

# Trade and Road Transport Facilitation to Promote Sustainable Supply Chains

*3 March 2014 at 8.00am EST*



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# Questions

**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?*



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# 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**



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# UNGC 10<sup>th</sup> Principle on Anti-Corruption

*Principle 10: Businesses should work against all forms of corruption, including extortion and bribery*

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

Engaging with  
the 10<sup>th</sup>  
Principle

**UN Global Compact Anti-Corruption Working Group** (global multi-stakeholder group) defines needs of business community in implementing the 10<sup>th</sup> 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



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# 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 10<sup>th</sup> Principle)

*For more information and the E-Questionnaire, please visit [www.iru.org/en\\_gaci](http://www.iru.org/en_gaci)*



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# Trade and Road Transport Facilitation to Promote Sustainable Supply Chains

UN Global Compact/IRU Webinar, 3 March 2014

**Umberto de Pretto, Secretary General**

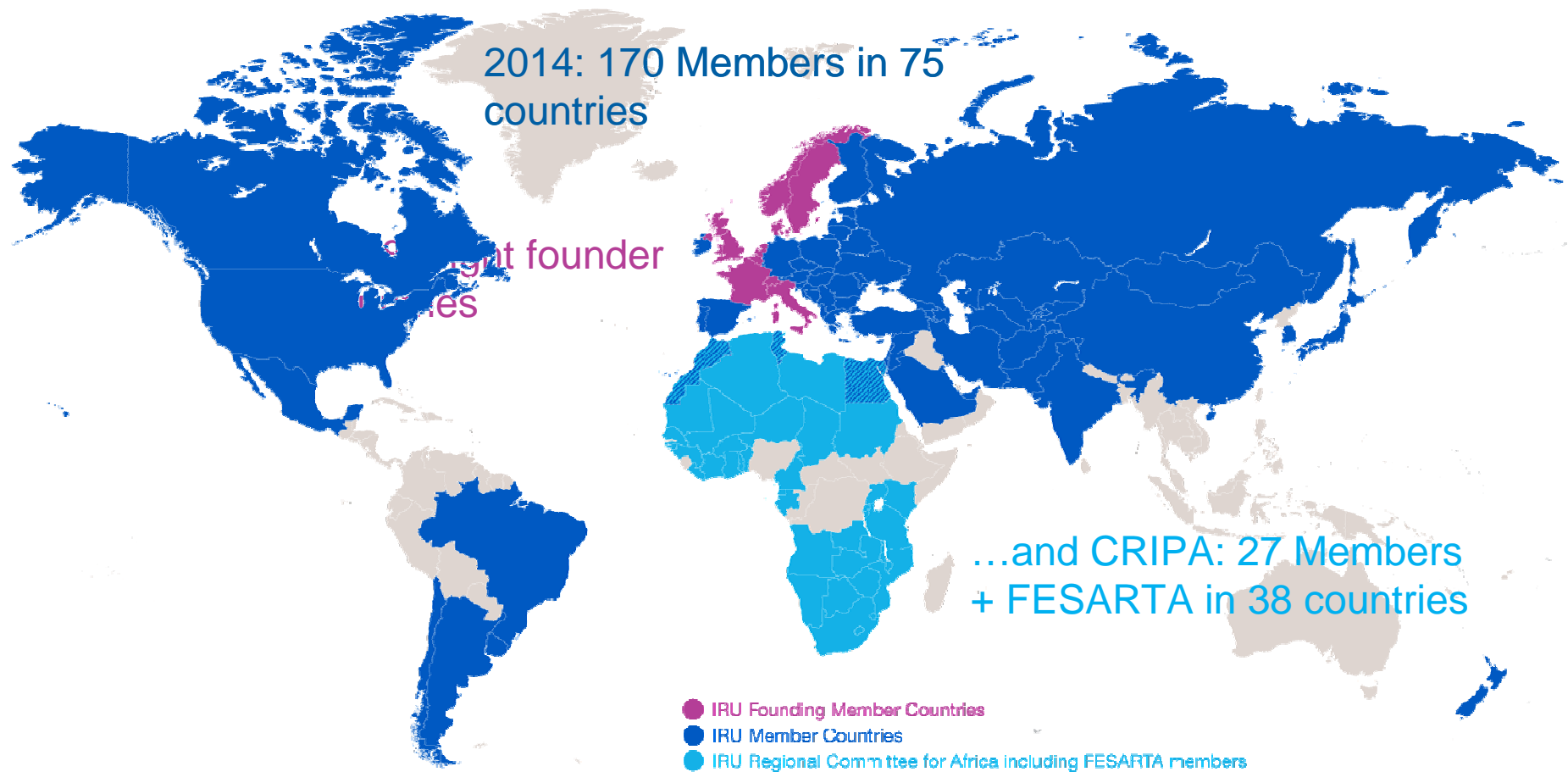


**IRU** This is the IRU





# **IRU** Evolution of IRU Membership





## Global partners

UN, UNCTAD, UNDP, UNEP, UNMAS, UN-OHRLS, 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, UNESCWA, UfM





## **IRU** IRU and UN Global Compact

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



# **IRU** 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



# **IRU** Making Supply Chains Sustainable

## ➤ Beijing – Brussels, 2005



Beijing



Brussels

## ➤ Black Sea Ring Highway Truck Caravan 2007



Up to **57%** of transport time = border crossings  
**38%** of transport costs = unofficial levies

**NELTI**

**NELTI-2**

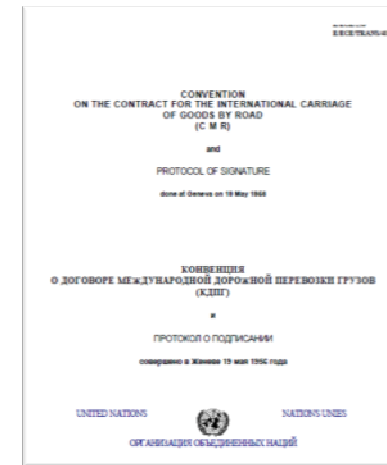
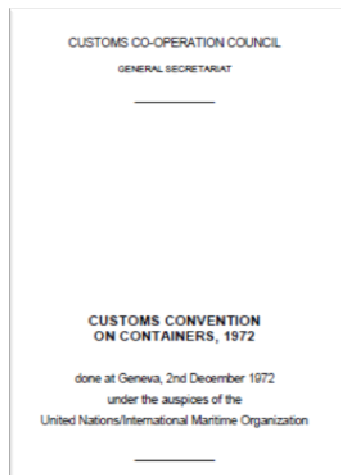
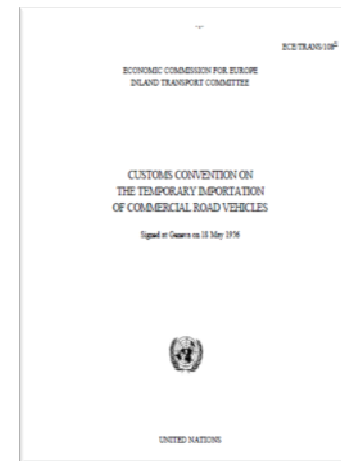
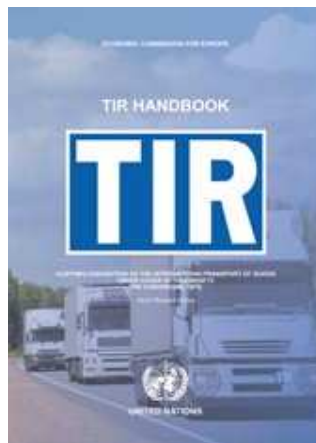
**NELTI-3**

**NELTI-4**





# Implement key UN facilitation instruments to allow road transport to drive trade!





# IRU 2014

Geneva, 2014





Securing and facilitating trade and  
international road transport

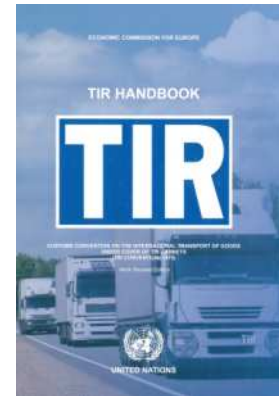




# **IRU** What is the TIR System?

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

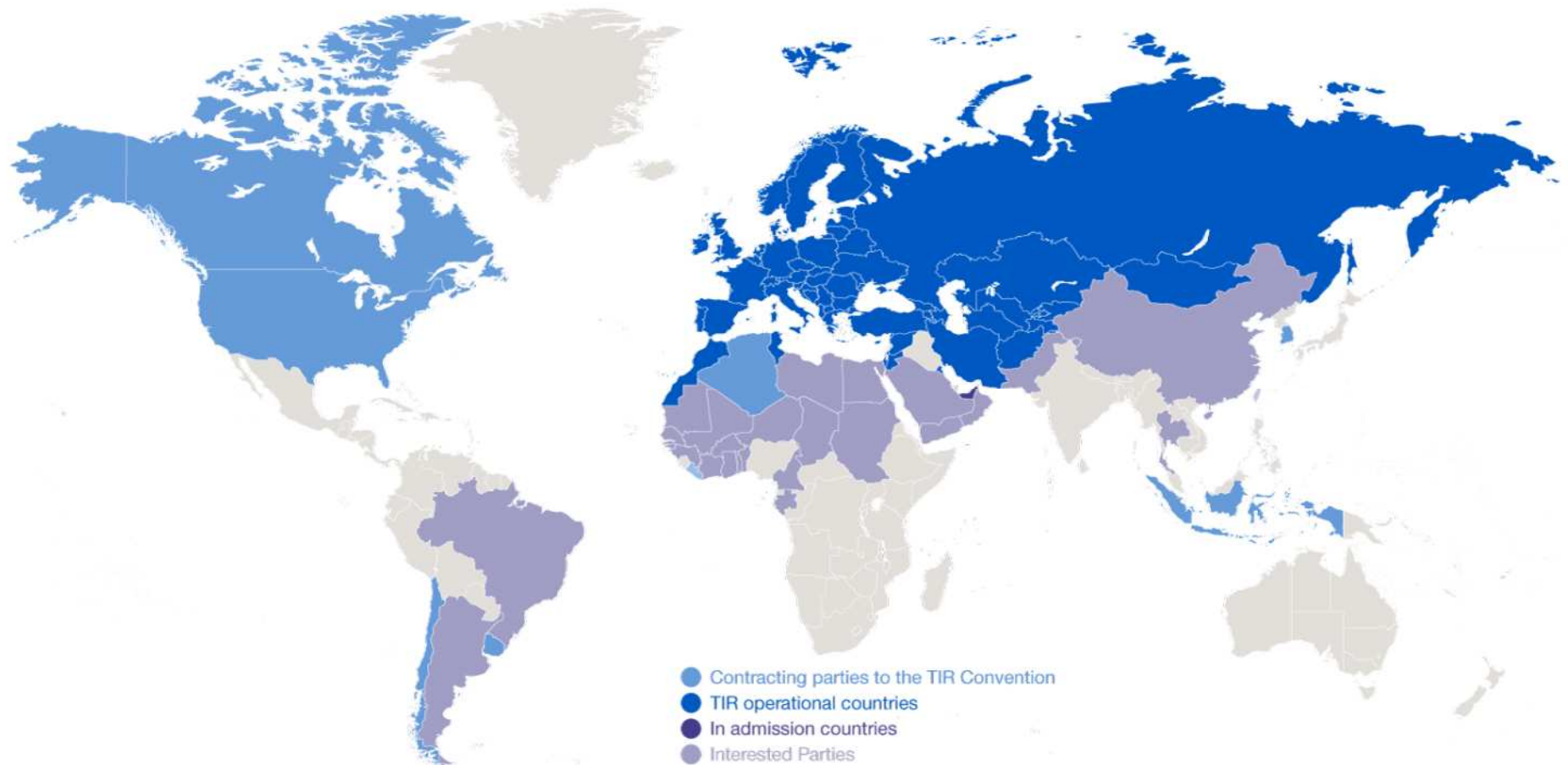
- **Multilateral**
- **Multimodal** (road-rail, road-maritime, road-air)
- **Global**



Based on **TIR Convention** of 1975, signed by **68 contracting parties**

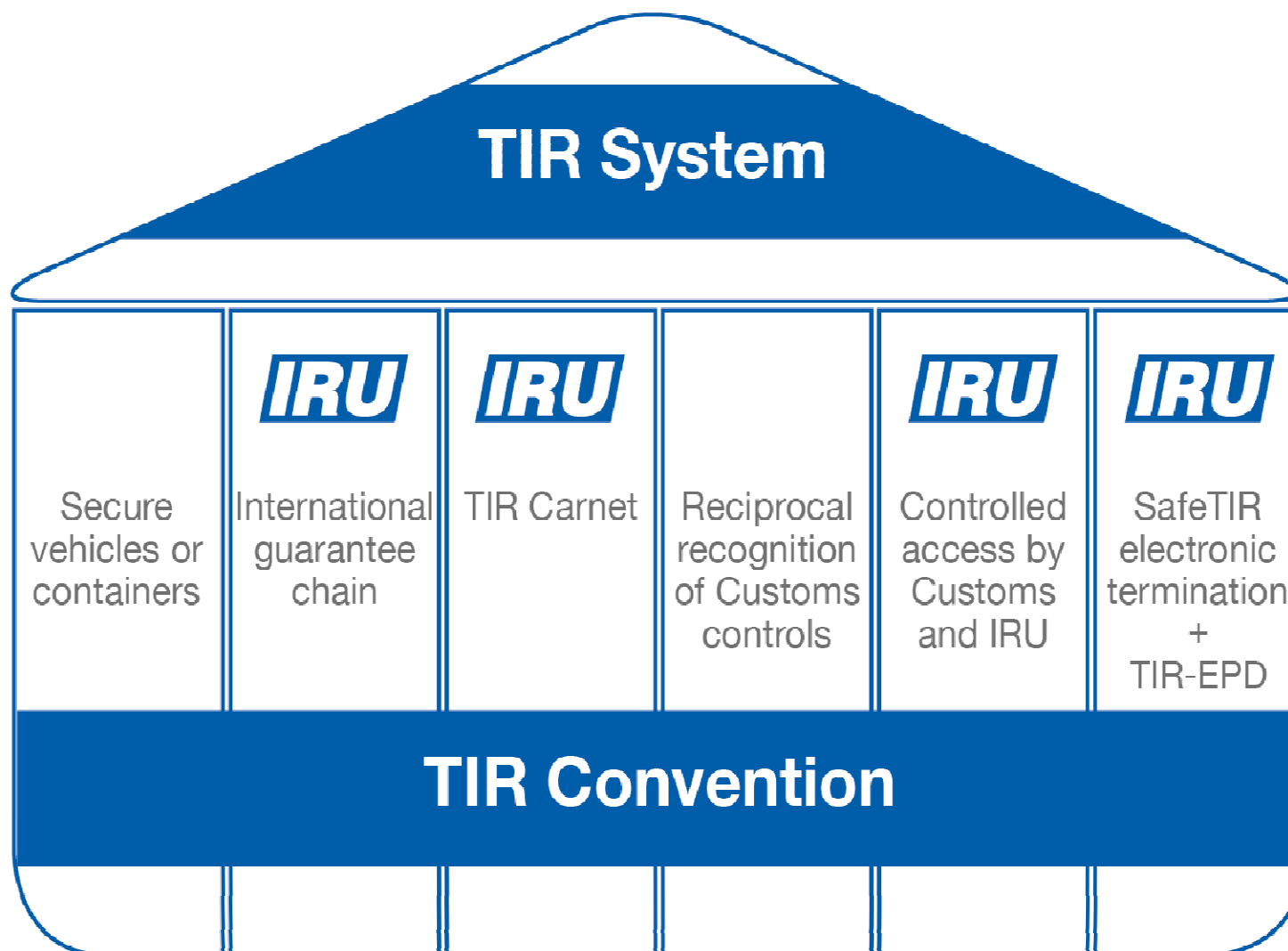








# **IRU** The six pillars of the TIR System

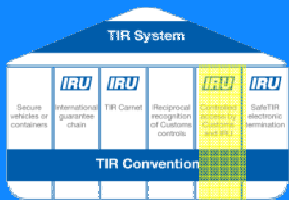
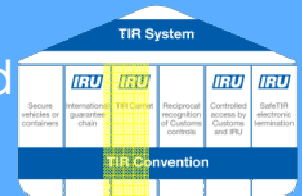




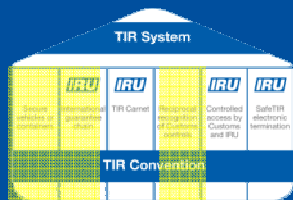


# Benefits of the TIR System

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

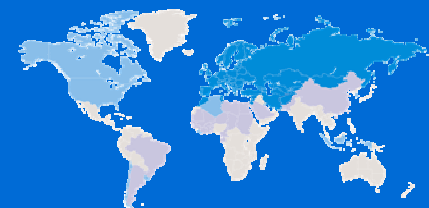


Ensure the secure and sustainable development of international trade and road transport (**controlled access, traceability**)



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

Gives access to **58 TIR operational countries**





## Main TIR apps at a glance

### AskTIR

AskTIR makes it easier for TIR Associations to manage the entire life-cycle 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.

### 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/departure 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 confidentiality of their commercial data by avoiding recourse to third parties.

### 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.

### AskTIR<sup>web</sup>

AskTIR<sup>web</sup> is the new internet app successor to AskTIR. As it does not require an IT infrastructure at the TIR Association, it reduces costs for hardware, licences and maintenance. It is a mandatory TIR Carnet management system for all new TIR Associations prior to admission.

## TIR

### Real-Time SafeTIR (RTS)

Real-Time SafeTIR automates 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.

### TIRCuteweb

TIRCuteweb 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.









Good stuff.



# **Trade and Road Transport Facilitation to Promote Sustainable Supply Chains**

Martin Rojas

American Trucking Associations (ATA)

UN Global Compact Webinar

March 3, 2014





Good stuff.



## 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

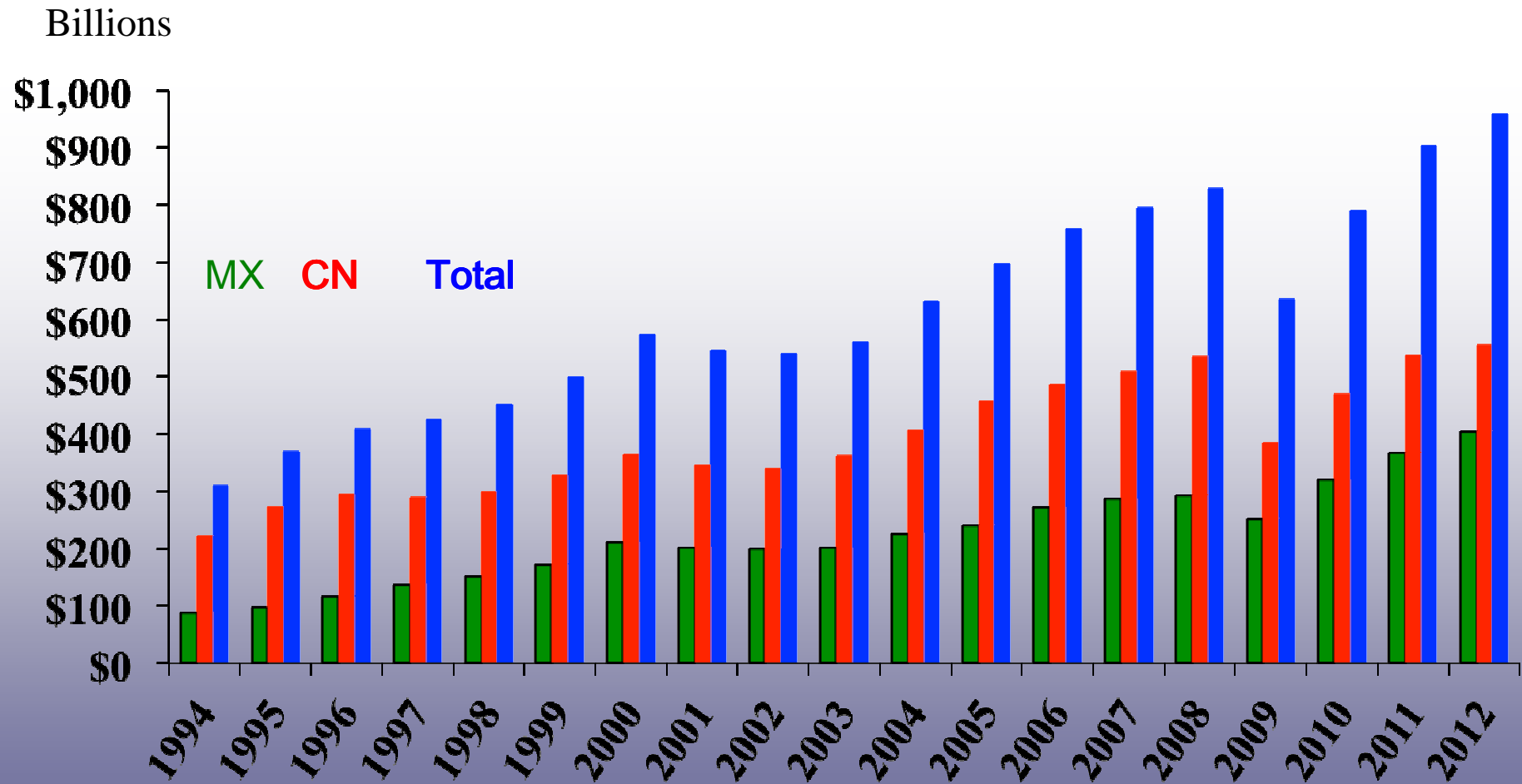




Good stuff.



# U.S.-NAFTA Surface Trade



Source: Bureau of Transportation Statistics  
Includes exports & imports for all surface modes, value



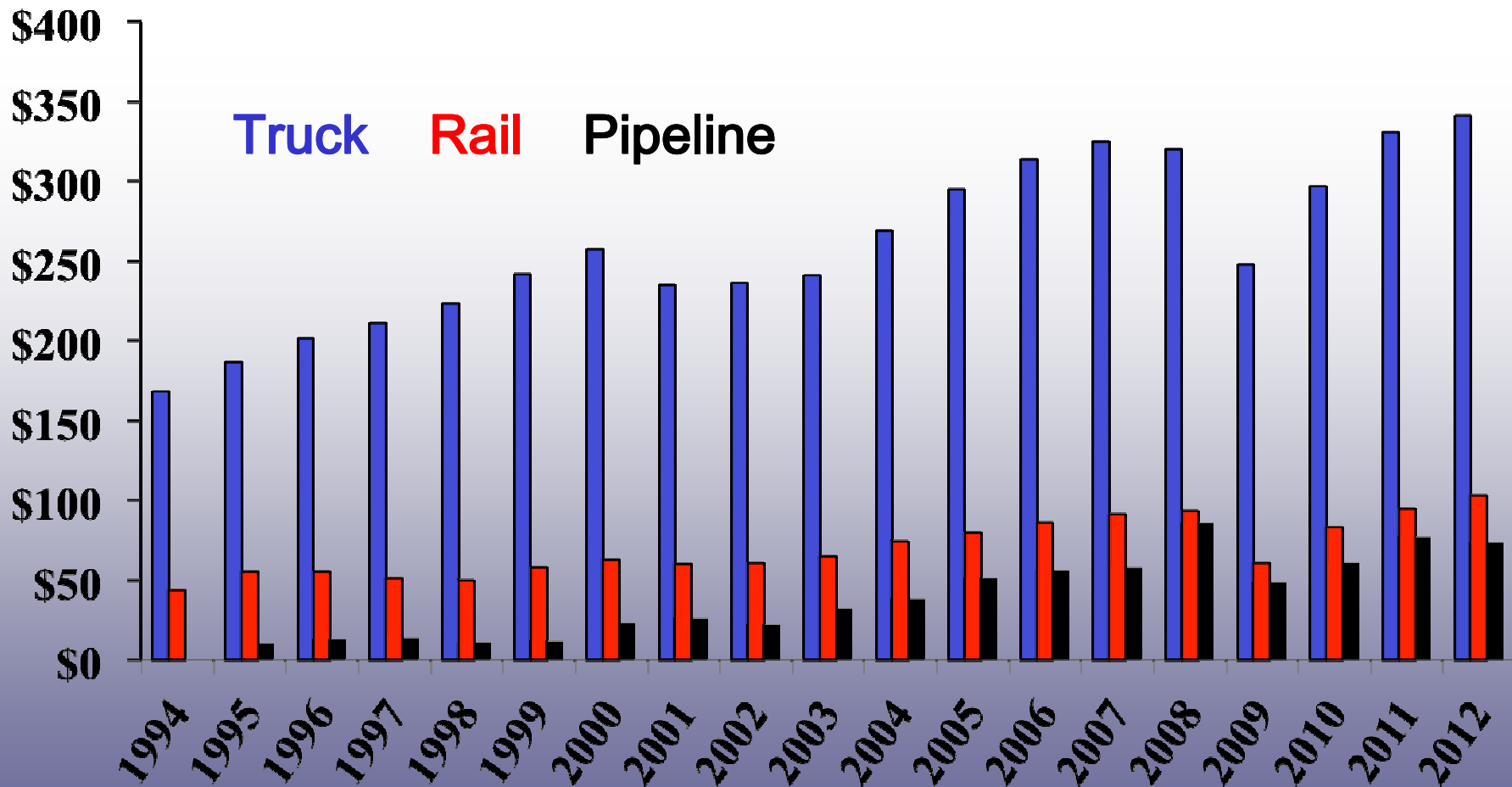


Good stuff.



# Value of U.S.-Canada Surface Trade

Billions



Source: Bureau of Transportation Statistics

Includes exports & imports for all surface modes, value



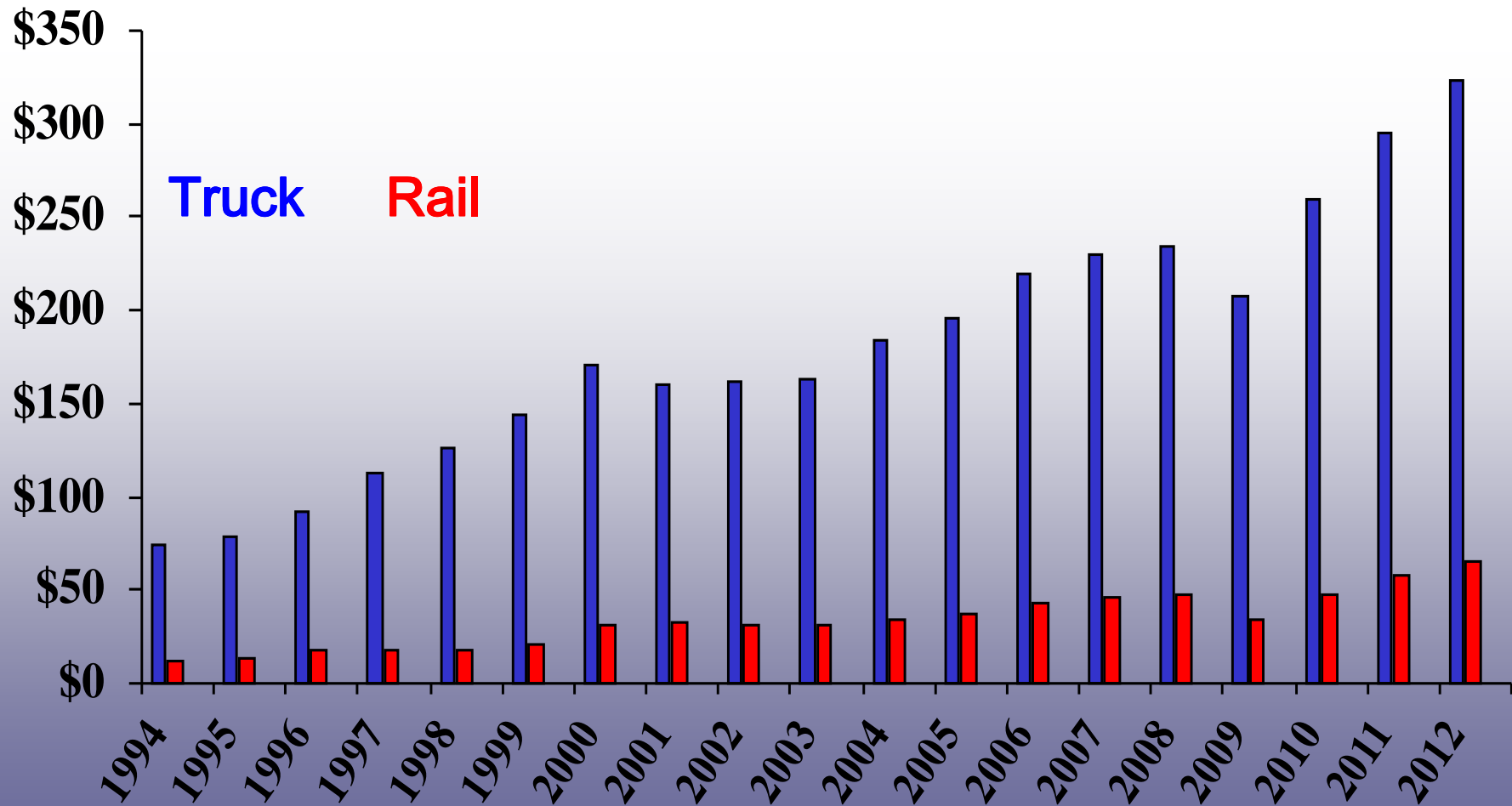


Good stuff.



# Value of U.S.-Mexico Surface Trade

Billions



Source: Bureau of Transportation Statistics

Includes exports & imports for all surface modes, value





Good stuff.



## 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”





Good stuff.



## 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)





Good stuff.



## 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





Good stuff.



## Conclusion

- ▼ Essentiality 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





Good stuff.



**Good stuff.**





## Q & A



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# Thank You

## 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](mailto:bombis@unglobalcompact.org)



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