

The 18th Meeting of the OSCE Economic and Environmental Forum

**Promoting good governance at border crossings, improving the security of land
transportation and facilitating international transport by road and rail in the OSCE region**

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Your Excellencies, distinguished moderators, panellists, speakers, ladies and gentlemen

Introduction

- It is possible to promote good governance at border crossings and improve road and rail transport security;
- It is possible to balance border crossing point (BCP) security with the needs for road and rail trade and transport facilitation (TTF).

How to achieve the two above objectives?

- Promoting good governance at BCPs with trade and transport facilitation needs Government policy makers to stop piece by piece changes such as building a new administrative building at a border crossing with out changing the entire border crossing suboptimum layout and with out reforming and modernising all the border crossing management methods and procedures. The alternative best practice method includes a comprehensive integrated management approach some times called “whole-of-government” carried out formally not informally with users such as private industry freight forwarding associations, Customs brokers associations, transport associations, insurance and banking associations, export promotion agencies and chambers of commerce and with representatives from Ministries and agencies mandated with border crossing responsibilities;
- Public sector and private industry participation with Government should be formal not informal using PRO committees such as the formal AFPRO, GEOPRO, SITPRO and SWEPRO structures which have private industry elected chairpersons and paid Secretariats. PRO committees should not be informal such as Customs Consultative Committees chaired by Customs or other Government official because these are information transfer and complaint platforms compared with PRO committees which are problem solution channels;
- Getting good governance at BCPs needs new BCP layout design criteria, infrastructure, equipment and using improved and new BCP management methods, procedures and continuous staff training;
- Policy makers and managers should concentrate on improving border crossing asset management using best practice border crossing point management methods and procedures instead of focusing on using new equipment and infrastructure. For example, a McKinsey¹ study concluded a South East Asian country did not need to spend monies investing in a new seaport or airport freight terminal because existing infrastructure had

¹ Logistics in emerging markets, Streamlining the flow of goods within existing infrastructure often makes more sense than expanding it, by Nikolai Dobbertsein, Carl-Stefan Neumann and Markus Zils, The McKinsey Quarterly, 14 April 2007

spare capacity because infrastructure management methods and procedures were suboptimal;

- Good governance border crossing management methods include Customs and other border crossing agencies using risk management identifying cargo and passengers using electronic selection risk criteria before import, transit and export cargo and passengers arrive at a BCP;
- Other good governance BCP management methods and procedures include Customs “one-stop-shop”, “one-face-at-the-border”, joint BCP management and controls, Single Window System (SWS), authorised economic operator method, integrated border management also called combined border management and using international Customs and border conventions and other methods.

Conclusions and Recommendations

- Getting good governance needs commitment, willingness and legal instruments from all border crossing agencies and also from Ministries and Cabinet of Ministers and other leaders;
- Border crossing managers need to create 5-year border crossing strategies which should be part of 5-year Customs strategies linked with trade logistics, trade and transport facilitation strategies each with an annual action plan and budgeted resources describing why, what, how, who and when. Results need measuring ensuring investment gives expected benefits such as reduced time to market for exports, reduced time delays at border crossings, reduced number of export and import documents and transparent procedures, pre notification of export and imports and transits, and the use of binding tariffs and binding rulings and legitimate traders get preferential treatment at border crossings such a fast tracking and pre alerting electronic declarations and other benefits.

OSCE Role

I suggest the OSCE role getting some of the above objectives and recommendations carried out might include:

- Preparing and delivering the new OSCE Best Practices at Border Crossing Handbook;
- Measure the obstacles using a universally agreed method;
- List methods how to get changes and improvements at border crossing points and get behind the border physical and non physical obstacles.