



International political engagement

UN Secretary General Guterres Publically supports TIR; road transport on special task force



ILO Director
General Ryder &
ITF and IOE
Puts message on
road transport
industry and jobs
support directly to
G20



EEC President
Sargsyan & heads of
all Eurasian Union
governments
Council directs member
states to adopt trade &
border measures



EC President von der Leyen & heads of all EU governments Develops and steers demands for green lanes on intra-EU borders



EBRD President Chakrabarti Announces EUR 1 billion Solidarity Package for SMEs



UNECE Executive
Secretary Algayerova
& all TIR countries
Meets demand for
border observation;
pushes use of TIR



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COVID-19

Impact on road transport

COVID-19 and corresponding restrictions on movement and social distancing has had an enormous impact on commercial road transport operators and those they serve.



Impact on road transport: Passenger operators (Europe)

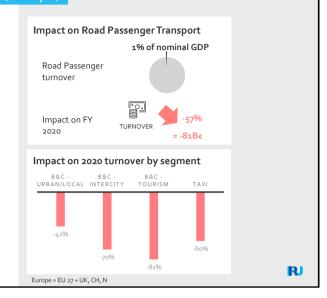
Expected 57% decline in annual turnover in 2020 due to travel restrictions, with the highest impact in tourism.

Bulgaria, Spain and the UK are the most impacted countries.

Significant impacts due to:

- Market shut-down for long-distance coach travel and school transport
- Total loss of revenue, need for liquidity to meet with loan/lease obligations
- Mistrust in the use of public transport services related to social distancing
- Impacts from health and security measures imposed by COVID-19

Identified key additional measures could be implemented in order to improve the situation including: tax deferral for SME's, credit facilities and creation of a dedicated European fund in order to support the passenger industry.



COVID-19

Impact on road transport: Goods operators (Global)

- Due to disruptions in global logistics, the estimated impact is -18%1 on turnover in FY 2020.
- The introduction of restrictive measures has slowed down transportation across the globe with disruptions in volume operations due to restrictions, health screening, border controls and closures.
- APAC and Middle East-North Africa are the most impacted regions with a 21% drop in turnover.

Impact on Road Freight Transport 3% of nominal GDP Road Freight turnover Impact on FY TURNOVER 2020¹ = -417B€



The top 3 facilitation measures that have been a success:

- Exemptions on rules governing driving and resting times
- Extension of driving licenses and certificates
- Facilitate the transport of goods where interrupted

1. Estimation based on 78 major economies (details in methodology)

-64 B€ -29B€

The top 3 facilitation measures that have not been considered successful:

- Restrictions at border crossings
- Mandatory truck convoys
- Truck driver quarantine routine.

RJ

Impact on road transport: Goods operators (BSEC)

- Due to disruptions in global logistics, the estimated impact is -22% on turnover in FY 2020.
- Depending on the country, few border crossings are open for truck movements, leading to a significant impact on trucking volumes.
- Transport operators are facing shortterm operational issues such as long waiting times at borders, quarantine, health checks at borders, lack of liquidity and income.
- Identified key additional measures could be implemented to improve the situation: regional trade facilitation collaboration, liquidity support, cessation of truck convoys, reduction of road tax and tolls.

Impact on Road Freight Transport¹ Impact on FY 2020 TURNOVER up to -22B€



The top 3 facilitation measures that have been a success:

- Exemptions on rules governing driving and resting times
- Extension of driving licenses and certificates
- Facilitate the transport of goods where interrupted
- 1. Excl. Albania, Armenia, Serbia (no data available)

The top 3 facilitation measures that have not been considered successful:

- Restrictions at border crossings
- Mandatory truck convoys
- Insufficiently active implementation of the "green lane" practice for essential goods and food.



RJ





VIDEO-MEETING OF THE STEERING COMMITTEE ON FACILITATION OF ROAD TRANSPORT OF GOODS IN THE BSEC REGION

10 JUNE 2020, ISTANBUL

Statement by Mrs. Aslı Çalık, BSEC-URTA President

Excellences,

Distinguish Ladies & Gentlemen,

Thank you for being invited and Welcome to everybody to this first ever web meeting of the BSEC Steering Committee for Facilitation of Road Transport.

First of all, this scale of outspreading "Pandemic" was unknown and was not in the worst case scenario of any country in the world, none of the economies were prepared for it.

Now, all the principles of the road transport industry, future strategies and approaches must be reviewed and the entire process of the supply chain at a global level will be re-edited and newly developing policies will be vital for restructuring.

The Covid-19 Pandemic was the only catastrophic experience such a degree of economic damage at the global level after World War II.

We can bring a new definition like before and after Pandemic at the global level. Country administrations create a strategic road map by evaluating the situation experienced on a global scale in many sectors. In this unexpected crisis environment; countries should be put into practice by taking the most accurate and sustainable decisions quickly and calmly and cautiously.

Nowadays, in the management of supply chains, demand and supply planning approaches based on traditional time series is subject to sharp changes in market due to commercial dynamics, pandemics, natural disasters, etc. It is obvious that due to these factors, it is not enough to meet the current business needs only. In the near future, there will be a need for supply chains that have a flexible business model that is not affected by monetary changes and those can make sustainable dynamic moves and decisions will win the game.

For all these reasons, the known ways of doing business will be replaced by new business models. Dependency to one country by means of production area like the United States of America where main production area is China, will change and countries' approach to choose supplier countries will be diversified and according to our expectation more regional trade will develop. The regional cooperation platforms like BSEC will gain more power and regional trade will boost. This change will start from the production areas. In some critical sectors, countries will establish production areas within their sovereign boundaries or close hinterlands, which will change the itinerary of freight mobility in the world.

We think the transportation industry will go beyond the traditional routes as countries will need to use their existing stocks effectively and manage their supply chains by keeping the risks arising from the current cyclical situation at the optimum level. All of this will be a transition process and preparation will be made for another phase with the change of known technologies in road transport. Here, the driver, the human factor, will become disadvantaged and we will come across autonomous and contactless transport vehicles. We think it will bring a new age of transportation with industry 5.0, society-oriented unmanned technologies and vehicles with artificial intelligence outputs.

As of today, globally, the Fuel / Natural Gas, Transportation (airline), Tourism, Insurance, Finance, Automotive / Spare Parts, Electronics and Retail sectors decreased by approximately 47%, while Logistics and Trade transactions decreased by approximately 25%. At BSEC countries level no major impact in the field of import and export operations to/from Turkey in average but transit operations through Turkish territory were highly impacted.

- What new approaches can we see about obstacles and restrictions?

In the process of pandemic measures, countries have implemented more protective measures. The process is the first example where the combatting is national and the problem is global. Main concern here is that the measures taken by the countries in this period not to turn into counter-practices in the post-pandemic process.

International road transport industry was in a very challenging environment in the pre-Covid period and fundamental encountered problems were shortage of quotas, transport mode imposition, barriers in front of transit, complicate structure of issuance of driver visa they and other non-tariff barriers. Post Covid period is expected to bring additional health report accreditation systems to the drivers.

Mobility of people/drivers will be based on proven medical report in the border crossings and transit areas, this will mean additional time and cost for our industry.

Since the pandemic is human-oriented, we predict that governments will invest more in unmanned / contactless business models in the future and infrastructure investments will be in the field of more integrated multimodal transport systems.

Since the Threats and Opportunities will be on our agenda at the same time, the road transport industry in BSEC region needs to set a new future strategy in order to adopt ourselves to the changes. Understanding the new normal, redesigning and ensuring successful reform should be our next agenda. Of course, we have an approach based on public-private consultation actions with long-term policy.

BSEC-URTA together with the IRU disseminate real time information about the Border Crossings Status due to COVID-19, seek the leadership and guidance of UNECE, EU Commission, BSEC, WHO, ILO, EBRD etc. besides informative guidelines and very practical tools have been created for transport operators and the drivers including easy reach to the Finance through EU Funds.

Now it's the momentum to work with BSEC member states with PPP model to drive recovery in the regional economies and communities by: keeping drivers, workers and transport users safe, keeping supply chains and mobility networks operational, keeping road transport operators in business.

Post Pandemic environment shows us that crisis will continue to disrupt the normal functioning of small and medium size businesses most. Although many countries are now beginning to ease "lockdown" measures, global economic conditions continue to weigh heavily on entrepreneurs.

Now governments focus on the implementation of recovery plans which IRU has already distributed for the SME's and liquidity problem is the key one for our members.

Development of new transport contracts and money flow from banks to transport companies are urgent necessities.

Different lessons learned and unstable environment will provide us more feedback to reshape the future of industry. Dynamic involvement of governments is vital for the effective transition period. For the survival and sustainability of the freight transport companies within BSEC region, we should take further steps to liberalize the road transport market–first step could be the BSEC e-permit platform, efficient road- sea & rail networks with optimized time and cost must be envisaged. A regional and facilitated outlook should be brought to the visa procedures (e-visa procedure for professional road crew). BSEC regional initiative could be a show case for everything which will be vital for future in order to minimize the human factor, increase the level of social distancing to minimize human touch and spreading of such viruses which will be the core of our future actions.

BSEC-URTA kindly asks the full support of governments of BSEC member states to bring a new vision to regional development and digital improvement campaign with a feet touching ground road maps and action plans.

Last but not the least, we very much thank to H.E. Mr. Ambassador Michael Christides, representatives from BSEC PERMIS, IRU and Members States, our members for their support and dedication to make this meeting a success. Having this opportunity we would like to send very special thanks to our drivers who sacrifice their life in order to ensure the continuity of the supply chain.

10.06.2020

Statement of Mr. Atakan ÖZDEMİR – Head of Department:

Dear Colleagues,

On behalf of the Ministry of Trade, I would like to present you my sincere compliments for organizing such a meeting which will give us opportunity to monitor the current transport and customs situation across the Black Sea Region during the Covid-19 pandemic times.

As you are all well aware, Turkey is one of the first signatories of the worldwide customs conventions. And in that respect, we fully adhere to our international obligations. So, we attach our utmost effort for a seamless and rapid transport during those harsh times. We also implement electronic transport procedures such as e-TIR.

At the beginning of the pandemic term, Turkey constituted a mechanism led by Ministry of Health. Thus, all the public and business institutions were affected and instructed by that mechanism.

Besides, Ministry of Interior published Circulars to regulate the daily routine life. Of course, these Circulars were not just about the internal environment but also about the international transport carriages. As a matter of fact, these decisions restricted some international movements as a part of fighting against this dangerous pandemic.

But in any case, there were no food and medical stuff restrictions and supply-chain was smoothly-functioning. Just, lemons, masks and disinfection materials were put into special export permit.

Apart from those, as Ministry of Trade, we also took our own measures. But bearing in mind the importance of the international trade, we also implemented our own solutions to tackle the problems. For instance, we utterly took advantages of the multimodal and intermodal transport modes. By doing so, railway means reached their real potential and became a part of contactless trade.

Afterwards, with the upturn and things got better, the restrictions were lifted gradually.

For the time being, with the latest Circulars dated 8th May and 14th May, all the bilateral and transit movements are opened in/through Turkey.

And finally on 4th June, Gürbulak Border Gate with Iran and the Habur Border Gate with Iraq reopened in order to continue trade as coronavirus containment measures are eased.

Therefore, let me give you the broad perspective with regard to the international carriages across Turkey:

* Trucks and drivers transiting through Turkey and showing no symptoms of COVID-19 are allowed to enter country. The drivers should wear masks at all places they may be in contact

Directorate General for the International Agreements and EU Affairs

10.06.2020

with other people, such as rest stops. The drivers should also carry adequate masks, disinfectants and food supplies in their vehicles. And all vehicles are subjected to disinfection process.

A written commitment is taken at the border gates to assure transit drivers will not layover or await unnecessarily in Turkey. The vehicles will also be monitored via Vehicle Tracking Systems.

- * On the other hand, all drivers who are destined to Turkey are subjected to health checks. And vehicles are also subjected to disinfection process.
- *Within Ro-Ro transport, only trailer/container transport are carried out. Passenger and whole vehicle transport are not allowed. In some exceptional cases, drivers are also allowed to get on the vessels.

However, all drivers are allowed to board Ro-Ro vessels between Turkey-Ukraine (Zonguldak-Chornomorsk (Ilyichevsky), İstanbul (Haydarpaşa) - Chornomorsk (Ilyichevsky), Karasu - Chornomorsk (Ilyichevsky) and Turkey-Romania (Constanta – Karasu).

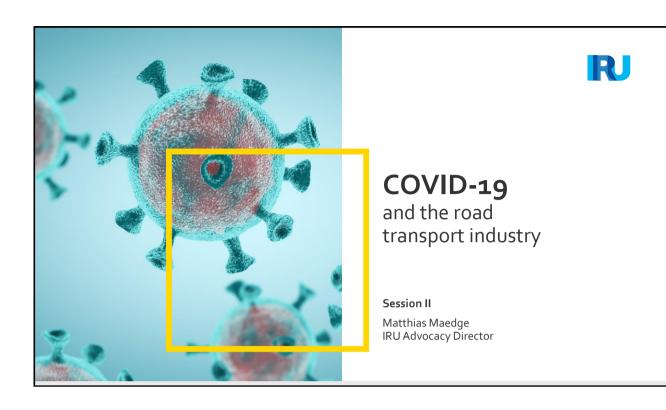
Last but not least, please let me give you some statistical data as regards the economic measures in Turkey. These figures are also related to 'Driving the Recovery Plan' raised by IRU.

From the very beginning of the pandemic period, Turkish Government evaluated all the means to overcome the negative impacts of the pandemic. With the economic support packages, the entire business sector were benefited. Up to now, almost 40 billion dollars is granted to the real and financial sector to boost the economic activities again. Transport sector was also one of our main priorities.

And of course, we are driving the way forward for new and sustainable contributions in that sense.

Esteemed Participants,

By finalizing my words, I would like to thank you all for your patience. And no doubt, as public sector, we are always ready to listen to your comprehensive solutions for the business and specifically transport sector at any time.



COVID-19 IRU recovery plan Well functioning commercial road transport services are fundamental to economic and social recovery from the impacts of COVID-19 in all countries. IRU's recovery plan has three broad aims. Drivers, transport workers Supply chains & mobility Road transport operators networks run smoothly stay in business and citizens are safe The health and safety of Goods and people need to Road transport operators, move as efficiently as often small and medium our workers, clients and communities is the possible, especially during sized firms, are struggling industry's higest priority. confinement and financially and need deconfinement phases support so they can help when transport rules drive recovery. change rapidly. RJ

IRU recovery plan: Financial recommendations

- Financial grants and new loans to road transport operating companies
- Refinance existing credits, especially vehicle loans, and for fleet renewal, at low or 0% interest rates
- Extend payment deadlines and/or temporarily reduce or waive taxes, road user charges and duties including corporate taxes, social contributions and fuel tax
- Reduce insurance premiums and waive premiums for non-operational vehicles
- Set-up financial support programmes for temporarily unemployed road transport workers

RJ

COVID-19

IRU recovery plan: Non-financial recommendations

- Establish green lanes for trucks to be implemented at all borders, backed by
 policies and procedures that prevent additional and systematic stopping of
 trucks at all borders
- Prioritise collective passenger transport, particularly for workers, with appropriate health protective measures put in place
- Designate road transport workers as key workers, giving them priority access to proper protection and disinfection equipment and materials
- Allow for maximum flexibility on the interpretation of driving rules, driving restrictions and tolerance measures to prolong the validity of expired control documents including visas, certificates, and licences

RJ



Meeting of the BSEC Steering Committee for Facilitation of Road Transport

Web conference, 10 June 2020

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UNION OF ROAD TRANSPORT ASSOCIATIONS IN THE BLACK SEA ECONOMIC COOPERATION REGION





Since its foundatation in 2001 BSEC-URTA was granted by the BSEC Organization with the Status of Sectoral Dialogue Partner



UNION OF ROAD TRANSPORT ASSOCIATIONS IN THE BLACK SEA ECONOMIC COOPERATION REGION



Since 2001

The Union's Mission is to work together with governments of BSEC Organization, to enable road transport deliver the goods in cost efficient manner, secure, smoothly and safely in an integrated BSEC Road transport market and beyond, by interconnecting business, markets and all stakeholders to the best interest of society.

To reach its Mission BSEC-URTA works in close cooperation with the BSEC and IRU Secretariats and attaches priority to implementation of key UN trade and road transport facilitation instruments as well as BSEC Road Transport Memoranda in the Region.

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UNION OF ROAD TRANSPORT ASSOCIATIONS IN THE BLACK SEA ECONOMIC COOPERATION REGION



BSEC Transport Memoranda on:

- ☐ Coordinate Development of the Black Sea Rind Highway
- Motorways of the Sea
- ☐ Facilitation of Road Transport of Goods



UNION OF ROAD TRANSPORT ASSOCIATIONS IN THE BLACK SEA ECONOMIC COOPERATION REGION

THE BSEC MOU ON FACILITATION OF ROAD TRANSPORT

- ✓ Since 20 July 2006 is in force for all 12 BSEC Member States:
- ✓ Operative Articles:
- Article 3) Progressive Liberalization of International Road Transport of Goods,
- **Article 4) Accession to International Agreements**
- **Article 5) Charging policies**
- Article 6) Facilitation of Visa Procedures for Professional Drivers.

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UNION OF ROAD TRANSPORT ASSOCIATIONS IN THE BLACK SEA ECONOMIC COOPERATION REGION

TIME-TABLE FOR THE IMPLEMENTATION OF THE MOU-F

At the 12th meeting of the Steering Committee for Article 3 it was decided:

Objective 1

Gradually liberalize transit - 1.01.2020

Gradually liberalize bilateral – 1.01.2019

Objective 2

Develop a regional multilateral quota system – no deadline (BSEC Permit system)

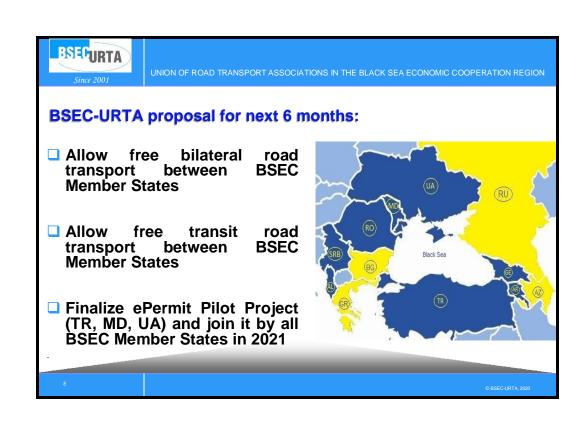


LINION OF ROAD TRANSPORT ASSOCIATIONS IN THE BLACK SEA ECONOMIC COOPERATION REGION



2020

- 1. 8 BSEC Member States are partners in the project : AL, AR, GE, MD, RO, SRB, TR, UA
- 2. 4 BSEC Member States agreed to enlarge the usage of the permit on a voluntary basis to 3rd country transport **GE, MD, RO, UA**.
- 3. Amount of BSEC Permits / Project Participant: **1000** (AR-800).



UNION OF ROAD TRANSPORT ASSOCIATIONS IN THE BLACK SEA ECONOMIC COOPERATION REGION

Objective 3

 Support development of efficient and adequate RO-RO and RO-LA transport systems – no deadline

BSEC-URTA proposal for next 6 months:

- Design and start construction of safe and healthy parking places with proper facilities for drivers on main routes, train stations (RO-LA) and ports (RO-RO)
- Drop banns on driving and allow spending of weekly rests in safe, secure parking

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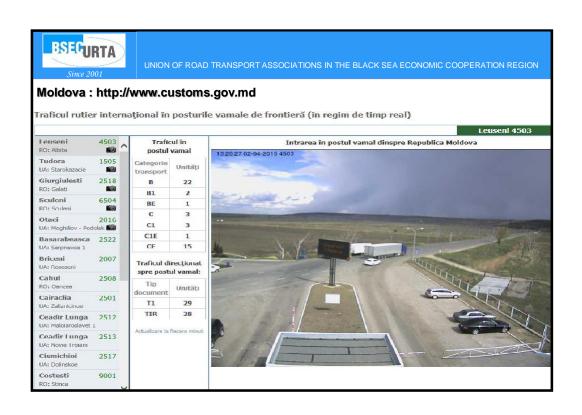
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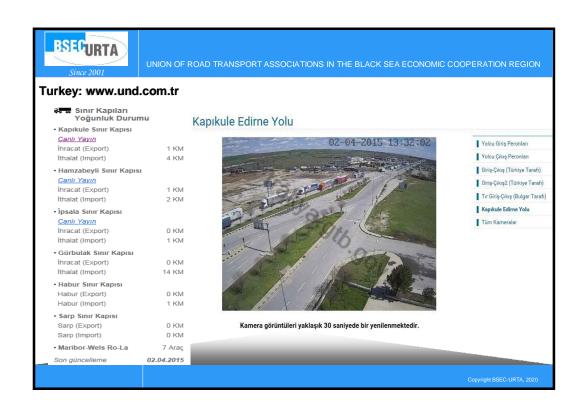
Objective 4

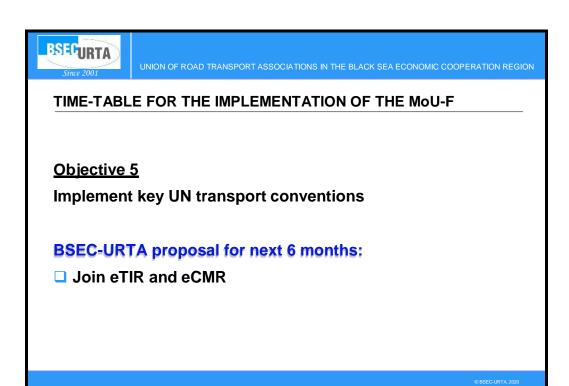
Monitor border waiting times - no deadline

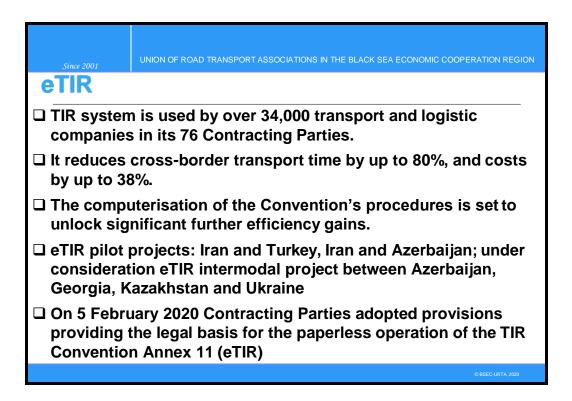
BSEC-URTA proposal for next 6 months:

- Facilitate border crossing through joint controls, one stop checks green lanes, random physical checks based on risk assessment
- Fight illegal immigration; stop punishing companies / drivers for i
- Fight corruption and bribery under all aspects
- Apply good examples from the region (MD, TR,..)
- Establish a BSEC mechanism with participation of trade, customs and transport authorities for facilitation of transport at the BCPs.











eCMR

At present the following BSEC Member States acceded the Additional Protocol to the United Nations Convention for the carriage of goods, known as the e-CMR: Bulgaria, Moldova, Romania, Russia and Turkey.

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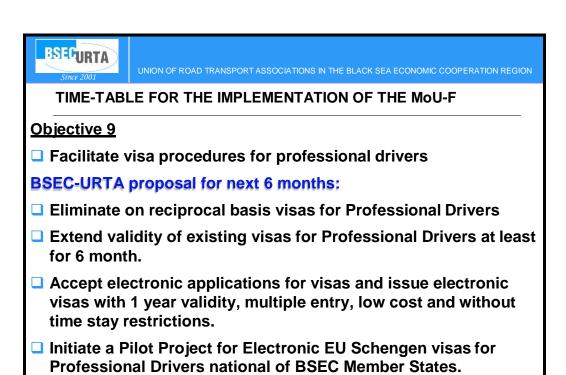
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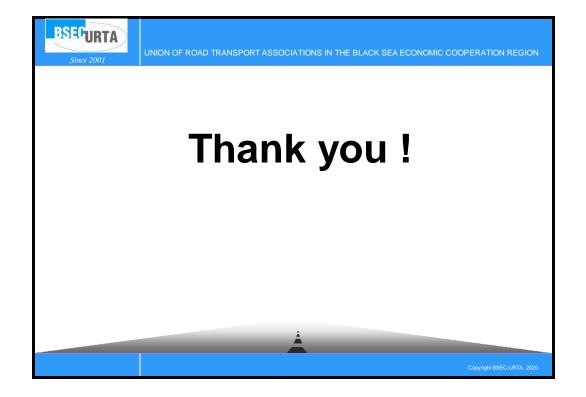
Objective 7

Rationalize and gradually harmonize charging policies

BSEC-URTA proposal for next 6 months:

- Simplify and reduce all financial and fiscal documents of transport companies
- Reduce fuel excises, fuel tax, road user charges and all taxes imposed on road transport companies
- Reduce social security taxes
- Reduce interest of existing credits
- Give incentives and stimulus for transport companies.
- Purchase of vehicles ,tires and spare parts in long installment rates







Uluslararası Nakliyeciler Derneği INTERNATIONAL TRANSPORTERS' ASSOCIATION



Steering Committee on Facilitation of Road Transport of Goods in the BSEC Region

> İstanbul 10.06.2020

IMPORTANCE OF BORDER CROSSING FACILITATION



OFFICIAL VISIT TO KAPIKULE WAS AN EYE OPENING EVENT



FURTHER SITE VISITS WOULD BE HELPFUL FOR ACTIONS AIMED AT FACILITATION

PRIORITY SUGGESTIONS: BORDER CROSSING POINTS BETWEEN UKRAINE-POLAND, SERBIA-CROTIA, GEORGIA-RUSSIA

HUMAN TRAFFICKING, IMPORTANT PROBLEM FOR BSEC TRANSPORTERS



Border between Serbia (Batrovici)-Croatia (Bajakovo)

- Thousands of migrants stuck in Serbia, with more than 6,000 migrants living in government-operated camps (Organized Human Trafficking Groups)
- Constant truck queues at the border which enables immigrants to sneak into trucks easily...
- High penalties imposed on both drivers and transport companies ...







SUGGESTIONS FOR BSEC REGION



UK represents best practice in Europe by CIVIL PENALTY ACCREDITATION SCHEME

Guidance for hauliers on preventing clandestine entrants. In many languages it is explained 10 steps to an effective system for drivers to prevent illegal immigration.









SUGGESTIONS FOR BSEC REGION



MEANS TO AVOID INCIDENTS OF ILLEGAL IMMIGRANTS

COMMON SOLUTION, FOR COMMON PROBLEM!



- ✓ Cooperation between the countries of the Western Balkan route
- ✓ Increased bilateral and multilateral contacts in the region
- Secured Truck Parking areas, especially in Serbain-Croatian border and on key transit routes (there is a secured truck parking area at Kapikule border gate secured by camera systems)
- ✓ Find means to eliminate truck queues on the borders
- ✓ Speeding up the border crossing procedures

(improvements at Kapıkule border gate avoid long truck queues and prevent clandestine entrants)

- similar improvements at BSEC borders (eg; Ipsala-Kipi)
- ✓ Support use of infrangible, unbreakable seals
- ✓ Support use of advanced technology in trucks & semi-trailers



JOINT BORDER ACCREDITATION SYSTEM (UK benchmark)

PROFESSIONAL DRIVER VISA PROBLEMS

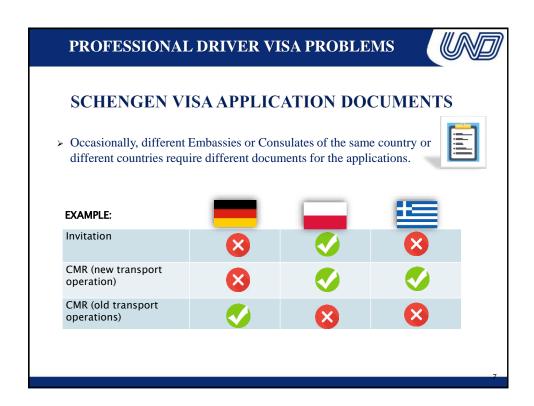






VISA is a barrier for the "Carried Goods"

3





VISA PROBLEMS AT BSEC REGION





- > LIMITATIONS ON PERIOD OF STAY (90 DAYS IN A 180 DAY PERIOD) IN THE SCHENGEN AREA REPRESENTS A SERIOUS PROBLEM FOR BSEC TRANSPORTERS AND THEIR DRIVERS.
- ➤ DRIVER VISAS MAY BE FURTHER FACILITATED THROUGH A COMMON CERTIFICATION (I.E. *LANDMAN'S CERTIFICATE*)

DIGITAL BSEC PERMIT





FOR EFFICIENT BSEC SUPPLY CHAINS, DIGITALISATION OF ROAD TRANSPORT DOCUMENTS IS A MUST ...