

# Transport Corridor Europe-the Caucasus-Asia



### TRACECA

#### **Rotating Chairmanship**

#### **Key dates**

May 1993 Initiating of the TRACECA Programme

September 8, 1998 Signature of the Basic Multilateral Agreement of the international transport on development of the Europe-the Caucasus-Asia corridor (MLA)

March 10, 2000 First Annual Meeting (Conference) of the Intergovernmental Commission TRACECA on the transport corridor "Europe-Caucasus-Asia"

February 21, 2001 Official opening of the office of the Permanent Secretariat of the IGC TRACECA in Baku (Azerbaijan)

The development of economic relations, trade and transport communication in the regions of Europe, the Black Sea, the Caucasus, the Caspian Sea and Asia – one of the main objectives

### **Intergovernmental Commission**

Decision-making structure – Competent Ministries

#### **Permanent Secretariat**

Executive structure – Implementation and Monitoring



Official opening ceremony of the office of the Permanent Secretariat in Baku









### Permanent Representatives (National Secretaries) in 13 member states

National structure – Focal point between national competent authorities/organizations and Permanent Secretariat

























## Strategic guideline

"Logistics Processes and Motorways of the Sea II" project funded by the European Union has become a long-term guide in the development of the corridor



## Main areas of 107 actions for 2022-2026

Removal of institutional and legal barriers for transport and international trade

Development of railway sector

Motorways of the Sea, railwayferry communication and maritime routes

Development of road sector

Development of inland waterways

Air transport

Connections with the hinterland, multimodal and logistic possibilities

#### **The Master Plan**

Includes a set of recommendations on policies, objectives, system needs, or priorities to guide decisionmakers of TRACECA in a short, medium and long term run

50% of recommendations are based on "soft infrastructure"

provides for the implementation of recommendations in 7 main areas

**Strategy 2016-2026** 

Adopted on 1 June 2016, within 12 Annual Meeting of the IGC TRACECA, in Odessa, Ukraine, The Master Plan is an Annex to the IGC Strategy and its inalienable part.

## Action Plan for 2018-2021

Adopted on 06 March 2018, within 13 Annual Meeting of the IGC TRACECA in Yerevan, Republic of Armenia

consists of 34 actions, aimed at achieving the set goals

## **TRACECA-EU** cooperation



The implementation of the projects made an invaluable contribution to attracting investment to the region



#### **Actions taken**

In 2020, a number of meetings were held with the official side in the person of the Ambassador of the EU Delegation to the Republic of Azerbaijan, as well as the Ambassador-at-Large of the EU.

On June 28, 2021, within the framework of the visit, bilateral meetings and a Roundtable were held with the participation of representatives of the European Commission and diplomatic missions of the TRACECA countries in Brussels

It is proposed to consider the possibility of an official address from the Republic of Kazakhstan to the EU for the implementation of a project on the recognition of electronic signatures in Central Asian countries by analogy with the EU4Digital project.

#### **IMPLEMENTED PROJECTS**

### 85 projects

### financed by the EU

- 40 % of the budget was allocated for infrastructure development
- In 2016 the last project was finalized

# 14 investment projects

### financed by the EU

- More than 4 billion Euros was invested in infrastructure of the member states
- International financial institutions were the main investors

# 71 projects of technical assistance

### financed by the EU

- The main aim of the projects is to facilitate the development:
- raising the competence;
- legislative support;
- implementation and introduction of best practices;
- modelling the new infrastructure

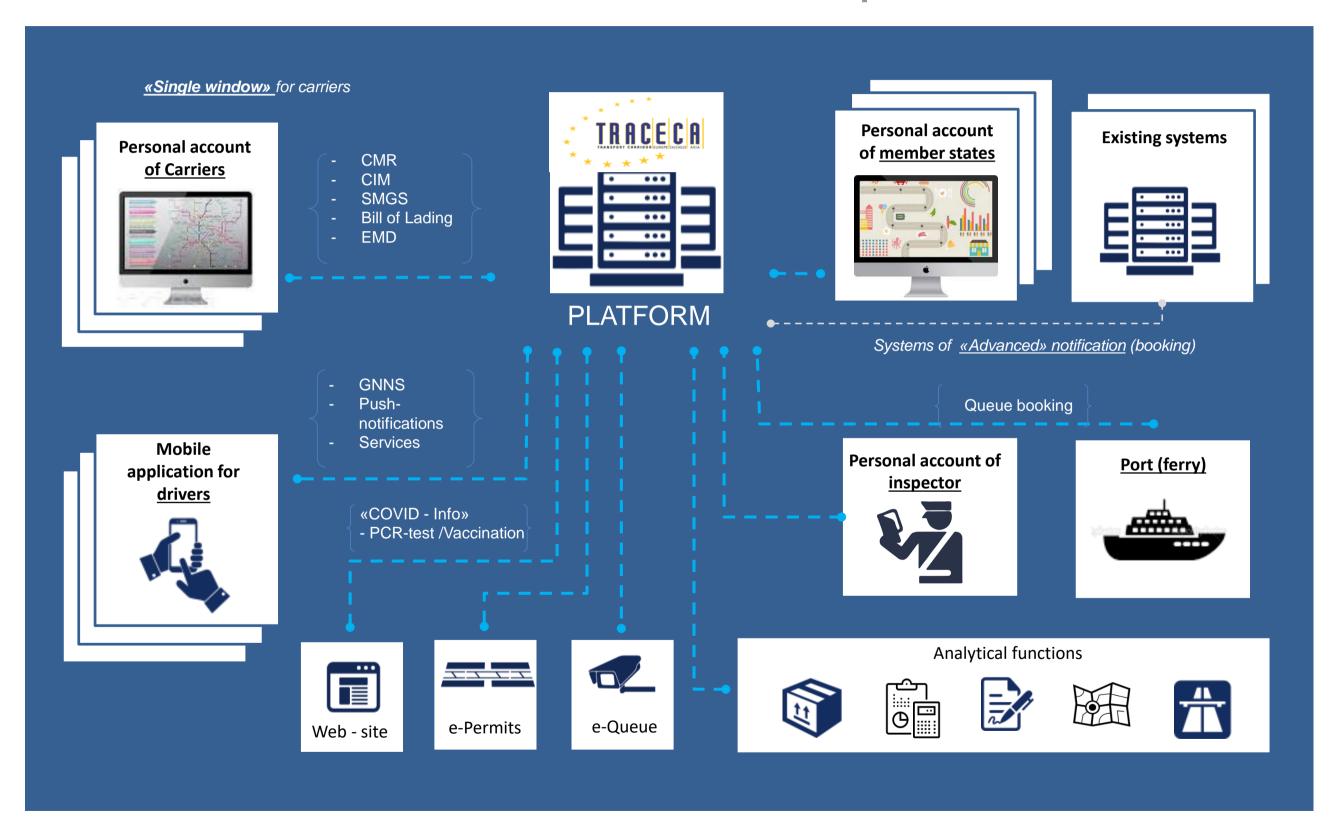
TRACECA-Road safety
TRACECA Civil Aviation
Safety and Security

Logistics Processes and Motorways of the Sea TRACECA Land Transport Safety and Security Regional Transport Dialogue and Networks Interoperability Strengthening of Transport Training Capacity

International Logistical
Centres
Development of Equipment
Certification Centres

## **Digitalization**

Digital Concept will be the main guide to digitalization of the corridor in various modes of transport



#### **MAIN AREAS**

- Digitalization of Multilateral Permits System of TRACECA
- Implementation of Agreement on a Single Transit Permit of TRACECA
- Implementation of eTIR and eCMR
- Creation of TRACECA digital platform
- Introduction of Intellectual maps
- Digitalization of supply chains along the TRACECA routes

Last year, the Permanent Secretariat together with the International Center for Transport Diplomacy, the Intergovernmental Council of Road Administrations and the IBM Corporation, worked on the development of the Concept of the Global Transit Document.

Joint work continues on preparations for the first pilot application of the Global Transit, the results of which will be presented in 2022.

## Digitalization of transport documents

Permanent Secretariat is currently working on initiatives aimed at introducing digital solutions on transport

6 TRACECA member-states were the first in the world to test the use of electronic TIR (Azerbaijan, 2022-2025 Iran, Kazakhstan, Tajikistan, Turkey, Uzbekistan) eTIR • eTIR • Fifth project of Fourth project 8 countries joined eCMR (Bulgaria, Iran, Moldova, of piloting piloting Romania, Turkey, Tajikistan, Ukraine, Uzbekistan) between between Iran. Implementation of the Kazakhstan Tajikistan and **Digital Concept** eTIR Uzbekistan and Uzbekistan Third project (2021)(2021)of piloting Activities eTIR between Implementation Use of Signature of Kazakhstan Second of pilot projects electronic First year of **Draft Agreement** and Uzbekistan **CIM/SMGS** of electronic project of implementation on a Single (2020)pilotina consignment of TRACECA queues **Transit Permit** between Multilateral note (2021)! • eTIR Azerbaijan and Draft Approval of the Piloting the **Permits System** Iran (2019) Agreement on a **Digital Concept eCMR** between First project Introduction of between **Single Transit** (2021)member states of piloting member states Intellectual **Permit** (2020) between Iran (2016)maps Launch of and Turkey Presentation of **TRACECA** • Use of **Electronic** (2015) First pilot project the Global information **Permits (Single** of the Global **Transit** system and mobile **Transit/Multilateral**) TRACECA-IRU **Document Transit** application for Workshop on Prototype PICTD **Document** carriers eTIR and eCMR (2021)Concept (2020)(2021)Time

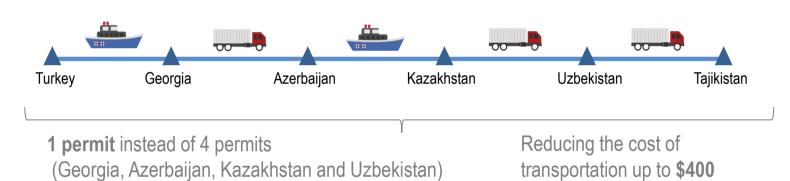
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#### SINGLE TRANSIT PERMIT

#### Sample of the application of a Single Transit Permit

**Example**— transit transportation among the TRACECA countries



#### **Objective** of the Agreement on a Single Transit Permit

- Reducing the number of permits for transit transportations;
- Reducing the cost of transportation;
- Simplification of the transport process between the TRACECA countries;
- Increasing the return loading when transporting cargo by ferry vessels;
- Optimization of procedures for obtaining a transit permit;
- Applications of digitalization elements;
- Exclusion of the application of paper permits;
- Growing interest of countries in acceding to TRACECA

#### **MULTILATERAL PERMIT**

- Applied since 2016
- Used in 6 countries: Armenia, Georgia, Moldova, Romania, Turkey, Ukraine
- Gives the right to carry out bilateral and transit transportations, as well as transportations to/from third countries



• The average percentage of use of multilateral permits among 5 countries is 97.8%, with the exception of Armenia, which did not use permit forms in 2020.

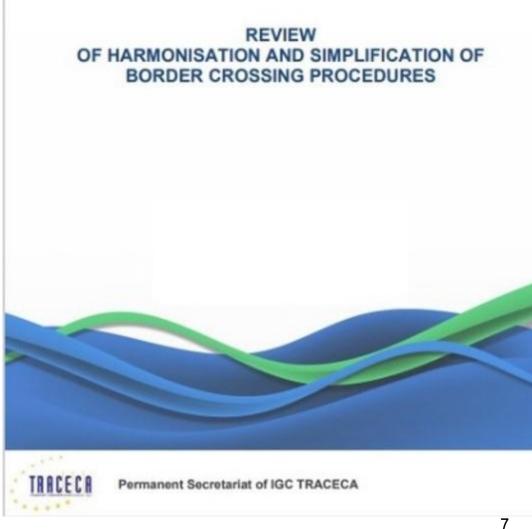
#### **OTHER INITIATIVES**

**GLOBAL TRANSIT DOCUMENT** 

DIGITALIZATION OF MULTILATERAL **PERMITS** 

**ELECTRONIC QUEUES** 

**ELECTRONIC CIM/SMGS** 



### **Global Transit Document**

#### CHRONOLOGY OF WORK ON THE INITIATIVE

**2020:** The Concept of the Global Transit Document (GTrD)

2Q 2021: Presentation of the GTrD

2Q 2022: Implementation of pilot project using the GTrD

2023: Presentation of the results of the GTrD pilot application

#### **GTrD PILOTING ROUTE**

Tajikistan-Uzbekistan-Turkmenistan-Kazakhstan-Azerbaijan









#### GTrD will shift the focus from documents to data

— GTrD will provide a more efficient, predictable and secure exchange of information.

Disparities and discrepancies in documentation will be alleviated providing huge savings in time and costs.

Access to earlier, more complete, immutable data improves the effectiveness of targeting processes, facilitating legitimate trade, increasing compliance and improving Customs' efficiency.

A customs authority can establish a connection in a few days, with a small team, rather than requiring its staff to first invest in becoming blockchain experts.

## Institutional development and simplification of border crossing procedures

# Methodology of Evaluating Checkpoints

This Methodology is aimed at evaluating the checkpoints located on the state borders of the TRACECA countries along the corridor routes. An annual assessment is planned. The first evaluation is scheduled for 2022.

# Draft Agreement on mutual recognition of the customs control results

The draft Agreement was sent to the TRACECA countries for coordination in 2021. The main purpose of the draft Agreement is to reduce the time spent when crossing borders.

#### **Electronic queues at checkpoints**

In 2021, the Permanent Secretariat held meetings with potential partners of the project on the introduction of electronic queues on the routes of the TRACECA corridor. The possibility of implementing a pilot application between TRACECA countries is being worked out.

# Methodology for Identification of the Routes

The adoption of the document will simplify the mechanism of route formation as much as possible and increase the transparency of this process. It is especially important that this document will also become the basis for work within the framework of TRACECA initiatives, collection and processing of statistical data, border crossings and others, and will also allow regulating work on new routes, in case of expansion of the composition of the MLA Parties.

# TRACECA Model Agreement on the organization of joint border crossing points

Based on the world practice of establishing and operating joint checkpoints, a draft Model Agreement has been developed, which may be modified depending on the agreements of the TRACECA border countries., It was also sent for consideration by countries in 2021.

# Draft Agreement on harmonization of the mass and dimensions requirements

The draft Agreement was sent to the TRACECA countries for coordination in 2021. At present, work is underway to finalize the draft, given the possible recognition of the international certificate of weighing of cargo vehicles. The main purpose of the draft Agreement is maximum harmonization of requirements.

## **Methodology of Evaluating Checkpoints**

#### **Methodology of Evaluating Checkpoints**

Approved in October 2021.

Each checkpoint on the TRACECA routes will be evaluated individually on an annual basis.

The first results of the evaluation are expected at the end of the 2nd quarter of 2022.

#### Ratings by points:

=/> 90: excellent

75-89: good

60-74: satisfactory

</= 59: not satisfactory.

#### **Methodology covers 5 areas for evaluation**

Infrastructure (11 directions, 35 points) Information technologies (8 directions, 24 points) Processes and procedures (12 directions, 27 points)

Position in international ratings
(2 directions,

8 points)

Carriers' opinion (2 directions, 7 points)

# Example of the evaluation result for each checkpoint

#### **BCP Port Baku (Azerbaijan)**

Infrastructure (max 35): 28

Information Technologies (24): 21

Processes and Procedures (27): 23.5

International Ratings (max 8): 3

Opinion of carriers (max 7): expected

Total (max 100): 75.5

#### **BCP Gogavan Armenia**

Infrastructure (max 35): 17

Information Technologies (24): 22

Processes and Procedures (27): 17

International Ratings (max 8): 5

Opinion of carriers (max 7): Expected

Total (max 100): 61

#### **BCP Kulma (Tajikistan)**

Infrastructure (max 35): 16

Information Technologies (24): 0

Processes and Procedures (27): 11

International Ratings (max 8): 3

Opinion of carriers (max 7): Expected

Total (max 100): 30

### Information assistance to carriers

#### **Hotline Concept has been prepared**

Single number within TRACECA (auxiliary block)

National hotlines (main block)

Automated bots in social networks (additional block)

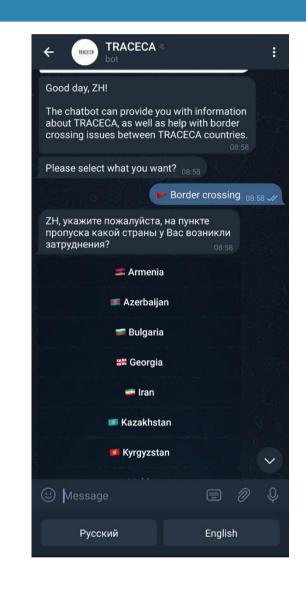


Guides on obtaining special permits for the passage of heavy and large vehicles

The information is updated as data from TRACECA countries becomes available. Full versions of national regulations and the cost of services are available.

Work is underway to collect information on the cost of transit transportation by road through the territories of the corridor countries.

# Bot has been developed in Telegram in test mode in Russian and English



@Traceca\_bot



Cost of road transportation along the TRACECA corridor routes is being assessed

### **Development of water transport**

# TRACECA Regional Action Strategy on Maritime Safety and Environmental Protection

### 1 Maritime Safety

#### 2 Environmental Protection

#### 3 Ensuring Safety at Sea

#### **Paris MoU**

Based on the Annual Report on the Implementation of the Paris MOU on Port State Control, Turkey is on the "White List", Azerbaijan, Iran, Kazakhstan and Ukraine are on the "Grey List"

#### OSCE

In 2019, the OSCE launched the project "Promotion of Green Ports and Connectivity in the Caspian Sea Region"

The TRACECA II Maritime Safety and Security project was originally launched by the European Commission in 2013 with a duration of 3 years and builds on the results of 2 previous projects, SASEPOL (2009) and MONINFO (2011).

The TA project "Assessment of needs for cargo handling equipment for the ports of the Caspian Sea" was sent to the EC in 2020.

Further actions will be taken as part of the Action Plan for 2022-2026

# Review on the evaluation and development of the concept of marine vessels for the Caspian Sea

**The main goal** is to develop maritime transport along the TRACECA corridor and reduce the cost of transportation.

As part of the study, it is planned:

- conducting a comparative analysis of the cost of transport of goods by sea in the Caspian and Black Seas, and preparing recommendations for reducing the cost of transportation and the business model of cargo shipping lines;
- conducting an analysis of the current fleet of the TRACECA countries and identifying bottlenecks and factors hindering the development of maritime transport;
- development of a feasibility study, including the conceptual design of vessels' structures for maritime transport in the Caspian Sea and the adaptation of terminals;
- development of a feasibility study with the rationale for the optimal parameters of ferries for sea transportation in the Black Sea, taking into account the cargo flow within TRACECA

The project was launched in December 2021, its **completion is expected in the 2nd quarter of 2022**, after which the outcomes will be submitted to the TRACECA countries for consideration.

## Development of container transport

In 2030, the maximum estimated volume will be 760 thousand TEU containers or 9 thousand container trains

# Concept for the development of container transport in the TRACECA corridor countries up to 2030

This document describes the trends in trade relations between the countries of the TRACECA corridor, the forecast of foreign trade of the countries of Europe and Asia for the last 20 years (75 countries were selected), "bottlenecks" and recommendations for their elimination.

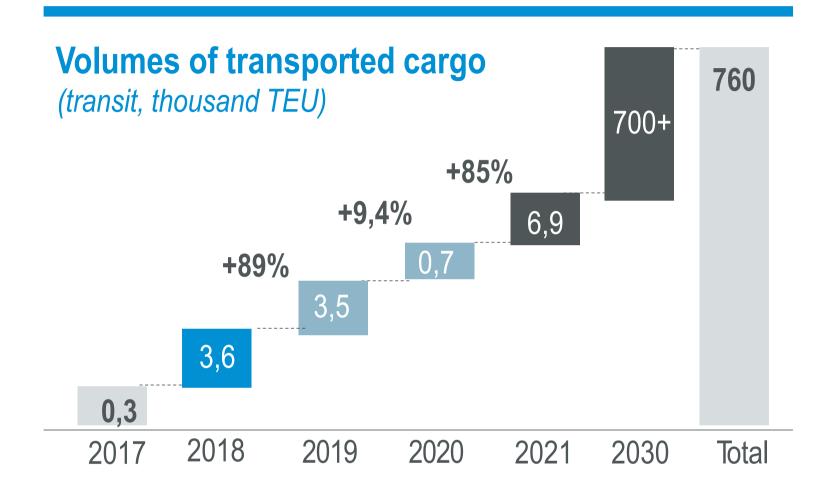
To achieve these indicators, the activities of the Permanent Secretariat will focus on removing technical barriers and determining competitive tariffs for container transport along the TRACECA routes.

#### **Cooperation with UIC**

Involvement in Study on Silk Road Middle and Southern Corridors/TRACECA routes (conducted by UIC and Roland Berger) - identification of bottlenecks and needs for action

Development of common approaches to determining competitive pricing for the transport of goods by railway lines within TRACECA





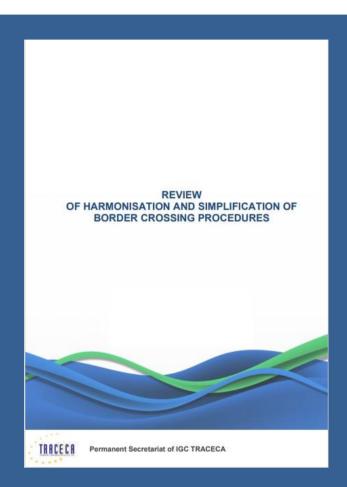


#### TRACECA + TEN-T

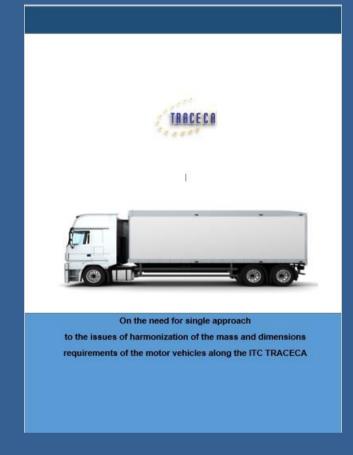
Joint and coordinated actions significantly contribute to the further development of container transport, which will facilitate the use of new technologies and digital solutions and allow more efficient use of infrastructure, reducing the impact of transport on the environment, which is fully in line with the objectives of the TEN-T

## **Reviews and Analysis**

### Harmonization of transport legislation in TRACECA countries



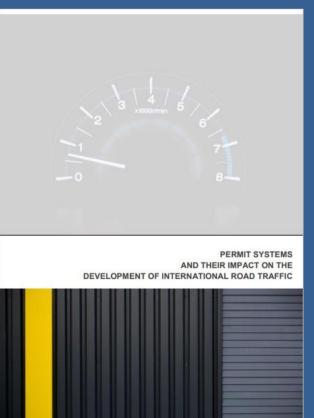
Review of harmonization and simplification of border crossing procedures



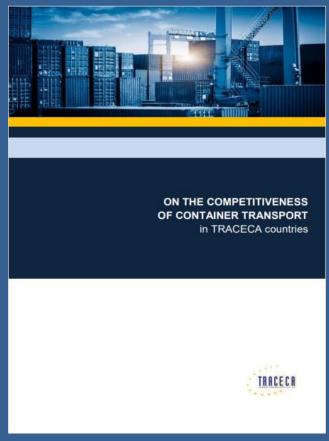
On the need for single approach to the issues of harmonization od the mass and dimensions requirements of the motor vehicles along the ITC TRACECA



Analysis of the applied tariffs in the field of maritime in MLA member states and recommendations on the elaboration of harmonized tariff policy on the Caspian and Black Seas



Permit Systems and their impact on the development of international road traffic



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On the competitiveness of container transport on TRACECA countries



Research and Comparative analysis of maritime legislation



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