

Cross Border Transport Facilitation in the Context of the United Nations General Assembly Resolution 70/197: Prospects for the TIR and the Harmonisation Conventions

Tarcísio Hardman Reis*

Abstract

From early 1950s a number of international conventions have been adopted under the auspices of the United Nations Inland Transport Committee (ITC) in order to provide an international legal framework aimed at facilitating the movement of goods by road and rail. In particular, two of these conventions have been successful in providing a common ground for countries to implement concrete measures at borders. These include the Customs Convention on the International Transport of Goods under Cover of TIR Carnets, 1975 and the International Convention on the Harmonisation of Frontier Controls of Goods, 1982.

Decades later, the question remains whether cross border transport facilitation and, specifically, the TIR Convention and the Harmonisation Convention are contemporary concepts. The objective of this article is to provide an analysis of specific aspects related to cross border transport facilitation (i.e., the Agreement on Trade Facilitation, the Sustainable Development Goals, and the Vienna Programme of Action for Landlocked Developing Countries) in light of the recently adopted resolution 70/197 of the United Nations General Assembly. The paper identifies trends and opportunities or prospects in the field of cross border transport facilitation.

Introduction

Borders are an essential component of international relations. Along the years, frontiers have been clearly defined and procedures have been put into place with a view to allowing safe crossing of sovereign territories. After the Second World War, a lot of work has been done by the United Nations Economic Commission (UNEC) for Europe and, particularly, within the framework of the Inland Transport Committee (ITC), which

* Tarcísio Hardman Reis received his Ph.D in International Law from the University of Lausanne, Switzerland and currently works for the United Nations Economic Commission for Europe (UNECE). The views expressed herein are those of the author and do not necessarily reflect the views of the United Nations. The author would like to acknowledge the technical inputs provided by the International Road Transport Union (IRU) and, in particular, Ms. Tatiana Rey-Bellet.

was established in 1947 as a forum for representatives of the national ministries of transport in the region. ITC attained a particular significance for the standardisation in transport, as members included countries from both Eastern and Western Europe. This ensured a basic pan-European standardisation of infrastructure despite the climate of the cold war.¹

Among other things, ITC produced a body of sixteen international instruments designed to facilitate the crossing of frontiers². This was supported by a multi-stakeholder collaboration aimed at developing international standards and procedures to facilitate border crossing and transit, which was formed by a number of organisations including the International Road Transport Union (IRU). While some of these instruments have lost their purpose or relevance, and others have not entered into force, the Working Party on Customs Questions affecting Transport – WP30 – remains a forum of predilection for discussions related to cross border transport facilitation.

As mentioned in the opening paragraph, among the instruments that were put into place, two have been particularly successful in providing a legal framework on border crossing related issues: the TIR Convention and the Harmonisation Convention.

The Customs Convention on the International Transport of Goods under Cover of TIR Carnets of 1975³, which replaced and further developed the system created by the homonymous convention of 1959, is aimed at establishing an international customs transit system. Provisions under the TIR Convention include mutual recognition of customs controls, internationally recognised transit document – the TIR Carnet – controlled access for operators, a system of international guarantees and detailed descriptions on secured vehicles and containers that can be used under the TIR system. Although the TIR system was originally designed for European countries, the Convention was open for ratification by all members of the United Nations (UN)⁴ and today it includes 69 Contracting Parties from different regions.

The idea of the TIR Convention is to put into place a legal framework providing an international transit regime applicable to the transport of goods under secured vehicles and containers. In fact, the term “transit regime” refers to the set of procedures under which goods are transported through countries from one customs office between one or more customs office(s) of departure to one or more customs office(s) of destination to

-
1. G Ambrosius, Christian Henrich-Franke “Integration of Infrastructures in Europe in Historical Comparison” Springer, Switzerland, p. 80.
 2. <http://www.unece.org/transport/international-agreements/transconventnlegalinst/list-of-agreements-for-tabs/border-crossing-facilitation-agreements-and-conventions.html>
 3. Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention) (Geneva, 14 November 1975) United Nations Treaty Series V. 1079, p. 89
 4. See Resolution 1984/79 of the Economic and Social Council of the United Nations (ECOSOC).

another without payment of duties, domestic consumption taxes, or other charges normally due on imports and exports. These procedures were instituted to prevent goods intended for transit from 'leaking' into the domestic market, thus protecting transit countries from loss of fiscal revenue. Transit procedures should be simple, transparent, and efficient, to avoid unnecessary delays and extra costs. A poor transit regime is a major obstacle to trade.⁵

The second instrument is the International Convention on the Harmonisation of Frontier of Goods⁶, known as the Harmonisation Convention of 1982, aimed at the international coordination of control procedures and their methods of application. Similar to the TIR system, it provides for a mutual recognition of customs controls and intends to facilitate border crossing procedures. In addition it sets an international framework for medico-sanitary, veterinary, phyto-sanitary, quality and technical inspections and establishes procedures for goods transportation by rail and road.

As noted, "where one or more of the countries involved are not eager to engage in either harmonisation, mutual recognition, or extraterritorial application and enforcement cooperation, regulatory authorities may resort to a unilateral tightening of border control. Border control can substitute for harmonisation as a mean of ensuring regulatory effectiveness. As border control does not require cooperation with another country, it is a politically lower-cost approach than the other means considered so far. However, the administrative costs it imposes are very high, and its regulatory effectiveness is uncertain. Furthermore, it raises the cost to corporations of exporting goods or services to the regulating country and may thus hinder the promotion of liberalisation"⁷.

While the two conventions are very distinct, together they cover two topics that are crucial to faster border controls, which are transit and the harmonisation of procedures. Within this aim, each of the two conventions contains detailed provisions and practical requirements for the cooperation of border authorities. The TIR and the Harmonisation Conventions offer a number of international agreed provisions to assist countries in establishing closer cooperation in transport facilitation.

If the two conventions might be perceived as sets of detailed international requirements for cooperation among border authorities, a number of recent international developments placed cross border transport facilitation in the centre of international discussions. The most prominent of these international discussions are outlined in the

5. J-F Arvis et al, *Connecting Landlocked Developing Countries to Markets: Trade Corridors in the 21st Century*, The World Bank, 2011, p 58

6. International Convention on the Harmonisation of Frontier Controls of Goods (Harmonisation Convention) (Geneva, 21 October 1982) United Nations Treaty Series V. 1409, p. 3

7. J. Nakagawa, "International Harmonisation of Economic Regulation", Oxford University Press, 2011, p.9

United Nations General Assembly Resolution “Towards comprehensive cooperation among all modes of transport for promoting sustainable multimodal transit corridors”⁸. In the next pages we will examine in detail the relation between borders and some of the topics highlighted in the resolution, for example, Sustainable Development Goals, Trade Facilitation and the Vienna Programme of Action for Landlocked Developing Countries (VpA).

Cross Border Transport Facilitation and the Sustainable Development Goals

The Sustainable Development Goals were adopted by the UN General Assembly through its resolution 70/1, entitled “Transforming our World: The 2030 Agenda for Sustainable Development”⁹, and was adopted on 25 September 2015. The document establishes 17 goals and 169 targets. Each goal announces an outcome expected by 2030 on a specific topic and is followed by a number of related targets¹⁰. Although no specific goal is directly related to transport, it is possible to highlight areas of direct convergence between transport and the Sustainable Development Goals, for example, Goal 7 on affordable and clean energy is related to the regulation of vehicles, and Goal 3 on good health and well-being is related to transport safety.

Resolution 70/197 reaffirms the 2030 Agenda for Sustainable Development and recognises “the important role of environmentally sound, safe, efficient, reliable and affordable multimodal transport and transit corridors for the efficient movement of goods and people in supporting sustainable economic growth, improving the social welfare of people and enhancing international cooperation and trade among countries”¹¹. Based on the Resolution, it is possible to underline three of the sustainable development goals that are more closely associated with this topic, which deserve to be analysed one by one: Goal 9 “Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation”, Goal 12 “Ensure sustainable consumption and production patterns”, and Goal 17 “Strengthen the means of implementation and revitalise the global partnership for sustainable development”.

Goal 9 – Infrastructure: Build resilient Infrastructure, Promote Inclusive and Sustainable Industrialisation and Foster Innovation

Goal 9 addresses industry innovation and infrastructure and it is possibly the one that most traditionally relates to international transport facilitation, as borders are

8. UNGA Resolution 70/197 “Toward comprehensive cooperation among all modes of transport for promoting sustainable multimodal transit corridors”, 22 December 2015, UN Doc. A/RES/70/197.

9. United Nations General Assembly, 70th session, Resolution 70/1 “Transforming our world: the 2030 Agenda for Sustainable Development” UN Doc. A/RES/70/1 (21 October 2015).

10. For an overview of the Millennium Development Goals : <http://www.unmillenniumproject.org/goals>

11. UNGA Resolution 70/197 “Toward comprehensive cooperation among all modes of transport for promoting sustainable multimodal transit corridors”, 22 December 2015, UN Doc. A/RES/70/197.

typically viewed as part of transport infrastructure. More specifically, targets 9.1 and 9.a deserve a closer analysis.

Target 9.1 aims at developing “quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all”, which is closely related to the scope of cross border transport facilitation instruments.

The Harmonisation Convention, for example, requests Parties to make efforts towards the development of appropriate facilities in a number of border controls, including facilities for veterinary inspections (Annex 3, Article 4), facilities for appropriate phytosanitary inspection, storage, and disinfestation facilities (Annex 4, Article 4), stations for the control of compliance with technical standards (Annex 5, Article 4) and quality control stations (Annex 6, Article 3). In addition, the Harmonisation Convention also sets up minimum requirements for border crossing points for road (Annex 8, Article 6) and rail (Annex 9, Article 4), as well as road vehicles weighing stations (Annex 8, Appendix 2).

As has been observed, “Implementation of regional transit regimes and, in many cases, improving current national ones may require capacity-building of the implementation agency to adequately manage the data on goods in transit. Information technology transit modules that automate the transit declaration or TIR Carnet would serve this purpose”¹². In this regard, activities have been carried out to develop infrastructure in the context of cross border transport facilitation instruments.

An important example is the TIR IT risk management tools, namely, Real-Time Safe TIR and TIR-EPD, intended to both secure and facilitate the transport in transit performed under TIR. Real-Time Safe TIR ensures automatic real-time check of the validity of TIR Carnet and allows Customs to automatically send the data on the termination of a TIR operation. TIR-EPD, once integrated in the Customs system, allows Customs authorities to receive the advance information on transported cargo and to perform advance risk assessment in line with the WCO SAFE Framework of Standards, which, in turn, makes it possible to make a decision on the extent of control required in advance. These tools serve as a basis for more advanced border-crossing facilitation instruments and projects, such as TIR-EPD Green Lanes and the eTIR Project.

The objective of the eTIR project is to make the TIR System fully paperless and, thus, more flexible and secure at the same time. Within this aim, the Contracting parties

12. J-F Arvis et al, *Connecting Landlocked Developing Countries to Markets: Trade Corridors in the 21st Century*, The World Bank, 2011, p 187

to the TIR Convention have been working on the eTIR Project since 2003 with a view to developing an exchange platform for all actors involved in the TIR system. The eTIR international system is aimed at ensuring the secure exchange of data between national customs systems related to the international transit of goods, vehicles or containers according to the provisions of the TIR Convention and to allow customs to manage the data on guarantees, issued by guarantee chains to holders authorised to use the TIR system.

Figure 1: Operation of the e-TIR Project



While the Contracting Parties to the TIR Convention have been working on a computerisation project (laid down in a Reference Model) since 2003, Iran, Turkey, UNECE and IRU agreed to turn the project into reality by launching the eTIR Pilot project in 2015. The first phase of this project was successfully completed at the end of 2015 and proved that, based on existing TIR IT risk management tools, fully paperless TIR operations are possible between one customs office of departure and one customs office of destination of two neighbouring countries.

Currently, the second phase of the pilot project is underway, which includes more complicated scenarios, namely, the involvement of multiple places of loading and unloading. At the same time, the Group of Experts on Legal Aspects of Computerisation of the TIR procedure is currently reviewing various options to provide the eTIR system with the adequate legal framework.

Cross border transport facilitation is also a relevant concept for follow-up actions related to target 9.a, which is aimed at facilitating “sustainable and resilient infrastructure development in developing countries through enhanced financial technological and technical support to African countries, least developed countries, landlocked developing countries and small island developing states”. Cross border transport facilitations, in particular as it relates to transit, is of utmost importance to landlocked countries and this is reflected in the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024¹³, which will be analysed later in this article.

Goal 12 – Consumption: Ensure Sustainable Consumption and Production Patterns

Consumption is addressed under the Sustainable Development Goals in a way that it also covers waste minimisation, production and generation. Since 2014, the Food and Agriculture Organisation (FAO) and the United Nations Environment Programme (UNEP) have launched a global campaign called “think-eat-save”¹⁴ in order to promote coordinated action to reduce, among other things, the loss of food that gets spilled, spoilt or lost during its process [when processed] in the food supply chain before it reaches its final product stage.

Within these purposes, one of the areas of action is to strengthen the supply chain through the direct support of farmers and investments in infrastructure and transportation, and this has been reflected under target 12.3 of the Sustainable Development Goal which aims to “by 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses”.

The food supply chain comprises production, post-harvest processing and distribution stages. As most of the food is considered as perishable goods, transport time is key in order to prevent food loss. In fact, during international transport, a significant amount of time is spent at border crossing points¹⁵.

In this regard, the system established by the TIR Convention improves the distribution of food by ensuring that cargo is transported across borders in a faster and more secured manner. In addition, it also allows the transit of food to be safer and more

13. UN, Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024, 3 November 2014, UN Doc.: A/CONF.225/L.1

14. www.thinkeatsave.org

15. According to the IRU New Eurasian Land Transport Initiative (NELTI), in which over 200,000 border crossings were monitored since September 2008, up to 57 per cent of transport time is lost at border crossings.

reliable by making simplified border procedures through the use of internationally recognised transit documents and guarantees.

The issue of food supply chain is also covered by other conventions, for example, the Harmonisation Convention improves efficiency and reliability in the distribution of food by incorporating a number of provisions aimed at encouraging Contracting Parties to reduce physical controls and promote cooperation at the border to expedite the passage of perishable goods. Another key instrument responding to the needs of secured food supply chain is the Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be Used for such Carriage (ATP)¹⁶, which sets standards for the international transport of perishable food. The ATP agreement has been ratified by 50 countries.

Goal 17 – Partnership: Strengthen the means of Implementation and Revitalise the Global Partnership for Sustainable Development

A significant contribution has been made in order to coordinate international efforts towards the implementation of the Sustainable Development Goals. Goal 17 lists a number of targets in this direction and it is clear that cross border transport facilitation supports two of the targets under this goal.

Target 17.1 aims at “strengthening domestic resource mobilisation, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection”. The TIR Convention supports this approach by setting up a system aimed at ensuring that customs duties and taxes during transit operations are covered by an internationally recognised guarantee which is currently limited to 50,000 USD or 60,000 Euros per TIR Carnet.

According to Article 4 of the TIR Convention, goods transported under the TIR procedure are not subjected to the payment or deposit of import or export duties and taxes at customs offices *en route*. In fact, customs duties and taxes at risk are covered by an international guarantee organised by an international organisation, i.e. The International Road Transport Union¹⁷. This guarantee system relies on national guaranteeing associations that, in cooperation with the customs authorities, are responsible for resolving any irregularity in the context of a TIR transport.

16. Accord relatif aux transports internationaux de denrées périssables et aux engins spéciaux à utiliser pour ces transports (ATP) (Geneva, 1 September 1970) United Nations Treaty Series v. 1028, p 122.

17. TIR Convention, Article 6.2bis

Figure 2: The TIR Guarantee



As a result, the TIR Convention, through its guarantee system, allows for improved security in the collection of duties and taxes by its Contracting Parties, as it relies on an international guarantee chain, applicable to goods in transit.

Target 17.10 covers a different aspect under the same goal, as it aims to "Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organisation (WTO), including through the conclusion of negotiations under its Doha Development Agenda".

The TIR system promotes access to trade by creating transparent and internationally recognised requirements for operators, without unnecessary burdens for the private sector, which prevents non-trade barriers, such as technical requirements for transport companies, trucks and containers. Furthermore, the TIR Carnet provides a simplified document for transit, which is recognised by all TIR Contracting Parties and allows for less cumbersome administrative procedures.

The linkages between trade and border crossing were highlighted in the General Assembly resolution that recognises the "importance of transport and transit corridors in facilitating transport linkages on domestic routes and promoting urban-rural connectivity in order to boost economic growth at the local and regional levels, promote

interconnections between cities, peoples and resources and facilitate intra-regional and inter-regional trade".¹⁸ A more detailed examination of the linkages between trade and cross border transport facilitation is presented in the ensuing sections.

Cross Border Transport Facilitation and Trade

Major difficulties in the smooth flow of trade across borders come in the form of administrative and procedural deficiencies. Such deficiencies include lack of transparency leading to discretionary practices by authorities; insufficient access to information on trade and customs laws, regulations and procedures; complicated and non-standardised procedures for customs clearance and inspections; absence of effective coordination among stakeholders at the national level; lack of coordination with neighbouring countries with regard to the harmonisation of procedures and documentary requirements; underdeveloped logistics services and multimodal transport; insufficient application of ICT; and lack of trained and competent human resources as well as institutional capacities¹⁹.

In order to address that, the members of the WTO concluded negotiations on a landmark Trade Facilitation Agreement²⁰ (TFA) at its Ministerial Conference, organised in Bali, Indonesia, in 2013. TFA contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. It further contains provisions for technical assistance and facility building in this area.²¹ In particular, Section I of TFA contains 12 articles that bring clarity to Articles V, VIII and X of the General Agreement on Tariffs and Trade (GATT) of 1994. It is expected that TFA will help improving transparency and participation in global value chains.

With the aim to providing a comparative overview of the relation between TFA and a number of instruments, WP30 adopted a document outlining the relation between TFA and three other conventions: The TIR Convention, the Harmonisation Convention and, following a specific request from the Parties, the Revised Kyoto Convention²².

18. UNGA Resolution 70/197 "Toward comprehensive cooperation among all modes of transport for promoting sustainable multimodal transit corridors", 22 December 2015, UN Doc. A/RES/70/197.

19. UNESCAP, Trade Facilitation in Selected Landlocked Countries in Asia, 2006, p 17

20. WTO, Agreement on Trade Facilitation, WT/L/931, 15 July 2014

21. For more information: <http://www.tfafacility.org/>

22. UNECE Working Party on Customs Questions affecting Transport (WP.30), 142nd Session, Geneva, Switzerland, 9-12 February 2016: «Relation Between the WTO Trade Facilitation Agreement, the TIR Convention and other Legal Instruments » UN Doc ECE/TRANS/WP.30/2016/4.

The comparative table served to highlight that the TIR Convention, the Harmonisation Convention and Revised Kyoto Convention of the World Customs Organisation (WCO) do not pose any obstacles to the implementation of TFA. In fact, the comparison served to underline that a number of provisions under the TIR Convention and the Harmonisation Convention serve to instrumentalise certain obligations under TFA.

For example, Article 11(9) of TFA establishes that “members shall allow and provide for advance filling and processing of transit documentation and data prior to the arrival of goods”. In comparison, the Harmonisation Convention poses a similar obligation in its Annex 9 in relation to international rail freight: Article 8 “the Contracting Parties shall endeavour to provide the customs authorities in advance with information on goods arriving at border (interchange) station (...)”. It is noteworthy that TIR IT tools, namely, TIR-EPD present a real mechanism, allowing Customs authorities and transport operators to comply with the mentioned provisions.

Another example, Article 7 (4.3) of TFA requires that “each member shall concentrate customs control and, to the extent possible, other relevant border controls on high-risk consignments and expedite the release of low-risk consignments”. The TIR Convention allows for the expedition of low-risk consignments, for example, under its Article 5 “goods carried under the TIR procedure in sealed vehicles, combinations of vehicles or containers shall not as a general rule be subject to examination at Customs offices en route (...)”. The Harmonisation Convention indicates a similar aim, established under its Article 2 “In order to facilitate the international movement of goods, this Convention aims at reducing the requirements for completing formalities as well as the number and duration of controls...”.

With years of negotiations, Contracting Parties to the TIR Convention have established a detailed system for cooperation in relation to the border control of goods, which includes a number of topics related to TFA. For example, risk management, authorised operators, financial guarantees, perishable goods, customs cooperation, coordination of border controls, etc. The TIR Convention is particularly relevant when it comes to the implementation of Article 11 of TFA on the Freedom of Transit as it provides a collaborative system for cooperation between countries on most of the provisions under that article.

The Harmonisation Convention also contains a significant number of provisions allowing for the implementation of TFA. It determines, for example, the exchange of information on goods subject to specific types of inspections and provides for particular circumstances calling for emergency border controls. The particular relevance of the Harmonisation Convention is that it contains detailed provisions directly related to

border controls such as detention of goods, urgent consignments, post-clearance audit, perishable goods, coordination of border controls, simplified document requirements, goods in transit, etc.

Together the TIR and the Harmonisation Conventions contain important provisions related to the implementation of the following articles of TFA on specific transport modalities: Article 1 - Publication and availability of information; Article 5 – Other measures to enhance impartiality, non-discrimination and transparency; Article 7 – Clearance of goods; Article 8 – Border agency cooperation; Article 9: Movement of goods intended for import under customs control; Article 10: Formalities connected with importation, exportation and transit; Article 11 – Freedom of transit, and Article 12 – Customs cooperation.

Having received the ratification of a large part of the developed and emerging economies such as the United States, Japan, China, the European Union, Brazil, India and the Russian Federation, it is expected that TFA will enter into force very soon. Having assumed a number of commitments in this topic, the Parties to TFA are expected to develop strategies related to cross border transport facilitation. The TIR and the Harmonisation Conventions allow for the coordinated implementation of such commitments and open the way for a multi-stakeholder cooperation on border related aspects.

Cross Border Transport Facilitation and Landlocked Developing Countries

Resolution 70/197 also emphasises the importance of cross border transport facilitation for landlocked developing countries²³ and recognises the importance of the framework of decisions related to landlocked countries which includes the recent Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024²⁴. The VpA was adopted by the Second United Nations Conference on Landlocked Developing Countries in November 2014. It substitutes the Almaty Declaration and Programme of Action and provides for an extended framework for coordinated action in relation to landlocked developing countries until 2024.

A landlocked state is a term used to designate countries that are entirely enclosed by land, or whose coastlines lie on closed seas. The lack of access to the sea is not a purely geographic phenomenon as a majority of landlocked developing countries also face important economic challenges. Consider, for example, that about 44 out of 193 Member

23. UNGA Resolution 70/197 “Toward comprehensive cooperation among all modes of transport for promoting sustainable multimodal transit corridors”, 22 December 2015, UN Doc. A/RES/70/197.

24. UN, Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024, 3 November 2014, UN Doc.: A/CONF.225/L.1

States of the UN are landlocked and that 20 out of 54 low-income economies are landlocked. This despite the fact that a number of landlocked countries are well-developed economies (e.g. Switzerland, Austria, Hungary, etc.).

In order to address the economic challenges of landlocked countries, VpA proposes a holistic approach to ensure coherence with existing global processes related to landlocked countries in order to help achieving sustained and sustainable economic growth and ensure their meaningful integration into the global economy. It calls for genuine partnerships between landlocked and transit developing countries and their development partners at the national, bilateral, sub-regional, regional and global levels.

Traditionally, the approach that has been used to address the limitations faced by landlocked countries consists of (1) facilitating the signing of regional or multilateral conventions aiming at ensuring freedom of transit, and (2) developing regional transport infrastructure.²⁵ VpA goes further, as it contains six priorities for action which are fundamental transit policy issues, infrastructure development and maintenance, international trade and trade facilitation, regional integration and cooperation, structural economic transformation and means of implementation. Thus, the approach of VpA incorporates concrete steps towards the structural transformation of national economies and infrastructure development, to improving international trade and bolstering regional integration and cooperation.

It is noted that “the establishment of a secure, reliable and efficient transit transport system remains critical for landlocked developing countries to be able to reduce transport costs and enhance the competitiveness of their exports to regional and global markets”²⁶. In this regard, VpA has defined three specific objectives: (a) to reduce travel time along corridors with the aim of allowing transit cargo to move 300-400 kilometres per 24 hours, (b) to significantly reduce the time spent at land borders, and (c) to significantly improve intermodal connectivity with the aim of ensuring efficient transfers from rail to road and vice versa and from port to rail and/or road and vice versa.

In order to address this, VpA encourages landlocked developing countries to undertake a number of actions, including the ratification of legal instruments related to transit transport and trade facilitation, to enhance coordination and cooperation of national agencies responsible for border and customs related controls and procedures. It also aims at promoting simplification, transparency and harmonisation of legal and

25. J-F Arvis, G Raballand, J-F Marteau “The Cost of Being Landlocked: Logistics, Costs, and Supply Chain Reliability”, The World Bank, 2010, p 2.

26. VpA, para 8, page 4.

administrative regulations related to transit system and the formulation of national transit policies.

The reference to international legal instruments on cross border transport facilitation indicates that improved international coordination in relation to transit systems is necessary, if not fundamental, to improve the economic situation of landlocked developing countries. The ratification of international legal instruments related to transit should be considered as the first step to be taken by landlocked developing countries towards the implementation of VpA.

As of priority 2 of VpA, the development of regional transport infrastructure generally requires a substantial financial effort. It has also been noted that infrastructure has a limited impact on trade of landlocked developing countries²⁷.

Perhaps the most important aspect of VpA in relation to cross border transport facilitation is the fact that it incorporated specific objectives related to trade facilitation that are in line with some of the provisions of TFA, such as to “significantly simplify and streamline border crossing procedures with the aim of reducing port and border delays” and to “effectively implement integrated border management systems and strive to establish one-stop border posts that allow for joint processing of legal and regulatory requirements, with a view to reducing clearance times at borders”.

The fact that VpA established closer linkages between border management and trade is significant to promote the idea of cross border transport facilitation as going beyond customs regulations. In the particular case of landlocked developing countries, cross border transport facilitation is a strategic component with significant economic and political implications. As it has been observed “This geographical remoteness makes them dependent on neighbouring transit countries for their external trade. They depend on neighbouring countries’ transit infrastructure, political stability, administrative procedures and practices in addition to good cross-border political relations”²⁸.

It is, therefore, surprising that 65 per cent of landlocked countries have not yet ratified the TIR and the Harmonisation Conventions. Moreover, there has been slow progress in the ratification of the TIR and the Harmonisation Conventions by landlocked countries. In fact, the Harmonisation Convention received only one ratification from a

27. “Infrastructure improvement mostly impacts direct transport costs, which are only a portion of the total transport costs faced by exporters and importers in LLDCs. Its impact may be further diluted if one takes a broader view of logistics costs, incorporating overheads and supply chain efficiency”. J-F Arvis, G Raballand, J-F Marteau “The Cost of Being Landlocked: Logistics, Costs, and Supply Chain Reliability”, The World Bank, 2010, p 22.

28. UNESCAP, Trade Facilitation in Selected Landlocked Countries in Asia, 2006

landlocked country since 2006. As for the TIR Convention, no additional landlocked country has ratified the Convention since 2001²⁹.

Conclusion

A momentum has been built to reinforce the linkage between border management and a number of international efforts. This appears to be the main purpose of the UN Resolution 70/197, which underlined the connection between border and development issues.

At foremost comes the fact that borders are the entry point to trade and, as a consequence, efficient borders are an important development objective. By improving border management, countries are likely to increase tax revenues, improve the local offer for products and transport services and strengthen regional cooperation. When it comes to promoting trade, intelligent borders are as important as infrastructure, trade promotion mechanisms and incentives to industry.

In this regard, the UN Resolution 70/197 focuses on the need for further cooperation to address the issues relating to transport and transit corridors as an important element of sustainable development and invites, in paragraph 11 of the Resolution, all States that have not yet done so to consider signing, ratifying or acceding to the UN conventions and agreements on transport and transit facilitation, including the TIR and the Harmonisation Conventions.

There is no doubt that the ratification of UN conventions on cross border transport facilitation are the first and crucial step that developing countries can do towards the rationalisation of border controls and improved cooperation between governmental authorities in this field. This is particularly important for landlocked developing countries, whose economy relies on consistent transit mechanisms and efficient border controls.

Bibliography

1. J-F Arvis et al, *Connecting Landlocked Developing Countries to Markets: Trade Corridors in the 21st Century*, The World Bank, 2011
2. UNESCAP, *Trade Facilitation in Selected Landlocked Countries in Asia*, 2006
3. J-F Arvis, G Raballand, J-F Marteau “The Cost of Being Landlocked: Logistics, Costs, and Supply Chain Reliability”, The World Bank, 2010
4. UNECE, *Spectrum of Border Crossing Facilitation Activities*, 2015

29. Nonetheless, a special reference must be made to Afghanistan, a Contracting Party since 1982, which reactivated the TIR system in 2013 aiming to ensure the operation of the TIR system in the country.

5. OSCE, Handbook of Best Practices at Border Crossings – A Trade and Transport Facilitation Perspective, 2012
6. UNESCAP, Impact of Trade Facilitation on Export Competitiveness: A Regional Perspective
7. J Sachs, The Age of Sustainable Development, Columbia University Press, 2015

Official Documents:

1. UN, Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024, 3 November 2014, UN Doc.: A/CONF.225/L.1
2. UN, Report of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, Almaty, Kazakhstan, 28 and 29 August 2003 (A/CONF.202/3,annex I).
3. UNECE, “Relation Between the WTO Trade Facilitation Agreement, the TIR Convention and other Legal Instruments”, Working Party on Customs Questions affecting Transport (WP.30), 142nd Session (Geneva, 9-12 February 2016), UN Doc. ECE/TRANS/WP.30/2016/4.
4. UNGA, 70th session, Resolution 70/1 “Transforming our world: the 2030 Agenda for Sustainable Development” UN Doc. A/RES/70/1 (21 October 2015).