


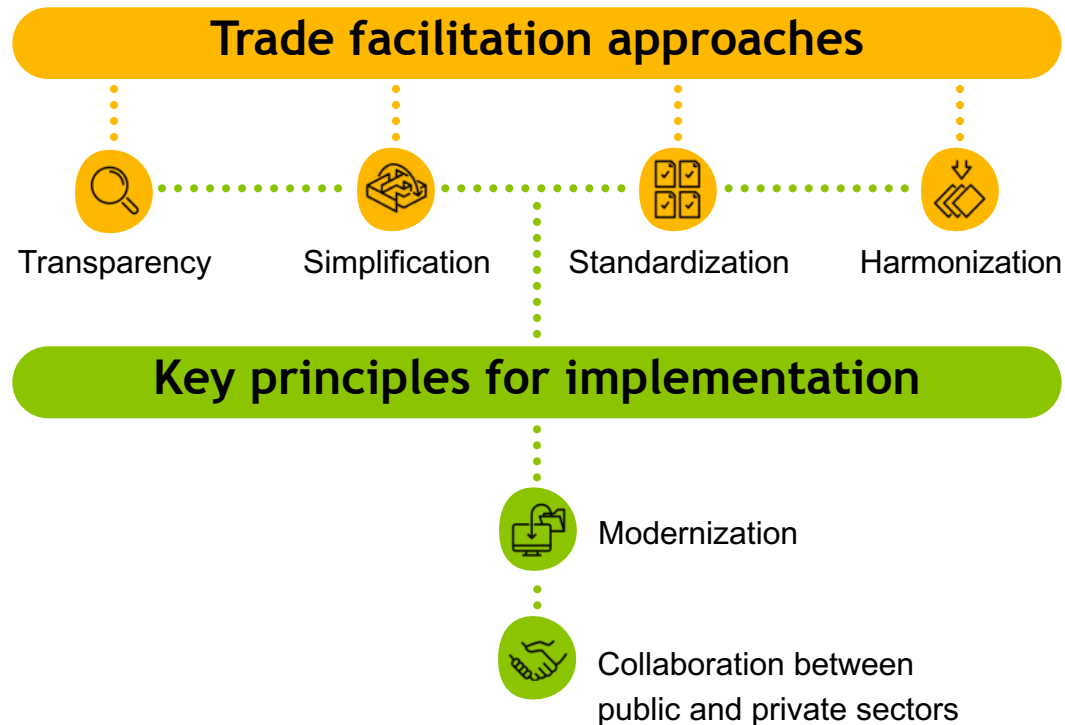
UNOHRLLS Virtual Training
for LLDCs and transit countries
30 September and 1 October 2021

Addressing Soft Infrastructure

International legal instruments for transit

Content

- 
- Facilitation principles
 - International legal instruments
 - ❖ WTO Trade Facilitation Agreement
 - ❖ WCO Revised Kyoto Convention
 - ❖ TIR Convention
 - Corridor arrangements
 - Conclusions



(The four main approaches of trade facilitation were defined originally by the Swedish National Board of Trade)

WTO Trade Facilitation Agreement

THE WTO TRADE FACILITATION AGREEMENT



WTO OMC



Trade Facilitation
Agreement **Facility**

The WTO TFA contains provisions for expediting the movement, release and clearance of goods, including goods in transit.

WTO TFA

Transparency Articles (1-5)

1 - Publication and availability of information

2 - Prior publication and consultation

3 - Advance Rulings

4 - Appeal or Review Procedures

5 - Other measures to enhance impartiality, non-discrimination and transparency

Fees & Formalities (6-10)

6 - Disciplines on fees and charges imposed on or in connection with import and export

7 - Release and clearance of goods

8 - Border agency co-operation

9 – Movement of goods under customs control intended for export

10 - Formalities connected with importation and exportation and transit

Transit and Customs cooperation (11-12)

11- Transit

12 – Customs cooperation



WTO Trade Facilitation Agreement

7

11 Freedom of transit

11 Paragraphs 1-3
(transit charges,
regulations, and
formalities)

11 Paragraph 4
(strengthened
non-
discrimination)

11 Paragraphs 5-10
(transit,
procedures and
controls)

11 Paragraphs 11-15
(guarantees)

11 Paragraphs 16-17
(cooperation and
coordination)

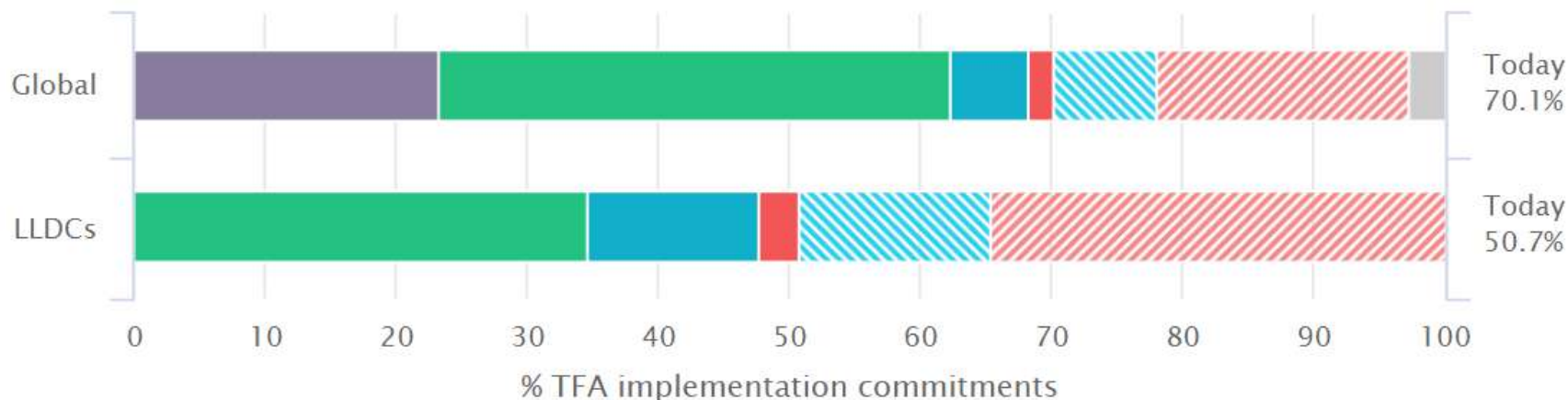
- Article 11 but also...
 - Article 1.1. Publication
 - Article 1.2. publication on the Internet
 - Article 2.1. opportunity to comment
 - Article 7. Release and clearance
 - Article 8. Border Agency Cooperation
 - Article 10. Formalities (various), including Single Window
 - Article 23.2. National Trade Facilitation Committee

WTO Trade Facilitation Agreement Implementation

Progress on implementation commitments



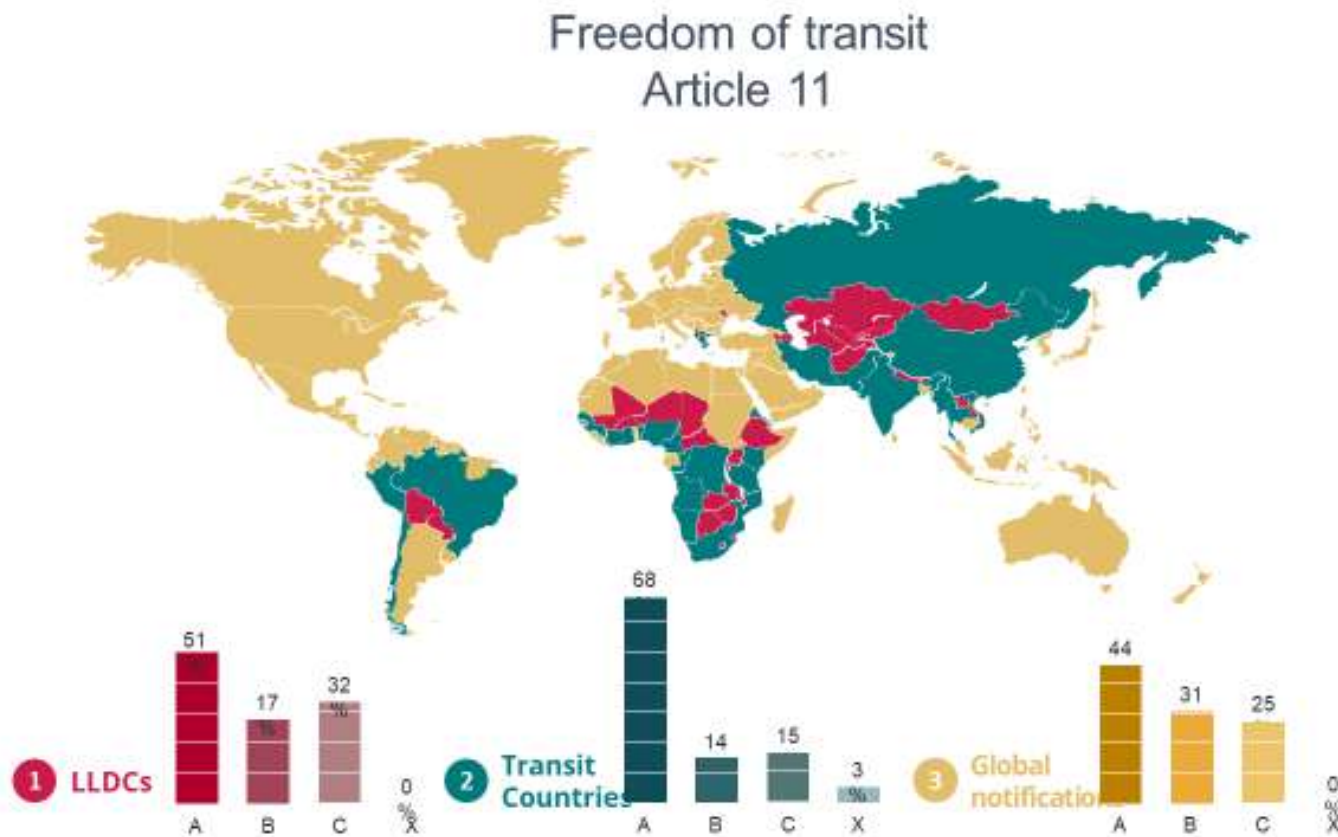
Trade Facilitation Agreement



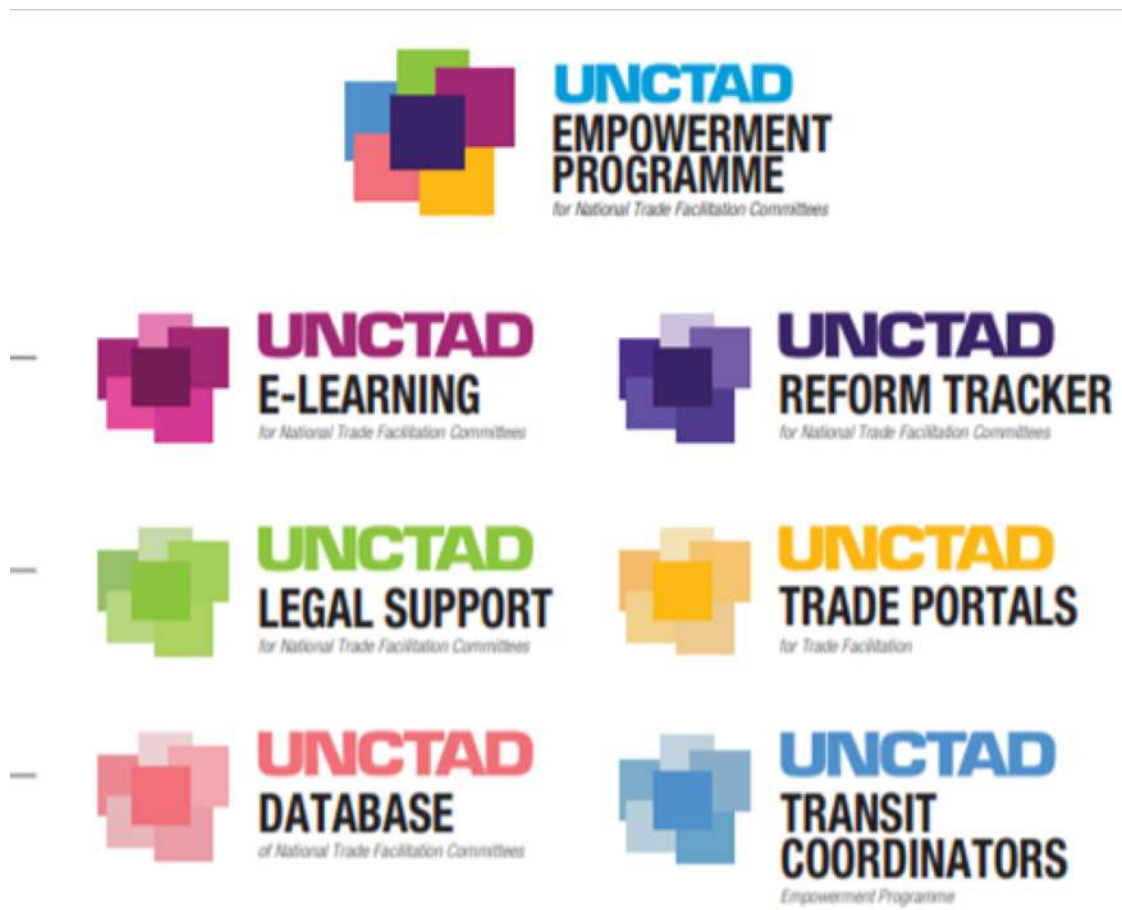
- Developed members
- Category A current implementation
- Category B current implementation
- Category B future implementation
- Category C current implementation
- Category C future implementation
- Unknown

WTO TFA Art. 11

Freedom of transit implementation



UNCTAD Trade Facilitation Implementation support



WTO TFA Article 11.17 Transit Coordinator



Each Member shall endeavor to **appoint a national transit coordinator** to which all enquiries and proposals by other Members relating **to the good functioning of transit operations** can be addressed

- UNCTAD Regional workshops for transit coordinators
- Training and capacity building and experience and best practice sharing with other transit coordinators
- Training on transit concepts , rules and regulations
- Develop Terms of Reference
- Draft Work plan for national transit coordinator
- Establish network



UNCTAD ASYCUDA Programme in LLDCs



Vienna Programme of Action for LLDC for 2014-2024 Priority Area 3 (b) Trade Facilitation

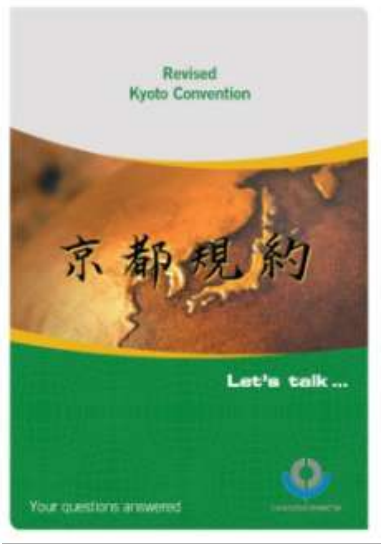
- ▶ *“Further streamlining and harmonization of customs and transit procedures and formalities and transparent and efficient border management and coordination of agencies involved in border clearance should have a concrete and direct impact on reducing the cost of doing trade and stimulating faster and competitive trade for landlocked developing countries”*
- ▶ **UNCTAD ASYCUDA Programme is operational in 21 LLDCs:**
 - ASYCUDAWorld integrated Customs management systems;
 - Single Window systems, enhanced coordination of border agencies;
 - 100% DTI, streamlining of procedures, digitalization of customs documents;
 - E-borders, pre-arrival processing, automated control and monitoring of transit operations;;
 - Increased revenue collection, E-payment, automated calculation of duties;
 - Risk management, valuation control, post audit;
 - Anticorruption mechanism, minimization of physical checks, performance measurement
 - Real time statistics for economic decisions;
 - Cross-border paperless data exchange
- ▶ **New requests for UNCTAD ASYCUDA technical assistance:**
 - Kyrgyz Republic
 - Republic of Tajikistan

WTO Revised Kyoto Convention

Revised Kyoto Convention World Customs Organization

- WCO is an independent intergovernmental organization exclusively focused on Customs matters
- 183 Members
- WCO develops international standards, fosters cooperation and builds capacity to facilitate legitimate trade, to secure a fair revenue collection and to protect society, providing leadership, guidance and support to Customs administrations

Revised Kyoto Convention



- International Convention on the Simplification and Harmonization of Customs Procedures (as amended)
- Adopted by the WCO Council in June 1999 as the blueprint for modern and efficient Customs procedures in the 21st century
- Currently 120 Contracting Parties
- Largely the basis for the WTO TFA

Specific Annex E to the RKC

Chapter 1 ***Customs transit***

- accepted by 30 CPs, 7 of those with reservations
- contains definitions, 15 standards, 11 recommended practices and an Appendix

WCO Transit Guidelines



- Launched at the Global Transit Conference, 10-11 July 2017, WCO Headquarters in Brussels
 - Conference attended by over 200 delegates from more than 80 countries
- Supplement the Transit Handbook released by the WCO in 2014
- The Transit Guidelines contain 150 guiding principles
- Organized in 13 sections
- Available in four languages - English, French, Spanish and Russian at

Scope of the Transit Guidelines

1. Legal framework
2. ICT and efficient information management
3. Guarantee system
4. Fees and charges
5. Simplification of formalities
6. Risk management
7. Authorized Economic Operators
8. Customs seals and other security measures
9. Coordinated Border Management
10. Hard infrastructure and equipment
11. Transparency and anti-corruption
12. Partnership with Business
13. Performance measurement

UNECE TIR Convention

UNECE, Centre of UN Transport Conventions

TIR
Global Customs
facilitation tool



CMR
Contract for the
International Carriage
of Goods by Road

CH
Convention on
Road Traffic

Border Crossing
Harmonization of
Frontier Controls of
Goods

**Convention on Road
Signs and Signals**

E40
Infrastructure Agreements
for roads (AGR), Rail (AGC),
Inland Water Transport
(AGN), Intermodal
Transport (AGTC)

**Work of Crews of Vehicles
engaged in International
Road Transport / Digital
Tachograph**

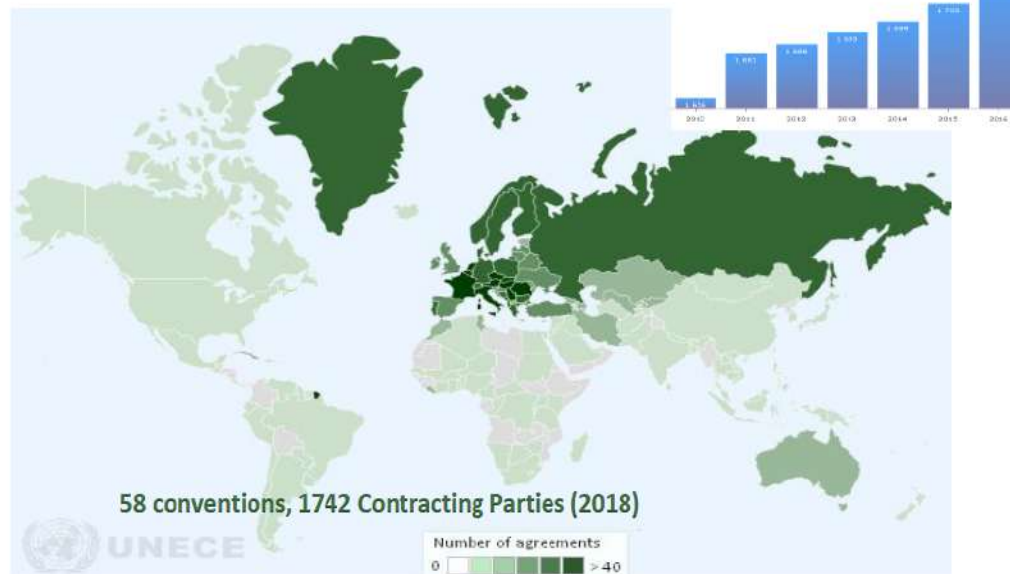
E1
World Forum for
Harmonization of Vehicle
Regulations (WP 29)

ADN
International Carriage
of Dangerous Goods by
Inland Waterways

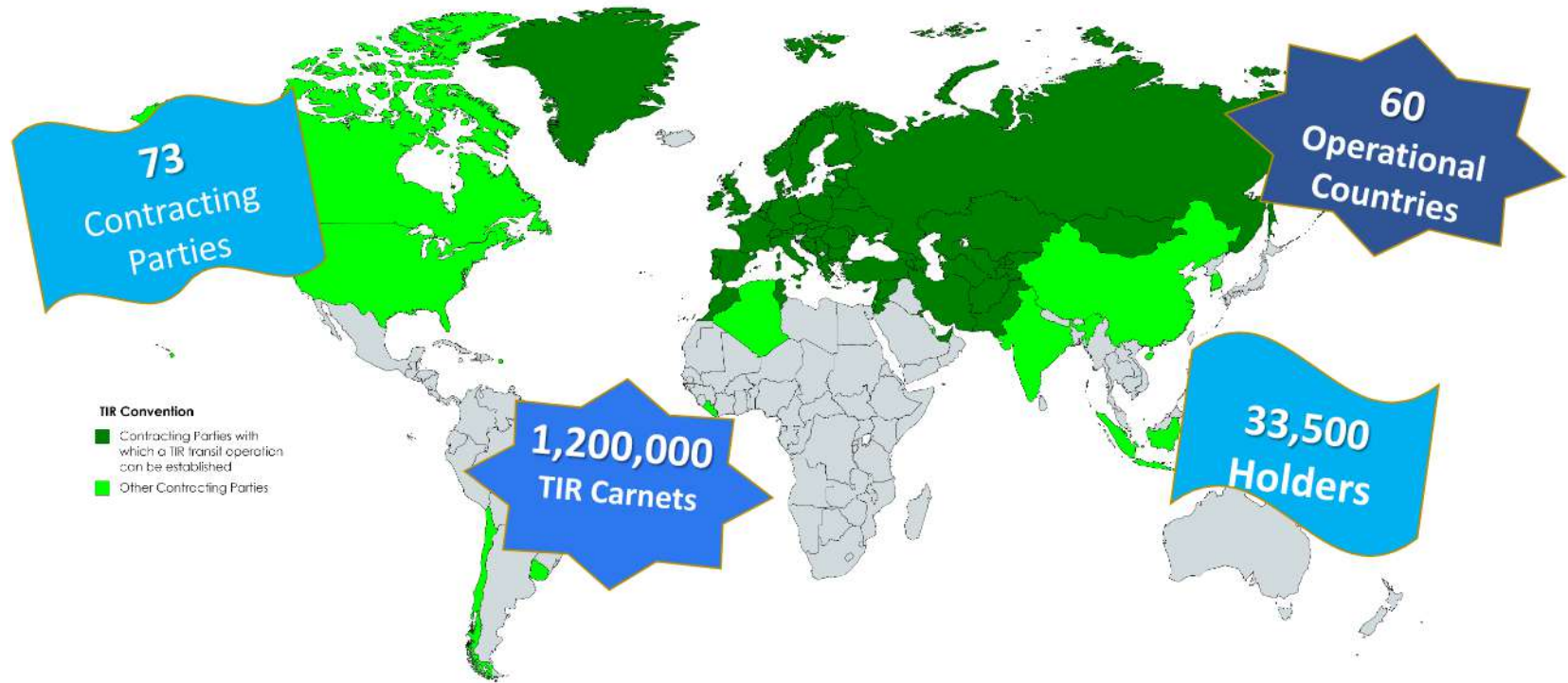
ATP
Carriage of
Perishable Foodstuffs

ADR
International
Carriage of
Dangerous Goods
by Road

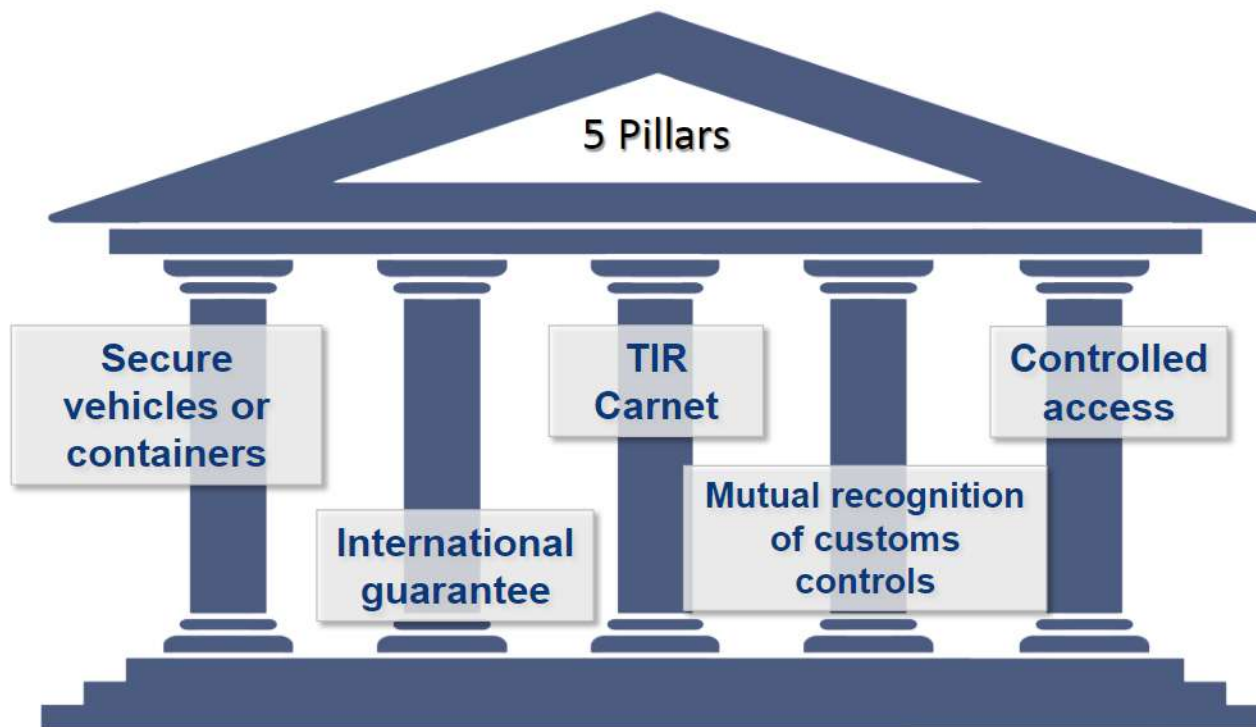
**European Code
for Inland
Waterways**



Customs Convention on the International Transport of Goods under cover of TIR Carnets (TIR Convention, 1975)

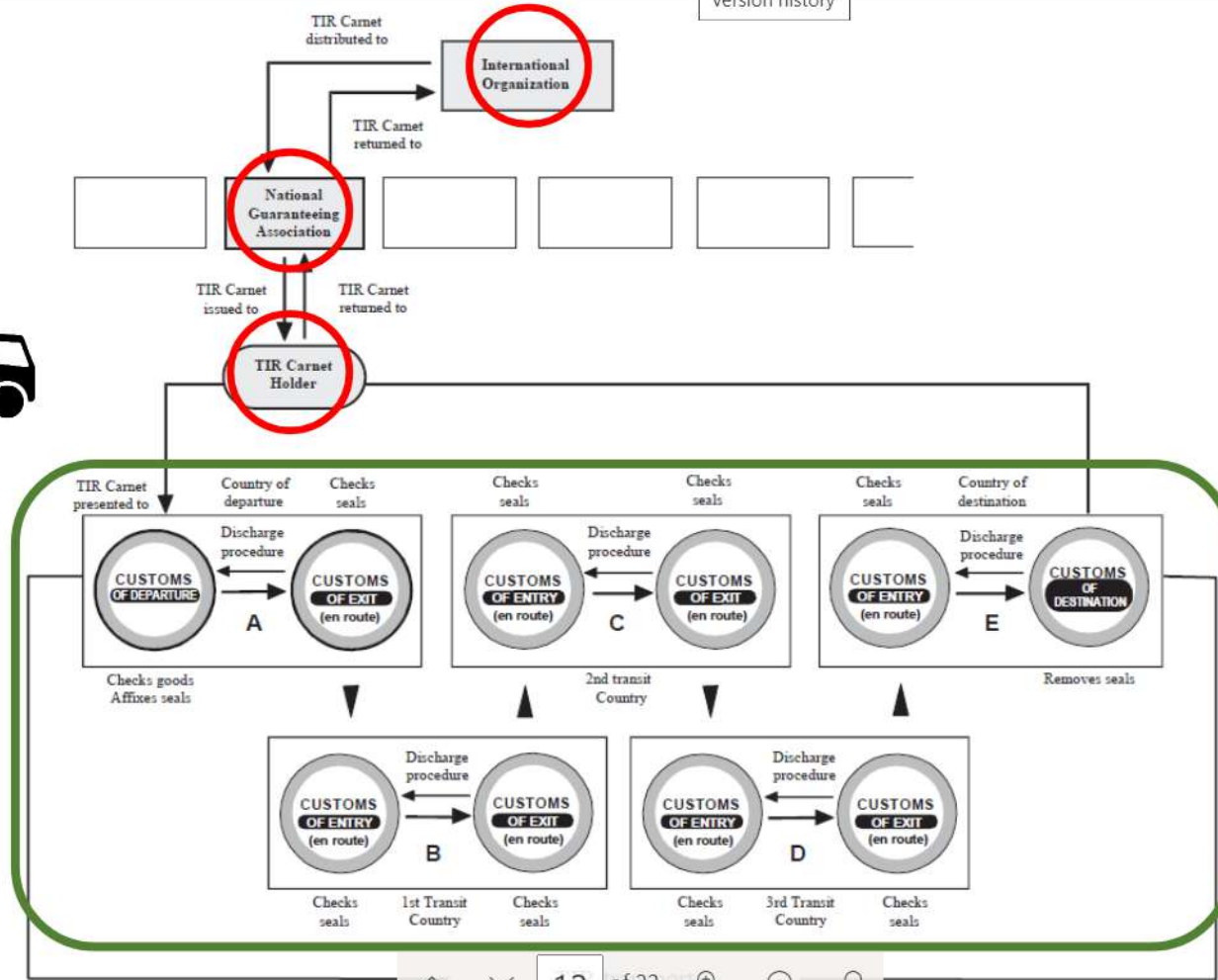


Principles



TIR

Version history

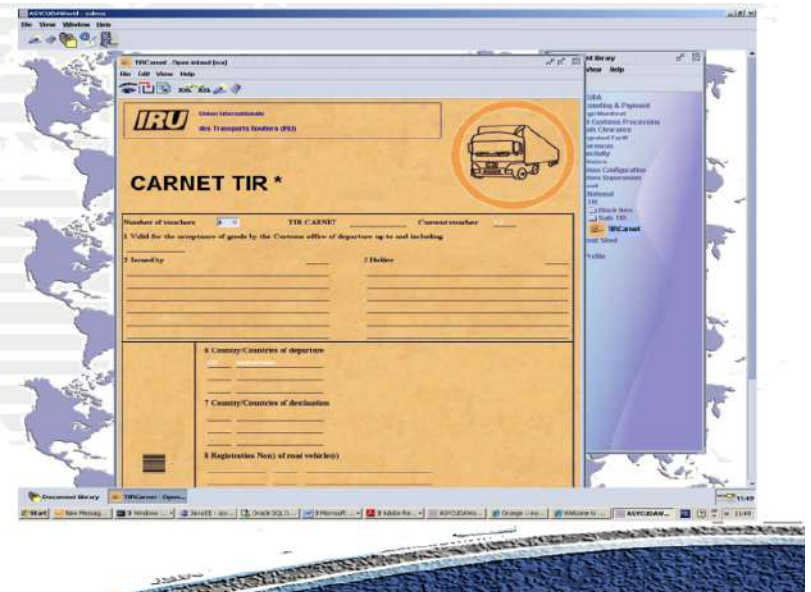


TIR

12 of 22

eTIR

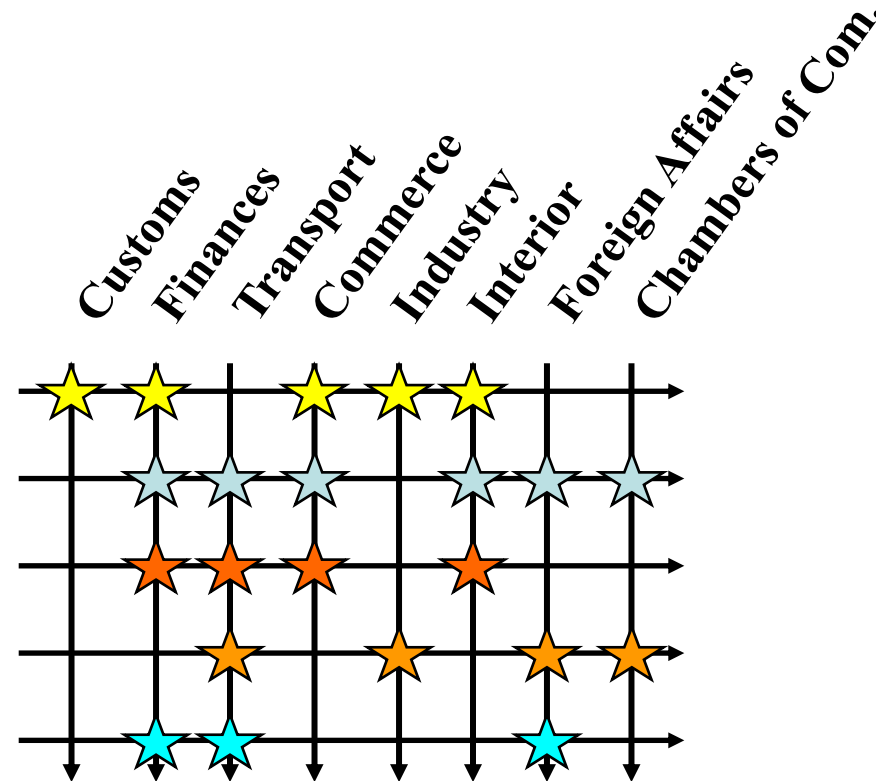
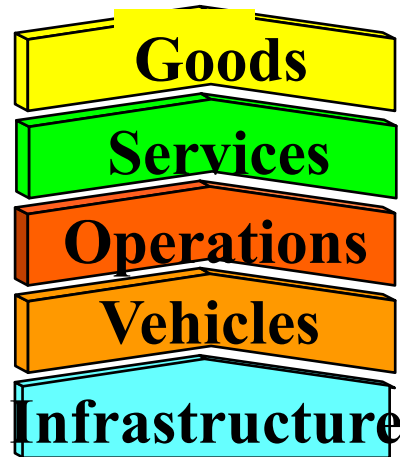
- Fully computerised control and monitoring of transit
- Integrated transit control system
- Management of guarantees
- Enhanced technical and functional capabilities



Transit conditions and procedures

What conditions can a transit state impose?

- Infrastructure
- Mean of transport
- Operation
- Services
- Goods

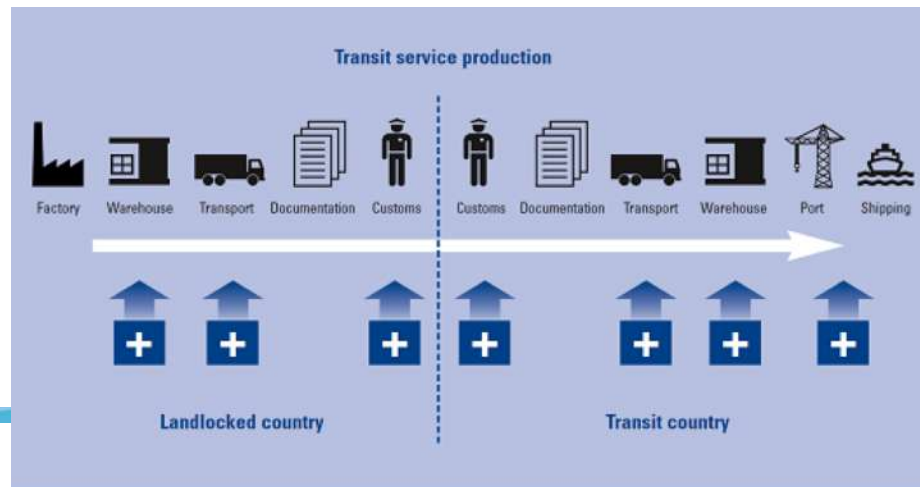


Corridor arrangement

Transit facilitation measures

Corridor arrangements

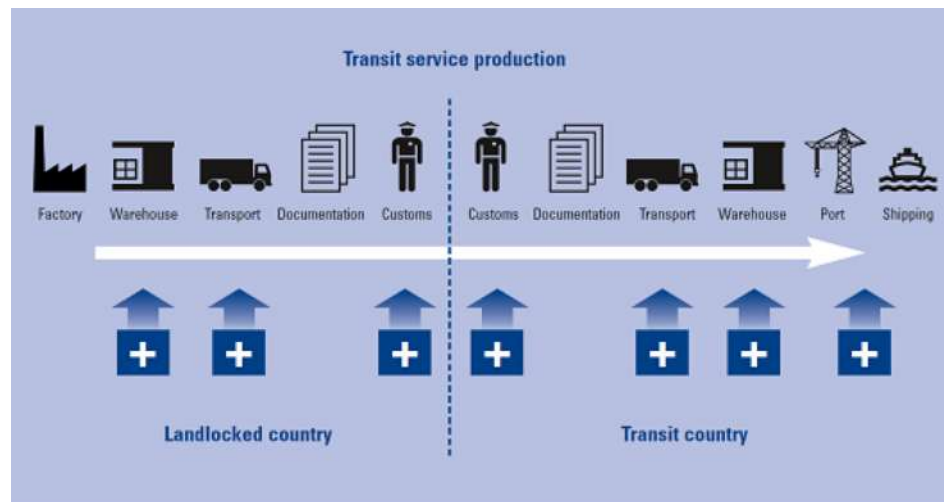
- Focused approach
- Limited number of stakeholders
- Specific interest of all stakeholders
- Potentially easier to negotiate



Example of UNCTAD ongoing technical assistance activities for LLDCs :

a) Building institutional capacity through corridor management arrangements and regulatory framework

Strengthen the operational performance and management of corridors to become a successful region **Economic Corridor**; and promote coordination and collaboration among corridors stakeholders, public regulators, private operators, etc. **E.g. promotion and the commercialization of the Trans-Saharan Road Corridor (joint UNCTAD- IsDB project).**



Example of UNCTAD ongoing technical assistance activities for LLDCs

b) Building capacities to assess, develop and implement sustainable freight transport (SFT) and investment strategy.

UNCTAD SFT programme offers tools and instruments to support countries and corridors including LLDCs to mainstreaming sustainability criteria into their freight transport systems. This includes: [Quick SFT Assessment tool](#); [Framework for SFT Strategy](#) (that includes operational, technological and institutional measures, KPIs, and financing); and Green and Sustainable Freight Transport and Finance [Training modules](#).. **E.g. Northern and Central Corridors in East Africa**

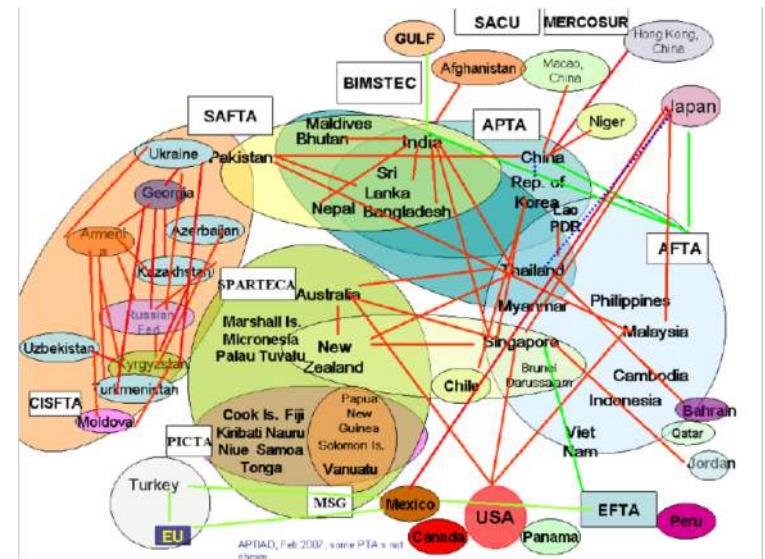


Regional Trade Facilitation

REC Coordination and Institutional architecture

- Clear need for a coordinating mechanisms linking national , sub-regional and regional implementation with global implementation
- WTO TFA with regional agreements.

- **Issues**
- Experience sharing
- Joint implementation
- Addressing challenges
- Ensure national coordination of agreement implementation



Transit, selected key issues

- LLDCs to move from victim scenario to partner scenario
 - ❖ LLDCs and transit partner countries
 - ❖ Public and Private stakeholders
 - ❖ Corridor approach and land-linking role
 - ❖ Regional collaboration
- LLDCs focus on national trade facilitation compliance
 - ❖ Based on international legal instruments and good practices
- Transit is right but not unrestricted, respect rules
- Avoid transshipment and reloading
 - ❖ Containerize.
 - ❖ Dry ports
- Achieve better container returns. Container guarantee system?
- Increase competition: Avoid permit systems, freight syndicates
- Develop on gamechangers in transit
 - ❖ Data interconnectivity
 - ❖ Guarantee portability or replace with other solutions, e.g tracking



Thank You

Division on Technology and Logistics
Trade Logistics Branch
Trade Facilitation Section

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www.unctad.org/RMT

www.unctad.org/TransportNews