

Session 4: Accelerating digitalisation for enhanced transit and trade facilitation and for sustainable and resilient recovery from COVID-19

MINISTERIAL TRANSPORT CONFERENCE OF LLDCs – 15-16 August 2022

The pandemic resilience of LLDCs through digital UN transport instruments

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Your Excellencies,
distinguished participants,
ladies and gentlemen,

Before I begin, allow me to thank the Government of Turkmenistan – and the Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States – for hosting this event on enhanced transit and trade facilitation, a sustainable and resilient recovery from COVID, and the role of digitalisation.

It is a great privilege to address you at this important conference on behalf of the global road transport industry.

IRU is the world road transport organisation and represents 3.5 million companies operating mobility and logistics services worldwide. Founded in 1948, IRU has members and activities in more than 80 countries.

As a long-standing and trusted partner, IRU stands ready to provide to the United Nations and its agencies, as well as governments, practical advice from the ground and guidance to ensure that, as a global community, we effectively tackle post-pandemic needs along trade and transport corridors.

As one of the key contributors to the Vienna Programme of Action, we support LLDCs in their efforts to overcome geographical constraints through better transport connectivity and regional and global integration.

The thread that binds the fragmented elements of logistics and transit together is the digitalisation of transport.

While from time to time we see institutions trying to reinvent the wheel and push governments for their support without any clear legal, technical, operational or financial guidance in sight, I feel it is extremely important to remind you of the tried-and-tested flagship UN instruments developed to facilitate transit and enhance the pandemic resilience of supply chains, notably the TIR and CMR conventions.

As the only global transit solution, the Customs Convention on the International Transport of Goods under Cover of TIR Carnets, or simply TIR, enables goods to be shipped from a country of origin, through transit countries, to a country of destination, via a secure, multilateral, multimodal and mutually recognised system. It simplifies customs procedures and significantly reduces transport times and costs.

As you can see on the map, LLDCs marked green, acceded to TIR long ago and keep benefitting from cross-border trade and transport facilitation. LLDCs from other regions are encouraged to explore how this successful experience can be replicated in your home countries.

For more than seven decades, the TIR system has had no major security breaches, which clearly demonstrates its benefits for the public and private sector, as well as other stakeholders.

Furthermore, TIR is now digital. While dozens of countries have showed their interest and are getting prepared to connect to the international eTIR system hosted by the UNECE, some countries already champion digitalised TIR transports by using the benefits of existing TIR IT tools.

Please take a look at the map and you will see that it is mostly landlocked developing countries from this region. It is not by accident that Turkmenistan, highlighted here, is finalising its implementation of TIR-related IT tools. We look forward to welcoming this extremely important transit hub to the project.

Here I would also like to thank the Government of Turkmenistan for re-launching just recently a transit corridor with Uzbekistan and Iran, which shall have a most positive impact on transport operators from Turkmenistan.

Another success story of how TIR digitalisation gains ground in Central Asia is opening by customs authorities Green Lanes for digital TIR transits. This “express lane” system will make border crossings for TIR transport using digital guarantees even faster.

Some people are mistaken to associate the TIR Convention only with road transport. A modification was made in 1975 by the Contracting Parties to accommodate the maritime container and the swap body. Thereafter, the TIR regime was extended to rail, inland waterways and maritime transport, provided that at least one part of the journey is made by road.

To give you an example, a successful TIR operation from Slovenia to Iran involving road, sea and rail on a corridor linking Europe to the Middle East demonstrated a 5-day time saving, with significant potential to reduce costs and boost trade. Also, I would like to stress that the Iranian customs, in this case, and the German customs in another intermodal scenario, accepted TIR as both a transit document and a guarantee for transport of goods during the rail leg.

Given much higher demand for Ro-Ro lines recently, TIR can support efficiency on this leg, also offering time savings of truck release from the port.

Leveraging benefits of existing IT tools, to serve the needs of the industry, IRU has developed a Business Connections module that helps to find trusted partners and support the resilience of supply chains. The module is based on TIR electronic preliminary declaration platform, developed by IRU, which is used by TIR transport operators to submit, free of charge, the advanced cargo information to customs authorities en route in more than 40 countries.

Another flagship UN instrument that can help increase the capacity of existing corridors and prepare new corridors to carry more freight volumes is the Convention on the Contract for the International Carriage of Goods by Road, or better known as the CMR Convention.

It is the basic and fundamental international private law governing the transport of goods by road. However, it is also often used by law enforcement and customs authorities for checking the description of goods and consignor/consignee/carrier information for clearance in cross-border trade.

Additional Protocol on e-CMR was introduced to support paperless versions of the e-CMR note. To date, more than half contracting parties to CMR also acceded e-CMR, including three from LLDCs.

A global e-CMR solution would retain all the benefits of its paper-based version but would make the system more modern by removing paperwork and handling costs, while making trade and transport more efficient, secure and transparent.

In IRU we fully support the leading role of the UNECE in administrating the convention and maintaining the framework standards.

A swift implementation of digital transit, transport, customs documents, e-permits, and e-visas has become even more urgent, as it will enable the exchange of electronic information without physical contact, while at the same time facilitating the smooth flow of goods across borders.

In closing, I would like to encourage all developing countries to ratify and make full use of existing UN conventions – such as TIR and its digital tools, as well as e-CMR – which have been identified by the UN Secretary General as important instruments to address the challenges and impacts of the pandemic.

I would once again like to thank the highly respected hosts for organising this important event.

I wish you many years of prosperity, good health, and peace.

Thank you for your attention.

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