



## **The Central Asia Harmonisation of Border Crossing Procedures in the perspective of TRACECA \***

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# TRACECA OVERVIEW AND HARMONISATION OF BORDER CROSSING PROCEDURES ACHIEVEMENTS

## History

The TRACECA Programme was launched at a conference in Brussels in May 1993 which brought together trade and transport ministers from the original eight TRACECA countries (five Central Asian republics and three Caucasian republics), where it was agreed to implement a programme of European Union (EU) funded technical assistance (TA) to develop a transport corridor on a west - east axis from Europe, across the Black Sea, through the Caucasus and the Caspian Sea to Central Asia.

The leaders of the partner states consider that the TRACECA route is of strategic importance, by assuring them of an alternative transport link to Europe. TRACECA stimulates competition between and with their previously exclusive route to the north, and newer alternative routes to the south. Furthermore, it is seen as complementary to their renewed commercial exchanges with the Far East, evoking the possibility of the ancient Silk Route becoming once again a major trade corridor.

The TRACECA programme has resulted in closer co-operation and dialogue among government authorities, which has led to agreements to keep transit fees at competitive levels, and efforts to simplify border crossing formalities. There have also been agreements to ship large volumes of cargo along the TRACECA corridor, recognising that this route is the shortest and potentially the fastest and cheapest route from Central Asia to deep-water ports linked with world markets.

The influence of TRACECA in the region is tangible, by way of frequent organised regional conferences and seminars, close interaction with the IFI programmes, the activities of TRACECA consultancy and direct investment projects, and growing use of the corridor by commercial shippers, particularly in the Caucasus.

## Objectives

**The EU offers this programme as an additional route that would complement other routes. The project corresponds to the global EU strategy towards these countries and retains the following objectives:**

To support the political and economic independence of the republics by enhancing their capacity to access European and World markets through alternative transport routes

To encourage further regional co-operation among the partner states

To increasingly use TRACECA as a catalyst to attract the support of International Financial Institutions (IFIs) and private investors

To link the TRACECA route with the Trans - European Networks (TENs)

## Milestones

1993 Azerbaijan, Armenia, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan

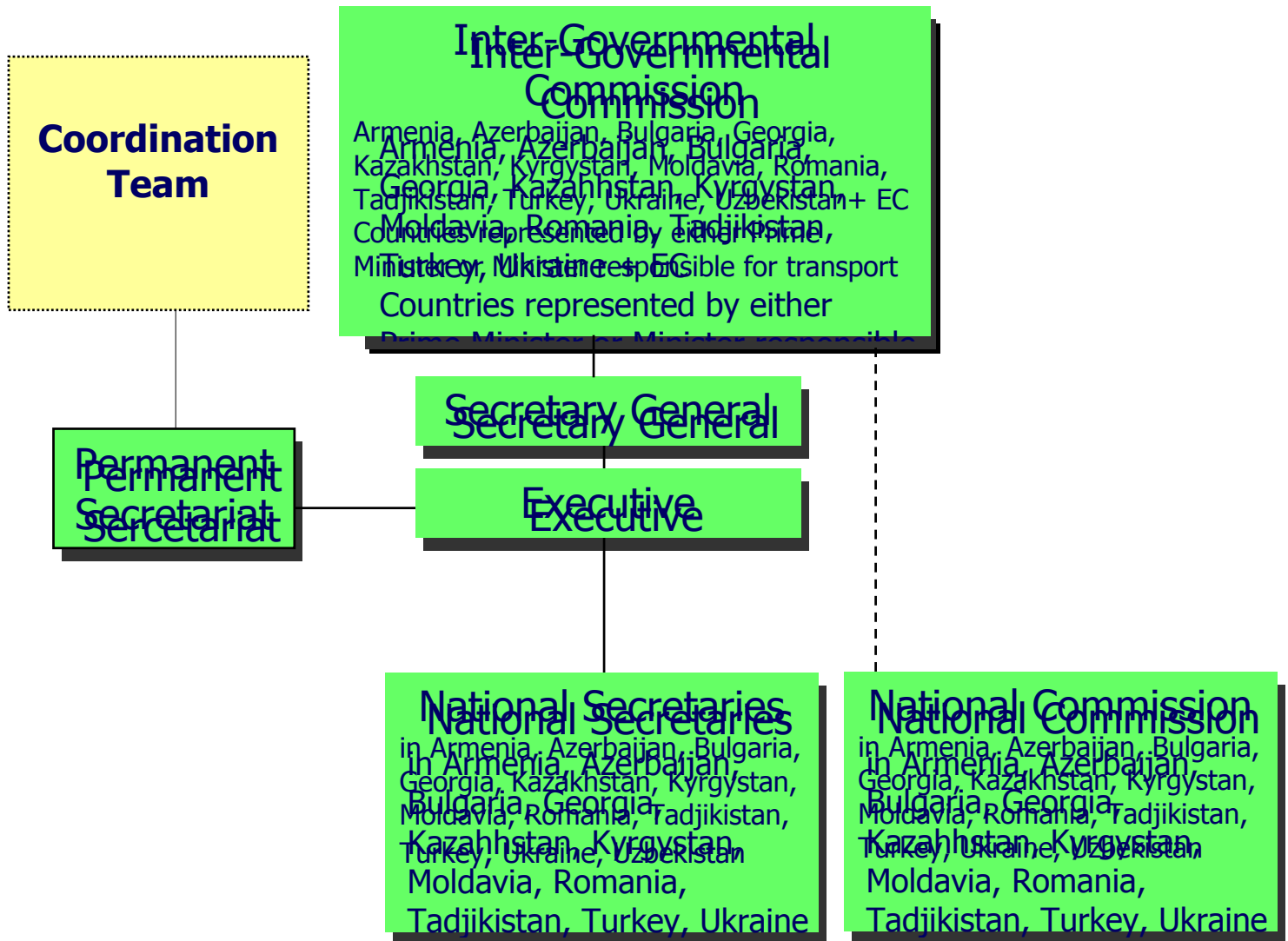
1996 Ukraine has become a full member of TRACECA

1998 Moldova has become a full member of TRACECA

2000 Bulgaria, Romania, and Turkey have become full members of TRACECA

- 2001 Start of the cooperation between UN ESCAP and TRACECA
- 2002 Afghanistan, China, Iran, and Greece interested in joining TRACECA

## Organisation structure



## General outputs

The technical assistance provided through TRACECA has helped to attract large investments from the IFIs, that include the European Bank for Reconstruction and Development (EBRD) who have made a number of commitments for capital projects on ports, railways and roads along the TRACECA route totalling over 700 MEURO, the World Bank (WB) who have made commitments for new capital projects on roads in Armenia and Georgia totalling over USD 40 million, and the Asian Development Bank (ADB) who have committed substantial funds to road and railway improvements. In addition, EU private investors are engaging in joint ventures with Caucasian and Central Asian transport companies. The EU is supporting the programme with other EC projects to further enhance regional co-operation and economic sustainability in the region such as the Southern Ring Air Routes project and the Oil and Gas Pipeline project (INOGATE).

To date the TRACECA programme has financed 39 Technical Assistance projects (57,405,000 EURO) and 14 investment projects for the rehabilitation of infrastructure (52,300,000 EURO).

The dynamic of TRACECA today is stronger than ever, as a corridor and as a broad movement for transport integration. The TRACECA acronym has been adopted by partner states and the press as a synonym for the movement to integrate their national transport systems with the rest of the world. The east-west corridor from Central Asia through the Caucasus into the Black Sea, and their linking with the TENs and other world-wide destinations, is a physically functioning reality, carrying substantial cargo. The integration and harmonisation of the regions transport regulatory environment with European and international norms is an on-going process. TRACECA is the principal vector of the European, and indeed of other international agencies, for the introduction of practices to reduce non-physical barriers to the movement of goods. UN-ECE, UN-ESCAP, WB and ADB are looking to the TRACECA projects to carry their message and introduce their working practices.

## Current ongoing projects

**Harmonisation of Border Crossing Procedures Description:** analysis of current systems and their implementation; setting up a working group attached to the National Commissions; investigation, proposal for harmonised list of controls and documents, that conform with international norms; model documents; training and assistance with reorganisation; creation of the institute of Customs Broker.

**Unified Policy on Transit Fees and Tariffs Description:** Determination of a unified policy and equitable levels for the imposition of road transit fees; promotion of cost accounting methodology; commercial analysis, and regional collaboration; examination of maritime fees, including port fees in detail, and to propose a commercially rationalised scale.

**Common legal basis for transit transportation Description:** The objective of this project is to provide guidance in the organization of a common legal basis for transit traffic in each *TRACECA* state. The subobjective of this project will be to introduce modern technical standards conforming to those of the EU, for road vehicle characteristics and operations.

## **Synergy with other donors**

TRACECA and the HBCP Project have ensured that they work in close collaboration with all Donor Agencies and International Institutions such as:

**Asian Development Bank (ADB)**  
**World Bank and its affiliates (WB)**  
**European Bank for Reconstruction and Development (EBRD)**  
**European Investment Bank (EIB)**  
**Kuwaiti Fund**  
**Islamic Bank**  
**OPEC Fund**  
**USAID**

**EuropeAid**

**United Nations:**  
UNESCAP – SPECA  
UNECE  
UNCTAD  
WHO  
UNDP

In the area of Borders Harmonisation, TRACECA combines its development efforts with International Funding Institutions to enhance cooperation, to minimise duplication and to maximise the utilisation of funds.

In the case of UNESCAP – SPECA, the HBCP Project Borders Management Recommendations have been officially accepted to be implemented within the SPECA countries.

In the case of the ADB, TRACECA and the HBCP Project ensures that there is close collaboration, the open exchange of relevant information and Project Presentations at significant conferences.

In the case of the World Bank, TRACECA and the HBCP Project work closely together and in Azerbaijan, Georgia and Armenia where they have amalgamate the work of the Trade Facilitation Working Groups.

In the case of USAID and UNDP, TRACECA has supported training seminars on borders management for Uzbekistan, Tajikistan and Afghanistan.

TRACECA is constantly supporting all efforts to combine work and results with other International Agencies both Institutional and Financial.

## The Harmonisation of Border Crossing Procedure Project

The project methodology and approach is in full compliance with the European standards of Project Cycle Management

The strategic objective is CREATING THE CONDITIONS FOR HARMONISED BORDER CROSSING PROCEDURES BETWEEN TRACECA COUNTRIES

The specific objectives are :

- Elimination of bottlenecks
- Harmonisation of legislation and regulations in accordance with international standards
- Promotion of harmonised and simplified procedures
- Fight against fraud
- Promotion of close partnership between agencies acting at the border
- Development of network for exchange of information

The methodology and approach structure follows :

- ❑ 72 Border posts Audits whose reports have been centralised in a **data basis** available on line on the TRACECA web site [www.traceca-projects.org](http://www.traceca-projects.org)
- ❑ Recommendations have been elaborated following a gap analysis comparing the current situation and a referential model of modern border crossing procedures harmonised first of all at the level of National border crossing bodies
- ❑ Set of recommendations designed to reach an “Ideal Border Crossing Procedures Level” in compliance with the international and European standards.
- ❑ Creation of the Border Crossing Working Group in each TRACECA country under responsibility of the TRACECA National Secretary
- ❑ For Approval on recommendations’ objectives as an “ideal” reference scheme and user requirements analysis in terms of legislation, equipment, infrastructure, training, control procedures approach, IT developments and Information systems management
- ❑ Use of training material about :
  - Experience of other countries which have developed a similar programme of modernisation and harmonisation of border crossing procedures
  - Exchange of knowledge on the different aspects of the trade facilitation based on harmonised and modern border crossing procedures

- ❑ Working Group requirements analysis and prioritisation will imply the conditions for implementation of the approved recommendations
  - ❑ Gap analysis
  - ❑ Needs and requirements analysis
  - ❑ Required Resources appraisal
  - ❑ Technical assistance and fund rising policy definition
  - ❑ Implementation plan