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Joint proposal prepared by the Permanent Secretariat of the Transport Community and the CEFTA Secretariat to facilitate the transport and trade of essential goods within the Western Balkans.

The spreading of COVID-19 in the last days across the European continent led to the setting up of very strong measures by several EU MS at the EU level in view to contain the risk of transmission of the virus. The most visible examples of such policy are the travel bans imposed by several MS and the restoration of border controls (including with sanitary purposes) at internal and external borders of the EU. To reduce the impact of these measures on the EU internal market, the Commission has proposed on Monday 16 March to close the external borders of the EU for a duration - for the time being - of 30 days. The proposal targets first and foremost the movement of passengers at all external borders or the EU and should – in principle – not affect the transport and trade with the neighbours.

The Western Balkan partners have, in the meantime, also taken some restrictive – and often uncoordinated - measures for travel and transport of goods which combined with the ones taken by the EU MS are increasing the congestion at some border-crossings, with long queues and long delays to pass the border, with potentially adverse effect on the sanitary situation but also on the supply of essential goods.

However, despite the sanitary emergency, the flow of goods and, above all, of goods of primary needs (food - animal feed – medicines – medical equipment) must not be interrupted.

As this sanitary emergency will last for a certain time, beyond the consequences in terms of loss of human lives, the overall economy of the continent and its trade component might be heavily affected. Western Balkan regional partners have expressed their fear that there could be a disruption of cargo traffic which could lead to shortage of essential goods affecting the life of millions of citizens in the region.

The following document represents an attempt to propose a more coordinated and proportionate approach in response to the challenge we are <u>all</u> facing to contain the spreading of COVID-19. It is aiming at avoiding that <u>none</u> of the interested parties would be facing a too severe isolation leading to the shortage of <u>goods of first necessity</u>.

This document aims to facilitate trade and transport of goods by tackling **only additional precautionary measures taken or to be undertaken to ensure containing of COVID-19 outbreak**. The customs and other controls of goods in legitimate trade remain under the trade rules of CEFTA and the rules stemming from the Stabilisation and Association Agreements (SAA) between the EU and the regional partners.

The Transport Community Permanent Secretariat and CEFTA Secretariat propose a set of measures to support the Western Balkans partners but also the EU MS to cope with transport and trade challenges linked to the outbreak of the COVID-19 disease.





The proposed approach is based on two pillars and two stages:

First, the identification of a restricted number of <u>road</u> priority border/common crossing points and key ports that should continue to operate in all circumstances. For all these connecting points, a series of measures is proposed to ease the work / cooperation between the different administrations involved.

It also identifies a series of "green axes" linking the Western Balkan Six together on which free traffic flow should be granted, together with a restricted number of gas stations, which may remain opened even in case of potential containment of the population. This point is essential to ensure that lorry drivers/trucks could continue to operate despite this degraded situation.

In parallel, the European Commission released *Communication on the implementation of the Green Lanes under the Guidelines for border management measures to protect health and ensure the availability of goods and essential services* C (2020) 1897, from 23.03.2020. The paragraph 15 from the Communication, which is pertinent to WB6, clearly says that the standard controls of goods between EU MS and WB6 neighbours are to continue in the same manner, while other aspects of the Guidelines should be applied as much as possible:

"Without prejudice to specific controls on goods or transport workers inherently and habitually linked to crossing external borders of the single market, the customs union or the Schengen area, respectively, Member States should apply to the greatest extent possible at such external borders the implementation guidance set out in this Communication."

The Commission tasked the Permanent Secretariat of the Transport Community to facilitate the coordination and implementation of measures between the EU and the Western Balkans Six economies.

1. <u>COLLECTING INFORMATION</u>

The Transport Community Permanent Secretariat's Role: following a similar approach of the recently published EU Guidelines C(2020) 1753 final of 16.03.2020 "Any planned transport-related restrictions should be notified to the Commission and to all other Member States in a timely manner and, in any event, before they are implemented, SEE partners should be instructed to inform Transport Community Permanent Secretariat on any such measure they are taking or plan to take in the short term and having an impact on the movement of goods and persons.

Communication: the Secretariat has started from Monday 16 March to monitor the measures and collect all information pertaining to the travel restrictions taken by Western Balkan partners. The Secretariat provides a full picture of the situation to the public (administrations – citizens – business) on the current status of transport related restrictions in the region on its website www.transport-community.org and via its twitter account. The information is updated daily. The TCT Secretariat is also report on the situation at the EU-WB and sharing the information about the actions and measures which are taken at EU level or by single EU MS, that could also be found at the following address: https://ec.europa.eu/transport/coronavirus-response_en





CEFTA Secretariat is tasked to collect information on measures directly and indirectly affecting trade, including, but not being limited to: measures directly restricting import, export or transit, additional measures related to clearance of goods at the border, operational goods entry points. The CEFTA Parties inform the Secretariat regularly. The Secretariat distribute the information to the Parties and to the WB6 Chamber Investment Forum with a view of informing business community. The Secretariat will provide the information regularly on its website www.cefta.int and through its social network accounts.

The TCT Secretariat and the CEFTA Secretariat exchange information on a regular basis and coordinate data collection to provide support to the WB6 economies and ensure efficient flow of information.

2. <u>IMPROVING COORDINATION</u>

As stated above, one of the critical aspects that is challenging transport of goods in Western Balkans is keeping all partners connected together and as well as ensuring connections with the EU MS to guarantee essential trade flows for a region which is receiving in average 70% of its imports from EU MS.

As the first step towards comprehensive coordination, the Parties have established a **CEFTA Coordination Body** tasked with exchange of all information related to trade in goods. The body consists of representatives of ministries in charge of trade (CEFTA Contact Point) and customs administration. The work of the body is supported by CEFTA Secretariat.

2.1 "Green" priority corridors in the Western Balkans

As a first step, it is proposed to identify on the TEN-T Core road network of the Western Balkan partners "green priority corridors" on which free flow – for goods of first necessity - must be granted (see map in annex 1). These "green" priority corridors includes 3 branches:

- A. HU/SRB border Belgrade SRB/MK border Skopje MK/EL border (with a branch towards KOS* and Pristina) || RO/SRB border Belgrade SRB-MNE border Podgorica (port of) Bar.
- B. HR/BiH-border Banjaluka/Sarajevo- (port of) Ploce (HR) || HR/SRB border Belgrade- SRB/BG border. || SRB/BiH border- Sarajevo/Banjaluka- BiH/MNE border-- MNE/KOS border-Pristina
- C. (Port of) Durres- Tirana- ALB/MK border-Skopje- MK/BG border and Port of Durres -Fier ALB/EL border || ALB/KOS border -Pristina- KOS/MK border || ALB/MNE border-Podgorica

2.2 Maximising the use of road network

Unified transit allowed hours in each of the partners. The time spent on the territory of a WB6 partners for the trucks should allow this one to load/or unload and leave the territory. A

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^{*} This designation is without prejudice to positions on status and is in line with UNSC 1244 and the ISJ Opinion on Kosovo Declaration of Independence.





period not exceeding 12 hours from the moment of entry seems to be reasonable. **Gas stations**, along these green corridors must be available to allow truck drivers to refuel / rest.

Temporary **suspention of all types of driving restrictions** in place (week-end bans, night bans, sectoral bans, etc.) for freight transport, especially in urban nodes. The suspension of these driving bans will contribute to increase the fluidity of traffic and shortening the time the goods reach the destination.

2.3 "Green" priority border/common crossing points

A special attention should be paid to the border/common crossing points. All these points should set up "green priority lanes" dedicated to this traffic of primary importance, along the following lines:

- 1. Transport of goods of primary importance should have priority with respect to the other goods via "green lanes". The traffic flow must be guaranteed through 24/24 hours operations at the key border/common crossing points where custom and phytosanitary proceedings shall be performed in the most efficient way for all goods considered as of primary necessity. Sanitary checks of the drivers and sanitation of the vehicles (if applicable) shall also be able to operate 24/24 hours.
- 2. Un-impeded transport at these key points will be crucial to maintain availability of goods, in particular of essential goods such as food supplies, livestock, animal food, chemicals and vital medical supplies and equipment. **CEFTA Coordination Body coordinates creation of single list of goods, identified by up to 8 digit tariff code.**
- 3. **Pre-arrival information** on essential goods will be exchanged electronically intra-CEFTA through the System of Electronic Exchange of Data (see annex 2) which is already in place and supports exchange of data between the Customs Administrations in CEFTA. The Customs Administrations in CEFTA will make sure that all export and transit declarations are sent to the SEED (both pre-arrival and exit). Pre-arrival notifications on essential goods shall also be sent not only customs administration, but also other relevant stakeholders, like sanitary, phytosanitary and veterinary inspections. Whilst border-crossings with the EU are currently out of the scope of the SEED, extending the system to the major EU-WB6 border-crossings listed on the TEN-T Network would be of benefit to all and should be considered a priority.
- 4. The proposal relates to the following road BCPs/CCPs located on the extended TEN-T network within Western Balkans (a map is also attached).

On corridor A:

- o SRB-MK (Presevo/ Tabanovce)
- o SRB- MNE (Dobrakovo/Gostun)
- o SRB-KOS* (Merdare/Merdare) –in accordance with IBM
- o Port of Bar (MNE)





On Corridor B:

o MNE-KOS (Kula/Kulina)

On Corridor C:

- o Port of Durres (ALB)
- o KOS-ALB (Vermice/Morine)
- o MK-KOS (Blace/Hani i Elezit)
- o ALB-MNE (Hani i Hotit/Bozaj)
- o ALB-MK (Qafe Thane/Kjafasan)

As an exception and due to the poor infrastructure, as well as the inadequate conditions on the BCPs located on the TEN-T network between BiH and MNE, and SRB-BiH, the countries assigned (Klobuk/Ilino Brdo) BiH/MNE, and (Sremska Raca/Raca) SRB/BiH, respectively, as "green" priority border crossing points, to which the entire Chapter 2.3 shall be applicable.

- 5. The list of major BCPs/CCPs identified above is the minimum required to ensure the circulation of emergency supplies. Nevertheless, the authorities may decide to keep other BCPs/CCPs open for freight transport, as well, provided that it does not affect the effective management of the major road BCPs/CCPs.
- 6. Regional partners should ensure that on the road BCPs/CCPs listed above:
 - No additional certifications should be imposed on goods legally circulating within and between the CEFTA markets and EU single market
 - Transport workers, irrespective of their nationality and place of residence, should be allowed to cross all BCPs/CCPs. Restrictions such as travel restrictions and mandatory quarantine of transport workers, should be waived, without prejudice for competent authorities to take proportionate and specifically adapted measures to minimise the risk of contagion
 - The health screening of transport workers should not exceed 15 minutes on the BCPs/CCPs.
 - Parties will enhance cooperation of competent authorities in order to facilitate cross-border/boundary movement of goods and attain high level sanitary standards.
 - Restrictions to a certain maximum number of trucks per day may be imposed, provided they are agreed in coordinated manner through CEFTA Coordination Body and communicated clearly.
 - A simple system of "scheduling" could be put in place, in order to avoid queuing, whereby the freight forwarders can obtain information on approximate time for arriving of their trucks at the BCP/CCP, for example via a simple call centre, to be open by the Customs authorities. The system could gradually be made digital (as mentioned above) and allow electronic scheduling, until an electronic queuing management system (eQMS) is established.





- Potentially (time and resources permitting) a digital platform should be set up to track the trucks along the green lanes, in order to plan and manage the border/boundary crossing times aiming to avoid queues and ensure social distancing at the border crossing points.
- 7. The authorities must ensure that the major road BCPs/CCPs serving these priority "green" corridors should be given highest priority in terms of human resources (custom / police / sanitary staff) and equipment for efficient border/boundary management to be able to respond appropriately and to adjust to the current situations. Personnel from the closed BCPs/CCPs should be relocated to the major ones and shifts should be accordingly planned. All sanitary facilities should be put in place without any delays.
- 8. It is also of primary importance that if these goods are carried through ports, all the custom operations are carried along the same lines as proposed for the land border/common crossing -points, setting some "green lanes" to speed up the proceedings, granting a swift supply to the final users.

All the measures set in place must comply with relevant trade rules, in particular WTO, CEFTA and Stabilisation and Association Agreements, as well as EC guidelines for border management measures to protect health and ensure the availability of goods and essential services. In particular, regarding the drivers and relevant transport related undertakings, the Parties should seek to coordinate measures, notably by taking into account recommendations from the Annex 1 of the Communication on the implementation of the Green Lanes under the Guidelines for border management measures to protect health and ensure the availability of goods and essential services.

Annex 1 of this proposal provides a detailed description of the different border/common crossing points, extracted from a survey recently carried out by "CONNECTA" in the framework of the assistance of the EU to the Western Balkans. Given the reduction of traffic (passenger but also cargo) it should be possible to ensure that primary goods could cross borders/boundary and reach their area of destination in reasonable time. This implies that coordinated measures, as described in this proposal are taken in a coordinated manner by all Western Balkan 6 parties and implemented swiftly.

This also implies that the transport workers, in particular, lorry drivers can operate in safe conditions. This finally implied that also all staff at the borders/boundary can also operate safely. The "continuity" of the traffic can be granted under these conditions and would avoid a disruption of the supply of goods of primary importance which could affect severely and for a long period of time our economies and societies.





ANNEX 1: Technical characteristics of the key "green" road Border and Common crossing point: (data from 2017, extract from CONNECTA Study on road BCP facilitation)

SRB-MK (Presevo/ Tabanovce)

Number of lanes for passengers: 4+6/12 Number of lanes for freight: 2+2/2+2

Truck parking capacity: 100 Queue capacity (trucks): 200

Annual number of trucks crossing the BCP: around 288.000

SRB- MNE (Dobrakovo/Gostun)

Number of lanes for passengers: 2 / Number of lanes for freight: 2+1/1+2

Truck parking capacity: / Queue capacity (trucks) : /

Annual number of trucks crossing the BCP: 150.000

SRB-KOS* (Merdare-Merdare)

Number of lanes for passengers: 1+1/1+1 Number of lanes for freight: 1+1/1+1

Truck parking capacity: Queue capacity (trucks):

Annual number of trucks crossing the CCP: 94.000

MNE-KOS (Kula-Kulina)

Number of lanes for passengers: 2+1 / 1+1

Number of lanes for freight: / 1+1

Truck parking capacity:

Queue capacity (trucks): 3+3/10+10

Annual number of trucks crossing the BCP: 20.000

^{*} This designation is without prejudice to positions on status and is in line with UNSC 1244 and the ISJ Opinion on Kosovo Declaration of Independence.





ALB-MK (Qafe Thane/Kjafasan)

Number of lanes for passengers: 3/3+2 Number of lanes for freight: 1/1+2

Truck parking capacity: /
Queue capacity (trucks): 50/

Annual number of trucks crossing the BCP:50.000

ALB-MNE (Hani i Hotit/Bozaj)

Number of lanes for passengers: 3+2/1+1

Number of lanes for freight: /1+1 Truck parking capacity: terminal/

Queue capacity (trucks):/

Annual number of trucks crossing the BCP:66.000

MK-KOS (Blace/Hani i Elezit)

Number of lanes for passengers: 1+1/ Number of lanes for freight: 3+4/1+2

Truck parking capacity: 50+50 Queue capacity (trucks):/

Annual number of trucks crossing the BCP:39.000

ALB-KOS (Morine-Vermice)

Number of lanes for passengers: 1+1/4

Number of lanes for freight: /2

Truck parking capacity:

Queue capacity (trucks): /24

Annual number of trucks crossing the BCP:137.000





ANNEX 2: SEED - Systematic Electronic Exchange of Data

Short Overview

Since its first implementation phase in 2010, through several EU funded projects, the Systematic Electronic Exchange of Data (SEED) has enhanced border/boundary management in the Western Balkans, fostering the cooperation and the sharing of information among Customs Administrations. Over the years, SEED became a powerful tool to overcome the inefficiencies in the Western Balkans' border/boundary management systems and facilitated: simplification of export, transit and import procedures; reduction of time for legitimate trade flows; reduction of security risks; as well as reaching EU standards towards EU integration.

The SEED current state of play is as follows:

- Legal base for the electronic data exchange is provided throughout the region through bilateral protocols signed between neighbouring customs administrations and further strengthened and expanded through the adoption of the CEFTA Additional Protocol 5 and its Annexes;
- Operational guidelines and instructions for the SEED system usage have been adopted by each beneficiary customs administration;
- IT infrastructure and system is in place, operational 24/7 and enabling automatic customs data matching and alarm module on pre-arrival data, in particular:
 - SEED infrastructure is composed of 7 SEED nodes (Tirana, Banja Luka, Podgorica, Skopje, Belgrade, Pristina, Rome) and 9 direct bilateral data exchange links + 2 links to the "middle server": Pristina-Rome and Belgrade-Rome. These links covered all crossing-points inside the region.
 - SEED software modules support: preview of exchanged data (pre-arrivals, my exits, my entries); manual entry of missing data; data matching; statistics; alarming; cash declarations; ATA carnets; VAT refund; customs debts calculation in

passenger traffic; archiving data and



administration.

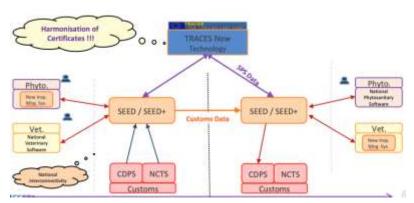
 Exchange of data is established at all crossing points within the Western Balkan region. Every crossing of each track in the region is included in the system. This applies both to loaded means of transport (all types of procedures: export / transit / import, simplified procedures, TIR/ATA carnets), as well as, empty trucks.

Plans for future – SEED+





Implementation of the Additional Protocol 5 has been seen as a strong sign of readiness of CEFTA Parties to undertake all necessary efforts to deepen the regional trade through simplifying and facilitating customs procedures and reducing trade related formalities. SEED+ (an upgraded version of the SEED) is aimed to be the main technical tool for implementation of the AP5 and of a number of other activities from the MAP REA.



SEED+ system will include **SPS** authorities (phytosanitary and veterinary inspections) and Agencies for Medicines from the Western Balkans CEFTA Parties in regional electronic data exchange. Certificates and other relevant documents will be exchanged in advance, with

aim to facilitate and speed-up border/common crossing crossing procedures and clearance formalities. Development of common databases and central services in accordance with the AP5 and its technical annexes is also encompassed, such as database of mutually recognised CEFTA AEOs (Authorized Economic Operators), database of unsafe/noncompliant products detected on the CEFTA market based on EUROPHYT and RAPEX and regional database of issued licences based on the TRACES New Technology (TNT). Apart from the obvious direct benefits for the WB6 parties mentioned above, the implementation of SEED+ will further facilitate harmonization of processes and data with the EU.