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A SUBREGIONAL AND REGIONAL SYNOPSIS OF THE CURRENT TRANSIT TRANSPORT SITUATION AND DIFFICULTIES

Report by the UNCTAD secretariat $\!\!\!\!\!^*$

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<u>Abbreviations</u>

BLS Botswana, Lesotho and Swaziland

CIS Commonwealth of Independent States

CMEA (former) Council for Mutual Economic Assistance

ECA Economic Commission for Africa

ECLAC Economic Commission for Latin America and the Caribbean

ESCAP Economic and Social Commission for Asia and the Pacific

ECOWAS Economic Community of West African States

MOU memorandum of understanding

NCTA Northern Corridor Transit Agreement

PTA Preferential Trade Area for Eastern and Southern African States

SADCC Southern African Development Coordination Conference

SATCC Southern African Transport and Communications Commission

TAZARA Tanzania Zambia Railway

TIF Transports internationaux par chemin de fer

TIR Customs Convention on the International Transport of Goods under

Cover of TIR Carnets

TRIE Transport routier inter-Etats

UDEAC Central African Customs and Economic Union

INTRODUCTION

- Land-locked developing countries and their transit neighbours have for several years now made deliberate efforts to improve the efficiency of the transit transport systems at the national, subregional and regional level. These efforts have been supported to a great extent by the donor community. The current level of efficiency of transit transport infrastructure and services, however, still varies in the different subregions and regions. This is linked to a significant extent with the political will to foster cooperative arrangements between the land-locked countries and their transit neighbours and the related institutional capability to implement agreed transit transport programmes. Subregional organizations such as SATCC in Southern Africa, ECOWAS and UDEAC in West-Central Africa and NCTA in East-Central Africa and the United Nations regional economic commissions (ECLAC, ECA and ESCAP) have played a pioneering role in supporting these transit transport programmes. UNCTAD, as the focal point for mobilizing international support in favour of land-locked countries and their transit neighbours, has provided the required technical assistance to such programmes, particularly in Africa and Asia.
- 2. This report makes a brief assessment of the current transit transport situation and the actions that have been taken in the different regions and subregions to improve it, as well as the constraints that have been encountered. 1/

I. AFRICA

A. West-Central Africa

- The West-African subregion has a very diversified transit traffic system linking five land-locked countries with some nine main transit countries offering a range of transit port and corridor facilities of varying efficiency. Mali has three main transit traffic routes. The two most important are a rail line from Dakar to Bamako, and a road from Abidjan. third route is by road from the port of Lomé, through Burkina Faso. coordination between the national railway companies of Mali and Senegal, and new rolling stock and locomotives have had a positive impact on the efficiency of the rail route from Dakar but tariffs remain high. On the road route from Abidjan, there are still considerable non-physical barriers which also give rise to delays in the movement of cargo and higher transit costs. Current policy is based on a bilateral convention signed by Mali and Côte d'Ivoire in 1975 which stipulates that two thirds of the traffic by tonnage should be carried by Malian truckers, and one third by Ivorian truckers. This policy has had a restrictive impact on free competition and thus on the quality and cost of services.
- 4. With regard to storage facilities, the Malian Government has established such facilities in Dakar, Abidjan and Lomé. It is reported that the average dwell time at Abidjan for Malian goods dropped from 90 days to 15 days after the installation of storage facilities; and freight forwarders report that dispatch procedures from Senegal to Bamako by rail are very efficient nowadays. 2/ In spite of these improvements there is a need to further assess the quality of the service provided by these facilities and the cost implications to the shippers. Some concerns have been raised in this respect.
- 5. <u>Burkina Faso</u> currently uses three main transit transport routes Ouagadougou-Bobo-Diolasso-Abidjan by rail; the same route by road; and Ouagadougou-Lomé by road. Of the transit traffic, an increasing proportion has throughout the 1980s been carried through Lomé (44 per cent). The port, railway and road infrastructures are generally in good condition. There are no capacity constraints, but there is a need for investment in specific types of infrastructure such as container terminals and storage areas. Competition between the corridors keeps costs down. Container traffic is growing and Abidjan is better equipped to handle it.
- 6. <u>Niger</u> also has three major transit routes: the route from Cotonou by rail to Parakou and thence by road to Niamey and other destinations in Niger; the route from Lomé by road to Koupéla in Burkina Faso and then eastward to Niamey; and the route from Lagos via Sokoto. Of the transit traffic, 67 per cent is transported via Cotonou, 23 per cent via Lomé, and 10 per cent via Lagos. The port, railway and road infrastructure is now generally in good condition with the capacity to meet traffic needs in the immediate future. However, there has been a widespread practice of imposing vehicle escorts and many unwarranted stoppages of trucks along the roads. Transit through Nigeria is hampered by the absence of a satisfactory working agreement with the Nigerian Government on transit traffic. Overall there has been a major unidirectional imbalance in Niger's transit traffic through both Cotonou and Lomé.

- 7. Chad has virtually only one route to the sea through Cameroon to the port of Douala, by road or a combination of road and rail. While there are other potential routes through Nigeria, there is no transit agreement between Chad and Nigeria and certain types of traffic are prohibited. The road infrastructure along the corridors is badly in need of improvement. The main constraints on traffic are delays in the port of Douala, repeated official and unofficial stopping of vehicles on the road in Cameroon, and time-consuming documentation procedures.
- 8. The Central African Republic is served by two principal overland transit routes. The traditional transit route is the trans-equatorial route, a rail/river route via the port of Pointe Noire. This involves river transport over the Oubangui and Congo rivers to Brazzaville and then rail to the port. The second route is by road, or rail and road to the port of Douala in Cameroon. On the Douala route there are no serious physical constraints. The railway to Belabo and Ngaoundéré has ample line capacity, but there are deficiencies in transshipment facilities at Belabo. Some non-physical barriers such as the requirement of vehicle escorts are also an impediment to the movement of cargo. On the Pointe Noire route, the Oubangui River is a serious physical constraint because navigation is closed for four months of the year, from February to May, and restricted for two months after this period. Two studies have so far been commissioned for the construction of regulating dams at Mobaye, about 400 km upstream from Bangui, and at Talambo, 75 km upstream from Bangui, to ensure year-round navigation. 3/
- 9. At the subregional level, efforts have been made to facilitate the movement of transit cargoes. Within ECOWAS the facilitation of international road transport has included the following:
 - (i) agreement on a protocol on the establishment of the ECOWAS Brown Card relating to vehicle third party liability insurance; (ii) the TRIE convention (transport routier inter-Etats) which establishes the use of a carnet and guarantee bonds, and outlines clearly the re-export procedures; (iii) the convention relating to inter-State road transit goods, which allows transit free of duties, taxes and minimum restrictions and (iv) an agreement on the harmonization of highway legislation. The UDEAC treaty embraces several protocol agreements and conventions on trade and transport and includes the "transport simplifié" clause, which still needs to be implemented effectively. 4/
- 10. The TRIE convention is intended to be a regional adaptation of the TIR convention. 5/ It was ratified by Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal and Togo in 1982 and since then a version has also been ratified in ECOWAS. However, in practice the TRIE convention is not applied by a key coastal transit State, Côte d'Ivoire, on the grounds that it will not prevent extensive fraud, and complex and nationally-specific procedures are retained by the other coastal transit countries, alongside the use of the TRIE carnet. In the subregion those customs procedures are supplemented by multiple checkpoints on the road, a customs escort of trucks and vigorous inspection of goods. The non-refundable contributions to a guarantee fund required by the TRIE system constitute 0.25 per cent of the c.i.f. value in Benin, Burkina Faso, Niger and Togo, and 0.50 per cent of the c.i.f. value in

- 11. The transit system within UDEAC is less cumbersome for goods in transit through the Congo, but in Cameroon clearing goods from the port of Douala is complicated by the requirement that some of the documents must be verified in the capitals of Chad and the Central African Republic and in Yaoundé. Furthermore, customs officials occasionally escort goods to the frontier, and along the road there are numerous police checks for trucks. At present, within the framework of the UDEAC regional structural adjustment programme, plans are being drawn up for an improved regional customs transit system. A key feature of current proposals is the identification of, and agreement upon, a network of regional transit routes and the adoption of a modified TIR system for road transit operations. $\underline{6}$
- 12. With regard to rail transit, the procedure based on the International Convention to Facilitate the Crossing of Frontiers for Goods Carried by Rail (TIF) is currently applied in the Dakar-Bamako and Abidjan-Ouagadougou corridors. In the former case an agreement was concluded in September 1990; in the latter, the procedures were only applied to imports to Burkina Faso until July 1991, but now imports and exports can be carried by rail in this way. In the agreement between the Governments of Burkina Faso and Côte d'Ivoire, customs brokers authorized by SCFB (the Burkina Faso railway company) and SCFI (the Côte d'Ivoire railway company) and approved by the customs authorities of each country, are the only ones authorized to use the TIF procedure. They are exempted from paying any guarantee.
- 13. In summary, the subregion still faces serious problems that undermine the efficiency of the transit traffic system. These are mainly the still underdeveloped state of transit traffic physical infrastructure, the ineffective and largely unimplemented legal and administrative framework governing the movement of cargo along the various transit corridors, poor management and operational coordination between the transit systems in the land-locked countries and the transit countries, and weak institutions and unskilled personnel involved in transit traffic operations.

B. <u>East-Central Africa</u>

- 14. The transit routes used by Burundi, Rwanda and Uganda focus on the ports of Mombasa and Dar es Salaam. The distribution of traffic between the routes varied throughout the 1980s, as transporters and governments responded to changing conditions and the problems associated with the civil strife in Uganda, the political conflict between Burundi and Rwanda, and the periodic political tensions between Uganda and Kenya. A major aim of the governments of the land-locked countries has, therefore, been to diversify transit routes in order to provide transit security. Since 1987, the EEC alone has committed over 200 million ECUs to the road transit corridors linking the port of Mombasa to the land-locked countries of Burundi, Rwanda and Uganda.
- 15. With regard to transit regulations, the Northern Corridor Transit Agreement (NCTA) established a single road transit document for the corridor from Mombasa to Uganda, Burundi and Rwanda. The system has also been adopted throughout the PTA. $\frac{7}{}$ The use of this document is, however, supplemented by a transit bond which has to be arranged separately in each country. Depending on the commodity, the bond can add 1 to 2 per cent of the c.i.f. value to the cost of transit. $\frac{8}{}$ Despite this there remains a high level of verification of containers in the ports. There is also police control of

truck movements at checkpoints along the road. Following a series of intergovernmental consultations organized by the UNDP/UNCTAD subregional transit transport project in consultation with the NCTA Permanent Secretariat, considerable progress has, however, been made during the last three years in streamlining the transit documentation and reducing the transit times.

In the Central Corridor linking the land-locked countries with the port of Dar es Salaam, transit goods are carried under a transit pass which is cancelled when goods leave the United Republic of Tanzania and transit containers are not opened or inspected at Dar es Salaam. Efficiency at the port also increased in the late 1980s. The major problems in the Central Corridor routes are: (a) the urgent need for rehabilitation of road and rail infrastructure, and extra storage facilities for containers at the port, and (b) capacity constraints which limit the effectiveness of Tanzania Railways Corporation (TRC). TRC has, for example, only some 30 specialized wagons to carry containers. In terms of infrastructure, many projects are in place to rehabilitate and upgrade roads, railways and terminals. European Union is providing block trains for the transit traffic in the Central Corridor. The maintenance of infrastructure is of major importance. For roads, overloading of trucks is all-pervasive. The enforcement of axle load limits will help.

C. Southern Africa

- 17. The southern African region includes six land-locked countries Botswana, Lesotho, Malawi, Swaziland, Zambia and Zimbabwe. The ports which should be available for transit traffic are: Durban, Richards Bay, Port Elizabeth and Cape Town (all in South Africa); Maputo, Nacala and Beira (in Mozambique); Dar es Salaam (United Republic of Tanzania); and Lobito (Angola). Because of the political situation in Angola, the port of Lobito has been closed since 1975; since the early 1980s the Mozambican ports have also been seriously constrained by the political upheavals in the country; the corridors to the ports have been under constant threat of attack by insurgents. The Maputo line from Zimbabwe and the Nacala line from Malawi are at present being rehabilitated and reopened but progress is slow. With the political changes in South Africa, the relative importance of the various ports in the subregion is going to undergo significant changes.
- 18. In the late 1980s, Zambia pursued a policy of shifting transit traffic away from South Africa. About 85 per cent of the main export, copper, was transported via Dar es Salaam and 15 per cent via Beira in 1988. This policy was, however, followed only at high economic cost. A major problem for importers and exporters in Zambia has been congestion and hence long transit times in the Dar es Salaam corridor. One of the causes of this congestion was inefficiency in port operations but the situation has now improved considerably. Capacity constraints remain on the TAZARA railway, and there are operational difficulties on Zambia Railways. The latter are associated with the scarcity of foreign exchange, a critical shortage of locomotives, unmaintained track, and problems of managing a railway system with a strong unidirectional imbalance in traffic flows. Congestion has also been compounded by the seasonal bunching of arrivals of bulky imports (especially fertilizers, wheat and maize).

- 19. More than 95 per cent of <u>Malawi's</u> export and import traffic used to go through the ports of Beira and Nacala in Mozambique, mainly in conjunction with rail haulage. In 1982-1983, insurgency forced closure of these routes and traffic had to be diverted via South Africa. The shortest route to Durban is 2,500 km and it entails passing through three other countries. In 1987, some 550,000 metric tons (63 per cent of all Malawi's imports and exports) were transported by this route, with insurgents sometimes disrupting the Tete Corridor leg, requiring a further detour through Zambia and thus adding 1,177 km to the journey.
- 20. An important development for Malawi has been the opening of the Northern transport corridor through the port of Dar es Salaam. This US\$ 113 million investment project has entailed rehabilitation and improvement of roads in the United Republic of Tanzania and in Malawi, construction of Malawi cargo centres at Dar es Salaam and Mbeya for handling dry cargo and fuel, procurement of tank wagons and tank containers, acquisition of a container vessel to provide a regular service between Chilumba and Chipoka ports on Lake Malawi, and upgrading these ports to provide efficient container- and fuel-handling capacity. The UNDP/UNCTAD transit transport project in the region has contributed to the development of guidelines for removing the non-physical barriers along this route through a comprehensive study of the management and operational bottlenecks. More assistance in this area is, however, still required.
- 21. <u>Botswana</u>, <u>Lesotho</u> and <u>Swaziland</u> (BLS) are almost entirely dependent on ports in South Africa for their trade routes. For Lesotho, which is completely surrounded by South Africa, this is inevitable. For Botswana, the southern part of the country is closest to ports in South Africa, and these are the ports used for the main overseas exports (beef and copper-nickel matte). Botswana's main export, diamonds, is air-freighted. Swaziland, like other countries in southern Africa, has experienced major disruptions in its transit traffic since the early 1980s. At that time, Maputo was the port used for about 67 per cent of the country's overseas imports and exports. By the late 1980s, the only commodities using the port were bulky, low-value goods being shipped on a limited scale some of Swaziland's sugar and coal. Other exports, including pulp and some new manufactured exports, such as decorative timber shelving, were being exported via South Africa.
- 22. A major problem for BLS countries has been the limited access of their road hauliers to the South African market. However, in September 1990, these countries succeeded, after protracted negotiations, in signing a memorandum of understanding (MOU) with South Africa. The MOU eliminates the system whereby the BLS operators, under very rigorous rules, had first to apply for a permit to operate in South Africa, and it essentially provides more scope to the BLS countries to move more transit traffic. However, in order for those countries to benefit fully from the enlarged quotas of vehicles permitted to operate in South Africa, their road haulage industry needs to be significantly upgraded. $\underline{9}/$ The extent to which road hauliers can compete for traffic is also limited by the regulatory policy of South Africa designed to divert a larger share of traffic to the railways.

- 23. <u>Zimbabwe's</u> transit traffic passes through ports in South Africa and Mozambique (Beira and Maputo). The Beira Corridor has been kept open with army protection. With the positive political developments in Mozambique, however, a normal movement of transit traffic can now be anticipated. A novel institutional mechanism for coordination of transit traffic is the Beira Corridor Authority and the associated Beira Corridor Group which is working well.
- 24. In an overall context, a mechanism has been established by SADCC to mobilize resources for international transport projects in the southern Africa subregion. In this framework, investment projects to rehabilitate railways are actively coordinated with projects to rehabilitate and develop ports, to improve roads and to invest in telecommunication facilities, through six major transport corridors focusing on the ports of Dar es Salaam (United Republic of Tanzania), Nacala, Beira and Maputo (Mozambique), Lobito (Angola) and Walvis Bay (Namibia). SATCC, the transport arm of SADCC, has made comprehensive forecasts of traffic on international routes under various scenarios $\underline{10}$ / and $\underline{10}$ -year development plans have been drawn up for some of the corridors.

II. ASIA

- 25. The land-locked developing countries of Asia are Afghanistan, Bhutan, Lao People's Democratic Republic, Mongolia and Nepal. The major trade and transit corridors for Afghanistan have been: (a) through the former USSR by using the northern ports of Hairaton, Sherkhan Bander, and Turghundi, all linked by the former Soviet Union railway network to their western, northern and eastern seaports; (b) through Iran by railway from the Iranian border to the Persian Gulf ports of Bandar Abbas, Bandar Khomeni and Khorramshar this route also affords direct road access through Turkey overland to Europe; (c) through Pakistan by the port of Karachi linked by railway to the Khyber Pass road to Peshawar and the south-east road to the border point of Chaman where the goods are transported by truck to Afghan border points. Owing to the inadequate infrastructure and services along the route to the sea, there are now a number of problems with the use of the port of Karachi, in particular congestion and shortage of wagons for the carriage of Afghan imports and exports.
- 26. <u>Bhutan's</u> main access to sea is through the port of Calcutta in India. Owing to the dominance of trade with India, however, transit traffic is relatively small. The transit arrangements with India have greatly facilitated transit traffic, particularly thanks to the highly simplified procedures. Goods are moved to and from the port overwhelmingly by road, with Indian carriers dominating the haulage industry. An alternative transit route is through India to Bangladesh. Bhutan's trade agreement with India also covers its transit trade passing through the territory of India. Transit formalities and procedures are largely satisfactory but communication links between the port of Calcutta and border points are poor. There is a separate agreement with Bangladesh governing the use of port facilities in that country by Bhutan. Bhutan has no container facilities.
- 27. Nepal's main transit country is India. Access to the sea is provided by the Indian port of Calcutta and the adjacent port of Haldia and also by crossing India to Bangladesh, where the ports of Chittagong and Mokhla may be used. The use of the latter route via the Indian railway system is less cost-effective and Nepal is seeking access to Bangladesh by road. The delays in the movement of transit cargo are largely due to the fact that goods carried by rail to Nepal have to be transshipped from broad-gauge to metre-gauge railways. Customs procedures at the Nepal border also need to be streamlined. Communication links between border towns and Calcutta are also very weak. There are no container depots in or near Nepal. Inadequate equipment to handle transit cargo at transshipment points is a serious constraint.
- 28. India provides a wide range of transit facilities to Nepal which include warehousing at Calcutta port, unrestricted use of Nepalese private commercial vehicles for transport to and from the ports of Calcutta and Haldia, and the provision of 22 land customs stations for transit trade with third countries. The use of such facilities is governed by the India/Nepal transit treaty, which was renewed in 1991. Nepal has a separate transit agreement with Bangladesh.
- 29. An important initiative by the Indian Government to improve the transit transport infrastructure for Bhutan and Nepal has been the launching of a

massive scheme to convert all the existing metre-gauge line to broad gauge by the end of the year 2000. A Nepalese initiative also involves the development of a multimodal transit facilitation project, which envisages the extension of the railway line from Raxaul to Birgung and the setting up of an inland container depot at Birgung.

- The two principal ports used by the Lao People's Democratic Republic for international trade are Bangkok (Thailand) and Da Nang (Viet Nam). Generally trade with the former CMEA countries passes through Da Nang and with other countries through Bangkok. For cargo transiting through Bangkok, the most significant delays occur with import cargoes in the port. Port of Bangkok procedures require that goods first be delivered to general customs storage areas and then subsequently to bonded in-transit warehouses. Substantial storage and demurrage charges are therefore incurred. Cargo is stored until it is reloaded on to Thai trucks or the railway for Bangkok. Transit through Viet Nam has been difficult because of the poor condition of east-west roads as a result of user damage. Although the road from Da Nang to the southern region of Laos has been repaired, the movement of goods along this route and through central and northern Laos is still hampered by poor roads and the fact that navigation on the river route is restricted for three to four months of the year. There are also serious shortages of experienced managers and skilled technicians. It is to be noted that the opening of the Friendship Bridge over the Mekong river between the Lao PDR and Thailand in April 1994 will be a boon for transit traffic.
- 31. The bulk of Mongolia's transit cargo is moved by rail through the ports of Nakhodka and St. Petersburg in the Russian Federation. The route via the trans-Siberian railway to Nakhodka maintains a regular traffic. The cargo going to European countries is moved all the way by rail. For goods destined for Western Europe, wagons have to be exchanged at those stations where the broad-gauge railways of East European countries connect with the gauge of Western Europe.
- 32. With respect to the <u>newly independent developing land-locked States of Central Asia</u>, the following preliminary observations can be made. $\underline{11}$ /
- 33. A comprehensive and highly developed transport network, covering all the major means of transport (road, rail, air and inland waterways), connected all the major towns and cities, ports and harbours, and centres of economic activity of the former Soviet Union. The Central Asian republics shared in this network linking them to the rest of the Union, with which they conducted the bulk of their trade and other economic relations. With the break-up of the Soviet Union and the resulting need and desire of the republics to seek out alternative trade links with foreign countries, the question of the adequacy of the existing transport network to meet the new requirements has become a matter of prime concern. This is especially so for the Central Asian republics in view of their geographic isolation and their new-found status of being land-locked States.
- 34. In the former Soviet Union the railway was the most widely used mode for freight traffic, accounting (if pipelines are excluded) for nearly 70 per cent of total freight (ton-km). A centrally administered railway system, covering some 150,000 km of track, linked all the various parts of the vast territory. Since it was the policy to make railways the principal means of transport, and

in view also of the policy to promote the economic integration of all the parts of the Union, railway tariffs were kept relatively low in terms of the prevailing price structures. This policy helped especially to encourage use of the railways for transport of the low-value bulk products that tended to loom large in the trade of the Central Asian republics.

- With the break-up of the Union, however, and the increased autonomy secured by the individual republics, the situation changed radically. For one thing, the railway network was broken up, the administration decentralized, and the rolling stock divided up among the individual republics. Furthermore, with economic integration no longer a political imperative, and with the emergence and spread of free market principles and cost-based pricing, the trend has been towards significant increases in railway tariffs. In addition, now that the republics are no longer linked by a common currency, an entirely new problem has arisen for users of the new decentralized railways, namely, that of the means of payment for transport services outside the territory of the individual republics. The problem has become a serious one, given the difficult financial situation of most republics and the resulting weakness of their newly established currencies. It has led to a large backlog of unpaid bills and to severe inconvenience for both the users of transport services and the railway administrations.
- 36. Central Asian republics also face the problem of obtaining spare parts for their rolling stock, most of which come from other republics, giving rise to additional payments problems. This is a problem that affects other republics of the former Soviet Union as well, being a consequence of the pattern of production specialization that prevailed in the past. Another problem is the shortage of fuel in some republics, particularly Ukraine and Belarus, which has sometimes disrupted rail traffic.
- 37. For the newly independent land-locked States of Central Asia, the issues of most immediate concern as regards use of the existing CIS rail network are the distances involved in reaching the transit ports, and the cost of transport. Three main rail corridors may be identified, based on the general geographic location of the transit port: that leading to the Russian Far Eastern ports, e.g., Vladivostock, Nakhodka; that leading to North European ports, e.g., St. Petersburg (Russian Federation), Riga (Latvia); and that leading to the Black Sea ports, e.g., Odessa, Sevastopol (Ukraine), Novorossiysk (Russian Federation). In addition, there is also the possibility of direct rail transport to Western European markets through Eastern and Central Europe. The rail corridor to the Russian Far Eastern ports involves distances of 10,000 to 11,000 km, that to the North European ports 8,000 to 9,000 km, and to the Black Sea ports 6,000 to 7,000 km.
- 38. Direct rail transport to Western Europe would involve distances of 10,000 km or more. These are long distances, especially where the purpose is only to reach a port of transshipment preparatory to a sea voyage. It is therefore to be expected that the cost of transport using these routes will be high. The information available indicates that, for some of the major raw material products exported by the Central Asian republics, the cost of rail transport to the CIS port of transshipment currently amounts to anything up to about 40 per cent of the f.o.b. value of the product.

- The road network in the former Soviet Union is also fairly well developed. It has never, however, played a major role in freight transport, due no doubt to the long distances involved and to the priority that official policy has always given to the railways. And for the bulky raw material products traded by the Central Asian republics the railway would seem to be the natural choice. But the situation has been changing. For one thing, the rail tariffs have increased considerably (in relative terms) in the recent past, and are likely to increase further as market-based prices are increasingly adopted, thereby encouraging use of alternative modes of transport. This is likely to be especially relevant for the land-locked Central Asian States, which now must pay in foreign exchange for the use of these long railway transit corridors. For them, the alternative of using road vehicles owned and operated by them, and involving therefore only minimal foreign exchange outlays (for petrol en route, etc.), must seem increasingly attractive. This is an option that Kyrgyzstan in particular seems to be actively pursuing, bearing especially in mind that only a very small portion of the rail system is in its territory (the mountainous nature of the country largely accounts for this), and hence that almost all use of the railways has to be paid for in scarce foreign exchange.
- 40. It seems likely therefore that there will be increasing reliance on road transport to gain access to distant CIS ports. One problem facing road transport users that is currently a cause of great concern involves security en route. It is apparently now often necessary for heavy goods vehicles to be accompanied by armed guards, which only adds to the cost of transport. Efforts are being made to deal with this problem within the framework of the CIS Council on Road Use Coordination.

III. LATIN AMERICA

- 41. Ports on the Atlantic and Pacific Oceans constitute the main outlets for <u>Bolivia</u>'s foreign trade with nations outside South America. The bulk of the commodities are moved through the following six ports: Santos in Brazil; Rosario and Buenos Aires in Argentina; Arica and Antofagasta in Chile; and Matarani in Peru.
- 42. Over 58 per cent of Bolivia's exports and imports pass through the Pacific ports. The great bulk of cargo moves by rail, partly because of the general unreliability of road transport. It is estimated that only about 4 per cent of the roads are paved. Furthermore rail offers definite cost advantages on such long hauls.
- 43. The road transit infrastructure should improve, with the expanded road rehabilitation programme under way. As progress in the implementation of the road development programme continues, it will be crucial to shift the emphasis to road maintenance. Experience in other regions, particularly in Africa, has demonstrated that poor road maintenance has led to rapid deterioration and given rise to a significant increase in transport costs. The major factor in this regard is the tendency to overload goods vehicles. There will therefore be an urgent need in Bolivia to set and enforce axle-load limits and to harmonize axle-load regulations with international practice. Furthermore, initiatives will have to be taken to harmonize road user charges along the international routes between the transit ports and the internal destinations in Bolivia. This will require coordination between Bolivia and the transit countries.
- 44. The major constraint on the rail links with Chile is the limited capacity of railways, partly due to limited availability of wagons. Within the ports the wagon handling equipment is reported to be also poor. The rail services to the ports of Rosario and Buenos Aires in Argentina are of less importance because of longer distance and poor transit arrangements. The rail service from La Paz to Matarani (Peru) is also of less significance because of the logistical problems connected with transshipment at the rail/lake interface. These poor infrastructure facilities are largely responsible for the high transit costs between the ports and the inland destinations in Bolivia, which it is reported are sometimes higher than the ocean freight charges.
- 45. Customs documentation and procedures have been a matter of concern in Bolivia and the Government, with the help of UNDP, has reviewed the current system. Proposals are now being made to introduce a change in the system. ECLAC has also assisted in streamlining the customs documentation but there is a general view that the number of documents currently in use for clearing transit cargo could still be further reduced. There is also some concern that the documentary procedures for the release of containers are cumbersome and that they need to be simplified. The "Integrated Transit System" which was introduced in April 1975 with respect to transit cargo through the Chilean ports, was designed, inter alia, to streamline all the procedural and documentary operations related to the movement of transit cargo. It has generally been regarded as a good "model". There are however now some reservations in Bolivia about its adequacy. The changes in the transit

situation, which has evolved in recent years, appear to demand a review of the system. Another major constraint is related to the inadequate professional skills among the personnel dealing with customs and transit documentation.

- 46. There are several administrative and non-physical barriers which cause delays and lead to additional transit costs. These include: poor facilities for the weighing of trains before departure; delays in getting off-take transport services; restrictive sanitary regulations by Chilean authorities for specific transit cargoes; cumbersome procedures for the verification of imported goods; and the requirement that rail wagons must be returned to the ports before new consignments can be dispatched, which is a problem of limited availability of wagons. The bilateral transit agreement between Chile and Bolivia addresses most of the issues but there are still weaknesses in its implementation.
- 47. <u>Paraguay's</u> access routes to international markets are mainly through Argentina and Brazil. Paraguay also uses facilities in Chile and Uruguay. About 59 per cent of the exports are transported by road, 37 per cent by waterways and 4 per cent by rail. Air freighting is still quite insignificant. With regard to imports, 66 per cent of petroleum and iron are transported by river, 32 per cent by road and only 2 per cent by rail. Paraguay uses the following routes for its exports and imports.

Road corridors: Asunción to the Brazilian seaport of Paranagua, Asunción to the Brazilian seaport of Rio Grande via Argentina, Asunción to Buenos Aires along the Paraguay River, Asunción to the seaport of Nueva Palmira (Uruguay), Asunción to the Chilean seaport of Antofagasta via Argentina, and Asunción to the seaport of Valparaíso via Argentina.

<u>Waterways</u>: Asunción via Pier of Plata River to Buenos Aires and Ciudad del Este via the Paraná/Paraguay/Pier of Plata Rivers to Buenos Aires.

Rail corridors: Encarnación to the seaport of Rio Grande (Brazil), Encarnación to the seaport of Nueva Palmira (Uruguay), Encarnación to Zarate (Argentina) and Encarnación to Rosario (Argentina).

- 48. There are major physical constraints along Paraguay's transit corridors. With regard to roads, conditions are poor and they are compounded by inadequate regulations to govern road operations, such as the lack of enforcement of axle-load limits.
- 49. As far as waterways are concerned, the existence of the river system is an undeniable advantage, but a number of problems are associated with a fully beneficial use of it. A very irregular series of shoals (normally taking place between November and February, but sometimes even at other times of the year) annually hamper the navigation of large ocean freighters, and often limit it to small river boats. The problem of shoals is particularly acute on the Paraguay River, and especially in the section up to Asunción. In periods of particularly low ebb, the depth of water is as little as 4 feet. A road running parallel to the worst stretches of low ebb has been built but the double transshipment involved obviously makes it an unsatisfactory solution. Besides this problem, the lack of adequate night signalling facilities along the river routes often forces shipping companies to operate only in the daytime, with subsequent losses in terms of time and resources. Donor

resources are, however, being mobilized from the Inter-American Bank and the World Bank to improve the system. Paraguay has also negotiated with Uruguay and Brazil, which are now providing free port facilities.

- 50. An ambitious project to develop the "Hidrovía Paraguay-Paraná" has been launched on the initiative of Argentina, Bolivia, Brazil, Paraguay and Uruguay. 12/ An ad hoc working group was established to study ways and means of improving navigation on the waterway, and in 1989 the Ministers of Transport of the River Plate Basin countries subscribed to the Santiago Act creating the Intergovernmental Committee for the Paraguay-Paraná Waterway, with a secretariat based in Buenos Aires. The aim is to improve the waterway through new investments, changes in the regulatory environment and the attraction of private capital. The feasibility study envisages investment to ensure year-round navigability and an expansion of the fleet of barges and tugs to provide a waterway capacity of 22 million tonnes per annum, 5 times the present amount carried. Investments required to achieve this are US\$ 800 million by 2000. Complementary measures will also be taken to harmonize legislations and eliminate excessive regulation.
- 51. The rail infrastructure urgently needs rehabilitation. Rail equipment and wagon availability are extremely limited.
- 52. With respect to administrative constraints it is important to note that the transit customs documents and procedures have been improved with the establishment of the Centre for External Trade Facilitation. With the increased liberalization of exports, the documentary and procedural constraints to the movement of transit cargo should be further eased. Additional initiatives however are needed to introduce international aligned customs documents for exports and imports as well as to strengthen the Centre. Skilled manpower in the area of customs is also very scarce. Other non-physical barriers include tolls along the waterway to Buenos Aires, time-consuming change of boat crews within Argentina, delays at customs because of the shortage of customs staff, etc.

<u>Notes</u>

- $\underline{1}/$ More detailed information is contained in the regional and subregional papers which are also available to the Symposium (UNCTAD/LDC/90, UNCTAD/LDC/91, UNCTAD/LDC/93, UNCTAD/LDC/94 etc.). For a general discussion of the underlying transit transport issues and of the proposals for future action by the land-locked countries and their transit neighbours as well as by their development partners, see UNCTAD/LLDC/SYM/3.
- $\underline{2}/$ A full evaluation of the Entrepôts Maliens is found in World Bank, Sahel Transport Corridors: The Case of Mali, February 1989.
- 3/ See <u>Transit Corridor Analysis: Central African Republic</u>. Report prepared for UNDP/UNCTAD project RAF/88/014, November 1989.
- 4/ United Nations Economic Commission for Africa, <u>Facilitation of Inter-Country Road Traffic</u>, Working Document for the Roads Sub-Sector Working Group, Addis Ababa, July 1990.

- $\underline{5}/$ For a fuller discussion of the TIR Convention, see "Customs Transit in International Road Haulage" (UNCTAD/LDC/Misc.4).
- <u>6</u>/ See World Bank/Commission of the European Communities, "<u>Programme</u> d'Ajustement Structural UDEAC", Vol. 1, Documentation de Base, March 1991.
- $\underline{7}/$ A broader discussion of the use of RCTD document is found in the background document "Legal and institutional framework for transit operations: Review of the current situation and proposals for improvement" (UNCTAD/LDC/Misc.10).
- $\underline{8}/$ The Kenyan Minister of Finance, 3 years ago, reduced the time period allowed by customs to redeem the bond security from an initial period of 6 months to 45 days and the extendable further period from 3 months to 45 days.
- $\underline{9}/$ See "A preliminary study of the development of indigenous international road freight companies in Lesotho, Swaziland and Botswana" (UNCTAD/RDP/LDC/3), Geneva, 1990. The UNDP/UNCTAD transit project in southern Africa has assisted the BLS countries in their efforts to implement the Memorandum of Understanding.
- 10/ For a discussion of SATCC's approach to forecasting, see I.E. Smith "Southern African Sub-regional Transit Traffic Survey", in Report of Workshop on Cooperative Arrangements between Land-locked Countries and their Transit Neighbours, Maseru, Lesotho, 17-19 May 1989 (UNCTAD/RDP/LDC/21).
- $\underline{11}/$ For a more comprehensive description of the transit situation and proposals for future action see "Transit transport systems of the newly independent and developing land-locked States in Central Asia and their developing transit neighbours: current situation and proposals for future action", (A/49/277).
 - 12/ See Integración Latinoamericana, June 1991, no. 168, pp. 1-51.

Annex I

STATISTICAL TABLES

Table 1: Selected geographical and demographic data: land-locked developing countries

					Population			Labour force (percentage)	percentage)
	Area	Distance							
	(thousands	to the	Total	Density	Average life	Infant mortality	Urban	uI	Im
Country	of km^2)	sea \underline{a}' (km)	(million)	(population	expectancy at	(per 1 000 live	(percentage)	agriculture	industry
				$per \ km^2)$	birth (years)	births)			average
			1992	1992	\sqrt{q} 5661-0661	1992	1992	1992	1661-6861
Afghanistan	652.1	2 000-10 600	19.1	29	44	165	19	53	14
Bhutan	47.0	800	1.6	34	49	131	9	06	3
Bolivia	1 098.6	250-2 736	7.5	7	61	80	52	41	19
Botswana	581.7	1 100-1 400	1.3	2	61	45	27	62	5
Burkina Faso	274.0	900-1 210	9.5	35	48	101	17	84	4
Burundi	27.8	1 455-1 850	5.8	209	48	108	9	91	2
Central African Republic	623.0	1 400-1 815	3.2	5	47	105	48	61	3
Chad	1 284.0	1 715-2 015	5.8	5	48	123	34	73	5
Ethiopia	1 221.9	700-900	53.0	43	47	123	13	73	~
Lao People's Democratic Rep.	236.8	029	4.5	19	51	86	20	71	7
Lesotho	30.4	740-800	1.8	09	61	108	21	78	33
Malawi	118.5	560-700	10.4	LL L	4	143	12	73	8
Mali	1 240.2	1 170-1 289	8.6	∞	46	122	25	80	2
Mongolia	1 566.5	:	2.3	_	49	61	65	29	21
Nepal	140.8	068	20.6	146	54	06	12	91	-
Niger	1 267.0	1 100-2 690	8.3	7	47	191	21	98	ж
Paraguay	406.8	1 043-1 935	4.5	11	19	28	49	46	21
Rwanda	26.3	1 750	7.5	286	46	131	9	91	4
Swaziland	17.4	200-500	8.0	46	58	74	28	99	6
Uganda	235.9	1 450	18.7	62	42	111	12	80	4
Zambia	752.6	2 000-2 750	8.6	111	4	113	42	89	∞
Zimbabwe	390.8	592-2 000	10.6	27	56	09	30	29	9
All land-locked									
developing countries	12 240.0	:	213.9	17	49	115	20	74	7
All developing countries	66 336.1	:	2 952.8	45	59	85	38	53	14

Source: UNCTAD secretariat calculations based on data from the United Nations Statistical Office, ECLAC, ECA, FAO, UNCTAD, UNDP and the World Bank.

 $[\]underline{a}'$ Distance from principal towns to main ports. The figures are the shortest and longest routes used. \underline{b}' Projections.

Table 2: Indicators on transport \underline{a}

		Road network	rk		Ra	Railways			Civil	Civil aviation	
	Total	Paved	Density	Network	Density	Freight	Passengers	Fr	Freight	Pas	Passengers
Country	km	%	km/ 1 000 km²	М	km/ 1 000	mio. ton	mio. pass-km	Total	Intern- ational	Total	Intern- ational
					Km ₂	Ħ		(thous	(thousand tons)	(tho	(thousands)
Afganistan	19 010	15.1	29.2	:	:	:	:	6.6	9.5	174	65
Bolivia	41 642	4.2	37.9	3 701	3.4	510	353	8.0	7.0	1 273	376
Botswana	13 500	15.0	23.2	714	1.2	1 370	:	:	:	238	142
Burkina Faso	11 231	12.0	41.0	504	1.8	:	:	7.6	7.5	112	85
Burundi	6 285	17.5	225.8	:	:	:	:	5.8	5.8	7.0	7.0
Central Af. Rep.	23 738	1.8	38.1	:	:	:	:	13.3	13.3	84	82
Chad	27 000	1.4	21.0	:	:	:	:	:	:	:	:
Ethiopia	27 972	15.0	22.9	781	9.0	148	132	29.0	17.0	480	260
Lao People's Dem.Rep.	14 093	24.1	59.5	:	:	:	:	9.0	0.3	165	59
Lesotho	4 195	20.0	138.2	:	:	:	:	:	:	43	27
Malawi	11 499	18.0	97.1	782	9.9	113	117	6.8	5.6	232	158
Mali	14 040	14.8	11.3	642	0.5	202	186	10.2	7.6	176	164
Mongolia	46 700	19.3	29.8	1 748	1.1	5 956	579	:	:	:	:
Nepal	7 401	40.8	52.6	52	0.4	:	:	17.5	17.0	800	009
Niger	11 258	29.0	8.9	:	:	:	:	5.6	5.5	9.7	83
Paraguay	14 783	13.5	36.4	441	1.1	14	7	:	:	:	:
Rwanda	13 173	0.6	500.2	:	:	:	:	7.1	7.1	52	47
Swaziland	2 801	:	160.1	316	18.6	5 487	1 157	0.3	0.3	06	68
Uganda	27 000	6.7	114.5	1 100	4.7	82	315	10.0	10.0	122	111
Zambia	37 359	17.6	49.6	1 924	2.6	:	:	9.4	8.7	466	302
Zimbabwe	78 400	16.5	201.0	3 415	8.8	5 287	••	65.0	64.0	1 047	713

Sources: IRU, World Transport Data, 1990;
IRF, World Road Statistics, 1987-1991, edition 1992;
ICAO, Digest of Statistics, Airport Traffic, 1991;
ESCAP, Statistical Yearbook for Asia and the Pacific, 1992 and national sources.

 \underline{a} / Data refer to 1991 or latest year available.

Table 3: Freight and insurance as a percentage of c.i.f. import values for selected groups of countries

		1980	1990	1991
1	World total	4.72	4.16	4.44
2	Developed market economy countries	3.66	3.34	3.49
3	Developing countries total:	8.93	7.84	7.87
	of which:			
		12.59	11.46	12.33
	in Africa	5.75	6.60	6.97
	America	9.62	7.56	7.44
	Asia			
4	Land-locked developing countries:			
	West Africa <u>a</u> /	28.26	27.67	26.44
	East Africa <u>b</u> /	25.62	27.85	26.44
	Latin America <u>c</u> /	16.24	17.26	17.19

Source: UNCTAD Handbook of International Trade and Development Statistics, 1992.

 $[\]underline{a}/$ Burkina Faso, Central African Republic, Chad, Mali.

<u>b</u>/ Burundi, Rwanda, Uganda, Zambia.<u>c</u>/ Bolivia, Paraguay.

Table 4: Payments to foreign carriers for transport as a proportion of total exports of goods and services for land-locked developing countries

Country	Transport payments (million dollars) 1991	Exports of goods and services: total (million dollars) 1991	Transport payments ratio (per cent) 1991
Afghanistan	92.1 <u>b</u> /	280.6 <u>b</u> /	32.8 <u>b</u> /
Bolivia	137.5	941.9	14.6
Botswana	102.9 <u>c</u> /	2 250.5 <u>c</u> /	4.6 <u>c</u> /
Burkina Faso	108.1	346.7	31.2
Burundi	42.6	126.6	33.6
Central African Republic	76.1 <u>c</u> /	220.3 <u>c</u> /	34.5 <u>c</u> /
Chad	118.1	241.4	48.9
Ethiopia	166.0 <u>c</u> /	615.5 <u>c</u> /	27.0 <u>c</u> /
Lao People's Democratic Republic	16.8	112.5	14.9
Lesotho	31.6	584.9	5.4
Malawi	167.3 <u>a</u> /	334.9 <u>a</u> /	50.0 <u>a</u> /
Mali	191.6	444.2	43.1
Nepal	58.6	541.4	10.8
Niger	72.7	342.4	21.2
Paraguay	232.8	1 915.0	12.2
Rwanda	43.4	142.1	30.5
Swaziland	17.7	791.7	2.2
Uganda	120.6	200.0	60.3
Zambia	201.0 <u>b</u> /	1 427.0 <u>b</u> /	14.1 <u>b</u> /
Zimbabwe	123.7 <u>a</u> /	1 872.7 <u>a</u> /	6.6 <u>a</u> /
All developing countries	62 812.3	1 011 150.8	6.2

Sources: UNCTAD secretariat, mainly based on information from OECD. UNCTAD Handbook of International Trade and Development Statistics, 1992.

<u>a</u>/ 1988. <u>b</u>/ 1989. <u>c</u>/ 1990.

Table 7. Selected geographical and demographic data: land-locked CIS countries

	Area	Distance to			Population			Labour force (percentage)	(percentage)
Country	(thousands of km²)	the sea $a/(km)$	Total (million)	Density (population per km2)	Life expectancy at birth (years)	Infant mortality (per 1000 live births)	Urban (percentage)	In agriculture	In industry
			1992	1992	1992	1992	1991	1992	1661-6861
Armenia	29.8	700-1 000	3.5	117	72	29	89	11	32
Azerbaijan	9.98	1 000	7.3	84	71	37	53	15	21
Kazakhstan	2 717.3	3 500	17.0	9	69	43	58	20	22
Kyrgyzstan	198.5	3 800-10 000	4.5	23	99	49	38	16	24
Tajikistan	143.1	3 200-10 000	5.6	39	69	65	31	14	19
Turkmenistan	488.1	3 200-10 000	3.9	∞	99	72	45	:	:
Uzbekistan	447.4	3 200-10 000	21.5	48	69	26	40	17	20
Total land-locked CIS countries	4 110.8	:	63.2	15	69	20	47	:	:
All land-locked developing countries (including CIS)	16 350.8	:	277.1	17	54 <u>b</u> /	101	26 <u>c</u> /	75 <u>d</u> /	7 <u>d</u> /
All developing countries	66 336.1	:	2 952.8	45	/ Q 65	85	38 <u>c</u> /	53	14

Source: UNCTAD secretariat calculations based on data from the United Nations Statistical Office, UNDP, UNICEF, UNFPA, United Nations Demographic Yearbook 1991 and the World Bank.

Distance from principal towns to main ports. The figures are the shortest and longest routes used. वि। ८ वि। व

Data based on projections for 1990-1995.

Data for 1992.

Does not include data for CIS countries.

Table 8. Indicators on transport: land-locked CIS countries

	Road	network	Rai	lways
Country	Total	Density	Network	Density
	km	km/ 1000 km²	km	km/ 1000 km²
Armenia	9 400	315.4	825	27.7
Azerbaijan	30 400	351.0	2 100	24.2
Kazakhstan	166 864	61.4	14 600	5.4
Kyrgyzstan	28 400	143.1	400	2.0
Tajikistan	18 300	127.9	500	3.5
Turkmenistan	22 600	46.3	2 100	4.3
Uzbekistan	59 700	133.4	3 500	7.8
Total land- locked CIS countries	335 664	81.7	24 025	5.8

 $\underline{\textit{Source}} \colon$ UNCTAD secretariat estimates based on \textit{The Europa World Yearbook 1994} and other sources.

Table 9. Export and import values: land-locked CIS countries

	1	Exports 1992		1	mports 1992	
Country	\$ million	% of GDP	\$ per capita	\$ million	% of GDP	\$ per capita
Armenia	12	0.4	3	60	2.2	17
Azerbaijan	754	12.0	104	333	5.3	46
Kazakhstan	1 398	4.9	82	469	1.6	28
Kyrgyzstan	76	2.1	17	70	1.9	15
Tajikistan	111	4.1	20	132	4.8	24
Turkmenistan	1 145	23.4	297	543	11.1	141
Uzbekistan	869	4.7	41	929	5.1	43
Total land-locked CIS countries	4 365	6.5	69	2 536	3.8	40
All land-locked developing countries (including CIS)	14 557	11.0	53	18 934	14.4	68
All developing countries	841 175	27.3	285	878 686	28.5	298

<u>Sources</u>: UNCTAD secretariat calculations based on United Nations *Monthly Bulletin of Statistics*, September 1994; UNCTAD Handbook of International Trade and Development Statistics, 1992 and 1993; and World Bank Statistical Handbook, States of the former USSR, 1994.

Annex II

INTERNATIONAL CONVENTIONS RELEVANT TO TRANSIT TRAFFIC: ${\tt CONTRACTING\ PARTIES}$

State members of UNCTAD which are contracting parties to a selected number of key

international conventions relevant to transit traffic

1968 Road Hamburg Traffic Rules Convention 1978 \[\frac{k}{\precess} \]		×	×		×		×	×		×			×	×	×					
CIM CMR 1/2 1/2																	×			
Marsaw Convention h/		×	×			×		×	×	×	×	×	×	×	×		×	×	×	
The Hague Convention g/																	×	×		
1982 Frontier Control of Goods Convention							×													
1972 Container Convention																	×			
TIR Convention <u>d</u> /																	×			
Kyoto Convention <u>c</u> /				×			×				×		×	×	×		×			
GATT Article V $\frac{b}{b}$		×	×	×	×	×	×	×	×	×	×		×	×	×				×	
1965 Transit Convention			×	×	×	×	×	×	×	×	×	×		×						
	Land-locked developing countries (Africa)	Botswana	Burkina Faso	Burundi	Central African Rep.	Chad	Lesotho	Malawi	Mali	Niger	Rwanda	Swaziland	Uganda	Zambia	Zimbabwe	Transit countries (Africa)	Algeria	Angola	Benin	

Hamburg Rules 1978 1/				×	×			×	×			×								
1968 Road Traffic Conventionk		×								×				×						
CMR j/																				
CIM 1/																				
Warsaw Convention <u>h</u>	×	×	×	×	×	×	×	×	×			×		×		×		×	×	X
The Hague Convention g/		×	×	×	×		×		×			×		×						
1982 Frontier Control of Goods Convention										×										
1972 Container Convention																				
TIR Convention $\frac{d}{d}$																×				
Kyoto Convention		×			×			×	×	×										
GATT Article V $\frac{b}{a}$	×	×	×		×	×	×	×	×	×		×	×	×						
1965 Transit Convention								×										×	×	×
	Congo	Côte d'Ivoire	Ghana	Guinea	Kenya	Mauritania	Mozambique	Nigeria	Senegal	South Africa	Sudan	Tanzania, United Republic of	Togo	Zaire	Land-locked countries (Asia)	Afghanistan	Bhutan	Lao PDR	Mongolia	Nepal

Hamburg Rules 1978																×	
1968 Road Traffic Convention					×	×	×								×		
CMR j/							×										
CIM ±/																	
Warsaw Convention $\frac{h}{h}$		×	×	×	×	×	×		×			×		×	×		
The Hague Convention g/					×							×		×			X
1982 Frontier Control of Goods Convention							×										
1972 Container Convention		×					×										
TIR Convention \$\frac{\pi}{a}\'					×		×									×	
Kyoto Convention C/		×		×		×											
GATT Article V $\frac{D}{D}$				×		×		×			×			×	×	×	X
1965 Transit Convention a/							×									×	
	Transit countries (Asia)	China	Cambodia	India	Iran, Islamic Rep. of	Pakistan	Russian Federation	Thailand	Viet Nam	Land-locked countries (Latin America)	Bolivia	Paraguay	Transit countries (Latin America)	Argentina	Brazil	Chile	Peru

- \overline{a} / Convention on Transit Trade of Land-locked countries, 1965.
- $\overline{b}/$ General Agreement on Tariffs and Trade.
- International Convention on the Simplification and Harmonization of Customs Procedures. \ |U
- Cover of TIR Carnets (TIR Convention). of Goods under Customs Convention on the International Transport ر ام
- e/ Customs Convention on Containers, 1972.
- International Convention on the Harmonization of Frontier Controls of Goods. $\sqrt{\mathbb{I}}$
- International Convention for the Unification of Certain Rules Relating to Bills of Lading g g
- Convention for the Unification of Certain Rules Relating to International Carriage by Air. /디
- International Convention concerning the Carriage of Goods by Rail (CIM) $\frac{1}{1}$
- Convention on the Contract for the International Carriage of Goods by Road (CMR). j,
- $\underline{k}/$ Convention on Road Traffic, 1968.
- $\underline{1}$ / United Nations Convention on the Carriage of Goods by Sea, 1978.

Annex III

SUBREGIONAL AND BILATERAL TRANSIT AGREEMENTS

Subregional and bilateral agreements between land-locked developing countries and their transit neighbours relating to transit rail, road and port facilities

Land-locked developing countries	Subregional and/or bilateral transit agreements	Free trade areas	Customs	Currency unions	Joint ownership railways	Inter-railway agreements	Bilateral agreements on ports	Exclusive port facility countries
Botswana	SACU \underline{a} MOU \underline{b} /	SADC c/	SACU <u>c</u> ∕					
Burkina Faso	TRIE <u>h</u> / Côte d'Ivoire, Ghana, Mali, Togo, Benin	CEAO \underline{d}' ECOWAS \underline{e}'		BCEAO <u>k</u> ∕		Côte d'Ivoire	Togo, Côte d'Ivoire, Benin	Côte d'Ivoire
Burundi	NCTA j/ Tanzania	PTA <u>f</u> /					NCTA Tanzania	Tanzania
Central African Republic	Cameroon, Gabon, Congo, Equatorial Guinea	UDEAC	UDEAC	Cameroon, Congo				Congo, Cameroon
Chad	Algeria, Cameroon, Central African Rep., Congo	UDEAC g/	UDEAC	Cameroon, Central African Rep., Congo				Congo
Lesotho	SACU, MOU	SADC, PTA	SACU	RMU				
Malawi	Tanzania, Mozambique, Zambia	SADC, PTA				Mozambique	Tanzania, Mozambique	Tanzania, Mozambique
Mali	TRIE, Benin, Côte d'Ivoire, Togo, Burkina Faso	ECOWAS, CEAO		BCEAO		Senegal	Togo, Benin, Mauritania, Côte d'Ivoire, Senegal	Togo, Benin, Côte d'Ivoire, Senegal
Niger	TRIE, Benin, Burkina Faso, Nigeria, Ghana, Côte d'Ivoire	ECOWAS, CEAO		BCEAO			Benin, Togo, Nigeria	Benin, Nigeria
Rwanda	NCTA	PTA					NCTA, Tanzania	Tanzania
Swaziland	SACU, MOU	SADC, PTA	SACU	RMU		Mozambique		Mozambique
Uganda	NCTA	PTA				Kenya, Tanzania	NCTA, Tanzania	
Zambia	Tanzania	SADC, PTA			Tanzania	Tanzania, Zimbabwe, Zaire, South	Tanzania	
Zimbabwe	Mozambique	SADC, PTA				Africa Zambia, Mozambique, South Africa	Mozambique	Mozambique

Land-locked developing countries	Subregional and/or bilateral transit agreements	Free trade areas	Customs	Currency unions	Joint ownership railways	Inter-railway agreements	Bilateral agreements on ports	Exclusive port facility countries
Afghanistan	Iran, Pakistan, Russian Federation							Pakistan
Bhutan	India	India	India	India				
Lao PDR	Thailand						Thailand, Viet Nam	Thailand
Mongolia	Russian Federation, China				Russian Federation			
Nepal	India						India, Bangladesh	India
Bolivia	Argentina, Brazil, Chile, Peru	ALADI <u>i</u> ⁄			Chile		Chile, Peru	Chile, Peru
Paraguay	Argentina	ALADI, Argentina,						Argentina
		Brazil						

Memorandum of Understanding between the Governments of South Africa, Botswana, Lesotho and Swaziland

Preferential Trade Area for Eastern and Southern African States

 a/
 SACU
 Southern African Customs Union

 b/
 MOU
 Memorandum of Understanding between the Govern

 c/
 SADC
 Southern African Development Community

 d/
 CEAO
 West African Economic Community of West African States

 f/
 PTA
 Preferential Trade Area for Eastern and Southern Age

 g/
 UDEAC
 Central African Customs and Economic Union

 h/
 TRIE
 Convention relating to inter-state road transit of goo

 i/
 ALADI
 Latin American Integration Association

 j/
 Northern Corridor Transit Agreement

 k/
 BCEAO
 Central Bank of West African States

 j/
 RMU
 Rand Monetary Union

Convention relating to inter-state road transit of goods