



Session 5: Regional Interoperability through the CAREC Advanced Transit System (CATS)

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**Workshop on Advancing Digital and Green Trade Facilitation
in CAREC Countries**

25-27 November 2025, Seoul, Republic of Korea

Major Activities Held in 2025

24th CAREC Customs Cooperation Committee Meeting (3–4 September; Bishkek, Kyrgyz Republic):

- Noted strong progress on the CATS pilot with active contributions from Azerbaijan, Georgia, and Uzbekistan;
- Supported alignment with EU and ASEAN transit systems and development of an accession guide;
- Highlighted the need for increased private-sector engagement and strengthened legal and technical frameworks.

24th CAREC Ministerial Conference (20 November; Bishkek, Kyrgyz Republic):

- Welcomed growing interest in CATS/ICE expansion;
- Announced the joining of Kyrgyz Republic, and Pakistan to the CATS/ICE pilots through the signing of a new MOU alongside the three original participating countries.



Status Updates

Evaluation of the CATS/ICE Achievements, Workplan and Roadmap

- Evaluation of key milestones, progress, best practice and key lessons
- Outline of the detailed workplan until 2026
- Roadmap until 2030

New TA supporting CATS/ICE activities

- Engagement of experts started in April 2025

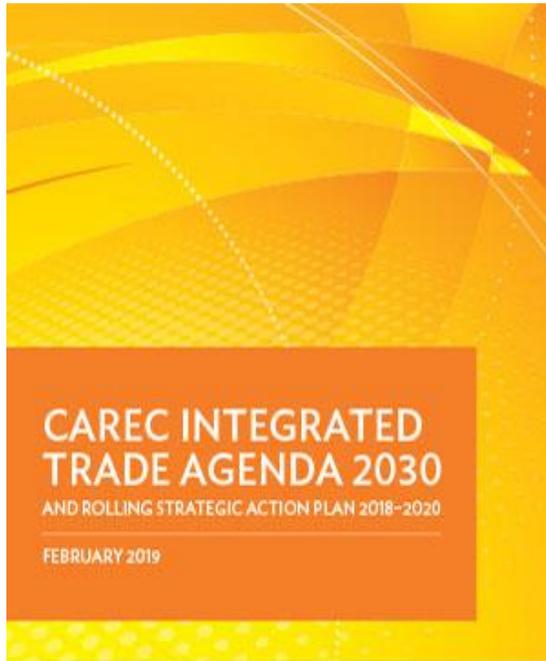
Multi-country Legal Agreement

- Earlier draft reworked to include general provisions and technical protocols and will submit for domestic legal review

Introduction video for CATS

- For information purposes and highlight the advantages and benefits of CATS

Regional Transit Development under CAREC



- CAREC Integrated Trade Agenda 2030 supports development of effective transit facilitation schemes
- CAREC Customs Cooperation Committee includes regional transit development in its priority areas of work
- Transit trade remains crucial in Central Asia noting most are landlocked countries
- CAREC region as a vital link to diversify transit routes between Asia and Europe (i.e., Middle Corridor)
- Need to strengthen regional cooperation to address transit facilitation challenges and gaps

International Framework – Principles of Effective Transit Systems

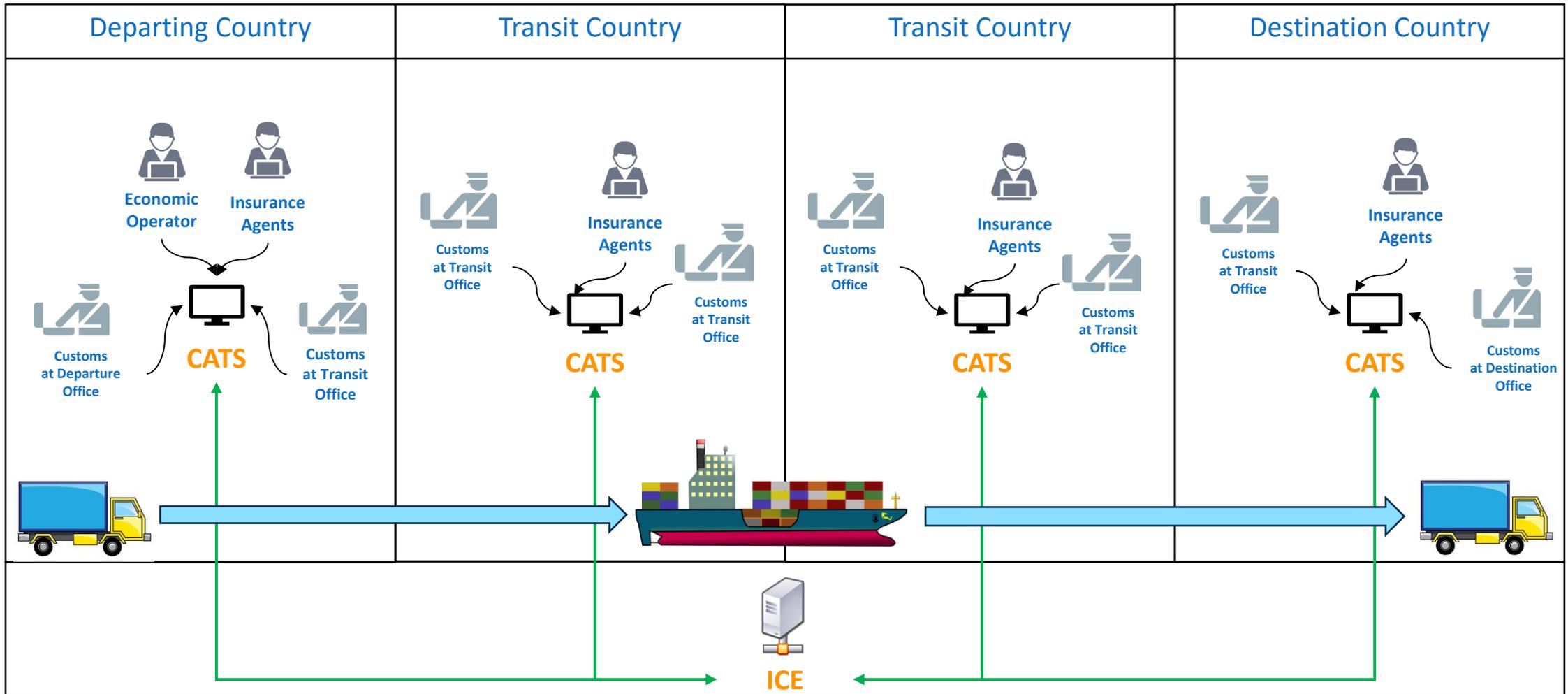
- General Agreement on Tariff and Trade (GATT)
 - Revised Kyoto Convention (RKC)
 - World Trade Organization (WTO) Trade Facilitation Agreement (TFA)
 - World Customs Organization (WCO) Transit Guidelines (2017).
- ✓ **Sound legal framework** which allows for data exchange with other entities and countries
 - ✓ **Simple and speedy** treatment and harmonizing customs control **procedures**
 - ✓ **Minimum documentation** and formalities
 - ✓ The utilization of **comprehensive transit guarantees**
 - ✓ **Non-discrimination** and freedom of transit

Opportunity to Improve the Existing CAREC Transit Systems – Key Features of CATS/ICE

- The introduction of a CAREC regional transit system supported by a **CAREC guarantee mechanism** would:
 - Enhance security of the supply chain across the region
 - Help trade flow more smoothly and efficiently across borders
 - Reduce the overall cost of trade

- ✓ **Single transit declaration**
 - Design based on the T1 form of EU's NCTS
 - CATS prototype has been developed
- ✓ **Electronic customs-to-customs transit data exchange platform**
 - An ICE prototype has been developed
- ✓ **A risk-based affordable guarantee mechanism** that rewards compliant traders
 - Different guarantee levels based on risks
 - Able to guarantee multiple transit movements
- ✓ **Simplifications for Authorized Economic Operators (AEO) – Trusted Traders**

System Features & Technology



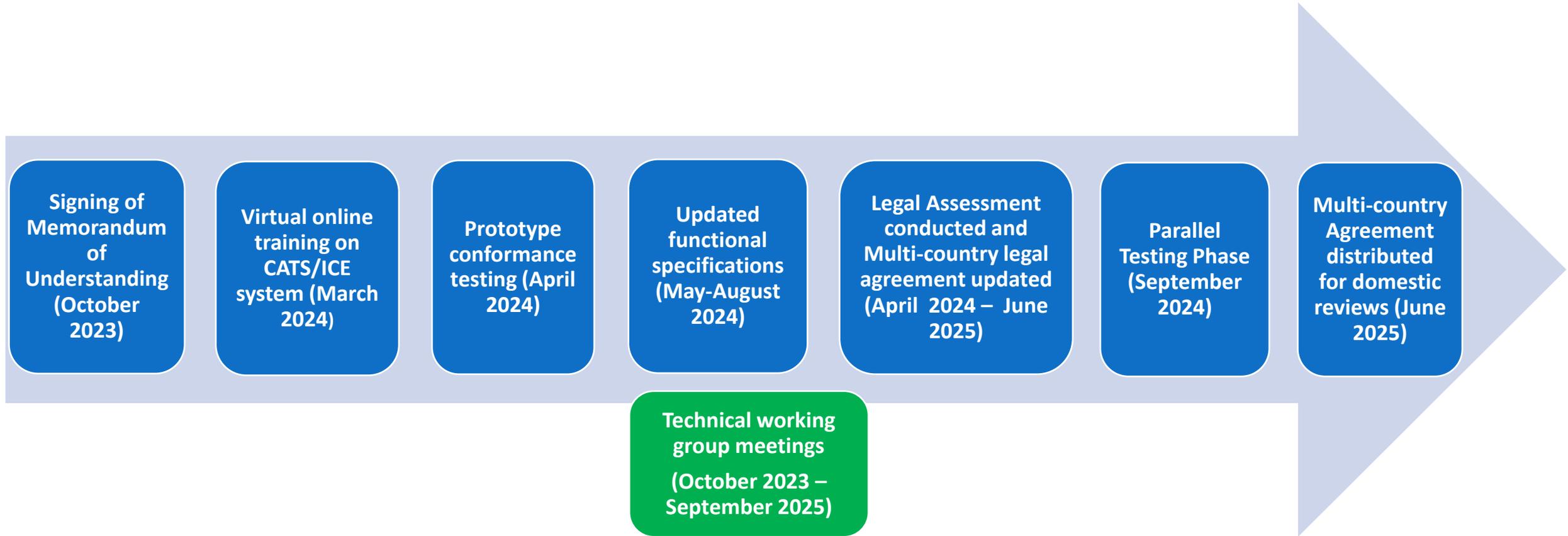
Features of Transit Regimes

Transit Regime	Customs-to-Business and Customs-to-Customs Data exchange	Guarantee Mechanism			AEO Facilitation Measures
		Inter-country Guarantee mechanism	Comprehensive Guarantees	Risk based Guarantee Amounts	
CATS	✓	✓	✓	✓	✓
NCTS	✓	✓	✓	✓	✓
ACTS	✓	✓	✓	✓	✓
TIR	X	X	X	X	Limited

Comparison of TIR to CATS/ICE

	TIR	CATS and ICE
System	International Road Transport Union (IRU)	Customs-to-Customs and Customs-to-Business
Availability	IRU Members only – large companies	Approved CATS Operators – Large and SME companies
Transport Modes	Road	Intention to support all modes of transport, incl. multimodal
Transit Guarantee	Single transit movement, Set fee, 100% of all Customs Duties and Taxes	Comprehensive, variable fees, depending on risk / AEO status Customs can set level – 100%, 50%, 25% of all Customs Duties and Taxes
Transit Notification	Arrival at the Border	Commencement of Transit Movement – in advance and continuing notifications for all steps of processing
Information to inform Customs Risk Assessment	Cargo details	CATS Operator details and status (e.g., AEO), Cargo details, Mutual recognition of Customs control by each country along the transit route

Pilot Phase Progress: Key Milestones (1)



Pilot Phase Progress: Key Milestones (2) & Moving Forward

Finalize
Version 2
CATS/ICE
software
(Jun – Aug
2025)

CATS/ICE
Pilot
progress
report
(Sep 2025)

Liaison
with
Insurers
and
guarantors
(Sep 2025)

Parallel test of
system with
participation
of traders and
insurers
(Oct 2025)

Finalize Version
3 and system
conformity test
(Nov 2025 –
May 2026)

Signing and
ratification of
Multicounty
Agreement
(Jan – Jun
2026)

Processing
of real
transit
cargo
movements
(Jul – Aug
2026)

Technical working group
meetings, Liaison meetings,
capacity building sessions
Sep 2025 —

Interoperability and Lynchpin Countries

- A lynchpin country holds a strategic geographic and economic position that links subregions, aligns policies, and drives cross-border trade—turning individual corridors into wider regional and transcontinental networks.
- All CAREC members play lynchpin roles, particularly PRC, Kazakhstan, Turkmenistan, and CATS/ICE positions the CAREC region as a connective hub linking East/Southeast Asia (ACTS) with Europe (NCTS) via the Euro-Asia land bridge.
- Active participation by all CAREC countries is essential in advancing CATS/ICE and in future cooperations with NCTS (especially Georgia and Azerbaijan), and ACTS (notably Yunnan and Guangxi in PRC).

Thank you!