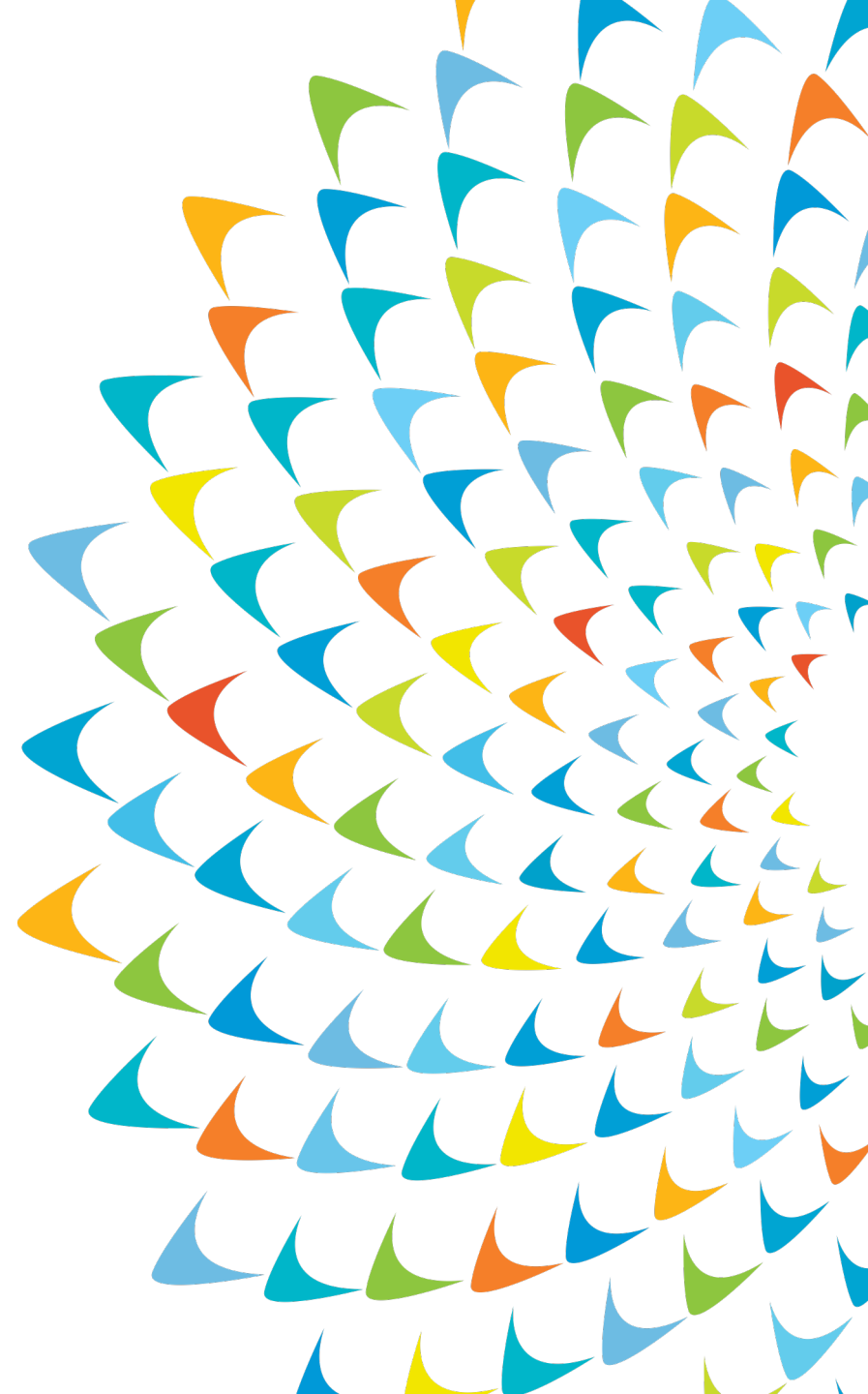




Facilitation of Regional Transit Trade in Central Asia Regional Economic Cooperation (CAREC)





INTERNATIONAL INSTRUMENTS PROMOTING STRENGTHENING OF TRANSIT PROCEDURES

International instruments, such as the Revised Kyoto Convention (RKC), the World Trade Organization Agreement on Trade Facilitation (WTO TFA), the Vienna Programme of Action for Land Locked developing Countries (LLDCs) for the Decade 2014 – 2024, etc. all highlight the importance of enhancing transit to facilitate trade



INCREASED FOCUS ON TACKLING THE “SOFT” SIDE

Since 2000, there has been an increased focus on tackling the “soft” side of trade facilitation on trade corridors



INCREASED FOCUS ON TACKLING THE “SOFT” *(CONT.)*

To support this development of efficient transit procedures the WCO have published:

- Transit Handbook (November 2014)
- Transit Guidelines (July 2017)
- Compendium of Best Practices in the Area of Transit (June 2020)



KEY STRATEGIC DRIVERS SHAPING THE FUTURE OF CUSTOMS TRANSIT REGIMES AND THEIR GUARANTEE MECHANISMS

Central to integration and trade facilitation efforts several areas have been identified for Customs modernization focus. These include:

- Simplification and Harmonization of existing Customs Procedures
- Utilisation of Customs-to-Customs ICT and Data Exchange for information sharing
- Enhanced use of Risk Management methodology
- Expansion of facilitation benefits for trusted traders - Authorized Economic Operator (AEO)/Authorized Operator (AO) Programs



CAREC TRANSIT SURVEY

July/August 2022 - CAREC Transit Survey (CTS) Completed

Objective: To assess CAREC Customs authorities alignment with international best practices relating to Customs transit regime operations and obtain views on challenges posed by existing transit operations and potential areas of cooperation under the CAREC program.

The logo consists of four stylized, overlapping shapes in red, blue, green, and yellow, arranged in a circular pattern. To the right of these shapes, the text "CTS STRUCTURE" is written in a bold, blue, sans-serif font.

CTS STRUCTURE

The CTS was organized in nine (9) sections. Each section focused on a separate element of modern transit operations which is deemed crucial for efficient transit facilitation.

- Legal Framework Covering Electronic Customs-to-Customs Transit Data Exchange
- Information Communication Technology (ICT)
- Data Exchange
- Guarantee System
- Simplification of Formalities
- Risk Management
- Authorized Economic Operators (AEO)
- Customs Seals and Other Security Measures
- Transit Arrangements / Agreements



EXISTING NATIONAL TRANSIT SYSTEMS

- There is significant scope for the enhancement of existing CAREC national transit procedures taking into account the strategic drivers and international best practice (WTO TFA/WCO RKC/WCO Transit Guidelines)



GENERAL CTS FINDINGS

- A need for enhanced – and earlier – collaboration and coordination between CAREC Customs Agencies on transit through exchange of advanced data



GENERAL CTS FINDINGS (*CONT.*)

- A requirement to modernize approaches to transit guarantees in many countries



GENERAL CTS FINDINGS (*CONT.*)

- A need to increase simplifications for transit movements



GENERAL CTS FINDINGS (CONT.)

- Many CAREC countries have yet to establish and integrate electronic advanced transit data into their risk management processes
- The sharing of Customs control check results and scanned x-ray images with neighboring Customs authorities to facilitate joint control over the supply chain has yet to be fully established across the CAREC region



GENERAL CTS FINDINGS (CONT.)

- Compliance approaches in many CAREC Customs have yet to recognize and extend full benefits to ‘trusted traders’ such as AEOs



ALIGNMENT WITH INTERNATIONAL TRANSIT STANDARDS

In summary, fully aligning CAREC transit procedures with international standards requires further efforts to:

- Enhance Customs-to-Customs transit information exchange
- Establish a single harmonised electronic regional transit declaration
- Build advanced Customs risk assessment of transit movements to enhance the security of the supply chain; and
- Modernise the transit guarantee mechanism



Questions



Thank you!

