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Working Party on Customs
Questions affecting Transport

**REPORT OF THE WORKING PARTY ON CUSTOMS QUESTIONS
AFFECTING TRANSPORT ON ITS NINETY-SIXTH SESSION
(16 - 20 October 2000)**

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REPORT

ATTENDANCE

1. The Working Party held its ninety-sixth session from 16 to 20 October 2000 under the chairmanship of Mr. F. Paroissin (France).
2. The session was attended by representatives of the following countries: Austria; Belarus; Belgium; Bulgaria; Croatia; Czech Republic; Denmark; Estonia; Finland; France; Germany; Greece; Hungary; Iran; Italy; Jordan; Kazakhstan; Latvia; Lithuania; Netherlands; Poland; Portugal; Republic of Moldova; Romania; Russian Federation; Slovakia; Slovenia; Sweden; Switzerland; The former Yugoslav Republic of Macedonia; Turkey; United Kingdom; Ukraine. Representatives of the European Community (EC) were also present.
3. The United Nations Conference on Trade and Development (UNCTAD) was represented.
4. The following inter-governmental organizations were represented: World Customs Organization (WCO); Committee of the Organization for Cooperation between Railways (OSZhD).
5. The following non-governmental organizations were represented: International Road Transport Union (IRU); International Touring Alliance (AIT)/International Automobile Federation (FIA); Liaison Committee of Coachwork and Trailer Builders (CLCCR); Transfrigoroute International; International Union of Railways (UIC).

ADOPTION OF THE AGENDA

Documentation: TRANS/WP.30/191.

6. The Working Party adopted the provisional agenda prepared by the secretariat (TRANS/WP.30/191), with the addition of the following items to be considered under agenda item 6 (d) (vi):
 - Use of holograms to reduce possibilities of falsification of Customs stamps;
 - Measures to reduce the number of lost, stolen and falsified TIR Carnets.

ACTIVITIES OF UN/ECE BODIES AND OTHER UNITED NATIONS ORGANIZATIONS OF INTEREST TO THE WORKING PARTY

Documentation: UN/ECE Document on international agreements and conventions in the field of transport.

7. The Working Party took note that the UN/ECE secretariat has issued an updated version of its document on the status of 55 international agreements and conventions in the field of transport prepared under the auspices of the UN/ECE which was available at the session. It was also informed that guidelines and procedures with regard to the involvement of the business community in the activities of United Nations bodies has been prepared by the United Nations secretariat, relevant excerpts of which will be transmitted to the Working Party for consideration at one of its next sessions.

ACTIVITIES OF OTHER ORGANIZATIONS OF INTEREST TO THE WORKING PARTY

8. The Working Party was informed of recent activities of the European Commission's Directorate General Taxation and Customs Union (DG TAXUD). It noted that the reform of the Community and Common Transit Systems has been finalized and amendments to the underlying Convention have been adopted. Application of the New Computerized Transit System (NCTS) has been extended to cover also Norway and the last steps to complete its legal basis are currently being undertaken. Furthermore, the present simplified rail Customs transit procedures are under review with a view to taking account in particular of the privatization of railway companies.

9. The representative of the World Customs Organization (WCO) informed the Working Party that the new Kyoto Convention on the Simplification and Harmonization of Customs Procedures has been ratified so far by 16 Contracting Parties and would come into force in due course. The second session of the Administrative Committee of the Istanbul Convention on Temporary Admission, which so far has 36 Contracting Parties, has been held recently to consider inter alia a revised ATA Carnet. The Working Party was also informed that an ad hoc group of Customs experts will be convened as part of the activities in the framework of the Black Sea Pan-European Transport Area (PETrA). The first meeting of this group of experts would be hosted by Greece and will be held at Thessaloniki on 8 November 2000.

INTERNATIONAL CONVENTION ON THE HARMONIZATION OF FRONTIER CONTROLS OF GOODS, 1982 (“Harmonization Convention”)

Documentation: ECE/TRANS/55 (www.unece.org/trans/new_tir/conventions/list.htm).

Preparation of a new annex on efficient border crossing procedures

Documentation: TRANS/WP.30/2000/16; Informal Document No. 15 (2000); TRANS/WP.30/2000/11; Informal Document No. 6 (1999); TRANS/WP.30/1999/12; TRANS/WP.30/AC.3/6.

10. The Working Party recalled that the Administrative Committee for the “Harmonization Convention”, at its third session (Geneva, 21 and 24 June 1999), had examined proposals for the insertion of new annexes to the Convention on (a) facilitation of the passage of ATP vehicles carrying perishable foodstuffs prepared by the UN/ECE Working Party on the Transport of Perishable Foodstuffs (WP.11) and (b) efficient border crossing procedures prepared by the International Road Transport Union (IRU) (TRANS/WP.30/AC.3/6, paras. 12-19). Following preliminary considerations of the text of a new Annex 8 to the Convention at its ninety-fifth session, the Working Party reviewed once more the proposed provisions as contained in document TRANS/WP.30/2000/11, taking account of the results of an ad hoc expert group meeting which focused its work on the establishment of an International Vehicle Weight Certificate as foreseen in Article 5 of the new Annex (TRANS/WP.30/2000/16; Informal Document No. 15 (2000)).

11. The Working Party approved in principle the text of the proposed new Annex 8 to the Convention as contained in document TRANS/WP.30/2000/11 subject to the following modifications and on the understanding that final approval by the Working Party and adoption by the Administrative Committee could only be accorded once the technical appendices to Articles 4 and 5 had been finalized:

Modify the heading of Annex 8 to read as follows: “Facilitation of border crossing procedures for international road transport”.

Article 1:

Delete the first variant of Article 1 and modify the second variant 1 to read as follows:

“Complementing the provisions of the Convention and in particular those provided in Annex 1, the present Annex intends to define the measures that need to be implemented in order to facilitate border crossing procedures for international road transport.”

Article 3

Delete the square brackets in the heading of Article 3.

Modify paragraph 3 (ii) to read as follows:

“(ii) shall ensure that the required regulatory controls are carried out as quickly as possible;”

Article 4

The provisions of Article 4 are to be placed in square brackets pending a decision on the possible insertion into an appendix to Annex 8 of a model of the International Technical Inspection Certificate for road vehicles and following an analysis of the legal implications of reference to an Agreement that is not yet in force (Article 4, paragraph 1).

Article 4, paragraph 2

Delete the square brackets around paragraph 2 and insert, following the wording "... and the ATP certificate ...", the words: "or plate of approval".

Article 5

The provisions of Article 5 are to remain in square brackets pending finalization of the international vehicle weight certificate to be inserted into an Appendix to Annex 8.

Article 5, paragraph 1

Delete the square brackets around the wording: "and mutuality recognize".

Article 5, paragraph 2

The square brackets around paragraph 2 are to be deleted and the references to the Secretary-General of the United Nations are to be replaced by references to the Executive Secretary of the Economic Commission for Europe of the United Nations.

Article 6

Modify paragraph (i) to read as follows:

"(i) facilities enabling joint controls between neighboring States (one-stop technology), 24 hours a day, whenever justified by trade needs and in line with road traffic regulations;"

Place paragraph (vi) in square brackets and modify its provisions to read as follows:

"(vi) encouraging the establishment of forwarding agents at border crossings with adequate facilities, offering services to transport operators on a competitive basis."

Article 7

Replace the word "secretariat" by: "Executive Secretary" and maintain the square brackets around Article 7, pending clarification on the extent and structure of the reporting system to be established.

12. The secretariat was requested to prepare proposals for such a possible reporting system.

13. The Working Party welcomed progress made in the preparation of an international vehicle weight certificate, particularly within the framework of the Regional Road Transport Committee of the SECI Initiative and urged the secretariat to finalize work on its technical aspects in due course.

**DRAFT UNECE CONVENTION ON INTERNATIONAL CUSTOMS TRANSIT
PROCEDURES FOR THE CARRIAGE OF GOODS BY RAIL**

Extension of the scope of the draft Convention to cover the SMGS Agreement

Documentation: TRANS/WP.30/2000/17; TRANS/WP.30/164;TRANS/WP.30/R.141.

14. The Working Party recalled that, at its eighty-second session in November 1995, it had already completed, in principle, the preparation of a Convention on International Customs Transit Procedures for the Carriage of Goods by Rail providing for the use of the CIM consignment note as a Customs document (TRANS/WP.30/164, paras. 59-61; TRANS/WP.30/R.141). Following considerations on possibilities of extending the scope of the draft Convention also to countries applying the SMGS Agreement, the Working Party, at its ninety-second session, had decided to prepare, as a first step, two similar, but independent United Nations conventions, one providing for the use of the CIM consignment note as a Customs document in those countries applying the COTIF railway regime and another convention, providing for the use of the SMGS consignment note as a Customs document in the countries applying the SMGS regime. The offer of the Organization for Co-operation between Railways (OSZhD) to prepare a revised draft convention covering the SMGS countries was welcomed (TRANS/WP.30/184, paras. 68 and 69).

15. Following a preliminary review of a first draft prepared by OSZhD at its ninety-fourth session (TRANS/WP.30/188, paras. 14-20; TRANS/WP.30/1999/13), the Working Party considered a revised draft prepared by an OSZhD expert group meeting (TRANS/WP.30/2000/17).

16. The Working Party noted that this draft contained the same provisions and procedures for use of a railway consignment note as the draft convention finalized by the Working Party in 1995 for use of the CIM consignment note, i.e. similar Customs facilities for rail transit.

17. Some Customs experts pointed out that the provision of such far-reaching facilities should be restricted to only such railway companies being State entities on the basis of well defined responsibilities vis-à-vis Customs authorities.

18. The Working Party noted that modern Customs rail transit procedures should possibly also address issues related to the emergence of private rail transport operators.

19. Having terminated at this stage its activities towards the preparation of harmonized pan-European Customs transit procedures for international rail transport, the Working Party decided to transmit the two draft conventions, via diplomatic channels, to the Contracting Parties to the COTIF Convention and to the SMGS Agreement respectively with a view to soliciting their views on the approach taken and on the Customs transit procedures proposed therein. On the basis of the comments received, the Inland Transport Committee, at its forthcoming session in February 2001, was invited to consider the adoption of the two conventions. If required, the Working Party would be ready to review the provisions of the conventions once more in light of guidance to be provided by the Committee.

20. The Working Party noted that the 15 member States of the European Community, applying the simplified Community rail transit system, were no longer interested in acceding to the relevant draft Convention.

21. Relevant background information is contained in the following UN/ECE documents: TRANS/WP.30/186; TRANS/WP.30/1999/13; TRANS/WP.30/186; TRANS/WP.30/184; ECE/TRANS/119; TRANS/WP.30/174; TRANS/WP.30/168; TRANS/WP.30.166; TRANS/WP.30/164; TRANS/WP.30/162; TRANS/WP.30/R.161; TRANS/WP.30/R.160; TRANS/WP.30/R.159; TRANS/WP.30/R.140/Rev.1 and Corr.1 (Russian only).

CUSTOMS CONVENTION ON THE INTERNATIONAL TRANSPORT OF GOODS UNDER COVER OF TIR CARNETS (TIR CONVENTION, 1975)

Documentation: ECE/TRANS/17 and Amendments 1-19; 1999 TIR Handbook; (www.unece.org/trans/new_tir/welctir.htm).

(a) Status of the Convention

Documentation: Informal Document No.10 (2000); TRANS/WP.30/AC.2/59, annex 1.

22. The Working Party was informed that the number of Contracting Parties to the TIR Convention, 1975 had not changed since its last session and amounted to 64 Contracting Parties. A complete list of Contracting Parties to the Convention as well as a list of countries in which TIR operations can be undertaken is annexed to the report of the twenty-ninth session of the TIR Administrative Committee (TRANS/WP.30/AC.2/59, annex 1).

23. The Working Party noted with interest that a number of countries outside Europe, such as China as well as countries in Western Asia and the Middle East were showing interest in acceding to the Convention. In this context, the Working Party welcomed the issuance of the TIR Handbook in Chinese and Arabic as well as the organization of a Regional TIR Seminar on the application of the TIR procedure in Jordan (Amman, 31 October and 1 November 2000).

24. Permanently updated information on the scope of the TIR Convention as well as of other conventions and agreements administered by the Working Party is available on the relevant UN/ECE web site (www.unece.org/trans/new_tir/conventions/list.htm).

(b) Revision of the Convention

(i) Adoption of amendment proposals under Phase II of the TIR revision process

Documentation: TRANS/WP.30/2000/18 and Corr.1; TRANS/WP.30/2000/12.

25. The Working Party recalled that the main objective of Phase II of the TIR revision process was to facilitate the application of the Convention at the national level. For this purpose, the roles and responsibilities of the various parties involved in the TIR procedure should be clearly defined and specified. Furthermore, guidance should be provided on the required national administrative procedures providing for an efficient functioning of the TIR procedures and, if required, for a speedy recovery of Customs duties and taxes at risk from the holder of a TIR Carnet or, if this turned out not to be possible, from national guaranteeing associations.

26. On the basis of a consolidated document prepared by the secretariat taking account of earlier deliberations of the Working Party (TRANS/WP.30/2000/18), the Working Party reviewed once more the complex package of amendment proposals that had been prepared under Phase II of the TIR revision process. The Working Party finalized its work on Phase II of the TIR revision process by agreeing on the amendment proposals to the Convention as contained in document TRANS/WP.30/18 subject to the following modifications:

Article 1, new paragraph (m) (English only)

Modify to read as follows:

“(m) the term "Customs office en route" shall mean any Customs office of a Contracting Party through which a road vehicle, combination of vehicles or container enters or leaves this Contracting Party in the course of a TIR transport;”

Article 8, paragraph 4 (English only)

Replace in the second sentence the words “when the goods are imported” by “when the goods enter these countries”.

Comment to Article 28 “Return of TIR Carnets” (1999 TIR Handbook, p.53)

Modify the present comment to read as follows:

“Return of TIR Carnets to the holder or any other person acting on his behalf
It must be stressed that the immediate return of the TIR Carnet to the holder or any other person acting on his behalf, whether certified as terminated with or without reservation, is an essential duty of the Customs office of destination. This not only facilitates checking by the issuing association and the international organization referred to in Article 6, but also enables these organizations, on return of the Carnet, to issue a new Carnet to the holder, since the number of Carnets in use (in the holder's possession) at any one time may be limited.”

Comment to Article 28 “Alternative forms of evidence as proof for the discharge of TIR Carnets”
(1999 TIR Handbook, page 40)

Modify the existing comment to Article 10 which becomes a comment to Article 28 to read as follows:

“Alternative forms of evidence for the termination of a TIR operation

With a view to establishing alternative evidence for the proper termination of a TIR operation, Customs authorities are recommended to use exceptionally, for example, the following information provided it has been furnished to their satisfaction:

- any official certificate or confirmation of the termination of a TIR operation covered by the same TIR transport made out by another Contracting Party following the respective TIR operation or confirmation of the transfer of the goods in question to another Customs procedure or another system of Customs control, e.g. clearance for home use;
- the duly stamped corresponding counterfoils No. 1 or No. 2 in the TIR Carnet by such a Contracting Party or a copy thereof to be provided by the international organization referred to in Article 6 of the Convention which must confirm that it is a true copy of the original.”

Comment to Annex 1 “Alternative forms of evidence as proof for the discharge of TIR Carnets”
(1999 TIR Handbook, page 74)

Modify the existing comment to Annex 1 to read as follows:

“Alternative forms of evidence for the termination of a TIR operation

With a view to establishing alternative evidence for the proper termination of a TIR operation, Customs authorities are recommended to use exceptionally, for example, the following information provided it has been furnished to their satisfaction:

- any official certificate or confirmation of the termination of a TIR operation covered by the same TIR transport made out by another Contracting Party following the respective TIR operation or confirmation of the transfer of the goods in question to another Customs procedure or another system of Customs control, e.g. clearance for home use;
- the duly stamped corresponding counterfoils No. 1 or No. 2 in the TIR Carnet by such a Contracting Party or a copy thereof to be provided by the international organization referred to in Article 6 of the Convention which must confirm that it is a true copy of the original.”

Annex 1 to the Convention

Model of TIR Carnet, Version I and Version II (English only)

Replace in box 24 on voucher No. 2 the words “Certificate of discharge” by “Certificate of termination of the TIR operation”.

Modify in box 26 on voucher No. 2 the words “Number of packages discharged” by “Number of packages for which the termination of the TIR operation is certified”.

Modify under item 3 on the counterfoil No. 2 the words “Discharged packages or articles (as specified in the manifest)” by “Number of packages for which the termination of the TIR operation is certified (as specified in the manifest)”.

27. The Working Party also approved a few other modifications of the French and Russian texts of the amendment proposals and decided to transmit the complete package of amendment proposals prepared under Phase II of the TIR revision process to the TIR Administrative Committee for consideration and adoption as contained in document TRANS/WP.30/2000/18 and Corr.1.

28. For reference, the following documents have been prepared during Phase II of the TIR revision process and contain relevant background information on the amendment proposals: TRANS/WP.30/190, paras. 15-21; TRANS/WP.30/2000/12; TRANS/WP.30/188, paras. 23-30; TRANS/WP.39/2000/9; TRANS/WP.30/2000/2; TRANS/WP.30/186, paras. 25-41; TRANS/WP.30/1999/14; TRANS/WP.30/1999/10; TRANS/WP.30/1999/9; TRANS/WP.30/1999/8; TRANS/WP.30/1999/7 and Add.1; TRANS/WP.30/184, paras. 23-40; TRANS/WP.30/1998/17; TRANS/WP.30/1998/11; TRANS/WP.30/1998/5 and Corr.1.

(ii) **Adoption of examples of best practices related to the amendment proposals under Phase II of the TIR revision process**

Documentation: TRANS/WP.30/1999/10; TRANS/WP.30/1999/7.

29. The Working Party considered examples of best practices on the termination and discharge of TIR operations as well as on inquiry procedures that had been prepared by the secretariat in line with a decision of the ad hoc group of experts on phase II of the TIR revision process in June 1999. As requested, the secretariat had also prepared a list of documents to substantiate claims for non-discharged TIR Carnets by Customs authorities (TRANS/WP.30/1999/10; TRANS/WP.30/1999/7, paras. 28, 31 and 36).

30. The Working Party underlined once more that documentation on such best practices used in Contracting Parties to the TIR Convention would allow for transparency and harmonization in the implementation of the TIR procedure at the national level and thus would be of great interest to the transport industry and to many countries, in particular those which have only recently acceded to the Convention or are considering to do so.

31. The Working Party adopted the examples of best practices contained in document TRANS/WP.30/1999/10 and transmitted them to the TIR Administrative Committee for endorsement.

32. The Working Party was of the view that these examples could be included into the TIR Handbook on condition that an introductory note was inserted emphasizing that these best practices should not be confused with comments or other recommended procedures adopted by the Working Party and the TIR Administrative Committee as they provided only examples on how the provisions of the Convention are or could be implemented in the Contracting Parties.

(iii) Preparation of Phase III of the TIR revision process

Documentation: Informal Document No. 8 (2000); Informal Document No. 7 (2000); Informal Document No. 1 (2000); Informal Document No. 5 (1997).

33. The Working Party, having terminated its work on Phase II of the TIR revision process, decided to start immediately work on Phase III which should include a study of the following elements:

- (a) Revision of the TIR Carnet, including the insertion of additional data elements (ID number, HS code, value of goods, etc.) (TRANS/WP.30/188, para. 31);
- (b) Increase in the number of places for loading and unloading under Customs seal (TRANS/WP.30/186, paras. 42 and 43);
- (c) Possibilities for the reduction of the legally required delays for notification of non-discharge of TIR Carnets (TRANS/WP.30/188, para. 38);
- (d) Use of new technologies in TIR operations also with a view to reducing the delay in notification of non-discharge (TRANS/WP.30/188, para. 31).

34. The Working Party was of the view that elements (a) to (c) could be prepared and considered by the Working Party in plenary session. Activities under element (d) would however require the assistance of an ad hoc expert group.

35. The Working Party recalled in this context that, at its ninety-fourth and ninety-fifth sessions, it had considered Informal Documents No. 1 and 7 (2000) prepared by the secretariat and Informal Document No. 8 (2000) prepared by the European Commission which provided some reflections on the necessary steps to be taken and the elements to be considered in order to arrive at a consistent and target-oriented package of amendment proposals under Phase III of the TIR revision process, focusing on EDI procedures. In particular, Informal Document No. 1 (2000) listed a number of Customs requirements which would need to be addressed by EDI procedures in the framework of the TIR Convention as well as some remarks on possible approaches that might be taken into account in the computerization of the TIR procedure (TRANS/WP.30/190, paras. 25-30; TRANS/WP.30/188, paras. 31-38).

36. In order to make progress in this complex field, the Working Party decided to convene a first session of the ad hoc group of experts on the computerization of the TIR regime already in early 2001 which should be attended by experts from interested countries, international organizations and EDI industry groups.

37. In line with its earlier decision (TRANS/WP.30/190, para. 26), the Working Party felt that the expert group, after having highlighted weaknesses and limitations of the current system, should, in particular:

- (a) identify the objectives, procedures and required resources for the computerization of the TIR procedure and determine the role of the various actors (secretariat, Governments, IRU, etc.) in this process;
- (b) analyze all administrative and legal requirements relevant for the computerization of the TIR regime;
- (c) study suitable technological solutions in this respect; and
- (d) take account of experiences made with similar automated systems at the national as well as sub-regional levels, such as the NCTS, with a view to preparing possible alternative solutions and scenarios, specifying the benefits as well as the disadvantages of the various approaches.

38. The findings of the expert group should be considered by the Working Party and/or the TIR Contact Group during the course of 2001.

39. The secretariat was requested to transmit invitation letters and the provisional agenda for the first session of the ad hoc expert group to all delegations participating in the sessions of the Working Party.

40. In this context, the representative of the European Community informed the Working Party that his organization planned to submit, also for consideration under Phase III of the TIR revision process, proposals for a definition of the role of economic integration organizations and for their voting rights in the framework of the Convention.

(c) **Extension of the scope of the Convention**

41. The Working Party recalled that, at its ninety-fourth and ninety-fifth sessions, it had briefly discussed the proposal of the secretariat to consider an extension of the scope of the TIR Convention to rail transport with a view to establishing a single pan-European Customs transit system providing facilities for all land transport modes on an equal basis. This proposal had been put forward against the background of the little progress that had been made since 1995 in the establishment of a UN/ECE Convention on International Customs Transit Procedures for the Carriage of Goods by Rail. The Working Party had been of the view that work towards a single pan-European rail transit system

should be pursued, as an ideal solution, by the Working Party on the basis of a new United Nations Convention (TRANS/WP.30/190, paras. 31 and 32; TRANS/WP.30/188, para. 18).

42. The Working Party, however, felt that this proposal was worth being studied in more detail by the Contracting Parties to the Convention and by private sector interests, particularly in view of the current privatization of railway companies in many UN/ECE member countries. The secretariat was requested to solicit also the views of railway companies (UIC, etc.), other transport operators and shippers on this proposal and decided to revert to this issue at its next session.

(d) Application of the Convention

43. Permanently updated information on the application of the Convention is available on the relevant TIR web site (www.unece.org/trans/new_tir/welctir.htm).

(i) Settlement of claims for payments

Documentation: TRANS/WP.30/190; TRANS/WP.30/188; TRANS/WP.30/184; TRANS/WP.30/182.

44. The Working Party reiterated once more its concern and frustration about the slow progress made in the settlement of “old” Customs claims under the previous international insurance system which had denounced its contract with the IRU at the end of 1994. It urged all Parties involved to resolve the still numerous pending cases as quickly as possible (TRANS/WP.30/190, para. 37; TRANS/WP.30/188, paras. 46-47; TRANS/WP.30/184, paras. 51-52; TRANS/WP.30/182, paras. 37-38).

45. The secretariat had made an inquiry regarding the amounts paid out by the international insurers and the IRU in the year 1999 and in the first half of the year 2000 as well as on the reasons for payment claims made by Customs authorities during the same period which had not been answered. In this context, the Working Party noted that regular information on these subjects might allow for better risk assessment in the application of the Convention, not only by the international insurers and the IRU, but also by Customs authorities and the TIR Executive Board.

(ii) Re-introduction of the guarantee for sensitive and other excluded goods

Documentation: TRANS/WP.30/190; TRANS/WP.30/188; TRANS/WP.30/AC.2/2000/1; TRANS/WP.30/184; TRANS/WP.30/178; TRANS/WP.30/162.

46. The Working Party noted that, unfortunately, no further progress had been made in the re-introduction of guarantee coverage for those goods for which the national guaranteeing associations and the international insurers had denounced their insurance contracts.

47. The Working Party noted that the following steps still needed to be undertaken in order to arrive at full guarantee coverage for all goods to be transported under the TIR regime as provided for in the Convention:

- (a) Re-establishment of insurance coverage for all excluded goods on the territory of the European Community (refer to the list of these excluded goods in document TRANS/WP.30/190, annex 1);
- (b) Re-introduction of insurance coverage for small quantities of tobacco and alcohol (TRANS/WP.30/162, paras. 41-43);
- (c) Re-introduction of insurance coverage for the "Tobacco and Alcohol" TIR Carnet (TRANS/WP.30/AC.2/2000/1).

48. The Working Party was informed in this context that, as of 1 January 2001, individual guarantees would no longer be required for so-called "sensitive" goods in the countries applying the Community and Common Transit System. The European Commission and the IRU were seeking a solution which would be presented to the interested parties in the near future.

(iii) Validity of vehicles and containers with sliding sheets

Documentation: TRANS/WP.30/2000/19; TRANS/WP.30/2000/14 and Add.1/Corr.1.

49. The Working Party recalled that, at its ninety-fifth session, it had considered the results of a technical expert group which had been convened by the secretariat to prepare concrete proposals on the validity of vehicles and containers for transport under the TIR procedure (TRANS/WP.30/2000/14 and Add.1/Corr.1). The Working Party had agreed, in principle, with the approach taken by the expert group. One delegation had felt, however, that the newly proposed provisions in Annex 2, Article 4, paragraph 3 as well as in Annex 7, Article 5, paragraph 3 of the Convention might need to be reviewed as they might dilute the strict requirements for vehicles and containers with sliding sheets proposed in the preceding paragraph 2 of Articles 4 and 5 respectively.

50. On the basis of a document prepared by the secretariat (TRANS/WP.30/2000/19), containing consolidated amendment proposals to Annexes 2 and 7 of the Convention, the Working Party approved these amendment proposals, with the exception of paragraph 3, Article 4, Annex 2 and of paragraph 3, Article 5, Annex 7 and subject to some minor improvements in the accompanying sketches (to be effected by the secretariat). The Working Party decided to transmit them to the TIR Administrative Committee for adoption.

51. With a view to allowing for a quick entry into force of these amendment proposals, the Working Party recommended the TIR Administrative Committee to make use of the possibilities of reducing the time limits for its entry into force as provided for in Article 60 of the Convention.

(iv) **Procedures to be applied in case of suspension of a TIR operation**

Documentation: TRANS/WP.30/2000/15; TRANS/WP.30/2000/7.

52. The Working Party recalled that the Hungarian Customs authorities, in accordance with the provisions of Article 26 of the Convention, did not accept TIR Carnets following the suspension of the TIR procedure in transit through the Federal Republic of Yugoslavia in case Customs seals had been removed by the authorities in this country (TRANS/WP.30/2000/7; TRANS/WP.30/188, para. 58; TRANS/WP.30/186, para. 70).

53. Since document TRANS/WP.30/2000/15, prepared by the European Community, containing proposals for amendment and interpretation of Article 26, was only available in English, the Working Party decided to postpone consideration of this issue to its next session. The secretariat was requested to issue the European Community proposals in the three working languages.

54. The representative of Hungary pointed out that his Government might align the present administrative instructions with the proposals contained in document TRANS/WP.30/2000/15 following their consideration and formal adoption by the TIR Administrative Committee.

(v) **Transport of containers, semi-trailers or trailers without tractor units**

Documentation: TRANS/WP.30/191; TRANS/WP.30/190.

55. On the request made by the representative of the IRU at its ninety-fifth session, the Working Party considered a draft comment to Article 3 of the Convention proposed by the IRU (TRANS/WP.30/191). The Working Party noted that Customs authorities in some Contracting Parties requested the opening of a second TIR Carnet for a single TIR transport in cases when a TIR transport operation of a container, semi-trailer or trailer was continued by road following transport by sea (ferry boat, etc.). In such cases, the container, semi-trailer or trailer is often not accompanied by a tractor unit nor by the holder of a TIR Carnet or a successive road transport operator.

56. The Working Party recalled in this context its considerations and those of the TIR Administrative Committee on the validity of multi-user TIR operations at its ninety-fifth and twenty-seventh sessions respectively (TRANS/WP.30/190, paras. 33-36; TRANS/WP.30/AC.2/55, paras. 9-12; TRANS/WP.30/2000/1).

57. As no common opinion on this subject emerged, the Working Party decided not to continue consideration of this issue until new elements emerged permitting the resolution of this issue at the international level.

58. With a view to making progress in this matter, the Working Party requested the secretariat to prepare a document as a basis for discussion at its next session indicating the relevant legal provisions in the Convention and reflecting the views expressed and opinions provided during the sessions of the Working Party, including those referring to multi-user TIR operations. This document should also contain a new draft comment to Article 3 of the Convention on the validity of TIR Carnets for transport of containers, semi-trailers and trailers without tractor units in cases where the TIR transport was undertaken by one and the same TIR Carnet holder.

59. The representative of the IRU pointed out that in case of such TIR transports, irrespective of the modes of transport used, full coverage by the international guarantee system was applicable in line with the relevant provisions of the Convention.

(vi) Proposals for comments to Articles 21, 23 and 36 of the Convention

Documentation: TRANS/WP.30/2000/20.

60. On the basis of a document transmitted by the IRU, the Working Party considered comments to Articles 21, 23 and 36 of the Convention relating to Customs escorts and the transport of illegal immigrants (TRANS/WP.30/2000/20).

61. The Working Party noted that the application of Article 23 of the Convention on the requirements for escort services depended on the risk assessment made by the Customs offices of departure or entry en route and depended on a large number of factors which were stipulated in internal administrative instructions. In many instances, major elements were insufficient guarantee coverage of TIR Carnets, unclear description of the goods in the goods manifest, sensitive cargoes and reliability of the transport operator. Several representatives felt that Customs authorities could be recommended, on request and as a service to the transport operator, to insert the requirement and the reasons for escort services into the counterfoils of the TIR Carnet.

62. The secretariat was requested to prepare a draft comment to this effect referring also possibly to the reasons which had led transport operators and the IRU to request such an insertion.

63. With regard to the application of Articles 21 and 36 in case of transport of illegal immigrants under cover of TIR Carnets, the Working Party noted that very often Customs authorities were not competent or had no exclusive competence for investigations in this field. Thus, this problem had to be addressed in cooperation with the competent police and/or border guard authorities. The Working Party decided to revert to this issue at its next session on the basis of revised draft comments to be prepared by the secretariat in cooperation with the IRU.

64. In this context, the representative of the IRU informed the Working Party of increasing occurrences of false customs declarations and armed robbery.

(vii) Use of holograms to reduce possibilities of falsification of Customs stamps

Documentation: Informal Document No. 14 (2000).

65. The Working Party was informed of the possibilities of using holograms, either in the form of stickers or as foils to be attached to the underlying paper document by heat which had proven to constitute cheap and effective means to reduce falsification of Customs stamps. The representatives of the Czech Republic and the Ukraine demonstrated the usefulness of such techniques which had led to the virtual disappearance of falsified Customs stamps and guarantee documents in their countries.

66. The Working Party decided to continue consideration of this issue with a view to identifying possibilities to virtually avoid falsification of Customs stamps and TIR Carnets using modern hologram technologies which were today not only relatively inexpensive to be applied on a large scale and extremely easy to be verified by Customs authorities, but, in the case of Customs stamps, would also allow to identify without doubt the date, place and the official having applied such stamps.

67. The Working Party invited all Contracting Parties to report on experiences made in application of such techniques in order to minimize falsification of Customs stamps and Customs documents.

(viii) Measures to reduce the number of lost, stolen and falsified TIR Carnets

68. With a view to identifying the scope of the problem related to lost, stolen and falsified TIR Carnets, the Working Party requested the secretariat, in cooperation with the IRU, to prepare facts and figures on this phenomenon for consideration by the Working Party at its next session.

PREVENTION OF THE ABUSE OF CUSTOMS TRANSIT SYSTEMS BY SMUGGLERS

69. No new information was provided by delegations on this subject.

PROGRAMME OF WORK FOR THE YEARS 2001 TO 2005

Documentation: TRANS/WP.30/191, annex.

70. The Working Party adopted its programme of work covering the years 2001 to 2005 as contained in the annex to this report.

71. In this context and in accordance with a request made by the Inland Transport Committee to assess the relationship with the business community, the Working Party stressed the constructive and valuable role played by the non-governmental organizations which participated regularly in the sessions of the Working Party either as such (IRU, AIT/FIA, UIC, CLCCR) or as part of national delegations (mainly representatives of national TIR issuing and guaranteeing associations).

OTHER BUSINESS

(a) Non-availability of documents

72. The Working Party deplored that, once again, important documents were not available before the session and had only become available at the end of the session. The secretariat was requested to consult with the relevant UNOG services on this matter to ensure that the Rules of Procedure of the UN/ECE were respected and to prepare proposals with a view to avoiding the recurrence of such events in the future.

(b) Date of the next session

73. Subject to the approval of the Inland Transport Committee, the Working Party decided to convene its ninety-seventh session from 20 to 23 February 2001, in conjunction with the thirtieth session of the TIR Administrative Committee (22 and 23 February 2001).

74. The ninety-eighth session of the Working Party has been tentatively scheduled to be held in the week 18-22 June 2001.

(c) Restriction on the distribution of documents

75. The Working Party decided that there should be no restriction with respect to the distribution of documents issued in connection with its current session, with the exception of the international register on Customs sealing devices.

ADOPTION OF THE REPORT

76. The Working Party adopted the report on its ninety-sixth session.

Annex

Programme of work for the years 2001-2005 ^{*/}

**PROGRAMME ACTIVITY 02.10: CUSTOMS QUESTIONS
AFFECTING TRANSPORT**

Harmonization and simplification of requirements for border crossing procedures concerning modes of inland transport **Priority: 1**

Description:

- (a) Preparation, review, implementation and, where appropriate, modification of international legal instruments.
- (b) Simplification of administrative formalities, documents and procedures.

Work to be undertaken: The Working Party on Customs Questions affecting Transport will pursue the following activities:

CONTINUING ACTIVITIES

- (a) Study of specific legal and other measures to combat fiscal fraud resulting from simplified Customs and other border crossing procedures, such as the TIR regime, including periodic review of the status of implementation of resolution No. 220 (prevention of the abuse of Customs transit systems by drug smugglers). Setting-up of mechanisms and administrative procedures for the regular exchange of information with other Governmental and non-governmental organizations to combat such fraud.

Priority: 2

Output expected in 2001:

Preparation of adequate instruments and measures to improve international cooperation among Contracting Parties to the TIR Convention, 1975 and concerned national and international organizations to prevent fraud.

Activities towards implementation of the Recommendation adopted by the TIR Administrative Committee on 20 October 1995 on an international EDI control system for TIR Carnets.

Exchange of intelligence among Customs authorities of Contracting Parties to relevant ECE Conventions on border crossing facilitation on abuses with a view to identifying measures to combat such occurrences.

^{*/}Text in bold characters indicates newly proposed text; text in square brackets ([...]) refers to text proposed for deletion.

- (b) Study of the possible extension of relevant ECE conventions on border crossing facilitation to other regions, particularly relating to legal and administrative aspects. Priority: 3

Output expected in 2001:

Preparation of regional and/or national workshops, possibly in cooperation with ESCAP and ESCWA, on the implementation of relevant ECE Conventions on border crossing facilitation in Asia and the Middle East.

- (c) Periodic review of relevant ECE conventions on border crossing facilitation in order to ensure their coherence with other international or sub-regional treaties and to keep them in line with modern transport and border control requirements. Priority: 2

Output expected in 2001:

Analysis of the application of the following ECE conventions on border crossing facilitation: TIR Convention 1975; Customs Conventions on the Temporary Importation of Private (1954) and Commercial (1956) Road Vehicles; Customs Convention Concerning Spare Parts Used for the Repair of EUROPE Wagons; and Convention on Customs Treatment of Pool Containers Used in International Transport.

- (d) Study to facilitate formalities for container pools in international transport and follow-up activities within the framework of the Convention on Customs Treatment of Pool Containers Used in International Transport. Priority: 2

Output expected in 2001:

Preparation and negotiation of two model container pool agreements providing guidance to the transport industry and the Contracting Parties on the implementation of the provisions of the "Customs Container Pool Convention" covering international rail and international maritime transport.

- (e) Analysis of difficulties encountered relating to border crossing formalities with a view to devising administrative procedures eliminating such difficulties. The analysis will cover health, phytosanitary, veterinary and quality controls, application of standards, public safety controls, etc.), including the promotion of the implementation and extension of the scope of the International Convention on the Harmonization of Frontier Controls of Goods of 1982 (Harmonization Convention).

Priority: 1

Output expected in 2001:

Study of the possibilities to prepare and negotiate a new annex to the "Harmonization Convention" on road transport, including possibly an international lorry weight certificate, in close cooperation with the Working Party on Road Transport.

Study of concrete measures facilitating border crossing procedures for railway transport in cooperation with the Working Party on Rail Transport.

- (f) Study of Customs questions with a view to simplification of Customs formalities and documents in the field of transport, in particular taking account of the possibility of electronic data interchange solutions, including UN/EDIFACT messages. Priority: 2

Output expected in 2001:

Analysis of the impact on the TIR regime of the New Customs Transit System (NCTS) to be applied in the countries of the Common Transit System (European Community, EFTA and Visegrad countries) and coordination of work with the relevant bodies within the European Community on this subject.

ACTIVITIES OF A LIMITED DURATION

- (a) Revision of the TIR Convention, 1975 with a view to stabilizing the TIR Customs transit procedure. Priority: 1

Output expected in 2001:

[Completion of phase II of the TIR revision procedure and] Initiation of work on phase III **of the TIR revision procedure**, focusing on the revision of the TIR Carnet and on provisions for a modernized, possibly EDI-based Customs administration and control system.

- (b) Study to facilitate railway transit traffic on the basis of the CIM and the SMGS Consignment Notes, including the preparation of a new Customs transit regime allowing the use of the CIM and the SMGS consignment notes as a Customs document. Priority: 2

Output expected in 2001:

Study on legal and administrative requirements for using the CIM and SMGS consignment notes as a Customs document (2001).

Preparation of a draft Customs transit convention covering international rail transport in all COTIF and SMGS member States (2001).
