

ECO TRANSIT TRANSPORT FRAMEWORK AGREEMENT

PREAMBLE

THE CONTRACTING PARTIES,

ANIMATED by the desire to maintain, further develop and strengthen friendly relations and cooperation between their countries;

BEING AWARE of the growing inter-change between nations, regionally and internationally;

BEING OF THE VIEW that no country, whether land-locked or not should be isolated from the rest of the world;

DESIROUS to develop and maintain a rational, agreed and mutually beneficial system of transport and communications;

RECALLING the UN-ESCAP integrated project on Asia Land Transport Infrastructure Development (ALTID) and the Report of the Secretary General of UN on current situation and proposals for future action on Transit Transport Systems of the newly independent and developing land-locked states in Central Asia and their neighbors (A/49/150), and the Ashgabat Declaration on the Development of Transport and Communications Infrastructure and Network of Transnational Pipelines in the ECO Region (1997) as well as,

RECALLING FURTHER the objectives and principles enunciated in the Convention on Transit Trade of Land-locked States, 1965 and other International Conventions on Trade, Customs and Transport, and ECO Transit Trade Agreement, 1995.

RECOGNIZING the importance of adequate transit traffic arrangements for regional and international trade and for economic progress of land-locked States;

REITERATING their commitment to foster smooth, rapid and efficient movement of goods, passengers and luggage between and among Contracting Parties have agreed as follows:

PART I

GENERAL PROVISIONS

Article 1

Definitions

1. For the purposes of this Agreement:
 - (a) "land-locked State" means, a State which has no sea-coast;
 - (b) "transit State" means a State, with or without a sea-coast through whose territory traffic in transit passes;
 - (c) "traffic in transit" means transit of persons, luggage, goods and means of transport on agreed routes across the territory of one or more Contracting Parties when the passage across such territory, with or without trans-shipment, warehousing, breaking bulk or change in the mode of transport, is only a portion of a complete journey beginning or terminating in a Contracting Party;
 - (d) "Permit" means a document issued by a competent authority of a Contracting Party which allows/enables the motor vehicles registered in the other Contracting Parties to entry or exit and transit through the territory of another Contracting Party.
 - (e) "internal traffic" means, the carriage of goods or passengers loaded in the territory of a Contracting Party for unloading at a place within the territory of the same Contracting Party.
 - (f) "means of transport" means any means used for transportation of passengers, goods and luggage including containers, and other transport equipment.
 - (g) "carrier" means legal or natural person who is authorized to perform international transportation of goods or passengers and luggage and by whom or in whose name a contract of carriage of goods or passengers has been concluded with a shipper/consignor or passenger.
 - (h) "shipper" means, any person by whom or in whose name or on whose behalf a contract of carriage of goods has been concluded with a carrier, or any person by whom or in whose name or on whose behalf the goods are actually delivered to the carrier in relation to the contract of carriage of goods;

- (i) "freight forwarder" means a natural or legal person concluding a contract of freight forwarding services with a shipper;
- (j) "consignee" means, the person entitled to take delivery of the goods.
- (k) "freight forwarding services" means services of any kind relating to the carriage, consolidation, storage, handling, packing or distribution of the goods as well as ancillary and advisory services in connection therewith, including but not limited to customs and fiscal matters, declaring the goods for official purposes, procuring insurance for the goods and collecting or procuring payment or documents relating to the goods;
- (l) "goods" means all types of goods and commodities including, live animals. Where the goods are consolidated in a container, pallet or similar article of transport or where they are packed, "goods" include such article of transport or packaging if supplied by the shipper;
- (m) "contract of carriage" means, any contract whereby the carrier undertakes for reward to carry goods, passengers or luggage from one Contracting Party to another;
- (n) "passenger" means, any natural person who, in the performance of a contract of carriage made by him or on his behalf, is carried either for reward or free of charge by a carrier;
- (o) "luggage" shall be understood to comprise any article carried under a contract of carriage, including vehicles but not motor coaches and lorries in commercial traffic.
- (p) "domestic legislation" means, the entire body of national or local laws and regulations in force in the territory of a Contracting Party;
- (q) "customs control" means, the whole range of measures applied by Customs authorities of the Contracting Parties to ensure compliance with domestic legislation relating to Customs and international agreements binding on the Contracting Parties which the Customs are responsible for enforcing;

- (r) "import duties and taxes" means Customs duties and all other duties, taxes, fees and other charges which are collected in accordance with domestic legislation on, or in connection with, the importation of goods, but not including cost of services rendered;
- (s) "container" means an article of transport equipment;
 - (i) fully or partially enclosed to constitute a compartment intended for containing goods;
 - (ii) of a permanent character and accordingly strong enough to be suitable for repeated use;
 - (iii) specially designed to facilitate the carriage of goods, by one or more modes of transport, without intermediate reloading;
 - (iv) designed for ready handling, particularly when being transferred from one mode of transport to another; and
 - (v) designed to be easy to fill and to empty.
- (t) "dangerous goods" means goods which are capable of posing a significant risk to health and environment, security, safety and property when being transported or lying in storage etc.
- (u) "Contracting Party" means, the government of the State which has signed this agreement and acceded to it.

Article 2

Purposes and Objectives

The main purposes and objectives of the Transit Transport Framework Agreement and its Annexes are as follows:

- i) to facilitate the movement of goods, luggage and passengers through the respective territories of the Contracting Parties and provide all necessary facilities for transit transport under the provisions of this Agreement.
- ii) to ensure the safety of goods, luggage and passengers and avoidance of unnecessary delays during the transit traffic through territories of Contracting Parties;
- iii) to cooperate and coordinate the efforts of the Contracting Parties to avoid the incidence of customs frauds and tax evasion and harmonizing necessary administrative affairs dealing with transit traffic.

Article 3

Scope of Application

The provisions of this Agreement shall apply to the traffic in transit which begins or terminates in a Contracting Party.

PART II

FACILITIES OF TRANSIT

Article 4

Facilities of Transit

Each Contracting Party shall grant to the other Contracting Parties the necessary facilities of transit through its territory, under conditions specified in this Agreement, and its Annexes.

Article 5

Customs Duties, Taxes and other Levies and Charges

Traffic in transit by motor vehicles shall be exempt from customs duties, taxes and other charges except charges for the specific services rendered in accordance with the domestic legislation including toll taxes, road maintenance fee, etc.

PART III

DESIGNATION OF TRANSIT TRANSPORT ROUTES

Article 6

Designation and Technical Characteristics of Road, Rail and Inland Waterway Routes

1. The Contracting Parties adopt the prescribed road, railway and inland water transit routes which are placed at Annexure-I.
2. Additional routes as well as their technical characteristics shall be notified by Transit Transport Coordination Council (TTCC) from time to time.
3. While constructing or reconstructing the roads, railways and inland waterways on the prescribed transit routes the minimum characteristics set out in Annexes II and III will be kept in view.

Article 7

Combined and Multimodal Transport

1. Contracting Parties undertake to encourage and promote combined and multimodal transport.
2. Multimodal transport operations shall be based on internationally recognized documentation and procedures.

Article 8

Frontier Facilities

1. The Contracting Parties shall provide adequate facilities and related installations needed for road, rail and inland navigation as well as multimodal transport such as combined transport terminals, border crossing points, gauge interchange stations, ferry-link, ports, navigation aids and common radio frequency.

Article 9

Measures designed to expedite clearance of Transit Traffic

1. To ensure the smooth and expeditious movement of traffic in transit, the Contracting Parties undertake to make efforts to

- a) establish posts at designated frontier points with control areas which are physically adjacent and arranged in such a way that means of transport and goods can be examined at the same place, so that repeated unloading and reloading may be avoided;
- b) ascertain that adequate manpower resources are made available for the speedy completion of frontier formalities;
- c) provide warehousing facilities for the storage of goods;
- d) coordinate working hours of adjacent frontier posts;
- e) provide adequate parking space for containers and for trucks and other vehicles awaiting for goods clearance;
- f) provide reliable mail and telecommunication services and
- g) facilitate the quick and efficient transit of goods between the Contracting Parties and to adopt a uniform set of consignment notes/way bills.

Article 10

Safety of Transit Traffic

1. The Contracting Parties shall take all measures necessary for the safety of traffic and ecological protection along the transit routes.
2. The Contracting Parties shall provide all possible assistance in the event of traffic accidents in their territories involving transit vehicles especially when passengers, dangerous and perishable foodstuffs are involved.

Article 11

Establishment of Offices

1. The Contracting Parties shall grant permission to transport companies engaged in transit services on their territories to establish offices for the purpose of operating such traffic.
2. Establishment of such offices shall be in accordance with domestic legislation of the Contracting Parties.

Article 12

Multiple Entry and Transit Visa

1. The Contracting Parties shall grant visas to the drivers of the vehicles and the persons engaged in international transit traffic operations, who are subject to visa requirements, multiple entry and transit visas valid for a period of one year with a right of staying on the territory of each Contracting Party for 15 days in transit for each trip and for upto 5 more days in place of loading and discharge.
2. In case of illness or injury of persons, accident or damage to vehicles, the period of stay shall be extended correspondingly.
3. Procedures for granting of visas mentioned in paragraphs 1 & 2 above shall be in accordance with domestic legislation of the Contracting Parties.

PART IV

MARITIME PORTS AND FACILITIES

Article 13

Maritime Ports and Facilities

The Contracting Parties having sea ports undertake to provide, within their capacities, the necessary port facilities to other Contracting Parties of the present Agreement at ports open to foreign vessels at costs and conditions which shall not exceed the standard tariffs paid by other foreign users of the port facilities.

PART V

GENERAL CONDITIONS FOR ROAD TRANSPORT

Article 14

Traffic Regulations

1. The Contracting Parties shall take appropriate measures to ensure that road traffic regulations in force in their territories conform in substance to the provisions of the Convention on Road Traffic, 1968 and the Convention on Road Signs and Signals, 1968.
2. Contracting Parties which are not yet party to these conventions undertake to take the necessary steps to accede to those conventions.

Article 15

Road Transport Permits

1. Where road transport permits are prescribed as a condition for carriage of goods, passengers and luggage in transit traffic, such permits shall be issued in accordance with domestic legislation.

2. Contracting Parties shall harmonize and facilitate the requirements necessary for the issuance of road transport permits for carriage of goods, passengers and luggage in transit traffic, without any limitation and quota.

Article 16

Transport Services

1. Each Contracting Party shall allow the use of means of transport registered in another Contracting Party to provide transit services on its territory;

2. Unless specific permission has been obtained from the Contracting Party concerned, means of transport registered in one Contracting Party shall be prohibited from carrying goods, passengers and luggage in internal transport within the territory of another Contracting Party.

Article 17

Temporary Admission of Means of Transport

1. Each Contracting Party shall permit means of transport of other Contracting Parties to remain on its territory in accordance with domestic legislation;

2. A carrier shall not be required to provide a Carnet de Passage or any other collateral document while crossing the border of a Contracting Party if the carrier has a transit "Permit" issued in accordance with the agreement.

Article 18

Technical Requirements of Vehicles

Means of transport used in road transit transport shall conform to the technical requirements regarding vehicle dimensions, maximum total weights with loads, axle load and other parameters as mentioned in Annex IV.

Article 19

Provision of Fuel and Lubricants

Each Contracting Party agrees that means of transport of other Contracting Parties shall be entitled to the provision of fuel and lubricants, necessary for their operations on their territories, on conditions specified by the Contracting Parties.

Article 20

Mutual Recognition of Driving Licenses

The Contracting Parties shall recognize driving licenses issued by other Contracting Parties which are valid for the category of vehicle used in transit traffic and correspond to the Convention on Road Traffic, 1968.

Article 21

Mutual Recognition of Certificate of Road Worthiness

The Contracting Parties shall recognize certificates of road worthiness issued by other Contracting Parties and which shall correspond to the Convention on Road Traffic, 1968. The Contracting Parties undertake to institute regular inspection of their road vehicles.

Article 22

Motor Vehicle Third Party Insurance Scheme

1. The Contracting Parties shall take steps necessary for the insurance of their motor vehicles to cover third party liability incurred in the course of transit traffic;
2. The Contracting Parties undertake to establish the international compulsory motor vehicle third party liability insurance scheme as specified in Annex V.
3. The international compulsory motor vehicles third party liability insurance scheme shall provide, at least, all the guarantees required by the laws and regulations governing compulsory motor vehicle third party insurance in the country or countries of transit and destination.

Article 23

Charges and other Payments

The Contracting Parties shall apply to the means of transport of the other Contracting Parties charges and other fees in accordance with domestic legislation.

PART VI

GENERAL CONDITIONS FOR RAIL TRANSPORT

Article 24

Transit Services

1. Transit services on railway lines connecting the territories of the Contracting Parties shall be performed at interchange stations designated by Agreements concluded between contiguous Railway Administrations.
2. Border stations and interchange stations shall be those designated in Annex-I. Basic operational arrangements relating to such matters as, technical inspection of rolling stock and inspection of goods in transit shall be carried out at interchange stations.
3. Contracting Parties shall encourage their Railway Administrations to conclude inter-railway agreements, and arrangements which are consistent with the provisions of this Agreement and its Annexes.
4. Contracting Parties shall formulate Rules of Use of Wagons keeping in view the framework of the Organization for cooperation between Railways, OSJD, RIV, RIC and PPW.
5. Contracting Parties shall formulate rules and procedures for international rail passenger and freight traffic keeping in view the provisions of the Agreement on International Carriage of Passenger (SMPO) as well as the Agreement on International Carriage of Goods (SMGS), COTIF/CIM, CIV and within the framework of OSJD and UIC.

PART VII

GENERAL CONDITIONS FOR INLAND TRANSPORT

Article 25

Inland Water Navigation

1. The Contracting Parties agree that navigation on their inland waterways shall remain free and open to transit traffic for vessels and their crews of other Contracting Parties in accordance with their domestic legislation.
2. The Contracting Parties undertake to provide adequate navigation aids and adopt a common radio frequency for all vessels engaged in inland waterway navigation in accordance with ITU regulations.
3. The use of navigation aids, radio frequency and other facilities shall be made available on a non-discriminatory basis and the fees, if any, will be charged in accordance with domestic legislations.

Article 26

Ship Papers

The documents shall be carried on board the vessels carrying transit traffic and produced whenever requested by the competent authorities of the Contracting Parties in accordance with Facilitative Convention on International Maritime Traffic.

PART VIII

RULES OF CARRIAGE BY ROAD TRANSPORT

Article 27

Rules of Carriage by Road Transport

The Contracting Parties shall apply the rules of carriage of goods, passengers and luggage by road transport as per Annexure VI.

PART IX

CUSTOMS CONTROL

Article 28

Establishment of Customs Transit System

1. The Contracting Parties shall establish a Customs Transit System for the cargo and means of transport in accordance with the relevant International Customs Conventions for the purpose of facilitating the movement of goods in their territories.
2. The Contracting Parties, which are also parties to the Customs Convention on the International Transportation of Goods under cover of TIR Convention 1975 will apply the provisions of that Convention amongst themselves. The Contracting Parties which are not yet parties to that Convention shall not be required to follow the provisions of that Convention.
3. The Contracting Parties which are not yet parties to this Convention will consider the possibility of acceding to this Convention.

Article 29

Simplification and Harmonization of Customs Procedures

The Contracting Parties will take measures to simplify the Customs control means of transport, goods, luggage and passengers passing through their territories in accordance with the provisions of the Annexure VII.

PART X

DOCUMENTATION AND PROCEDURES

Article 30

Consolidation and Alignment of Documentation

1. The Contracting Parties recognize that documentation and procedures represent important cost and time elements affecting the efficiency of transit operations and agree to keep these costs and delays to a minimum.
2. The Contracting parties therefore undertake to:
 - a. Limit the number of documents and reduce to the extent possible, procedures and formalities required for their traffic in transit;
 - b. align their documents to the United Nations layout key for trade documents;
 - c. harmonize, as far as possible, commodity codes and descriptions with those commonly used in international trade;
 - d. review periodically the need for and usefulness of all documents and procedures prescribed for transit traffic and
 - e. eliminate any documents and formal requirements which are agreed to be considered superfluous or not serving any particular purpose.

Article 31

Notification of Change in Documentation and Procedures

The Contracting Parties shall give due advance notice to the other Contracting parties of any additional requirement or modification in prescribed documentation and procedures to be introduced in regard to traffic in transit.

Article 32

Basic Documentation and Procedures

The basic documentation and procedures to be applied by the Contracting parties in the implementation of this Agreement shall be specified in Annexure VII.

PART XI

MISCELLANEOUS PROVISIONS

Article 33

Provision of Greater Facilities

This Agreement does not entail in any way the withdrawal of transit facilities which are greater than those provided for in the Agreement provided the terms and conditions for use of such facilities are consistent with the principles embodied in this Agreement. The Agreement also does not preclude such grant of greater facilities in the future.

Article 34

Domestic Legislation

1. Domestic Legislation and regulations relating to transport, shall, in so far as this Agreement, and its Annexes do not lay down, apply equally and without discrimination to transit transport.
2. The Contracting Parties undertake to harmonize and simplify their rules, regulations and administrative procedures relating to transit transport in line with the provisions of this Agreement.

Article 35

International Conventions

This Agreement shall not prevent the mandatory provisions of International Conventions relating to matters dealt with in this Agreement, provided that the dispute arise exclusively between parties to a contract of carriage having their principal place of business in States Parties to such Conventions.

Article 36

Monitoring and Implementation of the Agreement

1. The Contracting Parties agree to set up, within six months of the entry into force of this Agreement, an authority for monitoring, implementation and co-

ordination of transit transport issues to be known as the "Transit Transport Coordination Council (TTCC)" for monitoring and implementation of the Agreement.

2. The nature of the Council including its terms of reference, composition, mandate and sources of its budget are as given in Annex VIII.

Article 37

Dispute Settlement

1. Any dispute, controversy or claim between the Contracting Parties arising out of or relating to this Agreement and its Annexures, or the breach, termination or invalidity thereof which cannot be settled by consultation between them may be referred to the TTCC by any of the Contracting Parties in dispute.

2. Any such dispute, controversy or claim which is not settled through consultation or through the intermediary of the TTCC shall, at the request of any Contracting Party involved, be settled by arbitration and shall be referred accordingly to arbitrators selected by agreement between the Contracting Parties.

3. If any of the Contracting Parties in dispute fails to attend the arbitration proceedings provided in this article, or if the TTCC fails to agree on the appointment of arbitrators, any of the Contracting Parties in dispute may request the President of the International Court of Justice to appoint arbitrators who shall not be a national of any of the Contracting Parties and to whom the dispute shall be referred for decision in accordance with the Rules of Arbitration of the United Nations Commission on International Trade Law (UNCITRAL), 1976.

Article 38

Decisions of the Arbitrators

The decision of the arbitrators, appointed under Article 38 shall be final and binding on the Contracting Parties concerned.

Article 39

Report of the Arbitrators

The arbitrators, shall notify all the Contracting Parties of the existence and nature of the dispute and of the general terms of the settlement; the notifications, in English and Russian, shall be sent within a period of one month after the award has been pronounced.

PART XII

FINAL CLAUSES

Article 40

Functions of Depositary

1. This agreement and all instruments of Definitive Signature, Ratification or Accession shall be deposited with the Depositary. The Secretariat of the Economic Cooperation Organization shall act as Depositary of this Agreement.

2. The depositary shall:

- (a) receive and keep custody of the original text of this Agreement;
- (b) prepare certified copies of the original text of this Agreement and transmit them to the Parties and to the States entitled to become Parties to this Agreement;
- (c) receive any signatures to this Agreement and receive and keep custody of any instruments, notifications and communications relating to it;
- (d) examine whether the signature or any instrument, notification or communications relating to this Agreement is in due and proper form and, if need be, bring the matter to the attention of the State in question;
- (e) inform the Parties and the States entitled to become Parties to this Agreement of acts, notifications and communications relating to this Agreement;
 - (f) inform the States entitled to become Parties to this Agreement when the signatures or the instruments of ratification, acceptance, approval or accession required for the entry into force of this Agreement have been received or deposited;
- (g) inform States participants of the present Agreement on signatures, ratification and accession of other States;
- (h) informs States participants of the present Agreement of entering into force of the amendments of the present Agreement;
- (i) register this Agreement with the Secretariat of the United Nations.

3. In the event of any difference appearing between a State and the Depositary as to the performance of the latter's functions, the Depositary or that State shall bring the question to the attention of the Signatory States and the Contracting Parties.

Article 41

Signature, Ratification, Acceptance, Approval and Accession

1. ECO Member States are entitled to become Contracting Parties to this agreement. Other non-ECO member countries may become Contracting Parties to this agreement with the unanimous consent of the ECO Member States. A State may become a party to this agreement by:

- (a) signature not subject to ratification, acceptance or approval; or
- (b) signature subject to and followed by ratification, acceptance or approval; or
- (c) accession.

2. After entry into force, this Agreement shall be open for accession by those States mentioned in paragraph 1, which have not signed the Agreement.

3. Instruments of ratification, acceptance approval and accession shall be deposited with the Secretariat of the Economic Cooperation Organization.

Article 42

Validity of the Amendments

Any State acceding to this Agreement in accordance with the provisions of Article 41 (1) (c) shall be deemed to have accepted any amendments or new Annexures to this Agreement which were in force at the time of accession.

Article 43

Entry into Force

1. This Agreement shall enter into force six months after the Governments of six ECO Member States of which at least one is a coastal state have either signed it not subject to ratification, acceptance or approval or have deposited instruments of ratification, acceptance, approval or accession with the Depositary.

2. For each State which ratifies, accepts, approves or accedes to this Agreement after the requirements for entry into force given in paragraph 1 have

been met, the Agreement shall enter into force 3 months after the deposit by such State of the appropriate instrument.

3. Annexes to the Agreement shall be finalized and approved by competent authorities of the relevant Contracting Parties, and shall take effect from the date of their approval by all Contracting Parties or on the date on which this Agreement comes into force which ever is later.

Article 44

Date of Application

Each Contracting Party shall apply the provisions of this Agreement to transit traffic and to related contracts of the carriage of goods, luggage and passengers concluded on or after the date of entry into force of this Agreement in respect of that State.

Article 45

Denunciation

1. Each Contracting Party may denounce this Agreement at any time after the expiration of a period of two years from the date on which this Agreement entered into force by means of a notification in writing addressed to the Depositary.

2. Such denunciation shall take effect on the first day of the month following the expiration of one year after the notification is received by the Depositary. Where a longer period is specified in the notification, the denunciation shall take effect upon the expiration of such longer period after the notification is received by the Depositary.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have affixed their signature hereunder on the dates indicated.

DONE AT Almaty, on the Ninth day of the May Nineteen Hundred and Ninety Eight, in one original copy in English language.