



# Transport Corridor Europe-the Caucasus-Asia



# TRACECA

## 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

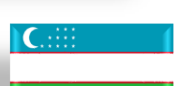


Official opening ceremony of the office of the Permanent Secretariat in Baku

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

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

Rotating Chairmanship



# Digitalization of transport documents

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

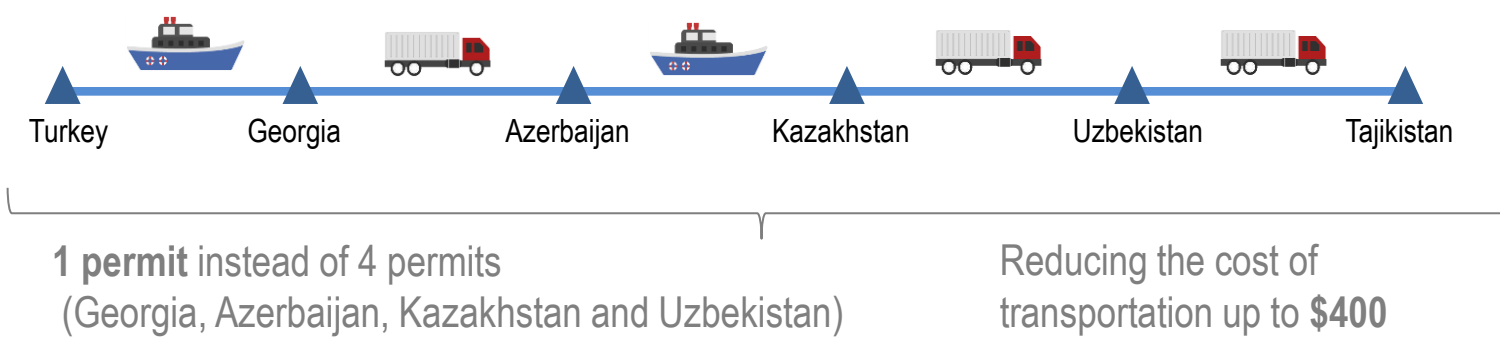
## SINGLE TRANSIT PERMIT

## MULTILATERAL PERMIT

## OTHER INITIATIVES

**Current situation**  
without and with 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

- 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.

### GLOBAL TRANSIT DOCUMENT

### DIGITALIZATION OF MULTILATERAL PERMITS

### ELECTRONIC QUEUES

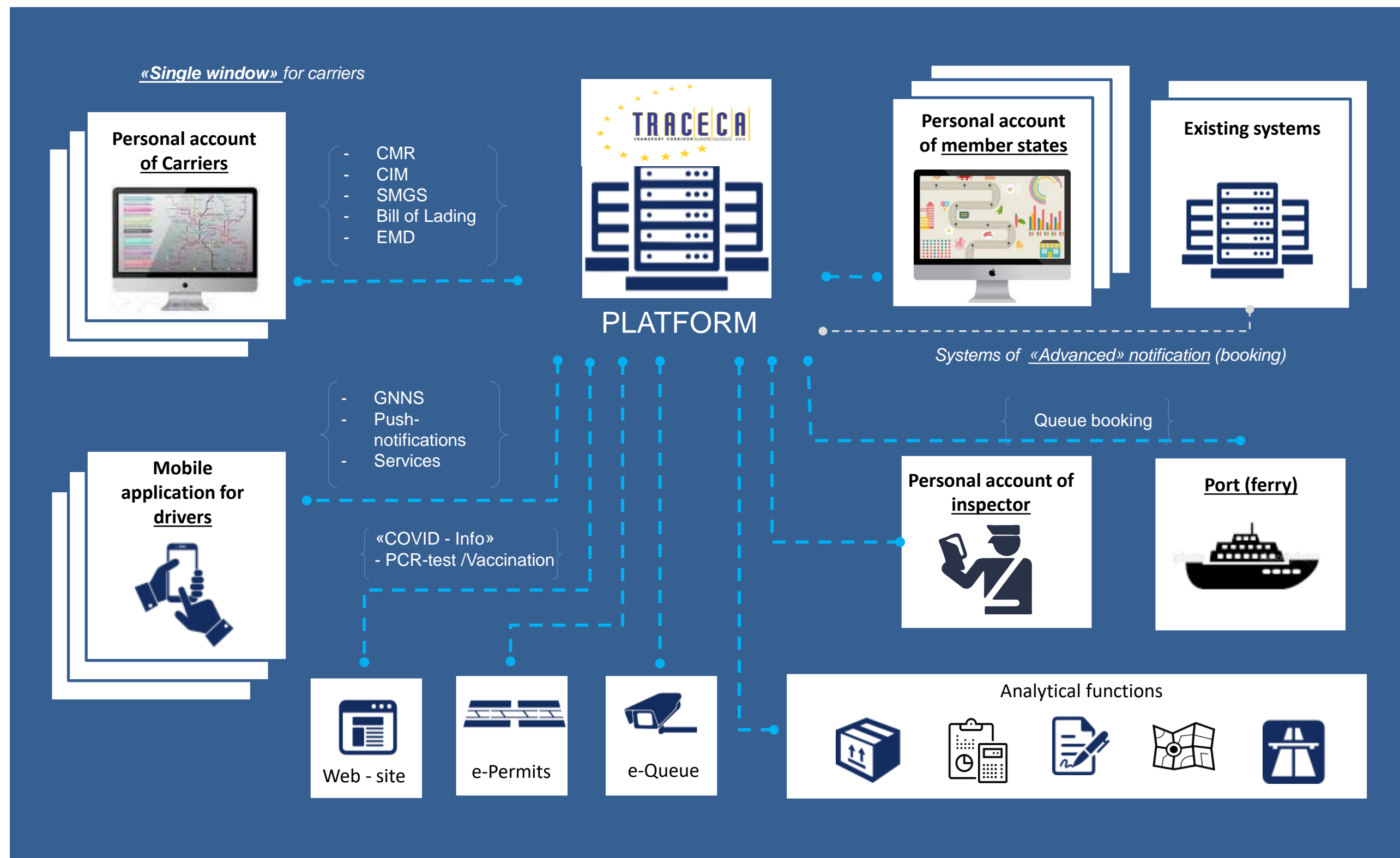
### DIGITAL CIM/SMGS

Procedures for approving the Agreement on a Single Transit Permit of TRACECA are being completed



# Digitalization

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



## MAIN DIRECTIONS

- Digitalization of TRACECA Multilateral Permits System
- Implementation of Agreement on a Single Transit Permit
- Implementation of e-TIR and e-CMR
- 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, Intergovernmental Council of Road Administrations and the IBM Corporation, worked on the development of the Concept of the **Global Transit Document**.

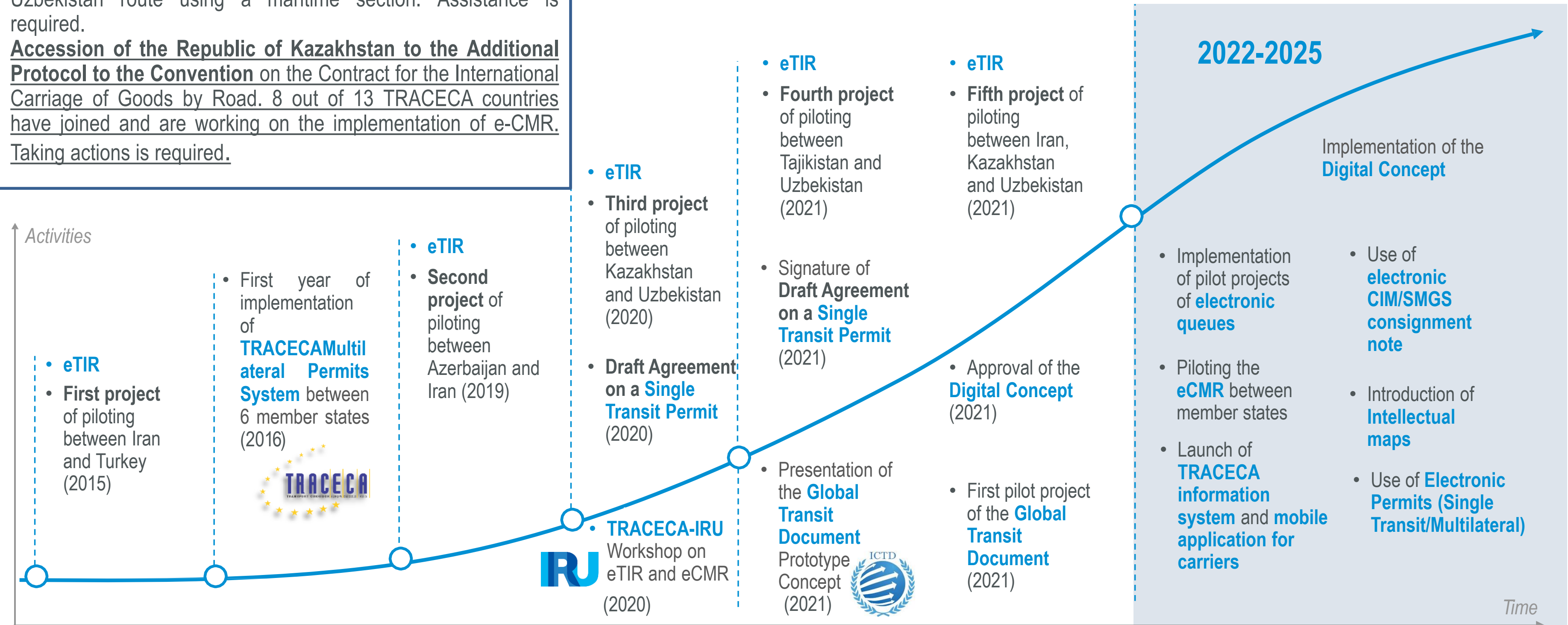
Joint work continues on the preparation of the first pilot application of the Global Transit Document on the Tajikistan-Uzbekistan-Kazakhstan-Azerbaijan route, the results of which will be presented in 2022.

# Digitalization of Transport Documents

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

The first trilateral e-TIR pilot project on the Iran-Kazakhstan-Uzbekistan route using a maritime section. Assistance is required.

Accession of the Republic of Kazakhstan to the Additional Protocol to the Convention on the Contract for the International Carriage of Goods by Road. 8 out of 13 TRACECA countries have joined and are working on the implementation of e-CMR. Taking actions is required.



# Global Transit Document

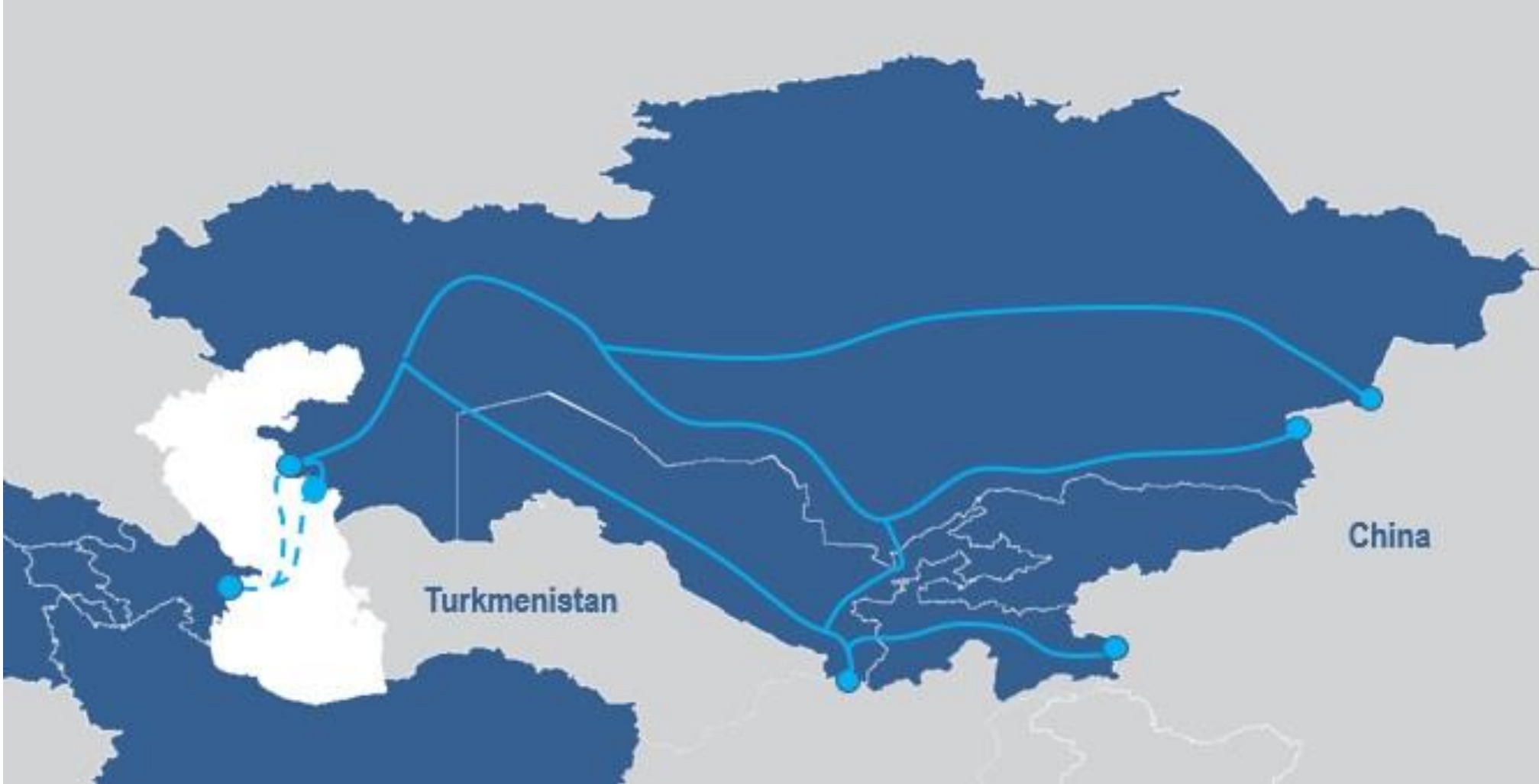
## CHRONOLOGY OF WORK ON THE INITIATIVE

- 2020:** The Concept of the Global Transit Document (GTrD)
- 2Q 2021:** Presentation of the GTrD
- 1Q 2022:** Implementation of pilot project using GTrD
- 2022:** Presentation of the results of the GTrD pilot application



## GTrD PILOTING ROUTE

Tajikistan-Uzbekistan-Kazakhstan-Azerbaijan



- 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 piloting

## Methodology of evaluating checkpoints

This Methodology is aimed at evaluating checkpoints located on the state borders of TRACECA countries along the corridor routes.

Conducting annual evaluation 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 in 2021 for approval. The main objective of developing the draft Agreement is to reduce the time spent during border crossing.

## Electronic queues on checkpoints

In 2021, the Permanent Secretariat held meetings with potential partners of the project on introduction of electronic queues on the TRACECA corridor routes. The first piloting was proposed to be carried out between Kazakhstan and Uzbekistan/Moldova and Romania.

## Methodology for Identification of routes

The adoption of the document will simplify the route formation mechanism 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 TRACECA initiatives, collection and processing of statistical data, border crossings and etc., and will also allow regulating work on new routes, in case of expansion of the composition of the MLA Parties.

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

Based on the world practice of creating and functioning joint BCPs, a draft Model Agreement has been developed, which may be modified depending on the agreements of the TRACECA border countries. In 2021, it was also sent to countries for consideration.

# Development of container transport

In 2030 the maximum expected volume will make 760 thousand TEU containers or 9 thousand container trains

## Concept for the Development of Container Transport in the TRACECA corridor countries up to 2030

The document describes the trends in the development of trade relations between the TRACECA corridor countries, forecast of external trade for the countries of Europe and Asia for the last 20 years (selected 75 countries), the “bottlenecks” and recommendations to remove them.

In order to attain these targets, the Permanent Secretariat will focus on the elimination of technical barriers and determination of competitive tariffs for container transport along the TRACECA routes.

### Cooperation with UIC

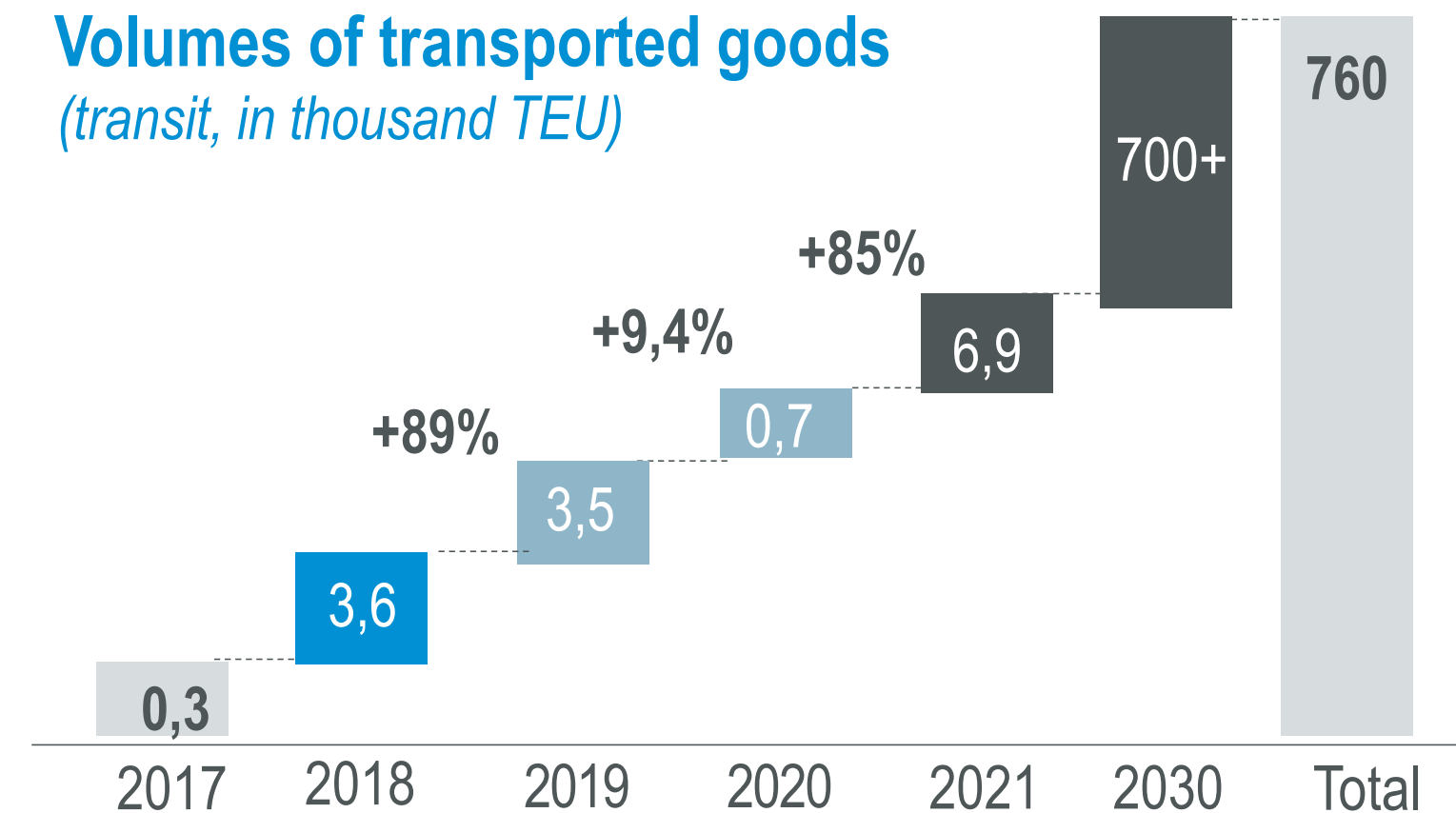
Participation in the studies on the Middle and South corridors of the Silk Road/TRACECA routes (carried out by the UIC and Roland Berger) – determination of the bottlenecks and needs in taking measures

Development of common approaches to the determination of competitive pricing and support measures for the transport of goods by rail within TRACECA



### Volumes of transported goods

(transit, in thousand TEU)



It is proposed to consider the possibility of taking measures to stimulate and reorient cargo flows to the routes of the TRACECA corridor.

It is advisable to consider the possibility of creating a Joint Venture between Kazakhstan, Azerbaijan and Georgia.



# Creation of JV within Europe-the Caucasus-Asia corridor

## Main objectives

Determination of container service routes

Launch of regular container trains

Provision of comprehensive logistics services

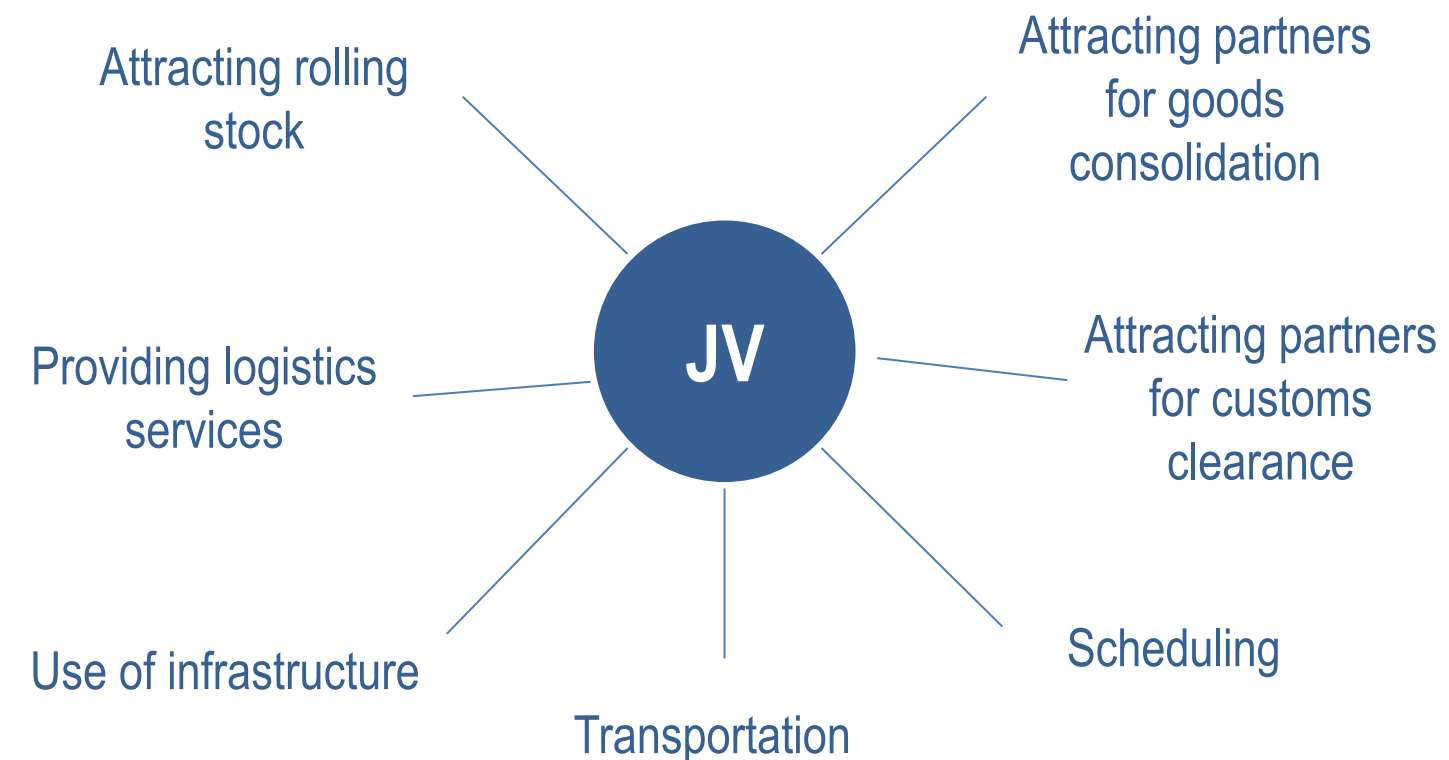
Provision of logistics services, including:

Rolling stock operation

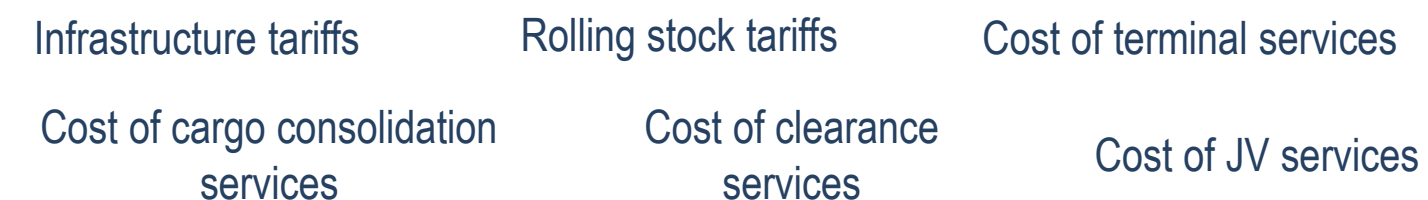
Ensuring loading and unloading operations at border terminals/stations

Registration of documentation along the route, including customs declaration

## Operational management



## Tariff formation



## Range of services

infrastructure

rolling stock

terminal network

documentation

EXPERIENCE OF USING ALLIANCES IN THE WORLD



Ocean Alliance



# 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 1 quarter of 2022**, after which the outcomes will be submitted to the TRACECA countries for consideration.

# TRACECA-EU cooperation



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



## IMPLEMENTED PROJECTS



## Actions taken

In 2020, meetings were held with the official side represented by the Ambassador of the EU Delegation to the Republic of Azerbaijan, as well as with the EU Ambassador-at-Large.

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

TRACECA-Road safety

Logistics Processes and Motorways of the Sea

Regional Transport Dialogue and Networks Interoperability

International Logistical Centres

TRACECA Civil Aviation Safety and Security

TRACECA Land Transport Safety and Security

Strengthening of Transport Training Capacity

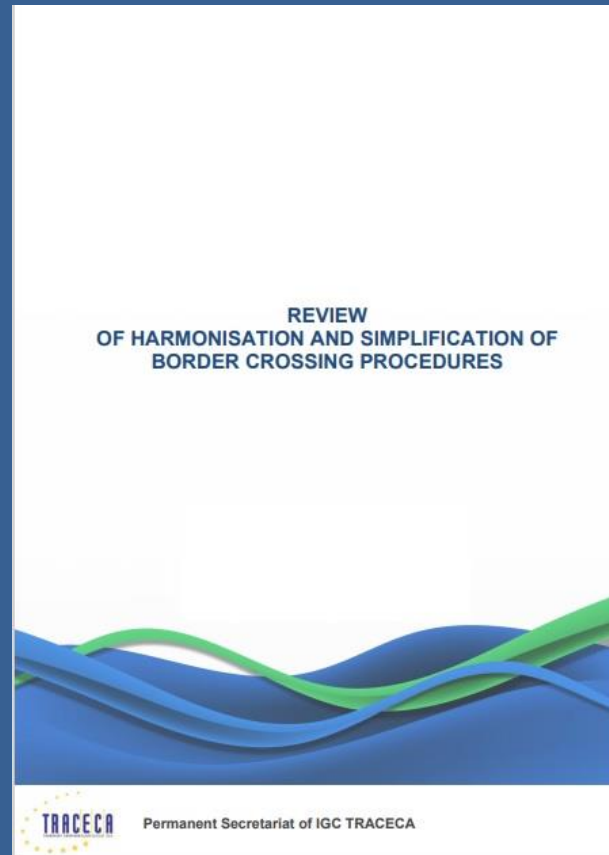
Development of Certification Centres

Предлагается рассмотреть возможность **официального обращения в ЕС от РК для реализации проекта** по признанию электронных подписей в странах ЦА по аналогии с проектом в рамках EU4Digital.

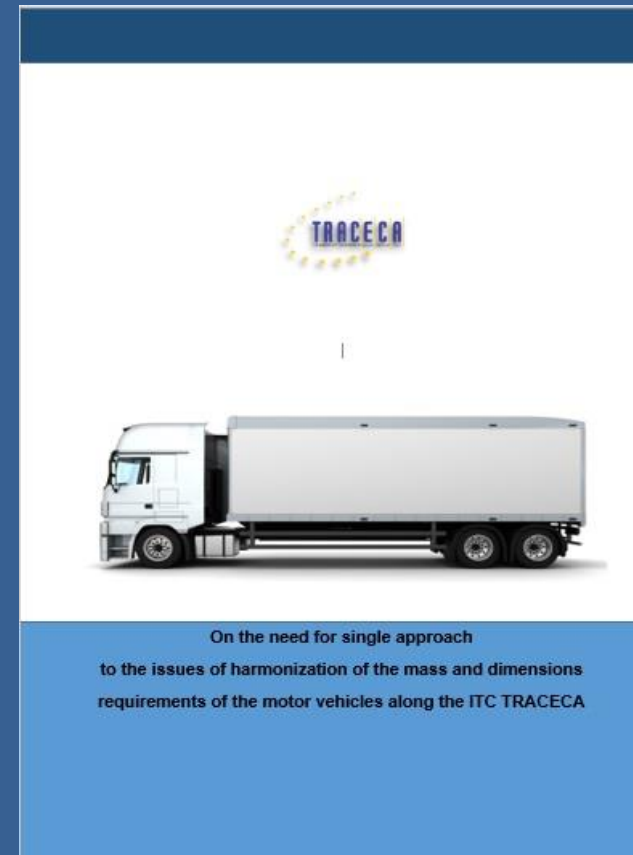


# Reviews and Analysis

## 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 of 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



On the competitiveness of container transport on TRACECA countries



Research and Comparative analysis of maritime legislation



# PROSPECTS ON COOPERATION



**JOINT STUDY ON THE EFFECTIVENES OF ROUTES**

**COOPERATION IN THE FIELD OF THE HARMONIZATION OF LEGISLATION**

**EXPERIENCE EXCHANGE IN DIGITALIZATION OF TRANSPORT**

**STUDYING BEST PRACTICES IN SIMPLIFICATION OF BORDER CROSSING PROCEDURES**

-  Armenia
-  Azerbaijan
-  Bulgaria
-  Georgia
-  Iran
-  Kazakhstan
-  Kyrgyzstan
-  Moldova
-  Romania
-  Tajikistan
-  Turkey
-  Ukraine
-  Uzbekistan

-  Afghanistan
-  Azerbaijan
-  People's Republic of China
-  Georgia
-  Kazakhstan
-  Kyrgyz Republic
-  Mongolia
-  Pakistan
-  Tajikistan
-  Turkmenistan
-  Uzbekistan



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