

G6136

Istanbul, 1 October 2019



### 36<sup>th</sup> MEETING OF THE BSEC-URTA GENERAL ASSEMBLY

Hotel Continental Skopje, North Macedonia Friday 18 October 2019, at 10:30 hrs

#### **ACTIVITY REPORT ON THE BSEC-URTA PRIORITIES FOR 2019**

Since the 34<sup>th</sup> Meeting of the BSEC-URTA General Assembly held at Yerevan – Armenia, on 5<sup>th</sup> October 2018, the International Secretariat participated in events of importance for the industry, contributed to international gatherings and worked for promotion of the BSEC-URTA and its objectives.

A summary of these activities according to the BSEC-URTA strategic objectives, Working Program for 2019 and short-term priorities set by the BSEC-URTA Management Council is given in the attached table.

## BSEC-URTA ACTIVITY REPORT ON SHORT TERM PRIORITIES BETWEEN 5<sup>TH</sup> OCTOBER 2018 AND 18<sup>TH</sup> OCTOBER 2019

PRIORITY	ACTIONS	RESULTS
Increase and diversify BSEC-URTA revenues	Develop commercial activities	The legal registration of this economical branch of BSEC-URTA is over. BSEC-URTA established an economic entity in the form of commercial enterprise within BSEC-URTA under the name "BSEC-URTA Karadeniz Ekonomik İşbrliği Karayolu Taşıma Dernekleri Birliği İktisadi İşletme" (Union of Road Transport Associations in the Black Sea Economic Cooperation Region Economical Enterprise. BSEC-URTA). In this framework the International Secretariat continued consultations with VIATRANS and TOBB-UND Company in order to develop a business model for promoting their services on regional level.

Develop further and expand BSEC Permit to Eurasia

Expand the Permit System

During the Meeting of the BSEC Working Group on Transport, Baku, Azerbaijan, 24 October 2018 and the Meeting of the Ministers in charge of Transport of the BSEC Member States, Baku, Azerbaijan, 25 October 2018, the BSEC-URTA delegation called on the delegations of Azerbaijan, Bulgaria and Greece to join the BSEC Permit System in order to fully cover the entire region of BSEC.

The «BSEC Permit System» Meeting was held back-to-back with the 13th Meeting of the Steering Committee on Facilitation of Road Transport of Goods in the BSEC Region on 27 November 2018 in BSEC Headquarters in Istanbul.

7 BSEC Member States, namely Albania, Georgia, Moldova, Romania, Serbia, Turkey, Ukraine, agreed to distribute 1000 permits in 2019 doubling the figure of the 2018. Armenia continues with 500 permits with the possibility to reconsider its position. 5 Member States (Albania, Georgia, Moldova, Romania, and Ukraine) agreed to enlarge the usage of the permit on a voluntary basis to 3rd country transport operations.

5 out of the 8 participating countries, namely Albania, Ukraine, Georgia, Moldova and Turkey agreed to initiate in 2019 a Pilot Project for an electronic BSEC Permit System.

A BSEC-URTA Delegation took part on 22 May 2019 in Leipzig in Meeting of the Ministers of Transport and Heads of Delegation from the BSEC Member States and called those BSEC Member States which did not jet join the BSEC Permit system to do so in order to have a totally covered BSEC region by this important facilitation tool for the road transport of goods industry.

A similar call to join the BSEC Permit system was done by the BSEC-URTA delegation to the Bulgarian authorities during the site visit of Kapikule-Kaptan Andreevo border crossing point on 27 May 2019.

Digitalize the BSEC Permit System

During the Meeting of the Council of Ministers of Foreign Affairs of BSEC Member States in Sofia on 28 June 2019 the delegation of BSEC-URTA in its intervention to the meeting called again on BSEC Member States which are not jet participating in the BSEC Permit system (Azerbaijan, Bulgaria, Greece and Russian Federation) to join it for a better coverage of the region having direct result in more efficient road transport of goods and more trade.

Representatives of BSEC and BSEC-URTA participated on 5-6 September in Odessa in the Odessa International Road Transport Conference jointly organized by IRU and ASMAP-UA and presented the meeting the developments under the BSEC Permit system as well as the hope for its digitalization in a short future. The Deputy Minister of Transport of Ukraine stated that the BSEC Permit system is a valuable regional facilitation tool appreciated by the Ukrainian authorities and assured BSEC and BSEC-URTA on his full support to its digitalization.

ICCIMA (Iran) and AMERIT (North Macedonia) have continued interest for supporting participation of Iran and North Macedonia in the BSEC Permit system subject to decision of their competent authorities and acceptance of BSEC Organization. ICCIMA and AMERIT are required to encourage their national authorities to make a final decision on this matter.

Ministry of Transport and Infrastructure of Turkey and TOBB took an initiative to start an e-PERMIT pilot project. At an initial stage Turkey will work with Moldova to digitalize the exchange of road transport

permits between the two countries including the BSEC Permit, too. After completion of this initial stage the Pilot Project will be extended to all BSEC Member States on a voluntary bases.

Following a visit paid on 18 September 2019 to AITA by a delegation of BSEC-URTA and after consultations with authorities in Moldova on 1October 2019, Ministry of Economy of Moldova sent a letter on the above issue to the BSEC Organization and to the Ministry of Transport of Turkey showing its readiness to work on digitalization of the BSEC Permit system.

The next meeting of participants to the BSEC Permit System with the task of how to continue it in 2020 will be held in Istanbul on 13 November 2019

Support
Working Party
on Border
Crossing
Problems in
BSEC Region

Activities of the ad hoc Working Party on Border Crossing Problems in BSEC Region

Summary analytic report based on data received from Member Associations and Observers during the Survey on Border Crossing (3 July – 3 September 2018) was distributed on transport related meetings of BSEC (Meeting of the BSEC WG on Transport, Baku, Azerbaijan, 24 October 2018, Meeting of the Ministers in charge of Transport of the BSEC Member States Baku, Azerbaijan, 25 October 2018, Meeting of the BSEC WG on Customs Matters and joint Meeting of BSEC WGs on Trade & Economic Development and on Customs Matters 6 December 2018) and to other competent authorities (BSEC, EU, UNECE).

During the Meeting of the BSEC Working Group on Customs Matters on 6 December 2018 in Istanbul it was decided to be organized site visits to border crossing points with obligatory participation of BSEC-URTA as well as to share experience of effective cross-border procedures on the spot. On 27 May 2019 a Study Visit of representatives of Customs Authorities of the BSEC Member States, BSEC-URTA Member Associations, high representatives of UNECE, IRU and BSEC took place to the border crossing point (BCP) Kapıkule – Kapitan Andreevo on the Turkish-Bulgarian border followed on 28 May by a round table which assessed the results of the site visit. Conclusions of the meeting and proposals for improvement were gathered into a Resolution of BSEC-URTA General Assembly meeting adopted on 28 May 2019 which was disseminated to the BSEC Member States, EU, UNECE, IRU and BSEC.

### Follow eTIR Pilot Projects

e-TIR Pilot Project between Turkey and Iran After implementation with success of the 2<sup>nd</sup> stage of the Project, the Customs authorities of Iran and Turkey drafted and agreed on a cooperation agreement on fully coverage of road transport operations between the two countries by eTIR guaranties.

During the 4<sup>th</sup> quarter of 2019 the agreement is going to be signed by parties and deferred for ratification to the national parliaments.

e-TIR Pilot Project between Moldova and Ukraine With the help of US Aid, AITA and IRU the TIR EPD application is fully operational for Moldova and thus creating the necessary framework for an e-TIR Pilot Project between Moldova and Ukraine;

On 18 September 2019 AITA organized a joint meeting of representatives of US Aid, Moldavian Customs Administration, IRU and BSEC-URTA with the purpose to start an eTIR Pilot project with Ukraine, Georgia, Azerbaijan and Kazakhstan (Batumi Corridor countries).

e-TIR connecting Ukraine with Turkey, Georgia, Azerbaijan and Kazakhstan

Customs authorities from concerned countries and member associations signed protocols in order to start implementation of the Pilot Project.

**Georgia** informed that the implementation of the eTIR messages is at a final stage, and that they wish to activate eTIR transports soonest with Azerbaijan.

**Kazakhstan** has implemented the eTIR messages. Negotiations will take place in Q4/19 to start eTIR transports with Azerbaijan.

**Azerbaijan** has implemented the eTIR messages. Negotiations will take place in Q4/19 to start eTIR transports with Georgia.

**Ukrainian** Customs started the IT implementation by Q3/19.

e-TIR Pilot Project between Turkey and Ukraine

Custom Authorities from Turkey and Ukraine are still evaluating results of the meetings held during May 2018 in Istanbul and Izmir, Turkey in order to set up an action plan for beginning of the Pilot Project. No any development yet.

# Promote eVisa for professional drivers

Present good examples and request application of these to the BSEC organs

The International Secretariat presented the good examples in the region and beyond in granting eVisas (Armenia, Azerbaijan, Oman, USA) during the transport related meetings of BSEC (Meeting of the BSEC WG on Transport, Baku, Azerbaijan, 24 October 2018, Meeting of the Ministers in charge of Transport of the BSEC Member States Baku, Azerbaijan, 25 October 2018, Meeting of the BSEC WG on Customs Matters and joint Meeting of BSEC WGs on Trade & Economic Development and on Customs Matters 6 December 2018.

During the site visit at Kapikule-Kaptan Andreevo border crossing point on 27 May 2019 and the round table meeting which followed the site visit on 28 May 2019 the driver visa facilitation issue was discussed with the Director of Sustainable Transport Division of UNECE, Mr. Li Yuwei, with the Secretary General of IRU, Mr. Umberto De Pretto and with the BSEC Secretary General Mr. Michael B. Christides. It was agreed that they will jointly follow with BSEC-URTA the visa facilitation issue in parallel with its digitalization procedures.

BSEC-URTA delegation will continue raising the driver visa facilitation issue and its digitalization to the forthcoming meeting of BSEC Working Group on Transport to be held in Istanbul on 12 November 2019, to the Plenary Session of PABSEC in Sofia on 19 November and to the Meeting of the Council of Ministers of Foreign Affairs of BSEC Member States in Athens on 13 December 2019.

ISTAC BSEC-URTA Action Plan promote and its established activities.

Implement the Explore arbitration options transport sector in BSEC and LAS

The Road Transportation and Arbitration brochure in 3 languages (English, Russian, Turkish) was jointly elaborated and published by two entities in order to satisfy the request of the sector for information concerning arbitration. It was disseminated by post and electronically. PDF version is available on www.bsec-urta.org.

Conference "Ways of Disputes Resolution in Logistics and Transportation Sector & Proposals of Alternative Methods of Disputes Resolution" was held in Istanbul Bar on 4 January 2019. It was jointly organized by Istanbul Arbitration Centre (ISTAC), BSEC-URTA and Association of International Hauliers of Turkey (UND).

BSEC-URTA President and Secretary General participated in the AULT General Assembly in Beirut on 2 May 2019 and presented the cooperation with ISTAC calling AULT to become part in this cooperation process.

Next Steps of Cooperation:

- appointment by Member and Observer Associations of persons to be trained by ISTAC on alternative dispute resolution and application their skills at logistics services to serve as a Contact Point:
- nomination of Arbitrators and Technic Experts from BSEC-**URTA Members and Observers' countries:**
- hosting of seminars on Ways of disputes resolution in Logistics and Transportation Sector in BSEC-URTA Members and Observers' countries.

BSEC-URTA Members and Observers are more than welcome to appoint a representative with relevant experience to that body.