Trade and Road Transport Facilitation to Promote Sustainable Supply Chains

3 March 2014 at 8.00am EST
Technical Difficulties: If you have technical issues, please let us know by typing a message in the Questions pane (A). You can raise your hand (B) if we do not respond.

Q&A: We will be taking questions on content at the end, but you can send them to us throughout the webinar by using the Questions pane (A). Please specify to whom the question should be directed.

Example: Question for John Doe: What is Human Trafficking?
Agenda

Welcome and Introduction
Ms. Olajobi Makinwa, Head of Anti-Corruption, UN Global Compact
Ms. Elena Bombis, Supply Chain Sustainability Advisor, UN Global Compact (moderator)

Opening Remarks
Mr. Umberto de Pretto, Secretary General, IRU

TIR System
Mr. Marek Retelski, Head – TIR and Trade Facilitation, IRU

Importance of Trucking in the Supply Chain
Mr. Martin Rojas, Vice President, American Trucking Association

Q & A: Remaining Time
**Principle 10: Businesses should work against all forms of corruption, including extortion and bribery**

- Launched in 2004, the UNGC 10th Principle sent a signal worldwide that business shares responsibility for eliminating corruption
- UNCAC is the underlying legal instrument

**UN Global Compact Anti-Corruption Working Group** (global multi-stakeholder group) defines needs of business community in implementing the 10th Principle and supports alignment of initiatives

**Development and Dissemination of Resources and Tools** for the private sector on various topics such as: AC Risk Assessment, Reporting Guidance on the Tenth Principle, Sport Sponsorship and Hospitality among others

**Collective Action Projects** in 5 emerging countries (Brazil, Egypt, India, Nigeria, South Africa) in partnership with GC Local Networks with the aim of bringing private and public sectors together to address anti-corruption issues by establishing collective action platforms

**Call to Action Campaign**: appeal from private sector to governments to include anti-corruption and good governance in Post-2015 Development Agenda
IRU-UNGC: Global Anti-Corruption Initiative (GACI)

Background:
• In September 2013, the IRU and UN Global Compact agreed to join efforts to fight extortion and corruption in international road transport through GACI
• The Global Anti-Corruption Initiative (GACI) was officially launched in January 2014
• The GACI initiative aims to fight corruption and extortion along major road transport corridors and secure sustainable development of global supply chains
• Recently, the World Customs Organization (WCO) joined GACI to enhance integrity at the Customs, Trade and Transport operational interface

Objectives of GACI:
– Collect information on cases of corruption from companies working in the road transport sector
– Compile and analyze data in a report
– Present report and key recommendations to relevant international stakeholders (G8, G20, WEF, UN Global Compact Working Group on the 10th Principle)

For more information and the E-Questionnaire, please visit www.iru.org/en_gaci
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UN Global Compact/IRU Webinar, 3 March 2014

Umberto de Pretto, Secretary General
This is the IRU
Evolution of IRU Membership

1948: eight founder countries

2014: 170 Members in 75 countries

…and CRIPA: 27 Members + FESARTA in 38 countries
IRU Partner Organisations

Global partners
UN, UNCTAD, UNDP, UNEP, UNMAS, UN-OHRLLS, UNWTO, UNGC, ILO, IMO, ITF, WCO, WHO, WTO

International Financial Institutions
Asian Development Bank (ADB), African Development Bank (AFDB), Islamic Development Bank (IDB), World Bank

Regional partners
AU, AULT, BSEC, CAREC, CEMAC, CIS, CTC, Customs Union, ECO, EEC, EU Institutions, EurAsEC, FESARTA, GUAM, ICDT, LAS, OAS, OSCE, SCO, TRACECA, UNECA, UNECE, UNECLAC, UNESCAP, UNESWA, UfM
IRU and UN Global Compact

MoU signed at the sides of the UN Global Compact Leaders Summit on 19 September 2013
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!

Source: IRU
Making Supply Chains Sustainable

- Beijing – Brussels, 2005

- Black Sea Ring Highway Truck Caravan 2007

Up to 57% of transport time = border crossings

38% of transport costs = unofficial levies
Implement key UN facilitation instruments to allow road transport to drive trade!
Securing and facilitating trade and international road transport

Managed by the IRU since 1949
What is the TIR System?

A tried and tested, affordable facilitation instrument for international transport and trade

- Multilateral
- Multimodal (road-rail, road-maritime, road-air)
- Global

Based on TIR Convention of 1975, signed by 68 contracting parties
Geographical scope of the TIR Convention
The six pillars of the TIR System

TIR System

- Secure vehicles or containers
- International guarantee chain
- TIR Carnet
- Reciprocal recognition of Customs controls
- Controlled access by Customs and IRU
- SafeTIR electronic termination + TIR-EPD

TIR Convention
Benefits of the TIR System

Secures and facilitates trade through the implementation of harmonised controls & documents.

Ensure the secure and sustainable development of international trade and road transport (controlled access, traceability).

Through mutual recognition of Customs Controls and the guarantee, transport costs, formalities and delays are reduced.

Gives access to 58 TIR operational countries.
Computerised TIR procedures

Main TIR apps at a glance

**TIR-EPD**
The TIR Electronic Pre-Declaration (TIR-EPD) app considerably reduces the time needed for Customs procedures at borders by allowing TIR Carnet Holders to submit TIR Electronic Pre-Declarations to Customs offices of entry/exit in a simple, standardised way, fully compliant with the World Customs Organization Framework of Standards. It also enables TIR operators to comply with the EU NCTS/TIR and EORI Regulations, as well as EU and CIS security requirements, while maintaining full autonomy of their commercial data by avoiding recourse to third parties.

**AskTIR**
AskTIR makes it easier for TIR Associations to manage the entire lifecycle of the TIR Carnets from the time of order and delivery from the IRU, until their return to the IRU, and the subsequent administrative procedures. AskTIR can be customised to meet each TIR Association’s national rules and regulations.

**AskTIR**
AskTIR is the new immer app successor to AskTIR. As it does not require an IT infrastructure like the TIR Association, it reduces costs for hardware, licenses and maintenance. It is a mandatory TIR Carnet management system for all new TIR Associations prior to admission.

**SafeTIR**
SafeTIR allows all actors of the TIR system worldwide to check the real-time status and validity of each TIR Carnet at any moment. SafeTIR is therefore a fast and effective risk management tool to easily detect potential irregularities.

**TIRCute**
TIRCute captures and ensures the electronic transmission of TIR Carnet termination data (SafeTIR data). Customs or TIR Associations can use this app to enter the data into the IRU database. Customs worldwide and the TIR Association can then access this information.

**CUTE-Wise**
The Customs Utility for TIR Transaction Entry – Worldwide Information System for Enquiry (CUTE-Wise) app enables Customs officers to check information on the termination of operations under TIR Carnets, on invalid TIR Carnets and any other relevant information.

**Real-Time SafeTIR (RTS)**
Real-Time SafeTIR automated and facilitates routine Customs TIR operations, providing Customs officers with up-to-date information on TIR Carnet status and validity for the prompt detection of possible irregularities.
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Martin Rojas
American Trucking Associations (ATA)

UN Global Compact Webinar
March 3, 2014
Discussion Topics

- Importance and relevance of trucking to trade and supply chains
- General challenges faced at ports of entry: North America/Americas
- Private Public Partnerships: transparency and regulatory coordination
- Role of technology in cross-border trade and supply chain efficiency
U.S.-NAFTA Surface Trade

Source: Bureau of Transportation Statistics
Includes exports & imports for all surface modes, value
Value of U.S.-Canada Surface Trade

Billions

Source: Bureau of Transportation Statistics
Includes exports & imports for all surface modes, value
Value of U.S.-Mexico Surface Trade

Billions

Source: Bureau of Transportation Statistics
Includes exports & imports for all surface modes, value
Challenges for Efficient Trade and Supply Chain

- Multiplicity of regulatory and inspecting agencies
  - Too many actors and paperwork involved
  - Historical “Us vs. Them” mentality

- “Value added” ancillary border business services
  - Warehousing, loading/unloading, piece counts, etc.

- Congestion and Inefficiencies
  - Negative impacts: environment, equipment, drivers, inspectors, etc.

- Criminal activities and potential official malfeasance
  - Challenging operating environment
  - “Trucks at rest are trucks at risk”
Partnerships to Improve Border Security and Efficiency

- Public-Private Partnerships: Let’s work together!
- Goals = Facilitate trade + secure supply chain
- North America: Free and Secure Trade (FAST) Program
  - Fast/Express (N. Border) & FAST/Exprés (S. Border)
  - C-TPAT/PIP/NEEC
  - Business Partners Requirements: Cross sector coordination
  - Minimum Security Criteria: training and awareness
  - Standardization: ISO 17712
- Further Developments:
  - Expansion Globally: Mutual recognition (SAFE Framework)
Role of Technology and Automation

- Automation of data entry and Single Windows
- Electronic truck manifests in North America
  - U.S.: ACE; Canada: ACI; Mexico: under development
  - Need coordinated approach: eTIR as potential solution
- Single windows
  - One data submission for multiple agencies
  - ITDS, Ventanilla Unica
- Non-Intrusive Inspections Systems
  - Reduce human error/decision-making at port of entry
Conclusion

- Essentiaity of trucking in global supply chains and international trade
- Americas’ border challenges and inefficiencies: managed but must be improved
- Industry-Government partnerships: increase transparency, security, and regulatory coordination
- Essential role of technology and existing instruments to improve supply chain efficiency
Thank you for joining us today.
Presentation slides and a recording of the webinar will be available on the UNGC website.

*If you have any additional questions, please contact:*

**Elena Bombis:** bombis@unglobalcompact.org