



**SECRETARIAT OF THE CONFERENCE ON INTERACTION
AND CONFIDENCE BUILDING MEASURES IN ASIA**

**СЕКРЕТАРИАТ СОВЕЩАНИЯ ПО ВЗАИМОДЕЙСТВИЮ
И МЕРАМ ДОВЕРИЯ В АЗИИ**

№14-4/826

*Enclosure:
as stated, on 6 p.*

The Secretariat of the Conference on Interaction and Confidence Building Measures in Asia (CICA) presents its compliments to the CICA Member States and has the honour to forward herewith the Report of the Experts Meeting on implementation of confidence building measures in the field of development of secure and effective systems of transportation corridors, held by the Republic of Azerbaijan in its capacity as Coordinator of Confidence Building Measures in the “Development of secure and effective systems of transportation corridors” priority area. The Report will also be available in public sections “Completed Events” and “Economic Dimension” of the CICA Secretariat’s website.

The Secretariat avails itself of this opportunity to renew to the CICA Member States the assurances of its highest consideration.

Nur-Sultan, 10 December 2021



**MEMBER STATES
OF THE CONFERENCE ON INTERACTION
AND CONFIDENCE BUILDING MEASURES
IN ASIA**



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*Приложение:
упомянутое на 6 л.*

Секретариат Совещания по взаимодействию и мерам доверия в Азии (СВМДА) свидетельствует свое уважение государствам-членам СВМДА и имеет честь препроводить Отчет о встрече экспертов в сфере имплементации мер доверия в области развития безопасных и эффективных транспортных коридоров, проведенной Республикой Азербайджан в качестве координатора мер доверия в приоритетной сфере «Развитие безопасных и эффективных систем транспортных коридоров». Отчет будет доступен на открытых частях разделов «Состоявшиеся мероприятия» и «Экономическое измерения» веб-сайта Секретариата.

Секретариат пользуется случаем, чтобы возобновить государствам-членам СВМДА уверения в своем весьма высоком уважении.

город Нур-Султан, 10 декабря 2021 г.



**ГОСУДАРСТВА-ЧЛЕНЫ
СОВЕЩАНИЯ ПО ВЗАИМОДЕЙСТВИЮ И
МЕРАМ ДОВЕРИЯ В АЗИИ**

Қосымша:
Аталған 6 п.

Азиядағы өзара іс-қимыл және сенім шаралары кеңесінің (АӨСШК) Хатшылығы АӨСШК мүше мемлекеттеріне өзінің зор ілтипатын білдіреді және Әзербайжан Республикасы ұсынған «Қауіпсіз және тиімді транспорттық коридорлар жүйесінің дамуы» басым саласындағы сенім шараларының үйлестірушісі ретінде қауіпсіз және тиімді транспорттық коридорлар саласында сенім шараларды іске асыру бойынша сарапшылар кездесуінің нәтижелері туралы қорытынды ақпаратты жолдауды өзіне мәртебе санайды.

Аталмыш ақпарат АӨСШК Хатшылығы веб-сайтының «Өткізілген іс-шаралар» және «Экономикалық өлшем» ашық бөлігінде қолжетімді болады.

Хатшылық осы мүмкіндікті пайдалана отырып, АӨСШК мүше мемлекеттеріне өзінің зор ілтипатын тағы да растайды.

Нұр-Сұлтан қаласы, 2021 жылғы 10 желтоқсан

**АЗИЯДАҒЫ ӨЗАРА ІС-ҚИМЫЛ ЖӘНЕ
СЕНІМ ШАРАЛАРЫ КЕҢЕСІНІҢ МҮШЕ
МЕМЛЕКЕТТЕРІ**

CICA EXPERTS MEETING ON THE IMPLEMENTATION OF CBMs IN THE FIELD OF COOPERATION FOR THE DEVELOPMENT OF SECURE AND EFFECTIVE SYSTEMS OF TRANSPORTATION CORRIDORS

"Promoting cooperation in order to strengthen the digitalization in transport and logistics operations"

23 September 2021, Baku (online)

REPORT

On 23 September 2021, the Republic of Azerbaijan held, within the framework of the Conference on Interaction and Confidence Building Measures in Asia (CICA), a meeting of experts from CICA Member States on "Promoting Cooperation in Order to Strengthen the Digitalization in Transport and Logistics Operations".

The event was conducted under the CICA priority area on Development of Secure and Effective Systems of Transportation Corridors, coordinated by Azerbaijan. The meeting was organized by the Ministry of Transport, Communications and High Technologies of the Republic of Azerbaijan in collaboration with the Ministry of Foreign Affairs.

Representatives of government agencies, line experts from 19 CICA Member States, including Azerbaijan, China, Egypt, India, Iran, Jordan, Kazakhstan, Kyrgyz Republic, Mongolia, Pakistan, Palestine, Qatar, Republic of Korea, Russian Federation, Tajikistan, Thailand, Turkey, Uzbekistan and Viet Nam, as well as representatives of interested transport and logistics companies, international organizations in the region participated in the expert meeting.

The main objective of the meeting was to exchange best practices in the field of digitalization of transport and logistics operations, discuss opportunities for cooperation and stimulate dialogue between key participants in this area.

The Meeting was moderated by **Mr. Arif Mammadov**, Head of the Department of Transport Policy of the Ministry of Transport, Communications and High Technologies of the Republic of Azerbaijan.

Participating at the meeting of CICA experts with a welcoming speech, **Mr Rahman Hummatov, Deputy Minister of Transport, Communications and High Technologies of the Republic of Azerbaijan** talked about the participation of Azerbaijan in the projects implemented to develop regional cooperation in the field of transport, as well as the country's support for new initiatives to digitalize transport corridors.

Welcoming remarks were also delivered by **CICA Deputy Executive Director Ms. Chi Fang**, who noted that transport and logistics infrastructure was a key element of the economic development of any country without exception, and the relevance of the topic was evident against the background of the ongoing Covid-19 pandemic. In that regard, the experts from Member States had an excellent opportunity to use CICA as a platform to exchange experience, consult with each other, share ideas, as well as create the basis for new mutually beneficial projects.

The virtual meeting consisted of 2 sessions on the following subjects: "National practice in the field of digitalization of transport and logistics operations in CICA countries" and "Digitalization of transport corridors: cooperation and future development perspectives among the CICA member states".

Speakers made presentations on possible regional and international cooperation in the transport and logistics sector, ensuring sustainable transport connectivity in the region of Europe and Asia, and also heard statements from representatives of countries regarding the development of international transport corridors using information technologies.

At the first session CICA transport experts discussed digitalization strategies in the area of transport and logistics in CICA Member States and their experiences in this area; sustainability impact of digitization in transport and logistics sector; advanced communications systems for tracking and tracing consignments at any given time to achieve better connectivity, efficiency gains and cost saving; and Transportation and Warehouse Management for the Digital Age.

Elvin Mammadov, Senior Inspector, Transit Operations Division, Head Department for Management of Customs Control and Trade Facilitation of the State Customs Committee of the **Republic of Azerbaijan** made a presentation on electronic customs procedures applied in transport operations in Azerbaijan.

He mentioned that in order to minimize officer-citizen contact and further expand electronic customs services, Azerbaijan customs services already offers digital customs declaration that can be filled in on the website. For increasing the efficiency of customs control, the automated risk management system in the field of customs has been improved using modern technology and equipment available in the customs system.

He also highlighted main purposes of using Single Automated Management System (SAMS) of Customs Services, application of single window principles, as well as TIR-EPD in Azerbaijan.

Mr. Shyngys Kazhybasov, Head of Transport Digitalization Division, Transport Committee, Ministry of Industry and Infrastructural Development of the **Republic of Kazakhstan** gave information on measures taken for digitalization of transport sphere in Kazakhstan.

Mentioning to main duties for realization of projects in the sphere of digitalization, the Speaker focused on common information system for management of transport documents created by the Transport Committee. This system allows to automate the transport documentation procedures, exchange of information between participants of transportation process, as well as competent authorities.

He added that it will also provide universal services for integration of private non-governmental information systems, where private transport logistics companies having their own information systems, automated financial-economic activities can create and register relevant documents.

Mr. Tony Han, Chief Operating Officer of **Korean** Startup “Coconut Silo”, a logistics tracking solution startup that spin off the Hyundai Motors’ H-Startup program, introduced current activities, especially business cases with mobility solutions provided by the Startup in India and Vietnam, as well as joint venture in Argentine.

He mentioned that 70% of the whole globe has logistics problems, where stakeholders in the market still use old communication methods, in particular working manually and furthermore, when it is applied to cross border logistics, there are further problems because of paperwork within customs. In addition, when it comes to foreign cargo owners, a lot of time and money are wasted since they do not have logistics infrastructure in target countries.

So, Coconut Silo makes cross-border logistics smoother with tracking technology and no additional cost. Using Coconut Silo's technology, clients can track their resources anytime, anywhere.

Representative of Russian Federation, Director of Project Management Department of “the Centre for Development of Digital Platforms” LLC (hereinafter “the Center”), **Mr. Fursov Alexei Alexeyevich** presented the experience of navigation seals for tracking transit transport of goods through the territory of the **Russian Federation**.

He informed that being an authorized sealing operator, the Center developed and maintains a control system for road and rail transit transport, ensuring the use of identification means (seals) operating on the basis of the technology of the global navigation satellite system GLONASS (System).

Currently, operating at 17 automobile, 14 rail, as well as at 3 sea checkpoints across the state border of the Russian Federation, the Center uses specialized software for tracking shipments - the System for Tracking the Transportation of Goods.

Ms. Olga Voronina, Director of Project Management Department, “GLONASS” JSC, **Russian Federation**, made presentation on end-to-end control of transportation conditions of perishable goods. In the introduction she described Automated System Monitoring of Objects ERA (on the basis of SAMS “ERA-GLONASS”), as well as system of control on transportation control of perishable goods touching upon working scheme in the example of transportation of fishery products.

Then, she focused on the joint project of “GLONASS” OJSC with “Eurosib SPb Transport Systems” CJSC and “Pozitron” OJSC, where the partners joined their competences, technologies and elaborations for building system of transportation and control of perishable goods.

She informed about stages of experiments within the project, which covered totally 145 785 km run by SAMS “ERA-GLONASS” with 33 days of maximum temperature control time on the route between Artem city (Primorsk Krai) and Sankt-Petersburg city; and characterized the benefits of using such a control system for the stakeholders e.g. government, businesses (carriers, equipment manufacturers, food producers, retailers) and customers.

Ms. Darapan Sripen, Director of IT Plans and Standards Division, Port Authority of Thailand, Ministry of Transport of the **Kingdom of Thailand**, in the introduction, informed Thailand's Vision toward 2030 for becoming the world class gateway port with excellent services for sustainable growth, implementation of digitalization of ports under Port Authority of Thailand and in this regard, touched upon challenges from aspects of policy, targets, human resources and technology.

Focusing on digital transformation targets, representative of Thailand, mentioned that Port Community Platform with Detailed design Software Term of Reference for Bidding at the current stage would be open an platform to provide a maritime transport single window platform for all stakeholders; to facilitate movement of goods for Thailand's Logistics System (track and trace); to stretch the global outreach for national exporters, especially SMEs; to effectively and efficiently contribute to the positive sustainability of port development projects.

Mr. Farhad Khalilov, Deputy Head of the Department for Strategic Development and Investment Projects, "Azerbaijan Caspian Shipping" CJSC, Azerbaijan, talked about on applied electronic information systems by ASCO. The company operating transport and specialized fleets, as well as shipyards, is the biggest carrier in the Caspian Sea.

He informed the participants that there are various systems used by the company, which includes an electronic system for submission of orders (intracompany system), online system for ticketing and tariffs and one for tracking fleet operations.

Mr. Ilkin Zeynalli, Executive Director, Absheron Logistics Center, **Azerbaijan**, in his presentation mentioned that Absheron Logistics Center covering 65,7 hectares is the first private logistics center in Azerbaijan with international standards and integration. Operating with modern technologies, strong infrastructure facilities and high quality service the center provides international transportation, customs, broker, terminal, warehouse, door-to-door and 3PL services.

He informed that the Center uses Warehouse Management System (WMS) to control and manage the day-to-day operations in a warehouse and includes everything from inventory management, shipping, to receiving, putaway, picking, packing, and etc. The application of WMS ensures reduced fulfillment time, increased inventory accuracy, improved customer service, greater space utilization, increased warehouse productivity and reduced labor cost.

Terminal management system is based on single window, main purpose of which is to implement a number of services provided at different stages from a single point, thus it results in saving time and reducing costs. The software system is integrated with the operations of the Azerbaijan Railways and the State Customs Committee, creating conditions for uninterrupted and transparent services for entrepreneurs.

At the second session experts discussed digitalization of transport and logistics operations throughout the transport corridors and benefits from its realization; solutions to increase the connectivity and efficiency of working practices in maritime transport and promotion of the use of international standards in electronic data exchange systems across maritime industry; joint efforts for seamless handling of cargo information, as well as the ways to improve electronic data exchange between the actors; possible joint

efforts by the CICA Member States, including the possibility of setting up digital transport and logistics platform at the regional level.

Mr. Asset Asavbayev, Secretary General of the Permanent Secretariat of Intergovernmental Commission of **TRACECA** made a presentation on digitalization of TRACECA corridor. In his presentation he noted that the main initiatives within TRACECA aimed at digitalization of transportation along the corridor routes and introduction of electronic documents.

Particular attention was paid to the initiatives aimed at the development of the corridor on the principles of "harmonization" and "continuity", including the Agreement on Single Transit Document, the Methodology for Evaluating Check Points of the TRACECA countries, the TRACECA Digital Concept, the main goal of which is to minimize the time and financial costs in the transportation between the countries of Europe and Asia.

It was emphasized the hope that with the support of TRACECA countries in the coming years implementation of Digital Concept of TRACECA could be actively started, the results of which would be positively assessed by the carriers of the CICA countries.

Mr. Shri T. Jayaseelan, Director (IC), Ministry of Ports, Shipping and Waterways of **India** in his presentation introduced International North-South Transport Corridor (INSTC), which connects the Indian Ocean and the Persian Gulf region to North Europe via Iran, Caspian Sea littoral states and Russia. Hereby, the presenter focused on missing railway link between Iran and Azerbaijan, stating that when missed railway link is connected, with a short distance, transportation cost can be reduced to 30%, therefore the countries could join and make use of its advantages.

Talking about benefits and expectations of the digitalization of transport and logistics operations in INSTC, he mentioned that INSTC should incorporate new digital technologies, launch web portals for seamless information exchange and develop digital nodes along the corridor to turn it into a fully integrated networking system.

In the last part of the presentation, representative of India explained the role of Chabahar Port, as a major gateway port in the development of INSTC.

Mr. Hasan Boz, Head of Division, Ministry of Transport and Infrastructure of the **Republic of Turkey** started with overview of road transport in Turkey from regulatory aspects, as well as access to market and licensing.

He informed the participants about U-Net Transport Automation System, which integrates public agencies, banks, private companies and other stakeholders, has positive results in online licensing, crossborder transactions, distribution of permits.

Highlighting advantages of electronic permits versus to hardcopies, the Presenter characterized online and offline application of e-permits in Turkey. Moreover, the presentation included Turkey's practice of cooperation with international partners in the sphere of e-TIR and e-CMR.

Mr. Burak Erjan Erdoĝan, Assistant Expert, Union of Chambers and Commodity Exchanges of **Turkey** introduced the overall activities and main duties of the Union of Chambers and Commodity Exchanges of Turkey (TOBB), which is also the association issuing and guaranteeing of the TIR system in Turkey, and presented its the role in the digitalization of transport and logistics.

During the presentation, in the light of e-TIR pilot project between Turkey and Iran, he categorized the benefits of e-TIR for all stakeholders, including from the perspectives of carriers, associations and customs, as well as environmental benefits.

Also focusing on existing and planned pilot projects of e-TIR within CICA region, the representative of TOBB mentioned that the TOBB's long-term endgame was to turn e-TIR into a chain that spans the entire corridors, including CICA member states.

Mr. Zakariyya Vakilov, representative of "Baku International Sea Trade Port" CJSC, **Azerbaijan**, made a presentation on Port Management and Information System (PMIS) used by the Port of Baku, an electronic platform that connects the multiple systems operated by a variety of organizations that make up a seaport community, which is integrated with customs authorities, national railway operator, "Azerbaijan Caspian Shipping Company" and other ports.

He informed that based on single window paradigm this integrated system enabled exchange of electronic data, such as vessel, containerized cargo, general cargo and RoRo cargo announcements.

The PMIS provides a comprehensive web based solution comprising various modules, including RoRo, general cargo, container terminal operating systems, billing module and Control Room POCC module.

The Meeting Participants expressed their interest to continue the dialogue in the area of digitalization of transport and logistics operations, and recommended to keep them on the agenda of the CBM in the field of cooperation for the development of secure and effective systems of transportation corridors.