

***Training Workshop for Policy Makers from  
Landlocked developing countries and  
Transit countries***

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***Virtual***



## ***Emerging issues in transit transport facilitation***

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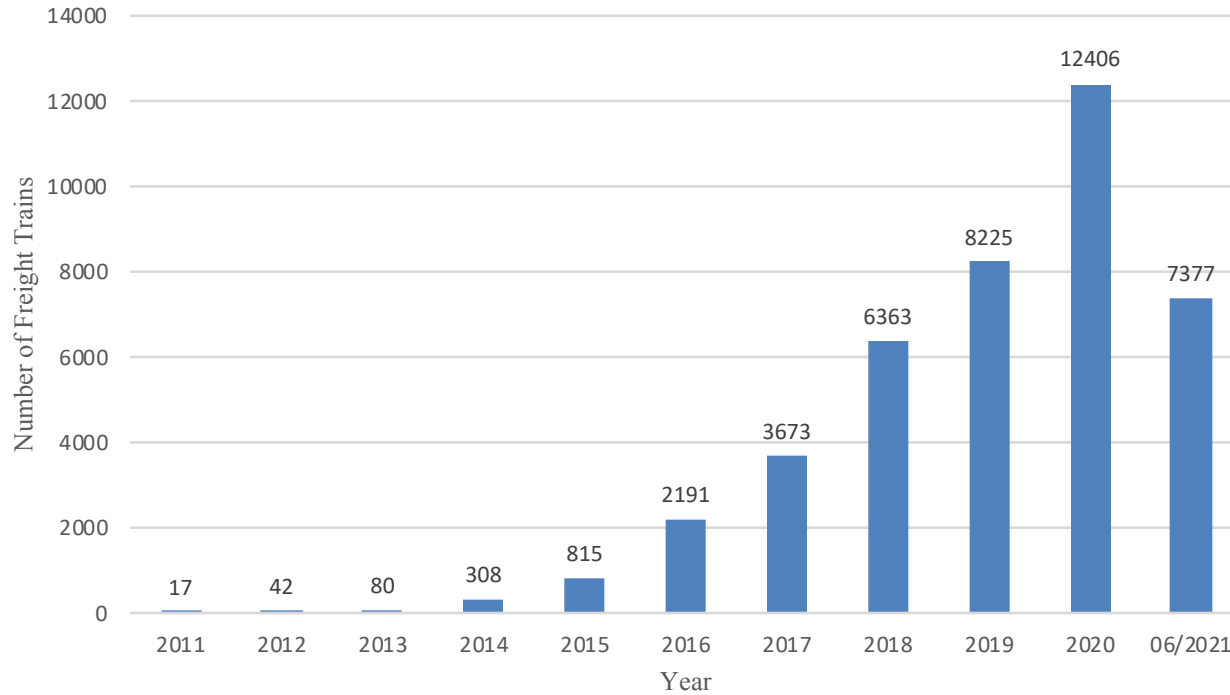
## Outline

1. Key issues in transit transport facilitation
  - ✓ Increasing role of railway transit
  - ✓ Use of automatic customs transit transport
  - ✓ Use of electronic tracking technologies
2. Implication for border agencies in facilitating transit transport



# China- Europe Freight trains growth

Fig1: China-Europe freight trains-exponential growth



## ***Increasing role of railway transport***

### Emerging trends in international railway transport along Trans-Asian Railway Network

- ✓ New routes for international railway transport
- ✓ New rail infrastructure
- ✓ New services along the Trans-Asian Railway network
- ✓ New alliances to promote international railway freight

# Common priorities of the railways of members of Trans-Asian Railway Network

- ✓ Railway network development
- ✓ International railway transport
- ✓ Shift to rail initiatives and sustainability issues
- ✓ Digitalization and automation



## **What are Smart Railway Solutions**

### **Smart Railway Operations**

A1 - Automation of Terminals

A2 - Advanced Traffic Management Systems

A3 - Automation of Train Driving

### **Smart Railway Maintenance, Safety and Security**

B1- Condition-Based and Predictive Maintenance

B2- Others (railway safety)

### **Smart Railway Financing**

F1- Green and Sustainable Financing

F2- Modelling



***What are Smart Railway Solutions***

**Smart Railway Border Crossing**

**D1 - Electronic Information/Data Exchange**

**D2 - New Technologies for Efficient and Secure Border Crossing (Electronic seals)**

**D3 - Railway Consignment Note as a Customs Document**

**D4 - Efficient Break of Gauge Operations**

**D5 - Joint Border Controls**

**D6- Railway – Customs electronic interface**

**Smart Railway Customer Orientation**

**E1- Railway freight mobile application**

**E2- Others**



## 2. Increasing use of automatic transit transport systems

**Article V of GATT 1947** recognized freedom of transit. However, transit countries reserve the right to be compensated for irregularities in transit through guarantee/security for goods in transit

**TIR convention 1975** - first international legal instrument providing for a robust guarantee system

Increasing level of integration/ rising volume of transit transport / transit frauds coupled with emergence of ICTs led countries of European Union to develop a computerized transit system





## Why automatic transit transport systems?

- ✓ Success of NCTS provided inspiration to ASEAN countries and countries in Latin America
- ✓ **Vienna Programme Action for LLDCs**
  - Para 37 (c) modernize transit and transport facilities including Customs and border facilities by fully utilizing the ICT
  - Para 52 (b) encourages landlocked countries to promote use of modern Customs practices including electronic transactions and exchange of information
- ✓ **WTO Agreement on Trade Facilitation**- many provisions of Article II on transit can be complied efficiently with automated transit system
  - Pre-arrival filing and processing of transit declaration (II.9)
  - Prompt termination of transit operation if the transit requirements are met (II.10)
  - Prompt discharge of guarantees (II.11.2)



## Benefits of automated transit transport system

### For Customs

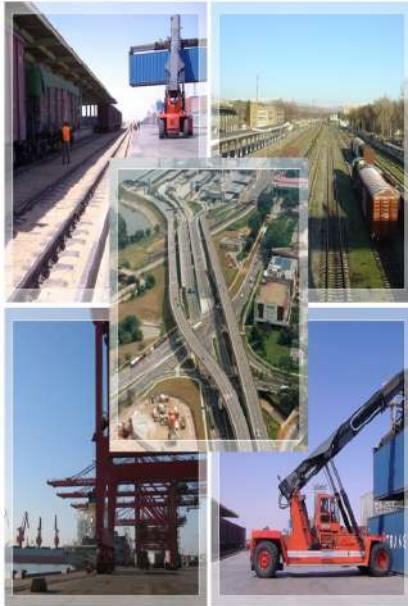
- *Improved security of transit operations* through more reliable and real time exchange of information
- *Reduced time for processing transit documents and accelerated transit formalities* through improved communication such as electronic exchange of messages
- *Improved capacity to deal with various types of fraud* by (a) better risk management to address security threats and revenue losses and (b) automatic validation processes and reduced manual interventions



### For Private Sector

- Flexible/reduced guarantees and their faster release reduce cost of transit transport
- Reduction of repeated data entry and consistency of transit data
- Accelerated customs transit formalities

## ESCAP doing to promote automatic transit transport systems



**Study on paperless transit** under the project found that the only operational paperless systems was the New Computerized Transit System (NCTS) used for common and community transit in Europe

**Guide on paperless transit systems** to expand the knowledge of stakeholders in designing and implementing such systems

<https://www.unescap.org/resources/monograph-series-transport-facilitation-and-logistics-development-asia-and-pacific-study>)

**Guide on establishing an automated customs transit transport system** have been finalized detailing technical design of the system

<https://www.unescap.org/resources/guide-establishing-automated-customs-transit-transport-system>)

### 3. Application of electronic tracking systems using new technologies

- ✓ Increase accessibility of new technologies
- ✓ Already in use in many countries China, Jordan, Hong Kong , China and many countries in Africa
- ✓ Private companies have taken lead in offering electronic tracking solutions
- ✓ Disconnected ECTS is not able to provide appropriate transit facilitation- tracking system at regional level is one possibility



### 3. Electronic tracking of vehicles part of transit transport facilitation agreements

- ✓ ESCAP developed secure cross border transport model in 2012 and pilot (<https://www.unescap.org/resources/secure-cross-border-transport-model>)
- ✓ Electronic tracking by making real time enforcement possible can reduce or even eliminate guarantee requirement
- ✓ Many transport agreement provide for electronic tracking Afghanistan-Pakistan Transit Transport Agreement 2010 – Article 13 of the Protocol I on international carriage by road of goods and baggage in transit
- ✓ Need to standardize key components of tracking systems for them to contribute to transit transport facilitation through use of transit facilitation agreements



## 4. Rising importance of intermodal transit transport facilitation

- ✚ Uncoordinated growth among transport modes has led to unsustainable trends in development of transport – road transport contributes to three quarter of emissions
- ✚ To reduce carbon footprints of transport sector while meeting increased demand for transport need to develop integrated intermodal transport system
- ✚ Increase in intermodal exchanges that happen at nodes where transport mode is changed ( dry ports, gateway ports, intermodal terminals) and need for enhanced efficiency of such exchanges
- ✚ Streamlined custom formalities to play an important role



## Way Forward- Implications for border agencies in facilitating transit transport

- ✓ **Enhanced cooperation of customs with other border agencies** sharing of electronic information – digital freight platform and implementing coordinated controls
- ✓ **Re-engineering of border crossing processes** to support electronic information exchange- changes in legislation and related executive instruction
- ✓ **Developing capacity** of border officials to use new technologies to discharge their duties
- ✓ **Streamlined, simplified and harmonized border crossing formalities** for railway transit and intermodal exchanges
- ✓ **Proactive private sector involvement**





Thank you  
for  
your attention

<http://www.unescap.org/our-work/transport>

