To date, many States worldwide have in force national laws governing the circulation over their respective roads of vehicles from other countries carrying passengers or freight for commercial reasons. These laws are mainly aimed to protect their national transport industry by restricting the entry in their territory of road hauliers from neighbouring countries. In practice, this is done via the implementation of a permit regime where foreign road-transport hauliers are required to obtain a special circulation permit from the authorities of the country where they want to move with their cargo or passengers. The permit must be held in the vehicle and be showed to the enforcement agencies in the country of circulation on their request. In most cases the permit allows them to follow fixed itineraries or to use only particular transport routes, so reducing the traditional flexibility which is typical of road transport.

In Africa there are many examples of such regulations. In South Africa, for instance, any foreign vehicle owner wishing to transport goods or passengers on a commercial basis on its territory, needs to have a special permit issued by the Cross-Border Road Transport Agency (CBRTA) in accordance with section 25 of the Cross-Border Road Transport Act No. 4 of 1998 (The Cross-Border Road Transport Act).

Such permits are usually based on bilateral agreements signed between pairs of countries which in most cases include a formula or quota on how many trips may be performed from a country to another. In the case of South Africa, for instance, bilateral agreements are in place with its main neighbours Malawi, Mozambique, Zambia e Zimbabwe . However, many observers claim that such permits have raised the cost of transport in the country in a measure which is estimated to be 60%. Accordingly, the benefits of such a system are strongly disputed.

Moreover, due to the difficulty in obtaining such permits and to their cost, foreign commercial vehicles or commercial passenger vehicles (ex. buses or long distance taxi), prefer to offload cargo or drop off their passengers at the border with the country where they are destined to, so that such cargo or passengers can be picked up by other vehicles in this country.

For commercial vehicles, therefore, the bilateral system of road transport permits encourages transshipment practices at border, which increase transport and logistics costs and cause delays in the delivery of goods, due to the need to carry out multiple offloading and uploading operations which are often manually conducted (an exception is when trailer-swap or container-swap techniques are used, but in this case particular vehicles fitted for these operations are required).

To overcome some the above problems and reduce the rigidity of the bilateral cross-border road transport system, many countries have adopted (often in parallel with bilateral transport permits) a multilateral quota system of transport licenses (or permits) aimed to facilitate, the movement of their national road carriers between the territories of the States participating to the system. Although multilateral quota systems also restrict the movement of vehicles in a particular area or region, the main advantage with respect to bilateralism, is that they harmonise the national regulations governing road transport, reducing distortions of competition between transport companies and in many cases have also signi fic antly contributed to increase the technical standards of vehicles for the transport of goods involved in cross-border operations.

An example is the CEMT (Conférence Européenne des Ministres des Transports / European Conference of Ministers of Transport) system, which allows road hauliers to undertake an unlimited number of multilateral freight operations in 43 European member countries (including many East and Southeast European countries) participating in the system. The Multilateral Quota system is managed by the International Transportation Forum (ITF) Road Transport Group (RTG), which allocates licenses to the 43 member countries of the system, while issuance of permits is under the responsibility of the national Ministries of Transport or Commerce (the specimen of the CEMT permit with the guidelines for its use is available to this link ). Such permits are usually valid for one calendar y ear (a short-term permit valid for 30 days is also foreseen) and their use is subject to strict regulations, which include, among others, the category of vehicle (vehicle EURO-categories on emission standards). Another example of multilateral agreement on cross-border road transport is the Greater Mekong Sub region (GMS) Agreement for Facilitation of Cross-border Transp ort of People and Goods adopted by Lao, Thailand, and Viet Nam (1999), and subsequently ratified by Cambodia (2000), China (2001) and Myanmar (2003), whose Protocol N. 3 establishes (Art. 1) that transport operators of one Contracting Party shall be entitled to perform cross-border transport operations in other Contracting Parties territories only if they hold a GMS (Greater Mekong Subregion) road transport permit whose validity is of 1 year. A Memorandum of Understanding (MOU) signed in March 2018 allows each GMS Party to issue up to 500 GMS Road Transport Permits and Temporary Admission Documents (TADs) for goods and passenger vehicles registered, owned and/or operated in their respective territories.

Recently, UNESCAP (one of the Regional Economic Commissions of the United Nations), has elaborated a Model Agreement on Multilateral Permit for International Road Transport in Asia and the Pacific region . Similarly to the CEMT, this agreement aims at facilitating road transport in the Asia-Pacific Region via the exchange of road transport permits between national Governments participating in the system, which will continue to keep full control of issuing permits to domestic and foreign transport operators, maintaining the right to carry out regular checks of permit use and to apply specific disciplinary action against non-complying operators.

The Model Multilateral Permit for International Road Transport is an instrument that can be applied for drafting and negotiating new subregional agreements, as well as for planning amendments to existing cross-border road permit agreements. Among the expected benefits of such a model there are the abandonment of existing inefficient trans-loading practices at border (with the driver of the originally contracted carrier remaining in full control of the delivery of cargo from the point of loading to the point of unloading at final destination); enhanced access to international road freight transport markets (in this particular case, along Asian Highway Network and beyond); reduced exposure to border crossing bureaucracy and possible illegal activities (rent-seeking, bribes, etc.).