



## Organization for Security and Co-operation in Europe

Office of the Co-ordinator of OSCE  
Economic and Environmental Activities

Vienna, 17 May 2010

### The 18<sup>th</sup> OSCE Economic and Environmental Forum

PART II – 24-26 MAY 2010, PRAGUE

*Promoting good governance at border crossings, improving the security of land transportation and facilitating international transport by road and rail in the OSCE region*

### FOLLOW-UP IDEAS

Food-for-Thought Paper prepared by the  
Office of the Co-ordinator of OSCE Economic and Environmental Activities

The aim of this Food-for-Thought Paper is to stimulate discussions during the second and concluding part of the 18<sup>th</sup> OSCE Economic and Environmental Forum (24-26 May 2010, Prague) and to channel them towards concrete and viable recommendations for the OSCE.

The ideas in this paper stem from the conclusions of the past meetings of the current Forum cycle, namely the preparatory conferences in Astana in October 2009 and in Minsk in March 2010, and the first part of the Forum in Vienna in February 2010.

The paper includes selected general recommendations as well as a number of concrete proposed activities. The ideas and proposals referred to in this paper are at various stages of elaboration and development.

For a comprehensive view of the deliberations and conclusions of the 18<sup>th</sup> OSCE Economic and Environmental Forum process so far it is recommended to refer to the Consolidated Summaries of the meetings mentioned above ([SEC.GAL/189/09](#), [SEC.GAL/68/10](#), and [EEF.GAL/4/10](#)).

The Review of the implementation of OSCE commitments in the economic and environmental dimension, prepared by the United Nations Economic Commission for Europe (UNECE) for the Prague Forum ([EEF.IO/8/10](#)), also provides substantial input.

A number of OSCE decisions and documents provide an overall framework for approaching the theme of the current Forum and for designing the possible follow-up, namely the OSCE Strategy Document for the Economic and Environmental Dimension ([MC\(11\).JOUR/2](#)), the OSCE Border Security and Management Concept ([MC.DOC/2/05](#)), the [Ministerial Council Decision No. 11/06](#) on Future Transport Dialogue in the OSCE and the [Ministerial Council Decision No. 9/08](#) on Follow-Up to the Sixteenth Economic and Environmental Forum on Maritime and Inland Waterways Co-operation.

As one of the declared goals of selecting the theme of the 18<sup>th</sup> EEF - *Promoting good governance at border crossings, improving the security of land transportation and facilitating international transport by road and rail in the OSCE region* - was to strengthen the continuity of the transport theme developed by the Forum processes in 2006 and 2008, a number of follow-up activities to those Forums can also offer useful insights, in view of the current efforts and priorities of the Kazakh Chairmanship, and deserve being revisited.

1. The Forum process so far put a lot of emphasis on good governance aspects of transport and border crossings, including **transparency, integrity and the fight against corruption**. Promoting integrity in customs and border services would on the one hand stimulate regional economic development and on the other hand prevent illegal trafficking and other threats to security. The OSCE could consider a medium to long term engagement in this area.

As a direct follow-up, a **regional conference** involving Central Asian and South Caucasus countries and Afghanistan, envisaged to take place in Kazakhstan on 12-13 July 2010, and organized with substantial support from the World Customs Organization (WCO) is proposed. The regional conference should be a starting point to be followed by a series of national follow-up activities of a policy design / capacity building nature that could be organised upon request. A detailed project proposal will be circulated for funding purposes in due course.

2. As part of good governance efforts, the adoption and proper implementation of **international legal instruments** play an important role in facilitating legitimate cross-border trade and transport operations. Such instruments help harmonization as well as bilateral and regional co-operation.

2.1. In follow-up to the 14<sup>th</sup> OSCE Economic Forum, the OCEEA and the UNECE developed a pilot project and organised, in 2006 and 2007, regional seminars on the implementation of the *UNECE International Convention on the Harmonization of Frontier Control of Goods*. Further on, in 2008 and 2009, national tailor-made technical assistance seminars were conducted across the region.

The current Forum process has recommended that the OSCE should continue to advocate and promote the ratification and effective implementation of UNECE legal instruments, in particular the above referred to “Harmonization Convention” as well as the “TIR Convention”, through conducting awareness-raising and **capacity-building workshops and seminars at different levels**.

2.2 At the Vienna Forum, the new *UN Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea*, known as the “**Rotterdam Rules**”, was presented by the United Nations Commission on International Trade Law (UNCITRAL). Its added value consists in harmonizing maritime plus transport regime, allowing for door-to-door transport under a single contract of carriage. The recommendation that the OSCE participating States consider becoming party to the Rotterdam Rules has been supported by a number of Delegations.

In follow-up to the Forum, the OCEEA and the UNCITRAL Secretariat intend to raise awareness regarding the “Rotterdam Rules” and, if required, provide appropriate capacity building assistance. Initially, a **joint conference/workshop** is envisaged, for both the public and the private sectors, targeting those OSCE participating States that have not yet had exposure to the Convention and the commercial and practical advantages that it can bring. This joint endeavor could benefit from both the OSCE’s political leverage and wide network of field presences and the UNCITRAL’s expertise. A detailed project proposal will be presented in due course to potential donor and beneficiary countries.

3. The Forum process emphasized the need for **effective policies aimed at streamlining and simplifying customs and other border regulations and procedures**, thus minimizing delays and costs at border crossings. As such, co-operation among customs and other agencies active at the border as well as inter-state coordination should be improved.

The OSCE can provide a platform for exchange of best practices. Together with other organizations, it should stand ready to provide technical support in developing legislation and policies as well as in building institutional capacities to effectively apply them. **The need for sustainable training efforts has been repetitively emphasized.**

3.1 In follow-up to the 2008 Forum, the OCEEA and the UNECE engaged in a joint project aimed at developing a **“Handbook of Best Practices at Border Crossings”**. The main purpose of the Handbook is to assist OSCE participating States in developing more efficient transit transport, customs and border policies. It should be a reference document for national policy-makers, senior customs, transport and border guard/police officials.

Policy improvements in customs and at borders are of particular importance for facilitating the access to the sea for landlocked developing countries, in line with the *Almaty Programme of Action*<sup>1</sup>.

Now, renewed efforts of the two partners are needed in order to publish the Handbook by the fall of 2010 and move to the second phase of the project, namely the conduct of awareness raising and capacity building events based on the Handbook.

3.2 Practical measures to facilitate border crossing for international land transport may, *inter alia*, include the introduction of one-stop shops, single window systems, harmonized customs procedures, the WCO’s Authorized Economic Operators (AEO) concept as well as making better use of IT-technology.

Through the participation in the Forum process of representatives of the United Nations Conference on Trade and Development (UNCTAD) we learnt about the benefits of ASYCUDA which is a computerised customs management system which covers most foreign trade procedures and handles manifests and customs declarations, accounting procedures, transit and suspense procedures, while at the same time generating trade data that can be used for statistical economic analysis. It provides a unique platform for Electronic Data Interchange (EDI) between traders and Customs. Thus the OSCE should consider lending its support to promoting the implementation of this system across our region.

---

<sup>1</sup> Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries was adopted by an International Ministerial Conference in August 2003.

3.3 With particular reference to rail transport facilitation, it has been suggested that the OSCE, working closely with international transport organizations, assists participating States to create a uniform railway law, to harmonize conventions and other tools and to start using the CIM/SMGS<sup>2</sup> common consignment note, as a way to facilitate international railway traffic and boost trade.

4. Another key component of good governance and a priority issue that emerged out of the Forum deliberations is the need for adopting a **Public-Private Partnership (PPP)** approach in dealing with transport and border crossing issues. Partnership and co-operation with private businesses can be instrumental to ensuring smoother border crossing operations. The private sector needs to be empowered to bring corruption and inefficiency to the attention of Governments. In this context, a more specific recommendation referred to the creation of transport and trade facilitation **Users' Groups**, which can also be used for ensuring good governance and transparency at border crossings. Currently, also based on the experiences accumulated by various OSCE field presences, the OCEEA is exploring ways and means to further consolidate and streamline engagements in this direction.

5. The Forum process has also emphasized the importance of **integrated transport networks** in the OSCE area and the need to form a unified transport space for underpinning economic development. Promotion of regional and sub-regional co-operation in transport is a key element in this regard. Strong political will is necessary to ensure that interstate co-operation and co-ordination in this field are efficient enough and stimulate trade. Particular attention should be dedicated to developing adequate transport corridors that serve the special needs of landlocked countries.

It has been stated more than once that the **OSCE can represent a useful platform** in this regard. In order to avoid duplication, the OSCE should team up with other international organizations and provide support to ongoing efforts and already existing consultation mechanisms.

5.1 In particular, in follow-up to the Forum, the OSCE could strengthen its interaction with the UNECE regarding the implementation of the **Euro-Asian Transport links Project (EATL) - Phase II** and the **Trans-European North-South Motorways (TEM) and Trans European Railways (TER) Projects**<sup>3</sup>.

*Inter alia*, the OSCE could provide substantial input - based on the key recommendations of the 18<sup>th</sup> EEF process - to the upcoming meetings to be organized in the framework of these projects, or organize joint sessions or back-to-back events on such occasions. It is for example the intention of the OSCE to co-host in Vienna on 17-19 November 2010 the upcoming **64<sup>th</sup> session of the UNECE Inland Transport Committee (ITC)'s Working Party on Rail Transport**.

---

<sup>2</sup> This common consignment note was developed by three railways organizations - the International Rail Transport Committee (CIT), the Intergovernmental Organisation for International Carriage by Rail (OTIF) and the Organisation for Co-operation of Railways (OSJD) - to harmonize the legal regimes governing railway transportation, as a way to reconcile and overcome the difficulties inherited from the East/West divide.

<sup>3</sup> For more information see the UNECE Review report (EEF.IO/8/10), pages 23 to 35.

5.2 In the rail transport sector, an effective way of supporting the development of transport corridors by exemplifying their technical feasibility and commercial viability consists in running of demonstration “**block trains**”. The OSCE could render political support to such initiatives.

In this regard, a concrete proposal for the North-South Corridor is included in the UNECE Review Report - Annex 3 (p. 103 onwards) consisting of the organization of a demonstration block train along the North-South Corridor.

Another initiative the OSCE could support refers to running a secured container train between Asia and Europe, transiting through the recently established Customs Union between Kazakhstan, the Russian Federation and Belarus. This has been proposed by the International Union of Railways (UIC) and the International Container Security Organization (ICSO) on the occasion of the Minsk Preparatory Conference. Consultations with these organizations and the relevant stakeholders from the transiting countries are ongoing.

5.3 Regarding road transport development across the region, the OCEEA will continue to follow closely the developments related to the *Working Group for the Development of Road Haulage of Goods from Europe to Afghanistan via South Caucasus*, led by the International Road Transport Union (IRU). In this context, the OCEEA is interested in further co-operation with the parties concerned on a broad range of matters relating to road transport security and facilitation of border crossings of goods. The IRU has also called for OSCE support regarding other concrete projects, including a demonstration road caravan from Germany to Afghanistan.

6. Given **Afghanistan’s** specific situation and strategic location in the Eurasian continent, further action is needed to facilitate legitimate trade between the country and its Central Asian neighbours, thus contributing to economic development, hence stability in the region. While improved transport and border infrastructure is required, these factors are generally not considered the largest impediment to trade. The need to put in place a more efficient border management system and to up-grade the capacity of Customs and border officials seem more pressing issues. The OSCE can help stabilize the situation in Afghanistan and in this regard paying due attention to border security and management is of key importance. The OSCE should continue to facilitate additional tailor-made training to both law enforcement officials in the framework of combating, *inter alia*, the trafficking of narcotics as well as Customs officials thereby highlighting the importance of facilitating legitimate trade.

The OSCE can also consider facilitating dialogue and co-operation among stakeholders from the entire adjacent Pamir and Central Asia region to identify opportunities for promoting trade. It can also play a positive part in the creation of trade and transport links, *inter alia* by building further on the initiative that has recently been taken by the OSCE Office in Dushanbe regarding the creation of Trade Resource Centres providing information on import/export and legal procedures to local traders at border markets between Afghanistan and Tajikistan.

7. Defining the challenges of **land transport security** and the adequate responses have represented a constant focus of the Forum process so far, and proved a complex undertaking.

While security measures need to be tailored to specific situations and/or transport modes, a number of key general conclusions can be drawn, such as: the need for adopting a comprehensive and integrated approach to supply chain security; the need for balancing security and facilitation and relying more on a risk-assessment approach; the importance of putting an emphasis on preparedness and resilience; the importance of information-sharing and the necessity of ensuring multi-stakeholder co-operation including public-private partnerships and interagency co-ordination, nationally as well as across borders; as well as fostering national implementation of existing international standards while considering the incorporation of new security provisions in existing legally binding instruments.

Yet, land transport security has been too often referred to as the weakest link in the global supply chain. There is a need for further dialogue on these issues at both expert and political levels.

The OSCE could play a relevant role in providing a platform for dialogue, along with partners. In this regard, a key recommendation is included in the UNECE Review Report - Annex 1 - Project proposal: **Inland Transport Security Discussion Forum** (p. 101).

The possibility of developing, together with partner organizations, a **handbook on land transport security best practices** was also mentioned. The OCEEA has a wealth of tangible experience with regard to developing such publications.

**8.** Some specific transport security aspects, relevant in particular for their possible negative environmental consequences, received particular attention in the course of the Forum process, namely the transportation of **dangerous goods** and the trafficking of **hazardous waste**.

8.1 There is a need for awareness raising on and supporting the implementation of relevant international instruments such as the *European Agreement concerning the International Carriage of Dangerous Goods by Road* (ADR), which is administered by the UNECE, and the *Regulation concerning the International Carriage of Dangerous Goods by Rail* (RID), which is part of COTIF<sup>4</sup>.

A concrete project proposal on assisting participating States towards becoming Contracting Parties to ADR has been included in UNECE Review Report – Annex 2 (p. 102).

The OSCE could also support the exchange of information regarding various applying rules, standards and requirements governing the transportation of dangerous goods, thereby facilitating more co-operation and harmonization of such rules at the regional or sub-regional levels.

8.2 Capacity building for legislators and border management authorities is crucial for the prevention and detection of illegal transboundary waste movement. The OSCE could conduct regional training workshops on *The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal*, which is the most comprehensive global environmental agreement on hazardous and other wastes.

---

<sup>4</sup> COTIF – the Convention concerning International Carriage by Rail of 9 May 1980 is the founding document of the Intergovernmental Organisation for International Carriage by Rail (OTIF).

A concrete example is an upcoming **seminar on Prevention and detection of illegal transboundary waste transportation and their disposal**, scheduled for 14-18 June 2010, in Dushanbe. It will be conducted by the OSCE Border Management Staff College in Dushanbe, with the support of the OCEEA and the CPC/Borders Unit. It is expected to bring together 25 officials from the OSCE participating States and Partners for Co-operation representing Border Guards/Police, Customs and/or Environmental Inspectorates.

**9.** The Forum process represented an opportunity to further consolidate or initiate intra-OSCE co-operation.

**9.1** The **OSCE Border Management Staff College (BMSC) in Dushanbe** was officially launched in May 2009. Its main purpose is to act as a central institution where officials from all border-related agencies throughout the OSCE area can enhance their knowledge and exchange information on keeping borders open and secure.

A first OCEEA contribution consists in supporting the holding of a seminar on hazardous waste (see item 8.2). The OCEEA stands ready to further develop its concrete co-operation with the College and contribute to or facilitate expert and other partner organizations' input to future BMSC activities and capacity building, *inter alia* in the following areas: sharing of best practices in trade facilitation and simplification of customs procedures, including through the implementation of international conventions, promoting integrity and combating corruption, promoting public-private dialogue and co-operation, environmental aspects of transportation and border crossings etc.

**9.2** The **OSCE Action against Terrorism Unit (ATU)** with the support of the OCEEA organised in Malta at the end of last year a *Workshop on Integrated Approach to Supply Chain Security for the Mediterranean Region*. The workshop offered a platform for discussion on how to enhance inter-modal supply chain security while facilitating legitimate trade and transportation. Participants exchanged experiences and information on national, regional and international initiatives to comprehensively secure the supply chain, including air, land and maritime transportation. Given the success of this previous event and as a follow-up to this year's Forum process the OSCE could consider replicating such workshops in other sub-regions e.g. Black Sea and/or Caspian Sea specific. This would also allow further strengthening our Organization's already fruitful co-operation with the World Customs Organization particularly in providing training and awareness raising activities on a number of their instruments, notably the WCO SAFE Framework of Standards as well as other relevant tools.

**10.** The Forum process also stressed the importance of a strategic vision of transport development with a view to adequately taking into account environmental considerations. Comprehensive and integrated national policies should be designed and put in place in order to promote **environmentally friendly transportation choices**. Upon request, the OCEEA stands ready to assist participating States in this process.