



Project Working Group on Transport and Border Crossing (PWG-TBC)

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National coordinating mechanism for transport facilitation

(Item 4.3 of the Agenda)

Note by UNECE/ UNESCAP

1. The removal of physical and non-physical barriers in international trade and transport requires involvement of numerous government agencies. Efficient and effective coordination and cooperation among all the relevant agencies through proper inter-agency coordination institutions are crucial for the facilitation of international trade and transport. Cooperation from the private sector is essential as the private sector has to go through the whole procedures to bring people, goods and vehicles across the borders.
2. 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. Such improved trade facilitation would help landlocked developing countries towards enhancing the competitiveness of their export products and services. Therefore, technical assistance is needed to enable landlocked developing countries to fully participate in and benefit from multilateral trade negotiations and effectively implement policies and regulations aimed at facilitating transport and trade.
3. The Vienna Programme of Action (2014) recommended that landlocked and transit developing countries should enhance coordination and cooperation of national agencies responsible for border and customs control procedures in addition to consider establishing, where appropriate, and/or strengthening existing national committees on trade facilitation, with the involvement of all relevant stakeholders, including the private sector.
4. In most of the cases, the mechanisms for establishing national mechanisms for the coordination of transport facilitation initiatives take the following forms:

A. Permanent coordination institution

- National trade facilitation committee
- National transport facilitation committee
- National trade and transport facilitation committee

B. Temporary coordination mechanism

- Coordination body for specific programme
- Coordination body for specific project
- Case-based coordination approach
- Coordination of specific initiative through meetings
- Coordination of specific initiative through official communications

5. A number of initiatives have been taken by SPECA countries in establishing national transit transport facilitation bodies. However, existing facilitation coordinating bodies are facing difficulties in sustaining their operations, often resulting from insufficient financing sources, inadequate recognition of their role and functions, inadequate organizational structure and lack of representation from key stakeholders.

6. UNESCAP secretariat has developed the guidelines on establishing and strengthening national coordination mechanisms. The guidelines lay down broad principles, salient aspects and main requirements for a successful national coordination institution. The publication complements the existing UNECE guidelines on setting up national trade facilitation bodies consequent to Recommendation No. 4 adopted by United Nations Centre for Trade Facilitation and Electronic Business (UN CEFAC). The publication is available in English at http://www.unescap.org/sites/default/files/Study_on_Coordination_Mechanisms_Ch4.pdf.

7. The United Nations Economic Commission for Europe (UNECE) and the Organization for Security and Co-operation in Europe (OSCE) launched a jointly produced handbook on border crossing policies in Vienna, Austria on 22 February 2012. The Handbook of Best Practices at Border Crossings – A Trade and Transport Facilitation Perspective offers a rich array of reference material and more than 120 best practice examples at border crossings.

8. Given that the design and industrial development cycle of innovative technologies are shorter than the policy cycle, regulatory authorities often lag behind at the national level, but do so particularly at the international level. This leads to technical fragmentation and eventually inter-operability issues within and across countries. UNECE, having recognized the importance of innovation and the difficulties that accompany the use of new technologies in transport and

border crossing, is calling for efforts to speed up the development and implementation of regulations and agreements on technical and technological compatibility.

9. One of the most recent coordinated efforts in that direction is reflected in the project on Customs-to Customs (C2C) electronic information exchange for transit. The objective of this global project – which is funded by the United Nations Development Account and implemented in cooperation with all UN regional commissions - is to strengthen the capacities of developing countries and countries with economies in transition to facilitate legitimate border crossing, by means of increased secure electronic exchange of information between Customs administrations. Simultaneously, the project will contribute to increasing the cooperation between Customs administrations and promote the use of international standard electronic messages, in particular, for transit operations.

10. The electronic exchange of transit information among Customs administrations will have multiple impacts on the direct beneficiaries of this project, i.e. (a) legitimate international trade and transport companies, (b) Customs administrations and other cross-border agencies and (c) organizations and companies providing guarantees, thus securing the payment of duties and taxes of goods in transit in case of irregularities.

11. For a number of selected pilot countries, the project will assess the legal and technical factors that prevent a wider C2C electronic exchange of transit information. The project will also deliver targeted capacity building and technical assistance. Two countries in the ECE and ESCAP region have volunteered to take part of this project: Georgia and Kyrgyzstan. The first Customs-to-Customs data exchange workshop under this project was organized in Tbilisi (Georgia) on 22–23 June 2015. The participants concluded, among others, that internationally standardized Business-2-Customs (B2C) electronic messages for transit not only facilitate the submission of information by the business community but also the exchange of data among customs administrations. They also stressed the importance of exchanging best practices and of organizing events that provide opportunities to learn, in more detail, how data exchange issues related to transit are dealt with in other countries.

12. UNECE also actively supported the Conference on Landlocked Developing Countries (Vienna, November 2014) which identified priority areas, policies and development initiatives to promote regional integration and transit cooperation for the benefit of landlocked developing countries, including SPECA countries. These will shape future work to be undertaken by the regional commission and other stakeholders, with a view to supporting regional integration in all regions that have landlocked developing countries.

The Project Working Group may wish to

- Take note of the handbook of Best Practices at Border Crossings – A Trade and Transport Facilitation Perspective, jointly published by UNECE and OSCE and the Guidelines on Establishing and Strengthening National Coordination Mechanisms for Trade and Transport Facilitation in the ESCAP Region published by UNESCAP, and encourage SPECA countries to use them widely;
- Encourage SPECA countries to use the results of the “Strengthening the capacities of developing countries and countries with economies in transition to facilitate legitimate border crossing, regional cooperation and integration” project;
- Encourage SPECA countries to establish or strengthen national coordination mechanisms to review, assess, propose and take actions for the facilitation of international trade and transport;
- Encourage SPECA countries to mobilize public and private sector resources to finance the operations and activities of the national coordination mechanisms; and
- Encourage SPECA countries to hold workshops on establishing and strengthening of national coordination mechanisms to build common position of different stakeholders on ways to reduce barriers for cross-border and transit transport.