

UNION OF ROAD TRANSPORT ASSOCIATIONS IN THE BLACK SEA ECONOMIC COOPERATION REGION (BSEC-URTA)

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BSEC-URTA PROPOSAL ON DEVELOPMENT OF THE ECMT QUOTA SYSTEM IN THE BSEC REGION

(Prepared for consideration of the competent ECMT and BSEC organs)

According to the Decisions of the Ninth Meeting of the BSEC-URTA General Assembly in Istanbul on 11th May 2006, on Development of the ECMT Quota System in the BSEC Region (DEC/GA09/06), the BSEC-URTA Member Associations in Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Turkey and Ukraine, have agreed upon a common proposal on the above subject, as follows:

I-GENERAL PRINCIPLES

- 1. The ECMT quota is an instrument which integrates transport markets and contributes to a move from a bilateral system of licenses towards a multilateral one;
- 2. Distribution of the ECMT licenses is based on real needs and efficient use;
- 3. A step-by-step integration of the trade and transport market in the BSEC region is aimed.

II – DEVELOPMENT OF THE ECMT QUOTA SYSTEM IN THE BSEC REGION

- 1. The fleet operators cannot meet the transport demands of their clients due to the fact that the existing quota limitations do not allow them. This situation is also confirmed by the statistics that indicate a constant increase of foreign trade in the BSEC region, including the intra-BSEC trade, which is much faster than the world average figures. As a result, the quota limitations do penalise the growing trade in the BSEC region.
- 2. Since no further increase in the ECMT quota system is expected before 2008-2010, this increasing demand for transport services of the fleet operators in the BSEC region, will continue not to be met and the trade will continue to be penalized more day by day. Therefore, a solution is needed to be found through introduction of a regional system using the ECMT model where BSEC countries exchange between them, additional ECMT licenses valid in the BSEC territory.
- 3. The first contacts with the BSEC Member States demonstrate that they are supporting the research of a new appropriate solution and they are ready to take part in such a multilateral initiative. This solution should cover a small percentage of the road transport operations within the BSEC region, which will thus release today's rather restricted ECMT multilateral quota system.
- 4. The volume of road transport services in a given country is shared, generally, as follows: around 90 % for domestic transport, 4 % for transit traffic and 6 % for imports and exports. Since the ECMT quota system facilitates only the movement of foreign trade goods, this facilitation proposal covers only a small part of maximum 10 % of the road transport operations in the BSEC region, with the target to increase this quota system on a yearly basis.
- 5. Objective of this regional quota system should be same as that of the ECMT: to integrate stepby-step the trade and transport market of the region. This system could also be linked with the request to protect the environment with greener and safer road transport vehicles.



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- 6. The additional licenses to be introduced in the next years in the BSEC region should be established based on the need to meet the transport demand and to meet the trade development and on the trade and other statistics available.
- 7. These additional licenses should be valid in the BSEC countries, only. Thus, the system to be put in place, will be ensured that these licenses will not be used in other ECMT countries and they will, therefore, have no impact at all on the other ECMT countries.
- 8. According to consultations already undertaken with the ECMT Member States in the region, this new system should be managed, ideally by the ECMT Secretariat or any other international organization, and should fulfil the same objectives of the current ECMT multilateral quota system.

III – SUMMARY OF THE OBJECTIVE

- The abovementioned proposal, which received already support of the ECMT Members consulted in the BSEC region, is presented in view to obtain the support of the ECMT Members.
- This proposal will permit to organize, under an efficient control of the transport flows, the step-by-step integration of the economy, trade and transport of the BSEC region while, at the same time, permitting the fleet operators to meet the increasing transport demand resulting from trade and economic developments in each of these countries.

IV – DECISION TO BE UNDERTAKEN

 The ECMT Members support the analysis and the proposal, in principle, and recommend to BSEC or BSEC-URTA to mandate a consultant to make the appropriate consultations with all interested parties including the Member States and the ECMT Secretariat, with a view to presenting a concrete proposal at the next meeting.

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