



DOCUMENT

**SEMINAR ON OVERCOMING
BORDER CROSSING OBSTACLES
5-6 March 2009, Paris**

**ITF SURVEY ON BORDER CROSSING OBSTACLES
*SEMINAR BACKGROUND REPORT (Part 1)***

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FORUM 2009: TRANSPORT FOR A GLOBAL ECONOMY: CHALLENGES AND OPPORTUNITIES IN THE DOWNTURN

Survey on Border Crossing Obstacles

SEMINAR BACKGROUND REPORT Prepared by Peter Ranger, Consultant

EXECUTIVE SUMMARY

Introduction

It is very significant that this joint ITF/UNECE/WB Seminar, held in Paris on 5-6 March 2009, aims to achieve even further improvements in the area of reducing Border Crossing Obstacles while simultaneously facing a serious global economic downturn that has affected all of the countries present.

This ominous economic downturn already seriously affected major and minor economies of the world in the latter part of 2008 and has further impacted world trade facilitation and the effective operation of border crossings during 2009 and onwards.

The fundamental aim and concept of this joint ITF/UNECE/WB Seminar on Border Crossing Obstacles is to prepare the 2009 Forum on Transport for a Global Economy: Challenges and Opportunities in the Downturn, to be held in Leipzig on 26-29 May 2009.

Particularly, this current Seminar should provide input to the Forum debate involving Ministers and leading industry figures, and its panel on Supply Chains and Gateways in Volatile Markets. The Seminar, while covering all modes of transport and different geographical regions, should:

- provide an assessment of Border Crossing deficiencies on development of trade and transport,
- facilitate understanding of Border Crossing Obstacles
- provide examples of best practices that can be shared elsewhere,
- produce specific discussion issues and recommendations for the Ministers on alleviating Border Crossing obstacles and facilitating trade at regional and global levels.

This Border Crossing Obstacles Survey Report was prepared for presentation at the Seminar. The Report was drawn up on the basis of the already available sources, as well as the results of the survey, using a prior-distributed Questionnaire which was designed to capture the following information:

- Establishing an inventory of main problems at borders and gateways/ports;
- Identifying best practices and recent actions taken to remedy these problems;
- Evaluating the progress achieved in implementation of specific recommendations adopted by the ECMT Ministers in 2004¹, or other similar measures.

¹. Removal of Obstacles at Border Crossings - Policy note and Recommendations [CEMT/CM(2004)7]; see also: Report on Removal of Obstacles at Border Crossings [CEMT/CM(2004)23]; Report on the Implications of Border Crossing Obstacles for Congestion and their Impacts on Trade [CEMT/ITF(2007)8/FINAL]

Background

In 2004 the series of ten “emphasised-recommendations”, agreed by the Transport ministers of ECMT member Countries, acted as a practical set of guidelines and a catalyst to improvement together with the “intentions” to ratify/implement UNECE Conventions and Resolutions and previous ECMT Resolutions.

Therefore, the various sources of current progress, including the ITF Questionnaires, allowed for a comparison to be made of the impact of the original recommendations.

Abridged Version of the 2004 ECMT Report and Recommendations

To EMPHASISE the need to implement certain measures not expressly mentioned in the Resolutions mentioned above but recommended in the report CEMT/CM(2004)23, namely:

- 1. to promote free access to the road transport market and the fostering of competition between rail operators, giving them the possibility of engaging in end-to-end international transport under their sole commercial responsibility;*
- 2. the development of interoperable railway equipment, adopting an approach consistent with the European Union one and, while awaiting effective interpenetration of such equipment, general introduction of the system whereby wagons are handed over on trust;*
- 3. the modernisation of border posts at the enlarged EU's external borders with the CIS and Balkan states, taking particular care to ensure that they have appropriate computer equipment and that access roads and vehicle parks are sufficiently spacious;*
- 4. the creation of specific queues for empty vehicles or vehicles in transit and the application of specific procedures for transit traffic;*
- 5. the implementation of cross-border information and data transmission systems;*
- 6. the harmonisation and, if possible, the reduction of movement restrictions imposed on HGVs;*
- 7. the reconciliation of the CIM (Uniform Rules concerning the Contract for International Carriage of Goods by Rail, COTIF) and SMGS (Convention concerning International Goods Traffic by Railway, OSJD) legal regimes applicable to international rail transport;*
- 8. the development of a consistent and harmonised multilateral strategy to combat illegal immigration;*
- 9. the training of border crossing personnel and enhancement of their status, including their pay;*
- 10. the fight against corruption and illegal practices, including the use of computerised and automated clearing systems;*

To INTEND to act so that their governments ratify and/or implement conventions / agreements / Resolutions prepared under the aegis of UNECE to facilitate border crossings, especially:

- 1. the International Convention on the Harmonisation of Frontier Controls of Goods, including the new Annex 8 which contains specific provisions on the issuance of visas for professional drivers, technical inspection of vehicles (with acceptance of the international technical inspection certificate) and institution of an international vehicle weight certificate;*
- 2. the Consolidated Resolution on the Facilitation of International Road Transport (R.E.4).*

However, in the 2007 ECMT Report, prepared for the Sofia Ministerial Meeting the concept of Border Crossing Obstacles was carried further to evaluate their implication for congestion in inland transport networks and impact on trade. In 2007 the questionnaire responses underlined that the solutions are complex and have to be designed to the needs of the specific region. Countries suggest that several measures should be taken in order to improve the situation at border crossings and facilitate trade and transport. This produced a refined series of “recommendations”

Abridged Version of the 2007 ECMT (ITF) Report Recommendations

- 1. More distinctive priority to border crossing improvements should be given in the national and EU financing schemes.*
- 2. In some cases the re-location of border crossings is needed, for example when they are in the centre of a town.*
- 3. Border crossing capacity increase is required through improved efficiency of the existing infrastructure, though in some cases investments could be justified for both of the border stations and the access roads.*
- 4. Establishing/constructing appropriate facilities for sanitation, food and beverages, supplies, rest, communication, lodging, vehicle repair and other emergency services as well as parking facilities, and establishing harmonised minimum standards for such facilities.*
- 5. Facilitation measures should support effective control matters in order to stop illegal immigration and to fight smuggling.*
- 6. Benchmarking to be introduced on a trans-continental level, with exchange of information on good practices, including code of conduct for border officials, international drivers etc.*
- 7. Overall Customs reforms should also include new processes for the selection and recruitment of officials, their continuous retraining and appropriate motivation schemes.*
- 8. In non-EU countries, it is recommended that the application of the TIR system equipped with the safe-TIR application should be more widespread, while being further aligned with the requirements of e-documentation.*
- 9. Namely, actions are needed to ensure, that the full TIR system should go electronic within the shortest possible time.*
- 10. The Safe TIR application (with its real time version being tested between the IRU and the Russian Customs Administration) is a partial e-application already in use today by Customs, with TIR issuing associations and the IRU to exchange data on discharged TIR operations.*
- 11. Concerning the US-Mexico border it is essential that carriers can get their paperwork through a 24 hour system; for this the cooperation of the Mexican Customs Brokers and Bankers will be required.*
- 12. Enhanced comfort for the drivers through setting policies for reasonable pricing of facilities and services at the border crossings.*
- 13. The liberalisation of road freight transport should be continued and with non-EU Members: possibilities for quota increase, elimination of additional fees or "taxes" in case of permits beyond the quota.*
- 14. Improvement of the technical conditions of the railway infrastructure (lines and stations) in the border areas.*
- 15. Modernisation, for example electrification of railway lines along the main corridors.*
- 16. Capacity of the border crossings should be increased through electrification, for example, and doubling border railway lines.*

17. *Development of standardised documentation, as well as information systems for preliminary data transmitting for the passing trains, in close collaboration with the neighbouring countries (for example Turkey, that has recently established a computer-based network at the Turkey-Iran and Turkey-Bulgaria borders for early data flow and institutionalised cooperation between the railways, Customs and other border agencies of the three countries).*

2009 Survey Report Summary

This report is based on the survey of focused questionnaires by 45 responding countries/entities, the previous ECMT reports and recommendations on Border Crossing Obstacles, and particularly the latest ones from 2004 and 2007, and an evaluation of reports from major institutes and players in the Global Trade Facilitation arena.

The amalgamation and consensus of all these sources, used by the survey, highlighted four major observations which are as follows:

(a) There have been significant recent improvements in alleviating Border Crossing Obstacles.

General Examples being: *Road* – Increase in the use of Single-window process, *Rail* – Further resolutions on Interoperability, *Sea* – Improved pre-clearance methods. *General* – Some Management aspects.

Specific Examples Rail - The Czech Republic solved successively implementation of the European Railway Traffic Management System (ERTMS), levels of infrastructure and rolling stock. Turkey - In general, waiting times at borders tend to decrease gradually. Croatia - all border crossings in Croatia have been significantly improved in the last few years, in terms of infrastructure, personnel number and education, cooperation between different cross-border services and waiting time, which has been considerably shortened. Korea - Customs Clearance System Development based on RFID Technology allowed to simplify Customs procedures (10=>4 Steps), and Logistics processes (46=>31 Steps).. Spain – For Rail transport, Spain is making a great investment effort to integrate its rail network into the European rail network. To this end, the Spanish Ministry is building new rail infrastructure at UIC gauge and complying with the EU interoperability specifications.

(b) There still exist some Border Crossings that need to address infrastructure, fundamental management concepts and more-advanced technological solutions.

General Examples being: *Infrastructure* – Space/Road Lanes/Storage, *Management* – Poor Agency Harmonisation, *Advanced Technology* – Require improved IT Systems and Electronic Documents.

Specific Examples – Canada - Across all transportation modes, the primary obstacles can be broadly classified as Security or Customs regulatory-related (i.e., soft), infrastructure-related (i.e., hard), or a combination of these two factors. Denmark - Especially serious problems of waiting times are observed for the road freight transport to and from Russia, Belorussia, Ukraine, Turkey and Moldova. Finland - Three biggest road border-crossing points between Finland and Russia (Vaalimaa, Nuijamaa and Imatra) have been congested because of the continuously increased traffic (13-15% annually). Germany – At Swiss borders: Basically the reason for the waiting times is that the Customs authorities are not working during the night (Swiss driving restrictions between 22 h and 5 h). Further there is a lack of infrastructure on the main borders to Switzerland. Mexico – Seaports - One of the main problems faced by Mexican ports is generated by Customs agents and it is related to the movement of cargo from ports (Cargo stays too long at ports, causing congestion).

(c) There are a few Border Crossings that have an “insular” approach as opposed to embracing the wider concepts of “facilitating trade at regional and global level” and in particular “cross-border” dialogue/cooperation.

General Examples being: Land Border Posts lack of cooperation/understanding of neighbouring countries needs, Lack of cross-border exchange of information/intelligence.

(d) Some of the required “global security” aspects have tended to slow down Border Crossing activities as these are often related to the cost of implementation or as sometimes an “excuse” for unwarranted searches/delays.

General Examples being: Reluctance to comply with C-TPAT due to cost and perceived delays, Reluctance to invest in radiation/scanning equipment due to lack of funding.

Specific Examples being: Japan – Seaports - As to all the container cargo for the U.S.A., scanning tests using radiation/non-destructive device before loading at foreign ports are required by July of 2012. Shipping companies, shippers, and Governments express great concern for operability and effectiveness of the tests, and for impacts on logistics. Macedonia - Negative effects has been an inappropriate location of the x-ray vehicles at some border crossings causing traffic stoppage and impossibility for easy manoeuvring by the loaded heavy goods vehicles (total weigh 40 tonnes).

Main Findings

The main findings of the report are related to the four major observations mentioned above which are, when further analysed, very diverse in that they are a mixture of issues that may apply in a paradoxical manner, for example, where one Border Crossing has excellent management but poor infrastructure and the opposite situation for another Border Crossing where there is excellent infrastructure but poor management. There are, of course, the related “regional” variations that are affected by the advance of Coordinated/Integrated Border Management and the bi/tri and multi-lateral agreements/legislation across the specific regional borders.

It is also significant how each government policy approaches the aspects and responsibilities of Border Crossings; with some governments being totally involved and financially supportive of management, infrastructure and concepts of Trade Facilitation whereas others leave the Border Crossings to the responsibility of one or two Border Agencies or Ministries without an overview of the total chain of events that enhance the particular countries input into International Trade Facilitation potential.

Several of the countries involved are still experiencing “legislation issues” which manifest themselves in terms of problems related to visas for drivers, and even for seafarers, technical aspects of transiting vehicles, pre/post clearance systems, Customs and other agencies tariffs/charges etc. Many of these issues cannot be resolved at the Border Crossing itself which means that there could be lengthy delays or the requirement of the shipper to seek an alternative route with the ensuing cost/effect to all concerned.

There have been moves, by several countries, to develop “combined” Border Agencies which is both a natural progression and a result from lessons-learned from the events of 9/11 and subsequent recommendations from the 9/11 Committee Report that concerned that lack of information/intelligence exchange between various government agencies.

It also becomes obvious that “one solution does not fit all” for all countries but the more that International Border Crossings move towards an integrated and standardised one-stop concept then the easier it will be for private enterprise to follow their own proven concepts of Door-to-Door, Just-in-Time and Total Logistics Chains.

The Way Forward

The Way Forward should always be based on “lessons-learned”, known current events and any reasonable predictions of change.

The Questionnaire Comments from Germany are apt: “We think that the recommendations from 2004-07 are still valid. However, a more offensive approach concerning establishing some modern on-line IT-systems are necessary. It is also our belief that it is necessary to obtain a close cooperation between the authorities along the borders, where we experience significant problems. But not only the authorities should be involved but also representatives from the road transport industry could be involved in solving problems at a given local border crossing station.”

Therefore, it could be advantageous if an up-dated set of recommendations be formulated to ensure previous initiatives and any new ones, which relate to the current economic and ever-changing situation, are included.

The survey also focused on realistic subsequent improvements of Border Crossing Obstacles that could act as a catalyst and a basis of Future Recommendations for the attending Ministers and these are broken down into specific areas of intervention as follows:

Suggested Up-dated Recommendations.

Management

- Total Border Crossing Management Concept–Single Management Group/Committee
- Joint Agency Practices (all Border/Transit related agencies)
- Use of Risk Assessment – Selectivity Analysis for Companies/Individuals
- Decision-making Autonomy
- Develop well-paid, proficient and motivated Border Management Staff – At all levels.
- Single Window Banking Arrangements – All Agencies
- Information Technology – Cross Border Linkage – DTI /Pre/Post Clearance – e-docs
- Hot-Line (problem solving system)
- Security – Joint Agency – Cross Border Cooperation
- Single Window Shipping Entry/Clearance – Combined Multi-Agency Operation

Infrastructure

- TIR Transit Lanes
- Buildings – Administration – Banks – Rest Facilities
- Roads – Approach – Green Lanes - Lighting
- Parking – Waiting - Day/Overnight – Vehicle Security – Driver Safety/Protection
- Logistics Centres – Warehousing – Bonded Stores
- Border Rail Gauge Transit Facilities (EU–1435 mm – ES–1668 mm – RU–1520 mm)
- Rail – Technical Interoperability

Legislation

- Trade Tariffs
- Transit Tariffs/Regulations
- Further Development of CIM/SMGS
- Visas – Drivers - Seafarers
- Legal Aspects of Amalgamation of Border Agencies/Entities
- Autonomy Directives for Border Agencies

Diplomatic Policy

- Revue/Improve/Create Supportive International Conventions.
- Support Bi/tri/multi-lateral agreements to enhance Trade.
- Minimise Trade Restrictions – Restrictive or Protective Practices - Embargoes
- Cross-Border Cooperation – Relevant levels – All Agencies
- Intelligence Sharing – All Levels

Conclusions

It is always reassuring to review the positive effects of any recommendations and those from the 2004 and 2007 ECMT meetings are very welcome, but they should not give cause for complacency as there remain several unresolved Border Crossing Obstacles.

It should also be understood that the complexity of many countries, different transport modes and the process variations for each Border Crossing make it problematic to find standard solutions. There is a requirement to breakdown each country, mode and crossing obstacles and discuss them further on a focused regional approach.

The main obstacles seem to be divided into two aspects – one being Regional where different styles of government/management/legislation are not converging to improve the obstacles situation which then requires a higher-level of intervention and two being the more practical on-going or required changes that need to be made to reduce/eliminate obstacles.

However, there were also Border Crossings that had resolved/improved previous obstacles but new and different obstacles had arisen to negate those successes such as Imposed Security Measures, Stricter Immigration Restrictions and Increased Contraband Policing,.

The sources of survey information and particularly the ITF Questionnaires gave an informed insight and valuable information for the current seminar to review and consolidate any future actions.

Finally, apart from the main thrust of consolidation of the positive aspects and creating a new set of aims/recommendation the seminar should look at the creation of (a) a quantifiable Action Plan with a defined Timetable of Achievement and (b) a Focus Group that has sufficient funding and authority to work with respective governments and agencies to resolve Border Crossing Obstacles. This Focus Group could possible be an amalgamation of several of the current stakeholders who are active in the resolving modal cross-border transport issues.

BACKGROUND REPORT FOR THE ITF/UNEC/WB SEMINAR ON OVERCOMING BORDRE CROSSING OBSTACLES

Structure of the Seminar Background Report

The Background report is structured into three main parts and covers all Freight Transport Modes and Regional Border Crossing Obstacles.

1. Part one identifies and evaluates the findings, by the use of detailed questionnaires and alternative information gathering, a summary of the most-affected borders and corridors and main obstacles by Transport Mode, including identification of key recurrent obstacles, encountered at inland (road, rail, inland waterways) border crossings and maritime ports and airports in Europe, Asia, as well as the North America.
2. Part two provides an assessment and analyses of the obstacles - that give rise to inefficiencies and unacceptable delays at borders, including a breakdown of specific obstacles, which persistently fail to be resolved. The analysis covers different aspects of transport-related impediments to smooth trade flows.
3. Part three focuses on changes that are needed to bring improvements in the situation and main political challenges for implementing these changes. It will attempt to identify key issues and possible recommendations for Ministers, other decision makers and senior industry representatives need to be discussed within the 2009 Forum Framework.

PART 1. IDENTIFICATION OF KEY RECURRENT OBSTACLES BY MODE

It should be noted that the following is a summary of, mode related, issues filtered from the received questionnaire replies from member countries, other interested countries and the European Commission. Additionally, information was also extracted from previous reports and related international transport sources.

After each modal section there are a series of abridged "Extracted Questionnaire Comments - Mode Related by Country" which give examples of main obstacles and concerns from several countries.

It was thought advantageous to review the comments of the respondents and other entities in relation to the specific Transport Modes and the particular obstacles encountered at or transiting Border Crossings which includes Land Borders, Seaports, River Ports and Airports.

Each Transport Mode has its own specific problems but these are generally related to:

- Commercial Pressures – Cost Effectiveness and Privatisation
- Management Style and Structure
- Ease of Documentation and Procedures – EDI and e-initiatives
- Restrictions of Operational Area – Road Related Infrastructure
- Rail Related Infrastructure – Gauge Norms/Transfer – Other Interoperability
- Regulations and Tariffs – National and International
- Transparency and Adoption of Ethics Practices
- Security Requirements – Restrictions and Investment in Required Resources

ROAD CROSSING OBSTACLES

Management

Road Crossings are often "managed" by government agencies that have no real consolidated pressure to "perform". If there are hundreds of trucks waiting then they are not worried as public sector workers operating the Crossing Point will get paid no-matter what the delays are.

Therefore, the majority of "obstacle" issues concern the Road Crossings which could possibly be "privatised" to galvanise efficiency and give commercial impetus their effectiveness.

By studying all the past meetings/seminars the Road Crossings seem to give most causes for delays in the effective and efficient Transit of Goods across land borders. It also shows that possibly the wrong people are in charge and that "Border Crossing Total Management" should be instigated everywhere possible with joint agency cooperation, single-window and Integrated/Coordinated Border Management across adjacent borders/countries.

There should be a single Management Agency in charge of the entire Border Crossing. This can be a combined single committee who is completely responsible for the smooth and effective operation of the Border Crossing. This would also include a seamless cooperation with the adjacent country Border Crossing Agencies/Management.

Perhaps there is now a good case for "privatisation" or at least increased involvement of other government ministries such as the Finance Ministry and the Ministry of Economic Development. As one of the major agencies at the Border Crossing is the Customs then there should possibly be a much broader-mandate for Customs Officers than just "revenue collection and control". There should also be a greater awareness of all Border Agencies concerning Trade Facilitation and what it means and what benefits it brings to a nation and region.

Many of the Border Crossings in the World operate very effectively and over the past ten years there have been great advances in the development of Simplified Documentation, TIR Transit System, Single window processing, Pre-Clearance, Security and the Training of Border Staff.

However, it is still felt that, in several countries, not enough has been done at the fundamental staffing level to ensure that an adequate Salary and Employment Package is available to well qualified staff, or that the same staff have not been given the opportunity to attain better levels and qualifications. It is felt, also that Border Crossing staff should receive on-going training to attain higher levels of awareness in Trade Facilitation Concepts.

There also seems to be a paradox that lower paid staff are expected to undertake fairly high levels of responsibility and at the same time be exposed to the temptation of corruption while possibly attempting to augment their salaries. This is in addition the practice, of some Customs Agencies, to officially deduct a percentage of collected "duties/excise/payments" to fund the operation of the Customs Agency as opposed to collecting all the duties/excise/payments for the Ministry of Finance/Treasury and then being funded by an annual government budget system.

There is a requirement for simplified documentation and although many improvements have been recently carried-out it should be an on-going initiative that attempts to align all borders with a World Standard Format.

Assistance for users at Road Border Crossings should be easy and effective with a Centralised Contact Point and where possible a “Hot-Line” system that is readily available to resolve all goods transit issues.

There is still an urgent requirement, at the Border Crossings, for additional Information Technology and “e-docs” to improve the flow of information and ease the delays of goods. This is particularly vital for the exchange and harmonisation of information across borders so that there is a seamless flow of information and procedural data.

There are also very positive “transparency” advantages by the utilisation of Information Technology as it tends to reduce the face-to-face exposure that encourages negative or illegal transactions.

New and positive Border Crossing improvement initiatives are being undertaken continuously but there is a need to ensure that any new initiative is not followed by a new negative initiative as in the case of new Russian changes to Border Crossing management (Box 1).

Infrastructure.

Road Border Infrastructure has recently improved but there are still Border Crossings where delays occur primarily due to inadequate infrastructure. Traditionally many of the Border Crossings did not have the volume of traffic or the requirement for extreme security controls so there was not the commercial pressure to have large areas for transit at the crossings.

There should be a minimum capacity for the parking of vehicles together with comfort facilities for drivers. The parking of vehicles should not hinder the operational throughput of the crossing and therefore there must be a defined and allocated lane systems which includes a dedicated TIR fast lane.

The infrastructure for Customs and other “procedures” should be compatible with Border Management Effectiveness and where possible encourage a “single-window” system of clearance.

Some Border Crossings have developed “high-level” or raised process windows so that drivers do not have to climb down out of their driving-cabs to deal with the respective agency.

Administration buildings that house Customs, Immigration and Transport agencies should be “customer-friendly” and designed on a “one-stop” system with even the bank, for fees and charges, being an integral part of the building.

Box 1 . Example of Positive and Negative Aspects of New Russian Initiatives

The Positive Aspects initiative was for Russian to announce "Russia Cuts Red Tape at Border Crossings" where there were new Russian regulations, adopted by decree at the end of 2008, to open up major facilitation of cross-border travel to Russia'. It was announced that there would be more efficient cooperation between the following Border Crossing Agencies:

- Border Guards,
- Customs,
- Veterinary
- Transport

These Border Authorities are to cuts lines and save time where the decree outlines and enhances coordination between the Border Guard service, the Customs, Sanitary and Veterinary Authorities, as well as Transport Authorities.

Among the proposals is the establishment of a multi-function single-window principle for the handling of travellers/freight. The new regulations are to facilitate the minimization of time spent on control procedures, as well as avoid duplication of functions.

The Negative Aspects followed within a very short time by the announcement of New Road Goods Vehicle Transit and Circulation Tariffs/Charges for the Russian Territory

According to the article 45 of the Federal law from November 8, 2007 № 257 «On road transport and road transport activity in Russian Federation and on amendments to several regulations of the Russian Federation» and according to the decree of the Government of the Russian Federation from December 24, 2008 № 1007 «On charging of the road transport vehicles registered in the foreign countries travelling along the roads of the Russian Federation» the carriers from Austria, Belgium, Bulgaria, Great Britain, Hungary, Germany, Greece, Denmark, Ireland, Spain, Italy, Cyprus, Latvia, Lithuania, Luxemburg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Turkmenistan, Finland, France, Czech Republic, Switzerland, Sweden and Estonia have to pay the charge for the usage of the roads of the Russian Federation.

The charges have to be paid by freight road transport vehicles over 3,5 tons. The amount of the charges paid by foreign carriers for the use of the road infrastructure of the Russian Federation varies according to time spent by the vehicle on the territory of the Russian Federation, and are as follows:

№	Time spent by the vehicle on the territory of the Russian Federation	Total amount, in Roubles
1	One year	60000
2	One month	5000
3	One week	1154
4	One day	385

More worrying is that the above-mentioned Russian initiative which will certainly affect transit times at Border Crossings plus there will be an increase in shipping costs. Some of the initial concerns and possible problems are listed below:

1. **There will be a need to set up the process to collect road-circulation tariffs.**
2. **It will be problematic on how much to charge as this depends on length of stay.**
3. **How will it be controlled?**
4. **What happens in the event of technical breakdown and other delays**
5. **There will be serious delays due to initial confusion by the RF Transport Agencies on how they will carry out this new charge and finally**
6. **Will there be sufficient resources (manpower) to undertake this effectively**

It is interesting to note that, as part of the official Russian announcement, it included a reference to the following EC Directive:

European Union adopted common requirements towards the road charging systems (Directive 1999/62/EC, with amendments according Directive 2006/38/EC on the charging of heavy good vehicles (over 3,5 tons) for the use of certain infrastructure) which are step-by-step introduced in all Community member countries and require charging of all carriers, including Russian.

Security Aspects

The main concerns of those in Trade Facilitation is that voluntary or imposed “Security” aspects cause delays, are often used as an excuse for delays on one hand and that they require substantial infrastructure and equipment funding on the other.

Security X-Ray Equipment costs vary from USD 140,500.0 for small package scanners to USD 16.0 million for a fixed single truck/container scanner.

Some examples of Installation investment costs around the world include:

- USA – Mobile Truck Scanners USD 1.7 to 2.4 million
- New Zealand - Various Scanners USD 19.0 million
- Hong Kong - Various Fixed and Mobile Scanners USD 164.4 million.
- Ashdod Israel - Fixed Truck/Container Scanner USD 16.0 million

Extracted Questionnaire Comments - Road Related by Reporting Country

Denmark Road

There are still many problems when transporting goods to countries outside the European Union. This does however not include Norway, Switzerland and Liechtenstein.

The Danish hauliers consider serious problems of waiting times for the road freight transport to and from Russia, Belorussia, Ukraine, Turkey and Moldova.

They think that the recommendations from 2004 ECMT Meeting are still valid. However, a more offensive approach concerning establishing some modern on-line IT-systems are necessary.

United Kingdom Road

Obstacles reported to the UK Department for Transport, by domestic hauliers, attempting to enter other countries outside the EU, are predominantly administrative together with the lack of inter-agency co-operation between Customs and transport authorities in those countries. Examples of this include drivers being told they have the wrong type of permit, an invalid permit, or being asked to pay additional costs or fines at the border crossing.

Germany Road

As pointed out in earlier ECMT questionnaires (in December 2006) the reasons for waiting times at border crossings differ according to the particular border crossing, the product type and the neighbour country.

- German/Swiss border Weil am Rhein/Basel-Autobahn (waiting time: 2-6 hours)
- Italian/Swiss border Chiasso (waiting time: 2-6 hours)
- Poland/Ukraine border
- Baltic States/Russia border (waiting time is very different: 2 days)

Swiss borders: Basically the reason for the waiting times is that the Customs authorities are not working during the night (Swiss driving restrictions between 22:00 hrs and 05:00 hrs.). Further there is a lack of infrastructure on the main borders to Switzerland. Particularly the capacity for lorry parking is not sufficient. Every day, there are long queues of lorries on the emergency lanes of the motorways. From the point of view of road safety this practice is highly risky.

Poland/Ukraine border and Baltic States/Russia border: Various reasons for waiting times such as lack of infrastructure, administrative procedures, motivation of personnel.

Latvia Road

Most problematic Border crossing points between Latvia and Russian Federation:

- Terehova – Buracki
- Grebneva – Ubilinka

Most problematic Border crossing points in other countries – between Estonia and Russian Federation

- Narva – Ivangorod
- Luhamaa – Shumilkino

For the road transport the primary obstacles to the smooth flow of traffic across the Latvian – Russian border are as follows:

insufficient throughput capacity of border crossing points, administrative procedures; security procedures; lack of adequate infrastructure; technical standards for equipment and lack of interoperability; lack of sufficient personnel, insufficient cooperation between Customs authorities of both countries, namely, lack of joint control procedure.

Lithuania Road

Administrative procedures (time-consuming control; however, administrative obstacles differ from country to country), lack of adequate infrastructure (BCP capacity, road network “bottleneck” situation), insufficient personnel, inadequate inter-agency cooperation, inadequate cooperation across the border, mandatory convoys of vehicles (mainly in Belarus).

It should be noted that transit conditions through Poland are inappropriate for Lithuanian (as well as other international) road freight carriers, due to the specific combination of problems in the North-Eastern region of this country.

The Road Network Infrastructure is insufficient, causing significant limitations for the smooth flow of traffic. Moreover, much of this network is linked to the urban territories, making it inappropriate for Transit Traffic, which is illustrated by the continuous blocking of the route through the town of Augustaw.

Poland Road

The increase of waiting time in 2008 was due to the modernization works on the border crossing point. All vehicles leaving Russia are first directed to the parking lot and then, after some waiting time, directed to the border crossing. According to the Russian side this procedure is carried out due to the environmental reasons, and will be ended only after completion of Bagrationovsk by-pass. There is only one lane for both loaded and empty vehicles entering Poland. All the entering vehicles are RTG scanned and searched by Customs officers.

Most important obstacles: technical standards for equipment and lack of interoperability; visa procedures for operators; lack of adequate infrastructure; lack of sufficient personnel; inadequate cooperation across the border;

One of the main problems on border crossings are significant peaks of waiting times before and during the holidays and weekends. These peaks occur due to the increased traffic during these periods and a lack of adjustment of the border control authorities from Polish Eastern neighbours to this condition. Also the number of permits received from the CIS countries is often insufficient.

Hungary Road

Among the EU external borders Röszke (Serbia) is a bottleneck on border crossing however this is not an issue of infrastructure but of the police and immigration offices.

Záhony (Ukraine) seems to be the most problematic both on road and railway as well.

The bottleneck of the road transportation is the bridge above the river Tisza. The root of the difficulty is not the capacity of the bridge but the capacity of the border control. Due to this procedure trucks with large axle load are moving slowly then stop on the bridge causing the surface to deteriorate in a relatively short time.

The bottleneck that causes waiting time to increase can accrue from many reasons including infrastructure and administration/agreements. To solve these difficulties each problem requires a single or a combination of solutions.

In case of Záhony such system should be installed that allows trucks to enter the bridge only if they can cross without hindrance. But this is not that simple because a bilateral agreement is needed while the perceptive device is in one country and the signal appears in another country.

Slovenia Road

At the Gruškovje crossing, where only two driving lanes exist for freight and passenger transport between the border crossings of Slovenia and Croatia, waiting time problems occur especially at the exit point, since the Slovenian police occasionally hold vehicles back due to traffic jams approaching the Croatian point of entry until the traffic subsides. Such difficulties emerge occasionally on Monday mornings and more or less regularly every weekend from Thursday to Saturday. The waiting time on such days is usually two to three hours.

Obstacles can be attributed primarily to:

- inadequate infrastructure on the Croatian side of the border where there are too few parking places available at the point of entry;
- periodic breakdowns of information systems which require that backup procedures be implemented;
- a sudden and considerable congestion of freight transport due to motorway accidents, holidays, or to completing Customs clearance procedures in the neighbouring countries;
- the quantity of documents for freight transport vehicles waiting to exit the European Community (numerous administrative procedures).

Croatia Road

As after recent developments in the region the traffic at Karasovići road border crossing between the Republic of Croatia and Montenegro increased, the need arose for expanding its capacities, in terms of both infrastructure and personnel.

Traffic has also been increased at Bajakovo road border crossing between the Republic of Croatia and the Republic of Serbia, therefore its infrastructure and administrative capacities will have to be expanded as well.

Stara Gradiška road border crossing between the Republic of Croatia and Bosnia and Herzegovina has its infrastructure limits due to the fact it is located within the urban area. Solution is to be found in future cooperation and redirection of heavy traffic to other neighbouring border crossings.

Austria Road

Despite having 14 lanes there is a problematic mix of business and private traffic (lorries and private cars) especially on week-ends and in the holiday season and before Christmas.

Temporary problems can occur due to seasonal traffic overburdening.

Serbia Road

Primary obstacle of Serbian transporters is still related to complicated visa procedures.

Other obstacles to the border procedures at road border-crossings on Corridor-X are mainly the result of inadequate infrastructure (small number of lanes at border-crossings), inadequate working hours of certain state services (veterinary and phytosanitary inspection either work from 07:00. to 19:00 in winter or for its work at night charge remuneration increased by 50%).

From the aspect of work conditions regarding the very busy border-crossing, its infrastructure and working hours of state services, it could be said that, most problems the Serbian hauliers encounter at border-crossing Presevo with FYR Macedonia, although it has a reasonable average waiting time for freight transport vehicles given the limited truck lanes.

At the border-crossing entrance there exists only one lane for trucks, but there is a border-crossing rehabilitation underway, and its first stage is under completion, which shall enable better traffic flow, because separate lanes for trucks, empty trucks, TIR trucks, buses and passenger vehicles are provided.

Greece Road

The main obstacle is that at Greece's neighbouring border Customs offices are operating with more different services than those operating at Greece side. Moreover, there is no co-ordination between their Services.

Estonia Road

The problematic border points are situated only on Estonian-Russian road border points:

- Narva, Luhamaa and Koidula.

Average waiting times in 2008 were 2-3 days with maximum up to 10 days. The capacity of border points is determined by work on Russian Customs. In Narva, they handle up to 80 trucks per day, in Luhamaa and Koidula – up to 40. Physical capacity can be up to 350 trucks.

Obstacles are based solely on administrative procedures of Russian Customs..

According to Estonian Tax And Customs Board Capacities of Russian BCPs vary within great limits (even exceeding 50%) daily and without notice

- Average queuing time extends from 1 to 3 days
- Maximum queuing time extends from 3 to 8 day

Ukraine Road

After the enlargement of the European Union Ukraine is faced with a serious challenge – queues appeared in the border crossing points between Ukraine and the new EU Member states– Poland, Slovakia and Hungary. It adversely affects the delivery times of goods, and increases transport costs.

The most problematic border crossing points are:

- Dorokhusk – Yagodyn (Poland - Ukraine)
- Korchova – Krakivec' (Poland - Ukraine)
- Zakhon - Chop (Hungary - Ukraine)
- Petukhove – Mamlyuka (Russia - Kazakhstan)
- Gremyach – Pogar (Russia – Ukraine)

Dorokhusk – Yagodyn (Poland - Ukraine). This border crossing point is the safest along the state border. - . In this point the actual amount of the registered vehicles doubly exceeds its traffic capacity. As a result there are multi-kilometer queue at the border and long waiting time.

Another problem is the lack of coordination between control services of bordering countries. Ukrainian Customs is able to handle the greater amount of vehicles than the Polish side, this decreases the transport flow through this crossing point.

Korchova – Krakivec' (Poland - Ukraine). Unsatisfactory operation of weighting scales. results in misunderstandings and fines in case of excess weight..

Another calamity issue is the handling of Ukrainian vehicles at the border crossing with Poland by Polish authorities, due to the following circumstances:

- Periodic strikes of Polish control services; For the current year the average idle period of vehicles was 10-14 days. For today these problem still exists and the average idle period takes 3 days.
- Unclear control procedures regarding registration and admission of vehicles by the control services of Polish side which influences the work of the Ukrainian services.

Zakhon' - Chop (Hungary - Ukraine) - Cautious attitude of the Hungarian Customs officials toward carriers in relation to the driving time and rest periods and also the vehicle weight and dimensions .

Petukhove – Mamlyutka (Russia - Kazakhstan). Actions of Rostransnadzor (federal transport supervision agency) employees - Illegal requirement of licenses (in cases when they are not required), unsatisfactory operation of weighting complexes, Driver's License withdrawal in contravention of Road Traffic Convention.

Turkey Road

Most problematical border crossings in road transport in countries of concern for Turkish transporters are the border crossings at:

- Bulgaria (Kapitan Andreevo) - Turkey (Kapikule)
- Iraq (Halil Ibrahim) - Habur (Turkey)

North America - Road

At the USA – Canada Border Crossings there is long-standing cross-border cooperation, the required infrastructure and a full understanding of each others needs. However at the USA –

Mexico Border Crossings there are different approaches where there is a requirement for improved infrastructure and increased monitoring/controls over immigration and contraband.

Canada Road

Due to the number of Canada-U.S. land border crossings (119), their various geographic locations, unique configurations (i.e., size), and traffic volumes (ranging from 5-7 to 9,400 commercial trucks /day), an average of all border wait times is not an accurate metric. While individual delays can be limited and varied, they usually occur at one of the 15 busiest land border crossings (accounting for approximately 92% of Canada-U.S. road-based trade). Several empirical studies of the so-called “border thickening” phenomenon are underway as systemic delays and/or increased costs remain a concern for integrated (i.e., cross-border) enterprises and/or sectors (e.g., autos).

With approximately 80-85% of all Canadian exports destined for the U.S. marketplace, U.S. border-related market access and regulatory issues constitute the bulk of concerns for Canadian transporters and stakeholders.

Across all transportation modes, the primary obstacles can be broadly classified as security or Customs regulatory-related (i.e., soft), infrastructure-related (i.e., hard), or a combination of these two factors. It is difficult to empirically quantify or qualify one factor in isolation from others, as one “obstacle” often contributes to the emergence and/or magnitude of others (e.g., high traffic volumes and inadequate infrastructure can sometimes result in cross-border traffic delays, new regulatory measures can sometimes result in delays in commercial or passenger vehicle processing and therefore cause delays, etc.).

Mexico Road

Trucking companies identify the Tijuana, MEX - San Diego, USA border crossing as the most problematic along the border, with average waiting times of 2 hours that in some cases last up to 4.7 hours.

Additionally, they identify the following border crossings as problematic:

- Nuevo Laredo, MEX – Laredo, USA, with average waiting times of 1.5 hours that in some cases last up to 3 hours;
- Ciudad Juárez, MEX – El Paso, USA, with average waiting times of 1.7 hours that in some cases last up to 3 hours; and
- Nogales, MEX – Nogales, USA, with average waiting times of 1.3 hours that in some cases last up to 3 hours.

Obstacles that are most important, in terms of their impact to the smooth flow of traffic across these borders are as follows:

- Obsolete administrative procedures
- Redundant security procedures
- Technical standards for equipment and lack of interoperability
- Visa procedures for operators
- Lack of adequate infrastructure
- Lack of personnel
- Inadequate roadway access to ports of entry
- Inadequate inter-agency cooperation (such as between Customs, security and transport authorities)
- Lack of data interchange and inadequate cooperation across the border between agencies

Macedonia Road

Almost all border crossings in the Republic of Macedonia experience obstacles for the fast flow of goods. These obstacles can be divided into two parts:

- waiting time before the start of a Customs transit procedure, lasts 5-10 hours, on average, but there are also cases when the waiting time is longer than three days (provision of a permit for oversized weights)
- time period for starting and completion of the Customs procedure needed, which, lasts from 36 to 190 minutes.

Additional negative effects have been an inappropriate location of the x-ray vehicles at some border crossings causing traffic stoppage and impossibility for easy manoeuvring by the loaded heavy goods vehicles (total weight 40 tonnes).

Inappropriate infrastructure solutions and overall dimensions at the border crossings are the biggest limitation factor for fast flow of heavy goods vehicles (HGV).

Human factor, lack of harmonized instructions and unequal interpretation of the legal regulations at all border crossings are an additional factor in the increase of the time for the flow of goods at the border crossings.

Obsolete software solutions, equipment and direct connections, system drop and absence of alternative solutions for overcoming failures caused, also, contribute for the increase of the waiting time at the border crossings.

Other Borders

The traffic flow at the Schengen area border crossings is very fast except at the border crossings towards Greece, and the reason is to a great extent the human factor, system failure and similar.

Traffic stoppages/congestions appear at the border crossings in Romania, Hungary and Ukraine, but only from aspect of a human factor and it particularly appears with heavy goods vehicles transporting food-stuff and fresh goods (perishable goods) during the weekends, holidays etc.

Romania and Ukraine: Incorrect interpretation of the ECMT Guide, namely, they require EURO III and IV standards for the attached vehicles (and they do not have exhaust gasses test equipment) in combination when they are with towing vehicles with EURO V and VI standards.

Hungary: there is an incorrect interpretation in the case of the Law on driving and rest time for professional drivers. High penalties are pronounced even in cases when there is no infringement. The minutes/protocol made in such cases are only in the Hungarian language and there is no possibility allowed to present any proof or to make any intervention on such a case. The behaviour of the Customs authorities is unfortunately a poor example of discrimination, force and threat to the professional drivers. *(Note: Such procedures cause stoppages for a few days and they are a possible cause/opportunity for the appearance of bribery and corruption.)*

Bulgaria Road

The most problematic Bulgarian border crossing points for the road transport are Kapitan Andreevo – Kapikule (with Turkey) and Kalotina – Gradina (with Serbia). The main problems

at these two border crossing points are related to the Turkish trucks' flow starting every week on Thursday to Europe, provoking significant congestions. From Thursday to Saturday the waiting time at both, Kapitan Andreevo and Kalotina border crossing points, increases, following the movement of the Turkish fleet through the country, reaching 48 to 56 hours in critical days, while the usual time for crossing is between half an hour and one hour.

Although the "one stop shop" payment has been implemented at these two border crossings, the TIR Pre-declaration processing slows the transit.

The main problems at the above mentioned road border crossings are related to the infrastructure – insufficient number of lanes for processing the necessary documents; narrow leading roads; insufficient number of safe parking areas with the appropriate sanitary and communication equipment for ensuring the minimum comfort for the drivers, insufficient personnel at the time of expected traffic growth, inadequate inter-authority cooperation and, last but not least, slow manipulation process by the border officers.

Azerbaijan Road

In order to decrease the waiting time on the border crossings on all inland border crossings the single-window principle was introduced from January 1, 2009. The aim of this is to shorten to 20 minutes the time of border-crossing procedures by road transport.

There are no serious obstacles influencing the time of border-crossing procedures by road transport, except the need for higher qualified staff responsible for control of the border crossing by cargos and transport vehicles. Today those issues and also the cooperation between respective administrations are being discussed.

Transit transport by foreign transport carrier through the territory of the Azerbaijani Republic is carried out on the basis of the conditions of bilateral intergovernmental agreements on international road transport carriage and according to the Azerbaijani Republic legislation.

If the carrier does not have the ECMT license or bilateral permit, he has to pay toll at the border crossing point. The amount of payment depends on the existence of the bilateral agreement with the country of registration – usually it is 100-150 USD.

Georgia Road

Georgia side - the Red Bridge crossing - an average waiting time – 0.5 hrs.

Azerbaijan side - the Red Bridge crossing - an average waiting time – 3 hrs.

The basic obstacles at crossing of borders:

- Difficult administrative procedures;
- Low level of cooperation between agencies;
- Absence of a synchronous chain of work Customs – Rail/Road - Bank.
- For removal of obstacles at crossing of borders in the days off on borders banks and customs should work round the clock and more effectively.
- Discrimination taxes and tax collections - the tax for entrance on territory of Bulgaria for the trucking facilities registered in Georgia (within 80-100 euros)

- Transit on Georgia territory is not connected with additional expenses, except cases of the veterinary/ phytosanitary surveillance, also transportation of, especially dangerous, heavy and over- dimensional loads.

Russia Road

The most problematic Border Crossings in Russia, with a high average waiting times, are:

- Burachki (with Latvia) – 28,5 hours
- Torfianovka (with Finland) – 13,5 hours
- Brusnichnoe (with Finland) – 21,1 hours
- Svetogorsk (with Finland) – 14,6 hours
- Krasnoe (with Belarus) – 4,5 hours

The most problematic Border Crossings abroad are:

- Kibartai (Lithuania/Russia)
- Jagodin (Ukraine/Poland)
- Koslovchi (Belarus/Poland)
- Samur (Azerbaijan/Russia)

The basic obstacles at border crossing include::

- Customs convoying of cargoes and vehicles;
- Presence of various charges, both on border, and in territory of the states;
- There are extortion cases related to civil servants (for example on the Azerbaijan check point of Samur);
- Insufficiently developed infrastructure of check points and outdated information technology;
- Visa problems , particularly for acquiring annual multi-visas;
- Insufficient number of bilateral transit permits
- Differences in weighing of vehicles.

Other Aspects

- In a number of the countries (for example Finland) different parameters of standard weights of vehicles are applied for national carriers, for the EU countries and for the CIS countries operators.
- The republic Bulgaria from 1 January 2009 has limited fuel import in tanks of vehicles exceeding 200 litres. This limit contradicts the intergovernmental agreement between the Russian Federation and the Republic Bulgaria. Moreover, it is applied only to the vehicles registered in the countries outside EU.
- Ukraine introduced single payment for carrying out all control operations (passport, Customs, phytosanitary, veterinary etc.), This raises problems when cargo does not demand these or any other kind of the control.
- In Belarus on the check point of "Kozlovichi" vehicles are charged for compulsorily parking.

Moldova Road

Main concerns for Moldavian road carriers include:

- Lack of bilateral and particularly transit permits, which contradicts to freedom of transit as declared by article 5 of GATT.
- Difficulties in acquiring visas for professional drivers
- Discriminatory/differentiated charging policies in different countries,

Portugal Road

Countries of concern are Morocco, (Hungary-) Ukraine, Switzerland (Geneva and Basel), Croatia and waiting times vary, depending on the co-operation of customs and police authorities. Road hauliers have specifically referred the cases of Switzerland (Geneva and Basel), which registers 3 hours average waiting time and no positive / negative changes during the last three years, and Croatia, where average waiting times reach 6 hours.

Prime concerns are inadequate inter-agency co-operation, Customs procedures and requirements, administrative requirements.

Other concerns.

- lack of harmonization regarding document requirements;
- bureaucracy;
- administrative requirements and procedures;
- language barriers;
- Customs procedures.

As concrete examples, road hauliers have referred the cases of:

- Morocco, for highly bureaucratic procedures;
- Ukraine, for requiring additional documents (sometimes preventing access from non-resident hauliers);
- Switzerland (Geneva and Basel), for bureaucracy and heavy administrative requirements; and
- Croatia, due to heavy administrative requirements.

RAIL CROSSING OBSTACLES

Rail Crossings have a lot of pressure to move wagons as there are extreme logistical requirements to keep lines clear and to free-up wagons. Traditionally, in many countries, Railway Operations were under government control and in some countries were run on a "military" style management. Recently, many Rail Operations have moved partially or entirely to "privatisation" and in some cases have separated the infrastructure from the rolling-stock to enhance the chances of commercialisation.

Several of the Worlds Rail Crossings also have transit "gauge" compatibility problems but this is a technical issue and is being addressed in most cases by using two or three alternative methodologies. In some cases complete permanent way infrastructure of alternative gauge has been laid to facilitate Cross Border transit. Other areas of compatibility concerning Rail Crossings are the interchange of locomotives and operating staff.

Security aspects, similar to that of the Seaports, have been introduced to many of the Rail Crossings around the world with the smaller funded rail operators playing catch-up to comply with the required security regulations. Again these regulations do delay the transit of goods by rail which is unfortunate because rail transport is seen as one of the most cost-effective forms of freight movement.

Cross Border Regulations are a source of concern as each country has, not only, its own national norms but must also comply or interface with adjacent countries regulations plus, in the case of EU member countries, comply to EU Regulations.

Rail Border Crossings still need additional harmonisation across national borders and a “convergence” of transit regulations, agreements and documentation.

Rail Crossings still need to optimise the effectiveness of their staff with additional training and advanced Information Technology.

Example: Table of Regional Variations

	Ukraine	Croatia	Serbia	Austria	Slovakia	Slovenia	Romania
EU Membership	no	negotiated	no	yes	yes	yes	yes
Documents	Letter of carriage, transfer schedule, carriage statement, train statement, trainload register	Letter of carriage, transfer schedule, carriage statement, train statement, trainload register	Letter of carriage, transfer schedule, carriage statement, train statement, trainload register	Letter of carriage, transfer schedule, carriage statement, train statement, trainload register	Letter of carriage, transfer schedule, carriage statement, train statement, trainload register	Letter of carriage, transfer schedule, carriage statement, train statement, trainload register	Letter of carriage, transfer schedule, carriage statement, train statement, trainload register
Animal and plants medical test	by freight's trait	by freight's trait	by freight's trait	no	no	no	no
Generally required time of transit	Within 24 hours	Circa 6 hours	1-5 hours	0,25-1,5 hours	1-5 hours	1 hour	2 hour
Technologic Factors	Reloading 95%, axle resetting 5%	Change of traction vehicle and staff	Change of traction vehicle and staff	Change of staff at all times, traction vehicle in case	Change of traction vehicle and staff	Change of traction vehicle and staff	Change of staff at all times, traction vehicle in case
Custom Duties	yes	yes	yes	no	no	no	no
Necessity of contributor	yes	no	no	no	no	no	no

Source: Hungarian Rail Office.

Extracted Questionnaire Comments - Rail Related by Reporting Country

European Commission Rail

Freight trains have generally significant delays at border crossings within the EU. Progress has been made along the Rotterdam – Genoa corridor, when locomotives were not changed anymore for certain freight trains.

Waiting times were recorded at the borders between the countries of the West Balkans. They are at about 1 hour for passenger and 3 to 6 hours for freight trains, whereby the latter often wait for more than one day.

There are also experts that believe that border police procedures and a lack of inter-agency cooperation including cooperation and flow of documents across the border cause major delays.

Many trains have to cross not just one border before they reach destination, but several. This makes that delays at the first crossings discourage staff to reduce delays at later crossings. There is a lack of incentives to reduce scheduled waiting times and, especially, delays.

Denmark Rail

Between Denmark and Sweden and vice versa: border crossing without waiting time (after July 2000). Basically, there is only capacity for two trains per hour in each direction, unless the schedule for passenger traffic is adjusted, which the infrastructure manager will try to achieve in 2010.

Between Denmark and Germany and vice versa: Waiting time from 15 minutes to maximum one hour (change of locomotive and driver – no control or paperwork) (after 1997). A growing number – ATM. approx. 20 – of locomotives equipped with German Indusi and Danish ATC make a 2 minutes stop for a manual change of the on-board train control system and continue immediately with crossing the border.

The border between Germany and Holland, and Brenner is mentioned by operators as important. There is a problem of transition at Brenner due to limited capacity. At the German-Dutch border you have to change locomotive. (It is expected that there will be a new type of locomotive that can manage the whole trip from Sweden to Holland as of 2009).

The primary obstacle for border crossing is the lack of train control interoperability (on board signalling), and different braking rules in Sweden, Denmark and Germany, which means that time is needed to retool the vehicles' brakes and effect new brake tests, mainly in Padborg. In addition, some trains are subject to an additional inspection / verification. Another point is the question of a harmonized locomotive driver education and a common communication language between locomotive drivers and central control office.

Congestion is a growing obstacle between frontiers, which means that trains are delayed at the border, which again causes problems if it should be necessary to change locomotive at the frontier.

Germany Rail

In the opinion of the Federal Ministry of Transport, Building and Urban Affairs (BMVBS) reference should again be made to the problems pointed out earlier, such as lack of interoperability and of a harmonized homologation procedure for locomotives. It should be noted that the complete liberalization of goods traffic came into force on 01.01.2007, but BMVBS has no detailed information about the specific effects of this in regard to waiting times.

Lithuania Rail

Administrative procedures are still cumbersome: time-consuming control, inadequate procedures, execution of CIM and SMGS invoices, stamping of the train personnel personal travel documents at the Russian Federation and Byelorussian Republic borders (only lists of train personnel have been stamped before).

Although there is no problematic railway BCPs in Lithuania, international traffic on railways is seriously limited on the Lithuanian-Polish border, due to two main factors.

- Firstly, railway infrastructure is insufficient to enable intensive high speed traffic.
- Secondly, difference of railway gauge systems in Poland and Lithuania requires a gauge change procedure, which is to-date highly time-consuming.

Hungary Rail

The inadequate amount of traction equipment (locomotives) is responsible for 70–80% of the delays at the border stations. As most railway companies of the region are also struggling with that problem of their traction division, trains both entering and leaving the country are affected by this obstacle. The only exception is Austria and – to some extent – Slovenia.

The lack of locomotives leaves terminals at the border crossings full of trains waiting to be hauled towards the inside of the country. That puts more demand on the capacity of these stations. In combination with the effect of trains hindered to enter the neighbouring country because of the same situation there, sometimes the terminals' capacity proves not to be enough.

The further unification of railway bills is needed. On the Serbian border shipments often have to be re-dispatched, which is carried out by the personnel of the border station filling new railway bills. This process – especially when applied to a high percent of shipments in a train – contributes to delays of an hour long.

Croatia Rail

As regard railways, traffic unfortunately did not reach its full volume yet, which leaves little possibility for congestion. The only difficulties with regard railway border crossings concern those on X Pan-European Corridor, *Savski Marof- Dobova* border crossing between the Republic of Croatia and the Republic of Slovenia and *Tovarnik-Šid* border crossing between the Republic of Croatia and the Republic of Serbia, which could turn into bottlenecks in the foreseeable future if a considerable increase in freight traffic volumes occurs.

The delay time of trains at *Savski Marof-Dobova* border crossing between the Republic of Croatia and the Republic of Slovenia is unnecessarily long due to the fact trains are being stopped for the performance of border procedures in three stations in total, Dobova station in Slovenia, and Savski Marof and Zagreb RK in Croatia. This difficulty could be removed by a establishing a joint border station where border government bodies of both countries could perform border control over trains at one place.

The difficulty at *Tovarnik-Šid* border crossing between the Republic of Croatia and the Republic of Serbia is that both border stations are of very modest track capacity. Reconstructive programmes and upgrading of the infrastructure (through cooperation instruments with the EU) are expected as this part of the railway network is appointed as a common (EU-Republic of Croatia) priority of the Trans-European networks.

Spain Rail

The main obstacle is the different gauge between Spain (1168 mm) and the rest of Europe (1435 mm). The consequence is that either wagon axles must be changed or goods must be trans-shipped. These tasks lead to considerable border crossing delays. Containers also have to be trans-shipped, although delays are usually shorter.

However, difference of gauge is not the only obstacle. There are also divergences in many other infrastructure, rolling stock and operational parameters and procedures.

Ukraine Rail

A great number of approval documents provided by authorities for goods control results in delays of cargo at the border, that leads to decrease of transit traffic of goods.

The transition from a wide railway gauge to European one still remains to be a serious problem at the common border of Ukraine and the EU countries. For today all cargos except for cisterns/tank wagons are being trans-loaded at the border. Transposition process of passenger carriages of wide track (1520 mm) to a narrower track (1435 mm) takes more than two hours.

Turkey Rail

Most problematical border crossings for freight in rail transport are:

- *Syria-Turkey* border crossing: although there is a demand for 250 wagons per day over the passage of Meydan-i Ekbez, there is a wagon passage of only 100 per day on the average.
- *Iran-Turkmenistan* (Saraks) border crossing: due to the bogie change, there is traffic density at BDZ-ZSR-MAV border crossings.
- *Bulgaria (Kapitan Andreevo) - Turkey (Kapikule)*: The usual time for crossing at this border lies between 3 to 6 hours. However, in certain periods, especially from Thursday to Saturday, waiting times at Kapitaine Andreevo increase more than this.
- *Iraq (Halil Ibrahim) - Habur (Turkey)*: Average-waiting times at this border change depending on different time periods. It is one of the border crossings with heavy traffic. It is seen that average waiting times at this border between June-November are higher than the other periods.

Mexico Rail

The average waiting times at the crossings is from 6 to 24 hours; it causes delays in the yards logistics.

- Insufficient railway infrastructure in the south border.
- Incompatibility of the railway systems on the south border.
- Insufficient custom personnel.
- Delays in the food traffic as a result of the terrorist attacks of 9/11.

Bulgaria Rail

As far as it concerns the railway border crossing points, there are such at the borders with *Romania* (Russe BG – Giurgiu RO and Kardam BG – Negru Voda RO), *Greece* (Kulata BG – Promahon GR and Svilengrad BG – Dikeya GR), *Turkey* (Svilengrad BG – Kapikule TR) and *Serbia* (Dragoman BG – Dimitrovgrad SR). Usually, there are no problems at the border crossing points. Because of the fact that the Republic of Turkey and the Republic of Serbia are not member states of the EU, the provisions of bilateral agreements and operational rules should be applied at the border crossing points.

As far as it concerns the freight transportation, it should be said that the Turkish Customs' officers at the exchange border station Kapikule work only in the daylight period and that leads to great train delays in the Bulgaria – Turkey direction. Because of the fact that the Republic of Turkey and the Republic of Serbia are not EU member states and that there are no Phyto-sanitary and Veterinary offices situated at the stations, goods that require phyto-sanitary and veterinary control are not allowed to cross the borders.

As far as it concerns the railway infrastructure, it should be said that the Bulgarian border stations Dragoman and Svilengrad have the necessary technical equipment. Nevertheless, the border railway lines are single, with speed restrictions and limited capacity in the peak traffic periods.

Georgia Rail

Georgia side – the crossing at Gardabani - an average waiting time – 2 hrs.

Azerbaijan side – the crossing of Gardabani - an average waiting time – 2 hrs.

Note: For the last years the infrastructure is improved, the mode of round-the-clock servicing is now operational.

SEA/RIVER PORT OBSTACLES

Seaports are very similar to Airports as they also have limited storage areas and in particular limited loading /unloading berths which means that a relatively fast throughput is required to ensure a cost-effective operation. Seaports handle most types of goods; including containers but here again they are usually operated by the Private Sector with the same pressures and requirements as the Airports.

Most Former Soviet Union Sea/River Ports were designed for a “direct-handling” ship to rail and rail to ship operations methodology. Part of the original concept was military and part the extensive distances within the FSU. However, in the past 15 years many of the ports have successfully adapted their operations and infrastructure to encompass increased ship to road and road to ship methodology.

Additionally, many seaports, in the world, still operate a “clearance committee” style of arrival and departure process which tends to act as a delaying factor and because it is a face-to-face procedure is susceptible to a lack of transparency and mistrust by shippers.

To give an example, if a container enters a terminal, has all the documentation cleared and leaves within 48 hours, this means that the importer will only pay handling charges and by so doing the port operators would not make “additional” gains. The port operators are not just there for handling charges, they also want the importer to pay demurrage as well. The port operators, in some cases, delay the manifest to attract demurrage. Usually the Customs are the ones blamed but the Port Management should control port operations, the importer and the other stakeholders.

The majority of port-users insist that there is a need to fast-track cargo data processing and remove physical contact between Clearing Agents, Customs officers and others that affect the less-than-transparent procedures. Information Technology is quite advanced in most seaports but there is still a need for more widespread advanced data interchange, Direct Trader Input systems and risk management vessel acceptance and departure aspects.

The larger the container ship, the more time is required for loading and unloading and, as the time schedule for a container ship is very tight, the extra time needed for loading/unloading means that, in general, larger container ships may have to sail at a proportionately higher service speed. The increase in ship size has been followed by a corresponding demand for higher design ship speeds. For ships in the size range of up to 1,500 teu, the speed is between 9 and 25 knots, with the majority of the ships (58%) sailing at some 15-19 knots. The most popular speed for the 1,500-2,500 teu ships is 18-21 knots, which applies to 70% of these ships. In the 2,500-4,000 teu range, 90% of the ships have a speed of 20-24 knots. 71% of the 4,000-6,000 teu ships have a speed of 23-25 knots. Finally, 80% of the ships that are larger than 6,000 teu have a speed of 24-26 knots.

Which means that for every 24 hour period-of-delay in clearance and departure that the average 2,500 teu container ship could have sailed around 480 miles towards its next port of call.

Security and in particular Anti-terrorism aspects have seriously affected seaports and shippers in most parts of the world. Additionally, the USA has imposed quite severe requirements on importers of both general cargo and containers.

These imposed restrictions and controls have burdened the foreign seaports and shipper with additional documentation, cost of security equipment including C-TPAT seals and extensive procedure delays.

Radiation Screening of 100 percent of U.S.-bound cargo containers have been implemented in Ports in Britain, Pakistan and Honduras. The ports of Southampton Container Terminals in Britain, Port Qasim in Pakistan and Puerto Cortez in Honduras were early seaports to meet the requirements of the 2008 SAFE Port Act instigated by the U.S. Customs and Border Protection. Additional ports are also scheduled to begin scanning shortly, though only on a limited basis according to Singapore's Brani terminal; the Gamman terminal at Busan in Korea; Hong Kong's Modern Terminal and Salalah in Oman.

Apart from the SAFE Port Act there are also the new Trade Data Rules of "10+2" for US importers and the ACE Rail and Sea Manifest Fact Sheet which means that U.S. Customs and Border Protection will introduce Automated Commercial Environment Rail and Sea Manifest capabilities in 2009.

Incorporating existing automated system capabilities for rail and sea cargo processing, ACE Rail and Sea Manifest will set the stage for ACE multi-modal manifest processing that will provide a single, automated cargo control and release system across all modes of transportation. ACE Rail and Sea Manifest includes the following capabilities that will help identify high-risk shipments and facilitate processing of legitimate cargo:

Improved Cargo Security, Expedited Cargo Processing and Trade Facilitation

- A consolidated view of rail and sea shipment manifest and entry data at the bill of lading or container level will facilitate the identification of shipments that may pose a risk and expedite the pre-arrival processing of legitimate cargo.
- A three-dimensional view of conveyance stowage plans will allow un-manifested containers to be quickly identified.
- Officers will be able to place or remove holds at the container level, allowing suspicious containers to be held while the balance of a shipment is processed.
- Faster and Easier Access to Data

The ACE Secure Data Portal will provide CBP officers with integrated entry, manifest and risk assessment information for rail and sea shipments that is needed for informed cargo processing decisions.

The main concerns of those in Trade Facilitation is that voluntary or imposed "Security" aspects cause delays, are often used as an excuse for delays on one hand and that they require substantial infrastructure and equipment funding on the other.

Security X-Ray Equipment costs vary from USD 140,500.0 for small package scanners to USD 16.0 million for a fixed single truck/container scanner.

Examples installation costs around the world:.

USA – Mobile Truck Scanners **USD 1.7 to 2.4 million**

New Zealand - Various Scanners **USD 19.0 million**

Hong Kong - Various Fixed and Mobile Scanners **USD 164.4 million.**

Ashdod Israel - Fixed Truck/Container Scanner **USD 16.0**

Note: This does not include recurrent specialised training and maintenance costs.

Extracted Questionnaire Comments – Sea/River Ports Related by Reporting Country

Poland Ports

Main obstacles are procedures: Customs, tax, sanitary and phytosanitary, environmental and security procedures.

Infrastructure – inland access to the ports and the infrastructure inside ports, especially storage and warehousing.

Serbia Inland Waterways

The main problem at inland waterways border crossings Kladovo, Tekija and Donji Milanovac (CorridorVII) is mainly because of administrative procedures of police control. Waiting time of passenger ships with 135 passengers and crew is 2-3 hours.

Ukraine Sea Ports

The main reason of delays of ships passing the border in Kherson port (Ukraine) is prohibition for border services to work during at night-time at anchorage of port. Another reason of demurrage when is a necessity to receive the permission on departure from the department of border service of Kherson for any vessel which follows to river ports of Dnepr.

There are cases of restrictions for Ukrainian ship-owners and seafarers, that restrictions contradicts the main principles of the Convention regarding the Regime of Navigation on the Danube signed in Belgrade on 18 August 1948. This Convention provides for free navigation on the Danube in accordance with the interests and sovereign rights of the Contracting Parties. It is forbidden for the Ukrainian seafarers to go-out in ports of Slovakia. Such measure estimated as violation of international 1958 Convention on seamen holding documents.

In ports of Hungary, in accordance with notification of the state border service, from the 1st of January, 2009 it will be prohibited to visit Hungary without the Schengen visa for the citizens of countries which are not included to Schengen zone, as well as crew members.

There is one more problem regarding custom registration procedure of containers in ports. Container carriers are forced to wait for a long period of time in queue near the ports. Such situation reflects on the effectiveness of basic activities performance in ports. The cooperation between control services in ports of Bulgaria, Georgia, and Turkey leaves much to be desired.

Ukraine River Ports

The most problematic border crossing points of state boundary of Danube countries are:

- Mokhach port (Hungary) – regarding implementation of border, custom and other modes of inspection
- Galac port (Romania) - regarding implementation of border, custom and other modes of inspection
- Novi-Sad port (Serbia) – restriction when passing the bridges (requirement of the obligatory guiding of caravans of one by one vessel which takes much time).

Japan Ports

Port obstacles are as follows

- 24-Hour Rule by Chinese Customs
- As to import and export of cargo, Chinese Customs has announced that it will introduce 24-hour rule from January 1st, 2009. In the rule, information about import and export cargo has to be e-filed in advance.

However, details about enforcement regulations etc. have not yet been disclosed. In the logistics between Japan and China, confusion may be caused after the rule is enforced on January 1st, 2009.

Container Inspection in the U.S.A

As to all the container cargo for the U.S.A., scanning tests using radiation/non-destructive device before loading at foreign ports are required by July of 2012. Shipping companies, shippers, and Governments express great concern for operability and effectiveness of the tests, and for impacts on logistics.

For ensuring smooth and cost effective logistics, Japan would like U.S.A. to reconsider the proposed operation. Conducting necessary tests after identifying risky cargo may be one option.

Visa Obligation for Seafarers

Many countries provide visa exemption for a seafarer with seaman's book. On the other hand, U.S.A and Australia require a seafarer with seaman's book to obtain visa. Therefore, the main problem is the required simplification of seafarer's moving from one country to another.

Turkey Ports

Most problematical border crossings for countries of concern for Turkish transporters are:

- Israel- Haifa: due to the strikes and/or layoffs.
- Greece- Piraeus: due to the strikes and/or layoffs.
- Black Sea countries: due to detailed administrative procedures and inadequate infrastructure.

Moreover, the problems mentioned below are encountered on border crossings:

- Countries, which are the members of “Arabian League Israeli Boycott Committee”, put the ships, whose destination port is Israel, on the Black List.
- Due to the very detailed custom controls in Ukraine, ships are waiting for a long time.
- Wrong timing of the port state inspections is hindering Turkish vessels berthing schedule in general.

Mexico Ports

One of the main problems faced by Mexican ports is generated by Customs agents and it is related to the movement of cargo from ports (Cargo stays too long at ports, causing congestion). There is no data regarding the impact of these practices on the average waiting time for cargo at ports.

Georgia Ports

Ukraine side – Ilichevsk: an average waiting time is 6 hrs.

Note: There are still unforeseen (indirect) expenses.

Azerbaijan Ports

Sea Borders in the Caspian Sea with Kazakhstan, Turkmenistan, Iran.

On the shore of the Caspian Sea (Alyaty) there is a construction of the new sea port and necessary infrastructure. After the completion of construction this port will work as a large transport hub.

Additionally, in order to decrease the waiting time on the border crossings on all sea border crossings the single-window principle was introduced from January 1, 2009.

AIRPORT OBSTACLES

International and National Airports are constructed to have a “landside” and an “airside” so that there is a defining line/barrier that physically indicates the transition of cargo arriving/leaving a country, in the case of International Airports (Border Crossing), or entering a secure area, in the case of National Airports.

This type of construction works very well for both Export/Import, Immigration and for Security but it is often restrictive for cargo handling/clearance and there is always extreme pressure to facilitate the throughput to ensure that there is enough space for the next incoming/outgoing shipment. This means that the Airport Operational Staff and all Border Agencies must work in close harmony to keep cargo/passengers flowing and to maintain a cost-effective commercial operation.

In the main Airports have privatised and use commercial companies for all operations and usually find a good solution in working together with the Official Border Agencies to ensure the smooth running of the Airport.

Airports usually handle medium to high-value goods which is added pressure to their speedy handling. Airports are mainly operated by the Private Sector and the ensuing “commercial pressures” ensure that the import/export and transit of goods are handled in a fast, cost effective and timely manner. Airport Operational staff are normally well-trained and receive adequate remuneration for their qualifications.

With such a complex and commercial operation the increased “Security Requirements” have put more pressure on the Operational and Border Agency staff. Whether the “security” is related to anti-terrorism, money-laundering, trafficking, drugs or contraband it causes additional delays to both passengers and cargo.

Airports have reacted and found fast solutions to “Security” issues, such as X-ray and other scanning equipment, sniffer-dogs and radiation-detection tools which in turn adds more cost and significant delay to the transit/handling of cargo through the system.

Airports have also embraced Information Technology (IT) and taken it to a high degree of sophistication which permits fast transfer of operational information, risk assessment, global cargo tracking, pre and post-clearance, automated payments and security controls. This type of technology is being further developed with more and more “e-practices” being introduced such as the IATA’s initiative of IATA-e-freight.

Extracted Questionnaire Comments - Airports Related by Reporting Country

Netherlands Air

Airports / freight: More standardization (regulation, paperwork) is needed to facilitate the border crossings for freight. Furthermore it is important to focus more on the possibilities to digitalize the paperwork.

ADDITIONAL REGIONAL INFORMATION

CENTRAL ASIA²

Current Development of the Customs and Border Cooperation of the Central Asian states and neighbouring countries.

Lack of cooperation both at interstate level and at the level of regional departments of Customs and border control leads to the duplication of inspection operations at the adjacent Border Crossing Points, misalignment between operating schedules of the controlling bodies of neighbouring countries (i.e., at the BCP Torugart), misalignment between the status of the Border Crossing Points (i.e. bilateral BCP Kyzyl-Zhar and the international BCP Kazanskoe).

Single-Window Control System

At present Kazakhstan has implemented the Single-Window control system, which allows carriers to receive all necessary control stamps in one place. In 2009 Kazakhstan will adopt the additional changes in the cross border procedures which will facilitate the implementation of the Integrated Border Control System. Within this system, only border police and Customs will be responsible for controlling functions at the Border Crossing Points and will be physically located on the border. The sanitary, veterinary and transport controls will be carried out by the Customs authorities. If additional inspections by the Ministries of Health, Agriculture or Transport will be required in the limited number of cases, such inspections will be performed beyond-the-border. Other countries have yet not implemented the single window system.

² As there were no questionnaire returns for Central Asian Countries, the information below is based on consensus of ADB, EU and USAID Regional Consultants

Enforcement of the TIR System.

The BCP monitoring and interviews with the carriers showed that the transportation of perishable products normally is carried by the TIR transport vehicles. Theoretically the TIR system helps to avoid the physical inspection and Customs escort within the country. But in practice, the controlling bodies stop the trucks with TIR Carnets and subject them to the physical inspection. In the framework of the TIR Convention such measures can be applied on the basis of the reasonable suspicions for violation of rules, but in Central Asia this practice is used too often. It is necessary to continue the enforcement of the TIR system, because it has a significant role for the development of the transportation of the perishable products. This work should be carried out by the government bodies of the Central Asia, transport associations and international organizations and projects.

Improvement of the cross border infrastructure

Fast cross border control of the transport vehicles will be possible with using the modern information technologies at the BCPs. For example, by using the Non-Intrusive Inspection Systems (NIIS) it is possible to check the cargo by X-rays within minutes without long physical inspection. The Automated System of Goods Delivery Control (ASKDT) does not require the Customs Escort and reduces the delays during the border crossing.

Increasing the capacity of the BCPs and Traffic Management Optimization.

There are a number of Border Crossing Points in the Central Asia region which require an increase of capacity. The increase of capacity is a complex task, which includes the proactive use of information technologies, increasing of the number of traffic lanes, separation of the cargo and passenger flows, optimization of the immigration control, implementation of weight certificates, management of traffic through the borders (from the highly loaded Border Crossing Points to less loaded ones), queue management and etc.

Implementation of the tight time standards for the border control procedures and customer feedback system.

One of the important factors of the control over inspecting bodies and reduction of the corruption is the implementation and control of tight time standards for the Customs clearance and the control procedures. As the controlling bodies cannot equip all BCPs with video recording and get information regarding all violations by the BCP administration, it is necessary to foster the feedback from the transport operators and passengers, crossing the BCPs.

Funding Agencies Intervention – Central Asia

Currently, the work on Facilitation of Trade and Logistics Procedures is being carried out in the Central Asia Region to resolve the existing related issues. In particular, at present (2009) a number of programs and projects operate in this region, such as the EC TRACECA, EU-UNDP with BOMCA-CADAP which deals with drugs contraband but also Border Infrastructure, SPEKA Project Working Group on Transport and Border Crossing, the German Association on Technical Assistance GTZ with the program for simplification of trade procedures, ADB within the CAREC program, UNECE, UNESCAP, and such projects as the Trade Liberalization and Customs Reform in Kazakhstan, Kyrgyzstan and Tajikistan, jointly financed by US government (USAID) and Kazakhstan.