WTO Trade Facilitation Committee
Dedicated session on Transit issues
5 April 2022
Article 11 but also e.g.

- Article 1.1. Publication
- Article 1.2. Publication on the Internet
- Article 2.1. Opportunity to comment
- Article 7. Release and clearance
  - 7.1. Pre-arrival
  - 7.7. Authorized operators
- Article 8. Border Agency Cooperation
- Article 10. Formalities (various)
  - 10.3. Use of international standards
  - 10.4. Single Window
- Article 23.2. NTFC
WTO Trade Facilitation Agreement, Art 11 Transit

Transit is complicated.
Not all transit related issues are covered by the WTO TFA

- Infrastructure, e.g. obligatory route
- Means of transport, e.g. weight and dimensions
- Operation, e.g. driver qualifications and visa
- Services, e.g. obligatory use of Customs broker
- Goods, e.g. guarantee scheme

+ Cross border exchange of data
A game changer
Members shall endeavour to cooperate and coordinate with one another with a view to enhancing freedom of transit. Such cooperation and coordination may include, but is not limited to an understanding on:

(a) charges;
(b) formalities and legal requirements; and
(c) the practical operation of transit regimes.

WTO TFA Article 11.16
Transit Coordination and cooperation
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.

WTO TFA Article 11.17
Transit Coordinator
WTO TFA Article 11.16. and 11.17.

- 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
Corridor management

Building institutional capacity through 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.
ASYCUDA is operational in 21 LLDCs and around 20 transit countries:

- ASYCUDAWorld integrated Customs management systems;
- Dedicated transit module
- 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
ASYCUDA Transit Module

**OFFICE OF DEPARTURE/ OFFICE OF ENTRY**

1. **MANIFEST**
2. **Transit Declaration**
3. **e-Payment**

**T1 Electronic Document**
- Evaluate T1
- Risk Analysis
- Affect Guarantee Acc.
- Authorize T1
- Write-off Manifest
- Communicate T1

**DEPARTURE**

**En-route Controls**

**ARRIVAL**
- Acknowledge T1
- Cancel T1
- Refund Guarantee Acc.
- Communicate Office (D)
- Generate Manifest/BL

**OFFICE OF DESTINATION/ OFFICE OF EXIT**

**Goods ready for Clearance**

**Type:**
- National
- Regional
- International

**Goods:**
- National
- Community-based
- 3rd Party

**Routes:**
- Direct (Departure-Destination)
- Multiple (Departure-Transit-Destination)
- Multimodal (Rail/Road)

**Risk Management**

- Trader

**ASYCUDA Programme**

[UNCTAD Logo]
Georgia: Accession to the Common Transit Convention

Development and implementation of NTCS system of GRS

Specific objectives

- Develop a National Transit Application (NCTS-NTA) aligned with the NCTS-P5 specifications and national requirements, including country specific deviations

- Implement the NCTS-NTA capabilities into the operational GRS eCustoms environment, ensuring full interoperability with existing eCustoms sub-systems

- Further strengthen the trade facilitation by simplifying the trading environment in terms of customs procedures and documentation, while improving the customs supervision and monitoring
Fully computerised control and monitoring of transit

Integrated transit control system

Management of guarantees

Enhanced technical and functional capabilities
Turkmenistan : Facilitation of Silk Road Transit

- ASYCUDA implementation by State Customs Service of Turkmenistan helped reduce time of customs processing 14 times
- Digitalization of TIR operations by the State Customs Service of Turkmenistan
- Customs data exchange between ASYCUDA systems of Turkmenistan and Afghanistan implemented
- Transit data exchange with Azerbaijan in progress
- Transit data exchange with Iran in progress
- Regional transit corridors (Lapis Lazuli corridor)
Features of the Transit Module in ASYCUDA

- Data/images of non-intrusive control systems
- Link to tracking and tracing
Regional Transit Model: ECOWAS

SIGMAT (ECOWAS Regional transit module)

- Technical and functional specifications defined with the support of WCO to exchange transit declarations messages between Customs clearances systems of ECOWAS member states (12 are using ASYCUDA out of 15)

- SIGMAT for road transport:
  - Developed by IT experts of ECOWAS region with the support of ASYCUDA experts (2018)
  - Implemented in 2019 in 5 countries (2 LLDCs) : Burkina, Benin, Cote d’Ivoire, Niger and Togo) for road transport
  - Tested between Mali and Senegal (in 2020)
  - Deployment planned in all ECOWAS countries / SIGMAT could be also used in other region (like CEMAC)

- SIGMAT for rail transport:
  - Developed in 2020 and tested in 1st quarter of 2021
  - Should be deployed before June 2021 between Burkina Faso and Côte d’Ivoire

SIGMAT – Solution and results

- Before: A transit declaration has to be registered at the border of each country

- Solution:
  - At the departure country, a transit declaration is registered and a copy is electronically sent to the transit and destination countries’ systems
  - Customs agents confirm the exit/entrance at the border or at the arrival at the destination office. Confirmations are sent electronically

- Results:
  - Simplification of transit procedures
  - Shorter transit processing time
Republic of Kazakhstan: Data Exchange with Customs Union

Data Exchange with Eurasian Economic Union

**Messaging Service with the Customs Union**

**Peer to Peer messaging**

**Types of messages:**
1. Customs Automatic Messages (Open/close Transit, etc.)
2. Inquiry Messages based on User requests
3. Technical Messages (e.g. Results)

**Message Envelope:**
1. Information on Application generating the message
2. Message Type
3. Routing Information (sender and receivers)
4. The Body contains the payload (document data)
THANK YOU!

QUESTIONS & ANSWERS

- Poul.hansen@unctad.org
- unctad.org/TF, asycuda.org