

**ORGANIZATION  
OF THE BLACK SEA  
ECONOMIC  
COOPERATION (BSEC)**

**MINISTRY OF  
CUSTOMS AND TRADE  
REPUBLIC OF TURKEY  
(MCT)**

**SEMINAR ON  
“AUTOMATION OF TRANSIT PROCEDURES & ELECTRONIC EXCHANGE OF DATA  
WITHIN THE CONTEXT OF TRADE FACILITATION”**

**Istanbul, 19-20 April 2017**

**Summary Proceedings**

1. The Seminar on “Automation of Transit Procedures & Electronic Exchange of Data within the context of Trade Facilitation” was held in Istanbul, Republic of Turkey, on 19-20 April 2017. It was jointly organized by the Permanent International Secretariat of the Organization of the Black Sea Economic Cooperation (BSEC PERMIS), the Ministry of Customs and Trade of the Republic of Turkey (MCT) and the Union of Chambers and Commodity Exchanges of Turkey (TOBB).

2. Welcoming statements were delivered by Ms. Didem DİRLİK SONGÜR, Head of Department, Directorate General for the EU and External Relations, Ministry of Customs and Trade of the Republic of Turkey, Ambassador Traian CHEBELEU, Deputy Secretary General of BSEC PERMIS, and Ms. Aslı GÖZÜTOK, President of the Union of Road Transport Associations in the Black Sea Economic Cooperation Region (BSEC-URTA).

2.1. In her opening statement, Mrs. Didem DİRLİK SONGÜR noted that, as expected with enthusiasm, the WTO Trade Facilitation Agreement (TFA) entered into force earlier this year and, from this perspective, the Seminar provides an opportunity to discuss in depth the issues on the agenda as it brings together major stakeholders of Trade Facilitation and Transit.

It was further emphasized that the expected outcome of the Seminar is to ensure the secure and rapid establishment of Trade Facilitation tools, which will benefit both the Customs and Business side. This will contribute to increasing the attractiveness of electronic data exchange and transit provisions in the BSEC Region.

The text of opening statement of Mrs. DİRLİK SONGÜR is attached as **Annex I**.

2.2. Ambassador Traian CHEBELEU in his opening statement, focused on the significance of this Seminar as one more step in implementing the *BSEC Economic Agenda: Towards an Enhanced BSEC Partnership*, which sets the “Cooperation among the Customs and Border Crossing Administrations” and “Intensifying intra-regional trade and

investments” among the seventeen goals in the priority areas of action of the Organization. He recalled the several initiatives undertaken by BSEC in cooperation with other international organizations aiming at implementing these goals, among which special references were made to the OSCE-BSEC Workshop on Best Practices at Border Crossing, in 2013, and to the Joint UNECE-BSEC Regional Seminar on Trade Facilitation and Single Window, in 2014.

In the same spirit, the initiative of the Republic of Turkey of elaborating a Regional Trade Facilitation Strategy for the BSEC Region was mentioned, expressing hope that the specialized BSEC Working Groups will be able to finalize it and submit it for approval to the decision-making bodies of the Organization in the nearest future.

The text of opening statement of Ambassador CHEBELEU is attached as **Annex II**.

**2.3.** Ms. Aslı GÖZÜTOK welcomed the participants in the Seminar and emphasized the role of the BSEC-URTA over the years in promoting the development of road transport in the BSEC Member States, with special reference to the Memorandum of Understanding on the Facilitation of Road Transport of Goods in the BSEC Region, with its main objectives to gradually liberalize the road goods transport market, simplify and harmonize custom procedures and documents, simplify and facilitate visa procedures for professional drivers.

The view was expressed that entry into force of the WTO TFA on 22 February 2017 launches a new phase for trade facilitation reforms all over the world and create a significant boost for commerce and the multilateral trading system as a whole, This is also a momentum for both private and public sectors in the BSEC Member States to reinforce their cooperation and intensify efforts to implement the objectives of the MoU on the Facilitation of Road Transport of Goods in the BSEC Region.

The text of opening statement of Ms. GÖZÜTOK is attached as **Annex III**.

**3.** The Seminar was chaired by Mrs. Didem DİRLİK SONGÜR.

**4.** The Seminar was attended by participants from the following BSEC Member States:

Republic of Azerbaijan  
Republic of Moldova  
Russian Federation  
Republic of Turkey

Participants from the following other States also attended the Seminar:

Former Yugoslav Republic of Macedonia  
Turkmenistan

Representatives of the following international organizations participated in the Seminar:

United Nations Economic Commission for Europe (UNECE)  
International Road Transport Union (IRU)  
Union of Road Transport Associations in the Black Sea Economic Cooperation Region (BSEC-URTA)

The list of participants is attached as **Annex IV** and the Program of the Seminar is attached as **Annex V**.

**5.** On the first day of the Seminar, the first session focused on TFA vis-à-vis Transit & Transit Related Procedures.

Country presentations on the status regarding the adoption and implementation of TFA were made by the participants from Republic of Azerbaijan, Former Yugoslav Republic of Macedonia, Republic of Moldova, Republic of Turkey and Turkmenistan.

The participants from Turkey emphasized the significance of the implementation of TFA while their country ratified the Convention on 29 February 2016. Therefore, the Turkish Prime Ministry Circular No. 2016/27 on the Trade Facilitation Board was published on the Official Gazette dated 3 December 2012. The National Trade Facilitation Board consists of the main public institutions and private sector agencies and is co-chaired by the Undersecretaries of the Ministry of Customs and Trade and the Ministry of Economy. It held its first meeting on 24 March 2017.

Presentations on the activities of international organizations and institutions in the field of TF were made by representatives of UNECE, IRU and BSEC-URTA.

**6.** The second session was devoted to an Introduction to Customs Transit Systems.

**6.1.** Ms. Ariadne ABEL, Associate Programme Management Officer, Transport Division of the United Nations Economic Commission for Europe (UNECE), made a presentation on Transit related Global Arrangements as a Trade Facilitation Instrument, highlighting the TIR system as an important facilitation tool for international trade and transport, based on the TIR Convention, 1975, having today 70 contracting parties, and UNECE activities aimed at the computerization of the TIR Procedure and the eTIR pilot projects initiated: Georgia-Turkey and Iran-Turkey. The role of the International Convention on the Harmonization of Frontier Controls of Goods, 1982, with 58 contracting parties today, in facilitating cross border transport of goods through nationally coordinated, internationally harmonized, shorter, reduced formalities and controls of goods at borders was also underlined.

**6.2.** Ms. Ömür INELLI, Customs and Trade Expert at the Ministry of Customs and Trade of the Republic of Turkey, presented the Transit Procedure in Turkey. The presentation gave information regarding the organizational structure of Transit Procedure and emphasised the benefits of the New Computerized Transit System (NCTS), based on the use of advanced computer systems and the electronic processing of data, for Customs and for Business. Besides, all steps and workflow within the transit procedure have been presented. Information about the on-going projects for further facilitation of Transit Procedures in Turkey was also given.

**7.** The third session examined the Future Transit Prospective.

**7.1.** Ms. Ariadne ABEL (UNECE) made a presentation on Automation of Transit Systems: e-TIR. After an overview of the eTIR project and its main principles, the presentation offered detailed information on the UNECE Georgia-Turkey eTIR pilot project and about the UNECE-IRU eTIR project between Iran and Turkey. The future developments envisaged aim at identifying synergies between these two pilots, at continued improvement of the UNECE Central Exchange Platform and the eTIR international system, at finalizing the legal basis for eTIR and at the possible expansion of the scope of the pilot projects.

**7.2.** Mr. Anil EVMEZ, EU Expert at the Ministry of Customs and Trade of the Republic of Turkey, presented the Turkish Experience and Projections in Use for the Digitalization of Transit Systems. The position of Turkey as a transit country due to its geographical location and as one of the biggest beneficiary country of the transit systems was highlighted. The Transit Systems in Turkey were explained, with an emphasis on why Digitalization is Crucial. After a comparison between the TIR System and the Common Transit System, the future of the TIR System and Turkey's approach were discussed, anticipating the future of Transit: e-transactions, a paperless environment and Digital Customs. Special focus was given to C2B2C and C2C data exchange within the scope of eTIR pilot projects that are being conducted by Turkey-Iran and Turkey-Georgia. Potential advantages and future prospects for adding this transit scheme to the WCO Globally Networked Customs (GNC) as a Utility Block was underlined.

**8.** The fourth session discussed New Aspects of the Modernization of Transit Systems.

**8.1.** Mr. Raphaël HIRT, Head of eTIR and Advisor to the Head of TIR (IRU), made a presentation on Automation of Transit Procedures and Electronic Exchange of Data. The existing IT tools were mentioned, especially the Additional Protocol to the Convention on the Contract for the International Carriage of Goods by Roads (eCMR Protocol 2008) concerning the Electronic Consignment Note, which entered into force on 5 June 2011 and is currently ratified by 11 States. The presentation estimated that the market demand for eCMR is real, as its implementation brings considerable benefits for all actors involved in financial terms and in transparency and traceability terms. Furthermore, eCMR brings increased economic competitiveness of countries and parties involved and also increases road safety. The advantages of the TIR Holder Portal, with 32 connected countries, were also presented. The TIR-EPD Usage was discussed, offering details of the eTIR Pilot Project implemented by Turkey-Iran (first phase November 2015-August 2016 and second phase August 2016-February 2017) and its results with a special emphasis on the security of the procedure. This e-TIR Pilot Project enabled IRU to take the opportunity to develop additional facilities for the transport industry such as distance payment of the guarantees, for intermodal transport and the sub-contractors. Also, transport industry sees prospective in the frame of TIR computerization.

**8.2.** Mr. Ahmet KARAKAŞ (Expert at TOBB) focused on the Transit Facilitation from the perspective of the Private Sector. The following points were highlighted: TOBB's activities and services are fully in line with the requirements of the WTO Trade Facilitation Agreement; TOBB is carrying out the duties of guaranteeing and distribution of documents/permits and, on the other side, is following the other international agreements and is actively present in the international organisations; TOBB is represented in the Trade Facilitation Board established in Turkey where it defends the interests of Turkish Private Sector and provide its feedbacks for simplification, standardisation, harmonization and transparency. Information was also presented on Automation Systems used and developed by TOBB within the concept of Trade Facilitation.

**9.** The fifth session was devoted to Other Regional Transit Initiatives. A presentation was made by Mr. Adrian ALBU, Deputy Secretary General of the BSEC-URTA, highlighting the main provisions of the WTO Trade Facilitation Agreement and how will the TFA streamline customs procedures. It was underscored that the full implementation of the TFA will reduce trade costs by

14.3% and by an even bigger percentage for the less developed countries. The important role of other international agreements and projects in Trade Facilitation was mentioned: WTO Trade Facilitation Agreement Facility (TFAF); the Revised Kyoto Convention; the TIR Convention; the International Convention on the Harmonization of Frontier Controls of Goods; the International Convention on the Containers; the International Convention on the Harmonized Commodity Description and Coding System; the Convention on Temporary Admission (Istanbul Convention); the BSEC Permit System; Monitoring the border waiting time; the BSEC Pilot Project for Introduction of the IVWC in the BSEC Region.

**10.** On the second day, the first session of the Seminar examined the issue of International Data Exchange for Transit Facilitation and Modernisation Projects.

**10.1.** A presentation regarding the Turkish Customs Approach of International Data Exchange was made by Ms. Pinar VURGUN, EU Expert at the Ministry of Customs and Trade of the Republic of Turkey. The bilateral initiatives of the Ministry of Customs and Trade on the e-data exchange components were stated. After an overview of the legal framework, the two pillars of the electronic information exchange were discussed, within the context of the exchange of transit & export information. They have a number of common goals, among which to enhance the efficiency of customs control of goods and vehicles moved between the States, to reduce border crossing times, to accelerate customs procedures and to promote and improve cross-border communication. Therefore, it was emphasized that Turkish Customs Administration is ready to cooperate and work together with all stakeholders regarding the data exchange.

**10.2.** Mr Adrian ALBU presented the projects initiated by BSEC-URTA within the BSEC Region, focussing on the International Vehicle Weight Certificate Project.

**10.3.** Mr. Vugar HAMIDLI, Chief of the Cooperation with International Organizations and Protocol Unit at the External Relations Department of the State Customs Committee of the Republic of Azerbaijan, made an overview of the activity of the customs service of Azerbaijan on Trade Facilitation. As Azerbaijan is an important point of intersection of international transport corridors, measures have been taken to ensure the necessary regulatory framework, including the establishment in 2015 of the Transit Coordination Council. The main modernization projects conducted by the State Customs Committee were presented: the Green Corridor; the Target Center, which monitors all customs border crossing and internal customs offices points from a single place and traces vehicles moving in transit by GPS; the application of the Single Window on inspecting the goods and vehicles crossing the state border checkpoints; and the major transport infrastructure project Baku-Tbilisi-Kars Railway Line.

**11.** Questions and Answers, comments and exchanges of views and experiences followed each presentation, resulting in conclusions and recommendations for the future activities of the BSEC Organization and its Member States regarding the automation of transit procedures and the electronic exchange of data within the context of Trade Facilitation.

## **Conclusions**

**12.** The participants made the following points in conclusion:

**12.1.** Welcomed the elaboration of the Draft Regional Trade Facilitation Strategy for the BSEC Region, in collaboration with the BSEC Working Groups on Customs Matters and on Trade and Economic Development, and expressed hope that it will be adopted by the BSEC Council under the current Turkish Chairmanship-in-Office.

**12.2.** Welcomed and supported the United Nations to consider a more active role for coordinated global implementation of the WTO TFA along the regions covered by all Regional Economic Commissions by also adapting, where necessary, its well-established regional and global multilateral facilitation instruments, so that the future is built upon accumulated UN experiences and successes.

**12.3.** Appreciated the progress made by Turkey in line with the success of the ongoing pilot projects with Iran and Georgia, respectively.

**12.4.** Recognized the importance of the implementation of the Memorandum of Understanding on the Facilitation of the Road Transport of Goods in the BSEC Region as a priority, which also contains special provisions for facilitation of customs procedures at the borders of the BSEC Member States.

### **Recommendations**

**13.** The following recommendations were made:

**13.1.** BSEC should consider setting-up an Ad-Hoc Public-Private Working Party/Task Force, under the joint coordination of the Working Groups on Customs Matters, on Trade and Economic Development and on Transport, with the main task of supporting coordinated implementation of the BSEC Strategy Paper on TF according to a more specific and time-bound Action Plan.

**13.2.** The BSEC Member States are encouraged to allow the industry to go digital by ratifying the Additional e-CMR Protocol.

**13.3.** Conducting a joint session of the BSEC Working Group on Customs Matters and BSEC-URTA Member Associations with a view to considering implementation of the e-TIR in the BSEC Region.

**13.4.** Computerization of TIR procedures should be addressed by the Contracting Parties to the TIR Convention as a priority and the necessary legal framework should be completed as fast as possible.

**13.5.** Necessary synergies should be considered by the BSEC Member States to conduct the pilot projects related to the computerization of TIR procedures.

**13.6.** The Contracting Parties to the TIR Convention and UNECE are called upon to intensify and sustain efforts for further facilitation under this Convention.

**13.7.** To continue building upon the achievements by the BSEC Member States and BSEC-URTA in the field of the modernized customs procedures pertaining to the trade facilitation projects.

**13.8.** While highlighting the importance of digitalized customs, all the stakeholders are encouraged to take tangible measures to implement the e-data exchange mechanism with the neighbouring States and potential regional partners for a more comprehensive risk analysis method and expeditious transport, to enhance the trade facilitation.

**13.9.** The BSEC relevant subsidiary bodies in relation to customs and road transport are called upon to ensure implementation of the provisions of the Memorandum of Understanding on the Facilitation of the Road Transport of Goods in the BSEC Region.

**14.** The participants to the Seminar expressed their deep gratitude to the BSEC Organization, to Ministry of Customs and Trade of the Republic of Turkey and to TOBB for their support and financial contributions to the Seminar and for the hospitality extended to them during the meeting in Istanbul.

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