments that were approved by the Task Manager at the time of acceptance of the Project Inception Report. The Project has remained very aware of any change in emphasis required to achieve desired results and has remained flexible to accommodate these changes.

Project Addendum

The 1st Project Addendum was submitted in April 2003 and approved by the Project Task Manager.

The Addendum was the first rationalisation of Project Expert Input where the current requirements of the Project do not align to the original concepts of the TOR and Proposal. It was found that certain expertise input was now not longer required but additional Key Expertise was. Therefore, an Addendum was submitted to the Project Task Manager, for approval, with details and justification of the relevant amendments.

Main amendments were the following man-days:

A1 Team Leader	– original 460	– increased by 84.2	to 544.2
A2 Senior Experts	– original 500	– increased by 94	to 594
A3 Senior Experts	– original 96	– decreased by 21	to 75
A4 Middle Experts	– original 268	– decreased by 148	to 120
A5 Junior Experts	– original 126	– decreased by 20	to 106

Note: There was a reduction in overall fees of Euro 42:00

Also part of the Addendum was the rationalisation of Airfares and Local Expenses.

Note: This created a reduction in Expenses of Euro 13,250.

Full details of the Addendum are available on request should the Monitoring Team or other Project Partners wish to see them.

4.4 Specific Action Needed from Other Entities

Project Augmentation.

4.4.1. The current success of the HBCP Project has been greatly assisted by the sustained input of the HBCP Project Manager and the two Regional Team Leaders but this has meant utilising an extensive proportion of the input man-days during the first 18 months of the Project. Although the Project Management rationalised all Experts input in the 1st Project Addendum in April 2003 it is however, still not sufficient to optimise the advantages created by the Project so far.

Currently, the TFWG's are in an established but transition state and it is necessary to consolidate the positive aspects that will give the future of TRACECA an improved chance of sustainability and a concrete basis for the strategy of the EuropeAid TRACECA Programme.

4.4.2. The HBCP Project is about to complete all the tasks according to the ToR and the Inception Report and in many cases it will go beyond requirements. However, this progress and success has been at a price, where the Project has put many man days into the Project, as this is the only way to success. The 1st Addendum that was put forward and approved consolidates the man-days that were planned and transfers man-days from non-essential expertise to areas where the Project can achieve maximum progress and success. However, this only covers immediate requirements and both Regional Team Leaders will be without man-days in April/May

2003 even with an allowance of 7-10 days for the Harmonisation Evaluation Workshop in July 2003.

4.4.3. The Trade Facilitation Working Groups(TFWG) and the institutional capabilities development of the National Secretaries are fundamental to the future sustainability of TRACECA and this is where the Project has concentrated its efforts. This means that the HBCP Project Manager and the two Regional Team Leaders are vital to the continued success of the project and TRACECA. It should be remembered that the Project is, in the main, not dealing with physical structures but with people and this takes time and in particular when dealing with 13 countries and all the subsidiary entities within each country plus the PS IGC itself.

4.4.4. The success of the TFWG's, particularly in the Black Sea & Caucasus region, is justification to carry forward this strategy in building the capabilities. The HBCP Project initiatives published the last three Monthly Reports will show the direction that is intended for Capability Building.

4.4.5. It is hoped that EuropeAid policy intends to move forward and if this is so then HBCP Project has built a platform for success. The HBCP Project knows how it works and knows the people in the two regions who will make it work so any reduction of input would be a negative factor.

4.4.6. This Project Augmentation support would fulfil the majority of our Project Consolidation needs and would take the HBCP Project, with physical presence, through to December 2003 or January 2004.

4.4.7. The HBCP Project is currently a success and the value of it should not be underestimated, so it is hoped that the Project Task Manager will seriously consider this request for and augmentation of funding for additional expenses and man-days.

4.4.8. The justification of current successes can be found in the Project Progress Report section under 6.0 Monitoring and Evaluation.

5.0 PROJECT PLANNING FOR NEXT REPORTING PERIOD

The Project Planning for the next Reporting Period will follow the planned Activities, Tasks and Sub-tasks as laid out in the Project Activities Table. See [Appendix 01](#). The Main Tasks, indicated below, are those planned for the next Reporting Period of the Project.

5.1 Important Observations for Project Success

It was always seen as imperative that the National Secretaries, through their respective National Commissions, are fully involved in the Project Process and the TRACECA Trade Facilitation Working Groups.

It is also imperative that the National Secretaries have sufficient authority, funding, resources and support from their National Commissions to carry out their function in an efficient and effective manner.

There must be a process, whereby the National Secretaries have sufficient authority and perhaps more important, easy access to the senior members of their respective Governments so that recommendations can be processed and implemented.

In the case of TFWG's, there must be a transfer of meeting protocol information, to the IGC, that concerns aspects of Borders Harmonisation.

The TFWG's should consist a combination of both public and private entities as this will act as a catalyst to Border Harmonisation but it is important that the CWG's do not become a 'fight arena' for complaints from either side.

The National Secretaries must have a defined role within TRACECA that is both covered by a written task description and adequately rewarded in financial terms.

It is also extremely important that the requested Project Augmentation to the HBCP Project is granted to enable the 'consolidation' of current successes.

5.2 Planned Activities and Tasks for the Next Reporting Period

Task 4. Customs Working Groups (CWG's)

The HBCP Project current emphasis, concerning the CWG's, is to expand their overall role and activities and encourage a greater awareness and involvement in Trade Facilitation. This will include encompassing the activities of the two other TRACECA Projects of Unified Policy on Transit Fees & Tariffs (UPTFT) and the Common Legal Basis for Transit Transportation (CLBTT). This will then form parallel but integrated working groups under the title Trade Facilitation Working Groups (TFWG's) but still under the Chairmanship of the respective National Secretaries. See TFWG Proposal Document and Presentation in **Appendix 03**. The methodology of the TFWG's was created, by the HBCP Project, as a 'Results Oriented' process and has produced practical success and 'Verifiable Indicators'. See Working Group Table in **Appendix 01**.

In the case of Turkmenistan, where there is no National Commission or Secretariate structure, the HBCP Project will still maintain contact and visit with the Turkmen TRACECA Coordinator and the Head of Customs Services. Additionally all HBCP Project documentation and Awareness Training Material will continue to be copied to both Turkmen parties.

Task 7. Document Preparation

The collection of documentation was completed in November 2002 and was correlated and processed into two hard copy manuals. For several TRACECA countries much of this documentation is either obsolete or in obsolescence due to their entry or proposed entry into the European Union. However, the Project will still

monitor any documentation changes within the region and update the manuals. Additionally, the HBCP Project made a specific visit to UN entities in Geneva concerning the standardisation of Border Crossing documentation to ensure an awareness of the latest global strategies. The monitoring element of this Task will now be encompassed within Task 8.3.

Task 8. List of Harmonisation Controls and Implementation Plan

The HBCP Project Recommendations and Harmonisation Controls, that were a result of the Borders Harmonisation Evaluation Workshop, are progressively being processed through the TFWG's in each country using the designated Working Group Tables 1,2 and 3. See **Appendix 02**. It is also planned to create interaction between countries by using two adjacent countries as a 'Pilot Scheme' to, initially, arrange for both respective TFWG's to meet at the Border Crossing Post to discuss practical implementation and simplification of the Border Procedures based on their progress with Working Group Tables 1,2 and 3. Table 2 is designed to take the decision-making process from 'Acceptance in Principle through to Project Identification with the appropriate 'Project Fiche'.

The HBCP Project currently plans to adopt a realistic Implementation Plan and approach for the 'Harmonisation' of borders by bringing together, in a progressive manner, two adjacent countries at one time. It is planned to achieve the first 'Harmonisation Pilot Scheme' between Azerbaijan and Georgia at the Red Bridge Border Crossing in late May or early June 2003.

This will create a logical progression that is 'Result Oriented' and can be duplicated throughout all TRACECA Border Crossing points. This will further the aim of developing the process of a TRACECA Transit Visa that is now being developed in cooperation with the CLBTT Project. As foreseen in the TOR, the development of the TRACECA Transit Visa is a lengthy process and primarily a 'legal' process. The CLBTT Project has both the expertise and time to address this Task.

Task 9. Management Development and Training

The HBCP Project Management Development and Training will be further augmented with work on:

- the Customs Manual, in CD format, that will contain several Modern Customs Management discussion items that can be utilised as a Power Point Presentations. The HBCP Project has drawn together, from several sources, high quality material on Customs Practices and Trade Facilitation.
- the production of a Computer-based Animated Graphic Borders Transit Presentation.
- the User Guide in alignment with the Project Website material.
- interfacing the Awareness Training Material on Modern International Border Harmonisation Practices for Working Groups. Further Material will be issued with the Second Progress Report.

Task 10. Establish an Institute of Customs Brokers

The HBCP Project has interfaced this Task into the work functions of the TFWG's. The Working Groups are utilising the Customs Brokers Evaluation Document and the Standard Institute Establishment Recommendations Documents in countries where Customs Brokers do not already exist. The TFWG's will work together with both Customs and the Private Transport Sector. The Project Management is also dealing with International Brokers Associations in support of the TFWG's.

Task 11. Prefeasibility for a Common Transit Procedure

This task is aligned with the TFWG's Functions and the Borders Harmonisation Recommendations. These will form part of the Implementation Plan in Task 8 and the new TRACECA Common Legal Basis for Transit Transportation Project will take forward any legal or institutional changes based on the HBCP Project recommendations.

Task 12. Liaison with other Projects and IFI's

This Task remains very important and is seen as a continuous process of interaction to be maintained until the end of the Project. Particular attention is being given to avoid overlap by maintaining close cooperation with the World Bank, ADB, USAID, UN and EU entities.

Task 13. Progress Reports

The Second Project Progress Report is currently being distributed to all 13 TRACECA Countries and the Project Draft Completion Report will be due in September 2003. Additionally, Brief Monthly Project Reports are also issued except where they coincide with Progress Reports.

Task 14. Final Report

The Project Draft Final Report will be completed in September 2003 which is two months prior to the completion of the HBCP Project. The Final Project Report is due in November 2003.

Task 15. Computerisation

The Project Website is under construction in parallel with the BordAudit Database. There was a delay in the construction due to newly issues EU Visibility Guidelines that meant a complete change of 'webpage' format. The further development and filtering of Website material will continue now until May 2003 when the Website is due to be launched progressively over a two-month period. Please see [Appendix 06](#).

6.0 Monitoring and Evaluation

This section 'Monitoring and Evaluation' has been added to clarify aspects of the Project to the Monitoring Team. It was always seen as problematic to ensure that the 'Results Orientation and Objective Verifiable Indicators (OVI's) are absolutely clear when working with Technical Assistance Projects that are complex and take place on

a regional level in 13 different countries. As much of the evaluation is extracted from Project Reports, it is felt important that the OVI's are consolidated into one section in the Progress Report.

The Monitoring Team have now adapted to their 'Horizontal Monitoring' approach and recent Monitoring Reports show an excellent awareness of the HBCP Project so it is hoped that this section will assist with Monitoring and Evaluation.

6.1 OVI's - Formation of Working Groups

The OVI's and sources are clearly indicated by date and topic in the Table entitled: Customs Working Groups – Regional Progress Indicative Synopsis.

Example depicts Topics and one TRACECA Country: Azerbaijan.

TOPIC PHASE	Azerbaijan			
	DATES	10-Dec-02	31-Jan-03	05-Mar-03
National Commission				
Proportional involvement in Border Procedures				
National Secretary				
Proportional involvement in Chairmanship of Customs Working Groups				
Nomination of candidates for formation of the Customs Working Group				
Establishment of the Customs Working Group composition				
Customs working Group				
Meeting Protocol				
Assessment of agreement on recommendations				
Evaluation and detailed review of implications of harmonization of border crossing procedures				
Global Working Group work on discussion papers and training material packages				
Establishment of Working Sub Groups for discussion papers and training material packages				
Elaboration of Agenda of working sub groups of the Trade Facilitation Working Groups (TFWG)				
Work on Creation of customs Brokers Institute				
Work on customs modernisation				
Work on IT border crossing procedures				
Work on Trade Facilitation				
Reporting				
Agenda for next Customs Working Group Meeting				
Legend				
Awaiting for start -				
Starting - Introduction				
In progress -				
Advanced -				
Established -				
Note 1: Some countries reached status "established" during the first CWG visit of the Consultant				
Note 2: 'Global' Working Groups should include all members including private sector entities.				

For 13 Countries Table: Please See [Appendix 01](#).

6.2 OVI's – Harmonisation Recommendations Progress.

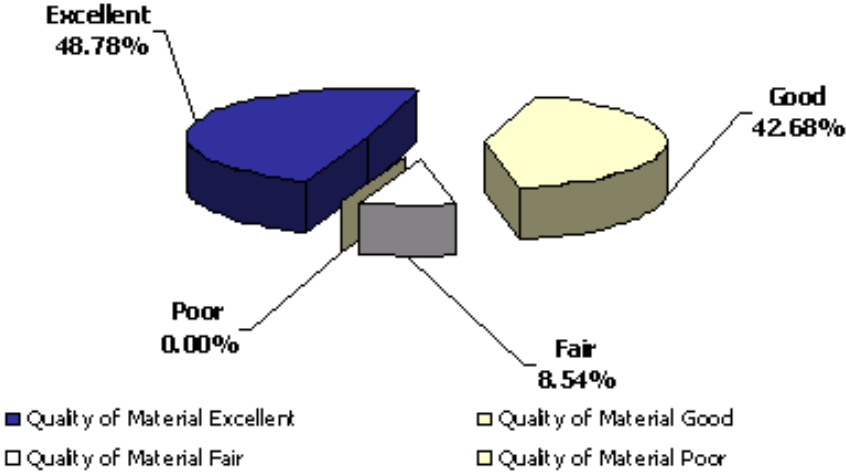
The OVI's and sources are contained within the TFWG' Meeting Minutes under Tables 1, 2 and 3. As many of these decisions can relate to National Security, they are not available within the Project Progress or Monthly Reports. However, they can be made available to the Monitoring Team on request from the Respective National Secretaries. Should the Monitoring Team have any difficulty it obtaining these tables, in particular in countries where there in no Resident Monitor, then please inform the Project Management.

6.3 OVI's – TFWG's Awareness Training Material.

The Awareness Training Material.

13 Sets of Training Material have been issued to the TRACEA Programme Countries. 6 to 13 Working Group Members, in each of the 12 TRACECA Member States, have been issued with the Training Material.

To assess the quality and appropriateness of the Awareness Training Material the HBCP Project sent an Interim Questionnaire on the Training Material to each National Secretary. The results of the Questionnaire are analysed in the chart below. Examples of the returned Questionnaires can be found in [Appendix 04](#).



Project Activities – November 2002 – April 2003



Presentation TFWG Concept to National Secretaries



TFWG Azerbaijan



SPECA Countries Conference - Baku



SPECA Countries Conference - Baku



SPECA Countries Conference - Baku



SPECA Countries Conference - Baku

Form 1.6. PLAN OF OPERATIONS FOR THE NEXT PERIOD (Work programme)																							
Project title : Harmonisation of Border Crossing Procedures				Project number : 01-0167			Country: Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan					Page : 1 of 1											
Planning period : April 2002 - November 2003				Prepared in : April 2003			EC Consultant: Scott Wilson / Compass / NEA / Sema																
Project objectives : To create a platform for harmonised border crossing procedures within the region. To work towards regional integration with international transport and trade practices and to promote the movement of traffic along the TRACECA corridor and to lay the foundations for convergence with EU practices.																							
No.	ACTIVITIES	TIME FRAME												INPUTS									
		Year 2003 (months)												PERSONNEL		EQUIPMENT AND MATERIALS	OTHER						
		APRIL 2003		MAY 2003		JUNE 2003		JULY 2003		AUGUST 2003		SEPT. 2003		OCT. 2003				NOV. 2003		EC Consultant	Counterpart		
1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2		
Task 4.	Working Groups (Customs Working Groups) (CWC's)	[Yellow bars]												Total LT Exp.	Nat. Secretaries	Computers etc.	Int Flights						
4.3	Consolidate and form integrated TFWG's	[Yellow bars]												202 Pers. Days	IGG Experts	Office Equipment	Local Travel						
Task 8.	List of Harmonised Controls and Implementation Plan	[Yellow bars]												Total ST Exp.									
8.2	Further Development of Transit Visa with CBLTT Project	[Yellow bars]												227 36 Pers. Days									
8.3	Review Best Practices / EU Standards / Kyoto Convention	[Yellow bars]																					
Task 9.	Management Development and Training	[Yellow bars]																					
9.1	Development of Customs Manual - CD-ROM	[Yellow bars]																					
9.2	Development of Users Guide - CD-ROM	[Yellow bars]																					
Task 10.	Establish an Institute of Customs Brokers	[Yellow bars]																					
10.3	Development of institutes integrated in TFWG's	[Yellow bars]																					
Task 11.	Feasibility for a common transit procedure	[Yellow bars]																					
11.1	Development of TRACECA Common Documents - Alignment.	[Yellow bars]																					
11.2	Development of TRACECA Transit Visa	[Yellow bars]																					
Task 12.	Liaison with other projects and IFIs	[Yellow bars]																					
12.2	Liaison and Interchange of Data / information	[Yellow bars]																					
Task 13.	Progress Reports	[Yellow bars]																					
13.1	Preparation and Distribution of 2nd Progress Report	[Yellow bars]																					
Task 14.	Final (Completion) Report	[Yellow bars]																					
14.1	Preparation and Distribution of Draft Completion Report	[Yellow bars]																					
14.2	Preparation and Distribution of Completion Report	[Yellow bars]																					
Task 15.	Computerisation	[Yellow bars]																					
15.1	Development of Project Website	[Yellow bars]																					
15.2	Complete and Filter Website Data	[Yellow bars]																					
15.3	Launch Website	[Yellow bars]																					
15.4	Review and Ascertain Website Sustainability	[Yellow bars]																					
TOTAL Person Days:												429	302										

Form 2.2. PROJECT PROGRESS REPORT

Project title: Harmonisation of Border Crossing Procedures	Project Number: 01 - 0167	Country: Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan	Page: 1 of 1
Planning period: November 2002 - April 2003	Prepared in: April 2003	EC Consultant: Scott Wilson / Compass / NEA / Sema	

Project objectives: To create a platform for harmonised border crossing procedures within the region. To work towards regional integration with international transport and trade practices and to promote the movement of traffic along the TRACECA corridor and to lay the foundations for convergence with EU practices.

No.	ACTIVITIES IMPLEMENTED	TIME FRAME 2002					INPUTS							
		Months					PERSONNEL EC CONSULTANT		COUNTERPART		EQUIPMENT AND MATERIAL		OTHER	
		NOVEMBER 2002	DECEMBER 2002	JANUARY 2003	FEBRUARY 2003	MARCH 2003	APRIL 2003	Planned	Utilised	Planned	Utilised	Planned	Utilised	Planned
Task 4.	Working Groups (Customs Working Groups) (CWG's)						524.64 Pers. Days	524.64 Pers. Days	200 Pers. Days	200 Pers. Days				
4.3	Commence Process of Holding CWG's													
Task 6.	Border Procedures Audit													
6.5	Finalise Database and Define Website Input													
Task 7.	Document Preparation													
7.2	Correlation and Processing of Documentation													
Task 8.	List of Harmonised Controls and Implementation Plan													
8.2	Development of Transit Visa and Alternatives (Process)													
Task 9.	Management Development and Training													
9.1	Development of Customs Manual - CD Format													
9.2	Development of Users Guide - CD Format													
Task 10.	Establish an Institute of Customs Brokers													
10.3	Prepare Documents and Integrate with CWG's													
Task 11.	Feasibility for a common transit procedure													
11.2	Development of TRACECA Transit Visa													
Task 12.	Liaison with other projects and IFIs													
12.1	Interaction with other relevant Projects													
12.2	Liaison and Interchange of Data / Information													
Task 13.	Progress Reports													
13.1	Preparation and Distribution of 2nd Progress Report													
Task 14.	Final Report													
Task 15.	Computerisation													
15.1	Development of Project Website													
15.2	Correlate and Filter Website Data													
TOTAL Person							524.64	524.64	300	300				

FORM 2.3.: RESOURCE UTILISATION REPORT

Project title : Harmonisation of Border Crossing Procedures		Project number: 01-0167		Country: Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan		Page: 1 of 1	
Planning period : 11 / 2002 - 04 / 2003		Prepared in: April 2003		EC Consultant: Scott Wilson / Compass / NEA / Sema			
Project objectives : To create a platform for harmonised border crossing procedures within the region. To work towards regional integration with international transport and trade practices and to promote the movement of traffic along the TRACECA corridor and to lay the foundations for convergence with EU practices.							
RESOURCES /INPUTS	TOTAL PLANNED	PERIOD PLANNED	PERIOD REALISED	TOTAL REALISED	AVAILABLE FOR REMAINDER		
	Person Days	Person Days	Person Days	Person Days	Person Days	Person Days	
PERSONNEL	Original - Plus 2nd Addendum						
Long term experts:							
Project Manager	460 + 84.2 = 544.2		130	413	131.2		
Regional Team Leader – Asia	250		47	155	71		
Regional Team Leader – Black Sea and Caucasus	240 + 94 = 334		278	341	0		
Project UK Management					0.00		
Project Director	11		2.12	9.04	1.96		
Project Coordinator	100		60.52	117.10	43.42		
Short term experts:					0.00		
Transport Lawyer	52 – 52 = 0	0.00	0.00	0.00	51.00		
Customs Legislation	21	0	0	19	2		
Legal Expert	0 + 30 = 30	0	7	7	0		
International Legislation	32	0	0	11	20		
Traffic Forecasting	32	0	0	7	25		
Phytosanitary Expert	40 – 40 = 0	0	0	0	0		
Veterinary Expert	40 – 40 = 0	0	0	0	0		
Customs Management Expert	34	0	0	30	4		
Customs IT Expert	21	0	0	11	10		
Customs Expert	30 – 30 = 0	0.00	0	0.00	50.00		
Transportation Economist	20.00 – 20 = 0	0.00	0	0.00	20.00		
Borders Expert	35 – 4 = 31	0	0	31	0		
Environmental Expert	6 – 6 = 0	0	0	0	0		
Immigration Expert	40 – 40 = 0	0	0	0	0		
Sub-total Person Days	1410.2		524.64	1151.14	429.58		
EQUIPMENT AND MATERIALS							
3 x Computers with Software	3 x Computers with Software			3 x Computers with Software	0		
1 x Laser Printer - 1 x Deskjet Printer	1 x Laser Printer - 1 x Deskjet Printer			1 x Laser Printer - 1 x Deskjet Printer			
1 x Scanner with Software	1 x Scanner with Software			1 x Scanner with Software			
3 x CD-RW Drives - 3 x Zip Drives	3 x CD-RW Drives - 3 x Zip Drives			3 x CD-RW Drives - 3 x Zip Drives			
1 x Copier A3 - Communications Items	1 x Copier A3 - Communications Items			1 x Copier A3 - Communications Items			
1 x Set Office Furniture	1 x Set Office Furniture			1 x Set Office Furniture			
OTHER INPUTS							
Sub-total							

FORM 2.4. OUTPUT PERFORMANCE REPORT

Project title: Harmonisation of Border Crossing Procedures	Project No.: 01-0167	Country: Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan	Page: 1 of 1
Prepared on: April 2003		EC Consultant: Scott Wilson / Compass / NEA / Sema	
Output results	Deviation original plan. + or - %	Reason for deviation	Comment on constrains and assumptions
Task			
1 Inception Sub-Tasks 1.1 to 1.5	Complete		No Comment
2 Inception Meetings Sub-Tasks 2.1 to 2.3	Complete		No Comment
3 Review of Previous Work and Recommendations 3.1 to	Complete		Integrated in the BHEW
4 Working Groups CWG's Sub-Tasks 4.1 to 4.3	On Target		Adapting CWG's to TFWG's
5 Inception Report Sub-Tasks 5.1 to 5.3	Complete	Involvement in TRACECA Visa	Late Report Production - Justified - TM
6 Border Procedures Audit Sub-Tasks 6.1 to 6.5	Complete		Audit Complete - Database Augmentation
7 Document Preparation Sub-Tasks 7.1 to 7.2	On Target		No Comment
8 List of Harmonised Controls and Implementation Plan 8.1-	On Target		Development of plan within CWGS
9 Management Development and Training Sub-Tasks 9.1 to	On Target		Transfer output to CD and Website
10 Establish an Institute of Customs Brokers 10.1 to 10.3	On Target		Develop with TFWG's and Customs
11 Prefeasibility for a Common Transit Procedure 11.1 to	On Target		Build on Consensus progress
12 Liaison with other Projects and IFI's Sub-Tasks 12.1 to	On Target		Ensure Common Aims
13 Progress Report Sub-Tasks 13.1 to 13.2	2nd-On Target		No Comment
14 Final Report Sub-Tasks 14.1 to 14.2	On Target		No Comment
15 Computerisation Sub-Tasks 15.1 to 15.15.4	On Target		Evolving Website and Database together

List of Appendices

- 01 Project Activities Table
- 02 TFWG Objectives Guidelines and Tables 1, 2 & 3
- 03 TFWG Proposal Introduction
- 04 TFWG Training Evaluation Questionnaire
- 05 TFWG Training Material List and New Material
- 06 Combined Projects Website Examples
- 07 Official Project Visit to Geneva UN Entities
- 08 UNESCAP – SPECA Conference

Appendix 01

- **HBCP Project Activities Table**

Project Activities Table – April 2003

Harmonisation of Border Crossing Procedures

SUB-ACTIVITY	ACTIVITY	VERIFIABLE INDICATORS	VERIFICATION PROGRESS	ASSUMPTIONS
Task 1	Inception			
1.1	Brussels Kick-Off Meeting	Discussions with Task Manager - Brussels	COMPLETE	Indicators of New Systems
1.2	Mobilisation	Timely Site Arrival – Office Established	COMPLETE	Equip. Budget Review
1.3	Project Methodology Assessment	Consensus with IGC and Contractor	COMPLETE	To Remain Flexible
1.4	Border Audit Methodology Assessment	Consensus with IGC and Contractor	COMPLETE	To Remain Flexible
1.5	Regional Visit Programme Preparation	Consensus with IGC and Contractor	COMPLETE	Can Be Varied
Task 2	Inception Meetings			
2.1	Project Programme Discussions at IGC	Consensus with IGC and Contractor	COMPLETE	To Remain Flexible
2.2	Project Presentation - Tbilisi – Georgia	Presentation to 13 Member States & EC	COMPLETE	TOR Amended (initial)
2.3	Project Presentation – Ashgabat - Turkmenistan	Full Presentation to Members States & EC	COMPLETE	None
Task 3	Review of Previous Work and Recommendations			
3.1	Review of TRACECA – Related Documents	Documents Reviewed Including Websites	COMPLETE	None
3.2	Review of Other Project / Entities Documents	Other Projects/Entities Documents Reviewed	COMPLETE	Awareness of New Projects
3.3	Provisional and Final Recommendations	Included in the BHEW Recommendations	COMPLETE	Borders Audit Complete
Task 4	Working Groups (Customs Working Groups, CWG's)			
4.1	Evaluate Logistics and Funding for CWG's	Final Review and discussions complete	COMPLETE	Building Sustainability
4.2	Evaluate Rationale for Development of CWG's	Draft TOR's complete and distributed	COMPLETE	Majority Acceptance
4.3	Commence Progress of Holding CWG's	Country by Country structuring	COMPLETE	None
Task 5	Inception Report			
5.1	Complete Inception Phase Evaluations	Completed with Stakeholder Cooperation	COMPLETE	None
5.2	Compile Relevant Data for the Inception Report	Completed with Stakeholder Cooperation	COMPLETE	None
5.3	Prepare Report in English / Russian / CD and Distribute	Report Prepared, Delivered and Signed for by all recipients	COMPLETE & APPROVED	None

SUB-ACTIVITY	ACTIVITY	VERIFIABLE INDICATORS	VERIFICATION PROGRESS	ASSUMPTIONS
Task 6	Border Procedures Audit			
6.1	Determine Designated Border Crossing Points	Consensus with IGC on Crossing Points	COMPLETE	None
6.2	Carry Out Initial Border Audit (Red Bridge – Azerbaijan)	Initial Audit Carried-out Both Sides	COMPLETE	None
6.3	Prepare Audit Database Parameters and Programme	Initial Database in English Complete	COMPLETE	None Audit Complete
6.4	Summarise Audit Results and Recommendations	BHEW Created Recommendations	COMPLETE	None Audit Complete
6.5	Finalise Database and Define Web-Site Input	Database Eng/Rus. Version – Website Defined	Russian & English COMPLETE	Under Review Customs
Task 7	Document Preparation			
7.1	Collection of Documentation	NAS Documentation to be finalised	COMPLETE	None
7.2	Correlation and Processing of Documentation	Awaiting Final Documentation	On-GOING – Meetings in Geneva Undertaken	None
Task 8	List of Harmonised Controls and Implementation Plan			
8.1	Initiative on Afghan Aid – Transit Visa	Progressive Country Development	ON-GOING – Transfer to CLBTT	Longer-Term Task
8.2	Development of Transit Visa and Alternatives (Process)	Progressive Country Development	ON-GOING – Transfer to CLBTT	Longer-Term Task
8.3	Review Best Practices / EU Standards / Kyoto Convention	BHEW Recommendations Advocate this	ON-GOING	Developing in TFWG's
Task 9	Management Development and Training			
9.1	Development of Customs Manual – CD ROM	BHEW Included Material for this purpose	ON-GOING	Customs open-minded on this.
9.2	Development of Users Guide - CD ROM	Data Assimilation and user enquiries	ON-GOING	Database will be supportive
Task 10	Establish an Institute of Customs Brokers			
10.1	Evaluation of and Institute as a Discussion Platform or Entity	Evaluation Documentation Prepared	COMPLETE	None
10.2	Develop Parameters for an Institute Foundation Documents	Foundation documents under review	ON-GOING	Developing in CWG's
10.3	Prepare Recommendations for Institute Foundation Documents	Awaiting initial feedback from CWG'S	ON-GOING	None

SUB-ACTIVITY	ACTIVITY	VERIFIABLE INDICATORS	VERIFICATION PROGRESS	ASSUMPTIONS
Task 11	Prefeasibility Study for a Common Transit Procedure			
11.1	Development of TRACECA Common Documents	Assimilation of Data	ON-GOING	None
11.2	Development of TRACECA Transit Visa	Progressive with countries and CWG's	ON-GOING	Available Legal Base and TFWG's acquire Authority
Task 12	Liaison With Other Projects and IFIs			
12.1	Interaction With Other Relevant Projects	World Bank. USAID, ADB, UN, EU	ON-GOING	None
12.2	Liaison and Interchange of Data / Information	World Bank. USAID, ADB, UN, EU	ON-GOING	None
Task 13	Progress Reports			
13.1	Preparation and Distribution of 1 st Progress Report	Complete and Distributed	COMPLETE	None
13.2	Preparation and Distribution of 2 nd Progress Report	Due April 2003	COMPLETE	None
Task 14	Final Report			
14.1	Preparation and Distribution of Draft Final Report	Due September 2003		None
14.2	Preparation and Distribution of Final Report	Due November 2003		None
Task 15	Computerisation			
15.1	Development of Project Website	Basic Development and Parameters	COMPLETE	None
15.2	Correlate and Filter Website Data	Under current development	ON-GOING Apr/May 2003	Restructure Pages
15.3	Launch Website	Due May/June 2003	ON-GOING	None
15.4	Review and Ascertain Website Sustainability	Through rest of Project timeframe		None



TOPIC PHASE	DATES	Azerbaijan			Armenia			Bulgaria			Georgia			Kazakhstan			Kyrgistan			Moldova			Romania			Tadjikistan			Turkey			Turkmenistan			Ukraine			Uzbekistan		
		10-Dec-02	31-Jan-03	5-Mar-03	10-Dec-02	31-Jan-03	5-Mar-03	10-Dec-02	31-Jan-03	5-Mar-03	10-Dec-02	31-Jan-03	5-Mar-03	10-Dec-02	31-Jan-03	5-Mar-03	10-Dec-02	31-Jan-03	5-Mar-03	10-Dec-02	31-Jan-03	5-Mar-03	10-Dec-02	31-Jan-03	5-Mar-03	10-Dec-02	31-Jan-03	5-Mar-03	10-Dec-02	31-Jan-03	5-Mar-03	10-Dec-02	31-Jan-03	5-Mar-03						
National Commission																																								
Proportional involvement in Border Procedures		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
National Secretary																																								
Proportional involvement in Chairmanship of Customs Working Groups		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Nomination of candidates for formation of the Customs Working Group		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Establishment of the Customs Working Group composition		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Customs working Group																																								
Meeting Protocol		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Assessment of agreement on recommendations		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Evaluation and detailed review of implications of harmonization of border crossing procedures		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Global Working Group work on discussion papers and training material packages		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Establishment of Working Sub Groups for discussion papers and training material packages		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Elaboration of Agenda of working sub groups of the Trade Facilitation Working Groups (TFWG)		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Work on Creation of customs Brokers Institute		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Work on customs modernisation		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Work on IT border crossing procedures		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Work on Trade Facilitation		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Reporting		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					
Agenda for next Customs Working Group Meeting		Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established	Established					

Legend

- Awaiting for start -
- Starting - Introduction
- In progress -
- Advanced -
- Established -

Note 1: Some countries reached status "established" during the first CWG visit of the Consultant

Note 2: Global Working Groups should include all members including private sector entities.



2001-2002 PROJECT EXPERTS INPUT



Expert's Name	Date																																																			
	November 2001				December 2001				January 2002				February 2002				March 2002				April 2002				May 2002				June 2002				July 2002				August 2002				September 2002				October 2002							
	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4								
Peter RANGER																																																				
Anthony BAYLEY																																																				
Horst PRESSLER-HOEFT																																																				
Werner SPENHOF																																																				
Bernard TOUBOUL																																																				
Adrian TITE																																																				
Debra POWER																																																				
Vaidis KURSIETIS																																																				
Georg GOTSCHLICH																																																				
Michael ARBLASTER																																																				
Herno LANGEVELD																																																				
Arnoud BURGESS																																																				
Les CHEESMAN																																																				

2002-2003 PROJECT EXPERTS INPUT

Expert's Name	Date																																																							
	November 2002				December 2002				January-03				February-03				March-03				April-03				May-03				June-03				July-03				August-03				September-03				October-03											
	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4												
Peter RANGER																																																								
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Vaidis KURSIETIS																																																								
Georg GOTSCHLICH																																																								
Michael ARBLASTER																																																								
Hark BOOKER																																																								
Herno LANGEVELD																																																								
Jaco van MELDEREN																																																								

UPDATED: 05/05/2002



ARRIVAL



DEPARTURE



ACTUAL INPUT



PLANNED INPUT

HBCP Project Experts Input - by Region

Experts	BLACK SEA & CAUCASUS REGION																																																								
	Armenia				Azerbaijan				Bulgaria				Georgia				Moldova				Romania				Turkey				Ukraine																												
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov								
Project Management																																																									
Nov 2001-Nov 2002																																																									
Nov 2002-Nov 2003																																																									
Team Leader																																																									
Nov 2001-Nov 2002																																																									
Nov 2002-Nov 2003																																																									
Other Experts																																																									
Nov 2001-Nov 2002																																																									
Nov 2002-Nov 2003																																																									

Experts	ASIA REGION																																																									
	IGC				Kazakhstan				Kyrgyzstan				Tajikistan				Turkmenistan				Uzbekistan																																					
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov									
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Nov 2002-Nov 2003																																																										
Other Experts																																																										
Nov 2001-Nov 2002																																																										
Nov 2002-Nov 2003																																																										

Appendix 02

- **TFWG Objectives Guidelines and Tables 1, 2, 3**

Project implemented by
Scott Wilson / Compass / NEA / Sema



Table 2 : Evaluation and detailed review of implications of harmonisation of border crossing procedures

Implications of Harmonisation and Activities for Change	Car Passenger Inward	Car Passenger Outward	Trucks Inward	Trucks Outward	Rail Passenger Inward	Rail Passenger Outward	Rail Freight Inward	Rail Freight Outward	Ferry Inbound	Ferry Outbound	1 Discussion 2 Agreement 3 Action required 4 Action Taken 5 Current Status Report Available
Legal	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	
IT	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	
Equipment	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	
Training	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	
Financial	3	3	3	3	3	3	3	3	3	3	
Infrastructure ¹	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4	

Note: Agreements and subsequent decisions to be taken should be in line and in parallel between the two neighbouring countries Azerbaijan and Georgia. Mutual exchange of information can be organised on the level of the NSs.

During January and February 2003 the NS will seek bilateral meetings with the representatives of the relevant services, viz. Customs and BG, if they agree to do so. Based on these concrete discussions the next activities shall be established and a subsequent proposal to be prepared by the NS for presentation at and decision by the Cabinet of Ministers. After that proposal has been submitted by the NS the CWG members shall meet again in March, date to be set. It is noted that this process needs to be completed prior to physical improvements at the BCPs can be expected.

¹ All infrastructure needs are to be discussed and agreed with the neighbouring country's representatives.
TRACECA HBCP Project Second Progress Report – Appendix 02 – TFWG Objectives Guidelines and Tables 1, 2, and 3

Legal

BG, Customs 1,3: Legal situation coincides with Proposals made. However, Phyto/Vet and Sanitary Guarantee Proposals are not met by the law of Azerbaijan and need to be discussed and agreed. Legal amendmends are expected.

Customs 1: Agreements as said in the note above.

IT

BG 3: It is required to integrate the proposed system into the existing information system. Telecommunication lines require physical improvement in order to permit speedy and reliable information exchange to take pace with increased trade and transport activities. Additional working places to be established and manned. Further equipment required to be specified and calculated.

BG 4: Automated passport system in place.

Customs 3: It is required to integrate the proposed system into the existing information system. Telecommunication lines require physical improvement in order to permit speedy and reliable information exchange to take pace with increased trade and transport activities. Additional working places to be established and manned. Further equipment required; to be specified and calculated.

Customs 4: Data system for import/export goods for information purposes in place linked to Central Statistics within Customs.

Equipment²

BG 3: Equipment purchased is insufficient in numbers. All equipment needs to be specified and calculated.

BG 4: Some equipment for passport check, radiation control, endoscope, vehicle internal check, UV lamp etc. has been purchased.

Customs 3: Equipment required. All equipment needs to be specified and calculated.

Training

BG 3: Training courses to be specified and calculated. Assistance of the Consultant required.³

BG 4: Both in country and abroad executed presently; long, middle and short term training is under way. BG training Centre operated within the Ministry of Security. BG are ready to participate in joint training courses together with Customs.

Customs 3: Training courses and training equipment to be specified and calculated. Assistance of the Consultant required.

Customs 4: Training Centre operating within Customs Committee HQ. Series of training courses are implemented. Regional Customs Training Centre under construction in Azerbaijan in cooperation with World Customs. Commencing operations expected by mid 2003. Customs is ready to participate in joint training courses together with BG. Customs offers to organise training for TRACECA countries on, e.g. Training of trainers.

Finance

BG 3: Summary of all assumptions to be calculated in € and amount to be financed from external sources.

Customs 1: Agreement to be concluded as stated above; cf. "Note" above

Customs 3: Summary of assumptions to be calculated in € and amount to be financed from external sources.

² Customs and BG to submit a list of requirements and cost estimates latest by 10 February to the Consultant

³ Suitable date for the meeting shall be set prior to 25 January through the NS.

Infrastructure

BG 3: Infrastructure to be roughly described and costs to be estimated.

TRACECA BCPs at “Girmizi Korpu” (“Red Bridge”) - Road, “Boyuk-Kesik” (“Big Cut”) - Railroad, Baku Ferry Terminal need to be rehabilitated/newly constructed in order to meet the requirements of “Trade Facilitation and Best Practice”. Plans are being drafted (details to be identified, calculated based on traffic forecast and to be given to the NS for inclusion into Table 2). Submission of information comprising rough cost estimates by early March 2003 prior to the next CWG meeting. The information will be given by the NS to the Consultant. Customs agrees to this approach.

Customs 4:

Customs have infrastructure available at the BCPs in accordance with the Customs Procedures valid. Control of the vehicles is effected at this place.

Appendix 03

- **TFWG Proposal Introduction**

Project facilitated by
Scott Wilson / Compass / NEA / Sema



**TRACECA: Harmonisation of Border
Crossing Procedures
Trade Facilitation
Working Group Proposal**

January 2003

Published January 2003
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- 1.2 IGC and National Secretaries
- 1.3 Working Groups
- 1.4 Working Groups ToR

2.0

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- 2.1 Awareness Training Material
- 2.2 CWG's Indicative Progress Synopsis Table

1.1 Introduction

During the Project progress, it has become increasingly obvious that the role of the IGC and the National Secretaries is vital to the sustainability of the TRACECA structure when related to current and future Trade Facilitation.

It has also been found that there is, in many cases, a conflict of interests for National Secretaries (NS) whereby they are involved in other tasks that take their time and resources away from the function of the post of NS or they are not given full support and authority by their own ministries and governments. The perceived future role of the National Secretaries will have much wider scope and broader responsibilities.

1.2 IGC and National Secretaries

It is foreseen that the three current Projects of Borders Harmonisation, Transit Fees and Tariffs and Common Legal Basis will be the fundamental platform on which regular National Working Groups will be held. The current Customs Working Groups, held under the Borders Harmonisation, will evolve into a three dimensional Working Group to support Trade Facilitation under the Chairmanship of the NS.

It is imperative that this evolving role of National Secretaries is tied very effectively to a close interface with the Secretary General and the IGC to ensure regional synergy.

It is also imperative that the National Secretaries have sufficient authority, funding, resources and support from their National Commissions to carry out their function in an efficient and effective manner. Without this support, the National Secretaries will not be able to carry forward the recommendations of the three Projects, the Coordination Team or other relevant entities.

The criteria for National Secretaries was recorded in the Project First Progress Report and due to its importance is repeated below:

There must be a process, whereby the National Secretary has sufficient authority and perhaps more important, easy access to the senior members of their respective Governments so that recommendations can be processed and implemented.

The post of National Secretary must be filled by persons who are professionals in transport, have excellent management skills, are computer literate and are seriously interested in carrying forward the aims of TRACECA for their own country and the other member states.

There must be a strict and active process of two-way information dissemination between the IGC and the National Secretaries. In the case of CWG's, there must be a transfer of meeting protocol information, to the IGC, that concerns aspects of Borders Harmonisation. In particular, information that concerns TRACECA as a whole providing that this information is not of a sensitive national nature.

It is vital that the structure of the CWG's is fully representative of both the Government and Private sectors. This combination of both public and private entities will act as a catalyst to Border Harmonisation but it is important that the CWG's do not become a 'fight arena' for complaints from either side. However, there should always be room for constructive criticism that may give examples of negative Border Harmonisation and Trade Facilitation.

1.3 Working Groups.

"The future success of TRACECA, as a viable functioning Transport Corridor, will be greatly influenced by the establishment of professional TRACECA National Secretaries who understand the full meaning of Trade Facilitation and who have the authority to influence change at Government level"

HBCP Project Management – September 2002.

The Project Activity of establishing Working Groups, under the Chairmanship of the National Secretaries and orientating those current Customs Working Groups (CWG's) towards becoming Trade Facilitation Working Groups is of paramount importance. There are now three related Projects that were designed and recommended by the consensus of the TRACECA member states that can create a realistic platform to develop a solid institutional structure of TRACECA for the future. To this end we intend to involve the current three projects progressively into the Working Groups.

This would mean that there would be one Chairman (NS) but three distinct but interfacing groups with possibly having some of the same group members but focusing on different themes:

- Borders Harmonisation
- Tariffs and Transit Fees
- Common Legal Basis.

As the Common Legal Basis Project has started and will be partly involved in the review of the Multilateral Agreement, there is an opportunity to request them to address the official change of title of the Customs Working Group to Trade Facilitation Working Group. The strategy for this change is to create a platform for Trade Facilitation discussion that will be sustained after the projects are completed (sustainability) Also part of the strategy is to build the institutional capability of the IGC and the National Secretaries of TRACECA for the future.

There was already an announcement of the proposed direction at the Roads Working Group held in Baku by the Tariffs Project and this theme was also introduced into the Customs Working Group documents. The TRACECA Coordination Team is preparing a 'Policy Discussion Paper' for circulation.

Sustainability is one of the most important factors of all three Projects and this combined strategy can serve as a catalyst to the continuation of the Project work within the Working Groups.

Extracts from the proposed Policy Discussion Paper for early evaluation.

Institutional Mechanism

(a) It should be noted that there is already established an Institutional Mechanism within the TRACECA Institutional Framework. This framework is structured under the TRACECA IGC, Member State National Commissions and the respective National Secretaries.

(b) The National Secretaries, in each Member State, are Chairmen of the Trade Facilitation Working Group that is currently designated 'Customs Working Group' (CWG's) in accordance with the TRACECA Multilateral Agreement (MLA).

(c) These Working Groups will be responsible for carrying forward the work carried out by the three TRACECA Institutional Projects, which are:

- Harmonisation of Border Crossing Procedure
- Unified Policy on Transit Fees and Tariffs
- Common Legal Basis

(d) Initially there will be consolidated Modal Working Groups held in the IGC Baku where the focus will be on a common basis and agreements to enable the various discussions to move forward at National and Regional level.

(e) Each of the National Trade Facilitation Working Groups (TFWG's), under the Chairmanship of the TRACECA National Secretary, will undertake meetings with each of the relevant groups encompassed within the sectors of the three TRACECA Projects.

(f) Therefore, all activities resulting from the IGC Baku Working Groups and Seminars should be addressed to the TRACECA National Secretaries in the respective Member States.

(g) Additionally, the IGC and relevant Project Experts are available for any queries or advice but this should be, where possible, carried out through the National Secretaries.

1.4 Working Group Terms of Reference (CWG-ToR)

The CWG-ToR is currently being redesigned so that there is a set of specific guidelines to formulate and carry out the functions, enhanced activities and responsibilities of the adaptation of CWG's into TFWG's. These new guidelines will be developed in close cooperation of the TRACECA IGC, Coordination Team and the Project Experts. The CWG-ToR will be finalised and presented to the IGC for approval at the end of January 2003.

TABLES - LISTS

- Awareness Training Material
- CWG's Indicative Progress Synopsis Table

TRACECA National Secretaries

Working Groups Awareness Training Material

MODERN INTERNATIONAL BORDER HARMONISATION PRACTICES

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Discussion Papers

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- **Blueprint for Europe Customs Future**

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- **Customs Information Technology**
- **Trade Facilitation**
- **International Conventions**
- **Table – Status of Conventions as of September 2002**

Issue 3 – December 2002

Case Studies:

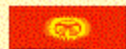
- **Integrated Border Management (IBM) – (America / Canada)**

Discussion Papers:

- **'A Convenient Frontier'**
- **Description of World Customs Organisation**
- **Revised Kyoto Convention – Frequently Asked Questions**



Harmonisation of Border Crossing Procedures Project Trade Facilitation Working Groups Concept



- ROMANIA
- BULGARIA
- MD. DOVA
- UKRAINE
- TURKEY
- GEORGIA
- ARMENIA
- AZERBAIJAN
- KAZAKHSTAN
- TURKMENISTAN
- UZBEKISTAN
- TAJIKISTAN
- KYRGYZSTAN

Harmonisation of Border Crossing Procedures Project Strategy for Combined Trade Facilitation Working Groups

Стратегия по созданию совместных Рабочих Групп по Развитию Торговли

Проекта Гармонизация Процедур Пересечения Границ



- KYRGYZIAN
- TAJIKISTAN
- UZBEKISTAN
- TURKMENISTAN
- KAZAKHSTAN
- AZERBAIJAN
- ARMENIA
- GEORGIA
- TURKEY
- UKRAINE
- MOLDOVA
- BULGARIA
- ROMANIA

23-24 January 2003

23-24 января 2003 года

Проект Гармонизации Процедур Пересечения Границ Концепция Рабочих Групп по Развитию Торговли



TRACECA 1993-2003

THIS YEAR TRACECA CELEBRATES TEN YEARS
OF PROGRESS AND DEVELOPMENT

В ЭТОМ ГОДУ РАЗВИТИЮ И ПРОДВИЖЕНИЮ
КОРИДОРА TRACECA
ИСПОЛНЯЕТСЯ ДЕСЯТЬ ЛЕТ

Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли



Harmonisation of Border Crossing Procedures Project
Trade Facilitation Working Groups Concept



**THIS REGIONAL CONCEPT WAS DECREED BY THE
PRESIDENTS OF THE 12 MEMBERS STATES AND THEIR TRUST
AND CONFIDENCE MUST BE MAINTAINED FOR THE FUTURE
SUCCESS OF TRACECA**

**ЭТА РЕГИОНАЛЬНАЯ КОНЦЕПЦИЯ БЫЛА УСТАНОВЛЕНА
ПРЕЗИДЕНТАМИ 12 СТРАН-УЧАСТНИЦ, ВЕРА И
УБЕЖДЕННОСТЬ КОТОРЫХ ДОЛЖНА ПОДДЕРЖИВАТЬСЯ ВО
БЛАГО БУДУЩЕГО УСПЕХА КОРИДОРА TRACECA**

**Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли**



2. WHO WILL CARRY TRACECA FORWARD?

КТО БУДЕТ СПОСОБСТВОВАТЬ ПРОДВИЖЕНИЮ КОРИДОРА TRACECA?
WHO WILL ENSURE THE FUTURE SUCCESS OF THE TRACECA TRANSPORT
CORRIDOR?

КЕМ БУДЕТ ОБЕСПЕЧЕН БУДУЩИЙ УСПЕХ ТРАНСПОРТНОГО КОРИДОРА
TRACECA?

"The future success of TRACECA, as a viable functioning Transport Corridor, will be greatly influenced by the establishment of professional TRACECA National Secretaries who understand the full meaning of Trade Facilitation and who have the authority to influence change at Government level"

I HBCP Project Management – September 2002.

"На будущий успех TRACECA, в качестве жизнеспособного Транспортного Коридора, большое влияние окажут профессиональные Национальные Секретари TRACECA, которые будут полностью осознавать смысл Развития Торговли, а также будут иметь полномочия для проведения соответствующих изменений на Правительственном уровне"

Руководство проекта ГППГ – сентябрь 2002 года.

Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли



Harmonisation of Border Crossing Procedures Project Trade Facilitation Working Groups Concept



3. TRACECA NATIONAL SECRETARIES ARE THE VITAL ELEMENT TO THE FUTURE SUCCESS OF TRACECA AS A TRANSPORT AND TRADE FACILITATION CORRIDOR

НАЦИОНАЛЬНЫЕ СЕКРЕТАРИ TRACECA ЯВЛЯЮТСЯ ЖИЗНЕННО ВАЖНЫМИ ЭЛЕМЕНТАМИ БУДУЩЕГО УСПЕХА TRACECA В КАЧЕСТВЕ ТРАНСПОРТНОГО КОРИДОРА, СОДЕЙСТВУЮЩЕГО ТОРГОВЛЕ



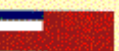
THE TRACECA NATIONAL SECRETARIES ARE CURRENTLY FUNDED BY THE EUROPEAN UNION BOTH FOR SALARY AND EXPENSES. THERE IS ALSO ADDITIONAL FUNDING FOR THE CREATION OF CUSTOMS WORKING GROUPS UNDER THE HBSP PROJECT

В НАСТОЯЩЕЕ ВРЕМЯ НАЦИОНАЛЬНЫЕ СЕКРЕТАРИ TRACECA ФИНАНСИРУЮТСЯ СО СТОРОНЫ ЕВРОПЕЙСКОГО СОЮЗА. ТАКЖЕ ИМЕЕТСЯ ДОПОЛНИТЕЛЬНОЕ ФИНАНСИРОВАНИЕ ДЛЯ СОЗДАНИЯ ТАМОЖЕННЫХ РАБОЧИХ ГРУПП В РАМКАХ ПРОЕКТА ГППГ



THIS MEANS THAT THE NATIONAL SECRETARIES HAVE ADEQUATE RESOURCES TO CARRY OUT THEIR TASKS

ЭТО ОЗНАЧАЕТ, ЧТО НАЦИОНАЛЬНЫЕ СЕКРЕТАРИ ИМЕЮТ В РАСПОРЯЖЕНИИ ДОСТАТОЧНО РЕСУРСОВ ДЛЯ ВЫПОЛНЕНИЯ ПОСТАВЛЕННЫХ ПЕРЕД НИМИ ЗАДАЧ



**Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли**



4. THE WAY FORWARD FOR THE PROGRESSIVE EVOLVEMENT OF TRACECA IS TO HAVE:

ДЛЯ ПРОГРЕССИВНОГО РАЗВИТИЯ КОРИДОРУ TRACECA НЕОБХОДИМЫ:

- **Active, Effective and Efficient National Secretaries**
Активные, эффективно работающие и результативные
Национальные Секретари
- **National Secretaries with an Awareness of Regional Trade**
Национальные Секретари, осведомленные о Региональной
Торговле
- **National Secretaries who have Authority from their Ministries**
Национальные Секретари, обладающие полномочиями,
данными им Министерствами



Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли



5. The Future Success of TRACECA must have National Secretaries who will:

Для будущего успеха коридору TRACECA необходимы Национальные Секретари которые будут:

“Work Nationally but think Regionally”

«Работать в масштабе страны, но мыслить в масштабе региона»

Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли



Harmonisation of Border Crossing Procedures Project Trade Facilitation Working Groups Concept



6. There are three TRACECA Projects that were designed to strengthen the Institutional Capabilities of the IGC and the National Secretaries. They are:

Учреждение следующих трех проектов TRACECA было предназначено для усиления Институциональных Возможностей МПК и Национальных Секретарей:

- **Harmonisation of Border Crossing Procedures**
Гармонизация Процедур Пересечения Границ
- **Unified Policy on Transit Fees and Tariffs**
Единая Политика по Транзитным Расценкам и Тарифам
- **Common Legal Basis for Transit Transportation**
Общая Юридическая База для Транзитных Перевозок



Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли



7. The Three Projects will all develop topic-specific 'Working Groups' that will progressively but quickly evolve under unified '*Trade Facilitation Working Groups*' within each Member State and have the National Secretaries as Chairmen



Посредством всех этих проектов, в рамках каждой страны-участницы, будут разработаны специфические «Рабочие Группы», которые постепенно, но достаточно быстро эволюционируют в «Рабочие Группы по Развитию Торговли», во главе которых будут находиться Национальные Секретари

Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли



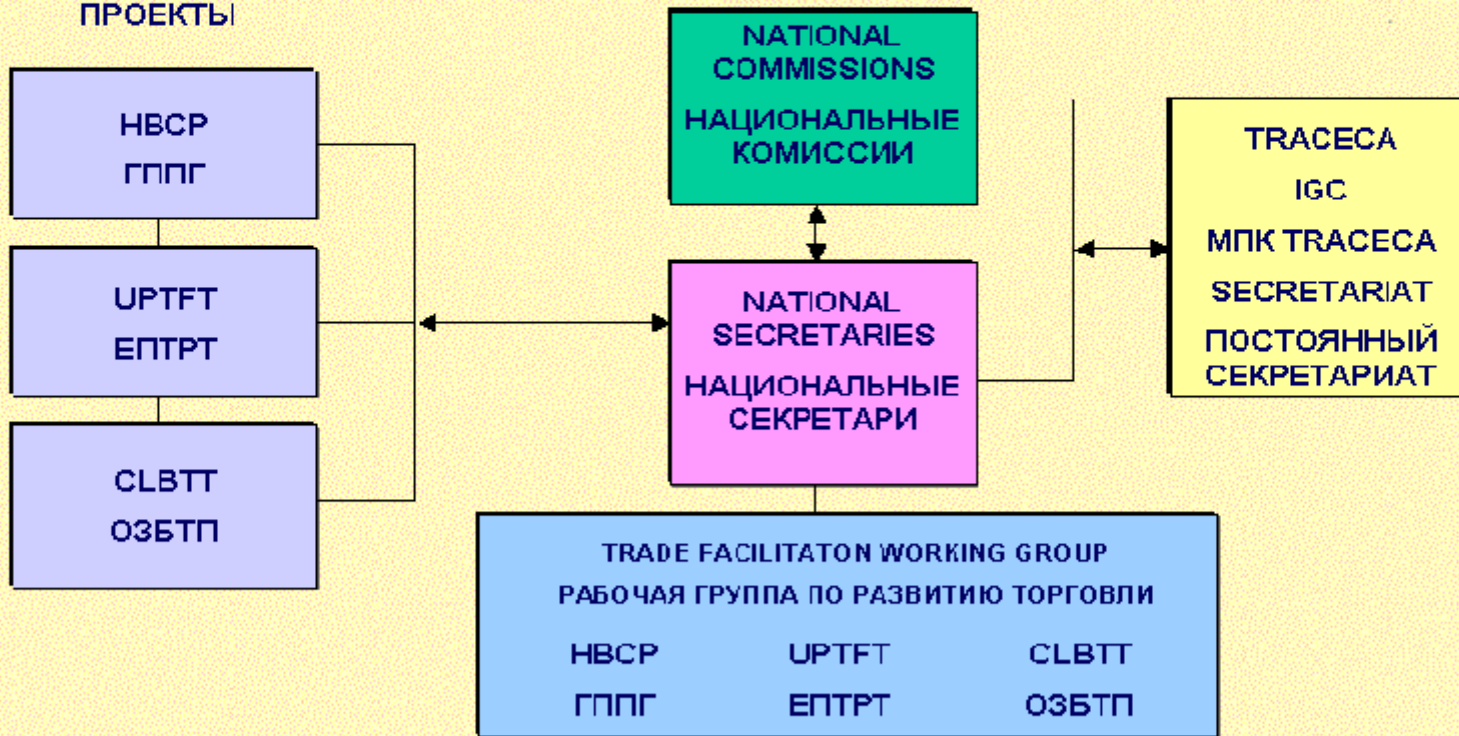
Harmonisation of Border Crossing Procedures Project Trade Facilitation Working Groups Concept



8. This evolvement, of the Trade Facilitation Working Groups, will be incorporated in the current structure of TRACECA

Развитие Рабочих Групп по Упрощению Торговых Операций будет отражено на текущей структуре TRACECA

PROJECTS
ПРОЕКТЫ



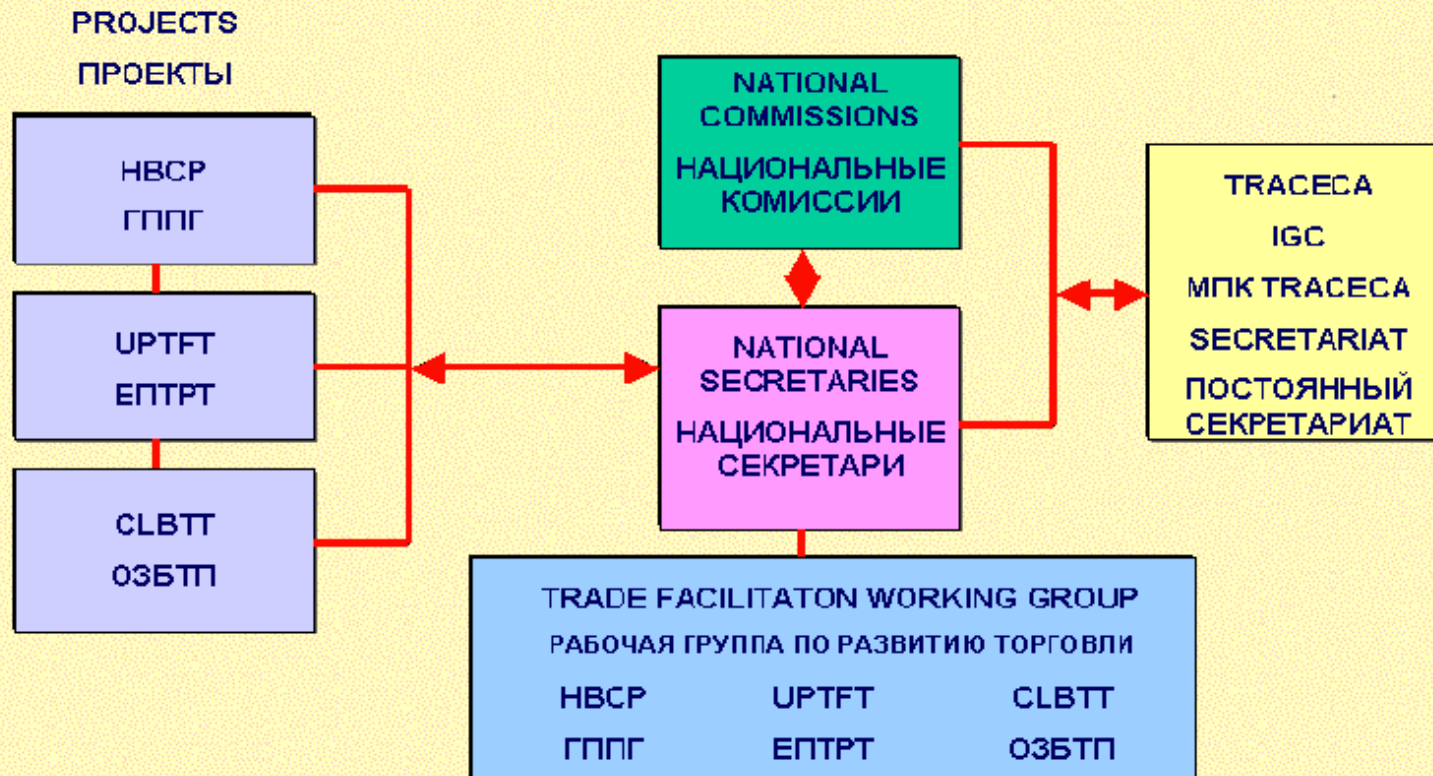
Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли



Harmonisation of Border Crossing Procedures Project Trade Facilitation Working Groups Concept



9. THERE MUST BE EXCELLENT COMMUNICATIONS BETWEEN **ALL** TRACECA ELEMENTS
 НЕОБХОДИМО ОБЕСПЕЧИТЬ ТЕСНОЕ ВЗАИМОДЕЙСТВИЕ МЕЖДУ **ВСЕМИ** ЭЛЕМЕНТАМИ TRACECA



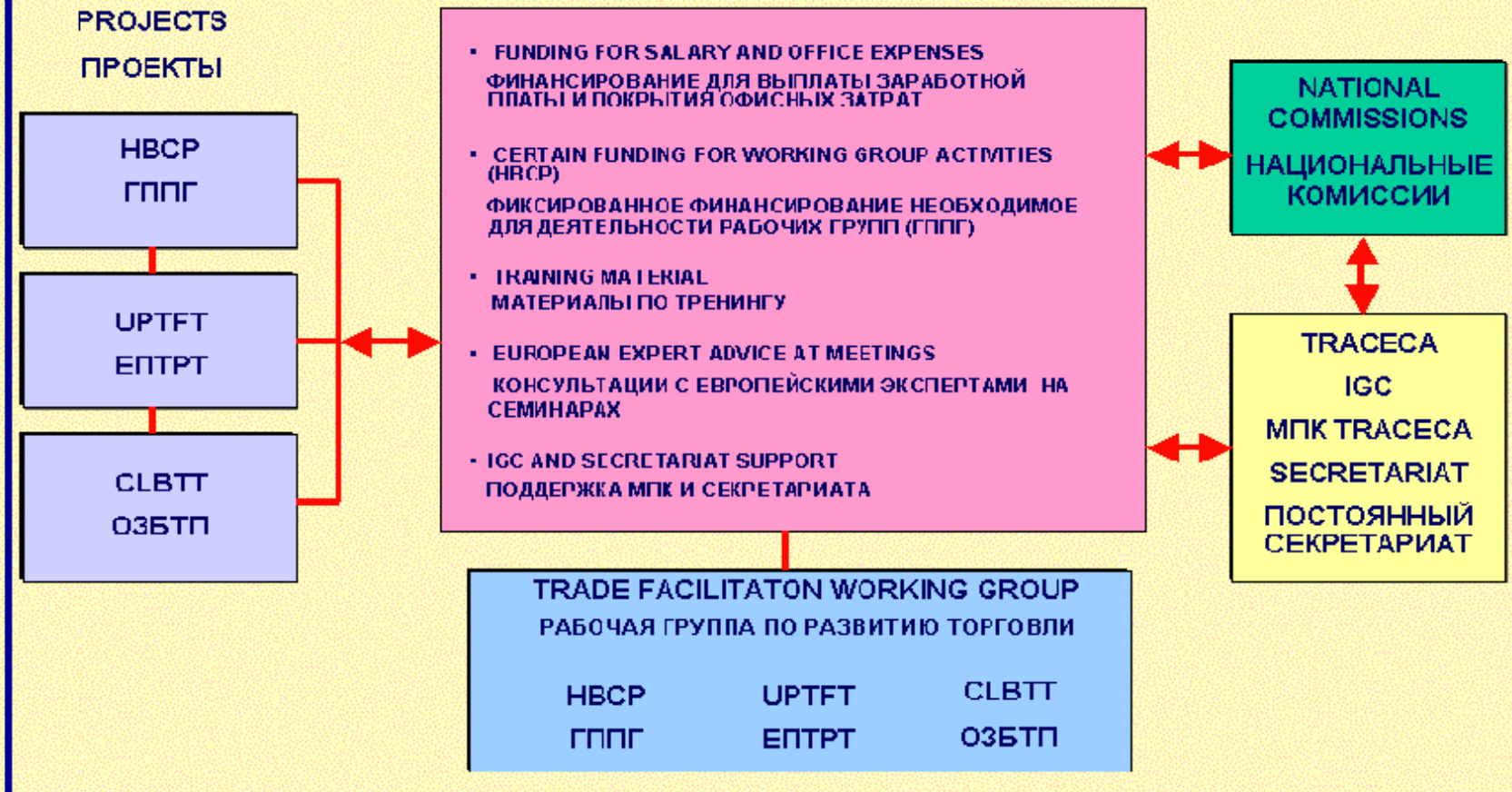
Проект Гармонизации Процедур Пересечения Границ
 Концепция Рабочих Групп по Развитию Торговли



Harmonisation of Border Crossing Procedures Project Trade Facilitation Working Groups Concept



10. WHAT SUPPORT CAN THE NATIONAL SECRETARIES EXPECT? КАКОГО РОДА ПОДДЕРЖКУ МОЖЕТ ОЖИДАТЬ НАЦИОНАЛЬНЫЙ СЕКРЕТАРЬ?



Проект Гармонизации Процедур Пересечения Границ Концепция Рабочих Групп по Развитию Торговли



11. WHAT CAN TRACECA EXPECT FROM NATIONAL SECRETARIES?

ЧТО МОЖЕТ ОЖИДАТЬ TRACECA ОТ НАЦИОНАЛЬНЫХ СЕКРЕТАРЕЙ?

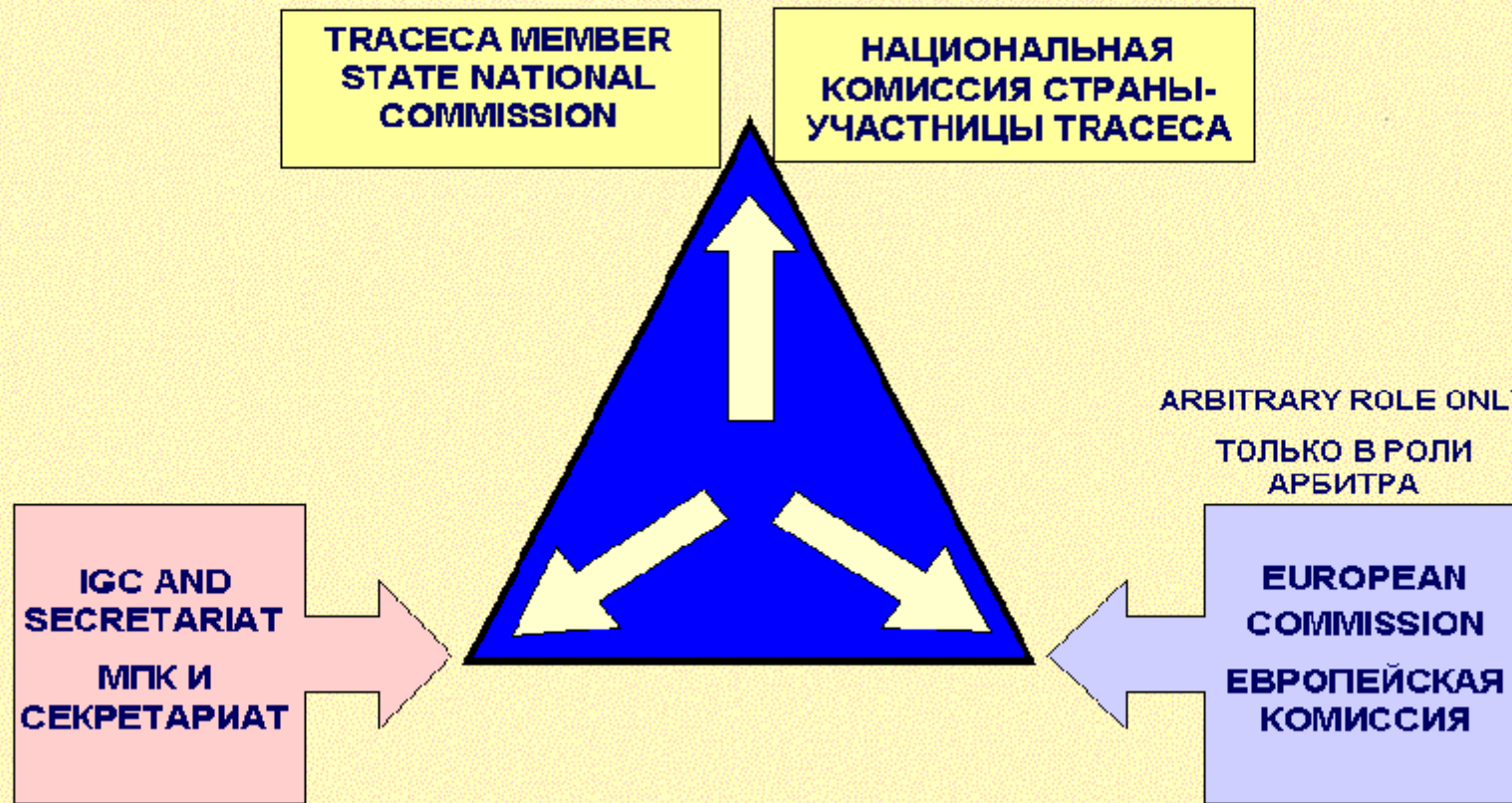
- THE CRITERION FOR NATIONAL SECRETARIES WAS DEFINED IN THE DECEMBER REPORT OF THE HBCP PROJECT AND CONCLUDED THAT PART OF THEIR OVERALL PROFESSIONALISM MUST INCLUDE AN AWARENESS OF TRADE FACILITATION.

В ДЕКАБРЬСКИЙ ОТЧЕТ ПРОЕКТА ГППГ БЫЛИ ВКЛЮЧЕНЫ КРИТЕРИИ ДЛЯ НАЦИОНАЛЬНЫХ СЕКРЕТАРЕЙ, А ТАКЖЕ ТО, ЧТО ОПРЕДЕЛЕНИЕ ПРОФЕССИОНАЛИЗМА НАЦИОНАЛЬНЫХ СЕКРЕТАРЕЙ ДОЛЖНО ВКЛЮЧАТЬ В СЕБЯ ОСВЕДОМЛЕННОСТЬ О ДЕЙСТВИЯХ ПО РАЗВИТИЮ ТОРГОВЛИ.

Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли



12. WHO SHOULD SELECT NATIONAL SECRETARIES?
КЕМ ДОЛЖНЫ ВЫБИРАТЬСЯ НАЦИОНАЛЬНЫЕ СЕКРЕТАРИИ?



Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли



**13. THE FUTURE OF TRACECA IS PRIMARILY IN THE HANDS
OF THE NATIONAL SECRETARIES**

**БУДУЩЕЕ TRACECA ГЛАВНЫМ ОБРАЗОМ НАХОДИТСЯ В
РУКАХ НАЦИОНАЛЬНЫХ СЕКРЕТАРЕЙ**

**THEY MUST CONTINUE THIS WORK WITH A POSITIVE
APPROACH AND NOT THINK 'HOW IT CANNOT BE DONE' BUT
THAT 'IT CAN BE DONE'**

**ИМИ ДОЛЖНА БЫТЬ ПРОДОЛЖЕНА РАБОТА В
ПОЗИТИВНОМ РУСЛЕ И ВМЕСТО ТОГО, ЧТОБЫ ДУМАТЬ,
«ЧТО ЭТО НЕВОЗМОЖНО СДЕЛАТЬ», ДУМАТЬ «ЧТО ЭТО
ВОЗМОЖНО СДЕЛАТЬ»**

**Проект Гармонизации Процедур Пересечения Границ
Концепция Рабочих Групп по Развитию Торговли**

Appendix 04

- **TFWG Training Evaluation Questionnaire**

Project implemented by
Scott Wilson / Compass / NEA / Sema



Attention: The TRACECA National Secretary of Azerbaijan

Mr. National Secretary

Date: 14/04/2003

Dear Sir,

As part of the HBCP Project evaluation process we would request that you kindly complete the above table so that we can ascertain the quality and appropriateness of the Awareness Training Material that was presented to you and your Working Group Members. It would also be appreciated, if we could be informed of the quantity and to whom you distributed this material. We await your reply and the completed form. Many thanks for your cooperation. Please send reply by e-mail.

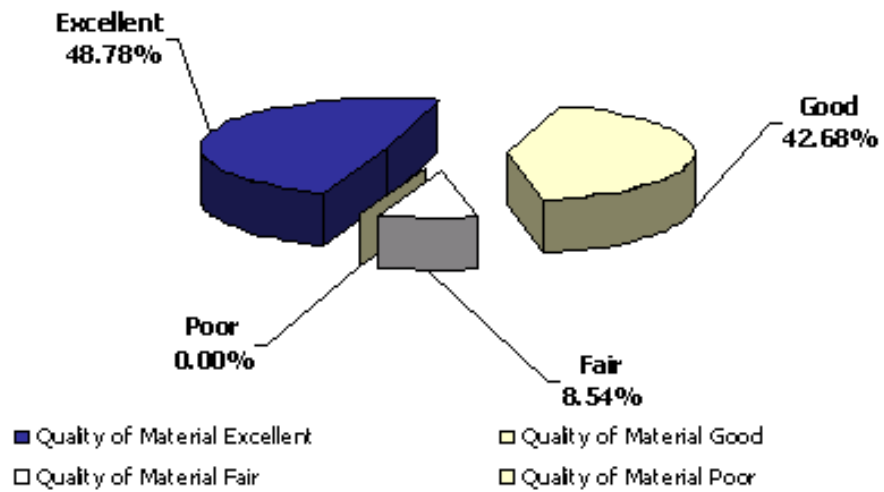
Signed: Peter Ranger – Project Manager HBCP Project

HARMONISATION OF BORDER CROSSING PROCEDURES PROJECT
Evaluation of Working Groups Awareness Training Material – Activity 6 (Tasks 4&9)
THEME - MODERN INTERNATIONAL BORDER HARMONISATION PRACTICES

- Please indicate - (X) **Your opinion of the quality of each piece of Training Material.**
- Please indicate - (Quantity) **How many copies were distributed by your office.**
- Please indicate – (At bottom of page) **Any topic preferences for new material.**

Title of Training Material	Quality of Material				Material Distribution	
	Excel.	Good	Fair	Poor	Working Group	Other Entities
<i>Issue 1 – October 2002</i>						
Case Studies:						
Latvian Experience						
Croatia – Pilot Scheme						
Discussion Papers:						
New Export System (NES) UK						
Blueprint for Europe Customs						
Discussion Papers:						
Customs I.T.						
Trade Facilitation						
International Conventions						
Table - Status of Conventions						
Case Studies:						
Integrated Border Management						
Discussion papers:						
'A Convenient Frontier'						
World Customs Organisation						
Kyoto Convention – Questions						
Request for new Training Material Topics:						

Working Group Training Material Evaluation - Results Chart



Appendix 05

- **TFWG Training Material List and New Material**



TRACECA National Secretaries

Working Groups Awareness Training Material List

MODERN INTERNATIONAL BORDER HARMONISATION PRACTICES

Contents List:

Issue 1 – October 2002

Case Studies:

- Latvian experience
- Croatia – Pilot Scheme

Discussion Papers

- New Export System (NES) of UK
- Blueprint for Europe Customs Future

Issue 2 – November 2002

Discussion Papers:

- Customs Information Technology
- Trade Facilitation
- International Conventions
- Table – Status of Conventions as of September 2002

Issue 3 – December 2002

Case Studies:

- Integrated Border Management (IBM) – (America / Canada)

Discussion Papers:

- 'A Convenient Frontier'
- Description of World Customs Organisation
- Revised Kyoto Convention – Frequently Asked Questions

Working Groups Awareness - New Training Material

Contents List:

Issue 4 – April 2003

Case Studies:

- Republic of Latvia – European Customs Union

Discussion Papers

- FIATA Congress
- Legal Eagle
- Incoterms
- New Computerised Transit System

CASE STUDY OF THE REPUBLIC OF LATVIA "EUROPEAN CUSTOMS UNION"

Introduction

Latvia presents a unique example of the transition of Customs and Borders Harmonisation from a Former Soviet Union system to a fully integrated European Union one. As a 'Case Study' it also gives practical and realistic examples of the transition process and what is required for that transition when related to other countries who are evolving from previous systems. It should be noted that the Former Soviet System was more than adequate for the purpose it was designed for and it left a sound structure in place for subsequent development. The current trend in Customs and the Borders Procedures is that of Harmonisation and the support for Trade Facilitation where the Customs Process should be fully supportive of facilitating trade. It is fully accepted that there is still a role for all the Border Entities in the control of illegal immigration, contraband, smuggling and illegal goods including drugs but the trend must be towards control by 'risk analysis' and the use of information exchange.

The following Case Study gives many examples of what is currently established in Latvia concerning Modern International Borders Harmonisation Practices.

Latvia – The Transition into the European Customs Union.

(Document adapted from Latvia National website source)

Setting the timeframe for the process of adoption and implementation of the European Union's *acquis communautaire*, the Latvian Government adopted 1st of January 2003 as the date on which Latvia was prepared for accession to the European Union.

Latvia accepted and implemented in full the *acquis communautaire* in the area of the Customs Union before 1st of January 2003. Where it is possible, Latvia is ready to adopt and fully implement Community Law even sooner. Certain provisions of *acquis communautaire* applicable exclusively to the Member states will be fully implemented as from the date of accession.

Latvia is a member of the World Trade Organisation and the World Customs Organisation. Latvia is a contracting party to the Nairobi Convention, the TIR Convention, and the Convention on Simplification and Harmonisation of Customs Procedures (Kyoto convention), the Istanbul Convention and the International Convention on the Harmonised Community Description and Coding System.

Latvia will join the Common Transit convention by the end of 2002. The Baltic Transit Agreement that came in force on the 1 January 2000 complies with the European Union requirements for the common transit procedure. Latvia will harmonise its legal regulations on Customs procedures with the Customs Union of *acquis communautaire* by 2003.

The ATA carnet was introduced according to the approved schedule as of 1st of January 2001. The TIMS (the Computerised Risk Analysis System) has been implemented in all major Customs points. At the same time, there is a plan of gradual replacement of TIMS by the ASYCUDA risk module in line with the implementation of the ASYCUDA system. ASYCUDA ++ system was implemented in every Customs point from 2001. Additionally,

the preparation of a special National Intelligence Database was started in the year 2000.

Latvia would like to continue to participate in the European Union MATTHAEUS program and other programs of Customs technical assistance and co-operation. For the purpose of better transposition of the European Union Customs legislation, Latvia requests participation of the Latvian experts at the Customs Code Committees, as observers.

The Cabinet of Ministers has adopted several significant regulations introducing the requirements of Regulation 2454/93 implementing the European Union Customs Code (Regulation 2913/92). Amendments to the Customs Law have been elaborated in accordance with European Union legislation requirements and recommendations of experts.

To achieve higher efficiency of collecting Customs payments, the State Revenue Service manages activities to decrease and avoid corruption in Customs offices.

It should be added that the Latvian authorities are fully aware that article 25 of the Treaty as interpreted by the Court of Justice prohibits also fees, duties and other charges having an effect equivalent to Customs duties. As a corresponding requirement is contained in articles 12 and 13 of the Europe Agreement, article 25 should not give rise to problems.

Taking into account the aforementioned, the Republic of Latvia will not request any derogation or transitional period and proposes that the negotiations within the chapter "Customs Union" be provisionally closed.

LEGAL ANNEX

This Legal Annex presents an overview of the state of transposition of the main requirements of the *acquis communautaire* encompassed in the Customs Code of the European Union (Council Regulation 2913/92/EEC), Commission Regulation 2454/93/EEC and other regulations.

1. Origin

The EU compliant norms on the origin of goods have been incorporated in the Latvia's Customs Law (in force since 1 July 1997) and the Regulations of the Cabinet of Ministers No. 274 "Procedure of issuing and checking the certificates of origin" (in force from 15 August 2000). In addition, the issues of origin are regulated by international agreements signed by Latvia.

As regards the pan-European system of origin, Latvia has agreed to the amendments to the system that will come into force in January 2001. For the system to be complete, it remains for Latvia to sign the necessary Free Trade Agreements (FTA) with Romania and Bulgaria. The negotiations with Bulgaria have entered the second round. Consultations are taking place with Romania in order to start the first round of negotiations; the respective information is being prepared.

system of origin is provided below:

Counterpart	Date of signing the Agreement	Date of entry into force of the Agreement
Estonia, Lithuania	13 Sep 1993	01 Apr 1994
EU	12 Jun 1995	01 Feb 1998
EFTA member states	07 Dec 1995	01 Jan 1998
Slovenia	22 Apr 1996	01 Aug 2000
Czech Republic	15 Apr 1996	01 Sep 1997
Slovakia	19 Apr 1996	01 Jul 1997
Poland	28 Apr 1997	01 Jun 1999
Turkey	16 Jun 1998	01 Jan 2000
Hungary	10 Jun 1999	01 Jan 2000

Co-operation with the EU member states concerning the definition of originating products and mutual assistance in these matters takes place in the framework of the 3rd Protocol of the Europe Agreement. The preferential certificates of origin (EUR1) are issued and confirmed by the Customs since 1 September 1995.

Constant training is taking place in the regions on the implementation of the rules of origin.

2. Binding Tariff Information

Latvia has introduced an EU compliant order of assessing the conformity of a good with the code of the Combined Nomenclature. Respective procedure is specified in the Customs Law and the Regulations of the Cabinet of Ministers No. 234 "Order of providing assessment of the conformity of a good with the Code of combined nomenclature of Latvia" (in force from 29 June 1999).

A special Unit within the Tariff Division of the Customs Board deals with the issue of the Binding Tariff Information (Goods Classification Unit).

3. Binding Origin Information

Based on the EU requirements the order of providing assessment of the origin of goods was incorporated in the draft amendments of the Customs Law. The amendments have already been accepted in the 1st reading (there should be 3 readings in total) by Saeima, the Latvia's Parliament. Respective amendments have to come into force in 2001. The start of application of the new norms by the Customs is scheduled for 1 July 2002.

4. Customs Valuation

In accordance with the EU legislation, the order of assessment of a good's Customs value has been incorporated in the Customs Law and the Regulations of the Cabinet of Ministers of the Republic of Latvia No. 428 "Procedure for calculating the Customs value of goods" (in force since 17 December 1997).

5. Simplified Procedures

Based on the EU requirements, the order of applying simplified procedures has been incorporated in the regulations of the Cabinet of Ministers of the Republic of Latvia No. 222 "Procedure for declaring goods" (in force since 22 June 1999).

According to the above mentioned Regulations, there are 3 methods of simplified Customs procedures:

- the procedure for incomplete declarations;
- the simplified declaration procedure;
- the local clearance procedure.

6. Rules on End-use

In line with the EU legislation, the order of exemption from Customs payments on the basis of their end use have been encompassed in the Customs Law and the Regulations of the Cabinet of Ministers No. 122 "Order of carrying out the Customs procedure – release for free circulation" (in force since 21 March 2000).

7. Transit

The order of carrying out transit, compliant with the rules applicable in the EU, has been introduced in the Customs Law, the Regulations of the Cabinet of Ministers No. 339 "Procedure for applying the transit Customs procedure" (in force from 8 September 1999), and the Cabinet of Ministers Regulations "Order of declaring goods" that are in force since July 1999.

The guaranty system for transit is determined by the "Regulations on the order of submission and acceptance of guaranties at Customs institutions of the SRS" (in force since July 1998). Latvia is going to implement the new guarantee system that will be fully compatible with the EU system as of 1 February 2001.

The Common Baltic Transit Agreement based on the principles of the EU/EFTA Common Transit Convention has been ratified in the three Baltic states, and according to the current schedule joint transit control between Latvia, Estonia and Lithuania will start in January 2001. This is a significant step towards accession to the Convention on a Common Transit Procedure.

8. Customs Procedures with Economic Impact

Inward processing

The rules compatible with the EU norms concerning the performance of inward processing procedure have been incorporated in the Customs Law and the Regulations of the Cabinet of Ministers No. 34 of 30 June 1998 "Regulations on inward processing".

Processing under Customs control

The rules compatible with the EU norms concerning the performance of procedure – "processing under Customs control" have been encompassed in the Customs Law and the Regulations of the Cabinet of Ministers No. 254 of 14 July 1998 "Regulations on Customs procedure - processing under Customs control".

Outward processing

The rules compatible with the EU norms concerning the performance of outward processing procedure have been incorporated in the Customs Law and the Regulations of the Cabinet of Ministers No. 45 of 18 August 1998 "Regulations regarding outward processing".

Temporary admission/ temporary import

The rules compatible with the EU norms concerning the performance of temporary import procedure have been encompassed in the Customs Law and the Regulations of the Cabinet of Ministers No.349 of 10 October 2000 "Regulations on Customs procedure - temporary importation".

Customs warehouses

The rules compatible with the EU norms on holding and using Customs warehouses have been incorporated in the Customs Law and the Regulations of the Cabinet of Ministers No. 114 of 31 March 1998 "Order of Performance of Customs Procedure – Placing of goods in Customs Warehouse".

9. Free Zones

The order partly compatible with the EU norms on operations of free zones has been incorporated in the Customs Law and the Regulations of the Cabinet of Ministers No. 157 of 28 April 1998 "Regulations on special Customs control measures in a free zone". An order fully compatible with the EU norms on operations of free zones will be achieved by amending respective legislation. Draft amendments to the Customs Law have been passed by the Saeima in the 1st reading. Respective amendments have to come into force in 2001. The start of the application of the new norms by the Customs is scheduled for 1 July 2002.

10. Customs Debt and Guarantees

Customs debt

The procedure partly compatible with the EU norms on Customs debt has been included in the Customs Law. An order fully compatible with the EU norms on Customs debt will be achieved through the amendments to the Customs Law which have already been passed by Saeima in the 1st reading. Respective amendments have to come into force in 2001. The start of application of the new norms by the Customs offices is scheduled for 1 July 2002.

Guarantees

The principles of guarantees' system provided in the Customs legislation of the EU have been incorporated in the Customs Law of the Republic of Latvia. The draft Regulations "Procedure for providing and accepting guarantees in Customs offices of the State Revenue Service" (already considered and approved by the Committee of the Cabinet of Ministers) will enter into force on 1 February 2001 ensuring complete conformity with the

Customs legislation of the European Union. These regulations will replace the current regulations (adopted on 31 March 1998).

11. Common Customs Tariff/Integrated Tariff

The implementation of TARIC, closely following EU requirements, is foreseen by the Customs Law of the Republic of Latvia and draft regulations of the Cabinet of Ministers "Regulations on TARIC classificator", that envisage gradual implementation of TARIC. The draft regulation foresees that the State Revenue Service will ensure the maintenance and regular actualisation of the system in conformity with the amendments in the respective legal acts.

As of 1 January 2003 code digits 1-22 shall be applied and the automatic data exchange between the Latvian TARIC classificator's server and central TARIC server of the European Union shall be ensured by the State Revenue Service.

12. Combined Nomenclature

The Latvian Combined Nomenclature that complies with the Council Regulation of 23 July 1988 on tariff and statistics nomenclature (EEC, 2658/87) is used by the Republic of Latvia since 1992, regularly actualising it, according to the amendments in the Combined Nomenclature of the European Union.

13. Preferences, Quotas, Ceilings and Suspensions

Canada and Japan apply the GSP (Generalised System of Preferences) regime in trade with the Republic of Latvia. Latvia foresees to apply GSP regime in trade with developing countries starting with the year 2002.

Customs tariff quotas on agricultural goods are applied according to the agreements signed by the Republic of Latvia with the European Union, EFTA states, Poland, Slovenia, Czech Republic, Slovakia, Hungary, Lithuania and Estonia.

The ceilings of Customs duties (Customs tariffs) are provided by the Protocol of Accession to the Marrakech Agreement Establishing the World Trade Organisation. According to the agreement with the World Trade Organisation, Latvia has the right to reduce the Most Favourable Nation (MFN) Customs duties (Customs tariffs), to abolish or suspend them, or to raise the Customs duties, not exceeding the ceilings provided by the agreement.

14. Duty Relief

According to the EC Council Regulation of 28 March 1983 (EEC 918/83) on Customs duty relief system, the relevant provisions have been incorporated in the law "On Customs duties (tariffs) and the Regulations of the Cabinet of Ministers No .363 of 24 October 2000 "Regulations on procedures to be applied when exempting certain goods from the application of the Customs duties."

15. Single Administrative Document (SAD)

The Regulations of the Cabinet of Ministers of 22 June 1999 fully correspond to the prescriptions of the European Union regarding the use of SAD.

Latvia is not yet a member of the SAD Convention. Nevertheless, the Latvian legislation concerning Customs declarations is compatible with the Convention Rules.

The above-mentioned Cabinet of Ministers Regulations contain SAD forms that are fully compatible with the provisions of the SAD Convention.

The filling out of the SAD by the Latvian Customs takes place based on the SRS order from 30 September 1999 that approved "Methodical instructions on the filling out of the SAD". The process of filling out of SAD is also compatible with the SAD Convention. Special instructions were also developed on the filling out of the SAD form and control for transit purposes (SRS Order from 11 May 2000 on filling-in of administrative boxes for transit).

The SAD is in use in Latvia in every Customs procedure.

16. Cultural Goods

The legislation in the area of cultural goods complies with that of the EU. In case of export of cultural goods, the State Inspection of Cultural Heritage grants permissions. The permission will not be granted if a good is protected by the state legislation as a cultural article of national value. Importation and exportation of cultural and antiquarian goods from the Republic of Latvia is regulated by order No. 23 of the Ministry of Culture of 11 March 1997 "Instruction on order of importation and exportation of cultural and antiquarian goods from the Republic of Latvia". This instruction stipulates the necessity to obtain permission of the State Inspection for the Protection of Cultural Monuments in cases of exportation of antiquarian goods.

17. Precursors

The Law "On precursors" was accepted by the Parliament (Saeima) and is in force since 6 June 1996. It is in line with the requirements set in the EU legislation and the United Nations Convention against illicit traffic in narcotic drugs and psychotropic substances of 20 December 1988.

Registration and authorisation of economic operators involved in producing, warehousing, wholesaling, retailing and other activities with precursors is performed by the State Drugs Agency of the Ministry of Welfare. The authorisation is obligatory for all activities except those that are connected with declaring of 2nd and 3rd category goods to the Customs, the rent or lease of warehouses and transportation services. The registration is not required for retailers of precursors of 3rd category.

The norms that regulate the documentation of the precursors are identical with the EU legislation. The proper documentation is required containing the precise list of precursors, quantity and weight, the name and address of the exporter and the importer. The documentation shall be kept for a 3 years period.

The responsibilities of economic operators stated in the legislation prohibit selling precursors of the 1st and 2nd category to operators with no licence and retailing these substances. The institutions responsible for control of precursors (including the Customs) are allowed to perform control of documents and premises.

The external trade of precursors of 1st and 2nd category is allowed only with the

approval of the State Drugs Agency. The authorisation form has to be presented to the Customs together with the Customs declaration. In case of a request of notification before import of precursors from any other state, the authorisation from that state where goods are imported from is required and must be attached to the export or transit documents.

The list of precursors is stated in the Regulations of the Cabinet of Ministers No. 29 and is fully compatible with the list of substances in Tables 1 and 2 of the Annex of the United Nations Convention against illicit traffic in narcotic drugs and psychotropic substances.

The Drug Enforcement Unit (2 person) of the SRS National Customs Board is operational since 1997. The unit is responsible for prevention of drug smuggling and offences in the area of precursors. Each of the 6 regions having Enforcement Divisions employs also Customs officers responsible for the prevention of the above mentioned activities. The Customs is responsible for the prevention of drug smuggling on the state borders. In the first half of 2000, there were 4 cases when Customs officers discovered smuggling of drugs and 1 offence in the area of precursors. In order to improve the quality of daily work of drug enforcement activities regular training and informative events are carried out in the regions.

Co-operation with the Drug Enforcement Bureau of the Ministry of Interior mainly takes place by organising preventive actions. On the international level, there are good contacts in the field of drug enforcement with Estonia, Lithuania, Sweden, Denmark and other states. It is planned to establish tight contacts with Russia as well.

Customs authorities have access to modern effective equipment in Riga at both the harbour and the airport.

18. Counterfeit and Pirated Goods

The Customs Law and the Cabinet of Ministers' Regulations No. 43 "On Customs control measures for protection of intellectual property rights" (adopted on 9 February 1999) ensure implementation of the respective requirements of the EU Customs Code and Council Regulations No.3295/94/EEC of 22 December 1999.

The responsibility of the Customs service of Latvia concerning counterfeit and pirated goods is determined by the above-mentioned Regulations of the Cabinet of Ministers. Besides, relevant SRS instructions are in place.

The Intellectual property rights Subdivision is operational in the SRS National Customs Board since September 1999. 4 seminars have been organised for Customs officers regarding intellectual property rights with total attendance of approximately 100 Customs officers. Close co-operation between the SRS, the Patent Office, the Economical Police and other institutions is ensured.

Although the activities in the field of Customs control of intellectual property rights have commenced just recently, first positive results have already been achieved. During the year 2000, 11 requests from the trade to detain goods have been received. 7 detentions were performed. Three cases have been forwarded to the Court.

19. International Customs Cooperation

As regards the international instruments on Customs matters, Latvia has acceded to major international agreements that provide free trade measures (see previously

submitted Position paper).

Latvia will implement agreements between the EU and 3rd countries on Customs matters at the moment of accession.

The principles of the International Convention on the harmonisation of frontier controls of goods are being implemented by:

- construction of the new Customs posts and improvement of the existing posts;
- improved co-operation between the Latvian and other Customs services (Agreement between the Government of the Republic of Latvia and the Government of the Republic of Estonia on joint border control organisation; Agreement between the Government of the Republic of Latvia and the Government of the Republic of Lithuania on co-operation in carrying out controls in joint border control points);
- Joint Procedures;
- 3 joint border control posts functioning at the Latvian-Estonian border and 1 joint border control point at the Latvian-Lithuanian border.

The Latvian Customs has been an active participant in the EU MATTHAEUS programme for the training of Customs officials since it was started in 1996. The Latvian Customs participates also in the seminars organised within the Customs 2002 programme. Latvia wishes to continue to participate in both programmes.

The mutual assistance between administrative authorities in Customs matters between Latvia and EU Member states administrations takes place on the basis of the 5th Protocol of the Europe Agreement.

A list of Bilateral Agreements Regarding Mutual Assistance in Customs Matters signed by the Government of the Republic of Latvia is provided below:

State		Ratified	Entry into force
Belarus	16.05.98.	16.10.98.	27.10.98.
Denmark	31.08.95.	29.02.96.	16.05.96.
Estonia	30.08.94.	22.06.95.	17.11.95.
Lithuania	30.08.94.	22.06.95.	17.11.95.
Norway	22.04.96.	19.09.96.	06.01.96.
Finland	14.04.94.	14.09.95.	23.11.95
Ukraine	23.05.95.	31.08.95.	07.01.96.
Uzbekistan	23.05.96.	19.09.96.	30.03.97.
Sweden	17.11.95.	01.02.96.	08.07.96.
USA	17.04.98.	16.10.98.	23.07.99
The Netherlands	08.10.97.	15.01.98.	01.05.99.
Great Britain	07.04.99.	03.06.99	01.08.99

Agreement with Georgia was signed on 5 July 2000 and soon will be ratified.

The Cabinet of Ministers accepted agreements with Russia and Hungary. Intensive correspondence in order to prepare agreements with France, Israel and Tadjikistan is ongoing. Latvia has showed initiative to conclude respective agreements also with Poland, Azerbaijan, Armenia and Turkmenistan.

The Enforcement Division of the SRS National Customs Board on behalf of the SRS National Customs Board exchanges requests on mutual administrative assistance in Customs matters with a number of foreign administrations. A special Unit – the International Desk is in place.

The number of total requests and receipts of information increases steadily:

STATE	Received		Sent	
	1999	2000*	1999	2000*
Germany	33	59	40	45
Sweden	11	38	4	31
Belgium	23	37	3	10
The Netherlands	12	27	6	13
UK	10	16	10	33
Finland	9	8	6	7
France	5	3	0	3
Ireland	0	2	1	3
Italy	1	1	4	0
Austria	1	1	1	0
Spain	2	0	2	0
Lithuania	73	68	73	67
Estonia	23	32	18	33
Russia	87	123	65	140
Belarus	19	49	20	41
Ukraine	20	31	13	38
Moldova	3	6	3	5
Turkmenistan	1	1	0	2

Tadjikistan	0	1	0	2
Kazakhstan	1	0	1	13
Georgia	0	1	1	2
Poland	10	21	9	9
Norway	1	14	0	8
USA	7	9	6	7
Israel	0	2	0	0
Switzerland	0	1	0	1
Turkey	0	1	0	0
India	0	1	0	1
TOTAL:	352	561	266	514

* - the first half of the year

ANNEX ON

ADMINISTRATIVE/ OPERATIONAL CAPACITY

1. ORGANISATION AND MANAGEMENT

The Customs of Latvia operates on the basis of the Law on the State Revenue Service (SRS), the Law on Taxes and Fees, the Customs Law and the Law on Customs Duty (Tariffs). The legal base of the Customs operations includes also Terms of reference (Statutes) of the National Customs Board (NCB).

The Customs service is a part of the State Revenue Service (SRS), which operates under the supervision of the Ministry of Finance. The SRS comprises two major boards, the National Customs Board and the National Tax Board led by the first Deputy Director Generals of the SRS. The SRS was established 6 years ago. Since 1998, the reorganisation of the SRS has been taking place within the framework of the SRS Modernisation project, which is partly backed by the loan of the World Bank. Therefore, the number of the SRS regions will be decreased from 27 down to 5 – 8 until the end of year 2002. The regional Customs offices are subordinated to the SRS National Customs Board.

The structure of the SRS National Customs Board comprises 11 divisions (Attachment 1). The regional Customs offices are a part of regional SRS offices.

The development of business strategy is performed by the Customs Modernisation Division and it is followed by operational plans. Customs officers are regularly informed about these plans and the reporting system.

The annual Customs Management Plan is prepared and is in line with the Customs Business Strategy, the Customs Modernisation Programme and the Government Declaration.

2. HUMAN RESOURCES MANAGEMENT

There are 4520 employees in the State Revenue Service (SRS). Of those, the SRS National Customs Board employs 155 and regional SRS Customs offices -1502 officers.

The personnel management is responsibility of the SRS Personnel Division. Human resources are a part of the SRS Customs strategy. A Trade union is also in place and works towards improvement of working conditions. Additional holidays and additional social guaranties, etc. are provided for the SRS staff.

Two recruitment possibilities are used – public or internal competitions are held in accordance with the Decree on the SRS Personnel recruitment. The level of education is set as a very important issue for the personnel policies (see also section on Training).

As a result of consecutive measures in the area of personnel management, the turnover of the personnel in the Customs service has substantially decreased:

staff turnover, %						
1994	1995	1996	1997	1998	1999	2000(p)
58	16	13	11	10	8	5.3

The human resources management function will be improved by developing the system of motivation and promotion of employees and the system of evaluation of the performance by end-2001.

The responsibility of employees is determined in job descriptions. Tasks of different structures (divisions, subdivisions) are determined by Terms of reference (Statute) of each structure.

3. CUSTOMS ETHICS

The ethics policy for the Customs service is determined by the SRS Code of ethics. The Internal Audit Division is in place in the SRS National Customs Board to monitor the code of ethics and the legislation on prevention of corruption as well as to develop and implement measures to decrease the risk of corruption.

There are several actions already taken:

- the unified technological schemes have been developed for all Customs points
- video monitoring system is in place at the airport and in some major Customs points.

In the nearest future, it is planned to implement video-monitoring system in all Customs points. Video-monitoring system will be set up in all major Customs points until the end of year 2001.

Within the PHARE project "On prevention of corruption" it is planned to develop the internal control system where managers would monitor their employees (the deadline is mid-2001).

The Disciplinary system is in place.

The factors causing corruption will be greatly reduced by completing introduction of a computerised declaration processing system ASYCUDA until July 2001.

The Arusha Declaration is an integral part of the SRS Customs Business Strategy.

4. TRAINING

The SRS Training Division performs the training function. Goals and objectives to be achieved in the area of training are set in the Training Strategy that is an integral part of the Customs business strategy.

Customs officers receive 6 weeks (two weeks classroom studies plus two weeks practice plus two weeks classroom studies) training course before they start work. Other training is provided when necessary – for example, post-importation audit personnel receives training in accountancy etc.

The level of education in the SRS increases. In regions at present 32% have higher, 37% - secondary professional and 30% - secondary education. 18% are currently studying in universities and colleges. In central administration (the NCB) 66% of employees have higher education, 16% - secondary professional and 16% - secondary education. 10% are currently studying.

The Institute of International Economical Relations and Customs is operational under the Riga Technical University (RTU) that provides higher education in the respective field. The Customs College of the RTU provides secondary professional education in the respective field.

The quality and infrastructure of training is being increased. There is a central Training centre in the SRS Headquarters and in the two largest regional offices (Daugavpils and Jelgava). It is planned to have the training centre in each of the SRS regions until end-2002.

6. REVENUE COLLECTION

The Customs is responsible for collection of Customs duties as well as VAT, excise tax and natural resources tax on import. Customs collect approximately 60% of the total tax revenue.

Export duties are collected only on very few goods, for example, antiquarian goods and pieces of art and historical manuscripts.

The Customs revenue collection is the area that is tightly connected with the computerisation of Customs service.

It is planned to start the preparation of the introduction (feasibility studies) of TARIC supporting IT systems, BTI and other computerised systems in 2001.

Since 1 January 2000, Latvian Customs uses 11 TARIC digits for the classification of excise goods.

The central Customs payments accounting system is operational since November 1999 and is being constantly developed.

The implementation of the computerised declaration processing system (ASYCUDA) will be completed until July 2001 and it is planned to create a system for deferred payments in 2003.

6. BORDER AND INLAND CONTROL

Customs officers have powers of questioning, examination, searching of persons and vehicles. Customs officers have rights to detain a person for three hours. The 1999 amendments of the law on State Revenue Service provided the Customs also with investigation powers in anti-smuggling cases.

Although there are investigations and audit functions within the Customs service, the powers of the Customs officers will be further reinforced in the nearest future.

Physical examination of goods is performed in 5% of total cases. Enforcement units perform physical checks of 0.86% of total import. The methods of examination vary depending on the type of goods and information, it can involve check of weight, quantity, full physical examination as well as laboratory analysis (especially for spirits and oil products).

Based on the Risk Analysis the physical examination is carried out either by the Anti-smuggling mobile units or Customs officers at the local Customs points. Other institutions can be involved, if necessary (State police, Border guards, Drug Enforcement Bureau, etc.).

There are post clearance audit units in all regions and the headquarters. They have achieved remarkable results: in 1998, LVL 647 663 surplus was calculated, in 1999 – LVL 2 712 619.

The issues regarding warehouses are included in the Customs Law and the Regulations of the Cabinet of Ministers "Procedure of Performance of Customs Procedure – Placing in Customs Warehouse" (in force since 3 April 1998.). The warehouse system is compatible with the EU requirements. Altogether there are 153 warehouses in Latvia, of which 109 are situated in Riga. 81 warehouses of the total number of warehouses in Latvia have a Customs control point. It is possible to establish all types of warehouses envisaged in the EU legislation; in practice there are 119 warehouses of type A, 15 of type C and 19 of type E in use. The Latvian Customs is not planning to reduce the number of warehouses, but is planning to reduce the number of Customs control points.

There are 100 Customs control points in Riga. In order to decrease a number of Customs control points in Riga, the Latvian Customs has created a project to establish 3 joint Customs control points in Riga in which 72 existing Customs control points would be joined for the purposes of forming Single Administrative Documents (SAD) and collecting Customs payments. In the process of such optimisation of Riga Customs, a possibility to introduce a new information processing technology would be ensured that would prevent corruption in Riga Customs.

7. INVESTIGATION AND ENFORCEMENT

On 14 October 1999, the Parliament of Latvia adopted amendments to the Law on "State Revenue Service" (in force from 4 November 1999) which provide Customs with criminal investigation powers in anti-smuggling cases. Such amendments had been made in accordance with the requirements stated in the EU Customs Blueprints. The State Police will help the Customs to train its officers to use these rights properly.

The policymaking and monitoring of the Customs enforcement activities is the responsibility of the highest management of the SRS National Customs Board.

Considering the fact that most issues of the Latvian legislation relating to the Customs co-operation have no significant differences from those of the EU, a particular attention is being paid to ensure an appropriate performance of the already existing norms.

Measures are carried out to develop mechanism that would provide for efficient enforcement activities. Since 1996 when the reorganisation of the Customs' anti-smuggling system started, there has been a significant increase in the revenue collected by Customs and a reduction of the level of smuggling.

Latvia has introduced the centralised and computerised risk-analysis program (TIMS) in major Customs offices.

With the introduction of ASYCUDA which has a risk module TIMS will be gradually replaced by the ASYCUDA risk module. A preparation of a special national intelligence database has started in the year 2000.

The new structure of the National Customs Board stipulates that the Enforcement Division consists of the International desk, Information Subdivision (Operative Unit, Risk-profiling Unit, Customs Investigation Unit), Mobile Units Subdivision, Enforcement Subdivision, Drug Enforcement Subdivision and Intellectual Property Rights Subdivision. The following structures were created within each regional Anti-smuggling Division in July 1998: Intelligence Unit, Investigation Unit, Operational Work Unit and Mobile Unit.

The tasks of the Enforcement Division are fight against smuggling and commercial fraud, as well as combat against drug smuggling and protection of intellectual property rights. The control is made based on risk analysis. Random checks are made as well. The necessary system is being created to meet the EU requirements on Customs control measures for the protection of intellectual property rights.

There are 10 (3 in HQ) investigators and 10 (3 in HQ) intelligence analysts in the Latvian Customs. It is planned to increase the number of investigation officers when legislation will be amended providing Customs powers for performing criminal investigation. The number of intelligence analysts will be increased as well.

Within the PHARE financed project "Customs Information and Intelligence" the Analysts notebook (i2) has been received.

The Enforcement Division, on the behalf of the National Customs Board of Latvia, exchanges requests on mutual administrative assistance in Customs matters with a number of foreign administrations (See Point 19 of the Legal Annex).

11 Memoranda of Understanding have already been signed with the private sector.

The Anti-smuggling Centre (AC) has been established to improve the co-ordination between different institutions involved in combating smuggling and commercial fraud. The tasks of this centre include co-ordination and monitoring of anti-smuggling activities, gathering and analysis of information and development and follow-up of operational plans. The State Police, Security Police, Financial Police, Border-guards, Customs and Prosecutor's Office have delegated their officials to participate in the work of the AC. The Head of the AC is at the same time the Deputy Director of the National Customs Board.

The working relationship between the State Police and the Customs Service is a part of the Mutual agreement between the State Revenue Service (SRS) and the Ministry of Interior. The co-operation and exchange of information between Customs and other state institutions takes place based on the Memoranda of Understanding (MoU). Such MoUs are signed with the Ministry of Agriculture, the Drug Enforcement Bureau of National Criminal Police Board and the National Marine Forces.

There is an extensive exchange of information between Customs and the Road Traffic Safety Department under the Ministry of Transport, the Citizenship and Immigration department under the Ministry of Interior and the Ministry of Justice. The Customs has access to the databases of these institutions.

The important field of co-operation between the Customs and the Economical Police is the protection of intellectual property rights.

On 21 December 1999, a Protocol on amendments to the Agreement between the State Border Guards and National Customs Board was signed that approves a new Standard technological scheme for all road border-crossing points. The previously existing problem of division of responsibilities between border guards and Customs officers when performing control on the road borders has been successfully resolved through amendments to the above mentioned Agreement.

Very good co-operation between Customs and border guards exist both at the level of central administrations and at the regional level. Joint working methods ensure the possibility to use resources and information flexibly. Exchange of lecturers, joint training and joint preventive measures take place. Work is commenced on the development of a joint information system that would help identifying high-risk persons as regards drug trafficking.

8. CUSTOMS LABORATORIES

The working methods of the Customs laboratory are stated by a variety of regulations of the Cabinet of Ministers.

The Customs laboratory was established in 1994. The responsibilities of the Customs laboratory are to determine correctly the composition of imported goods, to establish the correct tariff classification and to prevent the importation and / or exportation of non-qualitative, environmentally dangerous products. The Customs laboratory is also involved in the Customs control measures for the protection of intellectual property rights. The Customs laboratory is working only with Customs cases.

Thanks to the PHARE assistance there is enough equipment and chemicals to fully perform analysis. The international methods and standards are used.

Instructions for the staff are in place.

9. INFRASTRUCTURE AND EQUIPMENT

The overall investment policy is the responsibility of the SRS Finance Planning Board. However, the SRS National Customs Board comprises the Resources Division, which is involved in the identification of needs and the preparation of investment plans.

Taking into account that the Eastern border of Latvia will become the external frontier of the European Union, particular attention is being paid to the improvement of the infrastructure of the Eastern border and the construction and modernisation of the border control posts. With PHARE support two Customs points have already been built on the Latvian – Russian border (Grebneva and Terehova); on the Latvian - Belarussian border two Customs points have already been finished (Paternieki and Silene).

Besides, there are three joint border control posts with Estonia (Ainazi, Valka, Veclaicene) and one with Lithuania (Grenctale). The work is going on to have another three with Lithuania (Medumi, Rucava, Meitene). These points are operational under Agreements between the governments of Latvia, Estonia and Latvia, Lithuania on joint border control.

The Integrated Latvian border management strategy will be developed within the PHARE 2000 programme. Customs, Ministry of Interior (State Border Guards), Sanitary Border Inspection and National Marine Force are involved in the respective project. The

objective of the project is to ensure that the Eastern border of Latvia would be compatible with the EU standards, to improve co-operation between institutions involved in the border control and to develop the infrastructure of the border. Within this project, the efficiency of allocating of human resources and equipment will be improved.

10. TRADE FACILITATION AND RELATIONS WITH BUSINESS

The system of Customs brokers (agents) has been introduced in the framework of the Customs Modernisation programme of the National Customs Board. The legislative base regarding Customs brokers has been adopted and is in force since 1 October 1998.

The Customs and Trade Consultative Council has been in operation since April 1997. Their meetings take place regularly once a month. Working parties examine current matters, which require in-depth research into the problems, and discuss draft legislation.

The National Customs Board has concluded 11 Memoranda of Understanding with private companies, for example, with "Shanker BTL", "British Airways World Cargo", "MGH Riga" and Riga international airport. That will generate closer co-operation and increase the trust between Customs and trade. It is an appropriate framework to combat smuggling and fraud without hindering the flow of legitimate commercial traffic and a significant step towards reducing burdens on business and facilitating legitimate trade.

To ensure that the Customs procedures are uniformly understood and information regarding Customs matters freely available there are efforts made to prepare informative materials – books, leaflets, etc. There are handbooks for determination of Customs value, on Customs brokers, on use of ASYCUDA, on Customs procedures and the book on TIR Carnets.

The new web-site of the State Revenue Service is operational. The web-site will provide all the legislation and instructions related to taxation and Customs. The information is available without charge. Electronic forms of different declarations, bookkeeping reports and licence applications will be obtainable on this web-site. Now it is also possible to submit Customs declarations electronically.

It is planned that the Customs phone consultation centre will become operational at the end of the year 2001.

[For additional information, please refer also to point 5 of the Legal Annex].

11. TRANSIT AND MOVEMENT OF GOODS

The Transit Control Division was established in the National Customs Board in November 1999. It consists of 2 Units and currently there are 25 employees in the Division. The main responsibilities of the Division include control of all transit procedures and recovery of claims for non-cleared procedures. [For additional information, please refer also to point 7 of the Legal Annex].

12. COMPUTERISATION

The installation of the computerised declaration processing system ASYCUDA, which has been selected for the computerisation of the Customs revenue collection, is at the rollout stage. National rollout programme was scheduled for completion in July 2001. Documentation explaining the new system, its procedures and codes, for use by Customs and clients is prepared and training of system users (Customs officers, Customs agents) is taking place. A revised flow path for dealing with passengers and freight is being

introduced progressively at Customs checkpoints to take account of the changes necessary to ensure the successful implementation of ASYCUDA.

The majority of the main Customs points (67 of 70) has already been connected to the common network.

The networks for Customs warehouses are to be maintained by warehouse owners.

The computerised risk analysis system (TIMS) has been implemented in major Customs points. With the introduction of ASYCUDA, which has a risk module, TIMS will be gradually replaced with ASYCUDA risk module. The preparation of a special national intelligence database has started in the year 2000.

It is planned to start preparation for introduction of other EU used systems (BTI, TARIC, etc.) the next year.



FIATA CONGRESS SETS NEW STANDARDS

It is a cliché to say that the world is changing, and forwarders will have to adapt to an unprecedented number of new issues impacting on their business and world trade -but this is a reality. The effects of September 11,2001, increasing amounts of new legislation, rising costs, the expansion of the European Union, social migration and the demand for more and more information, meant that there was no shortage of topics for the congress agenda.

Stricter regime

Not surprisingly, security and other related issues were of great concern. Douglas Browning from the US Customs Service attracted a great deal of attention and interest as he attempted to persuade delegates that the importation of goods into the US should be subjected to a stricter regime of controls. Mr. Browning did say that he believed customs should facilitate trade, but his service was clearly under pressure from political leaders to deliver more secure borders for the US. This was not surprising, and indeed the delegates were sympathetic to the objectives. Nevertheless they questioned the effectiveness of many of the measures proposed.

Said to contain

Of particular concern to the UK was the fact that the US Customs was continuing to insist that the words "said to contain" would no longer be acceptable on a bill of lading as a way of identifying the fact that the forwarder had no certain knowledge of the contents of a package that he had not packed himself.

Mr. Browning did say, however, that he would be prepared to consider alternatives such as "shipper's load and count", but this did not alleviate the UK's concerns and reservations remain. Further discussion will be required with the insurance industry before we can be certain that the risks for the forwarder are removed.

Chinese requirements

Clandestine immigration remains a hot topic among European forwarders and BIFA was able to report on the current situation with regard to the changes to UK legislation that is proposed by the Home Office.

Apart from security issues, the Multimodal Transport Institute of FIATA debated the potential withdrawal of the TIR system as it applied to Russia; current Chinese requirements for deposited funds to guarantee NVOCC operations so far not yet implemented; and the introduction by China of a regime of container fumigation that will have to be carried out in the port of origin due to the lack of facilities in China itself.

More controls

A proposal by the UK's Department for Transport for more controls to be placed on the transport and the Advisory Body Dangerous Goods (ABDG) discussed handling of dangerous goods. Delegates were urged to approach their relevant authorities to oppose these proposals.

Density calculation

At the Airfreight Institute, attention was focused on IATA Resolution 502, which proposes a change to cargo density calculation.

It was interesting to note the different legal status that IATA resolutions have in various countries. It seems unlikely that IATA will be able to get ratification of its proposal for some time to come.

UCR concept

FIATA's concerns about the introduction of a UCR (Unique Consignment Reference) concept was fully aired in the Customs Affairs Institute, where representatives attempted to justify the proposal as a trade facilitation measure. BIFA intervened to express its concerns that the UCR would not deliver any benefits and would end up as yet another cost for forwarders to absorb.

Training standards

The maintenance of training standards remains a key objective for FIATA and making these available to developing countries at an affordable price is a challenge that has yet to be solved, but some progress was made with the help of BIFA in identifying a possible way forward.

Huge benefit

First and foremost, the FIATA Congress is about networking and business development. A small number of BIFA members attend every year and derive a huge benefit from their participation by making new contacts and meeting existing representatives and agents. Some 65 out of 85 FIATA member countries were represented and this, coupled with the number of delegates, was a testament to the significant value arising from being there.

STEERING THROUGH CONTRACTING CONFUSIONS

The role of the freight forwarder in the complex transport scenario of the modern age is frequently discussed, along with his responsibilities to his customer.

The days when the forwarder considered himself as only the 'agent' of the shipper are long gone, but there are still those who are confused by the subject.

This is not surprising because of the law of agency is a complex one and a subject that has stimulated a whole library-full of books. It is, however, a subject that is worth repeating regularly in these pages.

BIFA Standard Trading Conditions (STCs) say that the member is either a principal or an agent in his contract with the customer. In freight forwarding terms, the word 'principal' is rather old fashioned and these days a more effective description is that of a 'contracting carrier'. In other words, someone who contracts with a customer for the physical movement of goods from A to B. This does not mean that as a contracting carrier the forwarder has to physically carry the goods himself. In fact, apart from domestic transport and international road haulage, the forwarder is rarely a carrier and even in these circumstances he more often than not sub-contracts the haulage elements. More of this later.

Evidence of contract

For the forwarder to demonstrate he is an agent, he must have evidence that a contract of carriage exists between his customer and the physical carrier. For goods shipped by sea, part of that evidence may be the bill of lading. A bill of lading issued by a shipping line showing the shipper as the consignor would indicate the likelihood of a forwarder who arranged this as being agent.

If, however, the forwarder issues his own house bill of lading, then he immediately assumes the role of contracting carrier. There is no point either in the forwarder saying that he is only ever the agent. Courts only recognise the actions of the parties – not their own declared status.

One of the activities that appears to cause the difficulty for forwarders is an international road haulage movement that is sub-contracted to a physical carrier. The CMR convention that governs international haulage, somewhat uniquely among such conventions establishes the concept of 'successive carriers'.

This simply passes the contracting carrier's responsibility down the transport chain, so that the party who contracts with the actual customer has the same liability as the physical carrier – as does all subcontracted activity in between. This circumstance makes it almost impossible for the forwarder to claim he is only the agent. A problem arises when there are several companies in the chain, some or all of which may be unknown his shipper and his forwarder.

A recent case brought to our attention highlights the problem. A lorry-load of wine was stolen while the vehicle was parked and unprotected. The forwarder (who contracted with the shipper) had an open marine cover policy, under which he insured the consignment moving from France to UK. That policy contained a no subrogation clause.

A carrier was instructed by the contracting forwarder to collect the goods. This carrier sub-contracted to another in Holland, who further sub-contracted the movement again to a small UK carrier, who became actual carrier. The Dutch company raised CMR note. The actual carrier was not insured to carry wines and was unable to meet this liability under the claim. The original forwarder was protected by his open cover and by the no subrogation clause, but the two contracting carriers successively sub-contracted the movement – but did not physically carry the goods – mistakenly believed that they

could not be subrogated against by the forwarder's insurer, as the originating carrier was so-called 'first carrier'.

Recovery of claim

The insurer was able to seek recovery of the claim from the second carrier, although he did not carry the goods or contract with customer. This second carrier did have a right of recovery against the third contracting carrier (his subcontractor), but at the time of engagement failed to ascertain whether or not his subcontractor had adequate insurance. He did not, and so the second carrier was stuck with the claim from the insurer.

If BIFA members recognise themselves in the position of the second and third contracting carriers in the scenario outlined in this article, they should review their procedures urgently. The first carrier (the forwarder) was able to protect himself through existence of an open cover policy, but the second and third carriers failed to find out whether their sub-contractors had adequate cover for CMR transaction.

The lessons here are obvious and BIFA members do have at their disposal a draft sub-contractors' agreement available from the membership department at Feltham. This can easily be put into the form of e-mail and quickly used to verify the proposed carriers' credentials.

Returning to the theme of agent and principal, it can be seen that it is virtually impossible to be an agent in the road haulage mode, and that a great deal of care needs to be taken when sub-contracting or accepting a subcontracted agreement.

Some forwarders also believe, mistakenly, that they have some additional protection by being an agent. It is true that an agent in such situation does not have a carrier liability for loss or damage, but an agent has to far greater duty of care towards his customer, and failure to properly exercise that duty of care can be equally onerous.

INCOTERMS

The need for attention to detail

Make sure you have checked the Incoterms small print when you sign a contract. Otherwise you may find yourself legally responsible for things beyond control.

Most people know what Incoterms are, but only get around to reading the small print when they receive a claim or have a contractual dispute.

A recent enquiry from a member concerned regular shipments that he was asked to collect from overseas and bring back to his customer in the UK. Although Incoterms were quoted, there were exceptional factors that caused a problem when claim was made for damage.

Standard practice.

A number of previous shipments had been handled without any problems but on an occasion when damage was noted to the goods when they arrived in the UK, the customer approached our member for compensation. The member pointed out that the overseas supplier had sealed the doors of the collecting vehicle when its staff had loaded the vehicle. Furthermore, it was standard practice for the supplier to take care of all loading formalities for security reasons.

The UK customer removed the seal at the delivery point. The suspected cause of damage was the method of loading the vehicle, so our member reasoned that this was outside of his control.

Named place

At this stage the member's customer pointed out that the Incoterm covering the sale was Ex-works (EXW). Reading the Incoterms 2000 rules, it clearly states that the seller delivers when he places the goods at the disposal of the buyer at the seller's premises or another named place (works, factory, warehouse, etc), not cleared for export and not loaded on any collecting vehicle. This seemed most unfair, especially as the member's driver was not allowed to have any part in the loading, and the goods were sealed until delivery in the UK. The member has sought to defend himself by providing details of the scope of work he was asked to perform as evidence of a contractual variation on the basis definition of the Ex-works Incoterm.

Obligations placed

So how does this affect you? Quite simply you should be aware of the obligations placed on all parties when Incoterms are used. If something is Ex-works, then all the seller has to do is show you the goods to be collected and say 'get on with it'. Of course there are many aspects that must be considered: for example, the health and safety responsibilities of the driver handling the load; the insurance implications if the driver is injured on the seller's premises; if the driver causes damage to the seller's premises; or using loading equipment he injures somebody.

Contractual document

The only sure way to avoid problems is to ensure that all parties clearly understand who is responsible for what, and that this is agreed in a contractual document.

If your customer is buying on an Ex-works basis, but for security reasons the seller is responsible for the loading, then the Incoterm FCA (Free Carrier) should be used.

NEW COMPUTERIZED TRANSIT SYSTEM

NCTS goes live in UK

The NCTS (New Computerised Transit System) went live from the start of this year at the five nominated pilot CT (Community Transit) offices - Dover, Felixstowe, London Heathrow Airport, Southampton and Teesport -as well as at the Central Community Transit Office (CCTO) in Harwich.

At these offices, HM Customs & Excise (HMCE) staff are keying in selected transit declarations to the NCTS from SAD T form paper declarations submitted, but only in numbers necessary to properly trial the system. Most movements continue to be processed under the existing CT arrangements - using SAD T forms.

NCTS movements are, of course, also restricted to those Community and Common Transit countries already connected to NCTS -Czech Republic, Denmark, Germany, Italy, Netherlands, Norway, Spain, Sweden, and Switzerland. But, at the same time, the pilot offices, as Offices of Destination, are using the NCTS to electronically notify arrival and discharge of all transit movements from those countries moving under NCTS.

In this way, the pilot offices are able to thoroughly test the application, the software, the message exchange functions between the UK and the other NCTS countries, and the accuracy and adequacy of the standing data upon which the system depends. This will lay the ground for the start of the second pilot phase, in April, when NCTS will be rolled-out at other offices, and live trials of EDI declaration capture and messaging between traders and customs will commence.

Does NGTS work?

To date, only very small number Of CT movements have been entered into the system at the pilot offices, but there have been no major setbacks. At the end of the first week, 50 transit movements had left the UK under NCTS while 58 had arrived in the UK or were on their way. Messages were successfully exchanged with Italy, Spain, Norway, Netherlands, Switzerland and Germany and, most satisfactorily, transit movements to those countries were -without exception -electronically discharged within the prescribed time limits. In virtually every case, the control results message, which discharges the movement and releases the guarantor from his obligations, was sent on the same day as the arrival notification.

What happens next?

Under the second stage of the pilot, NCTS capability will be extended to a number of inland CT offices and begin to involve the increasing number of CT movements that begin at ICDs (Inland Container Depots), warehouses and other approved places away from the 'frontier'. At the same time, subject to the successful completion of ongoing testing of e-mail links to UKNCTS, via EDCS (Electronic Data Capture Service), and of any emerging trader office software, trials of the EDI facility will commence for traders to make declarations electronically to UK NCTS, and to exchange the other relevant electronic messages with the system.

HMCE is currently communicating with a number of software houses -both in the UK and in other participating countries -regarding NCTS software, and is confident that office software solutions will be available by the beginning of the second phase.

What does NCTS mean for the CT trader?

The introduction of NCTS will have considerable implications for the CT trader, particularly if he presently uses the Community or Common Transit procedures to move goods to or across other European countries. NCTS is intended to replace the use of paper SAD T forms (TI/T2/T2F), for all transit movements, including movements wholly within the UK (UK Transit), which are presently made using these documents. NCTS will not however, in the short term, replace the existing UK Transit procedures using CSP (Community Service Provider) inventory systems, or simplified CHIEF based transit procedures -for Local Clearance under CFSP (Customs Freight Simplified Procedures).

It is essential that CT principals, guarantee-holders, carriers, forwarders and agents involved with Community/Common Transit consider the implications of NCTS for their continuing use of procedure.

They should consider, in particular, the benefits to be gained from extended opportunity to use simplified procedures as authorised consignors or consignees.

Appendix 06

- **Combined Projects Website Examples**



HARMONISATION OF BORDER CROSSING PROCEDURES
UNIFIED POLICY ON TRANSIT FEES AND TARIFFS

[Contact HBCP](#) [Contact UPTET](#)

PROJECT INFORMATION

[TRACECA](#)

[WB TRADE FACILITATION PROJECT](#)

[ASIAN DEVELOPMENT BANK](#)

[UN ECE](#)

[UN ESCAP](#)

[IRU](#)

[CONTRACTORS BACKGROUND](#)

[HOME](#)

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PROJECT COUNTRY INFORMATION:

- [Harmonisation of Border Crossing Procedures](#)
- [Unified Policy on Transit Fees and Tariffs](#)

This project is funded by the European Union [Disclaimer](#)

Appendix 07

- **Official Project Visit to Geneva UN Entities**



HARMONISATION OF BORDER CROSSING PROCEDURES PROJECT (HBCP)

HBCP PROJECT INTEGRATED PLANNING -TASK 8 LIST OF HARMONISED CONTROLS AND IMPLEMENTATION PLAN PLUS TASK 7.7 DOCUMENT PREPARATION

PROJECT VISIT TO UNITED NATIONS ENTITIES IN GENEVA, SWITZERLAND.

DATES OF OFFICIAL VISIT 4TH TO 6TH OF MARCH 2003

VISIT REPORT COMPILED BY WERNER SPENHOFF HBCP PROJECT REGIONAL TEAM LEADER FOR THE BLACK SEA AND CAUCASUS REGION.

Purpose of visit: To ensure that the HBCP Project direction and planning on Border Harmonisation Recommendations complies with current and future international practices and trends.

Summary of Contacts and Meetings.

UN ECE M. Magold, Chief Border Crossing Facilitation Section, Transport Division; K. Glukhenkiy Transport Division; P. Hansen Economic Affairs Transport Division; A. Bouten Transport Division; 5th of March (note additional information to the subject was retrieved from the UN ECE database), 5th of March

IRU International Road Transport Union; Dr. Peter Krausz, Head of Goods Transport Council 6th of March

Albert Allaman WHO World Health Organization; Head Shipping and Logistics Unit; 6th of March

Meetings and Discussions.

With each entity, the HBCP Project Expert explained the purpose of the visit and made Project Presentations.

- The HBCP Project Expert made a Project Presentation explaining the view to reduce and harmonise Border Crossing Procedures. The UN representatives then explained their tasks to design and draft Conventions, to supervise Conventions e.g. TIR, and to give advice.
- International Conventions are under constant review. This is carried out within various permanent working groups. For example: Currently the INTERNATIONAL CONVENTION ON THE HARMONIZATION OF FRONTIER CONTROLS OF GOODS, 1982 ("HARMONIZATION CONVENTION") is under revision, Annex no. 8 is being formulated which should specify at least:
 - Weighing Certificate
 - Weighing will be done at the point of loading and again at the point of destination. No further weighing to be practised. However, operation of a fully automated weigh scale permitting weighing while moving will be acceptable.

- Certificate of Road Worthiness
- E-TIR (Electronic TIR) providing links to Customs
- Phyto sanitary controls may **not** take place at the BCP unless emergency is declared.
- Code of practice

It is hoped to have these agreements in place and signed by most of the member countries by 2005 or 2006. As a result a Service Provider may come into being, to operate and supervise E-TIR for all 60 member countries in the future.

- **TIR**

Constant review of activities within member countries reveals a number of new actions to come into place:

- Improving the exchange of information between Customs Authorities, Guaranteeing Associations and International Organizations issuing TIR Carnets would strengthen the security of the TIR system.
- One particular system is CUTeWise application, the IRU software providing Customs Authorities with information about the status of TIR Carnets. The major advantage of the new application is that it is "firewall proof". The IRU, in general, agreed to provide Contracting Parties through CUTeWise, with additional relevant tools for accessing existing information in the IRU databases for TIR Carnets.
- The UN ECEC and IRU envisage an amendment of the TIR Convention with a view to obtaining a more harmonized use of this concept.
- Recent experience gained in Russia (criminal activities) will also be reflected in the Convention in the future.
- It is intended to computerize the TIR procedure based on the approach developed for UNeDOCS. See Annex 2 of this document.
- It was observed that under TIR Convention a disproportionately high number of Customs irregularities occurred, precisely in those countries, which need the TIR system, the most. At the same time, these countries are the most vulnerable to such a misuse, due to the difficulties associated with the transition process under way in those countries, with their technological and organizational backlog and the existence of black markets where goods can be easily traded.

SMGS, CIM

- It is intended to write to the Contracting Parties to the SMGS Agreement inviting them to notify the UNECE if they accept resolution No. 50 on the use of the SMGS Consignment Note as a customs transit declaration. If so this would accelerate and Harmonise Border Crossing Procedures.
- It was noted that the European Commission also expressed interest in sharing experience concerning the use of the CIM consignment note in the framework of the Common Transit Procedure.
- Another aspect of improved border procedures would be a liberalization of the railway sector, expecting that privately-owned companies will be in a position to offer better services to the users. In this context, it was pointed out that Customs issues are often used to discriminate against private owned railway companies by requesting guarantees from them. Certainly, there should be no discrimination between the modes of transport to

prevent irregularities or criminal actions moving from one mode to another.

- Visa for drivers is a protracted issue which may still not be part of the Harmonisation Convention. Annex 8. See statement attached.
- E-trade, transport and subsequent E-link among all parties concerned is strongly favoured by UN ECE. UN has therefore institutionalised support to government and private sector globally. See Annex 2.
- The New Computerised Transit System (NCTS) must be fully implemented by EU Member States by 30 June 2003. NCTS movements can be made currently between five Member States. It is likely that this will result in a need to carry out legislative changes.

Cooperation

- Traceca
 - UN ECE staff expressed readiness to contact Traceca and to co-operate with IGC Baku office. ECE have had contact earlier but got the impression that Traceca was not enthusiastic. ECE may now contact IGC Baku again.
 - SECI (Southeast European Cooperative Initiative). MoU on the facilitation of international road transport of goods in the SECI Region, Athens 1999
- Information on status of international UNECE Transport agreements and conventions given.
- Information on
- number of authorised persons / companies by country who are TIR registered , status Oct. 2002:

TIR Carnets issued, status 2001

Country	Registered Persons	TIR Carnets issued
Armenia	4	200
Azerbaijan	11	3600
Bulgaria	3824	211000
Georgia	24	2500
Kazakhstan	120	5000
Kyrgyzstan	16	550
Moldova	143	-
Romania	2230	363800
Tajikistan	not applicable	
Turkey	816	327000
Turkmenistan	not applicable	
Ukraine	1953	200000
Uzbekistan	11	600

Total Traceca countries: 1,114,250; % of total member countries: 41,15
Total Member countries: 2,707,950

- **It is proposed that Traceca Transportation Documents should be UN**

documents only. The use of UN E Docs should be made wherever possible and the respective Governments should receive assistance on this. See Annex 2.

National documents are to be replaced by UN documents where acceptable by TRACECA Member States. This would require acceptance of the relevant, and what is more important is the adherence to these Conventions and Agreements. UN ECE staff are ready to render support in discussing steps with the HBCP Project and all parties concerned.

Note: All documents are specified by the Conventions and relevant agreements. Therefore, it is not useful to collect and present complete sample documents by searching through all the text passages but rather to assist TRACECA Member States and TRACECA PS IGC Management in the adoption process.

Requests by the HBCP Project to the UN Entities

- UN ECE, IRU and WHO representatives, when being request by the HBCP Project Expert, expressly agreed to the proposals made.
- The Study "Romania - Technical Assistance for 8 Border Inspection Posts", prepared under PHARE Framework Contract AMS 451 Lot 1 Rural Development and Safety, by Scanagri Consortium was discussed and agreed in principle with the WHO representative. reflecting
 - Position: located aside the main area
 - Comprising a return road for non accepted goods

For additional details of the Geneva Visit please consult the following Annexes.

Annexes

Annex 1.

1. Visas for professional drivers – Action plan

Transmitted by the International Road Transport Union (IRU)

Note: The secretariat reproduces below a communication transmitted by the International Road Transport Union (IRU).

1. On 15 August 2001, the IRU published the results of an IRU Survey on visa problems for professional drivers (AG/G2890/PKR)¹. It was found that the conditions for issuing these visas were chaotic, that the rules, deadlines, paper formalities and prices varied widely and that this was a factor causing major disturbances in the daily operations of road transport companies in many countries. It was proposed that Governments introduce simplified procedures and formalities and accept as a standard the issue of annual multi-entry visas to professional drivers, whose identification as such might be facilitated by their national road transport associations.

2. The Goods Transport Council approved the Conclusions of AG/G2890/PKR in November 2001. Based on this approval, a wide direct mail action was undertaken addressing the Council's position to the ECMT, the UNECE, the European Parliament (Committee on Regional Policy, Transport and Tourism), the European Commission (DGs for Transport and Energy & Justice and Home Affairs), the CIS Interstate Economic Committee and the CIS Ministers of Transport.

3. The issue is now being dealt with as follows:

(a) Visa matters have been reviewed at recent meetings of various IRU working bodies, e.g. the Commission for Customs Affairs and the Liaison Committee to the CIS. The latter decided to request a specific action from their Governments aimed at improving the situation.

(b) The IRU continues looking for a multilateral governmental agreement on the facilitation of visa issue to professional drivers of trucks and coaches in the framework of UNECE. The specific activities are aimed at the adoption of visa issue facilitation provisions in the Consolidated Resolution on the Facilitation of International Road Transport as well as in a new Annex to the 1982 Convention on border control harmonisation. Government delegates to these

UNECE meetings (of the Working parties on road transport as well as on Customs matters and even of the highest organ, the Inland Transport Committee), have so far refused to deal with the matter as "not falling into the competence of ministries of transport". An important result has, however, been achieved, which is that the UNECE Transport Division has been requested to

carry out a survey on the matter among Governments in the course of 2002. The UNECE Transport Division and the IRU Secretariat General are working closely together to draft a questionnaire, which, beyond raising the awareness of Governments, will contain hints to possible pragmatic facilitation measures. The European Commission DG Justice and Home Affairs will be consulted.

(c) The ECMT has put visa matters again on the agenda of the next Ministerial Conference on 29 May 2002. There are hopes that the Ministers will re-confirm their previous positive appeal (May 1998) for facilitation measures, which have however not been followed-up by facilitation in practice.

(d) The IRU is also in direct touch with European Commission services and hopes to see this issue tackled by the competent EU Council working group (Visa Group) in the near future in the "Schengen context".

(e) Furthermore, the World Trade Organisation (WTO) circulated the IRU analysis and position (AG/G2890/PKR) among its Member States in early 2002. Action in this respect should however be taken by Governments within the framework of the forthcoming round of trade facilitation negotiations. The IRU is in contact with both the WTO and the European Commission.

4. The IRU and its member organisations should do their utmost to convince their Governments to:

- realise the damage caused to international economic relations in general and transport in particular due to difficulties of issuing visas to professional drivers;
- accept the reasoning of the transport industry and the proposed facilitation measures (see first paragraph of this document);
- understand that the drivers' individual right to work is often hampered by a paper wall and bureaucracy; they often discriminate against drivers of other nationalities or even between citizens of the same nationality (e.g. the latest visa restrictions in Italy against Romanian drivers versus "ordinary" Romanian citizens).

5. Today, the problem is complex in many respects in the light of the general desire to enhance order and security in transport (illegal immigration; illegal employment; "September 11"). The rightful requirement for improved security and order should not, however, be an excuse for not solving the visa problems for professional drivers, who are easily identifiable and controllable as such and who do nothing more than fulfilling the obligations of trade and transport contracts in the interest of a peaceful co-operation between nations.

Informal document No. 17 (2002) page 4

6. Effective technical answers to important matters like illegal employment of third country drivers in the EU through the introduction of a driver attestation can help in also finding the appropriate solution to visa problems. Enhancing the general security level of the industry can also have a positive impact on visa issuing to professional applicants.

7. The unresolved question of carriers' liability linked to illegal immigration, however, has an indirect unfavourable influence on visa matters.

8. The IRU and its member organisations should continue their efforts in their contacts with Governments at all possible levels in their own countries and at bi- and multilateral levels in order to move towards an appropriate solution.

Annex 2

E-Documents

Paper Documents versus the digital Age

Every year goods in the value of more than 5500 Bio US \$ are sold on international markets. In today's open and global economies the exchange of these goods is managed through increasingly specialized supply chain processes, relying on sophisticated logistic and information and communication technologies. However, when analyzing the information exchange that takes place between the supply chain operators one will find a rather surprising situation: the core information exchange that steers and controls the acquisition, transport and payment processes is still relying on traditional, paper based documents. The collision between the digitalized in-house information processing technology and a historic, analogous document system introduces enormous costs in the supply chain: paper based trade documentation usually is estimated to cost between 5% to 10% of the value of the traded goods. Improving standards and technologies for trade documentation is therefore of high importance for the integration and development of the global economy.

Standards and Technologies for Trade Documents

The UNECE recognized already in the early 1960th the crucial role of trade documents in international trade and set up a working party to develop the United Nations Layout Key (UNLK), an internationally accepted standard for trade documents. The UNLK made a significant contribution to trade efficiency by allowing the design of aligned series of trade documents such as the single administrative document (SAD), the IATA airway bills, FIATA standard freight forwarders documents or ICC standard documentary credit forms.

The work on standardization of international trade documents was later followed by the development of a standard for Electronic Data Interchange (EDI) reflecting the computerization of international trade and the increased need of electronic data exchange. The United Nations Electronic Data Interchange for Administration, Commerce and Transport (UN/EDIFACT) is today the most widely used international EDI standard. However, due to the high investments required for UN/EDIFACT implementations the technology did not provide a general solution for electronic trade documents. Within the recent years the creation of affordable, global networks such as the Internet and related document description standards such as XML have created new opportunities to transmit and process electronic trade documents. It is assumed that the use of electronic trade documents will lead to a stronger integration of supply chain processes, significantly reduce transaction costs and risks and contribute to combat fraud. Furthermore the UNECE believes that by combining electronic documents with coding technologies such as two-dimensional barcodes, a co-existence between paper and electronic document processing can be established. This would facilitate the adoption of electronic documents for SMEs and developing economies and would open a migration path into electronic business environments.

United Nations electronic Trade Documents: Objective, Phases and Outputs

The UNECE has therefore initiated the United Nations electronic Trade Documents project (UNeDocs). In the framework of this project the UNECE studies the feasibility of an international standard for aligned electronic trade documents. The project does not target to eliminate paper documents but rather to open a migration path from paper to electronic documents by defining electronic document layouts that are equivalent to their paper based peers. The project consists of a research and development phase that will be conducted in co-operation with research institutes and the private sector. The results

will be made available on the Internet in the form of standard layouts and data definitions both for paper and electronic documents. They can be used by traders and software vendors to interface between their proprietary systems.

UNeDocs for SMEs, transition Economies and developing Countries

In developing the electronic forms the United Nations will ensure that the solution is compatible with the Internet and affordable standard software systems typically found in small office environments. UNeDocs is based on international trade standards and best practice. The adoption of UN electronic trade documents will thus promote and enforce the application of existing trade facilitation standards and increase the capacity of the country to participate in international trade. As UNeDocs is linking paper and electronic documents, traders can choose the technology they can support best. The transition from paper to electronic documents is an important step towards electronic business and a knowledge based economy. To provide access to electronic trade documents in transition economies and developing countries the UNECE plans to develop a simple software solution that can be used on the Internet.

UNeDocs: Cooperation and Status

The international nature of trade requires solutions that are accepted and used by traders from all nations. In developing the concept of UNeDocs the UNECE has therefore liaised with its working group for International Trade Procedures (ITPWG), with the regional social and economic commissions of Westerns Asia (ESCWA) and Asia and the Pacific (ESCAP), the United Nations Conference on Trade and Development (UNCTAD) and with private sector enterprises. For the further development of UNeDocs, the UNECE welcomes the participation of all interested organizations in the project. Funding and contributions have so far been received from the Swiss and United Kingdom governments and the first project phase is scheduled to start in the fourth quarter of this year.



Appendix 08

- **UNESCAP – SPECA Conference**

**8TH SESSION OF THE SPECA PROJECT WORKING GROUP
FOR TRANSPORT AND BORDER CROSSING
FACILITATION
(PWG-TBC)**

AND

**PREPARATORY MEETING FOR THE INTERNATIONAL
MINISTERIAL MEETING ON TRANSIT TRANSPORT
COOPERATION**

27 - 29 March 2003, Baku, Azerbaijan

**LIST OF PARTICIPANTS
8TH SESSION OF THE SPECA PROJECT WORKING GROUP FOR TRANSPORT
AND BORDER CROSSING FACILITATION**

(PWG-TBC)
27 - 29 March 2003, Baku (Azerbaijan)

**СПИСОК УЧАСТНИКОВ
8-ГО ЗАСЕДАНИЯ ПРГ – ТРАНСПОРТ И ПЕРЕСЕЧЕНИЕ ГРАНИЦ В РАМКАХ
СПЕКА**

27-29 марта 2003 года, в г.Баку (Азербайджан)

	County Participating in SPECA Azerbaijan	Страны-участницы СПЕКА Азербайджан
1.	Mr. Ziya Mammadov Minister of Transport	Мамедов Зия Арзуман оглы Министр транспорта
2.	Mr. Musa Panahov Deputy Head, Azerbaijan State Railway	Муса Панахов Заместитель Начальника, Азербайджанская государственная железная дорога
3.	Mr. Samir Ahmadov III Secretary, Ministry of Foreign Affairs	Самир Ахмадов III секретарь, Министерство иностранных дел
4.	Mr. Eldar Akhundov Chief of External Communication Service Azerbaijan State Railway	Эльдар Ахундов Начальник службы внешних связей, Азербайджанская железная дорога
5.	Mr. Teymur Mammadov Deputy Head of the Union on the Managing of the Transport Process Azerbaijan State Railways	Теймур Мамедов Заместитель Начальника объединения по управлению процессом перевозок, Азербайджанская государственная железная дорога
6.	Mr. Eldar Alizade Head of Division of International Relation, State Concern "Azeravtonaghiyyat"	Эльдар Ализаде Начальник отдела международных отношений, Государственный концерн «Азеравтонаглият»
7.	Mr. Ilham Mammadov Head of Commercial Division, Department of Steam-Navigation Caspian Sea	Илхам Мамедов Начальник Коммерческого Отдела, Управление Каспийского Пароходства
8.	Nizami Garaisayev Vice-President, State Company "Azaravtoyol"	Низами Караисаев Вице-Президент, Государственная компания «Азеравтойол»
	Kazakhstan	Казахстан

9.	Mr. Andar Shukputov Ambassador of the Republic of Kazakhstan in the Republic of Azerbaijan	Шукпутов Андарь Маулешевич Посол Республики Казахстан в Азербайджанской Республике
10.	Mr. Kabibulla Jakupov First Vice-Minister of Transport and Communications	Джакупов Кабибулла Кабенович Первый вице-Министр транспорта и коммуникаций
11.	Mr. Yerik Sultanov CHAIRMAN OF THE COMMITTEE FOR ROADS AND INFRASTRUCTURE DEVELOPMENT, Ministry of Transport and Communications	Султанов Эрик Хамзинович Председатель Комитета автомобильных дорог и строительства инфраструктурного комплекса, Министерство транспорта и коммуникаций
12.	Ms. Gulmira Mussina Deputy Director of the Transit Policy and Foreign Affairs Department Ministry of Transport and Communications	Мусина Гульмира Рашидовна Заместитель директора Департамента транзитной политики и внешних связей, Министерства транспорта и коммуникаций
13.	Mr. Askar Bekbergenov Chief of the Goods Delivery Control Section Agency of Customs Control	Бекбергенов Аскар Коркытбаевич Начальник отдела доставки товаров, Агентство таможенного контроля
Kyrgyzstan		Кыргызстан
14.	Mr. Temir NIYAZBEKOV Head of Foreign Relation Department Ministry of Transport and Communications	Темир НИЯЗБЕКОВ Начальник Департамента внешних связей Министерство транспорта и коммуникаций
Tajikistan		Таджикистан
15.	Mr. Saidakhtan Akbarov Deputy Minister, Ministry of Transport and Communications	Саидахтан Акбаров Заместитель Министра, Министерство транспорта и коммуникаций
Uzbekistan		Узбекистан
16.	Mr. Umidjon Makmatov Senior Specialist, Concern "UZAVTOYUL"	Умиджен Макматов Старший Специалист Концерн «УЗАВТОЮЛ»
Observers Georgia		Приглашенные Грузия
17.	Mr. Zurab Gumberidze Ambassador of Georgia in Republic of Azerbaijan	Зураб Гумбаридзе Посол Грузии в Азербайджанской Республике
18.	Mr. Nugzar BABUADZE Director of International Relations Ministry of Transport and Communications	Нугзар БАБУАДЗЕ Директор Департамента международных связей Министерство транспорта и коммуникаций
France		Франция

19.	Mr. Shantal Poiret Ambassador of France in Republic of Azerbaijan	Шанталь Пуаре Посол Франции в Азербайджанской Республике
	Russian Federation	Российская Федерация
20.	Mr. S. A. Belyakov Head of Department of Road Policy and Highway Network Development, Ministry of Transport	Беляков С. А. Начальник Департамента дорожной политики и развития сети шоссейных дорог, Министерство транспорта
	Iran	Иран
	Mr. Hossein Motevali Habibi Head of Planning Group in Planning and Education Bureau, Transportation and Terminals Organization <i>Turkey</i>	Гуссейн Мотевали Хабиби Начальник Планового Отдела планирования и образования, Транспортная Организация <i>Турция</i>
22.	Mr. Mucahit Arman Director of Planning Division, General Directorate of Turkish Highways, Ministry of Public Works and Settlement	Мукахит Арман Директор Отдела Планирования, Генеральный Директорат Турецких Шоссейных дорог, Министерство общественных работ и оплаты
23.	Mr. Toshiyuki Fujiwara Embassy of Japan in Republic of Azerbaijan	Тошиюки Фудживара Посольство Японии в Азербайджанской Республике
	INTERNATIONAL & REGIONAL ORGANIZATIONS	МЕЖДУНАРОДНЫЕ И РЕГИОНАЛЬНЫЕ ОРГАНИЗАЦИИ
	UN Economic and Social Commission for Asia and Pacific (UN ESCAP)	Экономическая и социальная Комиссия ООН для Азии и Тихого океана (ЭСКАТО)
24.	Mr. Barry Cable Director of the Transport and Tourism Division	Барри Кейбл Директор Департамента транспорта и туризма
25.	Mr. Martin Lentsch Chief, Land Transport Section Transport and Tourism Division	Мартин Ленч Глава отдела наземного транспорта Департамента транспорта и туризма
26.	Mr. Regmi Associate Economic Affairs Officer Development Research and Policy Analysis Division	Господин Регми Младший сотрудник по экономическим делам Департамента по развитию исследований и политического анализа
27.	Mr. Testuo Expert Division of Transport and Tourism	Тестуо Лешваيري Эксперт отдела транспорта и туризма
	UN European Economic Commission (UN	Европейская экономическая комиссия ООН

	ECE)	(ЕЭК ООН)
28.	Mr. Mikhalis Adamantiadis Transporting Division	Михалис Адамантиадис Транспортный отдел
	UN Development Program	Программа развития ООН
29.	Mr. David Aizenberg Deputy Representative of Program, Azerbaijan	Дэвид Айзенберг Заместитель Представителя программы в Азербайджане
30.	Mr. Aigul Idrissova SPECA/Silk Road Project Manager, UNDP/Astana office	Идрисова Айгуль Турсинбаевна Менеджер проекта СПЕКА/Шелковый путь/, Офис ПРООН в Астане
	IGC Transport Corridor Europe-Caucasus-Asia (TRACECA)	МПК Транспортный коридор Европа-Кавказ-Азия (ТРАСЕКА)
31.	Mr. Tagirov Secretary General	Абдурашид Тагиров Генеральный Секретарь
32.	Mr. A Mustafayev National Secretary, Azerbaijan	Акиф Мустафаев Национальный Секретарь, Азербайджан
33.	Mr. Ranger Project Manager	Господин Ренджер Менеджер Проекта
34.	Ms. Arima Komarova Legal Expert	Арина Комарова Эксперт по юридическим вопросам
35.	Mr. Spennhof Consultant	Господин Спенхоф Консультант
36.	Mr. Turzeladze Consultant	Господин Турзеладзе Консультант
37.	Mr. Michel Zarnowiecki Customs Specialist, Trade and Transport Facilitation in Southeast Europe	Мишель Зарновиеска Эксперт, Отдел торговли и транспорта по Юго-западной Европе
	BSEC	ОЧЭС
38.	Mr. Yevgeni Kozi Executive Manager on Transport Issues	Евгений Козий Исполнительный Менеджер по транспортным вопросам

**Accession Status to International Agreements and Conventions,
indicated in the Protocol of the second session
of the PWG-Transport and Border Crossing
(Revised version by ECE, 24 March 2003)**

№ п/п	International Agreements and Conventions	ECE Reference	Azerbaijan	Republic of Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
1	Convention on Road Traffic (08/11/1968)*	8		X		X	X	X
2	Convention on Road Signs and Signals (08/11/1968)*	10		X		X	X	X
3	Convention on the Contract for the International Carriage of Goods by Road (19/05/1956)*	25		X	X	X	X	X
4	Customs Convention on the Temporary Importation of Commercial Road Vehicles (18/05/1956)*	42	X		X			X
5	Customs Convention on the International Transport of Goods Under Cover of TIR Carnets (14/11/1975)*	40	X	X	X	X	X	X
6	International Convention on the Harmonization of Frontier Controls of Goods (21/10/1982)*	49	X		X			X
7	Customs Convention on Containers (02/12/1972)*	47						X
8	European Agreement supplementing the Convention on Road Traffic (01/05/1971)	11						
9	European Agreement supplementing the Convention on Road Signs and Signals (01/05/1971)	12						
10	European Agreement concerning the Work of Crews of Vehicles engaged in International Road Traffic (AETR) (01/07/1970)	21	X	X			X	X
11	Customs Convention on the Temporary Importation of Private Road Vehicles (04/06/1954)	38						
12	European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) (30/09/1957)	51	X	X				
13	Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be Used for such Carriage (ATP) (01/09/1970)	55	X	X				X
14	European Agreement on Main International Traffic Arteries (AGR) (15/11/1975)	2	X	X				
15	European Agreement on Main International Railway Lines (AGC) (31/05/1985)	3		C				
16	European Agreement on Important International Combined Transport Lines and Related Installations (AGTC) (01/02/1991)	4		X				

Comments:

* - Conventions, recommended by UN ESCAP Resolution 48/11

X - Final sign, ratification, joining

C – on the stage of the Governmental procedures

Action Programme for Transit Transport Cooperation for SPECA countries

No.	Действия по транзитно-транспортному сотрудничеству, предлагаемые для рассмотрения стран-участниц СПЕКА	Actions to consider for Transit Transport Cooperation for SPECA countries
1	<p>Политические меры <u>На страновом уровне:</u></p> <ul style="list-style-type: none"> • Принять/усилить национальную стратегию и интегрированную национальную политику сотрудничества в области транзитных перевозок, учитывающую также региональные интересы • Усовершенствовать национальное транспортное законодательство с учетом обязательств, принятых по международным, многосторонним и двусторонним соглашениям, а также обеспечения равных возможностей въезда и транзита для перевозчиков • Усовершенствовать правовой режим в области мультимодальных перевозок и соответственно принять соответствующее законодательство по взаимодействию правительственных органов и грузоперевозчиков • Создать/укрепить национальные комитеты/комиссии по развитию торговли и транспорта, состоящие из всех соответствующих правительственных органов и представителей частного сектора отраслей транспорта и торговли • Гармонизировать соответствующие законодательства для поощрения развития торговли и транспорта и облегчить процесс вступления стран региона во Всемирную Торговую Организацию (ВТО) <p><u>На субрегиональном / региональном уровне:</u></p> <ul style="list-style-type: none"> • Разработать руководство, которое помогло бы правительствам учесть в транспортном законодательстве своих стран обязательства, принятые ими по двусторонним и многосторонним договорам 	<p>Policy related actions <u>Country level:</u></p> <ul style="list-style-type: none"> • Adopt / strengthen national strategy and national integrated policy for transit transport cooperation also taking into account regional interests • Improve national transport legislation to reflect international, multilateral and bilateral commitments and to provide equal opportunity for transport operators for entry and transit • Improve legal regime for multi modal transport operation, and therefore adopt legislation on relationship between governmental agencies and transport operators • Establish / strengthen national trade and transport facilitation committees/commissions, which include all relevant governments agencies and private sector bodies of transport and trade • Harmonize relevant legislation for promoting trade and transport development and facilitate accession process of the countries of the region to the World Trade Organization (WTO) <p><u>Subregional/regional level:</u></p> <ul style="list-style-type: none"> • Develop guidelines to assist governments on ways to integrate relevant bilateral and multilateral commitments into national transport legislation

No.	Действия по транзитно-транспортному сотрудничеству, предлагаемые для рассмотрения стран-участниц СПЕКА	Actions to consider for Transit Transport Cooperation for SPECA countries
	<ul style="list-style-type: none"> Гармонизировать двусторонние и многосторонние соглашения посредством сотрудничества на уровне субрегиональных организаций в целях усовершенствования условий транзитно-транспортного сотрудничества 	<ul style="list-style-type: none"> Harmonize bilateral and multilateral agreements through cooperation at level of subregional organizations to improve conditions for transit transport cooperation
2	<p>Повышение уровня согласованности действий внутри государств и между ними</p> <p><u>На страновом уровне:</u></p> <ul style="list-style-type: none"> Проводить регулярные совещания национальных комитетов/комитетов по развитию торговли и транспорта для координации и мониторинга проведения политики в соответствии с национальной стратегией по транзитно-транспортному сотрудничеству Принять/усовершенствовать законодательство, предоставляющее возможности частному сектору (ассоциации, советы и др.) вносить свой вклад в формулирование нормативной базы в области транзитного транспорта Сосредоточить внимание на национальные экономические потребности для развития потенциала транзитных перевозок на межправительственном уровне, т.е. ЕЭК ООН, ЭСКАТО ООН, ЮНКТАД, ОЭС, МПК-ТРАСЕКА, СНГ, ОЧЭС и др. <p><u>На субрегиональном/региональном уровне:</u></p> <p><i>сотрудничества в области транзитных перевозок (СПЕКА, ОЭС, МПК-ТРАСЕКА)</i></p>	<p>Improved coordination within and between countries</p> <p><u>Country level:</u></p> <ul style="list-style-type: none"> Convene regular meetings of the national trade and transport facilitation committee/commissions to coordinate and monitor implementation of policies inline with the national strategy for transit transport cooperation Adopt/improve legislation which provides opportunities for the private sector (associations, councils etc.) to contribute to the formulation of transit transport regulations Direct attention to national economic needs for development of transit transport capacities at intergovernmental level i.e. UNECE, UNESCAP, UNCTAD, ECO, IGC-TRACECA, CIS, BSEC etc. <p><u>Subregional/regional level:</u></p> <ul style="list-style-type: none"> Convene regular coordination meetings of national trade and transport facilitation committees/commissions at bilateral and subregional level to coordinate and monitor implementation of the action programme for transit transport cooperation (SPECA, ECO, IGC-TRACECA)

No.	Действия по транзитно-транспортному сотрудничеству, предлагаемые для рассмотрения стран-участниц СПЕКА	Actions to consider for Transit Transport Cooperation for SPECA countries
	<ul style="list-style-type: none"> Обеспечить, что вопросы, связанные с усовершенствованием сотрудничества в области транзитных перевозок и устранение транспортных барьеров выносятся на рассмотрение на межправительственных совещаниях высоко уровня 	<ul style="list-style-type: none"> Ensure that issues related to improvement of transit transport cooperation and removal of transport barriers are continuously addressed at high level intergovernmental meetings
3	<p><u>Содействие развитию торговли и транспорта</u> <u>На страновом уровне:</u></p> <ul style="list-style-type: none"> Рассмотреть возможность присоединения к важным международным конвенциям, включая те, которые рекомендованы ЕЭК ООН и перечислены в Резолюции ЭСКАТО ООН 48/11, а также к Киотской таможенной конвенции в измененной редакции 1999 года Рассмотреть возможность выполнения рекомендаций проектов ТРАСЕКА «Гармонизация процедур пересечения границ» и «Единая политика транзитных сборов и тарифов» Создать механизм для постоянного мониторинга международных грузовых перевозок в пунктах пересечения границ и в процессе транзита Внедрение упрощенных и ускоренных таможенных процедур и процедур пересечения границ для заслуживающих доверие грузоперевозчиков и торговых компаний <p><u>На субрегиональном /региональном уровне:</u></p> <ul style="list-style-type: none"> На региональном уровне координировать выполнение рекомендаций проектов ТРАСЕКА «Гармонизация процедур пересечения границ» и «Единая политика транзитных сборов 	<p><u>Trade and transport facilitation</u> <u>Country level:</u></p> <ul style="list-style-type: none"> Consider accession to important international conventions including those recommended by UNECE and listed in UNESCAP resolution 48/11, and the revised Kyoto Customs Convention (1999) Consider implementation of recommendations of the TRACECA projects “Harmonization of Border Crossing Procedures” and “Unified Policy on Transit Fees and Tariffs” Establish a mechanism for continuous monitoring of international freight transportation at the border crossing points and for transit movements Introduction of simplified and accelerated customs and border crossing procedure for trustworthy transport operators and trading companies <p><u>Subregional/regional level:</u></p> <ul style="list-style-type: none"> Coordinate at regional level implementation of recommendations of the TRACECA projects “Harmonization of Border Crossing Procedures” and “Unified Policy on Transit Fees and Tariffs” (IGC-TRACECA, SPECA)

No.	Действия по транзитно-транспортному сотрудничеству, предлагаемые для рассмотрения стран-участниц СПЕКА	Actions to consider for Transit Transport Cooperation for SPECA countries
	<p>и тарифов» (МПК-ТРАСЕКА, СПЕКА)</p> <ul style="list-style-type: none"> • Проведение анализа на регулярной основе по развитию торговли и транспортных перевозок на субрегиональном уровне для выявления существующих торговых барьеров на пути торговли и транспорта • Активное участие экспертов стран-участниц СПЕКА в работе Комитета ЕЭК ООН по внутреннему транспорту и его вспомогательных органов, а также других международных форумов, которые способствовали интеграции транспортной системы региона СПЕКА в аналогичные структуры других субрегионов, а также гармонизация с существующими международными стандартами, нормами, соглашениями и конвенциями • Оказать поддержку странам-участницам СПЕКА с целью облегчения их участия в работе Комитета ЕЭК ООН по внутреннему транспорту и его вспомогательных органов 	<ul style="list-style-type: none"> • Regular analysis of trade development and transport movement at subregional level to identify existing trade barriers for trade and transport • Active participation of SPECA countries experts in the works of the UNECE Inland Transport Committee and its subsidiary bodies as well as other international fora that will assist the integration of the SPECA region transport systems in that of other subregions as well as harmonization with existing international standards, norms, agreements and conventions • Provide support to the SPECA countries to facilitate their participation in the work of UNECE in the Inland Transport Committee and its subsidiary bodies
4,	<p>Конкуренция в сфере транспортных услуг</p> <p><u>На страновом уровне:</u></p> <ul style="list-style-type: none"> • Совершенствовать автомобильные перевозки с Китаем на основе двусторонних и многосторонних соглашений/сотрудничества • Продолжить проведение реформ, направленных на демополизацию и приватизацию транспортного сектора • Пересмотреть тарифную политику с целью освобождения транспортных операций от тарифов и сборов, не связанных с транспортными услугами и перевозкой грузов, и поощрения развития деятельности частного сектора • Стимулировать развитие частного сектора в сфере транспортных 	<p>Competition in transport services</p> <p><u>Country level:</u></p> <ul style="list-style-type: none"> • Improve road transport communication with China through bilateral and multilateral agreements/cooperation • Continue reform for demonopolization and privatization of the transport sector • Revise tariff policies to exempt transport operation from tariffs and charges which are not related to transport services, and to promote private sector activities • Promote private sector development for transport services, including road transport operation, freight terminals, and

No.	Действия по транзитно-транспортному сотрудничеству, предлагаемые для рассмотрения стран-участниц СПЕКА	Actions to consider for Transit Transport Cooperation for SPECA countries
	<p>услуг, включая автотранспортные перевозки, грузовые терминалы, и грузовые железнодорожные операции</p> <ul style="list-style-type: none"> • <p><u>На субрегиональном/региональном уровне:</u></p> <ul style="list-style-type: none"> • Усилить роль транспортных ассоциаций, торгово-промышленных палат и других структур частного сектора и их участия в развитии транзитных перевозок • Содействовать созданию региональных союзов и объединять транспортные, таможенные и торговые ассоциации, торгово-промышленные палаты и др. 	<p>rail freight operations</p> <p><u>Subregional/regional level:</u></p> <ul style="list-style-type: none"> • Promote the role of transport associations, chambers of commerce and other private sector bodies and their participation in transit transport development • Assist establishment of regional unions and to unite transport, customs and trade associations, chambers of commerce, etc
5	<p>Улучшение мониторинга</p> <p>На страновом уровне:</p> <ul style="list-style-type: none"> • Применить механизм отчетности по показателям транзитных перевозок в сотрудничестве с таможенными органами и перевозчиками • Разработать и внедрить систему сотрудничества национальной системы мониторинга (статистической отчетности) по деятельности всех участников в торговом и транзитно-транспортном сотрудничестве <p><u>На субрегиональном/региональном уровне:</u></p> <ul style="list-style-type: none"> • Регулярный мониторинг развития транзитных перевозок (ЭСКАТО ООН, ЕЭК ООН) • Рассмотреть и достичь согласия по показателям эффективности 	<p>Better monitoring</p> <p><u>Country level:</u></p> <ul style="list-style-type: none"> • Implement reporting mechanism for transit transport indicators in cooperation with customs and transport operators • Elaborate and introduce national monitoring systems (statistical reporting) of activities of all stakeholders in trade and transit transport cooperation <p><u>Subregional/regional level:</u></p> <ul style="list-style-type: none"> • Regular monitoring of transit transport development (UNESCAP, UNECE) • Consider and reach agreement on transport facilitation indicators taking into consideration indicators as proposed

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	<p>транзитных перевозок, принимая во внимание показатели, предлагаемые Всемирным Банком для регулярного мониторинга процесса развития транзитных перевозок</p>	<p>by the World Bank for regular monitoring of transit transport facilitation development</p>
6	<p><u>Совершенствование инфраструктуры транзитных перевозок</u> <u>На страновом уровне:</u></p> <ul style="list-style-type: none"> • Присоединение к многосторонним соглашениям по инфраструктуре, включая конвенции СМА, СЛКП, и Соглашение по Азиатским шоссейным дорогам, а также активное участие в обновлении сети Транс Азиатских железных дорог для того, чтобы придать приоритетное значение развитию инфраструктуры, имеющей международное значение • Усовершенствовать, реконструировать и обеспечивать техническое содержание железно- и автодорожной сети (содействие со стороны АБР, ЕБРР, ИБР, ВБ и других доноров по двусторонним соглашениям) • Разработать благоприятную правовую среду для привлечения инвестиций в транспортную инфраструктуру, включая инвестиционные преференции и льготы на развитие транспорта <p>приобретение оборудования</p> <ul style="list-style-type: none"> • Определить приоритетные проекты развития инфраструктуры международного значения с целью привлечения международных ресурсов для их реализации • Реализация пилотного проекта по созданию логистического центра с целью испытания технологии и оказания услуг <p><u>На субрегиональном уровне:</u></p> <ul style="list-style-type: none"> • Усовершенствование существующей и альтернативной авто- и 	<p><u>Enhancing transit infrastructure</u> <u>Country level:</u></p> <ul style="list-style-type: none"> • Accession to multilateral agreements on infrastructure including AGR, AGTC, and Asian Highway Agreement, and active participation in update of the Trans Asian Railway network to prioritize infrastructure development of international importance • Improve, rehabilitate and maintain rail and road network (assistance by ADB, EBRD, IDB, WB, bilateral donors) • Elaborate favorable legal environment to attract investments to transport infrastructure, including investment preferences and benefits for transport development and purchasing of equipment <ul style="list-style-type: none"> • Identify priority infrastructure projects of international importance to attract international financing for their implementation • Implementation of pilot project to establish logistic center in order to test technical facilities and client's servicing <p><u>Subregional/regional level:</u></p> <ul style="list-style-type: none"> • Improvement of existing and alternative road and rail transport routes to access seaports and markets in Asia and

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	<p>железнодорожной сети с выходом к морским портам и рынкам Азии и Европы (ЕЭК ООН, ЭСКАТО ООН, МПК ТРАСЕКА и ЕКМТ)</p> <ul style="list-style-type: none"> • Стимулировать важные субрегиональные проекты по развитию транспортной инфраструктуры (СПЕКА, ОЭС, МПК-ТРАСЕКА) • Согласование крупномасштабных проектов для развития инфраструктуры транзитных коридоров, пересекающих территории нескольких государств • Определить перевозчика по железнодорожному транспорту на конкурентной основе и установить унифицированные тарифы 	<p>Europe (UNECE, UNESCAP, IGC-TRACECA, ECMT)</p> <ul style="list-style-type: none"> • Promote important subregional transport infrastructure projects (SPECA, ECO, IGC-TRACECA) • Coordination of large scale projects to develop transit corridor infrastructure crossing the territories of several states • Select national operators for rail transport on the competitive basis and establish unified tariffs
7	<p>Применение информационных и коммуникационных технологий (ИКТ)</p> <p><u>На страновом уровне:</u></p> <ul style="list-style-type: none"> • Облегчить и упростить таможенные процедуры путем применения автоматизированных таможенных систем для обеспечения большей прозрачности и качества анализа рисков <p><u>На субрегиональном уровне:</u></p> <ul style="list-style-type: none"> • Рассмотреть применение таможенных транзитных систем, основанных на информационных технологиях (ИТ) для проведения мониторинга транзитно-транспортных перевозок (СПЕКА, МПК-ТРАСЕКА, международные организации) • Дальнейшее усовершенствование применения «сейф ТИР систем» в рамках региона стран-членов СПЕКА, а также разрешительной системы и регулирования квот автомобильных перевозок на двусторонней основе 	<p>Application of Information and Communications Technologies (ICT)</p> <p><u>Country level:</u></p> <ul style="list-style-type: none"> • Facilitate and simplify customs procedures through automated customs systems for higher transparency and better risk analysis <p><u>Subregional / regional level:</u></p> <ul style="list-style-type: none"> • Consider at regional level implementation of IT based customs transit systems to monitor transit transport movements • Further improvement of the implementation of “Safe TIR system” within SPECA region member countries and permit system and quota management of bilateral road transport

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8	<p><u>Формирование институциональных возможностей и развитие кадрового потенциала:</u></p> <p><u>На национальном уровне:</u></p> <ul style="list-style-type: none"> • Обеспечить доступ к действующему транспортному законодательству, таможенным кодексам, а также к таможенным правилам посредством их размещения сети «интернет» • Расширить и усовершенствовать программы обучения специалистов в сфере торговли, транспорта, таможни, а также сотрудников правоохранительных органов, уделяя особое внимание электронному образованию • Создать специальные учебные центры, действующие на коммерческой основе <p><u>На субрегиональном/региональном уровне:</u></p> <ul style="list-style-type: none"> • Поддержать меры по укреплению институциональных возможностей, направленных на выполнение положений <i>многосторонних соглашений и международных</i> <ul style="list-style-type: none"> • Предложить организацию семинаров, тренингов, софинансирование которых может быть рассмотрено Тростовым фондом ЕЭК ООН по оказанию помощи странам с переходной экономикой 	<p><u>Capacity building and human resources development:</u></p> <p><u>Country level:</u></p> <ul style="list-style-type: none"> • Provide access to all up to date transport legislation, customs code and customs rules and regulations through posting on Internet • Expand and improve professional education programmes for trade, transport, customs and law enforcement personnel, with particular attention to e-education • Establish special training centers on commercial basis <p><u>Subregional/regional level:</u></p> <ul style="list-style-type: none"> • Support capacity building measures for implementation of multilateral agreements and international conventions • Propose the organization of workshops, seminars and training courses that may be implemented through co-financing by UNECE Trust Fund for Assistance to Countries with Economies in Transition (TFACT)

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