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**SELECTED ISSUES OF IMPORTANCE
FOR THE FUTURE OF THE ESCWA REGION****FACILITATION OF THE INTERNATIONAL FREIGHT TRANSPORT
IN THE ESCWA REGION**

1. In view of the considerable challenges faced by the economies of the States in the ESCWA region, including the increasing number of regional economic blocs, economic globalization and the establishment of the World Trade Organization (WTO); in the light of the low volume of intraregional trade, the reduced level of exports to other States, and the role played by procedures for freight transport via international gateways in the efficiency of international and intraregional trade in the region, the aim of the study on the facilitation of the international freight transport in the ESCWA region was to carry out a detailed survey of the procedures for freight transport via international gateways in the region, analyse the obstacles to such transport and put forward appropriate recommendations for the facilitation and harmonization of those procedures in the States of the region.
2. The study focused on five member States, namely, Egypt, Jordan, Lebanon, the Syrian Arab Republic and the United Arab Emirates (Ports and Customs, Dubai), which apply quite different systems with regard to the international gateways. The main focus in those States was on the international freight transport procedures that are used at the marine gateways in all export, import, transit and re-export operations, including preparatory procedures for commercial operations. The procedures applicable to freight vehicles using land gateways in order to enter or leave some of the States were also surveyed.
3. The study gave a detailed and documented description of freight transport via international gateways. It identified the documents and forms required, the cost of and time needed for finalising transactions, the number of procedures and the signatures and official stamps necessary for each application.
4. The study also included a summary of some of the international and regional agreements on the facilitation of the procedures for freight transport via international gateways, and the extent to which they might be applied in ESCWA States.
5. The study presented a comparative analysis of the five States it covered, and identified and clarified the roles played in these procedures by the parties involved, namely, the exporter and the importer, customs, the port, the supervisory authorities, middlemen and agents. It was then able to specify the problems which affect freight transport via international gateways and the causes of those problems.

6. The problems may be divided into the following three main categories:

- (a) The high cost of procedures;
- (b) The length of time required for the procedures, and
- (c) Illegal practices.

7. The causes of or obstacles that lead to the problems are numerous and interrelated. Of the 25 most significant of the causes that were identified, the following are some of the most important:

(a) In most cases there is no clear guide to the procedures, and no interest in informing businessmen and their agents of any amendments that are made to such a guide, when it does exist. Therefore, even the businessmen, agents, and freight carriers who have regular working links with the customs and ports institutions and the supervisory authorities are faced with unclear procedures, rules and expenses. Most of the procedures, rules, fees, conditions and restrictions are changed periodically by circulars, decisions or laws, but no care is taken to inform those working in the field of those changes: they first learn of them when dealing with officials. Hence, they are liable to make many mistakes when trying to provide the necessary forms and fees, which wastes a lot of time and money. This lack of clarity also leads agents to have recourse to officials in order to clear up or overlook their mistakes, which gives rise to illicit practices;

(b) Most procedures are carried out in personal encounters between the interested parties or their agents and a large number of officials, providing further opportunities for illegal transactions and increasing the unofficial expenses;

(c) There is a paucity of highly qualified human resources, which leads to many mistakes and slows down procedures. Some of the actors also look upon their positions as a short-term opportunity for material gain, to be exploited as fully as possible, which leads them to adopt illegal practices;

(d) There is no liaison between the various parties involved in the procedures that permits for the interchange of information directly, precisely and easily. Each of the parties involved, including the ministry, the chamber of commerce, the port, customs and the shipping agent, may have its own internal system, with or without a mechanism, which works efficiently and is able to complete the procedures in a matter of minutes. However, the fact that those parties are not part of an integrated system that allows for the electronic exchange of information between them complicates the procedures, wastes time and increases costs;

(e) A large number of Government authorities are involved in the procedures for freight transport via international gateways, and their policies are exclusively their own. Each party therefore makes every effort to put in place the laws, regulations and procedures that will serve only its own purposes, and has no concern for the aims of the other parties, which might even conflict with its own. This is quite apart from the general efficiency of transport and commerce;

(f) There is a plethora of procedures: in most of the countries studied, the average number of procedures involved in the importation process was 40. A correspondingly large number of signatures and official stamps are required: in the same countries, an average of 20 signatures must be obtained. This is because the same form or document is subjected to scrutiny and verification on more than one occasion. Some of the steps and signatures required serve no clear, logical purpose. In this way, procedures are hampered and the number of opportunities for illegal practices is increased, as are the unofficial costs;

(g) No clear, consensual measures exist for estimating the value of goods, which causes a large number of disputes between businessmen and customs officials.

8. In the light of this analysis, the study made 11 main recommendations, which were adopted by the Committee on Transport of ESCWA at its second session, held on 6 and 7 February 2001. These may be summarized as follows:

- (a) Procedures should be simplified and laws brought up to date;
- (b) Procedures, dealings and regulations should be clear;
- (c) Unlawful practices should be eradicated;
- (d) The labour force should be developed;
- (e) Use of the electronic exchange of data and information technology should be promoted;
- (f) Institutional frameworks should be developed and administrative systems unified;
- (g) Tariff values and types should be appraised;
- (h) Working hours should continue as they are;
- (i) New agreements should be adopted and annexed to those already existing;
- (j) A system for the international transportation of goods by all means of transport should be adopted;
- (k) The role of ESCWA in the foregoing should be strengthened.

9. These recommendations require strenuous and fully coordinated endeavours to be exerted by all the relevant parties at every level if they are to be translated into a tangible, practical reality and have an effect. While there is no doubt that all States are currently making serious efforts to apply many of those recommendations, and definite improvements have been made in certain areas, the true starting point would be for each State to establish a national committee for the facilitation of transport and commerce which would bring together all the parties involved, both governmental and non-governmental, and which would have the authority to analyse and classify the recommendations, advise all parties to adopt those applicable to them, ensure that they were implemented in a fully integrated and coordinated manner as part of State plans, programmes and budgets, and follow up on the matter.
