



# Transport Corridor Europe-the Caucasus-Asia



Strengthening Economic Resilience and Adaptability Through Europe and the  
Black Sea-Caspian Region Connectivity  
April 6, 2022

# TRACECA

Rotating Chairmanship

## Key dates

**May 1993**

Initiating of the TRACECA Program

**September 8, 1998**

Signature of the Basic Multilateral Agreement of the international transport on development of the Europe-Caucasus-Asia corridor (MLA)

**March 10, 2000**

The First Annual Meeting (Conference) of the Intergovernmental Commission TRACECA on the transport corridor "Europe-Caucasus-Asia"

**February 21, 2001**

An official opening of the office of the Permanent Secretariat of the IGC TRACECA in Baku (Azerbaijan)

The development of economic relations, trade and transport communication in the regions of Europe, the Black Sea, the Caucasus, the Caspian Sea and Asia – one of the main objectives

## Intergovernmental Commission

Decision-making structure – Competent Ministries

## Permanent Secretariat

Executive structure – Implementation and Monitoring



An official opening ceremony of the office of the Permanent Secretariat in Baku

## Permanent Representatives (National Secretaries) in 13 member states

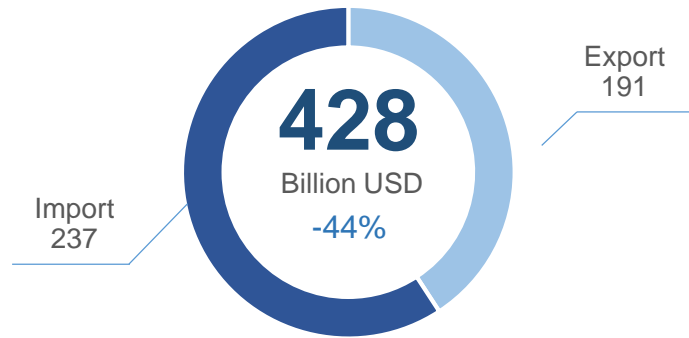
National structure – Focal and Coordinating point between national competent authorities/organizations and Permanent Secretariat



# Volumes of foreign trade and transport of goods

For 2020 (compared to 2019)

## FOREIGN TRADE BETWEEN THE TRACECA COUNTRIES AND THE COUNTRIES OF THE WORLD\*



**12,3%**

Mutual turnover of the TRACECA countries

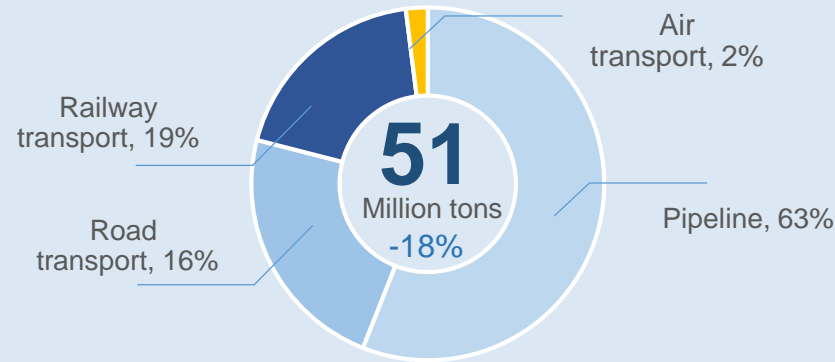
**53**

Billion USD

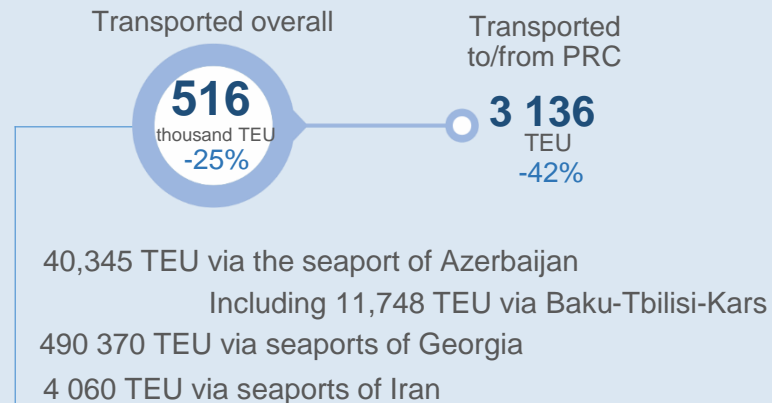
(no changes compared to 2019)

Transportation using maritime transport (multimodal transportation along the TRACECA corridor) covered 92% of the total volume of cargo transported in 2020. The remaining volume was transported by land and air modes of transport.

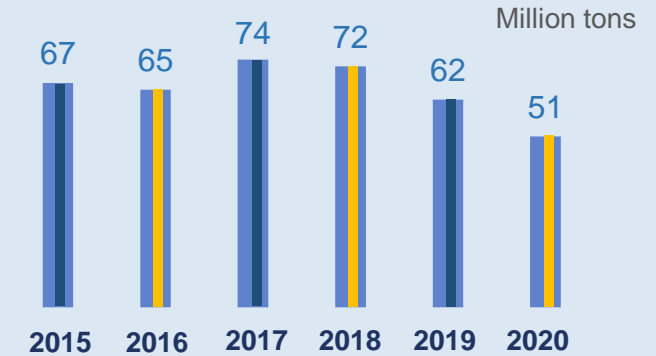
## VOLUMES OF TRANSPORTED CARGO\*\*



## CONTAINER TRANSPORT



## TRANSPORT DYNAMICS



## RANGE OF CARGOES



Prepared on the basis of information provided by Azerbaijan, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Romania, Turkey and Ukraine

\*According to the UN Comtrade data for 10 countries

\*\* According to the data of the MLA member states



# Strategic guideline



"Logistics Processes and Motorways of the Sea II" project funded by the European Union has become a long-term guide in the development of the corridor



## Main areas of 107 actions for 2022-2026

- Removal of institutional and legal barriers for transport and international trade
- Development of railway sector
- Motorways of the Sea, railway-ferry communication and maritime routes
- Development of road sector
- Development of inland waterways
- Air transport
- Connections with the hinterland, multimodal and logistic possibilities

# Digitalization of transport documents

## CURRENT STATUS ON eTIR and eCMR

Country	Signing a Letter of Intent (eTIR)	Signing eTIR main principles	Acceding to eCMR
Armenia	NO	NO	NO
Azerbaijan	YES	YES	NO
Bulgaria	NO	NO	YES
Georgia	YES	YES	NO
Iran	YES	YES	YES
Kazakhstan	YES	YES	NO
Kyrgyzstan	YES	Under consideration	NO
Moldova	YES	NO	YES
Romania	NO	NO	YES
Tajikistan	YES	Under consideration	YES
Turkey	NO	NO	YES
Uzbekistan	YES	YES	YES
Ukraine	YES	YES	YES

## PILOT PROJECTS



**8 countries have acceded to the Additional Protocol to the CMR:** Bulgaria, Iran, Moldova, Romania, Tajikistan, Turkey, Uzbekistan, Ukraine

**7 countries have carried out eTIR pilot transportations:** Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Tajikistan, Turkey, Uzbekistan

# Global Transit Document

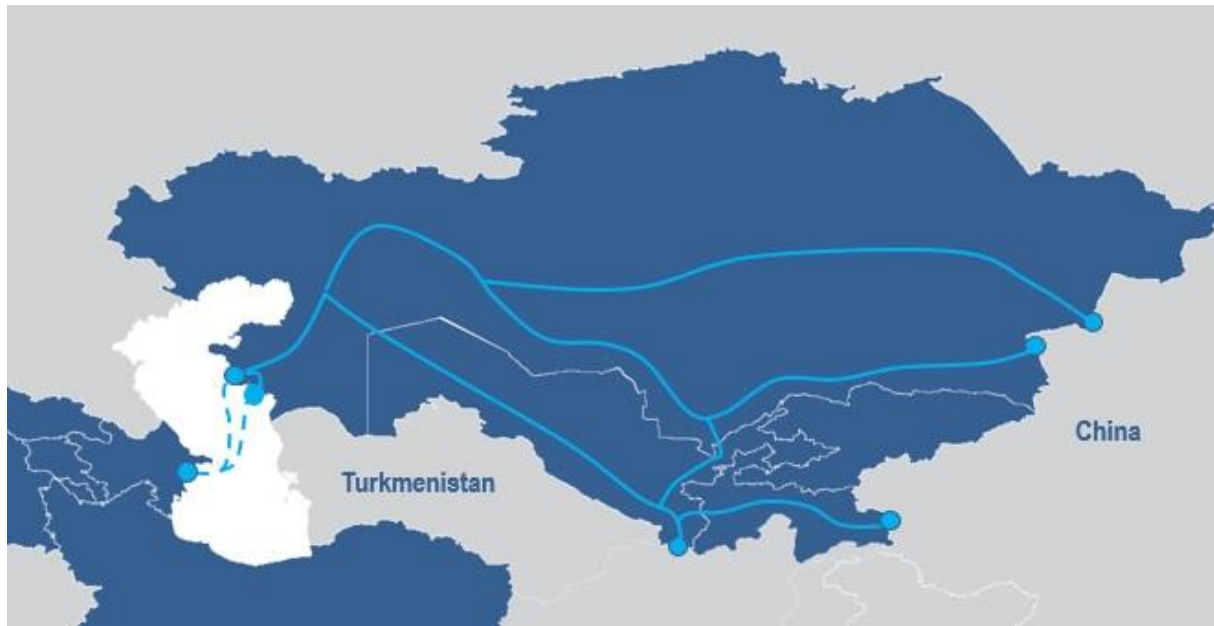
## CHRONOLOGY OF WORK ON THE INITIATIVE

- 2020:** The Concept of the Global Transit Document (GTrD)
- 2Q 2021:** Presentation of GTrD
- 1Q 2022:** Implementation of pilot project using GTrD
- 2022:** Presentation of the results of the pilot application of GTrD



## GTrD PILOTING ROUTE

Tajikistan-Uzbekistan-Kazakhstan-Azerbaijan



## GTrD will shift focus from documents to data

- GTrD will provide a more efficient, predictable and secure exchange of information.
- Disparities and discrepancies in documentation will be alleviated providing huge savings in time and costs.
- Access to earlier, more complete, immutable data improves the effectiveness of targeting processes, facilitating legitimate trade, increasing compliance and improving Customs' efficiency.
- A Customs authority can establish a connection in a few days, with a small team, rather than requiring its staff to first invest in becoming blockchain experts.

# Development of container transport

In 2030, the maximum estimated volume will be 760 thousand TEU containers or 9 thousand container trains

## Concept for the development of container transport in the TRACECA corridor countries up to 2030

This document describes the trends in trade relations between the countries of the TRACECA corridor, the forecast of foreign trade of the countries of Europe and Asia for the last 20 years (75 countries were selected), “bottlenecks” and recommendations for their elimination.

To achieve these indicators, the activities of the Permanent Secretariat will focus on removing technical barriers and determining competitive tariffs for container transport along the TRACECA routes.

## Cooperation with UIC

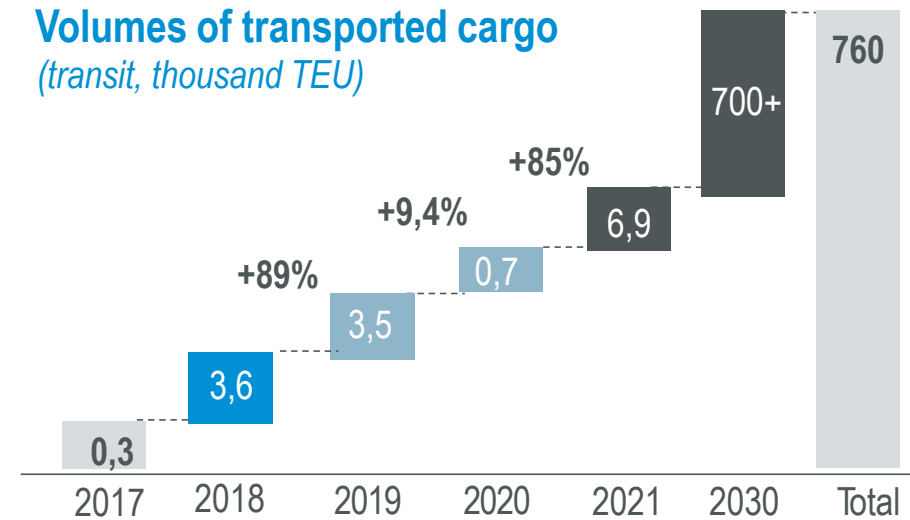
Involvement in Study on Silk Road Middle and Southern Corridors/TRACECA routes (conducted by UIC and Roland Berger) - identification of bottlenecks and needs for action

Development of common approaches to determining competitive pricing for the transport of goods by railway lines within TRACECA



## Volumes of transported cargo

(transit, thousand TEU)



## TRACECA

Application of the CIM/SMGS consignment note along the corridor

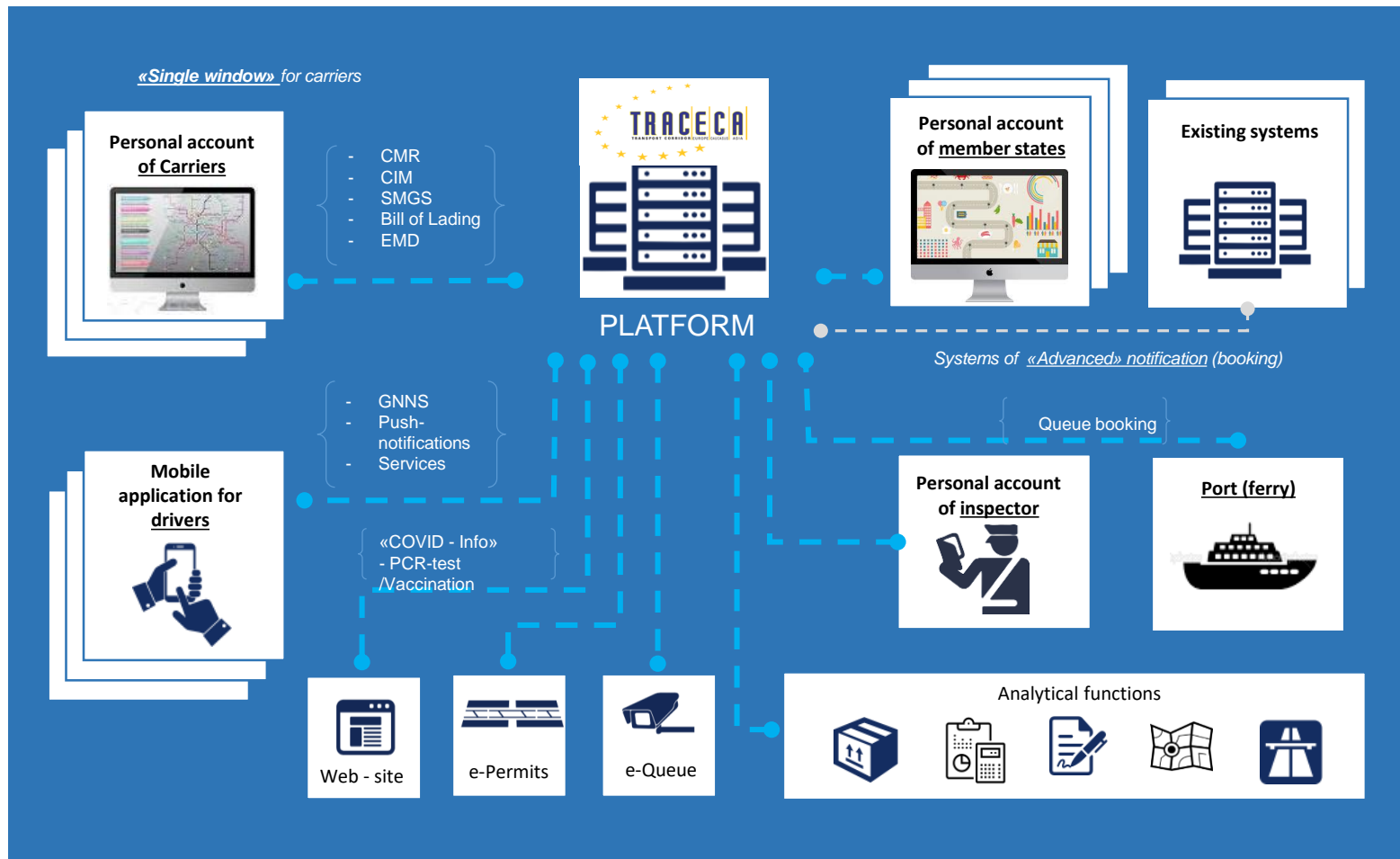
Carrying out special events for piloting the CIM/SMGS electronic consignment note

Removal of “bottlenecks” in the transportation of goods in containers



# Digitalization

Concept of Digitalization will be the main guide to digitalization of the corridor in various modes of transport



## MAIN AREAS

- Digitalization of Multilateral Permits System of TRACECA
- Implementation of Agreement on a Single Transit Permit
- Implementation of eTIR and eCMR
- Creation of TRACECA digital platform
- Introduction of Intellectual maps
- Digitalization of supply chains along the TRACECA routes

The fulfillment of the tasks assigned to TRACECA is currently possible only with integrated development, where one of the most important components is the digitalization of the transport industry.

Introduction of systems and technologies in the task of digitalization of the TRACECA transport complex will ensure the formation of a complex "Ecosystem".



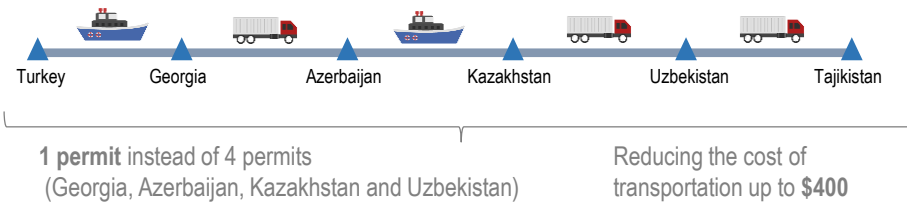
# Development of international road transport

Permanent Secretariat is currently working on initiatives aimed at introducing digital solutions on transport

## SINGLE TRANSIT PERMIT

### Sample of the application of a Single Transit Permit

Example – transit transportation among the TRACECA countries



### Objective

### of the Agreement on a Single Transit Permit

- Reducing the number of permits for transit transportations;
- Reducing the cost of transportation;
- Simplification of the transport process between the TRACECA countries;
- Increasing the return loading when transporting cargo by ferry vessels;
- Optimization of procedures for obtaining a transit permit;
- Applications of digitalization elements;
- Exclusion of the application of paper permits;
- Growing interest of countries in acceding to TRACECA

## MULTILATERAL PERMIT

- Applied since 2016
- Used in 6 countries: Armenia, Georgia, Moldova, Romania, Turkey, Ukraine
- Gives the right to carry out bilateral and transit transportations, as well as transportations to/from third countries



- The average percentage of use of multilateral permits among 5 countries is 97.8%, with the exception of Armenia, which did not use permit forms in 2020.

## OTHER INITIATIVES

E-CIM/SMGS

ELECTRONIC QUEUES

E-Guide for border-crossing procedures

1. It is expected that the procedures for approving the Agreement on a Single Transit Permit of TRACECA will be completed
2. Other countries of the corridor are expected to join the TRACECA Multilateral Permits System
3. The active participation in the implementation and piloting of projects is observed
4. Provision of favourable conditions for attracting cargo flows is carried out

# Development of water transport

## TRACECA Regional Action Strategy on Maritime Safety and Environmental Protection

### 1 Maritime Safety

### 2 Environmental Protection

### 3 Ensuring Safety at Sea

#### Paris MoU

Based on the Annual Report on the Implementation of the Paris MOU on Port State Control, **Turkey is on the “White List”, Azerbaijan, Iran, Kazakhstan and Ukraine are on the “Grey List”**

The **TRACECA II Maritime Safety and Security** project was originally launched by the European Commission in 2013 with a duration of 3 years and builds on the results of 2 previous projects, SASEPOL (2009) and MONINFO (2011).

#### OSCE

OSCE project “**Promotion of Green Ports and Connectivity in the Caspian Sea Region**”

Improve the security, sustainability and connectivity of trade flows from Asia to Europe through the Caspian Sea Region

## Review on the evaluation and development of the concept of marine vessels for the Caspian Sea

The **main goal** is to develop maritime transport along the TRACECA corridor and reduce the cost of transportation.

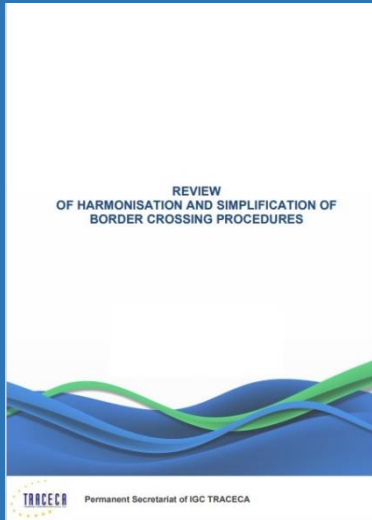
As part of the study, it is planned:

- conducting a comparative analysis of the cost of transport of goods by sea in the Caspian and Black Seas, and preparing recommendations for reducing the cost of transportation and the business model of cargo shipping lines;
- conducting an analysis of the current fleet of the TRACECA countries and identifying bottlenecks and factors hindering the development of maritime transport;
- development of a feasibility study, including the conceptual design of vessels’ structures for maritime transport in the Caspian Sea and the adaptation of terminals;
- development of a feasibility study with the rationale for the optimal parameters of ferries for sea transportation in the Black Sea, taking into account the cargo flow within TRACECA

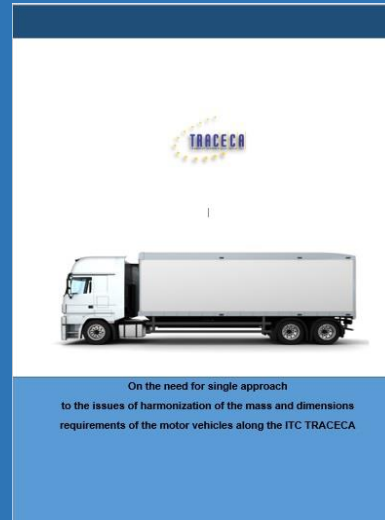
The project was launched in December 2021, its **completion is expected in the 2 quarter of 2022**, after which the outcomes will be submitted to the TRACECA countries for consideration.

# Reviews and Analysis

## Harmonization of transport legislation in TRACECA countries



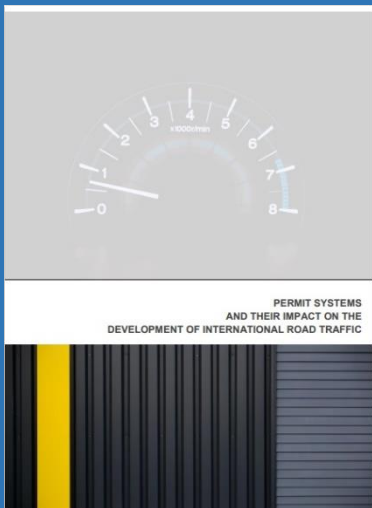
Review of harmonization and simplification of border crossing procedures



On the need for single approach to the issues of harmonization of the mass and dimensions requirements of the motor vehicles along the ITC TRACECA



Analysis of the applied tariffs in the field of maritime in MLA member states and recommendations on the elaboration of harmonized tariff policy on the Caspian and Black Seas



Permit Systems and their impact on the development of international road traffic



On the competitiveness of container transport on TRACECA countries



Research and Comparative analysis of maritime legislation



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