

**Charter of the Coordinating Council
of the Republic of Azerbaijan on Transit Freight**

APPROVED

by Decree of the President of the Republic of Azerbaijan

№. 655, dated October 21, 2015.

1. General provisions

1.1. The Coordinating Council of the Republic of Azerbaijan on Transit Freight (hereinafter referred to as – Coordinating Council) is a collegial executive body established for the purpose of ensuring attraction and high quality transportation of transit cargo passing through the transport corridors of the territory of the country.

1.2. The Coordinating Council shall perform the state regulation of tariffs for the provision of transit cargo transportation services by rail and sea transport, ports and freight forwarding services related to transit cargo by the legal entities and individuals regardless of the type of their property and organizational-legal form, coordinate the performance of all participants in this area including the state bodies in charge of border crossing procedures.

1.2.1 Freight forwarding services are the ones provided by legal and natural persons on the basis of direct contract with transporting companies for services indicated in paragraphs 1-3 of subclause 2.0.1 of this Charter.

1.3. The Coordinating Council shall govern in its activity the Constitution of the Republic of Azerbaijan, existing legislation of the Republic of Azerbaijan, decrees and orders of the President of the Republic of Azerbaijan, decrees and ordinances of the Cabinet of Ministers of the Republic of Azerbaijan, international treaties in which the Republic of Azerbaijan is a party and this Charter.

1.4. The Coordinating Council shall conduct its activity interactively with the central and local executive authorities, local self-government bodies, as well as legal and natural persons.

2. The duties of the Coordinating Council

2.0. The duties of the Coordinating Council shall include:

2.0.1. to set tariffs in the following areas in order to ensure the implementation of the a common tariff policy with regard to transit cargo:

1. transit cargo transportation via railway;
2. transit cargo transportation via marine transport;
3. exploitation of the port facilities related to transit cargo, port handling and other services provided by marine terminals;
4. freight forwarding services concerning services indicated in paragraphs 1-3 of subclause 2.0.1 of this Charter;

2.0.2. to ensure coordination of mutual activity of all participants engaged to transit freight carried out via railways, marine transport, marine ports and marine terminals of the country;

2.0.3. to make measures for ensuring improvement of harmony, efficiency and quality of the transit freight carried out via railways, marine transport, marine ports and marine terminals of the country;

2.0.4. to prepare and present accordingly proposals to reduce the duration of the transit freight carried out via railways, marine transport, marine ports and marine terminals of the country, to simplify cargo transportation rules, conditions and procedures as well as to enable their transparency.

2.0.5. to undertake the following actions with the aim of ensuring transparency, simplification, digitalization of contracts concluding procedures for transit freight

carried out via railways, marine transport, marine ports and marine terminals of the country as well as application of "one stop shop" principle in this field:

1. receiving direct applications (including electronic applications) about concluding the contract for transportation of transit cargo from carriers or customers or from the transport enterprises providing services via railways, marine transport, marine ports and marine terminals of the country.
2. providing the information to transporting company or customers on conditions (common tariffs, duration and etc.) of the transit cargo transportation, implementing through the territory of the country via railways, marine transport, marine ports and marine terminals;
3. for the purpose of coordination (endorsement) of received applications sending them to the transport enterprises providing transit cargo transportation via railways, marine transport, marine ports, marine terminals as well as to legal and natural persons providing freight forwarding services;
4. creating favorable conditions for concluding of contracts between carriers or customers and transport enterprises providing transit transportation via railways, marine transport, marine ports, marine terminals as well as legal and natural persons providing freight forwarding services;
5. Obtaining copies of the cargo documents as well as freight forwarding contracts in the field of transit freight carried out via railways, marine transport, marine ports and marine terminals concluded by transport companies as well as legal and natural persons providing freight forwarding services.

6. coordination of qualitative implementation of transit cargo transportation contracts concluded by transport companies as well as legal and natural persons providing freight forwarding services via railways, marine transport, marine ports and marine terminals.

2.0.6. to coordinate the transit cargo transportation activity with relevant state authorities with aim of simplification, transparency, digitalization of the procedures for passing (through state border and customs control) transit cargo carried out via railways, marine transport, marine ports, marine terminals of the country through the state border;

2.0.7. to prepare and present accordingly proposals for determining of common principles and conditions for the interactive activity of transport enterprises, carriers, freight forwarders and operators engaged to transit freight carried out via railways, marine transport, marine ports and marine terminals of the country;

2.0.8. to prepare and present accordingly proposals for the development of transport infrastructure, enhancement the management systems of the transportation processes and increasing their efficiency in the area of transit freight carried out via railways, marine transport, marine ports and marine terminals of the country;

2.0.9. to conduct analyses for attraction transit cargo into the transport corridors passing through the territory of the country and creation new transit opportunities, prepare programs and present them accordingly;

2.0.10. to prepare and present accordingly proposals for elimination of obstacles in developing of transit freight implemented via railways, marine transport, marine ports and marine terminals of the country;

2.0.11. to prepare and present accordingly the drafts of the legal acts relevant to the objectives determined by this Charter, provide feedbacks and suggestions on such drafts prepared by other authorities;

2.0.12. to prepare and present accordingly proposals for efficient usage of potential of existing infrastructure facilities in the field of transit freight carried out via railways, marine transport, marine ports and marine terminals of the country;

2.0.13. to cooperate with the relevant state bodies and organizations, legal entities and individuals, as well as the relevant state authorities of foreign countries and transit organizations for the purpose of attraction transit cargo into the transport corridors passing through the territory of the country, creation new transit opportunities and elimination of obstacles in developing of transit freight;

2.0.14. to implement state control over ordinances adopted by Coordinating Council, for the purpose of carrying out statutory actions with regard to admitted flaws address them accordingly;

2.0.15. to comment on the ordinances of the Coordinating Council;

2.0.16. without creating unfair competition conditions to make a proposals on determination of rules for discounts of tariffs (prices) in the field of transit freight implemented via railways, marine transport, marine ports and marine terminals of the country;

2.0.17. to consider the applications of participants carrying out transit freight via railways, marine transport, marine ports and marine terminals, to undertake measures for protection of their rights, to make decisions regarding settlement of disputable issues;

2.0.18. to ensure informing of population about its activities, creation of the official portal, allocation of the information included into the list of statutorily disclosed data on that portal and updating this information constantly;

2.0.19. to promote the transport corridors passing through the territory of the country.

3. The rights of the Coordinating Council

3.0. The Coordinating Council shall have the following rights to carry out its duties:

3.0.1. to attract the transport market participants into the activities carried out in accordance with the objectives of this Charter;

3.0.2. to receive the necessary documents and information from the state bodies, legal entities and individuals regardless of their type of property and organizational-legal form, concerning matters related to the authorities of the Coordinating Council;

3.0.3. to attract experts and consultants into the activity of the Coordinating Council;

3.0.4. to adopt ordinances concerning execution of the duties determined by this Charter;

3.0.5. to monitor implementation of the ordinances of the Coordinating Council and take measures to eliminate the flaws.

4. Organization of the activity of the Coordinating Council

4.1. The composition of the Coordinating Council (chairman and members) is comprised by representatives of central executive bodies, other state agencies and organizations and shall be determined by the President of the Republic of Azerbaijan.

4.2. Chairman of the Coordinating Council performs the following duties:

4.2.1. Identifies the current and future directions of the Coordinating Council's activity, approves and implements its working program;

4.2.2. Signs the methodical documents, acts, orders, instructions, letters and other documents related to the activity of the Coordinating Council;

4.2.3. Executes other work related to the organization of the activity of the Coordinating Council.

4.3. The rights of the members of the Coordinating Council are as follows:

4.3.1. To participate in the meetings and activity of the Coordinating Council;

4.3.2. To give suggestions on the agenda of the meetings of the Coordinating Council as well as concerning issues included into that agenda;

4.3.3. To carry out other work related to the activity of the Coordinating Council.

4.4. Organization of the current activity of the Coordinating Council shall be performed by the Secretariat of the Tariff (price) Council of the Republic of Azerbaijan (hereinafter referred to as – Secretariat).

4.5. Matters included into the agenda of the Coordinating Council shall be submitted to the members of the Coordinating Council within 5 days in ordinary and within 2 days in emergency cases and these matters shall be considered at the meeting of the Coordinating Council.

4.6. The meetings of the Coordinating Council shall be held in the following order:

4.6.1. The meetings of the Coordinating Council shall be deemed legitimate if at least seven of its members participate in these meetings;

4.6.2. The meetings of the Coordinating Council shall be held at least once a quarter, or upon request of the chairman or members of the Coordinating Council;

4.6.3. The voting at the meetings of the Coordinating Council shall be open and the ordinances shall be adopted by a simple majority vote. In case of equal votes, the chairman of the Coordinating Council shall have the casting vote;

4.6.4. The ordinances adopted at the meetings of the Coordinating Council shall be formalized with the minutes, and signed by the chairman and members of the Coordinating Council. The ordinances adopted at the meetings of the Coordinating

Council in accordance with this Charter shall be mandatory for all the state and local self-government agencies, as well as the individuals and legal entities;

4.6.5. The issues included into the agenda of the Coordinating Council shall be formed on the basis of a business plan approved by the Coordinating Council;

4.6.6. Chairman or one of the members of the Coordinating Council shall give information on the issues included into the agenda of the Coordinating Council;

4.6.7. Regulations of the each meeting of the Coordinating Council shall be identified on the basis of opinion of the chairman and members of the Coordinating Council, depending on the issues to be discussed.

4.7. Experts and consultants invited to the meetings of the Coordinating Council shall have the right only for making proposals and giving opinions on relevant issues.

4.8. The information on issues considered at the meetings of the Coordinating Council shall be disclosed via mass media or official portal of the Coordinating Council upon consent of the chairman of the Coordinating Council or Secretariat.

4.9. Reorganization and abolishment of the Coordinating Council shall be executed by the President of the Republic of Azerbaijan.