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Economic Commission for Europe**Administrative Committee for the TIR Convention, 1975****Sixtieth session**

Geneva, 5 February 2015

Item 4 (a) (i) of the provisional agenda

Activities and administration of the TIR Executive Board –**Activities of the TIR Executive Board:****Report by the Chair of the TIR Executive Board****Report of the sixtieth session of the TIR Executive Board
(TIRExB)****Summary*

The present document is submitted pursuant to Annex 8, Article 11, paragraph 4 of the TIR Convention, 1975, which stipulates that the TIR Executive Board (TIRExB) “shall report on its activities to the Administrative Committee at least once a year or at the request of the Administrative Committee”.

I. Attendance

1. The TIR Executive Board (TIRExB) held its sixtieth session on 23 and 24 September 2014 in Antalya (Turkey), at the kind invitation of the Ministry of Customs and Trade of Turkey.
2. The following members of TIRExB were present: Mr. M. Ciampi (Italy), Mrs. D. Dirlik (Turkey), Mrs. B. Gajda (Poland), Mrs. L. Jelinkova (European Commission), Mr. H. Lindström (Finland), Mr. V. Milošević (Serbia) and Mr. S. Somka (Ukraine).
3. The International Road Transport Union (IRU) attended the session as observer and was represented by Mrs. Kseniya Kasko.

* The document was submitted late due to the necessary approval by TIRExB at its sixty-first session (2–3 December 2014).



II. Opening statement

4. On behalf of the Ministry of Customs and Trade, Mrs. Ragibe Coşkun, Head of the Antalya Regional Directorate for Customs and Trade, attended the beginning of the session of TIRExB to deliver an opening statement, in which she stressed, inter alia, the ongoing contribution by Turkey to the well-functioning of the TIR system, and, in more recent years, the efforts to computerize the TIR procedure.

III. Adoption of the agenda

Documentation: Informal document TIRExB/AGE/2014/60, Informal document TIRExB/AGE/2014/60/Add.1

5. TIRExB adopted the agenda of the session as presented in Informal document TIRExB/AGE/2014/60 and its revision 1 without any further amendments.

IV. Adoption of the report of the fifty-ninth session of TIRExB

Documentation: Informal document TIRExB/REP/2014/59 draft with comments

6. The Board adopted the draft report of its fifty-ninth session (Informal document TIRExB/REP/2014/59draft with comments), subject to the following amendment:

Page 4, paragraph 6, last line

For about what else could happen as of 1 July 2014 read or any further measure under consideration by FCS

V. Settlement of disputes between Contracting Parties, associations, insurance companies and international organizations

The decision of the Russian Federal Customs Service affecting the functioning of the TIR system

7. Under this agenda item, TIRExB members were invited to report on any recent finding or development, further to the decision of the Russian Federal Customs Service (FCS) to apply restrictive measures against foreign TIR Carnet holders, which had gradually become effective as of 13 September 2013.

8. Mr. Somka (Ukraine) informed the Board that the Ukrainian government is considering the adoption of a decision to no longer accept TIR Carnets issued by the Association of International Road Transport Carriers (ASMAP) from the Russian Federation. The main justification for this course of action lies in the view that ASMAP no longer fulfils the criteria set by the TIR Convention and, thus, can no longer deliver internationally valid guarantees. Ukrainian customs authorities will continue to accept TIR Carnets, but only as customs declarations. Russian carriers will additionally need to acquire a guarantee to cover the transit of the territory of Ukraine. Mr. Somka promised to keep the Board informed, in particular, but not limited to, about the date of entry into force of such a measure.

9. Mrs. Kasko (IRU) reported that the tender procedure, launched by the competent Russian authorities with the aim to select and authorize a national guaranteeing association that meets the strict requirements set by FCS is still ongoing. She further informed the Board that transporters are increasingly facing problems when trying to obtain a national guarantee. In particular, it seems that the prices of such guarantees continually rise. Mrs. Kasko finally expressed the concerns of IRU with regard to the pending decision by the Ukrainian authorities and the European Union (EU).

10. In reply to a question from the secretariat and IRU, Mrs. Jelinkova (European Commission) informed the Board that the European Commission is, indeed, preparing a proposal for a Council decision on a possible suspension of TIR operations between the EU and the Russian Federation and has discussed this possibility with its member States and with traders. Mrs. Jelinkova stressed that the proposal is still under consideration. In case of any decision by the Council, the European Commission will keep Contracting Parties as well as UNECE informed.

VI. Application of specific provisions of the TIR Convention

Use of additional guarantees

Documentation: Informal document No. 26 (2014)

11. TIRExB took note of Informal document No. 26 (2014) on the preliminary thoughts of the secretariat to introduce a more flexible application of the guarantee in the TIR Convention on the basis of past considerations by the Board.

12. In a first reaction, various TIRExB members pointed out the difference between flexible guarantees (i.e. the introduction of various guarantee levels) and additional guarantees (i.e. obligation of TIR operators to furnish national customs authorities with a guarantee that supplements the international guarantee stipulated by the TIR Convention). TIRExB also considered that the current guarantee system seems sufficiently flexible, as it allows each Contracting Party to decide on the recommended limit of the guarantee. However, some TIRExB members expressed the fear that higher guarantee limits could lead to higher prices for TIR Carnets and, consequently, increased costs of TIR transports. Some TIRExB members recalled that various countries require additional guarantees, to be provided by national financial institutions or in the form of the so-called TIR+ vouchers of IRU, for transports where the amount of duties and taxes exceeds the guarantee limit of that country and which are, consequently, considered as potentially risky. Other members of the Board stressed that, currently, when risk assessment mechanisms identify a potentially risky transport, the TIR Convention provides various options to manage that risk, such as prescribing a national itinerary or imposing a customs escort. At the same time, they expressed the view that the use of escorts seems outdated and more expensive than additional guarantees. They emphasized that the options to secure potentially risky transports should be extended to include modern technologies such as, but not limited to, Global Positioning System (GPS) tracking devices.

13. On a general note, TIRExB agreed that, despite the fact that the average claim rate suggests that the current guarantee level is sufficient for the majority of TIR transports, a more flexible approach seems warranted. This flexibility could be achieved by means of: different levels of guarantee, the use of more than one TIR Carnet per TIR transport (voucher system) or the introduction of a transaction based, comprehensive guarantee.

14. As a next step, TIRExB requested the secretariat to amend Informal document No. 26 (2014) with a summary of recent discussions in the Working Party on Customs

Questions affecting Transport (WP.30) and the TIR Administrative Committee (AC.2) on Explanatory Note 0.8.3, in particular with regard to the argument that raising the level of the guarantee would increase the costs of TIR Carnets. In that context, TIRExB requested IRU to provide, for discussion at its next session, its assessment of the costs of TIR Carnet, which would have various limits such as 20,000 / 60,000 / 100,000 or even 200,000 Euros. In addition, TIRExB requested the secretariat to assess how to amend the existing comment to Article 23, elaborating other options than escorts to ensure the safe journey of the transported goods.

VII. Computerization of the TIR procedure

A. Current status of the eTIR Project

15. The Board took note of the latest developments with regard to the eTIR project, in particular that the twenty-fourth session of the Informal Ad hoc Expert Group on Conceptual and Technical Aspects of Computerization of the TIR Procedure (GE.1) would take place on 25–26 September 2014, back to back with the TIRExB session, at the kind invitation of the Ministry of Customs and Trade of the Republic of Turkey. The Board welcomed, inter alia, a new version of the eTIR Reference Model (version 4.1a) and took note that, if approved by GE.1, it would be translated and submitted to WP.30 for consideration and, possibly, endorsement.

B. Central database for certificates of approval

Documentation: Informal document No. 27 (2014)

16. TIRExB welcomed Informal document No. 27 (2014) by the secretariat, proposing a new Explanatory Note 3.0.3. to Annex 6 of the Convention introducing the TIRExB maintained international database on Certificates of Approval (CoA). Subject to replacing, in the first line, the word “country” by “Contracting Party”, TIRExB agreed with the proposed text and requested the secretariat, as a next step, to submit proposals for the procedure by which Contracting Parties should collect and transmit data to TIRExB — including a list of (minimally required) data elements and format, taking into account the required data protection aspects. TIRExB agreed that, for now, the electronic copy of the CoA would not replace the paper CoA, issued to the manufacturer, owner or operator of the vehicle and kept on the road vehicle (as stipulated by Annex 3, paragraph 3). The main purpose of the international database, maintained by TIRExB, would be to facilitate risk assessment by national competent authorities.

VIII. Adaptation of the TIR procedure to modern business, logistics and transport requirements

A. Implementation of the intermodal aspects of the TIR procedure

17. The Board was informed about the ongoing cooperation between the secretariat and IRU to facilitate the use of the TIR Carnet for intermodal transport. In particular, TIRExB took note of the efforts undertaken by IRU to obtain an in-depth understanding of the current use of the TIR Carnet for intermodal transport, which seems to be mainly limited to ro-ro transports, as well as to identify where the TIR procedure could further enhance the global supply chain. TIRExB, noting that the future accession of China to the TIR

Convention could have a great potential for the intermodal use of the TIR procedure, was of the view that this aspect of the TIR Convention should not be considered in isolation. The computerization of the TIR procedure, the use of subcontractors, the possibility to start and terminate the TIR procedure at the premises of authorized consignors and authorized consignees, respectively, seem to be key factors to ensure that the TIR procedure could appeal to the largest number of actors in the global supply chain. Indeed, the main challenges for the use of the TIR Carnet in intermodal transports lie in the opportunity of offering logistics operators uninterrupted door-to-door transports under cover of a single guarantee, thus, for example, bypassing existing bottlenecks in ports.

18. TIRExB mandated the secretariat to continue its cooperation with IRU and, if required, to follow-up on the outcome of the survey of 2013 by contacting those operators who had declared themselves available to share their experiences on the intermodal use of the TIR Carnet. The Board invited IRU to assist the secretariat in this work.

19. TIRExB requested the secretariat to keep it informed of any progress, possibly by means of submission of a document for consideration at one of its future sessions.

B. Authorized consignor and consignee

Documentation: Informal document No. 28 (2014); Informal document No. 29 (2014)

20. The Board took note of Informal document No. 28 (2014), in which the secretariat reproduced comments by members of the Board to Informal document No. 20 (2014), together with a first assessment by the secretariat. The Board generally appreciated the secretariat's efforts to find more common ground for the text of the proposal to introduce a new Explanatory Note 0.49 to Annex 6 of the Convention, but recalled its earlier view that the authorized consignor need not be defined in exhaustive detail in the Explanatory Note, but, rather, only give enough scope to allow such simplification (as well as, possibly, others) in any way that national administrations deem suitable (TIRExB/REP/2014/59final, para. 18). With regard to the text of Informal document No. 28 (2014), Mrs. Gajda (Poland) pointed out that, contrary to what was stated on page 3 of the said document, the status of authorized consignor in Poland is not limited to the TIR Carnet holder only, whereas Mr. Lindström (Finland) informed the Board that, as yet, the concept of authorized consignor had not been introduced in Finland, as mistakenly stated also on page 3 of the said document.

21. As a step forward, TIRExB agreed that, although Article 49 seems to be a sufficient legal basis for countries which already now grant the simplification of authorized consignor or consignee for TIR transports, an Explanatory Note might serve to, on the one hand, solidify this basis and, on the other hand, provide other countries sufficient legal arguments to also allow these simplifications in their countries. Thus, TIRExB requested the secretariat to prepare a new Explanatory Note to Article 49, providing a clear conceptual basis for Contracting Parties to introduce simplifications in their territory, subject to the requirements set by national competent authorities. TIRExB requested the secretariat to formulate, to the extent possible, the new Explanatory Note in such a way that other provisions of the Convention, such as, but not limited to, Article 1 (c) and (d), Article 8 and Article 19 would, possibly, remain unaffected.

22. Mrs. Kasko (IRU) confirmed the interest of the transport sector in introducing the concept of authorized consignor and consignee in the context of the Convention. At the same time, she reported having been informed by carriers that they are not always sure that persons posing as such have, indeed, been authorized. In the view of TIRExB it is the responsibility of the carrier, in particular in case of doubt, to verify with customs the status of the sender or receiver of the goods.

23. The Board also considered Informal document No. 29 (2014), prepared by the secretariat and containing two draft proposals for introducing an example of best practice on the use of authorized consignees in the EU. The Board was of the opinion that option two — a simplified excerpt from the EU Transit Manual — provided the best basis for the example for inclusion in the next revision of the TIR Handbook. TIRExB members from EU member States informed the Board that, although the main principles will remain untouched, the applicable provisions are currently being redrafted and, therefore, requested the secretariat to delete any reference to specific articles of the EU Customs Code Implementing Provisions. The Board requested the secretariat to revise Informal document No. 29 (2014) accordingly and submit it to the Board for approval. Mrs. Jelinkova offered her assistance to the secretariat. Finally, the Board requested the secretariat to take account of the accomplishments with regard to the concept of authorized consignee for TIR transports in the EU when drafting the text of the new Explanatory Note to Article 49 of the Convention (see para. 21).

IX. Functioning of the TIR international guarantee system

A. Survey on customs claims

Documentation: Informal document No. 21/Rev.1 (2014)

24. The Board welcomed Informal document No. 21/Rev.1 (2014), containing an updated assessment of the results of the survey on customs claims for the period 2009–2012. The Board regretted that important users of the TIR system, e.g. Iran (Islamic Republic of), Russian Federation and Ukraine, had failed to submit their data (despite repeated requests), making it difficult, if not impossible, for the Board to judge the outcome of the survey or to compare data with previous surveys. Considering that supervision of the operation of the guarantee system is one of its principle tasks, TIRExB urged the Chair to include in his report to AC.2 the request to Contracting Parties to reply to duly justified requests for data and any other information, thus allowing the Board to fulfil its functions as entrusted by the Convention.

25. As concerns future surveys, the Board requested the secretariat to present the results without making a difference between EU and non-EU countries and to include the full and complete replies per individual country in Annex. The Board also noted that the two questions of the survey, dedicated to identifying the origin of pending claims as reported by IRU, did not seem to provide the desired result, due to the fact that the great majority of respondents were not in a position to reply to them. Consequently, the Board decided to remove those questions from future surveys.

B. Implementation of Annex 9, Part III of the Convention

Documentation: Informal document No. 30 (2014)

26. The Board took note of Informal document No. 30 (2014) by the secretariat, containing a checklist of documents (to be) submitted by IRU in order to fulfil the requirements as stipulated by Annex 9, Part III of the Convention. In this context, TIRExB also referred to a previous request to the secretariat to, in consultation with IRU, see if the possible new provisions (o), (p) and (q) could be included in the checklist in order to avoid, if adopted, confusion as to what they entail, as well as to avoid a potential risk of duplication. Finally, TIRExB requested the secretariat to seek the advice of the Office of Internal Oversight Services (OIOS) or other UN competent bodies, experienced with issues of accountancy and auditing, in order to determine if the required documents reflect the

legal provisions of Annex 9, Part III, including, possibly, the new provisions (o), (p) and (q).

27. The Board was of the view that the submitted documentation should be kept by the TIR secretariat, where they would be available, upon appointment, for consultation by Contracting Parties.

X. Ongoing problems in the application of the TIR Convention between Tajikistan and Uzbekistan

28. Mrs. Kasko (IRU) reported that, while in the past, road carriers had reported problems between Tajikistan and Uzbekistan with regard to the application of the TIR Convention, at present IRU does not dispose of specific cases which would require the attention of TIRExB. The TIR secretariat recalled that in 2012, WP.30 had been informed by the delegations of Kyrgyzstan and Tajikistan of systematic checks by Uzbek border crossing authorities of all TIR vehicles entering Uzbek territory. However, so far, none of these delegations had submitted relevant material to the secretariat for re-transmittal to the competent authorities of Uzbekistan. TIRExB decided not to revert to this issue at its next session, unless detailed information on specific cases would be submitted to it for assessment.

XI. Problems between the competent authorities and the national association in the Republic of Moldova

29. Mrs. Kasko (IRU) informed the Board that the situation concerning the change in management of the International Association of Road Hauliers (AITA) of the Republic of Moldova, as reported at previous sessions of the Board, had been resolved in early July 2014 and was now stable. A new management of AITA had been appointed and the changes had been confirmed by the Moldovan competent authorities. IRU has carried out an audit of the association and organized training sessions for the new management, thus ensuring that they fully comply with the requirements imposed on them by the TIR Convention and as member association of IRU.

XII. Activities of the secretariat

A. General activities of the secretariat

30. The secretariat informed the Board about recent and upcoming TIR related events. The secretariat participated in the High-Level International Conference on the Role of Transport and Transit Corridors in Ensuring International Cooperation, Stability and Sustainable Development which took place on 3–4 September 2014 in Tbilisi. At that occasion, the TIR secretariat also organized a national TIR seminar for customs officials on 5 September 2014. Furthermore, the TIR secretariat participated in a workshop in Rabat on 17–18 September 2014, which had been organized in the framework of the Euro-Mediterranean Partnership (EUROMED) project, which was funded by the EU.

31. Upcoming events at which the TIR secretariat intends to participate: The third Economic Cooperation Organization (ECO)/IRU Regional Conference on Facilitation of Transit on Road and TIR Convention (Tehran, 26 October 2014) and the second United Nations Conference on Landlocked Developing Countries (Vienna, 3–5 November 2014).

32. Finally, the secretariat informed the Board about ongoing efforts towards the accession of Pakistan to the Convention as well as the latest developments in China. The Board took note that the tenth revised edition of the TIR Handbook would soon be available. The TIR secretariat had closely worked together to prepare this major update. The text is currently being revised by the official Chinese translation section of the United Nations. In the context of accession of China to the TIR Convention, Mrs. Dirlik (Turkey) informed the Board that, at the invitation of the Turkish Ministry of Customs and Trade and IRU, a delegation from Chinese customs will visit Turkey in the course of October 2014.

33. The Board took note that the TIR Convention would be promoted in Kenya, in the framework of a project of the Commonwealth secretariat. To this end, a TIR workshop is planned for in Kenya in October 2014. Furthermore, the Board took note that the TIR secretariat, together with IRU, are involved in the organization of a TIR panel, to be held during a United Nations international conference on transport issues hosted by the government of Turkmenistan, in September 2014.

34. Finally, the secretariat informed the Board that it is continuing its efforts to conduct, in cooperation with the Organization for Security and Co-operation in Europe (OSCE) Border Management Staff College, a regional TIR seminar for customs officials from, in particular, Afghanistan, Pakistan and Tajikistan. To that end, arrangements for meeting facilities have been made in Dushanbe, from 18–23 May 2015.

B. United Nations Development Account

35. The Board took note of the progress made in the framework of the United Nations Development Account (UNDA) project “Strengthening the capacities of developing countries and countries with economies in transition to facilitate legitimate border crossing, regional cooperation and integration”, in particular that three regional commissions had finalized the gap analyses for countries in their region and that the first interregional expert group meeting for the project (Geneva, 8 December 2014).

C. Budget proposal and cost plan of the TIRExB and TIR secretariat for the year 2015

Documentation: ECE/TRANS/WP.30/AC.2/2014/11, ECE/TRANS/WP.30/AC.2/2014/12, ECE/TRANS/WP.30/AC.2/2014/13

36. The Board took note of the final accounts for the year 2013, as well as of the report covering the period from 1 January 2014 until 31 July 2014, contained in documents ECE/TRANS/WP.30/AC.2/2014/11 and ECE/TRANS/WP.30/AC.2/2014/12, respectively.

37. The Board endorsed the budget proposal and cost plan of TIRExB and the TIR secretariat for the year 2015, as well as the net amount to be transferred by IRU by 15 November 2014, contained in document ECE/TRANS/WP.30/AC.2/2014/13.

38. Under this agenda item, the secretariat informed the Board that it was preparing a request for AC.2 to, exceptionally, approve the transfer of funds by IRU to the TIRExB budget for 2015 to cover the costs of hiring a temporary technical expert, together with the purchase, implementation and maintenance of the necessary infrastructure by UNECE. TIRExB could agree to using its trust fund for the transfer, subject to the approval by AC.2 and on the understanding that the separate budget line(s) shall be administered by the UNECE in accordance with the applicable United Nations financial regulations, rules and directives.

XIII. Other matters

39. Mrs. Gajda (Poland) informed the Board of problems reported by Polish carriers when transiting goods through the Russian Federation, in particular, in case the transported goods fall under the embargo proclaimed against certain EU food and agricultural products. Mrs. Kasko (IRU) confirmed that similar complaints had reached IRU. Apparently, the Russian authorities refuse access on the grounds that the transit is, in fact, an attempt to import the embargoed goods. Mr. Somka (Ukraine) informed the Board that, at present, it was not possible to export goods from Ukraine to Georgia or Kazakhstan through the territory of the Russian Federation.

XIV. Restriction in the distribution of documents

40. TIRExB decided that Informal documents 21/Rev.1, 26 and 30 (2014), issued with reference to the current session, would continue to be restricted.

XV. Date and place of next session

41. TIRExB decided to conduct its sixty-first session on 2 and 3 December (morning) 2014 in Geneva.
