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**WTO Trade Facilitation Committee
Dedicated session on Transit issues
5 April 2022**



WTO Trade Facilitation Agreement, Art 11 Transit

11	Freedom of transit
11	Paragraphs 1-3 (transit charges, regulations, and formalities)
11	Paragraph 4 (strengthened non- discrimination)
11	Paragraphs 5-10 (transit, procedures and controls)
11	Paragraphs 11-15 (guarantees)
11	Paragraphs 16-17 (cooperation and coordination)

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

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11 Freedom of transit

11 Paragraphs 1-3
(transit charges,
regulations, and
formalities)

11 Paragraph 4
(strengthened
non-
discrimination)

11 Paragraphs 5-10
(transit,
procedures and
controls)

11 Paragraphs 11-15
(guarantees)

11 Paragraphs 16-17
(cooperation and
coordination)

**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**



WTO TFA Article 11.16
Transit Coordination and cooperation

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.

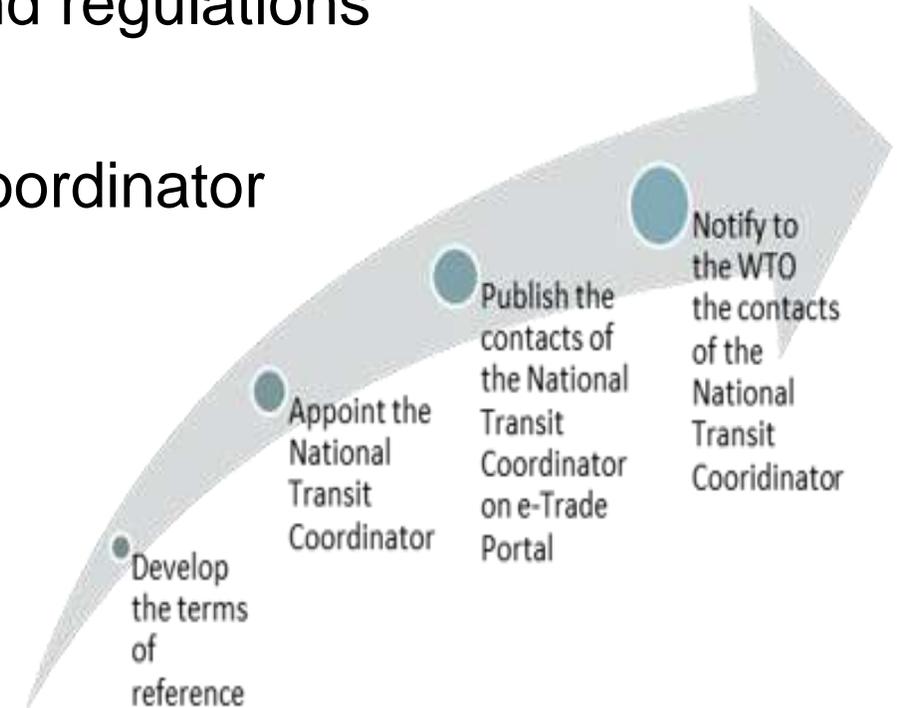


**WTO TFA Article 11.17
Transit Coordinator**

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 11.16. and 11.17.

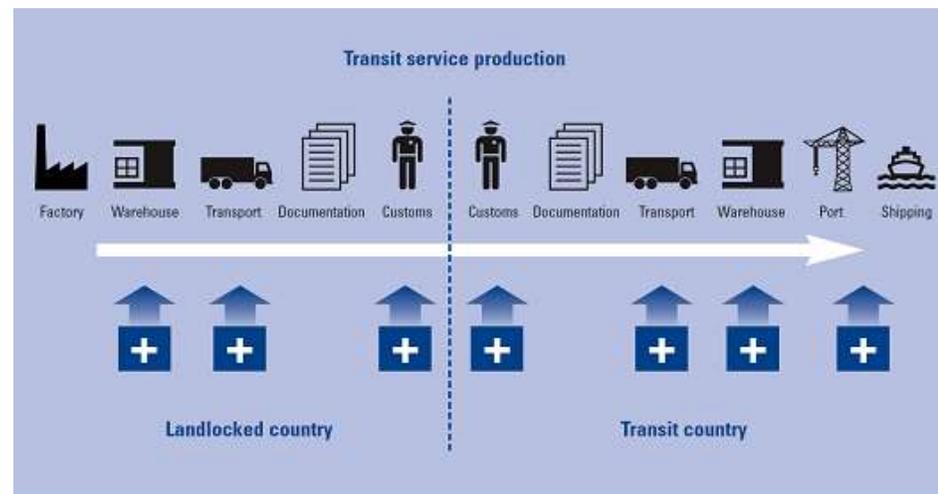
- **UNCTAD Regional workshops for transit coordinators**
- Training and capacity building and experience and best practice sharing with other transit coordinators
- Training on transit concepts, rules and regulations
- Develop Terms of Reference
- Draft Work plan for national transit coordinator
- Establish network



Corridor management

Building institutional capacity through arrangements and regulatory framework

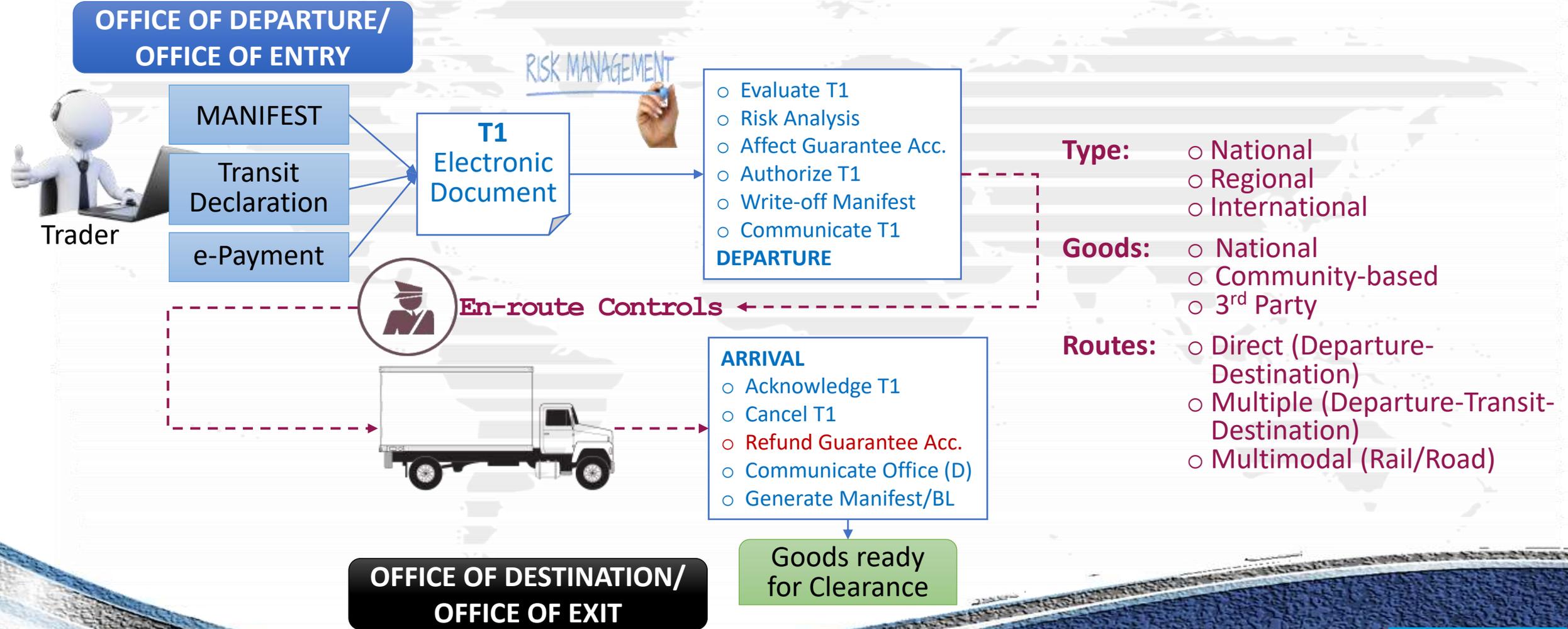
Strengthen the operational performance and management of corridors to become a successful region **Economic Corridor**; and promote coordination and collaboration among corridors stakeholders, public regulators, private operators, etc.



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



Georgia: Accession to the Common Transit Convention

Development and implementation of NTCS system of GRS

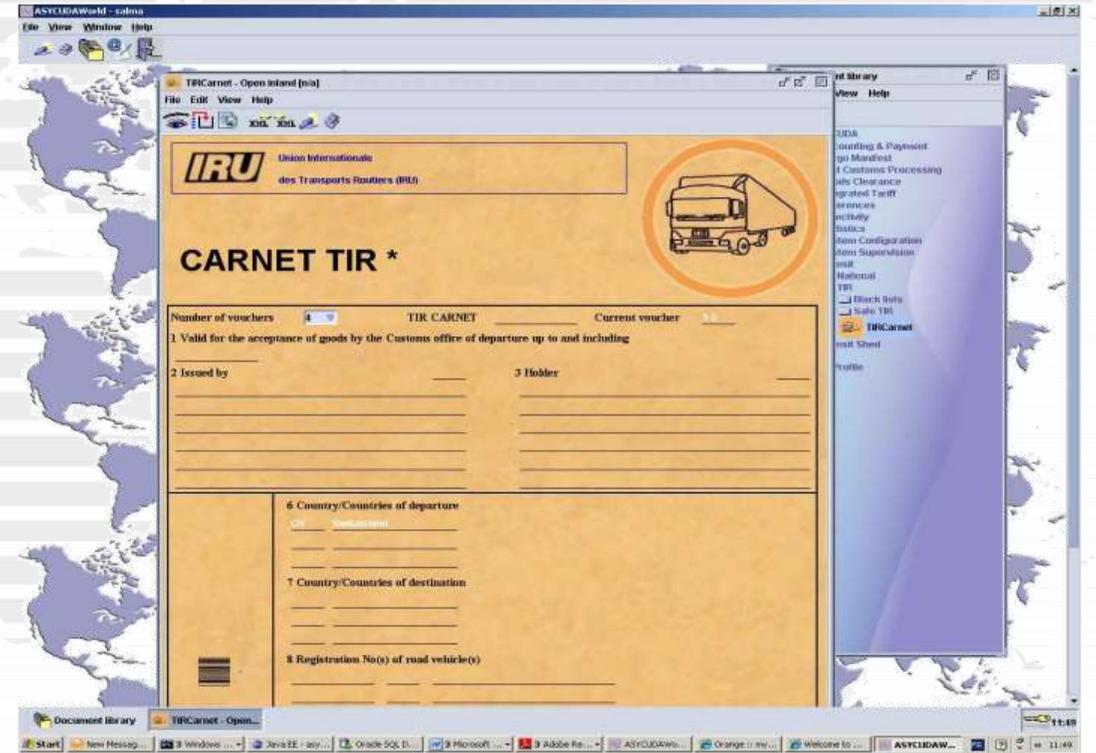
Specific objectives

- ▶ 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



ASYCUDA Transit e-Documents

- Fully computerised control and monitoring of transit
- Integrated transit control system
- Management of guarantees
- Enhanced technical and functional capabilities

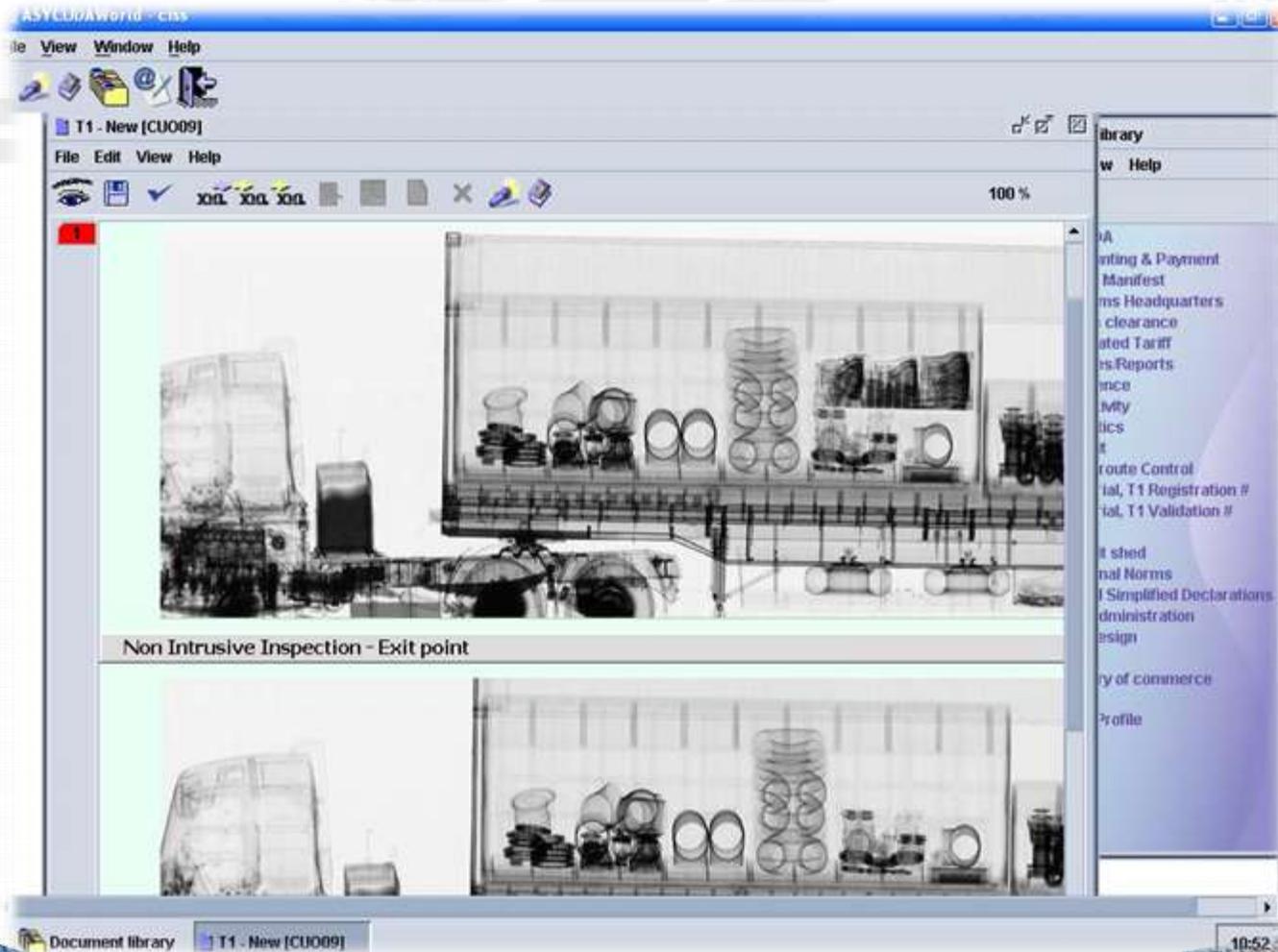


Turkmenistan : Facilitation of Silk Road Transit

- ▶ 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

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



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