Roundtable Seminar on Ways Forward for Corridor-Based Transport Facilitation Agreements in the CAREC Region

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Basic Multilateral Agreement on International Transport for Development of the Europe-the Caucasus-Asia Corridor

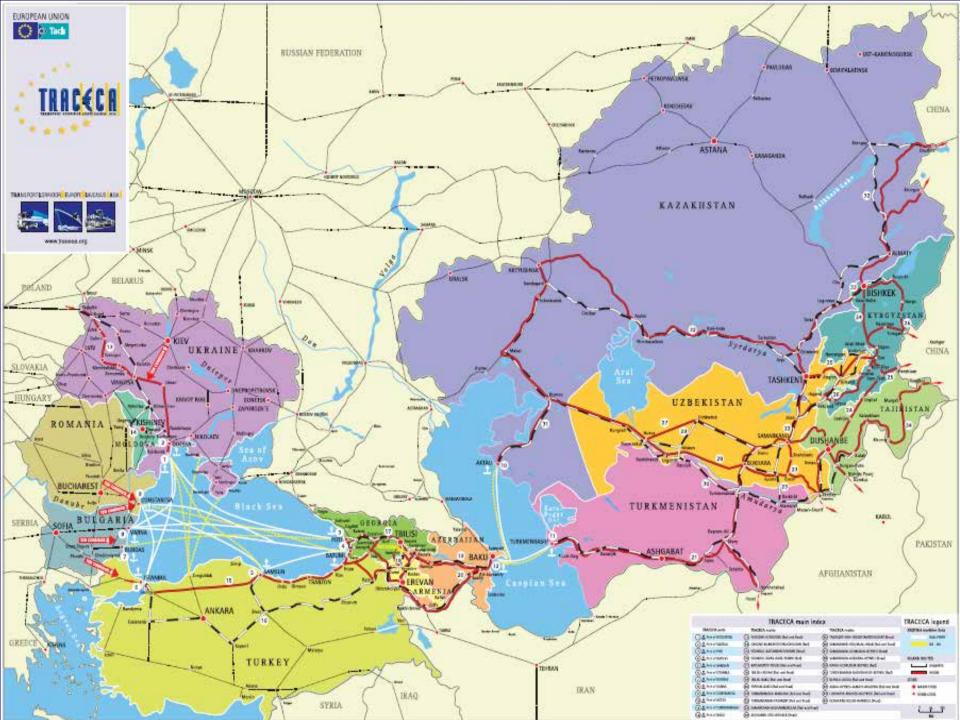
8 September 1998, Baku / Azerbaijan

State Parties:

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

Currently effective for all TRACECA countries

Key TRACECA document establishing the legal basis for the development of economic relations, trade and transport communication in the regions of Europe, the Black Sea, the Caucasus, the Caspian Sea and Asia



Aim:

Regulation of the international transport of goods and passengers between the Parties and transport in transit through the territories of the parties.

Objectives:

- to develop economic relations, trade and transport communications in the regions of Europe, the Black Sea, the Caucasus, the Caspian Sea and Asia;
- to facilitate access to the international market for road, air and railway transport and also commercial maritime navigation;
- to facilitate international transport of goods and passengers and international transport of hydrocarbons;
- to ensure traffic safety, security of goods and environmental protection;
- to harmonize transport policy and also the legal framework in the field of transport;
- to create equal conditions of competition between different types of transport.

Scope of the Agreement

International transport of goods or passengers by or in:

- road transport (including trailer and semi-trailer);
- railway transport;
- water transport;
- air transport;
- containers;
- pipeline.

Responsibilities / Advantages

The right of transit of international means of transport, goods and passengers through their territory;

Ensuring the most effective arrangements for facilitation of transport in transit on their territories;

Taxes, duties and other payments, irrespective of their names and origin not be imposed for transport in transit;

Tariffs for transport transit services established on the basis of preferential terms;

The Parties take appropriate measures to ensure safety and security, as well as protection of the environment.

Inter-Governmental Commission (IGC)

The Highest Governmental Authorities of the Parties or their representatives with full authority to make decisions under the MLA

Formulate decisions for adoption by the Parties and appropriate recommendations on questions within the MLA

Present proposals for amendments and changes to the MLA as well as adoption of new Technical Annexes

Establish working groups for each field mentioned in the MLA and define their powers and duties.

The IGC established a Permanent Secretariat (2001):

- maintain permanent representation in each of the Parties;
- supervise implementation of the provisions of the MLA;
- implement the decision of the IGC and put forward appropriate proposals to the IGC.

Pillars of TRACECA Strategy (up to 2015)

Short-term

Overcoming the headache of funding

Safe, secure and sustainable transport

Institutional Dimensions

Medium-term

Infrastructure (integration / cohesion)

Sound multi-modal chains

Long-term

Full potential of air transport

TRACECA

- shortest alternative continuous corridor from Asia to Europe
- competitive
- time-consuming
- cost effective
- rich mineral resources and oil& gas reserves with further prospective development

Benefits from the implementation of the MLA

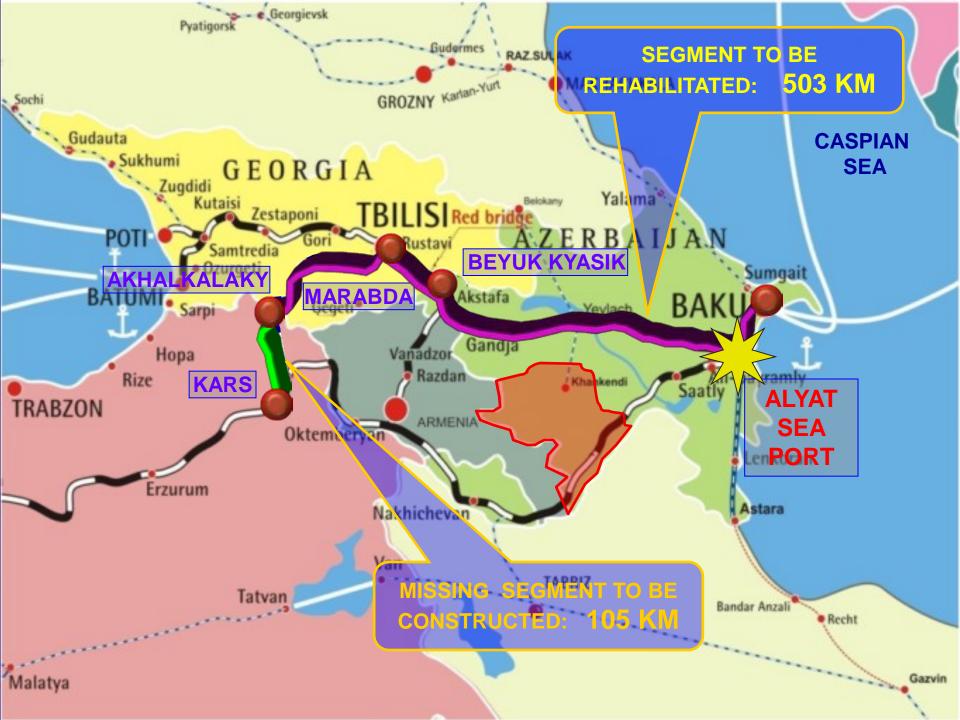
- economic growth and considerable increase in traffic volume of freight traffic flows, particularly transportation of oil and oil products;
- connectivity between economic and population centers;
- mitigate delays and other hindrances etc.

Transport operations on international transport corridor Europe-the Caucasus-Asia Azerbaijan

	2000	2011	Increase
Freight transportation (mln t)	29.1	53.2	83 %
Transit goods (mln t)	8.6	16.1	87 %
Passenger transport (mln p)	152.1	249.5	64 %

Increase in different transport means from 1.5 up to 2.5 times





THANK YOU!