

# **POTENTIAL IMPACT OF THE CUSTOMS UNION ON CAREC TRADE FACILITATION PROGRAM**

**CAREC Federation of Carrier and Forwarder Associations  
2<sup>nd</sup> Annual Meeting  
10 August 2011  
Issyk-Kul, Kyrgyz Republic**



# Key TF Provisions of the CU

- Abolition of customs clearance and control among 3 countries
- Integrated border control unifying transport, veterinary, sanitary and phytosanitary control
- Convergence of veterinary, sanitary and phytosanitary standards, requirements, and documents
- Authorized economic operator (AEO)
- Harmonized transit procedures
- Period for post-clearance customs control increased from 1 to 3 years

# CFCFA Activities and Work Program

1. Corridor Performance Measurement and Monitoring
2. CFCFA Business Networking Forum
3. Capacity Building
4. 3 Working Groups
  - standardization and adoption of international best practices
  - cross-border transport and trade
  - organization and funding

# Impact on CFCFA Work Program

- Lack of clarity in the New Transit Declaration (TD) implemented at CU borders resulted in long queues and delays such as in the Dostyk Customs Office
  - Application and introduction of FIATA standards on freight forwarding documents for the CAREC region needs to consider the new TD
- CFCFA capacity building seminars need to be expanded to include CU new procedures and documents

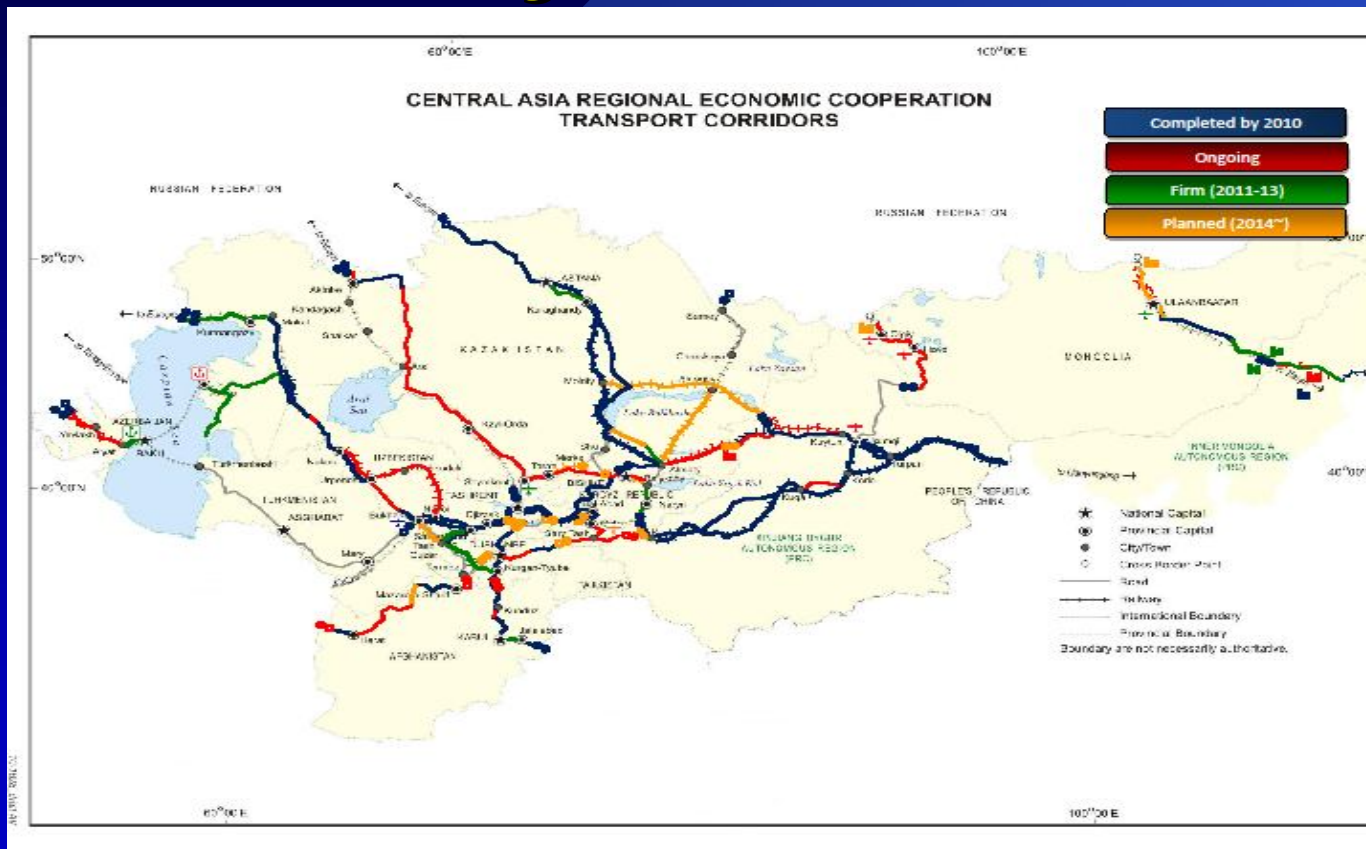
# Initial Impressions of CU Impact

- Entering the CU area:
  - Via Russia, CU electronic declaration has reduced waiting time at the border...
  - but obligatory documents have been introduced for several types of goods...
  - which have increased delays at the CU borders have increased, especially for vehicles from non-CU member countries

# Initial Impressions of CU Impact

- Within the CU area:
  - Higher fuel prices
  - Much quicker crossing of the Kazakhstan-Russia border
  - Discriminatory payments on the Russian-Belarusian border
- Beyond the CU area:
  - Visas for drivers entering the PRC are costly and issuance requires application well in advance

# Thank you / Спасибо



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