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### Inland Transport Committee

#### Working Party on Customs Questions affecting Transport

151st session

Geneva, 5–8 February 2019

### Report of the Working Party on Customs Questions affecting Transport on its 151st session

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## I. Attendance

1. The Working Party (WP.30) held its 151st session from 5 to 8 February 2019 in Geneva. The session was attended by representatives of the following countries: Austria, Azerbaijan, Belgium, Bulgaria, China, Croatia, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iran (Islamic Republic of), Italy, Kuwait, Latvia, Lithuania, Netherlands, Poland, Republic of Moldova, Romania, Russian Federation, Serbia, Spain, Sweden, Switzerland, Syrian Arab Republic, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland and Uzbekistan. Representatives of the European Union were also present. The following intergovernmental organization was represented: Eurasian Economic Commission (ECC). The following non-governmental organization was also represented: International Road Transport Union (IRU).

## II. Adoption of the agenda

*Documentation:* ECE/TRANS/WP.30/301

2. WP.30 adopted the provisional agenda, prepared by the secretariat (ECE/TRANS/WP.30/301). Due to its importance, the Working Party agreed to consider the proposals for Annex 11 as the first item under agenda item 4 (b) “Revision of the Convention”.

## III. Opening statement

3. In his opening statement (attached as Annex I to this report) on behalf of the Executive-Secretary of ECE, Mrs. Olga Algayerova, Mr. Y. Li, Director of the ECE Sustainable Transport Division, elaborated on the importance of the adoption of new Annex 11 of the TIR Convention. In this context, he pointed at the importance of new Article 60 bis to the Convention, which provided contracting parties with the possibility to not accept (for now) Annex 11, rather than raising an objection. In addition, each contracting party was given the possibility to establish independently the date on which it would connect to the eTIR international system. This double escape had been drafted to avoid that Annex 11 could not enter into force for all contracting parties, eager to start implementing eTIR, due to the objection raised by a single country. He also encouraged the Working Party to adopt, at the present session, the text of the new Convention on the facilitation of border crossing procedures for passengers, luggage and load-luggage carried in international traffic by rail and to transmit the text to the Inland Transport Committee (ITC) for final adoption on behalf of all ECE member countries.

4. In his statement (attached as Annex II to this report), Mr. C. Labrot, President of IRU, expressed the strong support of IRU, its member associations and individual transport operators for the full digitalization of TIR, including for intermodal TIR transports and called upon the Working Party to adopt Annex 11 as a vital instrument to facilitate regional and global trade.

5. In their statements, the delegations of the European Union, Iran (Islamic Republic of), Turkey and Ukraine expressed support for eTIR and the adoption of Annex 11, marking it as an historic milestone in the development of the TIR Convention.

#### **IV. Election of officers (agenda item 2)**

6. In accordance with the Commission's rules and procedures and established practice, WP.30 elected Mr. R. Kristiansson (Sweden) as Chair and Mr. A. Fedorov (Ukraine) as Vice-Chair for its sessions in 2019.

#### **V. Activities of United Nations Economic Commission for Europe (ECE) bodies and other United Nations organizations of interest to the Working Party (agenda item 3)**

7. The Working Party was informed about activities of ITC, its Bureau, subsidiary bodies and other United Nations organizations on matters of interest to the Working Party. In particular, the Working Party took note of the eighty-first session of ITC (19–22 February 2019, Geneva), which, inter alia, would consider the adoption of the ITC strategy until 2030 and the revision of the Terms of Reference of the Committee, to allow ITC to fully support the Sustainable Development Agenda. The Working Party further took note that in the context of the annual session of ITC a side event on "Automation in Transport: Digitalization and e-documents as precursors of growth and development" would be organized in the afternoon of 19 February 2019.

#### **VI. Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention, 1975) (agenda item 4)**

##### **A. Status of the Convention**

8. The Working Party was informed about changes in the status of the TIR Convention, 1975 and the number of contracting parties. In this context, the Working Party took note that the Secretary-General of the United Nations, acting in his capacity as depositary, issued the following depositary notifications: (a) C.N.543.2018.TREATIES-XI.A.16 of 31 October 2018, informing of the accession of Argentina to the TIR Convention on 31 October 2018. The TIR Convention will enter into force for Argentina on 30 April 2019; (b) C.N.556.2018.TREATIES-XI.A.16 of 9 November 2018, informing of the entry into force on 3 February 2019 of amendments to Article 1 (q), Article 3, paragraph (b), Article 6, paragraph 2, Article 11, paragraph 3 and Article 38, paragraph 1 of the TIR Convention; (c) C.N.557.2018.TREATIES-XI.A.16 of 9 November 2018, informing of an objection by Kazakhstan to a proposal to amend Article 2 of the TIR Convention. As a consequence of this objection, the said amendment proposal shall be deemed not to have been accepted and shall have no effect whatsoever, as stipulated by Article 59, paragraph 4; (d) C.N.573.2018.TREATIES-XI.A.16 of 6 December 2018, informing of the accession of Oman to the TIR Convention on 29 November 2018. The TIR Convention will enter into force for Oman on 29 May 2019. With the accession of Oman, the TIR Convention will have seventy-six contracting parties. More detailed information on these issues as well as on depositary notifications is available on the TIR website.<sup>1</sup>

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<sup>1</sup> [www.unece.org/tir/tir-depositary\\_notification.html](http://www.unece.org/tir/tir-depositary_notification.html).

9. Under this agenda item, the delegation of the European Union informed the Working Party that the latest amendments to the TIR Convention had been published in the Official Journal L 296 of 22 November 2018.<sup>2</sup>

## **B. Revision of the Convention**

### **1. Amendment proposals to the Convention**

*Documentation:* ECE/TRANS/WP.30/2019/1, ECE/TRANS/WP.30/2016/13

10. The Working Party recalled that, at its previous session, it had continued its discussions on proposals to amend article 20, on the basis of document ECE/TRANS/WP.30/2018/20. After extensive discussions, the delegation of the Russian Federation had reformulated its original proposal to read as follows: “For a TIR operation in the territory of a contracting party or several contracting parties forming a customs or economic union, the customs authorities [customs office of departure or entry en route] may fix a time limit and require the road vehicle, the combination of vehicles or the container to follow a prescribed route”. The delegation of Azerbaijan, while expressing general consent with the latest proposal, pointed at the text of Article 1 (b), which would require an adjustment to make it also applicable for TIR operations involving various contracting parties. The secretariat proposed to reconsider the original wording of article 20 and refer to “journey” rather than “TIR operation”. In conclusion, the Working Party requested the secretariat to prepare a final document for its consideration, elaborating on the difference in wording between “journey” and “TIR operation” and clarifying the consequences, if any, of amending Article 1 (b) (ECE/TRANS/WP.30/300, paras. 9–12).

11. The Working Party continued its considerations of the issue with the support of document ECE/TRANS/WP.30/2019/1, in which the secretariat advocated use of the term “journey” rather than “TIR operation” in Article 20 in order to avoid further amendments to the text of the convention. In addition, the secretariat proposed to refer to “competent customs authorities” rather than to “customs office of departure or entry en route”. In reply to a question from the Russian delegation, the secretariat confirmed that there could be no misunderstanding about the use of the term “competent customs authorities” to the extent that it only referred to those authorities within a single contracting party or in the territory of a customs or economic union having the competence to fix a time limit or prescribe an obligatory route. The Working Party could agree with the latest text of the proposal and requested the secretariat to transmit the amendment to the TIR Administrative Committee (AC.2) for final consideration and, possibly, adoption.

12. At the request of AC.2 at its sixty-eighth session (October 2018) (ECE/TRANS/WP.30/AC.2/139, paras. 43 and 44), the Working Party reverted to outstanding amendment proposals to the convention with regard to the maximum level of guarantee per TIR Carnet, on the basis of document ECE/TRANS/WP.30/2016/13, containing the most recent proposals to amend Explanatory Note 0.8.3 with a reference to 400,000 euros as maximum guarantee amount for the Tobacco-Alcohol TIR Carnet, either with or without maintaining the exception for the transport of small quantities of some tobacco and alcohol products. The Working Party decided to agree on raising the reference amount to 400,000 euros, while keeping the amount for small quantities at 100,000 euros and requested the secretariat to transmit the proposal to AC.2 for consideration and, possibly, adoption. The Working Party requested IRU to consult with the insurers to see if

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<sup>2</sup> [eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2018:296:FULL&from=EN](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2018:296:FULL&from=EN)

for such small quantities, which were currently excluded from guarantee coverage, coverage could be re-established.

## **2. Preparation of Phase III of the TIR revision process**

*Documentation:* ECE/TRANS/WP.30/2019/2

13. The Working Party was informed about the latest developments in the field of computerization of the TIR procedure and the eTIR pilot projects.

14. The Working Party took note that all countries involved in the intermodal eTIR project between Azerbaijan, Georgia, Kazakhstan and Ukraine had signed the main principles, as prepared by ECE and IRU. Furthermore, the Working Party noted that Iran (Islamic Republic of) had also signed the main principles in order to move the Azerbaijan–Iran eTIR project forward. As for the Iran–Turkey eTIR pilot project, the Working Party noted that Iran (Islamic Republic of) had sent comments to the Memorandum of Understanding, prepared by Turkey with the aim to extend the pilot to all customs offices and all TIR carnet holders, and that Turkey would reply to those comments.

15. The Working Party adopted the report of the twenty-ninth session of the Informal Ad hoc Expert Group on Conceptual and Technical Aspects of Computerization of the TIR Procedure (GE.1) contained in document ECE/TRANS/WP.30/2019/2, and thanked the Dutch customs authorities for their kind invitation (14–15 November 2018, Rotterdam, Netherlands). It also thanked the customs administration of Hungary for its kind offer to host the thirtieth session of GE.1 in Budapest. At the request of the Russian Federation, the Working Party mandated the secretariat to submit the next version of the eTIR specifications, once finalized by GE.1, as official documents for consideration at a future session of the Working Party.

16. Finally, the Working Party took note of the preliminary results of the GE.1 survey on the connection to the eTIR international system and the “opting out” of Annex 11 and urged all contracting parties to respond to the survey no later than by 28 February 2019.

17. Under this agenda item, the Working Party agreed that issues in the implementation of ITDB be discussed during the session of AC.2, after having been briefed by the Chair of TIRExB on the findings of the Board.

## **3. Draft Annex 11 to the TIR Convention**

*Documentation:* ECE/TRANS/WP.30/2019/3-ECE/TRANS/WP.30/AC.2/2019/7

18. The Working Party recalled that, at its previous session, it had extensively discussed the draft text of Annex 11, as contained in document ECE/TRANS/WP.30/2018/16, article by article. While tentatively adopting the majority of the proposals, the Working Party had requested the secretariat to submit new proposals for articles 2 (b), 4, 8, 9, 10, 13 and the Explanatory Note to Article 3, paragraph 2 of Annex 11. The Working Party agreed that this new document could tentatively also be tabled to AC.2 on the assumption that, in case the Working Party would manage to finalize discussions at its 151st session, the document could immediately be transferred to AC.2 for consideration at its sixty-ninth session (ECE/TRANS/WP.30/300, paras. 20–22). The Working Party reverted to the issue, considering the amended proposals as contained in document ECE/TRANS/WP.30/2019/3-ECE/TRANS/WP.30/AC.2/2019/7.

19. The delegation of the Russian Federation repeated its willingness to discuss computerization and reiterated its support for the Joint Statement of the Computerization of the TIR procedure by the TIR Administrative Committee at its sixty-first session, but stated that it still had various questions and proposals for draft Annex 11, which would be submitted to the secretariat (see Annex III for the text of the statement). While expressing

its support for Annex 11, the Turkish delegation stated having minor editorial comments to articles 2 (d) and 10 of Annex 11. The delegation of Uzbekistan expressed its readiness to adopt Annex 11. The delegation of the European Union stated that Annex 11 might not be perfect, but considered it to be good enough for adoption, having editorial comments to articles 5 and 10 of Annex 11. The delegation of China raised an editorial comment to article 9. In a first round, the Working Party considered the various editorial comments, making minor changes to the text of Annex 11. Various issues were raised with regard to the application of the fallback procedure, both at the customs office of departure as well as at customs offices en route. After extensive discussions, the Working Party agreed to amend the text, introducing the use of the TIR Carnet as fallback at departure and to combine paragraphs (a) and (b) of Article 10. This combination would assist customs authorities, when provided with an accompanying document, to verify the status of the guarantee from alternative electronic systems. At the request of the Turkish delegation, the Working Party requested GE.1 to clarify, in the functional and technical specifications, how the accompanying document would be handled by transport operators, including in cases of intermodal transport.

20. Further to these editorial amendments to the text of Annex 11, the Working Party proceeded with a “tour de table” to hear the final positions of the delegations which were present. While all delegations taking the floor (European Union, Turkey, Ukraine) expressed their full support, the delegation of the Russian Federation stated not being ready to do so. Referring to their initial statement, he informed the Working Party about having a number of proposals to the body of the TIR Convention and Annex 11, which were still under internal consultations, but which would be submitted to the Working Party in due course. Based on these final considerations, the Working Party decided that the proposals, as amended, be transmitted to AC.2 for further consideration and, possibly, adoption.

## **C. Application of the Convention**

### **1. New developments in the application of the Convention**

21. The representative of one of the German national associations raised a question on the application of the New Computerized Transit System (NCTS) TIR application after a possible Brexit. The delegation of the European Union clarified that NCTS for TIR was only applicable between member States of the European Union and that, after Brexit, the United Kingdom will become contracting party to the Common Transit Convention (CTC), which includes the application of NCTS for CTC but not for TIR.

### **2. Issues transmitted by the Administrative Committee**

*The use of subcontractors in the Convention*

*Documentation: ECE/TRANS/WP.30/2018/25*

22. The Working Party recalled that, at its previous session, it had continued its considerations on the use of subcontractors in the convention on the basis of document ECE/TRANS/WP.30/2018/25. The Working Party concluded that the proposals by Belarus and the secretariat had adequately responded to the main concerns of contracting parties, in particular with regard to the liability for the payment of customs duties and taxes and the indications on the TIR Carnet, but that the proposal by the secretariat provided a clearer and more flexible approach for application in different contracting parties. The Working Party, although agreeing, in principle, to transmit the proposal to AC.2, had agreed, to the request of the delegation of Azerbaijan, to postpone a final decision until its current session. The Working Party had requested contracting parties to send their final considerations, if any, no later than 20 November 2018 to the secretariat.

23. In the absence of comments from contracting parties, the Working Party finalized its considerations of the issue on the basis of document ECE/TRANS/WP.30/2018/25. The delegate of Azerbaijan stated still having reservations, in particular, on the status (authorized or not) of subcontractors, but that he could accept the proposal for the comment to article 1 (o), because of its non-binding status. This reservation was shared by the delegation of the Russian Federation, which raised particular concerns for the liability of the TIR Carnet holder, or absence thereof. The delegation of the European Union reiterated its full support for the secretariat's proposal for the comment. The delegation of Italy added that the current proposal would not pose any risk for customs, considering that the use of subcontractors did not challenge the liability of the TIR Carnet holder vis-à-vis customs. The delegations of Turkey and Ukraine recalled the pertinent considerations by TIRExB, which had been highlighted and elaborated in various documents submitted to AC.2 as well as the Working Party.

24. In reply to a question from the delegation of the Russian Federation, the secretariat confirmed that TIR Carnet holders could only make use of subcontractors if approved by the national guaranteeing association. In countries where such mechanism is not applied, TIR Carnet holder cannot resort to the use of subcontractors. Therefore, TIR Carnet holders wishing to use subcontractors should carefully inform themselves about the acceptance of subcontractors by the countries of transit or destination, before embarking on such activity. The delegation of Ukraine stated that subcontractors should meet the same requirements as authorized TIR Carnet holders. The delegation of the Russian Federation stated that it could agree to transmitting the comment to AC.2 for endorsement, with the reservation that, in its view, it is not wise to adopt a non-legal comment on an issue which falls under the competence of contracting parties and their national legislation. Accepting the comment would only lead to confusion, increase the risk of fraud and misuse of the status of authorized TIR Carnet holder. The Working Party further discussed whether it would be warranted or appropriate to request countries to inform the secretariat in case they did not accept the use of subcontractors. After an exchange of views, the Working Party concluded that, for now, this issue not need be further discussed but that it could decide to revert to it at a later stage. In conclusion, the Working Party adopted the comment by consensus, while taking note of the afore-mentioned reservation by the delegation of the Russian Federation and requested the secretariat to transmit the adopted comment to AC.2 for endorsement.

### **3. TIR-related electronic data interchange systems**

25. The Working Party was informed by IRU about the latest statistical data on the performance of contracting parties in the control system for TIR Carnets — SafeTIR system (Informal document WP.30 (2019) No. 1). The Working Party took note that, while the SafeTIR figures remained stable, the number of terminations had dropped by sixteen per cent due to the decrease in issuance of TIR Carnets. At the request of the delegation of the Czech Republic, IRU promised to look into the issue of the average conciliation period for the Czech Republic which was currently 19 days.

### **4. Settlement of claims for payments**

26. The Working Party was informed by IRU about the current situation on the settlement of claims for payments made by customs authorities against national guaranteeing associations (Informal document WP.30 (2019) No. 2). The delegation of Azerbaijan asked IRU whether it would be possible to not only indicate the country of issuance of the TIR Carnet for which a claim was raised, but also the country where the irregularity had taken place. IRU stated that it was possible to do so, and the Working Party readily agreed that IRU would include such information in its future statistics. In reply to a question from the secretariat, IRU clarified that the relatively high number of pending



claims for Iran (Islamic Republic of) and Turkey were mainly a consequence of ongoing national court procedures.

**5. Relation between the World Trade Organization Trade Facilitation Agreement, the TIR Convention and other legal instruments**

27. No new issue was raised under this agenda item.

**6. Other matters**

28. The Working Party was informed that the Spanish version of the 2018 TIR Handbook was now available electronically and that hard-copies were in print. The Chinese version had been submitted for printing. The Arabic version was still being prepared but should be ready soon.

**VII. International Convention on the Harmonization of Frontier Controls of Goods, 1982 (Harmonization Convention) (agenda item 5)**

**A. Status of the Convention**

29. The Working Party was informed that the status of the convention and that the number of contracting parties had not changed. The Harmonization Convention has 58 contracting parties. More detailed information on these issues as well as on various depositary notifications is available on the ECE website.<sup>3</sup>

**B. Biennial survey of Annex 8 of the Convention**

30. The Working Party recalled that, at its previous session, it had agreed to launch the 2018 survey on the basis of the questionnaire approved at its 122nd session, as contained in document ECE/TRANS/WP.30/2009/8 and mandated the secretariat to seek replies from contracting parties no later than by 15 January 2019 (ECE/TRANS/WP.30/300, paras. 31 and 32). The secretariat informed the Working Party that, on 17 January 2019, it had sent out a reminder and that twenty-two countries had filled-in the survey by the end of January 2019: Albania, Bulgaria, Czech Republic, Denmark, France, Georgia, Germany, Greece, Hungary, Iran (Islamic Republic of), Latvia, Lithuania, Mongolia, Netherlands, Norway, Poland, Romania, Sweden, Switzerland, Turkey and Uzbekistan. The Working Party invited remaining countries to reply by the end of February 2019. The secretariat was requested to prepare a document with the results of the survey for consideration of the Administrative Committee of the Harmonization Convention (AC.3) at its eleventh session.

**C. Issues in the application of the Convention**

31. Under this agenda item, the Working Party recalled that the eleventh session of AC.3 would be convened on in the afternoon of Thursday, 13 June 2019, in conjunction with its 2019 June session. The Working Party mandated the secretariat to make the necessary arrangements, including the preparation of pre-, in- and post-session documents. Contracting parties were invited to provide input to the secretariat about issues they would

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<sup>3</sup> [www.unece.org/trans/bcf/welcome.html](http://www.unece.org/trans/bcf/welcome.html)

want addressed at that session, including, but not limited to, proposals to amend or revise the Convention. The secretariat was requested to prepare an amendment proposal to Annex 8, Article 7 on the frequency of the reporting mechanism which would be extended from two to five years.

## **VIII. Draft Convention on the Facilitation of Border Crossing Procedures for Passengers, Luggage and Load-Luggage carried in International Traffic by Rail (agenda item 6)**

*Documentation:* ECE/TRANS/WP.30/2019/5, ECE/TRANS/WP.30/2019/5/Corr.1, ECE/TRANS/WP.30/2019/5/Corr.2, ECE/TRANS/WP.30/2019/6

32. The Working Party recalled that, at its previous session, in view of the progress achieved, it had requested the secretariat to issue a final draft text of the new Convention for adoption by the Working Party. The document should also be tabled for adoption by ITC at its 2019 session. Comments or proposals by delegations, if any, should reach the secretariat no later than by 20 November 2018 (ECE/TRANS/WP.30/300, paras. 34–37).

33. Further to this request, the secretariat prepared document ECE/TRANS/WP.30/2019/5, containing the final text of the draft Convention, including three alternative proposals for Article 27, for consideration and, possibly, adoption by the Working Party, as well as a corrigendum thereto, containing the latest amendments agreed upon or proposed by delegations. The Working Party took note that the integral final text had been submitted as official document ECE/TRANS/2019/18 to ITC. The Working Party also considered document ECE/TRANS/WP.30/2019/6, by the secretariat, elaborating on the comments received from the United Nations Office of Legal Affairs – Treaty Section.

34. The Working Party focused its discussions on documents ECE/TRANS/WP.30/2019/5/Corr.1 and Corr.2, containing the latest amendment proposals to the draft text of the Convention. In the interval, the delegations from the Russian Federation, Turkey and the European Union had reached agreement to delete paragraph 4 of Article 4, and to accept new paragraph 7 to Article 21 together with Russian proposal for Article 27 as final proposals. Proposals to amend Article 21 with new paragraphs 3–5, on the accession of regional economic integration organizations, remained outstanding.

35. At the start of the discussions, the delegation of the Russian Federation, while welcoming the corrigenda, challenged the correctness of issuing corrigenda for pieces of texts that were still under discussion. This referred in general to the proposals by the European Union for new Article 21, paragraphs 3–5 and, in particular, for its paragraph 5, as it dealt with voting rights for regional economic integration organizations, whereas voting was not foreseen by the Convention. In its intervention, while expressing its readiness to move to the adoption process of the draft, the delegation of the European Union clarified that the wording of the paragraphs was a standard clause, which the European Union used when negotiating new legal instruments. After various exchanges of view, the delegation of the European Union agreed to withdraw its proposal for paragraph 5 of Article 21, whereas the Russian Federation expressed its readiness to accept the proposals for paragraphs 3 and 4 of Article 21. The delegation of Iran (Islamic Republic of), while expressing its support for the draft Convention, called for flexibility and more cooperation for its successful implementation.

36. On that basis, the Working Party moved to vote by means of a roll call of ECE member States in the English alphabetical order. As a result, four countries (Azerbaijan, Russian Federation, Tajikistan and Turkey) voted in favour, with no countries objecting. The remaining ECE member States either abstained or were not present during the vote.

37. In conclusion, the Working Party adopted the text of the new Convention, as contained in document ECE/TRANS/WP.30/2019/5 and its Corrigenda 1 and 2, with the exception of Article 21, paragraph 5 and looked forward to its final adoption by ITC. The Working Party congratulated the drafters and main stakeholders for their hard work and tenacity in finding a compromise text for the Convention, whose main aim is to provide high-quality service to passengers, while reducing the running time of international trains.

## **IX. Customs Conventions on the Temporary Importation of Private Road Vehicles (1954) and Commercial Road Vehicles (1956) (agenda item 7)**

### **A. Status of the Conventions**

38. The Working Party as informed that the status of and the number of contracting parties to the Customs Conventions on the Temporary Importation of Private (1954) and Commercial (1956) Road Vehicles had not changed and that the Conventions had 80 and 26 contracting parties respectively.

### **B. Issues in the application of the 1954 Convention in Egypt and Jordan**

*Documentation:* ECE/TRANS/WP.30/2018/27

39. The Working Party recalled having been informed at various sessions by the Alliance Internationale de Tourisme / Fédération Internationale de l'Automobile (AIT/FIA) about ongoing problems in Egypt and Jordan in the application of the 1954 Convention, particularly due to the fact that customs authorities did not seem to respect the deadlines and procedures laid down in the Convention. (ECE/TRANS/WP.30/300, para. 39).

40. The Working Party took note of Informal document WP.30 (2019) No. 3 by AIT/FIA, which reported on the latest state of play in the ongoing issues which still remained unresolved. The Working Party was informed that, as per request from the Customs Council of AIT/FIA, the Executive Secretary of ECE had, once more, addressed the competent authorities of Jordan through diplomatic channels, soliciting a reply to a letter from 2017 in which the problems in the application of the 1954 Convention in the Kingdom of Jordan had been elaborated. The Working Party requested the secretariat to also inform ITC.

## **X. Activities of other organizations and countries of interest to the Working Party (agenda item 8)**

41. The Working Party took note of activities by various regional economic commissions or Customs Unions as well as by other organizations, both intergovernmental and non-governmental, and countries as far as they relate to matters of interest to the Working Party.

### **A. European Union**

42. The delegation of the European Union informed the Working Party that preparations had been completed for the accession of the United Kingdom to the Common Transit Convention, considering that the European Union only as a whole, but not its individual

member States, are contracting party to this Convention. Therefore, the common transit procedure will be available from the point in time when the United Kingdom leaves the European Union and application of the Common Transit Convention becomes necessary.

## **B. Economic Cooperation Organization**

43. Due to the absence of a delegation from the Economic Cooperation Organization at the session, no information was provided.

## **C. Eurasian Economic Union**

44. The delegation of the Eurasian Economic Union (EEU) informed the Working Party that various projects about which it had reported at previous sessions were still ongoing. EEU would inform the Working Party accordingly after the conclusion of the issues at stake.

## **D. World Customs Organization**

45. Under this agenda item, the secretariat informed the Working Party, at the request of the World Customs Organization (WCO), about a series of regional transit workshops (Southern-Africa, West and Central Africa, South/North/Central Americas and the Caribbean, East and South-East Europe, Central Asia and the Asia-Pacific Region as well as a forthcoming workshop for North Africa, Near and Middle East) that WCO had been organizing since 2017 to promote the implementation of the WCO Transit Guidelines and to collect national and regional best practices on effective transit regimes. WCO members had been invited to submit their examples to the WCO secretariat by 31 January 2019. Furthermore, in the area of Customs-Railways Cooperation, the WCO Permanent Technical Committee had established a Virtual Working Group to explore various issues related to the cross-border movement of goods by rail. WCO was also looking at data harmonization for railway transport.

# **XI. Other business (agenda item 9)**

## **A. List of decisions**

46. The Working Party reviewed the list of decisions without further comments and requested the secretariat to continue this practice. The list of decisions is attached as Annex X to the final report.

## **B. Dates of the next sessions**

47. The Working Party decided to conduct its 152nd session in the week of 11–14 June 2019. The eleventh session of AC.3 which will be held in conjunction with the 152nd session of the Working Party.

## **C. Restriction on the distribution of documents**

48. The Working Party decided that there would be no restrictions on the distribution of documents issued in connection with its current session.

## **XII. Adoption of the report (agenda item 10)**

49. In accordance with established practice, the Working Party adopted the report on its 151st session on the basis of a draft prepared by the secretariat.

## Annex I

### **Opening message from Ms. Olga Algayerova, the Executive Secretary of ECE**

#### **To be delivered by Mr. Yuwei Li, Director, Sustainable Transport Division**

Distinguished delegates, Ladies and Gentlemen,

It is my privilege to address you on an important topic that concerns us all: the computerization of the TIR procedure. It has been said before, but I would like to stress here once more, that contracting parties to the TIR Convention recognized twenty years ago – as phase 3 of the TIR revision process – that computerization of the TIR procedure was inevitable:

(a) in the light of today’s extremely rapid technological developments, based on Internet and Smart Card technologies, particularly affecting international transport and trade;

(b) the ever increasing need for improved efficiency of customs transit procedures; and

(c) the fight against fraudulent activities which must be conducted with the most appropriate and effective means.

Since then, a group of experts from various countries and the secretariat have worked steadily to draft the technical and conceptual documentation for eTIR, the so-called eTIR Reference Model. Based on the concepts developed by these technical experts, legal experts could start working in 2015 on drafting the legal provisions to accompany the introduction of eTIR into the legal text of the Convention, usually referred to as draft Annex 11. This draft Annex 11 has been on the table of this Working Party since October 2017 and it now seems, after various rounds of extensive discussions, that there is consensus about the gist of the text. The legal experts, in close consultation with the United Nations Office of Legal Affairs, have carefully studied other legal instruments. As an outcome of this research, they have formulated new Article 60 bis to the Convention, introducing a special procedure for the entry into force of Annex 11 and amendments thereto.

I am glad to inform you that new Article 60 bis offers countries the individual possibility of not accepting Annex 11, which would then mean that Annex 11 would not become applicable for that country, while leaving its legal force unaffected for other countries. Countries that have submitted a notification of non-acceptance are, of course, free at any time in the future to withdraw their non-acceptance. By following this legal procedure, it is hoped that Annex 11 can enter into force for those countries wishing to endorse eTIR, while giving countries that have not yet reached that stage the possibility of accepting Annex 11 at a later moment in time. And this is not all. Countries, accepting Annex 11, are not forced, by any means, to start implementing eTIR immediately. In fact, in accordance with Article 3 of Annex 11 “each Contracting Party is free to establish by which date it connects its customs systems to the eTIR international system” although it is of course recommended to do so as soon as Annex 11 enters into force for them.

From the side of ECE, I urge you to be fully aware of this unique legal situation and to adopt Annex 11 today.

After twenty years of hard work, technically and legally, we have reached the unique point where countries can make an all important step towards digitalization of the TIR Convention, thus contributing to its continued success, including on new markets, for many years to come. It would be a profound milestone after all the time and resources that have been spent to come to this point in time.

Distinguished delegates,

Ladies and Gentlemen,

I would like to use this occasion to also raise another important issue on the agenda, where, possibly today, the Working Party could take an historical step. Of course, I am talking here about the draft Convention on the Facilitation of border crossing procedures for passengers, luggage and load-luggage carried in international traffic by rail. In October last year, there seemed to be generic consensus about the main provisions of the text, however, some diverging opinions remained. To my great pleasure I have been informed that the main stakeholders have used the intersessional period to hold last minute discussions and consultations, leading to what can now be considered as a final draft. It would be great news and the perfect outcome of various years of intense international negotiations, if the Working Party could, at its present session, adopt the text of the new rail facilitation convention, whose main aim is to provide high-quality service to passengers, while reducing the running time of international trains. With this, the Working Party is on “track” to transmit the text to the Inland Transport Committee for its final adoption on behalf of all ECE member countries.

With this, I wish you every success in your deliberation.

Thank you for your attention.

## Annex II

[Original: English/ Russian only]

### **Statement by IRU President (Mr Christian Labrot) ECE WP.30, 5 February 2019**

Ladies and gentlemen,

It is a great pleasure to address you today.

For seven decades, IRU has worked in public-private partnership with UNECE, Member States and, from the late 1950s, parties to the TIR Convention.

IRU has proudly managed the TIR system throughout this time, enabling secure trade through millions of transits and acting as global guarantor for duties on goods valued in the trillions of euros.

The past decade however has seen major changes in the external trade environment that have affected TIR, from geopolitics to technology. Despite the current queue of major trading nations wanting to benefit from TIR, including China, India, Pakistan and Saudi Arabia, use of TIR in existing countries has declined by 60% since 2013.

While alternative regional systems have developed, large transport operators in particular have turned away from TIR in favour of fully digital solutions, at the expense of the only universal multilateral standard.

Over the same period, progress in fully digitising the core TIR system has stalled. Following the initial recognition by contracting parties of the imperative need to go digital, eTIR has been discussed within TIR governing bodies now for more than 15 years. The core TIR system, legally and technically based on paper carnets, now lags behind other systems.

While IRU focuses on global solutions based on TIR, it recognises that trade and transit facilitation solutions exist at regional and national levels, meeting different needs, as well as the ever growing demand for digital information exchange between the public and private sectors.

An open choice of complementary, and ideally interoperable, transit systems should encourage innovation to better meet the evolving needs of shippers, consumers and citizens in all corners of the world.

However there is still a strong need for one universal transit standard, underpinned by a well-established UN convention and a robust, comprehensive and tried-and-tested guarantee system.

This is TIR, managed by IRU.

IRU member associations – such as the one I lead – and their members, individual transport operators, support full TIR digitalisation. For many years, IRU has already invested heavily in new digital services for all stakeholders to continue using TIR. IRU has also supported TIR contracting parties to connect to and use these services, with resulting efficiency and economic benefits.

The digital pilot project between Iran and Turkey, financed by IRU and using digital tools developed by IRU, was also strongly supported by the associations and operators, as well as by their authorities. Their commitment made this pilot project a success and demonstrated clearly that a fully digital TIR can work today.



The pilot also demonstrated that fully digitalising TIR can lower costs further, increase efficiency and boost security, with minimal investment needed on the part of customs authorities and transport operators. On this basis, other TIR countries have announced their willingness to pilot a fully digital intermodal TIR using the framework of the Iran/Turkey pilot.

Moving to a fully digital intermodal TIR system is also likely to accelerate progress in many other countries to ratify and implement the TIR Convention.

IRU, with the digital TIR tools that it has already funded and made operational, and the private sector that it represents, is now fully prepared to take the next step.

It is why we strongly recommend the adoption of annex 11 as a vital instrument to facilitate regional and global trade and to make information more accessible to customs authorities and operators, thereby increasing security and efficiency in transit operations.

I and my IRU colleagues look forward to working with you over the coming months and years to make a fully digital TIR a reality across the globe.

Thank you.

## **Заявление президента IRU (г-на Кристиана Лабро) на заседании WP.30 ЕЭК ООН, 5 февраля 2019 года**

Дамы и господа,

Мне очень приятно сегодня обратиться к вам.

В течение семи десятилетий МСАТ работал в рамках государственно-частного партнерства с ЕЭК ООН, государствами-членами и с конца 1950-х годов – сторонами Конвенции МДП.

На протяжении этого времени МСАТ с честью управлял системой МДП, обеспечивая безопасную торговлю посредством миллионов транзитных перевозок и выступая в качестве глобального гаранта уплаты пошлин на товары, оцениваемые в триллионы евро.

Однако в последнее десятилетие произошли серьезные изменения во внешней торговой среде, которые повлияли на МДП, – от геополитических до технологических. Несмотря на то, что крупные торговые страны выстроились в очередь, желая получить выгоды от МДП, включая Китай, Индию, Пакистан и Саудовскую Аравию, использование МДП в существующих странах с 2013 года сократилось на 60%.

В условиях развития альтернативных региональных систем крупные транспортные операторы, в частности, отказались от МДП в пользу полностью цифровых решений за счет единого универсального многостороннего стандарта.

За тот же период прогресс в полной оцифровке самой системы МДП застопорился. После первоначального признания договаривающимися сторонами насущной необходимости перехода на цифровой формат eTIR обсуждается в руководящих органах МДП уже более 15 лет. Сама концепция системы МДП, юридически и технически основанной на бумажных книжках, теперь отстает от других систем.

Хотя МСАТ концентрируется на глобальных решениях, основанных на МДП, он тем не менее признает, что решения по упрощению процедур торговли и транзита существуют на региональном и национальном уровнях, удовлетворяя различные потребности, а также постоянно растущий спрос на цифровой обмен информацией между государственным и частным секторами.

Открытый выбор дополнительных и идеально совместимых транзитных систем должен стимулировать инновации для более полного удовлетворения растущих потребностей грузоотправителей, потребителей и граждан во всех уголках мира.

Однако все еще существует острая потребность в одном универсальном стандарте транзита, подкрепленном устоявшейся конвенцией ООН и надежной, всеобъемлющей и проверенной системой гарантий.

И таким стандартом является система МДП, управляемая МСАТ.

Ассоциации-члены МСАТ, такие же как та, которую я возглавляю, и их члены – отдельные транспортные операторы, поддерживают полную цифровизацию МДП. На протяжении многих лет МСАТ уже вложил значительные средства в новые цифровые услуги для всех заинтересованных сторон, чтобы продолжать использовать МДП. МСАТ также оказал поддержку договаривающимся сторонам МДП в подключении и использовании этих услуг, что повысило эффективность системы и принесло экономические выгоды ее пользователям.

Пилотный цифровой проект между Ираном и Турцией, финансируемый МСАТ и использующий цифровые инструменты, разработанные МСАТ, также был активно

поддержан ассоциациями и операторами, а также их властями. Их заинтересованность и вовлеченность сделали этот пилотный проект успешным и четко продемонстрировали, что полностью цифровая процедура МДП может работать сегодня.

Пилотный проект также продемонстрировал, что полная цифровизация МДП может еще больше снизить затраты, повысить эффективность и безопасность при минимальных затратах, необходимых для таможенных органов и транспортных операторов. Исходя из этого, другие страны МДП объявили о своей готовности провести полностью цифровой интермодальный проект МДП, используя структуру пилотного проекта Иран / Турция.

Переход на полностью цифровую интермодальную систему МДП также может ускорить прогресс во многих других странах в деле ратификации и внедрения Конвенции МДП.

МСАТ, со своими цифровыми инструментами МДП, которые он уже профинансировал и внедрил, и представляемый им частный сектор теперь полностью готовы сделать следующий шаг.

Вот почему мы настоятельно рекомендуем принять Приложение 11 в качестве жизненно важного инструмента, способствующего региональной и глобальной торговле, и сделать информацию более доступной для таможенных органов и операторов, что повысит безопасность и эффективность транзитных операций.

Я и мои коллеги из МСАТ надеемся на совместную работу с вами в ближайшие месяцы и годы, чтобы полностью цифровая процедура МДП стала реальностью во всем мире.

Благодарю вас за внимание.

## Annex III

[Original: Russian only]

### Statement of the Russian Federation on Annex 11

Российская Федерация поддерживает усилия Договаривающихся сторон, а также секретариата ЕЭК ООН, направленные на скорейшую компьютеризацию процедуры МДП. Это позволит ускорить и упростить процедуры пересечения границ, будет способствовать развитию торговли.

Считаем, что при этом должна быть обеспечена безопасность и эффективность процедуры eTIR.

Как известно, более трети всех перевозок с применением Книжек МДП так или иначе связаны с Российской Федерацией. Поэтому вопрос безопасности, надежности и транспарентности применения Конвенции МДП является для нас крайне чувствительным, мы несем существенные риски, связанные с ее применением. Российская сторона с 2014 года проводит последовательную работу по улучшению положений Конвенции МДП, внося соответствующие предложения по ее доработке.

У Российской Федерации есть большой опыт внедрения электронных технологий. На текущий момент полностью компьютеризирована национальная процедура таможенного транзита товаров.

У Федеральной таможенной службы Российской Федерации есть ряд замечаний к тексту предлагаемых поправок к Конвенции МДП и проекта Приложения 11. Необходимо доработать вопросы информационной безопасности, обеспечения аутентификации, целостности и неизменности передаваемых данных. Целесообразно обеспечить такой формат, состав и структуру данных, которые были бы достаточны для эффективного таможенного контроля, позволяли бы обеспечивать их автоматическую обработку, проверку на риски. Должна быть четко определена резервная процедура, регламентирующая порядок действий, как перевозчиков, так и таможенных органов при возникновении компьютерных сбоев и нештатных ситуаций.

В этой связи считаем, что проект приложения требует доработки и его передача в АС.2 преждевременна.

В ближайшее время будут подготовлены и направлены в ЕЭК ООН замечания и предложения к проекту приложения 11 к конвенции МДП для их рассмотрения Договаривающимися сторонами.

(Unofficial translation by the secretariat)

The Russian Federation supports the efforts of the contracting parties, as well as of the ECE secretariat, in speeding up the computerization of the TIR procedure. This will speed up and simplify border crossing procedures, will contribute to the development of trade. At the same time, we believe that this would ensure the safety and effectiveness of the eTIR procedure.

As you know, more than a third of all traffic using TIR Carnets in one way or another is connected with the Russian Federation. That is why the matter of safety, reliability and transparency of the application of the TIR Convention is extremely sensitive for us, as we run significant risks connected with its application. Since 2014, the Russian side has been carrying out consistent work to improve the provisions of the TIR Convention, making appropriate proposals for its further development.

The Russian Federation has extensive experience in the implementation of e-technologies. Currently, the national customs transit procedure for goods has been fully computerized.

The Federal Customs Service of the Russian Federation has a number of comments to the text of the proposed amendments to the TIR Convention and draft Annex 11. It is necessary to finalize questions of information security, ensuring authentication, integrity and unchangeability of the transmitted data. It is advisable to provide a format, composition and structure of data that would be sufficient for effective customs control, and would allow to ensure their automatic processing and checking for risks. The fallback procedure, which regulates the procedure for actions of both carriers and customs authorities in the event of computer failures and emergency situations, should be clearly defined.

In this regard, we believe that the draft Annex needs finalization and its transfer to AC.2 is premature.

In the near future, comments and proposals to draft Annex 11 to the TIR Convention will be prepared and sent to the ECE for consideration by the contracting parties.

## Annex IV

### List of decisions taken at the 151st session of the Working Party

<i>Reference in final report (para.)</i>	<i>Short description of decision</i>	<i>Actor</i>	<i>Deadline</i>
11	Transmit article 20 to AC.2 for adoption	secretariat	4 April 2019
12	Transmit amendment E.N. 0.8.3 to AC.2 for adoption	secretariat	4 April 2019
15	Submit next version of eTIR specifications to WP.30	secretariat	p.m.
20	Transmit Annex 11 to AC.2	secretariat	Done
24	Transmit comment Article 1 (o) to AC.2 for endorsement	secretariat	4 April 2019
30	Prepare document on results survey Annex 8	secretariat	4 April 2019
37	Transmit text new Rail Convention to ITC for adoption	secretariat	Done
40	Inform ITC about ongoing issues Egypt and Jordan in implementation 1954 Temporary Importation Convention	secretariat	21 February 2019
47	Prepare 152nd session from 12 to 14 June 2019	secretariat	20 March 2019 – agenda 3 April 2019 – documents