UN OHRLLS
Implementation of Key Multilateral Trade Facilitation Instruments for Development for Landlocked Countries
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25-29 April 2016
Ulaanbaatar
Founding members in 1948

14 Founding IRU Members in 8 countries
Today: present in over 100 countries

14 Founding IRU Members in 8 countries
IRU Members
IRU Regional Committee for Africa including FESARTA Members
What is Globalisation?

What does it take to have a cup of coffee in a café?

The combined efforts of 29 companies in 18 countries

Road Transport has become a vital production tool!

19 April 2016
IRU NELTI to support the development of trade along the Silk Road

- **Northern Route**: 10–16 days (between 6,000 – 7,700km)
- **Central Route**: 13–18 days (between 5,300 – 6,000km)
- **Southern Route**: 8–17 days (between 4,500 – 6,200km)
Pilot Caravans

Lisbon-Vladivostok

Beijing-Berlin-Brussels

Black Sea Highway

IRU-ECO Silk Road
IRU Caravan and NELTI drivers saw this… adequate roads but little traffic!!
…until they reached border crossings!!
Inadequate Processing at Border Crossings

Up to 57% of transport time = border crossings
38% of transport costs = unofficial levies
Implement key UN & WCO facilitation instruments to allow transport to drive trade!
UN GA Resolution A/70/197
adopted 22 December 2015

Recognizing the importance of addressing the special needs of landlocked developing countries, inter alia, by establishing and promoting efficient transit transport systems that link them to international markets, and in this regard reaffirming that the Almaty Declaration and the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024 constitute a fundamental framework for genuine partnerships between landlocked and transit developing countries and their development partners at the national, bilateral, subregional, regional and global levels,

Stressing the importance of actively supporting private sector investment, including through public-private partnerships and grant/loans blending, for infrastructure development and maintenance in communication and multimodal transport such as railways, roads, waterways, warehouses and port facilities in the least developed countries, and in this regard recalling that the Istanbul Declaration and Programme of Action for the Least Developed Countries for the Decade 2011-2020 highlights the need to build the infrastructure of least developed countries as a priority area for action,

Underlining the importance of the cooperation among all modes of transport to create and maintain sustainable supply chains, especially in developing countries, in order to improve access to markets and the reliability of supply, enhance diversification and value addition, improve the competitiveness of commodities, strengthen the market chain, improve market structures, broaden the export base and ensure the effective participation of all stakeholders,

Recognizing the importance of transport and transit corridors for facilitating transport linkages on domestic routes and promoting urban-rural connectivity in order to boost economic growth at the local and regional levels, promote interconnections between cities, peoples and resources and facilitate intraregional and interregional trade,

1. Invites all States that have not yet done so to consider signing, ratifying or acceding to the United Nations conventions and agreements on transport and transit facilitation, including the International Convention on the Harmonization of Frontier Control of Goods and the Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention);
Success factors: high quality, timely delivery, efficiency

All modes of transport are needed for capacity reasons

Co-modality principle – no predetermined choice of transport mode
Meet the solution

Managed by the IRU under UN mandate since 1949
And it can be used in all contracting parties

Based on TIR Convention of 1975
- 69 contracting parties
- 58 TIR operational countries
TIR Expansion

April 2014
UAE Customs signed guarantee agreement

June 2015
Pakistan acceded to TIR Convention

January 2015
China officially starts TIR accession process

Other countries have expressed interest in TIR

Argentina        Brazil        Iraq        Saudi Arabia        Kenya
China finalises TIR accession process

Chinese government is at its final stage to approve accession to the TIR Convention
TIR geographic scope & expansion activities
TIR digitisation: Successful eTIR pilots
Impact of China’s TIR Accession for neighbouring LLC’s

- Reduce waiting time
- Reduce cost
- Improve competitiveness
- Increase trade
- Increase intermodal transport
- Extend the reach of road transport operators
- Potential for other countries to join TIR
Mongolia with TIR

Mongolia acceded to the TIR Convention in 2002; TIR entered into force in 2003;

NARTAM is the national association authorised by Mongolian Customs Administration;

Around 500 TIR Carnets have been used by Mongolian transport operators so far. Currently 24 Mongolian transport operators are authorized to use TIR carnets;

In the past 2 years, around 150 TIR carnets were used by Mongolian operators;

But during the same period, close to 2,000 TIR carnets were used by foreign transport operators for transport to Mongolia;

There is a lot of room for development; One of the reasons for the limited use of TIR by Mongolian operators is due to the fact that TIR has been so far used only for the transport of heavy/bulky goods.

The first vehicle fit for TIR transport was approved by Mongolian Customs only last week.

Counting on the support of national stakeholders, we expect now that TIR usage will increase in the future, notably by Mongolian transport operators and contribute to the development of Mongolian trade.
• Overall, 930 TIR transports; 93% were done by foreign transport operators.

• The top 5 countries, Poland, Belarus, Russia and Ukraine total more than 77% of the transports – Mongolia is on position 5

• The countries with 0% made between 1-3 transports under TIR

• 99% of all transports (924 out of 930) are terminated at the Customs of Altanbulag.
From landlocked to land...linked!
The IRU is committed to assisting all countries to implement key trade facilitation instruments to drive economic growth and prosperity!
Thank you for your attention

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