



TRACECA Co-ordination Team

Progress Report I

01 July 2002

Report Cover Page

Project Title:	TRACECA Co-ordination TEAM	
Project Number:	01-0186	
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Date of Report: July 2002
 Reporting Period: February 2002 to June 2002
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1.-Project Synopsis

Project Title	TRACECA Co-ordination:
Project Number:	01-0186.00
Country:	Armenia, Azerbaijan, Bulgaria, Georgia, Moldova, Kazakhstan, Kyrgyzstan, Romania, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan

Project objective[s]: Promoting the Transport Corridor Europe Caucasus Asia (TRACECA) in order to develop and improve trade within the region as well as the integration into the international economic structure (access to world market).

Specific objectives: Facilitate the co-ordination of the Traceca Programme and its cohesion with other regional community-funded initiatives, other donors and improve information and communication channels via dissemination to the beneficiaries.

Planned outputs :

A Co-ordination of TRACECA-programme components and of TRACECA activities with other related programmes and community-funded initiatives are supported and supervised.

- Regular funding of Permanent Secretariat and National Commissions is ensured
- Communication network and information system is established.
- Regular annual IGC meetings and 2 PETrA steering committee meetings as scheduled.
- Regular meetings with Transport Authorities and other high level transport-related decision makers have taken place.

B On-going and scheduled TRACECA-projects are co-ordinated and future activities are programmed

- Assessments of project reports are made.
- Programming for next periods is in time and in line with EU-guidelines and rules and co-ordinated with other investors and financing institutions.

C Investment are facilitated through establishing and maintaining excellent contacts with international financing institutions and other potential investors.

- Contact to donor organisations is established and maintained

D Feasibility Study shows the past and actual competitive situation and the future prospects of the Traceca transport corridor.

- Feasibility Study is based on updated traffic data base and presents a clear image of the impacts, chances, risks and challenges of TRACECA.

E Information on Traceca activities is readily accessible and Traceca - programme is well perceived and aware beyond directly involved stakeholders and beneficiary countries.

- Until the end of the project there are two new TRACECA brochures, 1 updated TRACECA map, up to 6 posters and 7 quarterly issued magazines with about 12 pages each available and distributed among stakeholders.
- TRACECA and PETrA web-pages are redesigned and updated at least 4 times during project duration, in cases of special events there are additional updates in between.

Project activities:

Activities of core task/output number A

A1. funding and supervising the Permanent Secretary

A2. establishing project offices in Odessa and Tashkent (= mobilisation phase including staffing and equipping)

A3. organising hand-over of TRACECA co-ordination and supervision of the Permanent Secretariat to the Co-ordination Team (= mobilisation)

A4. setting-up TRACECA contact points in the beneficiary countries by appointing local experts to follow-up specific TRACECA projects (network of local experts)

A5. assisting beneficiaries in implementing the MLA, i.e. collect, assess and distribute relevant information

A6. organising meetings and working groups for TRACECA beneficiaries

A7. providing secretarial support to these meetings

A8. assist beneficiaries in the co-ordination with Black Sea PETrA contractors and activities

A9. organising two steering group meetings of the Black Sea Pan European Transport Area

Activities of core task/output number B

B1. relating with contractors, project beneficiaries and stakeholders

B2. providing information

B3. identifying critical interfaces

- B4.** political and technical embedding with stakeholders and target groups of projects
- B5.** follow-up of projects through analysis of project outputs, and reports
- B6.** advisory services for the programming of future activities
- B7.** advising the beneficiaries on the definition and financing options for new projects
- B8.** assisting in elaboration of ToR for new projects and activities in close co-operation with beneficiaries and task manager
- B9.** coordination of the projects optical fibre cable in the Caucasus

Activities of core task/output number C

- C1.** assisting beneficiaries in the co-ordination of other donors and investors in cases of transport related projects in the TRACECA-corridor
- C2.** maintaining contacts to all donor offices in the region on a regular basis
- C3.** informing IFI's representatives on actual status of activities within the overall TRACECA-programme on a regular basis
- C4.** exchanging information among (potential) donors and investors concerning on-going and scheduled activities along TRACECA corridor on a regular basis
- C5.** inviting representatives of IFI's, to attend workshops, meetings etc. carried out within TRACECA programme
- C6.** getting involved in formal and informal donor co-ordination meetings
- C7.** informing commercial operators and all interested parties about TRACECA- activities
- C7.** assistance to the national secretaries in organising regular meetings with commercial operators and interested parties in each country

Activities of core task/output number D

- D1.** ensuring regular updating of the the traffic data base via the permanent secretariat
- D2.** evaluating past, current and future socio-economic developments along TRACECA-corridor
- D3.** analysing the evolution of traffic flows along TRACECA corridors and along alternative routes (based on the updated traffic data base)
- D4.** analyse transport-related costs and benefits on the TRACECA-corridor
- D5.** benchmarking TRACECA-corridor with other corridors
- D6.** analyse impacts of the Basic Multi-Lateral Agreement as well as of the TRACECA projects

D7. developing scenarios and providing recommendations and proposing further developments

D8. presentation of the findings of the study during workshops and conferences

D9. assisting in the integration of study results in the programming of the next TRACECA - activities

Activities of core task/output number E

E1. organising the hand-over of TRACECA and Black Sea PETrA websites to the co-ordination team

E2. updating and improvement of TRACECA brochures

E3. updating of TRACECA map

E4. issuing quarterly information magazine about TRACECA activities

E5. producing and designing up to 6 posters during the contract period on actual events or request of the task manager

E6. managing the hosting of TRACECA and Black Sea PETrA websites

E7. maintaining the site technically and making sure it functions properly at all times

E8. updating the home page and reporting major TRACECA events

E9. updating the „Marco Polo“ section of articles regarding the TRACECA states area

E10. to maintain the technical library

Target groups: Cabinets of Ministers & Ministries of Transport of TRACECA Member States National Secretaries, National Commissions and General Secretary

Project starting date: November 19, 2001

Project duration: 24 months

2. Summary of the project progress since the start

2.1 Coordination of members/beneficiaries of the TRACECA Programme

New Project Offices have been set up in Odessa and Tashkent. A Network of Local Coordinators has been set up in Caucasus in Central Asia and partially in Black Sea Region. Additional Local coordinators will be appointed during summer in the Black Sea Countries.

Close contacts with National Secretaries/National Commissions have been organised in all TRACECA Member States and a monthly report scheme introduced.

The Permanent Secretariat prepared and organised a Working Group Meeting in Asghabat (February 2002), a Working Group and the Second Annual Meetings of IGC TRACECA in Tashkent (April 2002).

National Secretaries changed and new ones were appointed in Moldova and Bulgaria.

Financing support to General Secretary, National Secretaries and Permanent Secretariat has been ensured during the reporting period.

The most important topic since December 2001 was creating the most favourable conditions for the Transport of Humanitarian Goods to Afghanistan through the TRACECA Corridor. Within that framework a number of initiatives were specified and developed.

2.2 Coordination of TRACECA Projects

Close contact with Task Manager, DG AIDCO and EU-Delegations has been established, as well as with Tacis Co-ordination Units, EU Member States' Embassies and Tacis Monitoring Teams.

The Current TRACECA projects are co-ordinated and supervised. TORs for five new projects have been drafted and the tender process has started.

An additional set of future TRACECA projects is in preparation in agreement with the Action Plan approved during the Extraordinary Meeting of Tbilisi (December 2001) and special Annex approved during the 2nd IGC Annual meeting of Tashkent.

2.3 Coordination of Other Donors/Financiers/Investors/Associations

Co-operation with IFIs/Donors/Investors is established to create synergies and avoid duplication of efforts.

A meeting with Freight forwarder was organised in Frankfurt (April 2002) in order to introduce the most favourable conditions for the Transport of Humanitarian Goods to Afghanistan through the TRACECA Corridor.

2.4 Global Feasibility Study

The feasibility Study of the TRACECA Corridor is a matter of priority. Work on the Global Feasibility Study has been progressing well. The first mission of the Short term expert took place in March 2002, a second mission will take place in summer and first comprehensive report is expected in September 2002.

2.5 Dissemination

Dissemination activities have been implemented:

- new logo
- new TRACECA maps (A1 & A3),
- Quarterly magazine "TRACECA life" N 00,
- Participation in conferences/exhibitions.
- Hosting and Update of the TRACECA website

2.6 Project Management

In order to clarify the project's intervention logic during the course of this project, it was found necessary to reorganise the structure of the Coordination Team:

The Supervisor of the Permanent Secretariat is the new Team Leader, and there are two regional coordinators in Odessa (Black Sea Region) and Tashkent (Central Asia).

In addition and at the request of European Commission the financing support to National Secretaries, General Secretary and Executive Secretary has been extended till October 1st, 2002.

3. Summary of project planning for the remainder of the project

3.1 Coordination of members/beneficiaries of the TRACECA Programme

For beginning of July 2002 a TRACECA Information Meeting in Brussels with AIDCO as well as with other General Directions interested (DG RELEX, DG TREN, DG TAXUD) in TRACECA is scheduled. This will give the opportunity to brief the European Commission on the progress of the programme and the project and to discuss any specific issues raised by the European Commission. Similar meetings might be scheduled at a later stage.

This will also be assisted by initiatives for the overall TRACECA programme: TRACECA Visa, TRACECA Hotline, TRACECA Coefficient, Protocols on Sea and Road Transport. For these initiatives the Permanent Secretariat will assist in preparing proposals and co-ordinate the different approaches of the TRACECA Member States. The Co-ordination Team will give advise and assistance with streamlining the process to implementation.

Transport of Humanitarian Goods to Afghanistan through the TRACECA Corridor will continue to be one of the most important topics. Within this framework a number of initiatives will be pursued: reduction of transport costs, improvement of procedural requirements, new infrastructure.

Financing of the Permanent Secretariat and the National Secretaries will be continued until September 2002.

Co-ordination with National Secretaries will be continued.

Close contact with EU-Delegations and all other parties connected with the European Commission will be continued.

3.2 Coordination of TRACECA Projects

Current TRACECA-projects will be continuously co-ordinated and supervised. New TRACECA projects will be assisted especially in their Inception phase starting later in 2002. Detailed project description for the project pipeline will be developed so that project selection can be made later in the year 2002 and implementation start in 2003.

3.3 Coordination of Other Donors/Financiers/Investors/Associations

Close contacts and good working relationships with EBRD, WB, ADB and all other parties connected with the development of the TRACECA Corridor will be established and continued.

3.4 Global Feasibility Study

The first report on Global Feasibility Study will be available in September 2002. An up-date will be elaborated in September 2003.

3.5 Dissemination

Dissemination work will be continued. The new magazine "TRACECA life" will be published every three months. The second issue will be available beginning of July.

The layout of the new TRACECA website will be presented in a demo version during the TRACECA Information Meeting of Brussels.

The concept of the new Brochure will be presented to the Task Manager by the end of July 2002 and published by the end of September 2002. The brochure will be updated in summer 2003.

3.6 Project Management

Mr Efstathios Dalamangas will take over officially the function of Task Manager from Mr. Daniel Stroobants on July 1st, 2002.

Financing support of National Secretaries, General Secretary and Executive Secretary will be ensured until October 1st, 2002 according to Addendum N 1 approved by European Commission.

Organisation of Staff and replacement of personnel will be done according to Addendum N 2 approved by European Commission.

4. Project progress in reporting period

4.1 Main Activities TRACECA Co-ordination Team during the reporting period until June 30th, 2002.

4.1.1 General Aspects

(i) Co-operation with European Commission:

During the Tashkent Conference a new Task Manager for TRACECA within DG AIDCO was announced. This decision will become official on July 1st, 2002.

Close contact with **EU-Delegations** has been established in Tbilisi, Almaty and Kiev. Additionally, these contacts have the purpose to discuss EU strategy on transport policy or other policies of importance for the programme and also other EU sponsored projects of interest for the TRACECA programme.

Cooperation with **Tacis Co-ordination Units**: TACIS Co-ordination Units in most TRACECA countries have been contacted and met whenever possible. Their input on technical-administrative issues is invaluable.

They are also briefed on the project progress and give input to specific questions arising from that, as well as input on the National TACIS strategy.

Cooperation with **EU Member States**: The development of the TRACECA programme and the TRACECA Co-ordination Team have been presented – in accordance with the EU-Delegations – to the Member States' Embassies in Armenia, Azerbaijan, Georgia, Kazakhstan, Turkmenistan, Ukraine, Uzbekistan.

Cooperation with **Tacis Monitoring Teams**: Only in April 2002 was the new monitoring structure in the process of being firmly established. Contacts had been made beforehand where appropriate but some uncertainties concerning staffing and especially approach of the new monitoring contract prevailed. This has been settled towards the end of the reporting period and serious monitoring started shortly afterwards.

All meetings are listed in Annex 1.

(ii) Project Offices

Odessa: On request of the Ministry of Transport (Order Nr 98) the Port of Odessa provided office space free of charge on the premises of the Passenger Ferry Terminal complex. The office has only one large room and therefore some limitations concerning meetings. Office furniture and computer equipment have been tendered. Due to lengthy after-tender negotiations concerning the phrasing of the contracts the contracts could be signed only May 14 and the goods were delivered after in June.

Tashkent: After the Tashkent IGC Annual meeting, Deputy Prime Minister responsible for Transport has offered office space in the announced building. The Coordinating Team has now sufficient office facilities available and start the procurement procedures for office furniture and equipments.

4.2 TASK A: COORDINATION OF TRACECA-PROGRAMME ACTIVITIES

4.2.1 Permanent Secretariat:

Transport of Humanitarian Goods to Afghanistan through the TRACECA Corridor:
Favourable conditions for this specific transport have been developed over the last months.
Areas covered are:

- Reduced transport costs (discounts, preferential rates, exemptions from fees and duties, VAT-zero rate)
- Simplification of customs documentation and procedures
- Simplified and free-of-charge Visa
- Monitoring Teams in each TRACECA State
- Improvement of infrastructure
-

Work on TRACECA Visa, TRACECA Coefficient and TRACECA Hotline has been continued in close collaboration with the contractor Scott Wilson.

Activities concentrated on:

- Preparation and development of programme activities by group of technical experts
- Evaluation of work of technical experts
- Preparation and implementation of several meetings/conferences. This includes logistical support as well as preparation of all necessary documentation and the finalisation and distribution of those after the events.

Meetings:

Meeting with Plenipotentiaries of Rail, Road and Maritime Sector; Baku 14-15 February 2002

(Annex 2)

Working Group Meeting; Ashgabat 24-25 February 2002

National Secretaries carried on working on the most favourable conditions for the transport of humanitarian goods to transport. PS provided and documentation and the TRACECA Co-ordination Team was involved in logistical support.

(Annex 3)

Meeting with representatives of Western European forwarding companies; Frankfurt 12 April 2002

In connection with the transport of humanitarian goods through the TRACECA corridor the representatives of big forwarding companies were briefed on the latest developments in the TRACECA region. They discussed their requirements for transport facilitation and signed a declaration.

A PowerPoint Presentation was prepared by PS, Co-ordination Team and DSC and distributed as CD-Rom.

(Annex 4)

Working Group Meeting; Tashkent 23 April 2002: A comprehensive folder including not only the current documents but also the reference documentation from former periods was prepared in English and Russian.

(Annex 5)

Second Annual Meeting of IGC TRACECA; Tashkent 24-25 April 2002:

Finalisation of draft documents, organisation and logistic.

(Annex 6)

The Tashkent office of the TRACECA Co-ordination Team gave additional support to the meetings in Tashkent. The office liaised with the Permanent Secretariat and the organisation team of Uzbekistan and provided a major input especially to logistics.

According to the decision of the TRACECA Member States, a new General Secretary has been appointed during the Second Annual Meeting of IGC TRACECA: Mr TAGIROV. In addition, a new position of Executive Secretary has been adopted by the TRACECA Member States for three years.

According to the request of the representatives of the European Commission the chairmanship of IGC TRACECA (Uzbekistan) sent ToR for both positions to DG AIDCO and decision on financing support for the positions of General Secretary and Executive Secretary has been taken by the European Commission as follows :

- Financing support to General Secretary will start on June 1st, 2002 covered until October 1st, 2002 within the current project TRACECA Coordination Team.
- Financing support to Executive Secretary will start on June 15th, 2002, covered until October 1st, 2002 within the current project TRACECA Coordination Team.
- For both positions, the financing support, between October 2002 until July 2003, will be included in the future TRACECA Project "Common Legal Basis".

First meeting of the Transit Fees and Tariffs Working Group for TRACECA Railways, Seaports and Shipping Companies was held on 19-20 June in Baku (Permanent Secretariat).

This meeting was organised and funded by the Project Unified Policy on Transport Fees and Tariffs. The project in turn has received full support from IGC Permanent Secretariat.

Evaluation of work of group of technical experts:

In April 2002 an evaluation questionnaire was prepared and forwarded to all National Secretaries and TRACECA contractors working in the Permanent Secretariat . So far, not all National Secretaries have replied, but those who have commented positively on the work of the technical experts.

(Annex 7)

4.2.2. National Secretaries/National Commissions:

Regular contact with the National Secretaries and National Commissions is established. Whenever possible – and this also depends on the location of our offices – meetings are

scheduled; otherwise contact is either by email/phone and in person at least at Working Group Meetings on a regular basis.

Contacts/meeting concentrate on preparation of Working Groups and other Meetings, development of specific topics and specific projects. The TRACECA Co-ordination Team gives support with clarification, explains technical issues, tries assists with balancing different views, informs on on-going and future work.

With March 2002 a monthly report scheme on the activities of National Secretaries and National Commissions has been introduced. It took several attempts to receive these reports and quality is varying and will in some cases need to be improved. Based on the country reports a summary covering all TRACECA Member States is prepared to be forwarded to the Task Manager.

(Annex 8)

4.2.3 Local Contact Points: activities in respective countries

The network of local contact points (local experts) has been fully established in the reporting period and will approved by Task Manager beginning of July 2002.

The Local Experts fulfil several main tasks:

- close co-operation with on-going TRACECA-projects with an emphasis on investment projects
- information on projects financed either by other donors/investors or out of national budgets which complement the TRACECA programme
- information on transport policy and plans in respective countries
- logistical support to the TRACECA Coordination Team.
- translation, interpretation
- secretariat

4.2.4. Black Sea PETrA:

Activities on Black Sea PETrA have been rather basic. This is mainly due to the lack of an expression of interest of the BS PETrA countries on further development of the programme and on the role of the support office.

The Team Leader has participated in the Steering Committee Meeting on Black Sea PETrA in Bucharest (February, 2002) and the Meeting of Corridor-Secretariats in Brussels (April, 2002). At both occasions this passive development of the programme was raised. However, the chairmanship of the Steering Committee is currently being handed over from Romania. It is not yet decided to which country, but Ukraine offered to take this role. In that case it would be easier to work as a support office.

We have offered assistance with logistical support for liaising between the BS PETrA Member State, for Steering Group meetings and support on content of activities. This offer still needs to be confirmed by the Member States.

4.3 TASK B: TRACECA PROJECTS

4.3.1 Current projects

1. Feasibility Study for Rehabilitation and the Reconstruction of the Road Link between Baku, Tbilisi and Yerevan (KOCKS Consult)

Draft bidding documents for Gandja-Shemkir road and Shemkir-Gazakh road were submitted in March and April 2002.

Time extension for the contract was requested and granted until end of August 2002. This was in order to ensure finalisation of bidding documents for lots 2,3,4 and 5, including final comments of Beneficiaries and to avoid a time gap between the current project and the next project "Caucasian Highways"

2. Central Asian Road Border Crossing and Road Feasibility Study (Computer Solution)

Tender documents are ready and will be submitted to European Commission for approval. The contractor will have to provide endorsement from each country on the listing of equipment to be delivered.

3. Harmonisation of Border Crossing Procedures (SWK) The Inception Report was distributed beginning of April 2002.

The Project manager of that project is based in the Permanent Secretary in Baku and therefore was asked to contribute to some additional tasks for the Permanent Secretariat. In particular, a strong involvement in the preparation of documentation (Power Point Presentation) for the topic "Transport of Humanitarian Aid to Afghanistan" was delivered. The Project manager also participated in the Working Group Meeting in Ashgabat (February 2002) and the Working Group and Annual Meetings of IGC TRACECA in Tashkent (22-24 April 2002)

In the course of the project the consultant (SWK) has suggested a follow-up project "TRACECA Hotline" and has submitted a project fiche in the Annual Meeting of IGC in Tashkent and therefore to the European Commission.

The two regional Team leaders work closely with the offices in Tashkent and Odessa. However, the Team leader for the Black Sea region was exchanged and the contact with the new one has not yet been established.

4. Unified Policy on Transit Fees and Tariffs (SWK)

The Inception Report was distributed mid-April 2002. The Project manager of that project participated in the Working Group Meeting and Annual Meeting of IGC TRACECA in Tashkent in April 2002.

Co-operation with the TRACECA Co-ordination Team has already been established in the Inception phase of that project. Contacts will intensify when individual experts will be involved in country-specific activities.

First meeting of the Transit Fees and Tariffs Working Group for TRACECA Railways, Seaports and Shipping Companies was held on 19-20 June in Baku (Permanent Secretariat).

5. Prefeasibility Study of a New Rail Link between the Ferghana Valley, Bishkek and Kashgar (Lahmeyer)

Unfortunately, this project started with problems. It seems that the Beneficiary and the Team Leader for that project had some major difficulties. It was finally decided to change the Team Leader in order to put the project back on track. The Co-ordinator in Central Asia was tightly involved (2 missions to Bishkek, numerous phone calls with Beneficiary, Contractor, Task Manager and EU Delegation) in assisting a solution.

6. Central Asia Railways Telecommunication (ITALFER)

There were some initial problems to get the appropriate support in Turkmenistan. This has been nearly solved with the assistance of the Local Point within the TRACECA Co-ordination Team. In Kazakhstan the responsibility for Railway Communication has been moved by Decree of the Government to the State Security. The TRACECA Co-ordination Team and the EU Delegation are working on this subject.

In Uzbekistan Tera Transportation and Economic Research-US Trade and Development Agency is in the process of establishing a project on Railway Telecommunication financed by Asian Development Bank. The Co-ordinator in Central Asia is in close contact with ADB in order to ensure that any duplication of efforts can be avoided.

Meetings with the contractor are already scheduled.

7. Supply of an Optical Cable System for Communication and Signalling to the Railways of Azerbaijan, Georgia and Armenia (Siemens/Finnroad)

In February 2002 the Contractor and the Railway Signalling Companies have agreed and informed European Commission on the necessity of a time extension of 7 months and a financial contribution of the involved Railway Companies. However, this agreement still needs to be discussed and endorsed by DG AIDCO.

8. Supply of Navigational Aid Equipment

Tender was published in February 2002 but all bids were 30% over the budget. The tender was republished in May 2002. Evaluation Committee took place in June 2002 and signature of the contracts is expected by the end of August 2002. The deliveries should be started in October 2002

4.3.2 New projects:

The Co-ordination Team prepared terms of Reference for 6 new projects:

1. Common Legal Basis for Transit Transportation
2. Capacity Development for Senior Transport Officials
3. Feasibility study for the improvement of the road and rail border crossings between Moldova and Ukraine and for the upgrading of the inter-modal container terminals in Moldova and Ukraine
4. Rehabilitation of Caucasus Highways
5. Establishment of Railway Oil Logistics
6. Supply and delivery of Oil Tank Wagons

The Heads of National TRACECA Commissions signed Statement of Endorsements for all projects in February and March 2002.

The tender procedure started with pre-publication in January 2002, publication in March and April 2002, the shortlists were issued in April and May 2002 and the committee of evaluation will take place during summer. Signatures of contract are expected by the end of September 2002.

4.3.3 Project Pipeline:

The Action Plan for future projects (16 projects) was approved at the Extraordinary Meeting in Tbilisi 6 December 2001. The Action Plan was then submitted to the European Commission. A decision which projects of this list will be financed is still pending.

Further project proposals (9 projects -Annex 10) were proposed at the Annual Meeting of IGC TRACECA in Tashkent (23-25 April 2002). These additional projects concentrate on specific issues in for improving the transport infrastructure in connection with the expected increased traffic volumes due to the transport of humanitarian aid to Afghanistan along the TRACECA corridor. The first project descriptions were discussed and submitted to the European Commission. However, it will be necessary to work out a more comprehensive description (project fiches) of these projects in order to allow the decision-making authorities to decide on funding for these projects. Together with DG AIDCO new guidelines on project preparation will be established.

4.4 TASK C: CO-OPERATION WITH IFI AND OTHER POTENTIAL INVESTORS

Contacts with IFI have been established throughout the TRACECA region. These meetings cover exchange of information about the TRACECA programme in general and specific activities, approaches of the IFI and other potential donors on their regional and country-specific strategies and activities, co-ordination of specific projects where similar objectives are assumed, detailed technical co-operation in areas with co-financing and close co-operation where duplication of efforts could be assumed.

In Caucasus, a number of transport projects are already financed by EBRD (Loans to Georgian and Azeri Railways, Loan to Private investors in Poti and Batumi Ports, loan to Baku port), by World Bank (Loans to Road Departments of Armenia, Azerbaijan and Georgia, financing of the restructuring of Ministry of Transport and Communications of Georgia, loan to Railway Department of Armenia). In addition the IGC Permanent Secretariat started discussion on a Memorandum of Understanding with World Bank and Asian Development Bank in order to improve their collaboration, particularly on border crossings and trade facilitations. Similar discussions have been continued with UN ESCAP on the same basis.

In Central Asia a number of transport projects are being financed or are in preparation for implementation by EBRD, WB and Asian Development Bank.

In that region there is also a strong interest of the UN and other organisations to work on transport and logistical issues to facilitate transport of humanitarian goods to Afghanistan.

Contacts established are listed in Annex 1.

4.5 TASK D: GLOBAL FEASIBILITY STUDY

Regular up-date of traffic data base in Permanent Secretariat:

Within the Local Point in Azerbaijan – based in the Permanent Secretariat in Baku – a person is responsible for the regular up-date of the traffic database. The work is done in close co-operation with :

a) TRACECA member states to collect the most recently available data and update the traffic data base within the TRACECA website.

b) Short term expert on the Global Feasibility study to ensure mutual full information where necessary.

Specific study:

At the Working Group Meeting in Ashgabad (28 February 2002), the National Secretaries have been given a CD-Rom with explanations and form sheets for the overall up-date of the traffic database. The required information is an update of the work done within the TRACECA project "Traffic Forecasting and Feasibility Study", finalised in August 2001 (BCEOM). Due to the fact that the provision of this data is rather complicated the experts in the individual countries are still working on it.

Bulgaria, Romania and Turkey had not been included in the former project. The National Secretaries and experts of these countries have been individually (during the Annual Meeting of IGC TRACECA in Tashkent, April 2002 and later on by personal contacts) advised on the data collection and are working on their provision.

The short-term expert additionally has collected information based on interviews with forwarders and transport operators as well as on other studies/reports/documentation. As a result the economic efficiency and commercial attraction of the TRACECA Corridor should be demonstrated and proposals how to improve still existing inefficiencies should be made.

The short-term expert had a first mission in March 2002 and will organise her second mission during summer. A first report on Global feasibility Study will be available in September 2002. A summary of the existing O-D matrix base will be prepared, including visualisation of data.

4.6 TASK E: DISSEMINATION

Website:

The website will be updated on the political part, projects, recent events. For the presentation of country information links will be established with the EU site and for those countries which are not included in the EU website, links with the CIA website will be established.

The Euro sign in the logo will be changed to a normal „E“. The layout of new website will be presented to EC in a demo version during the TRACECA Information day, beginning of July 2002.

The new website will be available by end of July 2002.

Brochure:

The concept for the new brochure will be sent to the Task manager in July, 2002. The brochure will have maximum 60 pages - Size A4 – 4 colours - Binding : glued - quantity 3 000 pieces.

The final draft will be sent to the Task Manager by the end of August, the print date is foreseen by the end of September 2002.

Magazine:

The first issue of the new Magazine "TRACECA life" has been published in March 2002. This is a 12-page magazine, in English and Russian. The purpose is to inform on recent developments within the TRACECA programme and the TRACECA countries, especially for those not yet familiar with the complete information available in other media (web, brochure). The magazine will be published every 3 months. The first edition was produced in 300 copies. The second issue is foreseen beginning of July.

Map: The A3 map has been printed in March 2002 (3 000 copies), and is being distributed. The A1 map - containing much more detailed information than the A3 map - was printed in May 2002 (3 000 copies, of which 300 copies in plain format and 2700 folded to pocket size).

Other Dissemination Material: The new logo had been approved by the Task Manager in February 2002 and is now in overall use. The "corporate identity" with the use of the logo is approved by the Task Manger for utilisation in the maps, magazine, web page, and any other dissemination material still to be produced. However, at the request of the new Task Manager the Euro sign in the logo will be changed to a normal "E".

Technical library:

The technical library was up-dated in the PS.

Inception Reports of the following projects are now available on the Web page:

- Harmonisation of Border Crossing Procedures (SWK)
- Unified Policy on Transit Fees and Tariffs (SWK)

- TRACECA Coordination Team (Dornier System Consult Gmbh / Transtec SA)

- The Final Report of the project TRACECA Inter-Governmental Joint Committee for Implementation of a Basic Agreement (January 2002) was also up-loaded.

Participation in Conferences:

BSEC Minister's Conference Kiev March 4-5: Presentation of TRACECA programme.

Oil & Gas Exhibition, Tbilisi March 14-15: Presentation of TRACECA programme.

Trans Caspian Exhibition Transport & Logistic, Baku May 22-24: Presentation of TRACECA programme.

Workshop- Silk Road a way for Integration (UN ESCAP/UNDP), Astana June 6-7: Presentation of TRACECA programme.

Conference/exhibition Black sea Transport networks, Odessa June 6-7: Presentation of TRACECA programme.

Conference/Exhibition Iran Transit 2002, Teheran June 12-15: Participation to the conference.

Project Progress Report

Project title :TRACECA Coordination Team			Project number :01-0186.00				Country :TRACECA Countries				Page :					
Planning period :from 16 February to 30 June 2002			Prepared on :July 1 st , 2002				EC Consultant : Dornier System Consult Gmbh / Transtec SA									
Project objectives : Coordination of the Traceca programme and its cohesion with other regional community-funded initiatives, other donors and improve information and communication channels Via dissemination to the beneficiaries.																
No	ACTIVITIES IMPLEMENTED	TIME FRAME 2002 / Months							INPUTS							
		1	2	3	4	5	6	7	PERSONNEL EC CONSULTANT		Local experts		EQUIPMENT AND MATERIAL		OTHER	
A	Coordination of TRACECA Programme Activities		X	XXX	XXX	XXX	XXX		Planned	Utilised	Planned	Utilised	Planned	Utilised	Planned	Utilised
B	Coordination of TRACECA Projects		X	XXX	XXX	XXX	XXX		125	125	300	280	Office Equipment Tashkent Odessa	done	EU/NIS In mission Flights 4	EU/NIS In mission Flights 4
C	Contacts with Donors IFI Investors		X	XXX	XXX	XXX	XXX		120	117	525	292				
D	Global Feasibility Study		X	XXX					25	25	65	60				
E	Dissemination/Information		X	XXX	XXX	XXX	XXX		17	17	95	95			Flight 1	Flight 1
									48	57	95	95				
TOTAL									335	341	1080	822				

Resource Utilisation Report

Project title :TRACECA Coordination Team		Project number :01-0186.00		Country :TRACECA Countries		Page :1	
Planning period :from 16 February to 30 June 2002		Prepared on :July 1 st , 2002		EC Consultant : Dornier System Consult GmbH / Transtec SA			
Project objectives : Coordination of the Traceca programme and its cohesion with other regional community-funded initiatives, other donors and improve information and communication channels Via dissemination to the beneficiaries.							
RESOURCES/INPUTS	TOTAL PLANNED (m/d)	PERIOD PLANNED	PERIOD REALISED	TOTAL REALISED	AVAILABLE FOR REMAINDER		
<i>PERSONNEL / EU</i>							
<i>Long-term international experts</i>							
Team Leader	420	90	90	156	264		
Senior expert	840	180	177	256	584		
<i>Short-term international experts</i>							
Senior experts	86	17	17	23	63		
Junior experts	122	48	57	105	17		
Sub-total	1 468	335	341	540	928		
<i>LOCAL EXPERTS</i>							
Senior experts	5 380	1080	822	1 168	4 212		
<i>EQUIPMENT and MATERIAL</i>							
PC	4	4	4	4	0		
Lap Top Computer	3	3	3	3	0		
Printers	2	2	2	2	0		
Copiers	2	2	2	2	0		
Sub-total							
TOTAL							

Output Performance Report

Project title :TRACECA Coordination Team		Project number :01-0186.00	Country :TRACECA Countries	Page :1
Planning period :from 16 February to 30 June 2002		Prepared on :July 1 st , 2002	EC Consultant : Dornier System Consult Gmbh / Transtec SA	
Project objectives : Coordination of the Traceca programme and its cohesion with other regional community-funded initiatives, other donors and improve information and communication channels Via dissemination to the beneficiaries.				
Output results	Deviation original plan + or - %	Reason for deviation	Comment on constrains & assumptions	
A1 Permanent Secretariat is supervised Target Date: permanent process				
A2 Offices in Odessa and Tashkent are set up including staffing and equipping Target date: March 2002	Three months delays	Beneficiaries didn't offer appropriate office space in time.	Offices are set up. Furniture and equipment are accepted and delivered.	
A3 Hand-over of TRACECA co-ordination and supervision of the Permanent Secretariat to the Co-ordination Team Target date: 28 February 2003			Final report of project "TRACECA Intergovernmental Joint Commission" has been approved.	
A4 Setting up-of contact points in the beneficiary countries by appointing local experts Target date March 2002	Three months delays	Confusion on the procedure	All local experts are approved by Task Manager	
A5 Assist Beneficiaries in implementing the MLA, i. e. collect, assess and distribute relevant information Target date: permanent process				
A6 – A7 Working Group and Annual Meetings are organised. Target date: several during the project, Next dates: Ashgabat 25/26 February, Tashkent April				
A8 Black Sea PETrA support is implemented and working. Staff (local experts) is hired. Target date: April 2002 and permanent activity.	No activity for the time being	Position of DG TREN is not clear	All decision will be taken after the nomination of the new chairmanship .	
A9 Black Sea PETrA Steering Group meetings are prepared. Target date: to be specified	No decision for the time being	Position of DG TREN is not clear	Clarification Meeting with DG TREN is foreseen in September, 2002.	

Output Performance Report

Project title :TRACECA Coordination Team		Project number :01-0186.00	Country :TRACECA Countries	Page :2
Planning period :from 16 February to 30 June 2002		Prepared on :July 1 st , 2002	EC Consultant : Dornier System Consult Gmbh / Transtec SA	
Project objectives : Coordination of the Traceca programme and its cohesion with other regional community-funded initiatives, other donors and improve information and communication channels Via dissemination to the beneficiaries.				
Output results	Deviation original plan + or - %	Reason for deviation	Comment on constrains & assumptions	
B1 – B3 Relating with contractors, project beneficiaries and stakeholders. Information is provided. Critical interfaces identified. Target date: permanent process			See list of meetings – Annex	
B4 Political and technical embedding with stakeholders and target groups of projects. Target date: permanent process			See list of meetings – Annex	
B5 Follow-up of projects through analysis of project outputs and reports. Target date: permanent process			See list of meetings – Annex	
B6 Programming of future activities. Target date: February 2002 then permanent process				
B7 Advising Beneficiaries on definition and financing options on new projects Target date: permanent process			Action Plan and Special annex were approved by IGC TRACECA	
B8 Elaboration of ToR for new projects Target date: February 2002 and again later in project			ToRs were issued and endorsed by beneficiaries	
B9 Elaboration of Tender Documents for supply contracts. Target date: February 2002 and again later in project			Supply contracts were evaluated in June, 2002	

Output Performance Report

Project title :TRACECA Coordination Team		Project number :01-0186.00	Country :TRACECA Countries	Page :2
Planning period :from 16 February to 30 June 2002		Prepared on :July 1 st , 2002	EC Consultant : Dornier System Consult GmbH / Transtec SA	
Project objectives : Coordination of the Traceca programme and its cohesion with other regional community-funded initiatives, other donors and improve information and communication channels Via dissemination to the beneficiaries.				
Opout results	Deviation original plan + or - %	Reason for deviation	Comment on constrains & assumptions	
C1 Assisting beneficiaries in the co-ordination of other donors and investors Target date : Permanent Process			See list of meetings – Annex	
C2 Maintaining contacts to all donor offices in the region on a regular basis Target date : Permanent Process			See list of meetings – Annex	
C3 Informing IFIs representatives on actual status of activities within the overall TRACECA-programme and BS PETrA on a regular basis Target date : Permanent Process			See list of meetings – Annex	
C4 Exchanging information among (potential) donors and investors concerning on-going and scheduled activities along TRACECA-corridor and BS PETrA on a regular basis Target date : Permanent Process			See list of meetings – Annex	
C5 Inviting representatives of IFI's to attend workshops, meetings etc. carried out within the TRACECA-programme and BS PETrA Target date : Permanent Process			See list of meetings – Annex	
C6 Getting involved in formal and informal donor-co-ordination meetings Target date : Permanent Process			See list of meetings – Annex	
C7 Informing commercial operators and all interested parties about TRACECA and BS PETrA activities Target date : Permanent Process			See list of meetings – Annex Frankfurt Meeting	
C8 Assistance to the National Secretaries in organising regular meetings with commercial operators and interested parties in each country Target date : Permanent Process			Freight Forwarder meeting will be organised in each country by the end of 2002	

Output Performance Report

Project title :TRACECA Coordination Team		Project number :01-0186.00	Country :TRACECA Countries	Page :2
Planning period :from 16 February to 30 June 2002		Prepared on :July 1 st , 2002	EC Consultant : Dornier System Consult GmbH / Transtec SA	
Project objectives : Coordination of the Traceca programme and its cohesion with other regional community-funded initiatives, other donors and improve information and communication channels Via dissemination to the beneficiaries.				
Opout results	Deviation original plan + or - %	Reason for deviation	Comment on constrains & assumptions	
D1 Regular up-date of traffic data base in the Permanent Secretariat. Target date: permanent activity	Regular up-date of traffic data base is faced with difficulties concerning data acquisition	No budget has been foreseen for this issue	Cost estimate for the acquisition will be issued during the second mission of the Short term Expert in charge of the Global feasibility Study.	
D2 Evaluating past, current and future socio-economic developments along TRACECA-corridor			Second mission foreseen in July/August 2002 First report will be available in September 2002	
D3 Analysing the evolution of traffic flows along TRACECA corridor and along alternative routes Target date: permanent activity			Second mission foreseen in July/August 2002 First report will be available in September	
D4 Analyse transport-related costs and benefits on the TRACECA-corridor			Second mission foreseen in July/August 2002 First report will be available in September 2002	
D5 Benchmark TRACECA-corridor with other corridors			Second mission foreseen in July/August 2002 First report will be available in September 2002	
D6 Analyse impacts of the Basic Multi-Lateral Agreement as well as of the TRACECA-projects			Second mission foreseen in July/August 2002 First report will be available in September 2002	
D7 Develop scenarios and provide recommendations and propose further developments Target date: study proposal March 2002, study July 2002, update July 2003			Second mission foreseen in July/August 2002 First report will be available in September 2002	
D8 Presentation of findings of study during workshops and conferences. Target date: after July 2003 then permanent activity including up-dated study				
D9. assisting in the integration of study results in the programming of the next TRACECA - activities				

Output Performance Report

Project title :TRACECA Coordination Team		Project number :01-0186.00	Country :TRACECA Countries	Page :1
Planning period :from 16 February to 30 June 2002		Prepared on :July 1 st , 2002	EC Consultant : Dornier System Consult Gmbh / Transtec SA	
Project objectives : Coordination of the Traceca programme and its cohesion with other regional community-funded initiatives, other donors and improve information and communication channels Via dissemination to the beneficiaries.				
Output results	Deviation original plan + or - %	Reason for deviation	Comment on constrains & assumptions	
E1 Hand-over of TRACECA website. Target date:January 2002.			Hand-over report has been approved.	
E2 Update and improvement TRACECA brochures. Target date: June 2002 and June 2003	Three months delay	Task Manager will take over officially TRACECA Programme beginning of July, 2002.	Design of new brochure is accepted by Task manager	
E3 Updated TRACECA map. Target date: March 2002	1 month delay for the Map A1	Technical reasons (printing)	Map A1 & A3	
E4 Quarterly TRACECA magazine is published. Target date: February 2002, then every 3-months.	1 Month delay	Technical reasons (printing)	The second issue will be available beginning of July 2002.	
E5 Promotional Material is produced: Posters, logo. Target date: Permanent process			New Logo is available since February 2002. Posters are foreseen for September 2002.	
E6 Hosting and maintaining of TRACECA website. Target date: permanent activity after January 2002				
E7 – 8 Maintaining the site technically and updating of web site. Target date: regular activity from March 2002			New website format will be available by the end of July 2002	
E9 Up-date of "Marco Polo" section of articles regarding the TRACECA region. Permanent Process	No activity	No contact with "Marco Polo" Agency	New Task Manager has to decide on this issue.	
E10 Maintain technical library Target date: permanent activity				

5. Project planning for next reporting period

5.1 GENERAL ASPECTS

Co-operation with European Commission:

For beginning of July 2002 a meeting in Brussels with DG AIDCO as well as with other DGs interested in TRACECA is scheduled. This will give the opportunity to brief the European Commission on the progress of the programme and the project and to discuss any specific issues raised by the European Commission.

Close contact with EU-Delegations will be continued.

Co-operation with Tacis Monitoring Teams:

Monitoring of the Inception Phase was carried out in May and June 2002. Further monitoring activities are expected in October 2002.

Project Offices

Odessa and Tashkent offices are fully operational.

5.2 TASKS

I. TASK A: COORDINATION OF TRACECA-PROGRAMME ACTIVITIES

According to the requirements of European Commission defined in two Addenda and the appointment of a new Task Manager in date of July 1st, 2002, it is important to clarify the re-organisation of the TRACECA Coordination Team and to define clearly the roles of each key experts.

New Task Manager /

Mr E. Dalamangas informed to officially take over the function of the Task Manager from Daniel Stroobants on July 1st, 2002. All TRACECA contractors and other relevant parties will be informed officially on July 3rd.

Organisation of staff/Replacement of personnel

Mr M. Graille is the new team leader in addition to his current function as supervisor of the Permanent Secretariat.

Mr B. Roessig remains co-ordinator for Central Asia and Mr M. Schlaack will replace Mrs G. Fritz in Odessa and will be Co-ordinator for Black Sea region. Mrs G. Fritz left the project on June 30th, 2002.

The handover of Mrs Fritz to Mr. Schlaack was organised last week of June, 2002.

Definition of the roles of the Team Leader/Supervisor and Coordinators

Team Leader/Supervisor of the IGC Permanent Secretariat (Baku)

- To oversee the operational use of resources: human (team members, short terms experts, local experts) and financial (working groups, secretarial support). The Team leader will be fully responsible for the different components of the projects : Co-ordination, global feasibility studies, activities of the group of experts for further feasibility studies, dissemination of TRACECA Information, maintenance of the TRACECA website and the traffic database, organisation of meetings and working groups for the TRACECA beneficiaries.

The Team leader will report to the Task Manager on all aspects of the project including co-ordinating team members activities in the participating states.

- To assist beneficiaries of Caucasian Countries in the co-ordination of all contractors, Permanent Secretariat, National Commissions, other donors, EU commercial operators, EU Delegation of Tbilisi, National TACIS Coordinating Unit and other interested parties.
- To report directly to Ministries of Transport of Caucasian Countries on all aspects of the TRACECA projects
- To organise the draw up of Terms of Reference for various projects and activities in line with the project guidelines and the overall objectives established by the IGC.
- To ensure follow-up of ongoing projects through analysis of project outputs, evaluation of time-tables, definition of future project priorities in close collaboration with the Permanent Secretariat.
- To co-ordinate closely in Caucasus with other donors and investors involved in TRACECA activities. In particular, close contact will need to be maintained with IFIs and International Transport Organisations
- To liaise directly with all relevant recipient Caucasian country institutions to maximise the implementation of the projects and to preserve the regional character and coherence of projects.
- To ensure the continuity of the supervision of the Permanent Secretariat activities. Including supervision and assistance to the Staff of the Permanent Secretariat.
- To ensure and supervise the EU participation in the financing of the Permanent Secretariat.
- To assist the Permanent Secretariat and the General Secretary in the co-ordination of all contractors, Beneficiaries, National Commissions, other donors, EU commercial operators, and other interested parties.
- To assist the Permanent Secretariat in the preparation and the organisation of the IGC working group meetings and the IGC annual meeting.
- To ensure co-ordination and reporting of programme activity for each project and any activity linked to the TRACECA Project and the activities of the Permanent Secretariat.
- To liaise with the other regional co-ordinator for projects which cover both regions.

Coordinator / Central Asia
(Tashkent)

- To establish and to organise regional office (Tashkent) in order to ensure co-ordination with all contractors working specifically in Central Asia and all beneficiaries of Central Asia.
- To assist beneficiaries in Central Asia in the co-ordination of all contractors, National Secretaries, National Commissions, other donors, EU commercial operators, EU delegation of Almaty, National TACIS CU and other interested parties.
- To report directly to Ministries of Transport of central Asia Countries on all aspects of the projects, including co-ordinating team member activities in the participating countries
- To organise working party meetings on site for all ongoing projects with concerned and related contractors, with representatives of participating states and possibly with representatives from International Institutions or commercial partners.
- To ensure co-ordination and reporting of programme activity for each project and any activity linked to the TRACECA Project.
- To assist the Team Leader in the drawing up of Terms of Reference for new projects.
- To assist the Team Leader in the definition of future regional transport priorities in Central Asia
- To liaise with the other regional co-ordinator for projects which cover both regions.
- To review and comment on all reports issued by the contractor.
- To report directly to the Team Leader in Baku

Coordinator / Black Sea Region (BSR)
(Odessa)

- To establish and to organise regional office (Odessa) in order to ensure co-ordination with all contractors working specifically in BSR, all TRACECA beneficiaries of BSR and signatories of MLA and Memorandum on the Black Sea Pan European Transport Area (The Steering Committee).
- To assist beneficiaries in BSR in the co-ordination of all contractors, National Secretaries, National Commissions, other donors, EU commercial operators, EU delegation of Kiev, National TACIS CU and other interested parties.
- To report directly to Ministries of Transport of BSR Countries on all aspects of the projects, including co-ordinating team member activities in the participating countries
- To organise meetings and working groups for the TRACECA beneficiaries, signatories of MLA and Memorandum on the Black Sea Pan European Transport Area.

- To ensure co-ordination and reporting of programme activity for each project and any activity linked to the TRACECA Project.
- To assist the Team Leader in the drawing up of Terms of Reference for new projects.
- To assist the Team Leader in the definition of future regional transport priorities in BSR
- To liaise with the other regional co-ordinator for projects which cover both regions.
- To review and comment on all reports issued by the contractor.
- To report directly to the Team Leader in Baku

MAJOR TOPICS

Transport of Humanitarian Goods to Afghanistan through the TRACECA Corridor will continue to be the most important topic.

The following tasks within this topic will be carried out:

- Close co-operation with the World Food Programme concerning trial transports and with international forwarding companies as agreed in the meeting in Frankfurt. This will be a continuous process.
- Monitoring Groups in each TRACECA Member State are expected to be finally set up end of June 2002. Drafting of necessary Annex to Basic Agreement as agreed on the Second Annual Meeting of IGC TRACECA in Tashkent before autumn 2002.
- TRACECA Visa: Draft of new Technical Annex to Multi Lateral Agreement concerning SMGS railway bills (until August 2002).
- TRACECA Coefficient: Draft Protocol on Annex to Basic Agreement on application of a zero-rate (until August 2002). Within the TRACECA-project "Unified Policy for Transit Fees and Tariffs" a Working Group is scheduled for June 2002. This will give the necessary input to this topic.
- TRACECA Hotline: Work on a design for a "TRACECA Common Information System" will be continued with the assistance of the TRACECA-project "Harmonisation of Border Crossing Procedures" (summer 2002).

Sea Transport: Draft of action plan for implementation of the Decision on Development of Sea Transport, adopted at the Second Annual Meeting of IGC TRACECA in Tashkent. (August 2002).

Road Transport: Consultations on the draft proposal submitted by the Turkish Delegation in Tashkent will start.

Legal Working Group: This Working Group will be implemented within the project "Common Legal basis" and will assist with the work on procedures, observer status of non-TRACECA Member States and Annexes to the TRACECA Agreements.

Permanent Secretariat:

Activities will concentrate on:

- Preparation and development of programme activities (as mentioned above) by group of technical experts
- Preparation of the Project Identification Fiches, including description of quantitative elements and basic economic evaluation.
- Evaluation of work of technical experts: A full set of evaluation comments is expected in June 2002. This will give further input on future orientation of work of the technical experts.
- Preparation and implementation of several meetings/conferences. This includes logistical support as well as preparation of all necessary documentation and the finalisation and distribution of those after the events. Currently, no specific dates are scheduled.
- Financing support and administration.

National Secretaries/National Commissions:

Regular contact with the National Secretaries and National Commissions will be continued.

The monthly report scheme will be continued.

Black Sea PETrA:

Activities on Black Sea PETrA will be in line with the requests on the BS PETrA Member States and hopefully can be intensified when the new chairmanship will be established.

II. TASK B: TRACECA PROJECTS**A .Current projects**

The TRACECA Coordination Team will continue their activities concerning supervision and co-ordination of current TRACECA projects.

A. New projects:

Projects are expected to start in early autumn 2002 and the TRACECA Co-ordination Team will give full support in that phase.

B. Project Pipeline:

According to requirements of DG AIDCO an Action Plan will be developed. Projects need to be defined according to specific criteria. Project Fiches must be prepared for December 2002.

For the additional project proposals forwarded in Tashkent (Second Annual Conference of IGC TRACECA) improved project descriptions are being prepared. Since these projects concentrate on bottlenecks in the transport infrastructure necessary for transport of humanitarian goods to Afghanistan some urgency prevailing.

III. TASK C: CO-OPERATION WITH IFI AND OTHER POTENTIAL INVESTORS

Contacts with IFIs will be continued and widened. There will be continued emphasis on co-operation with those institutions working on improved conditions for transport of humanitarian goods to Afghanistan through the TRACEC Corridor.

The discussion with UN ESCAP, World Bank and Asian Development Bank on the development of a Memorandum of Understanding will be continued.

IV. TASK D: GLOBAL FEASIBILITY STUDY

Regular up-date of traffic data base in Permanent Secretariat

A first report on Global feasibility Study will be available in September 2002.

A summary of the existing O-D matrix base will be prepared, including visualisation of data.

V. TASK D: DISSEMINATION

Website: The Website will be hosted and regularly up-dated after major event.

A new design for the web page will be drafted, submitted to the Task Manager for approval in June 2002 .

Brochure: a draft will be available end of June 2002 for approval by the Task Manager. Printing is foreseen by the end of September 2002.

Magazine: The next 2 issues of the new Magazine "TRACECA life" will be published in July and October 2002 in 1 000 copies each.

Map: The A1 map will be distributed (3000 copies, of which 300 copies in plain format and 2700 folded to pocket size).

Technical library

The technical library will be up-dated continuously in the PS.

Plan of Operations for the next period

Project title :TRACECA Coordination Team				Project number :01-0186.00				Country :TRACECA Countries				Page :1								
Planning period :from 01 July to 30 November 2002				Prepared on :July 1 st , 2002				EC Consultant : Dornier System Consult Gmbh / Transtec SA												
Project objectives : Coordination of the Traceca programme and its cohesion with other regional community-funded initiatives, other donors and improve information and communication channels Via dissemination to the beneficiaries.																				
		TIME FRAME										INPUTS								
		2002 (months)										PERSONNEL		FLIGHTS		Per Diem				
No	ACTIVITIES	7		8		9		10		11		12		EC Consultant	Local experts	EU/NIS <small>Not in Mission/Mission</small>	NIS	EU	NIS	
A	Coordination of TRACECA Programme Activities	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			100	420	3	5	10	10	47
B	Coordination of TRACECA Projects	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			150	420			10	5	30
C	Contacts with Donors IFI Investors	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			75	200					
D	Global Feasibility Study	XXX												20	100	2		2		20
E	Dissemination/Information		XXX	XXX	XXX	XXX								17	100					
TOTAL													362	1 240	3	7	22	15	97	

Annex 1 :

LIST OF MEETINGS

ANNEX 1

LIST OF MEETINGS/CONTACTS WITH REPRESENTATIVES OF INTERNATIONAL ORGANISATIONS
DURING PROJECT PERIOD UNTIL 19 MAY 2002

WORLD FOOD PROGRAMME

Baku: Mr ZAHIR (Co-ordinator Azerbaijan), March 2002
Tbilisi: Mr CHARRIERE (Regional Co-ordinator for Caucasus), March 2002
Rome: Mr LOPEZ DASILVA, Mr KEUSTERS (Department Logistic and Transport), March 2002
Frankfurt: Mr LOPEZ DASILVA, Mr KEUSTERS (Department Logistic and Transport), April 2002

UN DCCP (United Nations Office for Drug Control and Crime Prevention)

Regional Office for Central Asia: Meeting with Ms DELEDDA TITCHENER and Mr MUSHUDLY

WORLD BANK:

Meetings with Mr OLLIVIER, Mr ZARNOVIESKI, Mrs MIHAILOVA, Mr SARGYSAN, March 2002 (Preparation of WB project "Legal Trade Facilitation" to avoid overlapping and create synergies between TRACECA projects and activities of WB. Preparation of WB workshop in Tbilisi April 2002)
Meeting with local representative in Baku February 2002.

Uzbekistan: Meeting with Mr PEARCE and Mr BOROVNIKOV

EBRD

Azerbaijan: Meeting with Mr BHIROV, March 2002

Armenia/Georgia: Meeting with Mr SCHRAMM, March 2002

Uzbekistan: Meeting with Ms ZAPPIA and Mr AKHUNDJANOV

Kazakhstan: Meeting with Ms ABDIMOMUNOVA

Ukraine: Meeting with Mr MARKBY, March 2002

ASIAN DEVELOPMENT BANK:

Meeting with Mrs Asa MALSTROM. (Information on ADB Activities concerning Border Crossings in Central Asia and particularly Kyrgistan and Tadjikistan. Possibility to extend this activity to Turkmenistan and Uzbekistan.) March 2002
Meeting with Mr DARJEC, Uzbekistan.

ESCAP:

Mr CABLE participated in Extraordinary Meeting in Tbilisi (December 2001) and Annual Meeting of IGC TRACECA in Tashkent (April 2002)

EU DELEGATIONS

Georgia: Meeting and phone calls with Mr HOLTZE, Mr VANTOMME and Mr DUBOST. (Briefing and Debriefing before and after Working Group Meetings, Briefing of EU Member States on TRACECA) February 2002, March 2002

Armenia

Kazakhstan: Meeting in March 2002. Co-operation regarding preparation of Tashkent Conference. Numerous phone calls.

Romania: Meeting with Mr NICULESCU, 1 March 2002

Ukraine: Several meetings with Mr JOUSTEN, Head of Delegation and Mr GOETZ, responsible for Transport. January 2002, February 2002, March 2002, April 2002, May 2002. Numerous phone calls.

EU MEMBER STATES

Briefing in Azerbaijan and Armenia in collaboration with EU Delegations, March 2002

Briefing in Georgia in agreement with EU Delegation, April 2002

Several Ambassadors respectively Representatives of Embassies of EU Member States were briefed in Kazakhstan, Turkmenistan and Uzbekistan.

Several Ambassadors respectively Representatives of Embassies of EU Member States and Phare Countries were briefed in Ukraine. January 2002 (Romania, Bulgaria), February 2002 (Spain, Netherlands), March 2002 (Italy)

TACIS CO-ORDINATION UNITS

Azerbaijan, Mr SADIKOV, Meetings in March 2002, April 2002

Armenia, March 2002

Georgia, March 2002

Turkmenistan, February 2002

Kyrgistan, February 2002

Kazakhstan, March 2002

Uzbekistan, April 2002

Ukraine (Mr ROZHKOVA), Meetings: December 2001, January 2002, February 2002, Phone Calls: approximately every 10 days

MONITORING TEAMS:

Caucasus: Meeting with local monitors Mr JIBLADZE (Georgia) and Mr ABDULLAYEV (Azerbaijan) April 2002. Meeting with EU monitors Mr PELLICCARI and Mr K LYNN, April 2002

Ukraine: Meeting with Ms ANDREIANOVA January 2002, Meeting with Mr MURAWA and Ms ANDREIANOVA April 2002, Meeting with Ms BELTE and Ms ANDREIANOVA May 2002, numerous phonecalls

Uzbekistan: Meeting with EU Monitor Mr KRIVONOSOV, April 2002.

PARTICIPATION IN CONFERENCES

Tbilisi: Oil&Gaz Exhibition: General Secretary and TRACECA Co-ordination Team: Presentation of TRACECA Programme, March 2002

Kiev: Black Sea Transport Ministers' Conference. General Secretary and TRACECA Co-ordination Team: Presentation of TRACECA Programme, March 2002

Frankfurt: Meeting with European Forwarders. Organised and implemented by TRACECA Co-ordination Team and Dornier System Consult. April 2002

Annex 2 :**PROTOCOL OF THE WORKING MEETING OF
PLENIPOTENTIARIES (TARIFF POLICY EXPERTS) OF RAILWAYS,
SEA PORTS AND SHIPPING COMPANIES IN THE TRANSPORT
CORRIDOR EUROPE-THE CAUCASUS-ASIA "TRACECA"**



**PROTOCOL
OF THE WORKING MEETING
OF PLENIPOTENTIARIES (TARIFF POLICY EXPERTS)
OF RAILWAYS, SEA PORTS AND SHIPPING COMPANIES
IN THE TRANSPORT CORRIDOR EUROPE-THE CAUCASUS-ASIA "TRACECA"**

Baku, February 14-15, 2002
Permanent Secretariat of IGC TRACECA

The Plenipotentiary Representatives of railway administrations of Azerbaijan, Georgia, Uzbekistan, Azerbaijan State Caspian Shipping Company, "UKRFERRY" Shipping Company, Aktau, Baku, Batumi Sea Trade Ports, as well as the Head Representatives and Experts of the Permanent Secretariat of IGC TRACECA (the list is attached), assembled on February 14-15, 2002 in Baku. The Meeting was initiated by the Secretary General of IGC TRACECA, in accordance with the Final Resolutions, adopted at the Extraordinary Meeting of IGC TRACECA (Tbilisi, December 12, 2001), for the purpose of raising competitiveness of the Europe-the Caucasus-Asia "TRACECA" transport corridor. The Meeting discussed coordination of tariff policy of railway and sea transport, in accordance with the agenda (attached), and

ADOPTED THE FOLLOWING DECISIONS:

1. To stimulate the joint work in the sphere of implementation of the "Basic Multilateral Agreement on International Transport in Europe-the Caucasus-Asia `transport corridor";
2. To establish a Working Group to elaborate coordinated tariff policy of railways, seaports and shipping companies in Europe-the Caucasus-Asia "TRACECA" transport corridor with participation of consultants of the TRACECA project "Unified Policy on Transit Fees and Tariffs".

3. RAILWAYS:

3.1. From 01.03.2002 to 31.12.2002 the rates on transit traffic of goods in containers, mentioned in Article 3.3, p. 3 of CIS Railways Tariff Policy on international goods traffic for 2002 freight year, via Batumi, Poti, Baku, Aktau and Turkmenbashi Ports and reverse direction, is to be defined in accordance with the rates of CIS Railways Tariff Policy on international goods traffic for 2002 freight year with additional "TRACECA Coefficient":

- **"Georgian Railway" - 0,5**
- **Azerbaijan State Railway – 0,5**
- **"Uzbekiston Temir Yullari" - 0,9**

3.2. To take into account that the rates on transit traffic of goods in containers in 31.12.2002, mentioned in Article 3.3, p. 3 of CIS Railways Tariff Policy on international goods traffic for 2002 freight year, via Batumi, Poti, Baku, Aktau and Turkmenbashi Ports and reverse direction, by "Kazakhstan Temir Zholi", Tajikistan Railway and "Ukrzaliznitse" are to be defined in accordance with CIS Railways Tariff Policy on international goods traffic for 2002 freight year, with additional "TRACECA Coefficient" respectively:

- **"Kazakhstan Temir Zholi" in the following directions:**
 - Aktau Port – Druzhba st. - 0,5**
 - Aktau Port – Beyneu st. - 0,7**
 - Aktau Port – Chengeldi st. - 0,7**

(Base: the letter from the Head of "Kazakhstan Temir Zholi" № ЦАМК-18/1017, dated from 11.02.02. Copy is attached)

- **Tajikistan Railway – 0,8;**

(Base: information from the National Secretary of Tajikistan in IGC TRACECA and the letter from the Head of Tajikistan Railway. Copy is attached)

- “Ukrzaliznitse”- **0,61 (with amendment during 1 year)**;
(Base: The Protocol of common rates coordination, dated from 11.01.02. Copy is attached)

3.3. “Georgian Railway” -

From 01.03.2002 to 31.12.2002 additional increasing direction coefficient 1,2 is to be cancelled on transit traffic of goods in containers (mentioned in Article 3.3, p. 3 of CIS Tariff Policy for 2002 freight year) with involvement of ferry crossings and shipping companies in the Caspian region;

3.4. “Turkmenemirellari” -

To take into account that from 01.03.2002 to 31.12.2002 for the rates on transit traffic of goods in containers, mentioned in Article 3.3, p. 3 of CIS Railways Tariff Policy on international goods traffic for 2002 freight year, via Baku and Turkmenbashi Ports and reverse direction, increasing coefficient 1,2 is not applied (Base: letter from the Head of “Turkmenemirellari” № 75/H-Φ, dated from 08.02.2002. Copy is attached);

4. SEA PORTS:

From 01.03.2002 to 31.12.2002 the following discounts have to be applied:

International Sea Trade Port of Baku-

For tariffs on freight operation for transit goods in containers (20 and 40 Feet) to Afghanistan – 20 %;

Batumi Sea Trade Port -

For tariffs on freight operation for transit goods in containers (20 and 40 Feet) to Afghanistan – 20 %;

Provided discounts for disbursement bills have to be included into the charter-party between ship-owner and charterer;

Aktau Sea Trade Port-

To take into account, that discounts on port dues and tariffs for trans-shipment of transit goods to Afghanistan will be applied in accordance with the legal framework, existing in Kazakhstan;

5. SHIPPING COMPANIES:

Azerbaijan State Caspian Shipping Company (CASPAR)-

From 01.03.2002 to 31.12.2002 for transportation of empty wagons, involved in humanitarian goods and construction materials traffic for Afghanistan, 50 % discount to the existing tariff is to be applied;

“Ukrferry” -

From 01.03.2002 to 31.12.2002 for transportation of empty wagons, involved in humanitarian goods and construction materials traffic for Afghanistan, 30 % discount to the existing tariff is to be applied;

6. For the purpose of competitiveness of tariffs applied in Varna-Illichevsk-Poti/Batumi ferry crossing, to recommend to PS IGC TRACECA, to request the Governments of Bulgaria, Ukraine and Georgia to prolong exemption of rail ferry boats from all port dues.

7. To take into account that representatives of Azerbaijan State Railway and “Uzbekiston Temir Yullari” responded to the letter from the Georgian Railway (№ H-139, dated from 23.01.2002, copy is attached), that the matter of application of increasing coefficients is regulated;

8. Request PS IGC TRACECA to speed up the application of VAT zero-rate on international railway traffic in TRACECA corridor.

9. Request PS IGC TRACECA to circulate periodically all data, regarding freight flows in TRACECA member-states, submitted by railways, seaports and shipping companies with proper analysis through TRACECA National Secretariat for further examination.

The given Protocol is submitted to IGC TRACECA and other involved organizations.

On behalf of Azerbaijan State Railway

On behalf of “Georgian Railway”

On behalf of “Uzbekiston Temir Yullari”

On behalf of Azerbaijan State Caspian Shipping Company

On behalf of “Ukrferry”

On behalf of Aktau Port

On behalf of Baku Port

On behalf of Batumi Port

Reservation on Item 2

Agrees with the proposal of Consultants, concerning establishing of the Working Group with its activity terms, provided that all related expenses will be covered from the budget of the relevant Project.

Mayorova L.N.

Annex 3:**RECOMMENDATIONS and DECISIONS - Asghabat - IGC Working Group Meeting (February 2002)**



Official document WG/01/02
Issued 26/02/02
Original: RUS/ENG

**INTERGOVERNMENTAL COMMISSION "TRACECA"
MEETING OF NATIONAL SECRETARIES
(WORKING GROUP)**

Ashgabat, February 25-26, 2002

RECOMMENDATIONS AND DECISIONS

All Parties of the "Basic Agreement", excluding Moldova, were represented at the meeting of National Secretaries (Working Group) of IGC TRACECA, which took place in Ashgabat, February 25-26, 2002, with a prior invitation and agreement from the Government of Turkmenistan.

This meeting involved the Chairman of IGC TRACECA, Minister of Transport and Communications of Georgia Mr. Merab Adeishvili, chairing the meeting, representatives of the European Commission Mr. P. Bortgolds, Mr. D. Guyader and Mr. D. Stroobants, as well as Mr. The Secretary General of PS IGC TRACECA, Amb. Mr. Kvatchantiradze, as Co-chairmen.

The meeting was opened by the member of the Cabinet of Ministers of Turkmenistan, the Head of "Turkmendemiryollari" Mr. B. Sarjayev, who welcomed participants on behalf of the Government of Turkmenistan.

The Heads/Representatives of diplomatic missions of Great Britain, Germany, Romania and the USA, accredited in Ashgabat, as well as representatives of UN Joint Logistics Center for the Emergency Situation in Afghanistan and UN Humanitarian Aid Supply Office.

Participants of the meeting discussed the issues, in accordance with the agenda attached (Annex 1).

The list of participants is attached (Annex 2).

**1. TRANSPORTATION OF HUMANITARIAN GOODS AND
CONSTRUCTION MATERIALS TO AFGHANISTAN**

- **Participants consider** that increase of humanitarian aid supplies for Afghanistan from the world community obliges TRACECA member-states to create the most favorable conditions for more active and efficient use of the Europe-the Caucasus-Asia "TRACECA" corridor for humanitarian goods and construction materials transported to Afghanistan. National Commissions have to undertake all efforts to fulfill concrete tasks for the final settlement of pending matters at the Annual Conference of IGC TRACECA in Tashkent.

For this purpose:

- **To consider** positive outputs of the working meetings and agreements between some transport bodies (railways, sea ports, shipping companies) in TRACECA countries under the aegis of PS IGC TRACECA for the reasons of creating most favorable conditions for humanitarian aid and reconstruction materials transported to Afghanistan, and note the

requirement to continue the work, aimed at highlighting the additional capabilities in TRACECA states for creating such kind of conditions;

- **National Secretaries** are charged with constant activity and internal organization of registration system and monitoring of humanitarian goods and reconstruction materials transported to Afghanistan.

- **Recommend** to the Heads of IGC TRACECA National Delegations (Chairmen of TRACECA National Commissions) to stimulate at the government level the introduction of registration system and monitoring of humanitarian goods and reconstruction materials transported to Afghanistan for ensuring security and safety of the goods transported;

- **Consider** expedient the study of recommendations aimed at simplification of the visa-system in TRACECA member-states for people, involved in humanitarian goods and reconstruction material transported to Afghanistan in the framework of recommendations and decisions, concerning so called "TRACECA Visa";

- **Continue** cooperation with involved organizations for reasons of attraction of humanitarian freight flows to Afghanistan and prepare appropriate information on the activity done by the member-states and PS by the next Annual Meeting of IGC TRACECA in Tashkent;

- **Request** the team of Experts of PS IGC TRACECA, as well as Consultants of the ongoing TRACECA projects to work out and produce proposals, concerning flexible and competitive conditions for humanitarian goods and construction materials transported to Afghanistan by road (combined) transport and submit for consideration by the Parties not later than April 1, 2002.

- **Execute** obligatory presentation of the IGC TRACECA initiative on Afghanistan, including "TRACECA Coefficients" during March-April 2002, on the basis of presentations, made at this meeting, at all possible levels in the Parties, involving representatives of the Government bodies, international governmental and non-governmental organizations, diplomatic missions and transport agencies. At least once a week to inform PS IGC TRACECA of the activity done in the relevant sphere;

- **Consider** in addition proposals of the Turkish National Secretary concerning the matter discussed (attached) and inform PS IGC TRACECA of results not later than April 1, 2002.

2. "TRACECA COEFFICIENT"

- **Take into account** positive outputs of the working meetings and agreements between some transport bodies (railways, sea ports, shipping companies) in TRACECA countries under the aegis of PS IGC TRACECA for the purpose of container traffic tariff policy coordination, as well as proper analysis, produced by the Team of Technical Experts of PS IGC TRACECA. For this reason, National Secretaries are charged with regular monitoring of implementation of the Protocol, signed at the working meeting of plenipotentiaries (tariff policy experts) from railways, sea ports and shipping companies in the Europe-the Caucasus-Asia (TRACECA) transport corridor. Results of this monitoring have to be regularly, once a month, submitted in written form to National Commissions and the Permanent Secretariat.

3: "TRACECA HOT LINE"

- **Request the Team of Experts** of PS IGC TRACECA, as well as Consultants of the ongoing TRACECA projects on the basis of data and proposals collected, not later than April 1, 2002 to produce project fiche with further relevant Terms of Reference for a project called "Common Information System of TRACECA member-states", to include special part for support and logistics of the common system of so called "TRACECA Hot Line". This document has to be submitted to the IGC TRACECA as a recommendation for further adoption as priority project for immediate financing.

4. "TRACECA VISA"

- In accordance with Article 9, p.4 and Article 11 of the "Basic Agreement", **PS IGC TRACECA** is charged with preparation as soon as possible of the following Draft Protocol, to be signed at the next Annual Conference of IGC TRACECA in Tashkent:

«Amendments to the Basic Agreement and adoption of its Technical Annex», regarding:

- signing by the Heads of National Delegations of "Technical Annex on International Customs Transit in TRACECA Corridor by railway transport with the use of SMGS bills".
- introduction of additional items to the Appendix 2 of "Technical Annex to the Basic Agreement on international railway transport", which has to include the following amendments:
- Applications of VAT zero-rate for services in international and transit railway communication, including transportation, freight forwarding, loading, unloading and storage.
- For 3 years after this amendment to the Technical Annex comes into force, all guarantee and deposit customs fees have to be cancelled, for international railway transit of humanitarian goods and reconstruction materials for Afghanistan.
- For 3 years after this amendment to the Technical Annex comes into force, one and two-time entry visas for representatives of legal bodies (goods-owners, operators and shipping agencies, officially involved in humanitarian good traffic) and physical persons (mechanical engineers of refrigerator sections, guides, drivers), directly escorting humanitarian good and reconstruction materials transported to Afghanistan, have to be provided free of charge in simplified regime.
- **Account the fact** that all draft documents, produced by PS IGC TRACECA for the Tashkent Conference have to be agreed on the national level, in accordance with existing procedures. Results have to be submitted to PS IGC TRACECA not later than April 15, 2002.
- **Participants of the meeting** appreciated the Government of Turkmenistan for support in organization of the meeting, their welcome and hospitality. There was also a solid request to the Chairman of IGC TRACECA and the Secretary General on behalf of representatives of the Parties – participants of the meeting to request the Government of Turkmenistan to speed up the process of joining in the "Basic Agreement".
- **The given recommendations and decisions were adopted with consensus by all Parties.**

Z. KVATCHANTIRADZE
Secretary General of
PS IGC TRACECA

Annex 4 :

DECLARATION on COOPERATION for TRANSPORTATION of HUMANITAIAN GOODS & RECONSTRUCTION MATERIALS to AFGHANISTAN - Frankfurt – Freight Forwarders Meeting (April 2002)



DECLARATION ON COOPERATION

for Transportation of Humanitarian Goods and Reconstruction Materials to Afghanistan through the Europe-Caucasus-Asia "TRACECA" International Transport Corridor

Frankfurt/ Main
April 12, 2002

Participants of the meeting, devoted to humanitarian goods and reconstruction materials transported for Afghanistan via the Europe-Caucasus-Asia "TRACECA" international transport corridor and organized in Frankfurt/Main on April 12, 2002, under the aegis of the Permanent Secretariat (PS) of the Intergovernmental Commission (IGC) TRACECA, with organizational support from Dornier SystemConsult GmbH Company, have considered and discussed the issues, in accordance with the agenda proposed

and adopted the following declaration:

- Participants support** all efforts of the World community, including United Nations Organizations (UN), EC and other international governmental and non-governmental organizations involved in the provision of humanitarian and reconstruction assistance to Afghanistan;
- Participants support** initiative and efforts of IGC TRACECA aimed at creating the most favourable conditions for humanitarian goods and reconstruction materials transported for Afghanistan via the Europe-Caucasus-Asia "TRACECA" international transport corridor;
- Participants note** that as a result of the activity of the IGC TRACECA and state-participants of the EC interstate programme "TRACECA" as more specifically through the creation and launching of a special monitoring system, the provision of special coefficients (so called "TRACECA coefficients") for basic tariff rates, the use of the Europe-Caucasus-Asia "TRACECA" international transport corridor for goods transported to Afghanistan is now more favourable;
- Participants welcome** the proposal of PS IGC TRACECA for most favourable conditions for transportation of humanitarian goods and reconstruction materials within the TRACECA corridor in transit to Afghanistan by rail, road and water, i.e. simplification of administrative procedures / common combined through rate / exemption for transit traffic from taxes, dues, fees and other payments / rebates on transportation tariffs / free of charge permits / etc.
- Participants express** however, that there is a need for the TRACECA Member States to be consistent in the application of the measures agreed in the context of TRACECA as well as further commitments to address other constraints impeding the smooth flow of goods and transport means through the corridor.
- Participants express their willingness in** close cooperation with PS IGC TRACECA to use actively the Europe-Caucasus-Asia "TRACECA" international transport corridor for humanitarian goods and reconstruction materials, transported to Afghanistan and promote cooperation with involved international organizations/agents in the relevant sphere;



-Participants note the proposition of UN WFP to organize two test shipments through the TRACECA corridor Competitiveness and reliability will be compared to the other routes. Feed-back on these operations shall be communicated and discussed with the TRACECA Member States.

-Participants note the importance of the meeting in Frankfurt and express their Interest in regular meetings with forwarders and operators under the aegis of PS IGC TRACECA for more efficient use of the Europe-Caucasus-Asia "TRACECA" international transport corridor.

-Participants urge the involved Governments and transport organizations to give all humanitarian cargo and reconstruction material shipments to Afghanistan first priority and to guarantee the good implementation and monitoring of these shipments.

Willi BETZ Germany

PANALPINA Relief Services Switzerland

CALBERSON GE France

M&M Germany

TRANSRAIL Switzerland

FERROVIASPED Germany

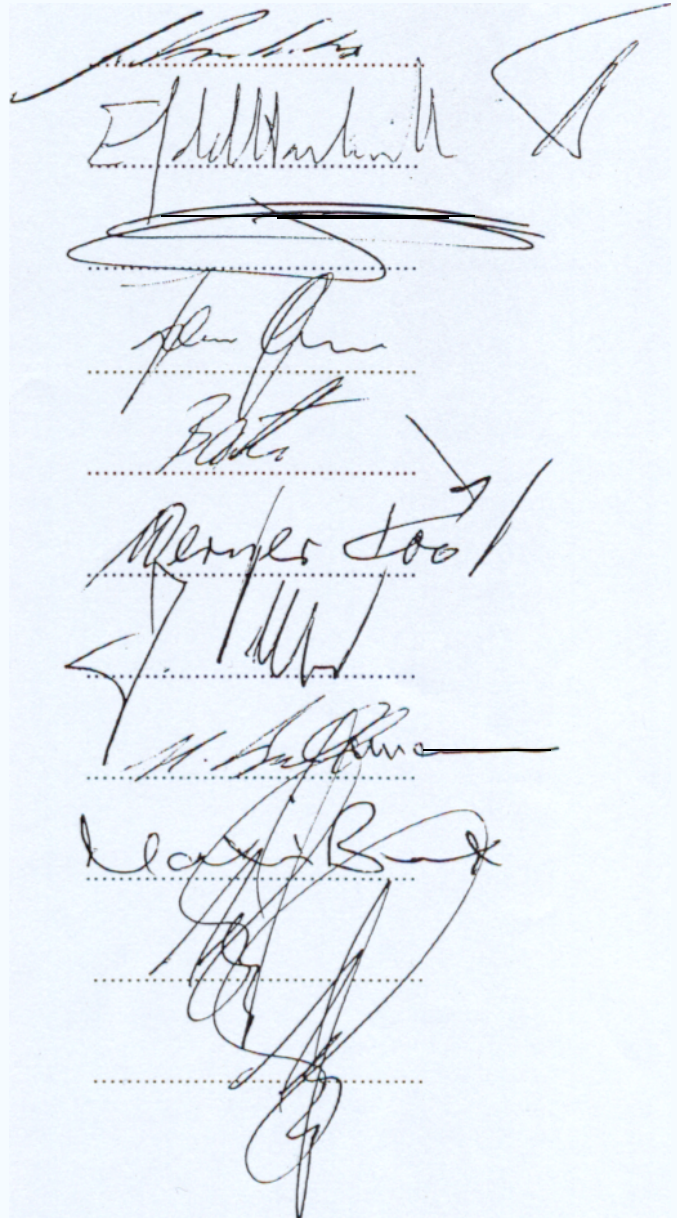
KUHNE & NAGEL Germany

BALTHASAR PAPP Germany

MURPHY Shipping UK

P&O Nedlloyd Germany

FARELL Lines Georgia



Participants-List

TRACECA – Workshop, Frankfurt April 12, 2002

”Transportation of Humanitarian Aid and Rehabilitation Material to Afghanistan through TRACECA Corridor”

Armbruster, Ernst	Willi Betz
Bartsch, Michael	Transrail AG
Dr. Both, Martin	Dornier SystemConsult GmbH
Bropst, Karl	PANALPINA Vienna
Bultmann, Heino	Balthasar Papp
Burt, Martin	Murphy Shipping
De Muyser, Isabelle	UN OCHA
Draudt, Horst	Dornier SystemConsult
Friess, Kurt	PFONL Hamburg
Fritz, Gabriela	Dornier SystemConsult
Getsadze, Giorgi	Murphy Georgia
Gühr, Klaus	Kreditanstalt für Wiederaufbau
Graille, Marc	Dornier SystemConsult
Grand d’Hauteville, Eric	Panalpina Ltd.
Grünwald, Herbert	Dornier SystemConsult
Haider, Yahya	Kühne & Nagel
Hansmann, Armin	Dornier SystemConsult
Keusters, Thomas J.	UN WFP
Laurent, Hugues	Calberson
Lopes Da Silva, Ramiro	UN WFP
Lutze, Klaus	M & M
Röder, Werner	Kühne & Nagel
Rousset, Laurent	CMN
Schnöwik, Frank	CMN, Marseille Ernst-Glässel GmbH
Stroobants, Daniel	European Commission
Trevisan, Serge	M & M



Dornier SystemConsult

Turzeladze, Vadim	Dornier SystemConsult
Vahl, Jürgen	Kühne & Nagel
Weise, Horst	Moderator

Annex 5:**RECOMMENDATIONS and DECISIONS – Tashkent – IGC Working Group Meeting (April 2002)**



**INTERGOVERNMENTAL COMMISSION "TRACECA"
FOR THE EUROPE-THE CAUCASUS-ASIA TRANSPORT CORRIDOR**

WORKING GROUP MEETING OF NATIONAL SECRETARIES

Place: "Inter-Continental" Hotel, Tashkent
Date: April 23, 2002
Duration: 10.00 – 18.00

Participants: TRACECA National Secretaries, Permanent Secretariat
and Representatives of the European Commission
Chairman: Secretary-General

1. Information from TRACECA National Commission of Uzbekistan concerning organisation of the Conference. Presentation of the list of participants and guests invited to the meeting.

New National Secretaries of Bulgaria and Azerbaijan were welcomed.
National Secretary of Moldova (and Turkmenistan) absent; National Secretary of Romania represented by Elena Toma.

European Commission (Sinigallia, Dalamangas, Borgoltz).

Permanent Secretariat represented by experts and TRACECA Co-ordination Team.

To facilitate this meeting, ECO meeting and ESCATO meeting had been re-scheduled.

2. Final discussion and recommendation of the draft agenda of the Conference.

Co-chairmanship of Azerbaijan as depository country was discussed; procedures have to be clarified by Working Group on Legal Issues when established.

2 separate meetings foreseen for 24 April afternoon were rescheduled:

- Statement of Parties of MLA in Plenary Meeting in the morning of 24 April
- Working Group for elaboration of Final Resolution and new project proposals scheduled for 24 April afternoon.

Turkey requested the formal confirmation of Bulgaria, Romania and Turkey as full Traceca Members within the 2nd IGC Conference.

With these clarifications Agenda was agreed.

3. Discussion of the draft Final Resolutions, and working out of RECOMMENDATIONS:

- Humanitarian aid and reconstruction materials, transported to Afghanistan;

Turkey suggested to enlarge the meaning of the term “re-construction” in the context of the transport of humanitarian goods and reconstruction materials to Afghanistan.

PS informed on Meeting with large forwarding companies in Frankfurt on 12 April 2002. A declaration signed at that meeting was received positively.

EU Commission recommended to make a reference to this declaration and the offered test transport by the UN/WFP in the Final Resolution.

The importance of the establishment of Monitoring Groups in each country was once again emphasised.

Article 4 “Facilitation of International Transport”, item 4 needs to be amended, including “simplified and free of charge” issue of visas, a clarification and simplification of the term “representatives”.

Several Member States need to apply national procedures for this topic – the signed Resolution could help to speed up that process.

ADOPTED with changes.

- “TRACECA Visa” and draft new Technical Annex to the Basic Agreement

On 22 April Kazakhstan has agreed in writing with the Proposal. Other countries still need to consider their position (see list).

All kinds of goods transported on the TRACECA Corridor are included.

There seem to be some uncertainty concerning the acceptance of different documents in European and Asian countries. However, the UN-ECE approach is recommended to be accepted by all countries. Information on that will be forwarded by the EU Commission.

Turkey asked to clarify if the TRACECA-Visa will be available for TRACECA-countries or for forwarders using the TRACECA-Corridor.

ADOPTED

- TRACECA Coefficient” and ways of improving competitiveness;

Whereas there is a strong link to the ongoing TRACECA-project “Unified Fees and Tariffs” preparation work on the TRACECA Coefficient should be done in parallel. A specific Working Group will be set up.

ADOPTED.

- Establishment of “TRACECA Hot Lines” in each of the state-participants:

Administrative and organizational issues for setting up the hotline still need to be clarified.

The EU Commission welcomed the principle of establishing a TRACECA information system.

ADOPTED.

- Development of sea transport

Fees in ports are highly varied – some ports have fees up to 14 times higher than the ports with the lowest fees.

It is therefore suggested to work out a unified consistent system which could promote the corridor's competitiveness.

ADOPTED with in the following revision: the wording in Article 3 of Decision on Sea Transport Development "to improve safety on sea transport and ecological sustainability of water transport,..." shall be changed to: "improvement of safety and ecological sustainability of sea transport,..."

4. Discussion of additional proposals from state-participants on the Action Plan 2002-2003. Working out of recommendations.

The discussion was hampered by the absence of the NS Uzbekistan.

It needs to be clarified how the Action Plan agreed in Tbilisi in December 2001 and the new addendum have to be correlated, especially in the light of the EU budget line for new projects of 10 MEURO.

However, there is an urgency to implement projects related to Afghanistan as soon as possible.

Projects have to be evaluated in terms of their benefit for all or only one or two TRACECA Member States.

Road Sector remains to be the least covered area by the TRACECA activities.

Institutional Strengthening: in some cases priority has to be given to physical facilitation of the project area, rather than institutional.

Further discussion is necessary.

5. Working out of recommendations for a TRACECA Summit and drafts of the Tashkent Declaration and the Final Communiqué

The Summit has to be called upon the initiative of a Member State and when the problems are identified and need urgent attention.

Annex 6:**FINAL DOCUMENTS - Tashkent – SECOND IGC ANNUAL MEETING
(April 2002)**



**2nd CONFERENCE (ANNUAL MEETING)
OF THE INTERGOVERNMENTAL COMMISSION «TRACECA»**

**2-ая КОНФЕРЕНЦИЯ (ЕЖЕГОДНОЕ ЗАСЕДАНИЕ)
МЕЖПРАВИТЕЛЬСТВЕННОЙ КОМИССИИ «ТРАСЕКА»**

**Tashkent, April 24-25, 2002
г. Ташкент, 24-25 апреля 2002 г.**

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AGENDA

DAY 1 - APRIL 24, 2002

10:00 – 11:00

OPENING OF THE 2nd CONFERENCE OF THE IGC TRACECA (ANNUAL MEETING)

1st PLENARY SESSION

Participants: Delegations of the Parties to the Basic Agreement; Representatives of the European Commission; Representatives of the PS IGC TRACECA; as well as guests, invited to the 1st opening session of the 2nd Conference of the IGC TRACECA

Chairman: Republic of Uzbekistan

Co-Chairman: European Commission

- Opening of the 2nd Conference (Annual Meeting) of the Intergovernmental Commission TRACECA by Mr. Rustam Yunusov, Deputy Prime Minister of the Republic of Uzbekistan;
- Welcome Address of H.E. Islom Karimov, the President of the Republic of Uzbekistan read by Mr. Rustam Yunusov, Deputy Prime Minister of the Republic of Uzbekistan;
- Welcome Speech by Mr. Per Brix Knudsen, Director of the Directorate A; Europe Aid Cooperation Office; European Commission;
- Statement on behalf of Depository of the Basic Agreement by Mr. Abid Sharifov, Deputy Prime Minister of the Republic of Azerbaijan;
- Welcome Speech on behalf of the UN ESCAP by Mr. Barry Cable, Director of the Transport Division of the Secretariat of UN ESCAP.

11:00 – 11:15 Coffee- break

11:15 – 13:30 2nd PLENARY SESSION

Participants: 3 members of the Delegations of the Parties to the Basic Agreement, including the Heads of Delegations, National Secretaries and one expert; Representatives of the European Commission; Representatives of the PS IGC TRACECA

- Adoption of the Agenda
- Report on the actions of the IGC-TRACECA by Mr. Merab Adeishvili, Chairman-in-Office of the IGC TRACECA, Minister of Transport and Communications of Georgia;
- Hand over to the new Chairman-in-Office;
Statement of the Republic of Uzbekistan (Chairman-in -Office)
- Reports of Parties of the Basic Agreement on the activity done on implementation of the decisions adopted earlier and recommendations within the framework of the IGC TRACECA. Statements of the Heads of Delegations of the Parties:
Republic of Armenia (Mr. Grant Beglarian);
Republic of Bulgaria (Mr. Lubomil Ivanov);

Georgia (Mr. George Nizharadze);
Republic of Kazakhstan (Mr. Kabibulla Djakupov);
Republic of Kyrgyzstan (Mr. Kubanichbek Jumaliyev)
Republic of Moldova (Mr. Anatoly Kuptsov);
Romania (Mr. Ion Shelaru);
Republic of Tajikistan (Mr. Faridun Mukhitdinov);
Republic of Turkey (Mr. Seldjuk Koshkun);
Ukraine (Mr. Oleg Petrenko);
Republic of Uzbekistan (Mr. Abdulla Khashimov)

13.30 – 14:30 Lunch

14:45 - 17:00 IGC WORKING GROUP MEETING

Topics	Participants	Key Speaker
Working Group for completion of final resolutions and new project proposals	National Secretaries / Experts	Secretary-General National Secretaries

17.00 – 17.30 Coffee- break

17:30 – 18:30 3rd PLENARY SESSION

Participants: 3 members of the Delegations of the Parties to the Basic Agreement, including the Heads of Delegations, National Secretaries and one expert; Representatives of the European Commission; Representatives of the PS IGC TRACECA

PRESENTATION OF THE RECOMMENDATIONS:

- **Recommendations on transportation of the humanitarian aid and reconstruction materials to Afghanistan;**

Recommendations, elaborated by the IGC Extraordinary Meeting (Tbilisi, December 2001) as well as by Consultants and IGC Working Group on using of the special, most favourable conditions for transport of the humanitarian aid and reconstruction materials to Afghanistan.

- **Recommendations on TRACECA VISA and adoption of the new Technical Annex to the Basic Agreement;**

Recommendations elaborated by the IGC Working Group and Consultants on introduction of simplified visa-procedures and unified transit and border crossing documents in the Parties to the Basic Agreement.

- **Recommendations on TRACECA COEFFICIENT and measures on increasing of competitive ability;**

Recommendations, elaborated by the IGC Working Group and Consultants on using of the special coefficients to the tariffs for transit transportation of containers in TRACECA.

- **Recommendations on the setting up of a TRACECA HOT LINE in each Party of the Basic Agreement;**

Recommendations, elaborated by the IGC Working Group and Consultants.

- **Recommendations on the objectives and timetable of a future DECISION on development of sea transport:**

Recommendations on the development of sea transport, elaborated by the IGC Working Group and Consultants

- **Recommendations on improvement of transit road transportations:**

Recommendations, elaborated by the IGC Working Group according the proposal of Turkey

- **Recommendations on incorporation of additional items into Final Resolutions**

19:00 – 21:00 Dinner

DAY 2 – APRIL 25, 2002

09:00 – 10:15 1st SESSION

MEETING OF THE HEADS OF DELEGATIONS OF THE PARTIES TO THE BASIC AGREEMENT

Participants: Heads of Delegations of the Parties to the Basic Agreement and of the European Commission

- Elections of the Secretary -General of the IGC TRACECA under the Chairmanship-in-Office of the Republic of Uzbekistan;
- Elections of the Executive Secretary of the Permanent Secretariat.

10:15 – 10:30 Coffee- break

10:30 – 11:30 2nd PLENARY SESSION

Participants: 3 members of the Delegations of the Parties to the Basic Agreement, including the Heads of Delegations, National Secretaries and one expert; Representatives of the European Commission; Representatives of the PS IGC TRACECA

- Adoption of the Final Resolutions and Final Communique of the 2nd Conference (Annual Meeting) of the IGC TRACECA
- Adoption of the Tashkent Declaration
- Address of the Chairman-in-Office of the IGC TRACECA

11:30 CLOSING of the 2nd Conference (Annual Meeting) of the IGC TRACECA



**2nd CONFERENCE (ANNUAL MEETING)
OF THE INTERGOVERNMENTAL COMMISSION «TRACECA»**

**2-ая КОНФЕРЕНЦИЯ (ЕЖЕГОДНОЕ ЗАСЕДАНИЕ)
МЕЖПРАВИТЕЛЬСТВЕННОЙ КОМИССИИ «ТРАСЕКА»**

**Tashkent, April 24-25, 2002
г. Ташкент, 24-25 апреля 2002 г.**

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Original: English

FINAL COMMUNIQUE

We, the Members of IGC TRACECA, participating in the Second Conference of IGC TRACECA in Tashkent would like to express the deep satisfaction with the progress achieved at the Conference, which was organised by the Government of the Republic of Uzbekistan with assistance of the European Commission.

We note with satisfaction the successful work of the IGC TRACECA during the chairmanship of Georgia and appreciate the contribution of Georgia to TRACECA program development.

We hereby confirm the new chairmanship of Intergovernmental Commission «TRACECA» to be with the Republic of Uzbekistan.

We take the decision to create the most favorable conditions for the transport of Humanitarian Aid and reconstruction material to Afghanistan via the TRACECA Transport Corridor.

We stress the necessity to develop the legal documents for the implementation of "TRACECA VISA" including unified documents for transit goods transported via TRACECA Corridor.

We support the introduction of the "TRACECA Coefficient" for Railway and Maritime Transport in order to increase the competitiveness of the TRACECA Corridor for International and Transit transport.

We adopt the concept of "TRACECA Unified Information System", development, including its special emphasis on the assistance and logistical support for the unified system of "TRACECA Hot Line".

We adopt the Decision «On Maritime Transport Development».

We welcome the confirmation of the European Union that Bulgaria, Romania and Turkey have become full members to the TRACECA programme.

We would like to congratulate Mr. Abdurashid Tagirov, who was elected as Secretary-General of the IGC TRACECA and Mr. Zviad Kvatchantiradze, who was elected as Executive Secretary of the Permanent Secretariat in Tashkent, April 25, 2002 at the 2nd Conference (Annual Meeting) of the Intergovernmental Commission «TRACECA».

We welcome the proposal of the Republic of Armenia to host the next Annual Meeting in 2003.

We approve the Tashkent Declaration.

We would like to express our profound gratitude to His Excellency the President of the Republic of Uzbekistan Islam Karimov for the Welcome Address to the participants of the 2nd Conference of the Intergovernmental Commission «TRACECA».

We express our gratitude for the perfect organization of the Second Conference of the IGC TRACECA and the cordial reception, rendered by Government and Nation of Uzbekistan.



2nd CONFERENCE (ANNUAL MEETING)
OF THE INTERGOVERNMENTAL COMMISSION «TRACECA»

2-ая КОНФЕРЕНЦИЯ (ЕЖЕГОДНОЕ ЗАСЕДАНИЕ)
МЕЖПРАВИТЕЛЬСТВЕННОЙ КОМИССИИ «ТРАСЕКА»

Tashkent, April 24-25, 2002
г. Ташкент, 24-25 апреля 2002 г.

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Original: English

DECISION ON DEVELOPMENT OF SEA TRANSPORT

The Intergovernmental Commission “TRACECA” at its 2nd Conference (Annual Meeting), held in Tashkent, in April 24-25 2002, has studied the issues on sea transport improvement on the Europe – the Caucasus – Asia Corridor regions (port dues and fees, handling operations tariffs, shipping operations rates, navigation safety, etc.) and for the purpose of increasing the competitive ability of transportations the IGC “TRACECA” **has made the following decision:**

1. To consider it expedient during the implementation of the regional TACIS-TRACECA project “Unified policy of transit fees and tariffs” to examine in detail the issues related with sea transport (port dues and fees, handling operations tariffs, shipping operations tariffs, etc.) and to work out the proposals aimed at increasing competitiveness of the sea regions of TRACECA corridor.
2. For this purpose, to establish the Working Group for improvement of sea transport operations in the Europe-the Caucasus-Asia Corridor “TRACECA” regions (further named “IGC TRACECA Working Group on Sea Transport”) under the guidance of the PS IGC TRACECA involving the plenipotentiaries of state administrations of maritime transport, port administrations, ship-owners, and railways of the Parties of Basic Agreement.
3. To charge the IGC TRACECA Working Group on Sea Transport with:
 - working out the proposals on harmonization of the sea transport tariff policies of the member-states (port dues and charges, handling operations, shipping tariffs etc.);
 - producing and submitting the draft coordinated regulation on dues and fees and charges for vessel services in TRACECA sea ports as an addendum to the Technical Annex on International Commercial Navigation to the Basic Agreement, following the “national regime” or the “the most favorable regime”;
 - submitting in cooperation with the National Secretaries TRACECA the priority project proposals, regarding improvement and proper maintenance of the member-states transport fleet, working in different parts of the Europe – the Caucasus – Asia Corridor that is the major point for continuous freight flows;
 - submitting in cooperation with the National Secretaries TRACECA the priority project proposals, regarding the improvement and modernization of navigation systems, to ensure navigation safety in the TRACECA ports of the Black and the Caspian seas;
 - in cooperation with the National Secretaries TRACECA and corresponding ministries, bodies, research organizations of the Parties of Basic Agreement analyzing the existing conceptions and development programs, in the sphere of sea industry improvement concerning sea ports and shipping companies operations in TRACECA regions, working out appropriate proposals concerning further coordination of joint work on these matters, and presenting them to the PS IGC TRACECA;
 - submitting proposals to improve safety and environmental sustainability of sea transport, in particular by strengthening administrative capacity and training of officials responsible for Flag state implementation.

4. To charge the IGC TRACECA Working Group on Sea Transport, in cooperation with the technical experts of the PS IGC TRACECA, with the study of the following issues:

- application of information systems in sea transport by using the wide-spread electronic devices of data transmission (EDE – electronic data exchange), internet, allowing to exchange necessary information between ports and shipping companies, forwarding agencies on sea routes of TRACECA, as well as the EDE application by the interested countries;
- role of shipping, agent and other enterprises and organizations as well as other adjacent modes of transport in provision with inter-modal traffic along the TRACECA ;
- environmental protection in the ports of the member-states, following previous recommendations of the EU experts;
- examination of the advanced specialized research in the sphere of sea transport and development of recommendations for their broad introduction.

5. To promote complex implementation of the Technical Annex on International Commercial Maritime Navigation to the Basic Agreement, which implies joint efforts of all involved ministries and institutions on the national level, as well as broad intergovernmental cooperation on the regional and interregional levels.

To regularly consider at the PS IGC TRACECA Working Group meetings the reports of the Working Group Head and the National Secretaries on implementation of the Technical Annex on International Commercial Maritime Navigation to the Basic Agreement.

The Decision has been adopted on the consensus of Parties of the Basic Agreement at the 2nd Conference (Annual Meeting) of the Intergovernmental Commission “TRACECA” in Tashkent, April 25, 2002.



**2nd CONFERENCE (ANNUAL MEETING)
OF THE INTERGOVERNMENTAL COMMISSION «TRACECA»**

**2-ая КОНФЕРЕНЦИЯ (ЕЖЕГОДНОЕ ЗАСЕДАНИЕ)
МЕЖПРАВИТЕЛЬСТВЕННОЙ КОМИССИИ «ТРАСЕКА»**

**Tashkent, April 24-25, 2002
г. Ташкент, 24-25 апреля 2002 г.**

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Original: English

TASHKENT DECLARATION

We, the Members of the Intergovernmental Commission "TRACECA", participating in the 2nd Conference (Annual meeting) of the Intergovernmental Commission «TRACECA» on April 24-25, 2002 in Tashkent, in pursuit of the aims and ideas of the Brussels Declaration (1993), the Basic Multilateral Agreement on International Transport for the Development of Transport Corridor Europe-Caucasus-Central Asia (1998) and the Baku Declaration (1998) expressing endeavors to facilitate commercial and economic relationships, transport and communication links in the region of Europe, Black Sea, South Caucasus, Caspian Sea and Central Asia, hereby declare:

The Transport Corridor Europe- the Caucasus- Asia "TRACECA" was established in May 1993 in Brussels by 8 Independent States and the Commission of the European Union and since then became an important component of integration in these large regions.

The TRACECA plays an important role in forming global transport systems, facilitation of bi-lateral and multilateral mutually beneficial relations, peace, security and economic progress.

The TRACECA has introduced the most favorable conditions for transportation of humanitarian aid and reconstruction materials to Afghanistan. The process of stabilization in Afghanistan opens new perspectives of enhancement of the transport corridor towards West and East.

Optimistic forecasts of development of the international trade along the TRACECA corridor by international institutions require the Parties to the Basic Agreement and the European Union to transform TRACECA into the most attractive, safe, economically efficient international transport corridor, linking Europe and Asia via South Caucasus. Current challenges and developments in the regions along the TRACECA Corridor – the "New Silk Route of the 21st Century" - require the adoption of adequate decisions at the level of Heads of the States.

We, the participants of the 2nd Conference of the IGC TRACECA, therefore address the Signatory Parties to the Basic Agreement to support the initiative of the Government of Georgia and supported by the Government of Uzbekistan on the organization of the Second TRACECA Presidential Summit in 2003.

We, therefore hereby address the European Union to support this initiative, aimed at bringing the TRACECA to a new qualitative level of its development.



2nd CONFERENCE (ANNUAL MEETING)
OF THE INTERGOVERNMENTAL COMMISSION «TRACECA»

2-ая КОНФЕРЕНЦИЯ (ЕЖЕГОДНОЕ ЗАСЕДАНИЕ)
МЕЖПРАВИТЕЛЬСТВЕННОЙ КОМИССИИ «ТРАСЕКА»

Tashkent, April 24-25, 2002
г. Ташкент, 24-25 апреля 2002 г.

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**LIST OF OFFICIAL DELEGATIONS
FROM PARTIES OF BASIC AGREEMENT,
OTHER MEMBERS OF «TRACECA» PROGRAMME
AND EUROPEAN COMMISSION**

Republic of Armenia

Grant Beglaryan	Head of Delegation, First Deputy Minister of Transport and Communications
Gagik Grigoryan	National secretary
Samvel Mkrtychyan	Head of Department for Europe, Ministry of Foreign Affairs

Azerbaijan Republic

Abid Sharifov	Head of Delegation, Deputy Prime-Minister
Akif Mustafayev	National secretary
Mikail Jafarov	Head of Transport and Communications Department, Cabinet of Ministers

Republic of Bulgaria

Lubomil Ivanov	Head of Delegation, Deputy Minister of Transport and Communications, National secretary
Stoyan Gorchivkin	Acting Charge' D'Affaires of Republic of Bulgaria in Republic of Uzbekistan
Ludmila Trenkova	State Expert of the Minister of Transport and Communications, Member of National Commission

Georgia

Merab Adeishvili	Chairman of IGC TRACECA, Head of Delegation, Minister of Transport and Communications
George Gogiashvili	National Secretary
George Nijaradze	First Deputy Minister of Transport and Communications

Republic of Kazakhstan

Kabibulla Jakupov	Head of Delegation, Deputy Minister of Transport and Communications
Yerzhan Suleimenov	National Secretary
Zhenis Kasimbek	Director of Sea Transport Department, Ministry of Transport and Communications

Republic of Kyrgyzstan

Kubanichbek Zhumaliyev	Head of Delegation, Minister of Transport and Communications
Suleiman Zakirov	National Secretary
Erkin Masadikov	General Director of State Directorate for planning and construction of main-line railways

Republic of Moldova

Anatoly Kuptsov	Head of Delegation, Minister of Transport and Communications
Veacheslav Teleman	National Secretary
Eduard Buryukov	Council Minister of Transport and Communications

Romania

Ion Celaru	Head of Delegation, State Secretary of the Ministry of Public Works and Housing
Constantine Girbea	Ambassador of Romania in Georgia and Republic of Uzbekistan
Elena Toma	Head of General Directorate for External Relations, Ministry of Public Works and Housing

Republic of Tajikistan

Faridun Muhitdinov	Head of Delegation, Deputy Prime-Minister
Solih Mouminov	National Secretary
Nusratullo Eshonjonov	Deputy Head of Tajik Railway

Republic of Turkey

Seljuk Coskun	Head of Delegation, Deputy State Secretary of the Ministry of Transport, National Secretary
Metin Kati	Head of Department for International Relations, Ministry of Transport and Communications
Mujde Ozturkmen	Expert

Republic of Uzbekistan

Rustam Yunusov	Head of Delegation, Deputy Prime-Minister
Abdulla Khashimov	National Secretary
Ochkaboy Ramatov	First Deputy Chairman of "Uzbekiston Temir Yullari"

Ukraine

Oleg Petrenko	Head of Delegation, State Secretary of the Ministry of Transport
Yuri Tertyshnik	National Secretary
Elena Medvedeva	Deputy Head of Transport Policy Department, Ministry of Transport

Turkmenistan (Member of «TRACECA» Programme)

Kurbankulu Atabayev	Deputy Head of Financial Service of "Turkmenemiryullari" (State Railways)
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European Commission

Per Brix Knudsen	Head of Delegation; Director, Directorate A; Europe Aid Co-operation Office
Dino Sinigallia	Head of Unit; Directorate A; Europe Aid Co-Operation Office
Efstathios Dalamangas	Principal Administrator; Directorate A; Europe Aid Co-operation Office; Task-Manager of TRACECA Program
Pierre Borgoltz	Principal Administrator; Unit for Caucasus and Central Asia; DG / RELEX



2nd CONFERENCE (ANNUAL MEETING)
OF THE INTERGOVERNMENTAL COMMISSION «TRACECA»

2-ая КОНФЕРЕНЦИЯ (ЕЖЕГОДНОЕ ЗАСЕДАНИЕ)
МЕЖПРАВИТЕЛЬСТВЕННОЙ КОМИССИИ «ТРАСЕКА»

Tashkent, April 24-25, 2002
г. Ташкент, 24-25 апреля 2002 г.

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Original: English

FINAL RESOLUTIONS

Intergovernmental Commission "TRACECA" at its Second Conference (Annual Meeting) held in Tashkent, Republic of Uzbekistan, on April 24-25, 2002:

- Considered report of Chairman-in-Office of the IGC TRACECA, Minister of Transport and Communication of Georgia, Mr. Merab Adeishvili;
- Considered outcomes of implemented TRACECA projects during 2000-2001 and issues of further development of the Europe - the Caucasus - Asia international transport corridor and increasing its competitiveness;
- Discussed proposals for strengthening mutual cooperation between the Parties to the Basic Agreement;
- Taken into consideration the requirement to create the most favorable conditions for humanitarian goods and reconstruction materials, transported to Afghanistan;
- and in accordance with Article 8 (items 5, 6) of the "Basic Multilateral Agreement on International Transport for Development of the Europe-the Caucasus-Asia Corridor"

ADOPTED THE FOLLOWING DECISIONS:

1. Humanitarian goods and reconstruction materials transported to Afghanistan

The increase in offers of humanitarian goods and reconstructions materials for Afghanistan from the international community urges the Parties of the Europe-Caucasus-Asia "TRACECA" international transport corridor to create the most favorable conditions for humanitarian goods and reconstruction materials transported to Afghanistan and to organize efficient monitoring to ensure their safety and security. **For these reasons it is to:**

1.1. Establish in each Party the Monitoring Groups, involving members of TRACECA National Commissions and jointly with the Permanent Secretariat of IGC TRACECA to render maximum assistance for transportation of the above-mentioned goods;

1.2. Recommend to the Parties to make the following amendment to Article 4 "Facilitation of International Transport", item 4 stipulated as follows:

" 4. For 3 years when the given amendment comes into force, the Parties have to ensure free issue of single/double entry visas for persons transporting and accompanying humanitarian goods transported to Afghanistan via the Europe-the Caucasus-Asia "TRACECA" international transport corridor"; In order to implement this, according to the Article 11 of the Basic Agreement, to instruct PS IGC TRACECA to agree with the parties and prepare the Final Protocol based upon the Addendum to the MLA for the subsequent signatory thereof by the Parties.

1.3. Support the "Declaration on Cooperation", adopted by the large freight forwarding companies in Frankfurt on 12th April, 2002 and the initiative of the UN World Food Program on test transportations of humanitarian goods and reconstruction materials to Afghanistan via TRACECA transport corridor Europe-the Caucasus-Asia. Provide for the implementation of the most favorable conditions for transportation of these goods.

1.4. Approve the recommendations of the Working Group and PS IGC TRACECA regarding the IGC TRACECA Action Plan aimed at the implementation of IGC TRACECA decision on providing most favorable conditions for transport of humanitarian aid and reconstruction materials to Afghanistan. To address to the European Commission to kindly consider the opportunity of funding of the abovementioned Action Plan.

2. Requirement to introduce “TRACECA Visa” and adopt a new Technical Annex to the Basic Agreement on simplification of customs procedures

Consider expedient to introduce on the territories of the Parties the “TRACECA Visa” system, providing for the use of unified documents for transit of goods via the Europe-Caucasus-Asia “TRACECA” transport Corridor. This measure will allow the identifying of TRACECA goods, simplifying administrative, customs and border-crossing procedures, shortening the time of goods transit and, on the other hand, ensuring the attendants of this transportation free of charge and simplified access to the territories of the Parties. **For this reasons it is to:**

2.1 Recommend to the Parties to adopt a new “Technical Annex on International Customs Transit Procedures in the TRACECA transport corridor Europe-Caucasus-Asia for goods transported by railway with SMGS bill”. (*Annex: 2 IGC / FD 3*). In order to implement this, according to the Article 11 of the Basic Agreement, to instruct PS IGC TRACECA to agree with the parties and prepare the Final Protocol based upon the Addendum to the Basic Agreement for the subsequent signatory there of by the Parties.

2.2 For implementation of Article 3, Item c) and Article 8, Item 6, p. g of the Basic Agreement, **to recommend** the Parties to make an amendment to the Article 4 “Documentation procedures” of the “Technical Annex on Customs and Documentation Procedures to the Basic Agreement”, adding the fifth item as follows:

“5. Not to apply customs, bank guarantees, financial risk insurance policies, railway guarantees for transit of goods by railway transport”. In order to implement this, according to the Article 11 of the Basic Agreement, to instruct PS IGC TRACECA to find agreement with the parties and prepare the Final Protocol based upon the Addendum to the Basic Agreement to be subsequently signed by the Parties.

3. “TRACECA Coefficients” and ways of improving competitiveness

To take into account the successful development of the initiative of the Permanent Secretariat of IGC TRACECA concerning the introduction of “TRACECA Coefficient” for railway and sea transport, as well as results of the activity done in the sphere of improvement of the tariff policy coordination to reduce international and transit transportation costs in the Europe-Caucasus-Asia “TRACECA” transport corridor:

3.1 To recommend to the Parties to make the following amendment to the Appendix 2 to “Technical Annex on International Railway Transport”:

“c) to apply VAT zero-rate on railway transport services in international and transit railway connection, including transportation, forwarding, loading/unloading and storage services”; In order to implement this, according to the Article 11 of the Basic Agreement, to instruct PS IGC TRACECA to find agreement with the parties and prepare the Final Protocol based upon the Addendum to the Basic Agreement to be subsequently signed by the Parties.

3.2 To approve establishment of a special Working Group to work out coordinated tariff policy of railways, sea ports and shipping companies in the Europe-Caucasus-Asia “TRACECA” transport corridor and charge the Permanent Secretariat with facilitation of tasks set by the Working Group.

4. “TRACECA Hot Line”

Approve the establishment of the concept for the project “TRACECA Common Information System”, which has to include a special part on support and logistics of “TRACECA Hot Line” common system, proposed by the Permanent Secretariat of IGC TRACECA, and request the European Commission to facilitate priority financing of this project.

5. Development of Sea Transport

Considered pending issues of sea transport, port charges, tariffs on freight operation, goods traffic, as well as navigation safety and environment protection, for reasons to improve competitiveness of transportations by sea transport in the Europe-the Caucasus-Asia “TRACECA” transport corridor, and adopted **“Decision on development of Sea Transport”** (*Annex: 2 IGC / FD 4*).

6. Consideration of the proposals additionally introduced on development of road transportation via TRACECA Corridor

Recommend to the Parties of the Basic Multilateral Agreement to consider the proposal of Turkey on development of road transportation via TRACECA corridor and to instruct IGC TRACECA to draft and agreed document to be subsequently adopted by the IGC TRACECA.

7. Legal Working Group within IGC TRACECA

Approve the proposal of the establishment of the Legal Working Group within IGC TRACECA with the task to elaborate Rules of Procedures for IGC TRACECA to be finally adopted on the next IGC TRACECA Conference.

8. Secretary-General of the IGC TRACECA

In accordance with Article 3 of the Statute of the Permanent Secretariat of the IGC TRACECA the members of the IGC elected Mr. Abdurashid Tagirov as Secretary-General of the IGC TRACECA.

9. Executive Secretary of the Permanent Secretariat

IGC TRACECA adopted the decision to add the Statutes of the Permanent Secretariat of the IGC TRACECA and invoked the position of Executive Secretary of the Permanent Secretariat, at the same time to eliminate the post of Deputy Secretary-General.

Members of the IGC TRACECA elected Mr. Zviad Kvatchantiradze as Executive Secretary of the Permanent Secretariat for the term of 3 years.

IGC TRACECA will determine authorities and functions of the Executive Secretary of the Permanent Secretariat, along the way, until the final approval of the Statutes of the Permanent Secretariat and the Rules of Procedures of the IGC TRACECA.

10. Next Conference (Annual Meeting) of the IGC TRACECA

In accordance with Rules of Procedure of IGC TRACECA the 2nd Conference of the IGC TRACECA recommended to summon the next IGC TRACECA Conference (Annual meeting) in Yerevan, Republic of Armenia, in 2003.

11. Approval of the Final Communiqué and the Tashkent Declaration

Adopt the Final Communiqué of the 2nd IGC TRACECA Conference (*Annex: 2 IGC / FD 5 /* and the Tashkent Declaration (*Annex: 2 IGC / FD 6*)

The Final Resolutions have been adopted on the consensus of Parties of the Basic Agreement at the 2nd Conference (Annual Meeting) of the Intergovernmental Commission "TRACECA" in Tashkent, April 25, 2002.



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Original : English

**TECHNICAL ANNEX
ON THE TRACECA INTERNATIONAL CUSTOMS TRANSIT PROCEDURES FOR THE CARRIAGE OF
GOODS BY RAIL USING THE “SMGS” RAILWAY BILL**

TO THE BASIC AGREEMENT

**Article 1
General provisions**

The provisions of this Technical Annex shall regulate the international customs transit procedures for the carriage of goods by rail in the frame of “Basic Multilateral Agreement on international transport for development of the Europe – the Caucasus – Asia corridor” using the SMGS railway bill:

- a) bilateral, between the Parties;
- b) in transit, through the territories of the Parties.

**Article 2
Definitions**

For the purpose of this Technical Annex terms have the following meaning:

- a) "international customs transit" - means a customs procedure under which goods are carried across one or more frontiers under customs controls from a customs office of departure to a customs office of destination;
- b) "SMGS Agreement" - means the Agreement on International Goods Transport by Rail, which entered into force on 01.11.1951 with changes and editions on 01.01.1998;
- c) "railway bill" - means the SMGS Railway bill subject to the Agreement on International Goods Transport by Rail; the railway bill may consist of a system of electronic exchanges of data;
- d) "competent authorities" - means the customs authority or any other authority responsible for applying of this Technical Annex;
- e) "customs office of departure" - means any customs office in a country, where an international customs transit operation begins in respect of all or part of a consignment;
- f) "customs office of destination" - means any customs office in a country, where an international customs transit operation ends in respect of all or part of a consignment;
- g) "customs office of transit" - means any customs office, through which a consignment enters or leaves the territory of a Party during an international customs transit operation;
- h) "customs payments" - means the customs duties and all other duties, taxes, fees and other charges which are collected on, or in connection with the importation or exportation of goods, but not including fees and charges limited in amount to the approximate cost of services rendered;
- i) "principal" - means a private individual or legal entity which itself or, if need be, by means of an authorized representative, manifests through a declaration designed for this purpose a willingness to carry out an international customs transit operation;

**Article 3
Objective**

The objective of this Technical Annex is to establish the TRACECA international customs transit procedure for the carriage of goods undertaken by railway transport, with usage of SMGS Railway bill.

Article 4 Scope

Each Party recognizes the SMGS Railway bill, used in accordance with the provisions of this Technical Annex, as a customs transit document.

Article 5 Modification of the railway bill

For the purposes of this Technical Annex, the railway bill may not be modified in form or content without the prior agreement of an Intergovernmental Commission "TRACECA".

Article 6 Legal value

1. A railway bill used in accordance with this Technical Annex and indemnifications measures taken by the competent authorities of a Party shall have the same legal effect in the other Parties as a railway bill used in accordance with the rules and identification measures taken by each Party's own competent authorities.
2. Finding reached by the competent authorities of the Party when inspections are carried out under this Technical Annex shall have the same probative force in the Parties as findings of each Party's own competent authorities.

Article 7 Mutual assistance

The competent authorities of the Party shall communicate to one another, insofar as their laws permit, all information available to them, which might contribute to the satisfactory application of this Technical Annex. As a result, the competent authorities shall communicate to one another all findings, documents, reports, and records of proceedings and information relating to transit operations carried out under the cover of a railway bill, and to infringements and irregularities, which have occurred in the course of or in connection with such operations.

Article 8 Control of records

1. National railway companies of each Party, if it is necessary, in accordance with the national legislation supply the competent authorities of the Parties in which they established with copies of the transport documents, which they have at their disposal.
2. National railway companies must arrange to keep the transport documents, which they have at their disposal for at least one year.

Article 9 Responsibilities

1. A national railway company which accepts goods for carriage under TRACECA international Customs transit procedures shall be a principle and shall as such be responsible to the competent authorities of the Party whose territory is entered in the course of such carriage for the proper conduct of the international Customs transit operation.
2. Where a consignment is accepted for carriage from a railway company of a third country, national railway company which takes over the consignment under international Customs transit procedures shall when that consignment enters the territory of the Parties become a principal and be responsible to the competent authorities of the Parties whose territory is entered in the course of such carriage for the proper conduct of the international Customs transit operation.

3. National railway companies of the Parties shall be jointly and strictly responsible with national railway companies referred to in paragraphs 1 and 2 to the competent authorities of the Parties for the proper conduct of International Customs transit operations entering the territories of the Parties.

4. In accordance with the responsibilities stipulated in paragraphs 1 to 3, national railway companies shall be liable for any Customs payments, which may become due as a result of an infringement or irregularity committed by national railway company in the course of or in connection with the undertaken transit operation.

Article 10 **Exemption from duties and taxes**

A national railway company responsible for the proper conduct of an international Customs transit operation in accordance with the provisions of this Technical Annex shall be exempted from Custom payments in relation to goods which:

- a) Have been destroyed as a result of force majeure or unforeseeable circumstances, duly established;
- b) Are recognized as missing for reasons deriving from their nature and characteristics, including natural wear or shrinkage under normal conditions of transport.

Article 11 **Guarantee waiver**

For the purpose of applying this Technical Annex, national railway companies of the Parties shall be exempted from the obligation to furnish a guarantee.

Article 12 **Label**

National railway companies shall ensure that when consignments are carried by rail under International Customs transit procedures in accordance with the provisions of this Technical Annex, that the Railway bill bears a special mark (stamp), a specimen of which is given in Appendix 1.

Article 13 **Amendment of the carriage contract**

If it necessary, national railway companies shall be permitted to modify a carriage contract only with prior agreement from Customs in accordance with a written statement of consignee or consignor of goods.

Article 14 **Formalities on departure**

At the start of a transport operation the railway bill shall be presented to Customs at the office of departure together with the documents required for the custom purpose of completing formalities and controls.

Article 15 **Identification measures**

As a general rule, and having regard to identification measures applied by a national railway company, Customs at the office of departure may not apply additional measures of identification.

Article 16
Waiver of Formalities at the Customs office of transit

Pursuant to this Technical Annex, simplified procedures are carried out at Customs offices of transit, active on the territories of contracting parties, i. e. representing to the customs offices of transit in these countries SMGS railway bill, which should contain all necessary information for custom purposes.
The competent authorities as documents enabling them to check the proper conduct of transit operations shall treat the transport documents provided for in article 8.

Article 17
Formalities at the Customs office of destination

In accordance with rules, acting on the territory of the Parties, SMGS railway bill should be submitted to the Customs office of destination.

The Customs office of destinations shall forthwith return the railway bill to the railway company after stamping sheet 1 and shall retain the additional copy of the freight bill.

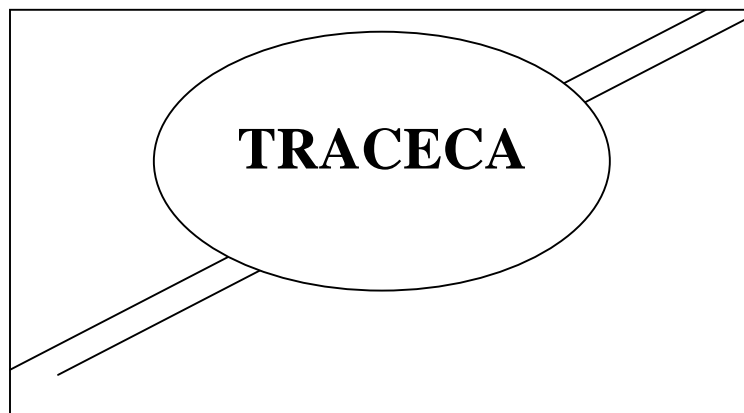
Article 18
Infringements and irregularities

Where an infringement or irregularity is committed in the course of the connection with an International Customs transit procedure, culpable persons will be held responsible to these competent authorities of the Party in the territory of which the infringement or irregularity was committed.

Article 19
Additional facilities

This Technical Annex shall not prevent the application of additional facilities which Parties grant or may wish to grant either by unilateral provisions or by virtue of bilateral or multilateral agreements provided that such facilities do not impede the application of the provisions of this Technical Annex.

An example of a mark (stamp)
(In accordance with Article 12)



size 5,0 cm X 3,0 cm

**2nd CONFERENCE (ANNUAL MEETING)
OF THE INTERGOVERNMENTAL COMMISSION «TRACECA»**



**2-ая КОНФЕРЕНЦИЯ (ЕЖЕГОДНОЕ ЗАСЕДАНИЕ)
МЕЖПРАВИТЕЛЬСТВЕННОЙ КОМИССИИ «ТРАСЕКА»**

**Tashkent, April 24-25, 2002
г. Ташкент, 24-25 апреля 2002 г.**

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Original: Russian

PRESS-RELEASE

The Second Annual Meeting of the Intergovernmental Commission “TRACECA” took place in 24-25 of April 2002 in the capital of Uzbekistan – Tashkent, “Intercontinental” Hotel. This Commission, formed in accordance with the Basic Agreement on international transport for the Europe-the Caucasus-Asia corridor development, signed in 1998 in Baku, Azerbaijan Republic.

The Deputy Prime-Minister Mr. R. Yunusov chaired the Conference. The President of Republic of Uzbekistan H.E. Islom Karimov addressed to participants with a special welcome speech. The Deputy Prime-Minister of Azerbaijan Republic Mr. Abid Sharifov made a speech on behalf of Depository of Basic Agreement.

The action involved members of IGC TRACECA – high ranking officials of Parties of Basic Agreement: Vice Prime-Ministers, Ministers of Transport, Deputy Ministries and TRACECA National Secretaries of Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Ukraine and Uzbekistan. Turkmenistan was also invited to all plenary sessions of the Conference as the member of European Union Program TRACECA. The Delegation of European Commission, which was invited to the Conference as a Co-Chairman, was headed by the Director of Europe Aid Cooperation Office Directorate “A” Mr. Per Brix Knudsen, who made a welcome speech on behalf of the European Commission. The opening ceremony also involved numerous guests, diplomatic corps representatives, accredited in Uzbekistan, and other international organizations.

Georgia, as a Chairing Party in IGC, gave a report on the activity within IGC TRACECA during the last period and transferred its authority to Uzbekistan for a 1-year period. The Minister of Transport and Communications Mr. Merab Adeishvili made this report on behalf of Georgia. The Heads of Delegations in their speeches noted successful activity of IGC TRACECA during the Georgian Chairmanship and appreciated this Party for its input for development of TRACECA Program. The Heads of Delegations (members of IGC TRACECA) gave similar reports on activity done by each Party during the reporting period.

Members of IGC TRACECA on consensus adopted a number of decisions, to be realized during the next year. Particularly, welcoming Declaration on Cooperation, signed by the Heads of large transport-forwarding companies in Frankfurt, Germany, 12 of April, 2002 and supporting intention of the UN World Food Program to promote humanitarian goods transported for Afghanistan via the Europe-the Caucasus-Asia “TRACECA” transport corridor, IGC TRACECA members decided to form special governmental monitoring groups in their countries. This action is aimed at perfecting the implementation of all previously mentioned special and most favorable conditions for humanitarian goods and reconstruction materials transported to Afghanistan through TRACECA member-states territories.

IGC stressed a requirement to elaborate legal documents to implement an earlier initiated system of “TRACECA Visa”, providing the use of unified documents for transit of goods in the TRACECA corridor. As a result, first exact recommendations were adopted on this matter. Particularly, Parties were recommended to adopt new Technical Annex to Basic Agreement «About procedures of international custom transit via TRACECA for transportation of goods by railway transport with SMGS railway-bill».

Permanent Secretariat was charged with adjustment of a final text of the Protocol on the Annex to Basic Agreement with all Parties. IGC decided to recommend to the Parties to abolish customs deposits, bank guarantees, insurance policies of financial risk and railway guarantees for goods, transported by railway.

IGC noted progress of the Permanent Secretariat initiative concerning use of so called «TRACECA Coefficients» for railway and sea transport, as well as results of the work, done in the sphere of improvement of tariff policy coordination with a purpose to improve TRACECA corridor competitiveness. The idea with «TRACECA Coefficients» for railway and sea transport was supported unconditionally. Participants recommended to apply VAT zero-rate for services in railway transport for international and transit railway transportations, including transport, freight forwarding, loading, unloading and storage. They also supported forming of a working group for working out of coordinated tariff policy of TRACECA railways, seaports and shipping companies.

The Conference approved the Concept of «TRACECA Common Information System» with a purpose to elaborate a special project, which has to include a special part concerning maintenance and logistics of «TRACECA Hot Line» common system.

They also adopted «Decision on Development of Sea Transport» and supported forming of a special working group on sea transport.

Members of IGC TRACECA agreed on requirement to promote improvement of the legal documents, regulating IGC and its Permanent Secretariat. For this purpose, they supported the idea with a legal working group, involving experts from the Parties.

The Conference welcomed confirmation from European Commission that Bulgaria, Romania and Turkey have become full members of TRACECA programme.

All speeches of IGC members stressed significant role of European Union in the sphere of development of TRACECA program in general. They appreciated European Union for this support and set their hopes on its further contribution to development of TRACECA programme.

IGC welcomed proposal of Armenia to host the next Annual Meeting of IGC TRACECA in 2003.

IGC members adopted «Tashkent Declaration», which supported initiative of Georgian Government to organize the second anniversary TRACECA Summit in 2003, as the next year will be marked with the tenth anniversary of European Union program TRACECA and the fifth anniversary of signing of Basic Agreement at the first TRACECA summit in Baku, 1998.

The Conference also took some organizational decisions that are to elect the Secretary-General of IGC TRACECA among representatives of the Chairman Party. This time, in accordance with a proposal from Uzbekistan, IGC TRACECA members elected as the Secretary-General of IGC TRACECA Mr. Abdurashid Tagirov, candidate of technical sciences, earlier taking official posts in transport field of the Republic of Uzbekistan.

To ensure succession of its activity and long-term administrative work of the Permanent Secretariat, IGC decided to invoke a new position of the Executive Secretary of the Permanent Secretariat. Mr. Zviad Kvatchantiradze, Ambassador Extraordinary and Plenipotentiary, working previously as a Secretary General of IGC TRACECA, elected as Executive Secretary of the Permanent Secretariat for a 3-year period.

IGC TRACECA adopted final resolutions and communiqué on all the matters discussed.

Annex 7:**REPORT - TEAM of TECHNICAL Experts / Permanent Secretariat of
IGC TRACECA – Baku – (April 2002)**

(For official use)

DRAFT

BRIEF REPORT
of the Team of Technical Experts
Permanent Secretariat of IGC TRACECA

(July 2001 – April 2002)

In accordance with basic provisions and the mandate of Basic Agreement, Team of Technical Experts carried out the following activity during the current period:

- To define competitiveness of the Europe-the Caucasus-Asia “TRACECA” international transport corridor, the Team collected and analyzed information. As a result, it produced comparison tables of tariffs on railway and ferry transit traffic, port dues and stevedoring in alternative routes East-West and North-South, as well as recommendations to improve competitiveness of the Europe-the Caucasus-Asia “TRACECA” transport corridor.

Later on these comparison tables with regular updates and appropriate recommendations were submitted for discussion at the meetings of National Secretaries of PS IGC TRACECA and Working Groups of tariff policy experts. As a result, appropriate decisions were adopted and protocols signed. Moreover, discounts for port and goods transit tariffs, mentioned in these decisions and protocols, for the first time were defined as “TRACECA coefficients”.

- On the basis of draft «Convention on international customs transit for transportation of goods by railway with SMGS railway bill», prepared by Economic and Social Council of UN, and in accordance with OSJD recommendations, a new draft Technical Annex to the Basic Agreement «International customs transit for transportation of goods by railway with SMGS railway bill» was elaborated.

- For reasons of improvement of sea transport sphere, defining of marketing strategy and carrying out of agreed tariff policy in TRACECA corridor, the draft «Protocol on development of sea transport» was elaborated.

- On the instructions of IGC TRACECA (see Final Recommendations of Tbilisi Extraordinary Meeting), viewing current situation in Afghanistan, proposals concerning favorable conditions for humanitarian goods and construction materials transported to Afghanistan were produced. For this purpose, with agreement from the Chairman of IGC TRACECA, “Proposal for Cooperation” was prepared and sent to all major international agencies, governmental and non-governmental organizations and forwarding companies, involved in logistics and transport of humanitarian goods and construction materials for Afghanistan.

- In accordance with proposals of National Secretaries, PS IGC TRACECA prepared TRACECA maps (A3 and A0 format), which included new railways, roads, ferry and Ro-Ro routes.

- Team of technical Experts actively participated in the issue of the first magazine «TRACECA Life».

- The Team worked out Tors and technical fiches for 23 projects, to be included in the Action Plan 2002-2003 with proposals, received from National Commissions and National Secretaries of IGC TRACECA.

- Required documents were produce for the following meetings:

1. Working Meeting of plenipotentiary representatives – experts from railways, ports and shipping companies of TRACECA states (Baku, 19-20.07, 2001);
2. Meeting of National Secretaries (Action Plan and Legal Working Groups) (Baku, 25-26.07, 2001);
3. Meeting of National Secretaries (Action Plan and Legal Working Groups) (Baku, 30-31.10, 2001);
4. Extraordinary Meeting of IGC TRACECA (Tbilisi, 11-12.12, 2001);
5. Working Meeting of plenipotentiary representatives (tariff policy experts) from railways, ports and shipping companies in TRACECA corridor (Baku, 14-15.02, 2002);
6. Meeting of National Secretaries (Working Group, Ashgabat, 25-26.02, 2002).

These meetings considered and adopted important decisions, aiming to improve competitiveness of the Europe-the Caucasus-Asia “TRACECA” transport corridor, using reduced coefficients (“TRACECA” Coefficients) for the tariff policy of CIS and Baltic states for 2001-2002. Moreover, they discussed “Hot Line”, “TRACECA Visa”, “Protocol on sea Transport”, road transport, new TRACECA maps, priority Investment and Technical Assistance projects, as well as favorable conditions for humanitarian goods and construction materials transported to Afghanistan, etc.

- The Team worked out documents for the second Annual Meeting of IGC TRACECA (Tashkent, 25-26.04, 2002).

- The Team prepared PowerPoint presentations of “TRACECA Coefficients” and “The most favorable conditions for humanitarian goods and construction materials transported to Afghanistan”, which were demonstrated at the meeting of National Secretaries of IGC TRACECA in Ashgabat (February 2002), at the meeting of the Secretary General of PS IGC TRACECA with WFP representatives in Rome (March 2002), as well as during the meeting with main donors and transport companies, organized under the aegis of PS IGC TRACECA in Frankfurt (April 2002).

- The Team of Experts actively participated in TRACECA web site updating.

- Necessary assistance was rendered to TRACECA projects “Harmonization of Border Crossing Procedures” and “Unified Policy for Transit Fees and Tariffs” to set objectives, form a database, collect required additional data and prepare documents.

Team of Technical Experts of PS IGC TRACECA

16.04.2002

Annex 8:**Monthly Reports of National Secretariats and National Commissions**

Monthly Reports of National Secretariats and National Commissions

The National Secretaries were asked (during the WG Meeting in Ashgabad 24-25 February 2002) to provide a monthly report for their work and the activities of the National Commissions in their countries.

Such reports had also been agreed in former projects (Inter-Governmental Commission for the Implementation of the Multilateral Agreement on Transport) when the network of National Secretariats and National Commissions was established. It seems that responses had already been weak at that time.

The first report was expected for March 2002 to be then followed up regularly in the first week of each month. At least English Versions were requested to be backed up by Russian Versions if so wished by the National Secretaries.

Despite several requests for these reports not all National Secretariats provided them and often only in Russian. This certainly needs to be improved in future. However, it certainly can not be concluded that those National Secretaries that did not provide their reports did not do their work to expected standard.

The topics mentioned in the reports:

1. Preparation and Participation in Meetings arranged by the Permanent Secretariat.
2. Comments on draft proposals by the Permanent Secretariat.
3. Involvement in current TRACECA projects and in preparation of future TRACECA projects.
4. Implementation of specific proposals agreed in Meetings (eg Monitoring Teams).
5. Involvement in the preparation of Legal Acts with influence on the implementation of the TRACECA programme.
6. Preparation and participation of High Level Meetings outside the framework of TRACECA but with similar aims.
7. Support to the TRACECA Co-ordination Team.

Annex 9:**TRACECA ACTION PLAN & SPECIAL ANNEX to the ACTION PLAN
2002 – 2003**

TRACECA ACTION PLAN 2002 - 2003

№	Project name & description	Duration in months	Budget in EURO
1	Development and Follow-up of the implementation of the Traceca Visa and the Traceca Freight Documentation. The general objective of the project is the follow-up of the implementation of simplified rules applicable to transport and transit, developed within the application of the Traceca Multi-lateral Agreement.	24	2 000 000
2	Regulation on the Transport of Dangerous Goods along TRACECA Corridor. The project will include feasibility study of construction of special terminals in Kazakhstan, Azerbaijan, Georgia and Ukraine and proper infrastructure for Liquid Petroleum Gas (LPG) Transportation.	24	1 500 000
3	Improvement of Central Asia Border Crossings. <i>Improvement of the conditions for transport on the most heavily trafficked section of the TRACECA corridor in Central Asia, concentrating on border crossing facilities and associated inland functions.</i>	12	3 000 000
4	Improvement of the training equipment system and training system of seafarers staff in the State Maritime Academies and Maritime Administrations according to the technical guidelines and training programs of conventions, resolutions and recommendations of International Maritime Organization (IMO) and European Conventions.	18	2 000 000
5	Feasibility study for establishment of the free trade zones in TRACECA ports.	24	2 000 000
6	Feasibility study for reconstruction of Railway Sections Jalal-Abad – Kara-Su – Andijan (79 km), Osh - Kara-Su – Andijan (72 km), Lugovaya-Bishkek-Balikchi (322 km), Aktau –Beyneu – Kungrad (700km). <i>The project is aimed at reconstruction and pre-investment study for elaboration of detailed investment plan.</i>	24	2 000 000

7	<p>Feasibility study for establishment of the rail-sea combined transport link between ports of Samsun, Poti and Batumi, Varna, Burgas, Constantza, Ilichevsk ports, including rehabilitation of links pan and construction of bogie exchange station in Samsun Port.</p> <p><i>Additionally, ferryboat lines will set up commercial links between Turkey, Bulgaria, Romania, Ukraine, Georgia, Azerbaijan, Turkmenistan, Uzbekistan, Kazakhstan, Kyrgyzstan, Armenia, Tajikistan and other CIS countries.</i></p>	12	1 500 000
8	<p>Construction of the second railway bridge over Kura river near Poylu station.</p> <p><i>The purpose of the project is the financing of the bridge construction. Access, railway materials and equipment will be furnished and installed by the State Railway of Azerbaijan.</i></p>	12	2 000 000
9	<p>FIATA – Freight Forwarders Training Courses – <i>Following the TRACECA Trade Facilitation project several countries have formed national forwarder associations and affiliated with FIATA, the international body representing Freight Forwarders. FIATA acts to harmonise documentation connected with international transport operations and to ensure appropriate use of such documents. Beneficiary states request assistance with familiarisation and training.</i></p>	24	2 000 000
10	<p>Marketing study of maritime lines with an accent on ferry links, as the major part of TRACECA corridor. Turning Varna, Burgas, Constantza and Ilyichevsk ports (TEN’s corridor) into logistic centres of TRACECA corridor with further integration to the network of European logistic centres.</p> <p><i>The project is to be proceeded by pre- feasibility study, aimed at reveal of problems, advantages and mutual benefit for TRACECA member-states.</i></p>	18	2 000 000
11	<p>(Border crossing between Ukraine and Moldova)</p> <p>The project will be identified within TRACECA Project “Feasibility Study for the improvement of the road and rail border crossings between Moldova and Ukraine” (TRACECA Project 2001)</p>	12	2 000 000
12	<p>Equipment for the multimodal terminal checkpoints in ports of Illichevsk and Poti. Harmonization of border crossings and improvement of goods control and registration procedures.</p> <p><i>This project has the aim to harmonise and increase effectiveness of Ilyichevsk and Poti ports checkpoint technologies and operations to facilitate their carrying capacity.</i></p>	12	2 000 000

13	Feasibility study for construction of highway Termez - Dushanbe- Sari Tash. <i>This construction of a new road, especially with access to the neighbour countries and the international main roads, will be the first stimulus for the development of the metal-mining industry, energy, agriculture, to promote the export and the production of these regions and also to create good conditions for development of mountain tourisms and trade.</i>	12	1 500 000
14	Feasibility studies of the re-opening of the railway link Erevan-Nachitchevan-Baku Feasibility studies of the re-opening of the railway link Samtredia-Suchumi <i>Technical feasibility study of the rail link for immediate rehabilitation and pre-investment study to produce a detailed plan of investments required to insure railway operations.</i>	12	2 000 000
15	Feasibility Study for the reconstruction/rehabilitation of the road Kundgrad (Uzbekistan) / Beyneu (Kazakhstan). <i>The project will develop technical and economic justification, including economic and technical surveys directly concerned with investments and preparation of tender documentation.</i>	12	1 500 000
16	Rehabilitation of the border crossing railway track Ayrum-Sadakhlo (12 km). Supply of Intermodal equipment for the container terminal of Gumry.	12	2 000 000
TOTAL			31 000 000

TRACECA ACTION PLAN 2002 - 2003

SPECIAL ANNEX to the ACTION PLAN 2002 – 2003

Listing of the projects proposals for the improvement of the conditions of humanitarian aid and reconstruction materials transportation to Afghanistan

№	Project name & description	Duration in months	Budget in EURO
1	Facilitation of custom procedures - equipment and systems (Proposal of Uzbekistan)	24	9 500 000
2	Rehabilitation of the Road between Samarkand and Karshi and road marking between Karshi and Termes (Proposal of Uzbekistan)	12	6 000 000
3	Procurement of equipment and preventive repair at the railway sections: Termez - Galaba (15,0 km) & Galaba - Khairaton (6,5 km) (Proposal of Uzbekistan)	12	3 000 000
4	Reconstruction of the Permanent Way Borderline Area of Mary - Serkhetabad (Turkmenistan) – Turgundi (Afghanistan) and Supply of Intermodal Equipment for the Container Terminal at Turgundi station (Afghanistan) (Proposal of Turkmenistan)	12	8 000 000
5	Participation in the road rehabilitation of the road link Atamurat (Kerki) to Imam Nazar (Border to Afghanistan) (Proposal of Turkmenistan)	12	5 000 000
6	Improvement of the border crossing facilities in Serkhetabad (Kushka) (Proposal of Turkmenistan)	12	1 500 000
7	Navigational Channel for Turkmenbashi Port (Proposal of Turkmenistan)	6	500 000
8	SUPPLY of spare parts and machinery for ferry boats (Proposal of Azerbaijan)	6	1 500 000
9	TRACECA Hot Line and Enhanced Communications Initiatives (in accordance with Recommendations and Decisions of the National Secretaries Meeting, Ashgabat, 25-26.02.2002)	24	2 000 000
TOTAL			37 000 000

1. Facilitation of custom procedures - equipment and systems

Final Recipients:

State customs Committee of the Republic of Uzbekistan

Justification and Objectives:

Customs procedures and the technical means supporting their proper use at the borders between Uzbekistan and bordering countries are still a significant obstacle to the free movement of goods between Uzbekistan and neighboring countries or through Uzbekistan as a transit country.

TRACECA project "Central Asian Road Border Crossing" is currently investigating the situation and will propose detailed solutions to alleviate this problem, including by implementing pilot physical solutions, for instance of communications systems.

In the opinion of State customs of Uzbekistan, the following elements are acutely need for customs operations to be modernized in a way that will truly facilitate regional trade:

- effective communication links between the border crossing points - the single most important factor in the successful implementation of an effective customs clearance system;
- automatic scales for weighting the lorries in transit;
- X-ray equipment for examination of lorries in transit without opening and unloading;
- Real time monitoring of network and terminal equipment;
- Training of operators in the proper use and maintenance of the equipment and the proper operation of the resulting system.

Previous TRACECA project have addressed or are addressing these issues, but as a matter of fact principle. The current project will carry pilot implementation on three, but possible only one telecommunication link, for budgetary reasons, while the demand is for eight.

For the system as a whole to be effective, a minimum volume of implementation is needed, which ought to cover all five elements above and on a sufficient scale.

As a result, the five components are proposed, to be implemented in close sequence.

Main components:

Phase №1 telecommunication links

Equipment - supply and installation

Radio relay and ancillary terminal equipment links between border crossing point and regional customs offices:

- seven (additional) sites: "Andijan - Dustlik", "Tashkent - Gishkuprik", "Termiz-Sariassiya", "Fergana-Andarkon", Tashkent-Oybek", "Termiz-Ajratam", "Samarkand-Jartepa", comprising altogether 14 terminal radio relay stations and 10 intermediary radio relay stations, and 14 G-703 interfaces to "Telrad Digital S-400", compatible with the link implemented between Bukhara and Alat;
- compatible telephony terminal equipment.

Training Maintenance of the equipment. About 2 M Euro

Phase №2: automatic scales

Equipment - supply and installation

Automatic scales for in transit lorries 5 sites (Ajratam, Andarkhon, Dustlik, Jartepa, Oybek), 2 scales for each site. Required technical parameters:

- the sizes of a cargo platform - 21,35 x 3,35 m;

- the greatest limit of weighing - 70t;

- the price of division of a scale - 10 kg;

the working range of temperatures:

- for the cargo platform 40° C +55° C

- for the electronic devices 10° C + 45° C

Training Maintenance of the equipment

Budget About 1 M Euro

Phase №3: X-ray equipment for the examination of transit lorries

Equipment - supply and installation X-ray subsystem 3 sites (Alat, Dustlik, Gishtkuprik)

Training

Maintenance of the equipment

Health and safety regulations

Budget About 3 M Euro

Phase №4: Real time monitoring of network and terminal equipment

Preparation of technical specifications Talking into account the equipment to be installed

Equipment and software - supply, installation and commissioning Central monitoring system and local systems Main switch board system "Omega"

Budget About 3 M Euro

Phase №5: Training of operators

Training

Operation of the system

Maintenance policy

Advanced uses of the equipment - further development of the system

Budget About 0,5 M Euro

Implementation schedule: 24 months
Project Budget: 9 500 000 €

2. Rehabilitation of the Road between Samarkand and Karshi and road marking between Karshi and Termes

Final Recipients and Partners :

The State Concern “Uzavtoyul”, Highway Administration of the Republic of Uzbekistan

Justification and objectives:

Humanitarian aid to people in need in Afghanistan are being provided by road transport from Uzbekistan, over the road Samarkand – Termes via Karshi to the Afghan border.

International highway Samarkand-Termez-Hairaton is one of an important road-line with length 475 km, which connected The Republic of Uzbekistan and Islamic State of Afghanistan.

The road is in principle in good order with the exception that in the mountain region between Samarkand and Karshi the pavement has to be renewed because of the increased traffic of humanitarian aid and reconstruction material to Afghanistan.

The second part of this road from Karshi to Termes is not sufficient marked or equipment with traffic signs especially in the mountain region between Guzar and Termes. This is the main reason for accidents of humanitarian aids transporting trucks during the night time.

Based on information received from the Uzavtoyul as well as from the TRACECA Co-ordinator in Uzbekistan, an improvement of this part of the TRACECA Corridor is necessary to keep this corridor to Afghanistan safe.

The beneficiary is ready to participate in the rehabilitation of the roads in same amount getting a grant from the EU Tacis TRACECA programme. This means, that with the below mentioned Euro 5 Million a total investment of Euro 10 Million will possible.

Main components:

- Assessment of necessary repairs on the road between Samarkand and Karshi and assessment of necessary road marking and road sign on the part between Karshi and Termes.
- Preparation of tender documents and tendering of the road works.
- Supply of technical equipment
- Supervision of the rehabilitation and road marking work.

Implementation schedule: 12 months

Project Budget : 6 000 000 €

3. Procurement of equipment and preventive repair at the railway sections: Termez - Galaba (15,0 km) & Galaba - Khairaton (6,5 km)

Final Recipient and Partners:

State Joint-Stock Company "Uzbekistan Temir Yullari"

Objectives:

At present direct railways traffic between Republic of Uzbekistan and Republic of Afghanistan is being established to transport goods through the border railways bridge crossing Termez - Galaba - Khairaton.

The Railway of Uzbekistan is faced with an permanent increase of humanitarian aid and reconstruction material to be transported via Termez to Hairaton in Afghanistan. The Hairaton Terminal is serving as a hub between railway and road transportation for conventional goods and containers. The technical condition of the link from Termez to Hairaton is poor.

The Terminals of Hairaton as well as the connection to the railway of the today's Uzbekistan Railway Network. was built during soviet times. Until the breakdown of the Soviet Union the railway connection was under a maintenance and repair agreement between the Hairaton Terminal Operator and the Uzbekistan Railways. This agreement is de facto still in force but due to the economical and political situation in Afghanistan only emergency repairs have been done during the last years. The result is, that the railway connection are to be renovated and major repairs are to be done not only to improve the capacity of this gate to Afghanistan but also to keep this gate open at all.

The Uzbekistan Railway is ready to take over the costs resulting out of the repair work of the railway track if the material will be supplied and financed by the EU Tacis TRACECA Programme.

For the purposes of improving the organization of transport of different types of goods, including humanitarian aid with the destination to the Republic of Afghanistan, as well as -for smooth and regular functioning of this section it is required a reliable communications and power supply systems, and also it is necessary to carry out a major overhaul of tracks and to procure one shunting locomotive.

The objective of this project is to rehabilitate tracks, to provide railway sections with the modem telecommunications facilities for information transmission and exchange, to set up data bases for the participants of the transportation process and transport flow control, as well as power supply, infrastructure maintenance, etc.

Main components:

- Assessment of the equipment needed for the rehabilitation of the railway link between Termez - Uzbekistan and Hairaton –Afghanistan
- Tendering the necessary equipment (e.g. tracks, sleeper, switches, signalling equipment etc.)
- Procurement of this equipment and supervision of the installation

Estimation of Equipment required :

- two digital automatic exchanges of 200 ports each. to be installed in Oalaba and Khairaton;
- equipment for the microwave communications link to be installed at Termez station;
- two set of equipment for transmission system IKM 30/5, to link communications centres in Termez and Tashkent;
- materials for the construction of the high voltage power supply line;
- one shunting locomotive;
- spare pans for machines and machinery;
- two mini-buses to deliver company staff from Termez to Khairaton.
- tracks, sleeper, switches

Implementation schedule: 12 months

Project Budget : 3 000 000 €

4. Reconstruction of the Permanent Way Borderline Area of Mary - Serkhetabad (Turkmenistan) – Turgundi (Afghanistan) and Supply of Intermodal Equipment for the Container Terminal at Turgundi station (Afghanistan)

Final Recipients:

Cabinet of Ministers of Turkmenistan, Railways Administration of Turkmenistan
Ministry of Transport of Afghanistan

Justification and Objectives:

In 1985-95-s this railway line was successfully operated. The daily flow of traffic in this area of the railway amounted to 2 thousand tons. Currently this area of railway communication is one of the main links between the CIS countries and Afghanistan. Due to the complicated economic situation in Afghanistan as a result of continuous wars on its territory as well as the peaceful process which has just started and the wish of many countries to provide support in its development the transport factor is acquiring great importance for the deliveries of both humanitarian goods and reconstruction materials to this region. The transport corridor Europe - Caucasus – Asia is the shortest connecting-link between the European Union and Afghanistan which in its turn envisages its operation as the main route for humanitarian goods and reconstruction materials deliveries to Afghanistan. However, the transport infrastructure in the railway area of Mary station (Turkmenistan) – Turgundi (Afghanistan) does not allow to use this shortest route to its full capacity.

The area from the station of Mari to the station of Serkhetabad like the whole railway network in Turkmenistan is not electrified. Moreover, the railway line technical condition is extremely poor. 315 km of the permanent way needs partial, planned repair and rehabilitation, 15 km of it needs to be changed, as due to materials depreciation and traffic safety provision the speed restriction in this area makes 20-30 km/hour. The wooden sleepers should be changed for ferroconcrete ones and the existing railing of R43 type for the stronger ones of R65 type.

The urban type settlement of Serkhetabad is situated in the southeastern part of Turkmenistan on the border with Afghanistan. The station of Kushka (renamed in 2001 into Serkhetabad like the settlement of the same name) was built in 1898. There are seven station railway tracks (two main tracks and five receiving-departure ones) at the station of the total extension of 5,878 km, 1,176 km being laid with the rails of R43 type on the wooden sleepers. In the first place the wooden sleepers should be fully changed for ferroconcrete ones and the rails – for the R65 type in this area, i.e. there is urgent need in major repairs. The current repairs of other station areas need as well to be performed.

The border between Turkmenistan and Afghanistan extends along the southern final section of the 255 m railway-motor ferroconcrete bridge across the river Kushka built in 1977. The bridge needs partial reconstruction as the supporting piles on its western side under the railway flooring deeply cracked which resulted in speed restriction of 20 km/hour on the bridge. The permanent way on the bridge to the terminal Turgundi is in critical situation and does not meet traffic safety requirements. The wagons derailment has lately become quite often. Total rehabilitation of the permanent way is required. The wooden sleepers are to be changed for ferroconcrete ones and the rails – to the stronger ones of the R65 type.

The station and terminal Turgundi (Afghanistan) are located 100 km to the north from the town of Herat and 7 km to the south from the station of Serkhetabad. The terminal was built by the Ministry of Defense of the USSR in the early 80-s and was used for military purposes only. The approximate area of the terminal makes 300 thousand square m. There are

administrative buildings and supporting constructions on its territory. The terminal has two entries: railway and motor; three closed storages and three covered platforms of the total area of 40 thousand square meters. Currently due to the lack of any technical devices and the fact that the work is done manually there can be unloaded only 6-8 wagons a day at the most. The terminal is equipped with two container platforms having local railways and a car park. Two frame cranes commissioned in the 80-s are unserviceable. Moreover the diesel generator is out of operation and there are no handling facilities at the terminal. The permanent way top layer condition is quite unsatisfactory which will demand its major repairs with rails and sleepers to be changed for the types mentioned above.

General objectives of this project will consist in reconstruction of transport infrastructure on the borderlines between Turkmenistan and Afghanistan.

Main components:

1. The main components for the 15 km section of railway line of Mary – Serkhetabad (Turkmenistan) and 1,176 km railways at Serkhetabad station reconstruction should provide necessary materials to renew the permanent way:

- R65 Railing
- Ferroconcrete sleepers
- Interior packing

2. Supply of necessary reconstruction materials for 2 km railway section substitution from bridge to Turgundi station, 12,013 km railway sections thorough repairs at Turgundi station and study of technical condition of the bridge to determine necessary rehabilitation works:

- R65 Railing
- Ferroconcrete sleepers
- Interior packing
- Necessary materials for bridge repairing

3. Necessary intermodal equipment for the container terminal at the station of Turgundi will consist in the following:

- 1 Bridge crane of 40 tons carrying capacity
- 1 Bridge crane of 20 tons carrying capacity
- 2 Generator diesels
- 1 Stacker
- 8 Fork automatic lifts
- 2 Fork automatic lifts for empty containers
- 4 Spreaders
- 8 Chassis
- 2 Terminal tractors
- 1 Diesel locomotive for shunting

Implementation schedule	12 months
Project budget	
Intermodal equipment	2 000 000 €
Materials for rehabilitation of the permanent way	5 600 000 €
Materials for bridge repairing	400 000 €
 Total	 8 000 000 €

5. Participation in the road rehabilitation of the road link Atamurat (Kerki) to Imam Nazar (Border to Afghanistan)

Recipients:

Cabinet of Ministers of Turkmenistan, Ministry of Road Transport of Turkmenistan

Justification and objectives:

Humanitarian aid to people in need in Afghanistan is being provided by road transport from Turkmenistan, over the road Atamurat (Kerki) to the Afghan border. The road exists as a 2-lane category road with 7 m driveway plus 2 x 1.5m shoulders. The first 80 km of the road are bituminous surfaced, the last 34.5 km exist as a track only. Especially on the last part from Ishak to Imam Nazar the embankment is now hardly serviceable, with several trucks reported to have overturned in recent weeks.

Based on this information the UN DP has ordered an engineering report about emergency rehabilitation of the road link Atamurat (Kerki) to the Afghan Border including cost estimation for the repairs. This engineering report suggests two phases. Phase 1 is the before mentioned part from Ishak to Imam Nazar and phase 2 is the part from Atamurat (Kerki) to Ishak.

The cost estimation for the phase 1 has 2 variants:

Variant 1	US\$ 11.006.238
Variant 2	US\$ 7.605.534

The cost estimation for the Phase 2 is

US\$ 15.738.742

Some emergency actions have been undertaken to improve the situation by the Government of Turkmenistan but the financing of the road is still under dispute.

Main components:

To investigate the status of the rehabilitation project and the condition of the road in close co-operation with UN DP and the engineering company. To work out an action programme and to identify either technical assistance or investment parts for the rehabilitation of the road (in close co-operation with other donor organisation) to be financed by EU Tacis TRACECA programme.

For the identified part the tender documents have to be prepared and the tender process be executed.

Implementation schedule : 12 months

Project budget :	Assesment	200 000 €
	Rehabilitation	4 800 000 €
	Total Budget	5 000 000 €

6. Improvement of the border crossing facilities in Serkhetabad (Kushka)

Recipients and Partners:

The Government of Turkmenistan, Custom Committee and
Minister of Finance

The recipients of humanitarian aid and reconstruction material in Afghanistan

Justification and objectives:

Turkmenistan is faced with an permanent increase of humanitarian aid and reconstruction material transported on one of the major transport corridors to Northern Afghanistan via Serkhetabad (Kushka) to Torgundi in Afghanistan. Humanitarian aid and reconstruction material are transported to Torgundi by road and rail.

Shipments to Torgundi via road or rail are discharged in Torgundi for the on carriage into Afghani trucks or in minor cases into warehouses. In this function the Torgundi Terminal is already one of the major hubs for humanitarian aid and reconstruction material for Afghanistan.

The border crossing is combined with heavy administration and controlling activities based on anti terror actions and drug control activities. This border crossings are time consuming and are limiting the through put of the transport corridor. Reasons are partly to be seen in insufficient communication and information flows as well as the lack of scales and x-ray equipment for trucks, container and railcars.

With an improvement of this situation a significant improvement of the border crossing could be reached.

Main components:

Assessment of the list of the required equipment for the border crossing.

Tendering the necessary equipment

Procurement and supervision of the installation of the equipment tendered.

Implementation schedule : **12 months**

Project budget : **1 500 000 €**

7. Navigational Channel for Turkmenbashi Port

Recipients and Partners:

Cabinet of Ministers
Administration of Turkmenbashi Port

Justification and objectives:

The access to the port of Turkmenbashi is via an excavated channel, which is reportedly of insufficient depth, and poorly marked for the safe operation of vessels. The deepest draught vessels which regularly use the channel are the rail ferries owned by the Caspian Shipping Company, Baku/Azerbaijan.

These vessels can only use the middle of the entrance channel along a narrow strip whereas depths of 7 meters are available whereas depths are generally limited to 4 – 5 meters close to navigation buoys. The draught of the ferries is 4 to 4.5 meters depending on cargo loaded.

In addition, the width of the channel is not sufficient. To meet international standards the navigational channel should be 110 meters wide.

The combination of insufficient width of the channel and the limited depths of the channel has created a nautical problem to pass the channel if there is wind above 16 meters/second. In these cases the ferries cannot access the port. It is not an extraordinary case, that the ferries are waiting 1 or two days before berthing.

The result is, that a liner service of the ferries, substantial for the TRACECA Corridor and the guarantee for “in time” transportation cannot be established.

The utilization of the involved vessels and the ports of Turkmenbashi and Baku are lower which also affects the utilization of the used equipment e.g. railcars, containers and trucks.

Main components:

The Tacis TRACECA Project TNREG 9803 TRACECA Corridor – Traffic and Feasibility Studies, Module D “Navigational Channel for Turkmenbashi Port – “Determination of the existing situation (November 2000) and “Maintenance and improvement recommendations” (February 2001) includes a detailed plan of actions and cost estimations. Based on these findings a new hydrographic survey has to be performed and during the dredging activities. It is recommended, that the necessary equipment has to be supplied for the Port Authority and the staff involved has to be trained. The environmental impact has to be analysed and the existing dredger and the barges for the transportation of dredging materials have to be inspected and a principle overhaul of these equipment has to be done. The following budget has taken into consideration that the time has passed by and needed repairs and overhauls might be more expensive than originally calculated.

Implementation schedule : **6 months**

Project budget : **500.000 €**

8. SUPPLY OF SPARE PARTS AND MACHINERY FOR FERRY -BOATS

Final Recipient:

Azerbaijan State Caspian Shipping Company

Justification and objectives:

Azerbaijan Party considers the Eurasian Transport Corridor as major in restoration of the ancient Silk Route with further integration into European Transport Net. .

Azerbaijan State Caspian Shipping Company is a large ship-owner in the Caspian Sea basin. It's a multi-activity transport enterprise, involving transport, technical and service water-crafts, "Caspimorsudoremont" Ship Repair Unit, some training, commercial, supply and agent enterprises.

The Company's main production basis is a transport fleet, consisting of 68 water-crafts, including 33 tankers, 25 universal dry cargo ships, 2 – Ro-Ro and 8 maritime r\w cargo-and-passenger ferry-boats.

The Company's watercrafts fulfill transportation of goods in Tran Caspian direction of the transport corridor, using the shortest way from Europe to Asia. Both maritime r\w cargo-and-passenger ferry-boats and oil-tankers are involved into transportation process. Transportation capacity of ferry-boats meets existing freight flow demands. The Company's policy mostly concentrates on preservation and renovation of transport water-crafts.

Due to a good geographic position of the Caspian Sea, one can assume that the volume of maritime transportation tends to increase. The existing volume of goods transported by the Company's water-crafts in the Caspian region of the Eurasia transport corridor proves all above-mentioned. For instance, presently, CASPAR has achieved 4,2 times increase of transportation volumes within the mentioned corridor, in comparison with 1996.

According to EC specialists, by 2005 году goods turnover in the Eurasia transport corridor would exceed 20 MT. Viewing the importance of Tran Caspian direction, the major part of these goods will be transported by CASPAR's vessels.

Technical maintenance of ferry-boats and well-time provision of spare-parts are considered as the main factors for uninterrupted freight flows in this direction.

Major components:

In 1996 there was a program of combined improvement of the Caspian Shipping Company, covering the period up to 2010 and basing on the proposals, made by EC experts.

Technical maintenance of ferry-boats and well-time provision of spare-parts play a significant role in uninterrupted freight flows in this direction, ensuring proper operation of the corridor itself.

In order to achieve the task set, Azerbaijan State Shipping Company needs a strong technical support.

This project is expected to ensure supply of top-priority spare-parts for ferry-boats, operating in TRACECA transport corridor, including:

- Spare Parts for Engine.
- Compressor
- Spare Parts for Automatic Systems of Rail-Road Ferries

Project Duration: 6 months

Project Budget: € 1 500 000

9. TRACECA Hot Line and Enhanced Communications Initiatives

Final Recipients and Partners:

Ministries of Transport, Cabinet of Ministers or equivalent authorities designated by Councils of Ministers and those responsible of transport matters and National Commissions, of all TRACECA participating countries

Justification and Objectives:

To facilitate Border Crossing Procedures and ensure that other vital information is readily available to Shippers, Cargo Owners, Freight Forwarders and Border entities the **TRACECA Hot Line and Enhanced Website and the Use of Web cams** are to be evaluated and developed.

The TRACECA programme for trade and transport technical assistance was launched in May 1993. Certain preliminary projects were launched by TACIS during the following two years. February 1995, was a stage of concerted effort to move ahead with a substantial number of projects. These have recently included Harmonisation of Border Crossing Procedures and Unified Policy on Transit Fees and Tariffs.

Currently the TRACECA Website is up and running and contains extensive information on TRACECA affairs and projects. This Website should be further refined to include a centre for **Frequently Asked Questions (FAQ's)**. This FAQ service within the Website should correlate queries and information on the regular difficulties experienced by the TRACECA Corridor users. A facility will be incorporated to permit all users to access the information on FAQ's and to pose their own questions. The new queries will be answered and then added to the list of FAQ's with the respective answers.

The Website will be further enhanced by links to the Project Website, information and recommendations of the two current TRACECA Projects on Harmonisation of Border Crossing Procedures and Unified Policy on Transit Fees and Tariffs.

To augment these and other TRACECA initiatives it is foreseen to develop improved communications throughout the designated TRACECA Corridor border crossings and particularly in relation to the support of transport companies, shippers and freight forwarders. To this end there is seen a requirement to develop **'Hot Line'** communication facilities at the designated border crossings and to link these to **'Help Desks'** that will be available 24 hours per day and 365 days per year. This can additionally be supported by the currently established TRACECA Website in the form of an 'Interactive Enquiry Section'. There may be also additional advantages in developing a **'Web-Cam'** (Internet Web Camera) system at selected border crossings to give 'real-time' overview on traffic movements for the benefit of the corridor users and security for the border authorities.

The objective will be to provide a service for the corridor transport users and enhance the advantages of this route by providing a service that will address and respond to queries concerning transit of freight. The administrative platform for the operation of this Hot Line Initiative will be the TRACECA Intergovernmental Commission Permanent Secretariat and the National Commissions. This platform will then ensure cohesion, monitoring and control.

Main Tasks

- **TRACECA Hot Line**
- **Enhanced TRACECA Website**
- **Use of Web-Cams**

TRACECA Hot Line - Creation of a reliable dedicated telephone network at the designated TRACECA border crossing points utilizing either 'land-line', GSM or fibre-optics communication media and linking this to a Help-Desk in the various National Secretariats. There should be an initial 'pilot' project to establish methodology and practical parameters of the overall technical and administrative system.

There will be a need for an Initial Evaluation of the whole concept and a requirement to provide a report on the total concept, the practical problems and limitations of the system and a detailed cost analysis including a progressive development strategy.

There should be a review of the current administrative capabilities of the TRACECA structure in relation to the operation and support of the Hot Line and Help-Desk initiative. This review should evaluate and report on the realistic capabilities of the current administration and make recommendation for improvement if required.

Enhanced TRACECA Website – To evaluate the current the TRACECA Website to further refine its capabilities that will eventually include a centre for **Frequently Asked Questions (FAQ's)**. This FAQ service within the Website will then correlate queries and information on the regular difficulties experienced by the TRACECA Corridor users. This facility should incorporate a capability to permit all users to access the information on FAQ's and to pose their own questions. The known queries will be available and the new queries will then be added to the list of FAQ's with the respective answers.

The Website will be further enhanced by links to the information and recommendations of the two current TRACECA Projects on Harmonisation of Border Crossing Procedures and Unified Policy on Transit Fees and Tariffs.

Use of Web cams – There are already current initiatives in the use of Web cams in some countries and the experience from this should be evaluated and proposals made for the use of Web cams in specific border crossings in the TRACECA Transport Corridor. It is understood that the use and cost of CCTV (Closed Circuit Television) would not be financially feasible to permit international access but the media of Web cams could fulfil this need in a cost effective manner.

The ultimate objectives of this project are:

To provide additional service and systems that will assist the current freight transport users of the TRACECA Corridor.

To provide additional service and systems that will enhance the marketing capability of the TRACECA Corridor.

Implementation schedule
Project budget

24 months
2 000 000 €