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## Transport Infrastructures Users' Groups


Grassroots, Inclusive Approach  
for Good Governance on Trans-Border Trade Issues:  
**Lessons Learned from Tajikistan**



*Presentation by*  
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*For*  
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**Context, Objectives and Methodology**

First Lessons Learned on the Dushanbe – Osh Trade Corridor

Next Steps and Long Term Goals

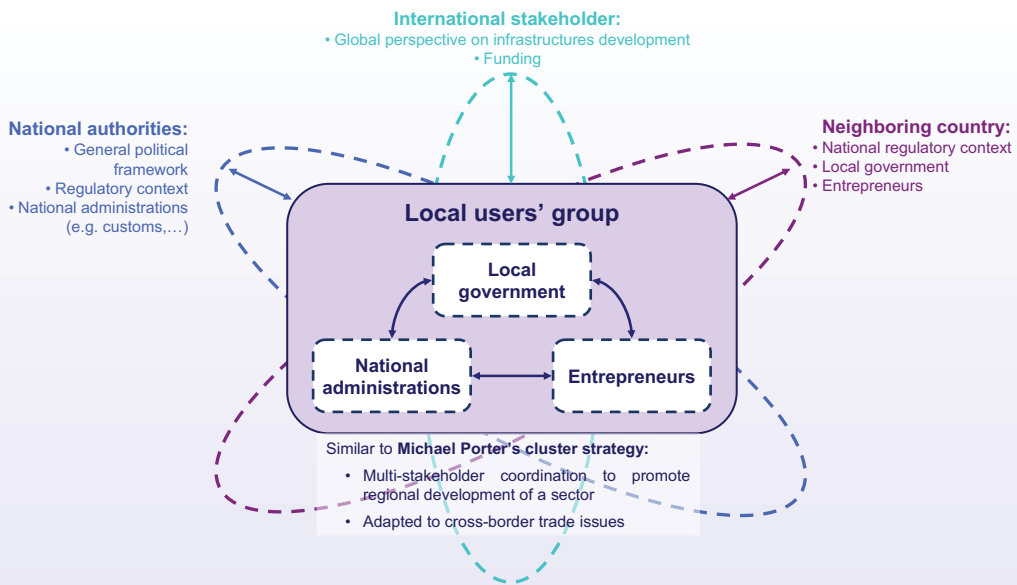
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January 20102Prepared by the OSCE Office in Tajikistan - Economic Unit

Context, Objectives and Methodology  
**The Rationale Behind User's Groups**

Context	Objectives
<ul style="list-style-type: none"> <li>• <b>OSCE's mandate in promoting good governance in cross-border trade:</b> <ul style="list-style-type: none"> <li>➢ OSCE Ministerial Council Decisions: Sophia (2004), Luubljana (2005)</li> <li>➢ Border Security and Management Concept (BSMC), MC Decision # 11/06</li> <li>➢ 2010 Chairmanship's orientation</li> </ul> </li> <li>• <b>International donor organizations</b> funding transport infrastructures demand local counterparts to get involved:                     <ul style="list-style-type: none"> <li>➢ The EU-funded TRACECA project called for the <b>formation of local users' groups</b></li> <li>➢ United Nations Economic and Social Commission for Asia and the Pacific Transport defines a <b>trade corridor = infrastructure + facilitation</b> (operation, use etc.)</li> </ul> </li> <li>• <b>Our partners in the field: local governments, entrepreneurs located on current or potential trade corridors</b> want to be actors of trade facilitation</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Empower local users</b> of transport infrastructures, so that they become actors of their own development;</li> <li>• <b>Implement the principle of subsidiarity:</b> address issues at the lowest possible level for better public services' reactivity and efficiency;</li> <li>• <b>Provide a representative and responsible counterpart</b> for National authorities and international stakeholders to implement policies in <b>partnership</b></li> <li>• <b>Structure and voice the local demand for good governance</b> and therefore increase the social / political cost of impunity / inaction</li> </ul>

Context, Objectives and Methodology  
**The Concept of Users' Groups**



Context, Objectives and Methodology  
**Users' Group Formation in Tajikistan**



- **In theory, local actors can constitute local users' groups autonomously**
  - Local initiative by essence
  - No important budget required
- **In practice, impulsion required**
  - Methodological support
  - Confidence that national and international stakeholders will be receptive to messages
- **Tajik Government took the first initiative in 2005-06**
  - National Customs Administration took the initiative to gather users' groups in order to identify improvement areas...

• **Need for a follow-up**

- For an inclusive approach on the ground
- Independent third part for sensitive issues
- Technical and methodological support
- Liaison with international stakeholders

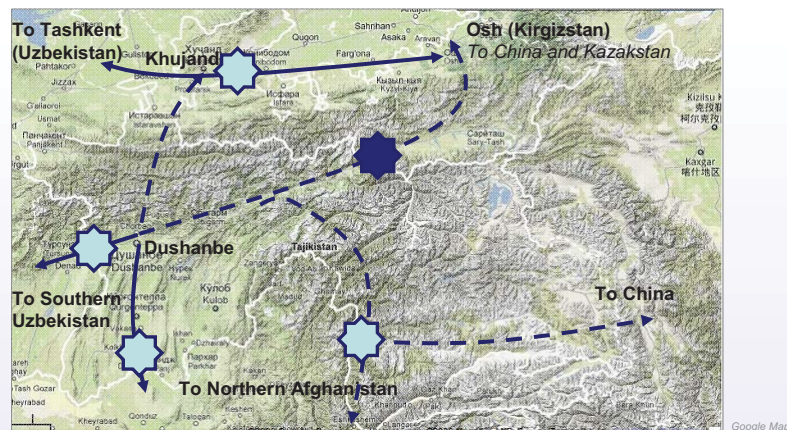


**+ a more favorable overall climate for reforms than 2005-06**  
*(Tajikistan amongst top 10 reforming countries in 2009, World Bank)*



- **The Tajik Government acknowledged the value of forming users' groups in Tajikistan**
- **The OSCE engaged into development of local capacity, following discussions of the participatory conference**

Context, Objectives and Methodology  
**Current Status and Plans for Users' Groups in Tajikistan**



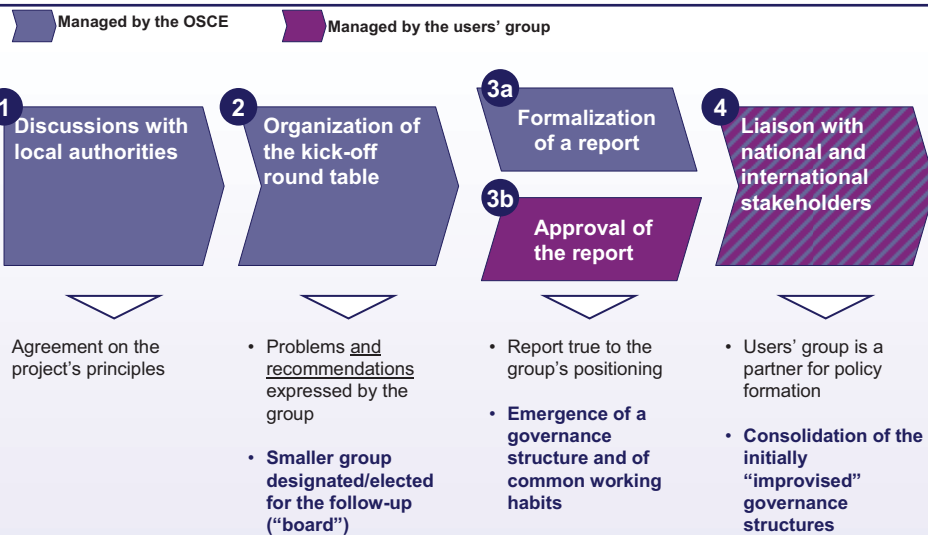
- **National coverage of the main trade corridors**
- **One users' group already established**

Context, Objectives and Methodology

**First Lessons Learned on the Dushanbe - Osh Trade Corridor**

Next Steps and Long Term Goals

*First Lessons Learned on the Dushanbe – Osh Trade Corridor*  
**Overview of the Process for the Initial Impulsion**



**Through a "progressive small steps" process, a solid local governance structure emerges**

**1 Location of the Users' Group: Jirgatol**

**Jirgatol**



Jirgatol Local Government

Closest administrative centre to the border crossing point on the way between: **Dushanbe (Tajikistan)** Nijni Panj and to Afghanistan and **Osh (Kyrgyzstan)**.

Location was determined due to the combination of two factors:

- **Relative proximity of the border crossing point itself**
- **Involvement of the local government**



Google Map

**Political Goodwill was as important as geographical logics in determining the location of the Dushanbe – Osh corridors's users' group**

**2 Participants to the Kick-off Round Table**

Entrepreneurs : 12	Jirgatol District Administration: 9	Jamoat* Administrations : 9	Civil Society Organizations : 5	Customs : 1
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**36 participants participated to the round table, representing entrepreneurs, Jirgatol District, Jamoat, civil society and Customs**

**Each group elected a representative to follow up the next steps:**

\* Jamoat is the smallest administrative unit in the Republic of Tajikistan, corresponding most often to a town or village.

Entrepreneurs : 1	Jirgatol district officials : 2	Jamoat* officials : 1	Civil Society Organizations : 1	Customs Officials: 1
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**Composition of the participants to the initial round-table determines its credibility and efficiency  
Selection of representatives paves the way towards institutionalizing a "board"**

**3 Overview of issues identified by participants (1/2)**

Themes addressed	Details
1 Possible violation of laws by customs officers	<ul style="list-style-type: none"> <li>Custom rates for goods, vehicles and documents are not disclosed and are not reported, so the customs officers in some cases determine those amounts at their discretion, not always in line with the regulations. On this basis the total amount of money that has to be paid at customs makes business very unprofitable.</li> </ul>
2 Activities of State Traffic Police	<ul style="list-style-type: none"> <li>On the roads unreasonable fines have been quite often taken from drivers of trucks and passenger cars.</li> </ul>
3 Construction of the cross-border trade market	<ul style="list-style-type: none"> <li><b>Purpose:</b> to create real conditions for production exchange between the regions on both sides of the border, create working places for entrepreneurs and farmers and derive benefit for the whole republic by making the process transparent (taxation, licenses and other official documents)</li> <li><b>Place:</b> the border terminal and the border market have to be built much more closely to each other</li> <li><b>Construction:</b> the basic market infrastructure is estimated to be completed at only 20%</li> <li><b>Infrastructure:</b> roads, shops, restaurants, garages for parking, service centre, medical facilities and banks are needed in the vicinities of the market</li> </ul>
4 Job opportunities for labor migrants	<ul style="list-style-type: none"> <li>Returned labor migrants should be provided with permanent job opportunities in construction and operation of the cross-border trade market</li> </ul>

**3 Overview of issues identified by participants (2/2)**

Themes addressed	Details
5 Lack of information on border trade	<ul style="list-style-type: none"> <li><b>Provision of information by the Customs employees:</b> entrepreneurs and farmers are not aware of their rights and obligations on crossing the border and taking their products across the border. In accordance with the Law of RT on Customs which was adopted in 2005, customs employees have to provide consultation on the requirements and documents needed to cross the border free of charge.</li> <li><b>Legislative base applicable:</b> entrepreneurs willing to cross the border are not aware of all laws and regulations applicable to cross border trade.</li> </ul>
6 Difficult access to the necessary administrative services	<p>Permanent representations of the following organizations are not present at the main border post:</p> <ul style="list-style-type: none"> <li>✓ <b>State Standardization Agency:</b> production coming in the country need to be checked by SSA on complying with the existing standards. Currently the entrepreneurs have to take their products to Jirgital town which is at 100 km distance from the border post.</li> <li>✓ <b>Transit centers:</b> transit products coming from China have to be registered in Osh (Kyrgyzstan) which is very difficult for Tajik entrepreneurs. TCs should be opened in each country.</li> <li>✓ <b>Regional (Vehicle) Examination Department:</b> to register and get all the transport documents and state number plate for vehicles to be brought into Tajikistan, entrepreneurs have to come to Garm (100 km from Jirgatal). Such service should be operated at the border.</li> </ul>


**The local users take a clear stance on key issues, notably good governance and transparency**

*First Lessons Learned on the Dushanbe – Osh Trade Corridor*  
**Recommendations Formulated by Participants (1/2)**

Themes addressed	Recommendations	Tentative responsible actor(s)
1 Possible violation of laws by customs officers	<b>Reduce practices of law violation at customs</b> <ul style="list-style-type: none"> <li>• Submit an official letter to the to entities responsible for the customs stations</li> <li>• Arrange meeting with them to take steps on reduction of law violation</li> </ul>	<ul style="list-style-type: none"> <li>• <b>The 6 representatives of the round-table participants</b> will prepare and endorse the letter</li> <li>• <b>JirgatoI Hukumat</b> will provide assistance on interactions with national authorities</li> </ul>
2 Activities of State Traffic Police	<b>Reduce the practice of unnecessary collection of fines by the State Traffic Police</b> <ul style="list-style-type: none"> <li>• Submit an official letter to Local Police authorities</li> <li>• Arrange meeting with them to take steps on reduction of unreasonable and unnecessary fines from drivers</li> </ul>	<ul style="list-style-type: none"> <li>• <b>The 6 representatives of the round-table participants</b> will prepare and endorse the letter</li> <li>• <b>JirgatoI Hukumat</b> will provide assistance on interactions with local police authorities</li> </ul>
3 Construction of the cross-border trade market	<b>Resume construction of the market</b> <ul style="list-style-type: none"> <li>• A proposal should be sent to Government officials and potential international investors</li> </ul>	<ul style="list-style-type: none"> <li>• <b>JirgatoI Hukumat</b> will prepare the proposal</li> <li>• <b>Tajikmatlubot</b> will provide technical assistance</li> </ul>
4 Job opportunities for labor migrants	<b>Providing permanent jobs for returning migrants</b> <ul style="list-style-type: none"> <li>• Construction of the market, if resumed, should be used to provide returning migrants with job opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• <b>JirgatoI Hukumat</b></li> </ul>

*First Lessons Learned on the Dushanbe – Osh Trade Corridor*  
**Recommendations Formulated by Participants (2/2)**

Themes addressed	Recommendations	Tentative responsible actor(s)
5 Lack of information on border trade	<b>Disseminate legal information</b> <ul style="list-style-type: none"> <li>• Creation of information boards in Jamoats' administration centers</li> <li>• Preparation of simple handout materials to be made available at the border crossing point</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Jamoats' administrations</b></li> <li>• <b>Non Governmental Organizations</b></li> </ul>
6 Difficult access to the necessary administrative services	<b>Open offices for key administrative services</b> <ul style="list-style-type: none"> <li>• The following administrative services should have competent offices at the border post:                             <ul style="list-style-type: none"> <li>– <b>State standardization agency</b></li> <li>– <b>Transit Centre</b></li> </ul> </li> <li>• An office of the <b>Regional Vehicle Examination Department</b> of the Rasht District in JirgatoI</li> </ul>	<ul style="list-style-type: none"> <li>• <b>JirgatoI Hukumat</b> will address requests to the relevant agencies.</li> </ul>

  
**Recommendations are formulated for each key issue**  
**All local actors agree on adopting a pro-active approach to fight corruption**



• **Main value:**

- Clarifies and addresses, to some extent, local cross-border-trade issues;
- Paves the way for collaboration with national and international stakeholders;
- Institutionalizes a self-governing body with increasing capacity to take initiatives;
- Develops a promising grassroots approach towards integrity issues

• **Key Success Factors:**

- Local Political support;
- Progressive involvement of participants, from expressing concerns to creating a board;
- Availability of (international) technical assistance to “shape” the process.

Users' Groups: Why and How?

First Lessons Learned on the Dushanbe – Osh Trade Corridor

**Next Steps and Long Term Goals**



- **Liaise with neighboring countries:**
  - For each users' group, in 2010: the initial impulsion, followed, if relevant, by a bilateral round table. To be followed up...
  
- **Liaise with National authorities**
  - In the framework of the "200 days of reform", capability of the Tajik State to absorb reforms has increased.
  - A sub-group of the Secretariat for Investment, dedicated to trade, already acts as the focal point for all cross-border trade issues, and will be the ideal platform to liaise with national authorities and international donors present in Tajikistan.
  
- **Liaise with International stakeholders**
  - Enable a constructive dialogue between investors / users of transport infrastructures

- **Self-Sustaining Structured Users' Groups:**
  - To which extent and when will the emerging working processes become autonomous of the OSCE's technical assistance? (*budgetary support negligible*)
  
- **Fight Against Corruption**
  - The decision of the Jirgatol users' group to address integrity issues to relevant national authorities, at their own initiative, needs to be monitored
  
- **Bilateral Conflict Resolution**
  - The local users' group in Sugd is expected to bring a new approach towards border definition with Kyrgyzstan, funded on human and economic realities
  
- **Local Policy Formation**
  - Local Governments should use users' groups to focus and refine their policy. For example, the bilateral Afghan-Tajik commission, gathering local governments, is expected to draw conclusions from the grassroots users' groups in order to pre-identify issues to be addressed.
  
- **(Inter)-National Policy Formation**
  - Will local users' groups become credible and relevant partners for national and international stakeholders, as they ought to be? Part of the answer does not depend on them.