ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC
Ministerial Conference on Transport, Moscow, 5-9 December 2016

Name of speaker:  (Mr.) (Ms.) Mariya Sossedmenko
(Block letter)

Country/Organization: World Customs Organization
(Block letter)

Please indicate the agenda item on which you wish to speak:
Agenda Item No: 9

If you have a prepared statement, the Secretariat would find it most useful if you could kindly provide us with a copy, preferably in electronic format or hardcopy (typed or handwritten), for use by those listed below:

Interpretation
Draft Report and Secretariat

Please indicate if you wish to have statement return to you: Yes [ ] No [ ]

Note: Please complete this form and hand it to one of the Conference Assistants on duty in the Conference Room, or to the Conference Officer at the desk in the Conference Room.
Statement of the World Customs Organization at the Senior Officials Segment of the UNESCAP Ministerial Conference on Transport, Moscow, 5-9 December 2016

Day 4, 8 December 2016

Dear Mr. Chairman, Excellences, distinguished delegates, ladies and gentlemen!

Let me on behalf of the World Customs Organization reiterate sincere appreciation to the Government of Russian Federation for their truly warm hospitality and a very nice boat trip yesterday along the beautiful Moscow river and the United Nations Economic and Social Commission for Asia and the Pacific for organizing and inviting us to this important Transport Ministerial Conference. We believe that borders divide, but it is customs and transport that connect. Therefore, cooperation between two sectors – customs and transport - is vitally important in order to ensure sustainability of transport connectivity of the global supply chains.

The World Customs Organization representing 180 Customs Administrations across the world advocates for cooperation with other border control agencies including transport, and the last year, 2015, was dedicated to Coordinated Border management. Coordinated Border Management refers to a cooperative approach by border control agencies, both at the national and international levels, in the context of seeking greater efficiencies over managing trade and travel flows, while maintaining a balance with compliance requirements.

Talking about a very specific topic that brings customs and transport together, transit, I would like to say that today we are witnessing multiple regional and inter-regional economic integration initiatives. They contribute to the transit facilitation by harmonization of the rules and decrease of the number of border controls, adoption of regional guarantee mechanisms, acceptance of the results of the risk management systems etc. Recent developments over the last 5-10 years in Asia and the Pacific region as establishment of the Eurasian Economic Union, development of ASEAN Customs Transit System, as well as cross regional developments (as transnational rail and road transit corridor of Western Europe-Western China, as well as Chinese initiative of One Belt – One Road on revival of the overland Silk Road) will undoubtedly contribute to ensuring freedom of transit, bringing the markets and consumers closer, and supporting better integration of emerging economies into global economy.

However, we must admit that today’s landscape of the international trade is characterized by high trade costs related to transportation and fulfillment of the administrative requirements. Transit
sustainability is not only about infrastructural improvement. The elimination of unnecessary and adverse drain from transit operations will contribute to the increase of the trade volume, better interconnectedness of the global markets and integration of the periphery landlocked economies into the global supply chains. According to recent studies, even 50%- reduction of the trade costs will lead to the increase in total merchandise exports of US$ 1 trillion per annum, with increased volume of trade by developing countries by US$ 569 billion (+9.9%) and by developed countries – by US$ 475 billion (+4.5%).

The World Customs Organization closely tracks the needs of the developing countries for transit facilitation and develops international instruments and tools for all Customs competencies that are recognized by the international community. At the last meeting of the Asia Pacific Economic Cooperation that took place in Lima, Peru, this November, the Ministers “noted the importance of the work done in the field of Customs Procedures and commended to pursue effective and secure trade facilitation in the region based on the international standards developed by the World Customs Organization”. This is the quote from the Ministerial Declaration of the 24th APEC Economic Leaders meeting.

We appreciate this trust and recognizing the need for the instrument related to transit facilitation and implementation of the provisions of VPoA and TFA, WCO is developing the Transit Guidelines that will support governments to implement efficient transit system. We believe that this instrument will also support implementation of UNESCAP’s regional programme of actions for transport connectivity in Asia and the Pacific. As I already informed senior officials, the Transit Guidelines will be released on 10-11 of July 2017 at Global Transit Conference in Brussels, to where I would also like to invite you, your excellences.

To conclude I would like to thank UNESCAP and its members once again for providing the floor for the WCO and express the hope for continuous cooperation.

Thank you.