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INLAND TRANSPORT COMMITTEE

Working Party on Customs Questions affecting Transport

**REPORT OF THE WORKING PARTY ON CUSTOMS QUESTIONS
AFFECTING TRANSPORT ON ITS ONE-HUNDRED-AND-SIXTH SESSION
(3-6 February 2004)**

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REPORT

ATTENDANCE

1. The Working Party held its one-hundred-and-sixth session from 3 to 6 February 2004 in Geneva.
2. The session was attended by representatives of the following countries: Austria; Azerbaijan; Belarus; Belgium; Bulgaria; Croatia; Czech Republic; Estonia; Finland; France; Germany; Greece; Hungary; Italy; Kazakhstan; Latvia; Lithuania; Netherlands; Norway; Poland; Romania; Russian Federation; Serbia and Montenegro; Slovakia; Spain; Sweden; Switzerland; The former Yugoslav Republic of Macedonia; Turkey; Ukraine; United Kingdom; United States of America. Representatives of the European Community (EC) were also present. A representative of Pakistan participated in the session under paragraph 11 of the Commission's Terms of Reference.
3. The United Nations Conference on Trade and Development (UNCTAD) was represented. The following intergovernmental organization was represented: Organization for Cooperation between Railways (OSZhD).
4. The following non-governmental organizations were represented: International Road Transport Union (IRU); International Union of Railways (UIC/CER); Transfrigoroute Internationale; International Organization for Standardization (ISO); Liaison Committee of Coachwork and Trailer Builders (CLCCR).

ADOPTION OF THE AGENDA

Mandate and background: TRANS/WP.30/211, point 1.

5. The Working Party adopted the provisional agenda prepared by the secretariat (TRANS/WP.30/211).

ELECTION OF OFFICERS

Mandate and background: TRANS/WP.30/211, point 2.

6. The Working Party re-elected Mr. Guus Jacobs (the Netherlands) as Chairman of its sessions for 2004.

ACTIVITIES OF UNECE BODIES AND OTHER UNITED NATIONS ORGANIZATIONS OF INTEREST TO THE WORKING PARTY

Mandate and background: TRANS/WP.30/211, point 3.

7. The Working Party took note that the Inland Transport Committee (ITC) will have its annual session between 17 and 19 February 2004.

8. The Working Party was informed by the secretariat of a joint UNECE/WCO meeting on international trade security and facilitation that was held on 13 and 14 November 2003 in Geneva. The UNECE Transport Division had given, jointly with the IRU, a presentation on "Security elements in the TIR Procedure". The presentation can be viewed from the following web site: http://www.unece.org/trade/security_conf03/index.htm. The secretariat will be involved in any further works between the two bodies in the field of border crossing facilitation.

ACTIVITIES OF OTHER ORGANIZATIONS OF INTEREST TO THE WORKING PARTY

Mandate and background: TRANS/WP.30/211, point 4.

9. The Working Party was informed by the representative of the European Commission of the status of the implementation of the New Computerized Transit System (NCTS), which had been fully implemented in all EU Member States since 1 July 2003. As of 1 January 2004 the total number of NCTS movements had exceeded 1.25 million movements. The Working Party was also informed of the status concerning the development of the text of the EU standard Agreement between EU Customs authorities and the Community's guaranteeing associations. The text will comprise a common core and in addition authorities will, in line with Annex 9, part II of the TIR Convention, be able to impose additional requirements. Finally, the Working Party was also informed about the outcome of a TIR Seminar, which the Commission had organized in October 2003. Representatives from Customs authorities and guaranteeing associations of twenty-one EU member States and accession countries, as well as the UNECE and the IRU, had participated in the Seminar, which mainly had focused on EU accession questions and the sustainability of the TIR procedure. In relation to the enlargement of the EU, the Working Party took note that a national guaranteeing association had been approved in Malta.

10. The Working Party took note of information provided by the UIC, that railways had started negotiations with the European Commission on the introduction of NCTS for rail transport.

11. The Working Party was informed by the secretariat of developments concerning the Customs Convention on Containers, 1972. The Administrative Committee of the Convention had met in October 2003 with a view to discussing the possibility of amending the Convention in the framework of the WCO supply chain security initiative. In this context, the US Government had made proposals for amendments to the Convention concerning the procedures for the use of seals. At the proposal of the UNECE secretariat, it had been agreed that these proposals should also be presented in the framework of Annex 7 of the TIR Convention relating to the Customs secure construction of containers, since the provisions of the two Conventions in this field mirror each other (see para. 40 of this report). The secretariat will follow the developments in the field of the Container Convention closely and report to the Working Party accordingly.

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

Documentation: ECE/TRANS/55 (<http://border.unece.org> - Legal Instruments); TRANS/WP.30/196; TRANS/WP.30/AC.3/10; TRANS/WP.30/AC.3/8; TRANS/WP.30/AC.3/2004/1; TRANS/WP.30/AC.3/2003/1; TRANS/WP.30/2004/13; TRANS/WP.30/2004/12; TRANS/WP.30/2003/20; TRANS/WP.30/2002/19; TRANS/WP.30/2001/16; TRANS/WP.30/2000/16; TRANS/WP.30/2000/11, Informal documents No. 19 and 21 (2002); Depositary Notification C.N.1533.2003.TREATIES-3.

Mandate and background: TRANS/WP.30/211, point 5.

(a) Status of the Convention

12. The Working Party was informed that the Convention has forty-four Contracting Parties. Information about the status of the Convention can be obtained from the following website: <http://untreaty.un.org/ENGLISH/bible/englishinternetbible/partI/chapterXI/subchapA/treaty17.asp>. A complete list of Contracting Parties to the Convention will be annexed to the report of the sixth session of the Administrative Committee of the “Harmonization” Convention (TRANS/WP.30/AC.3/12, annex 1). The Working Party took note that Latvia has acceded to the Convention. The accession will enter into force on 18 March 2004 (Depositary Notification C.N.1533.2003.TREATIES-3).

13. The Working Party reconfirmed its interest in commencing considerations concerning a new annex to the Convention concerning harmonization of security controls in relation to border crossing procedures and requested the secretariat to prepare an official document on the issue for one of its future sessions. In this context, Contracting Parties as well as industry representatives were invited to provide the secretariat with their views on this issue.

(b) **Preparation of a new Annex on efficient border crossing procedures**

14. The Working Party took note of information provided by the secretariat that some Contracting Parties were still not in a position to decide on the adoption of the new draft Annex 8 to the Convention on border crossing procedures for heavy goods vehicles. As a result, the Working Party recommended not to have a substantial discussion on this issue at the scheduled session of the Administrative Committee of the “Harmonization” Convention on 5 and 6 February 2004. Instead, the Working Party reviewed the consolidated text of the proposed new draft Annex 8 prepared by the secretariat (TRANS/WP.30/AC.3/2004/1) and agreed on the final text to be transmitted by the secretariat, as soon as possible, to the Contracting Parties in preparation of the seventh session of the Administrative Committee, to be held in October 2004.

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

Documentation: TRANS/WP.30/2004/2; TRANS/WP.30/2003/24; TRANS/2001/10; TRANS/WP.30/194; TRANS/WP.30/164; TRANS/WP.30/2004/13; TRANS/WP.30/2004/12; TRANS/WP.30/2002/25; TRANS/WP.30/2002/16; TRANS/WP.30/2002/12; TRANS/WP.30/2002/10; TRANS/WP.30/2002/9; TRANS/WP.30/2000/17; TRANS/WP.30/R.141; Informal document No. 1 (2004); Informal documents No. 4 and 5 (2002).

Mandate and background: TRANS/WP.30/211, point 6.

15. The Working Party considered document TRANS/WP.30/2004/2 (English only) prepared by the secretariat, which contained a consolidated version of the draft Convention on International Customs Transit Procedures for the Carriage of Goods by Rail under Cover of SMGS Consignment Notes. A Russian text was made available in Informal document No. 1 (2004).

16. Contracting Parties of the SMGS Agreement recommended that the Working Party adopt the draft Convention without delay. The Working Party adopted the draft text of the Convention with a few modifications and submitted it for final adoption by the Inland Transport Committee (ITC). In this context, the Working Party, recognizing that the Committee would, for procedural reasons, not be in a position to adopt the draft Convention at its sixty-sixth session in February 2004, recommended that Contracting Parties to the SMGS Agreement apply the draft Convention with immediate effect and that the experiences that would be gained during 2004 would be reported to the UNECE secretariat with a view that the Committee could finally adopt the draft Convention at its session in 2005.

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

Documentation: ECE/TRANS/17 and Amends.1-22; 2002 TIR Handbook (<http://tir.unece.org>); TRANS/WP.30/AC.2/68, annex 1; TRANS/WP.30/210; TRANS/WP.30/208; TRANS/WP.30/206; TRANS/WP.30/204; TRANS/WP.30/202; TRANS/WP.30/200; TRANS/WP.30/198.

Mandate and background: TRANS/WP.30/211, point 7.

(a) Status of the Convention

17. The Working Party took note of information provided by the secretariat that the issuing and guaranteeing association in Mongolia had been authorized by the IRU to issue and guarantee TIR Carnets as from 15 December 2003, after which time the TIR procedure is applicable in fifty-four of the sixty-five Contracting Parties.

18. A complete list of Contracting Parties to the Convention as well as countries in which TIR operations can be undertaken is annexed to the report of the thirty-sixth session of the TIR Administrative Committee (TRANS/WP.30/AC.2/73, annex). Permanently updated information on the scope of the TIR Convention is available on the UNECE TIR web site: (<http://tir.unece.org>).

(b) Revision of the Convention

(i) Implementation of Phases I and II of the TIR revision process and examples of best practices

19. The Working Party recalled its previous request to Contracting Parties that, with a view to providing the necessary transparency concerning the state of implementation of the Convention and the amendments thereto, in particular for national guaranteeing associations, Contracting Parties were invited to inform the secretariat, in writing, about the status of implementation at national level (TRANS/WP.30/210, para. 21). The Contracting Parties should include, if possible, information concerning the number of the publication with which the implementation had been published (name and number of the Official Journal or internal instruction). This issue had also been stressed as being of importance in connection with the discussion on TIR of the Bureau of the Inland Transport Committee.

(ii) **Preparation of Phase III of the TIR revision process**

Documentation: TRANS/WP.30/2004/10; TRANS/WP.30/2004/3; TRANS/WP.30/2003/18; TRANS/WP.30/2003/15; TRANS/WP.30/2003/14; TRANS/WP.30/2003/9; TRANS/WP.30/2003/8; TRANS/WP.30/2003/7; TRANS/WP.30/2003/5; TRANS/WP.30/2003/3; TRANS/WP.30/2002/23; TRANS/WP.30/2002/20; TRANS/WP.30/2002/17; TRANS/WP.30/2002/15; TRANS/WP.30/2002/11; TRANS/WP.30/2002/7; TRANS/WP.30/2001/19 and Rev. 1; TRANS/WP.30/2001/18; TRANS/WP.30/2001/15; TRANS/WP.30/2001/13; TRANS/WP.30/2001/12; TRANS/WP.30/2001/11; TRANS/WP.30/2001/6; TRANS/WP.30/2001/5; EXG/COMP/2003/5; Informal document No.20 (2002); Informal document No.2 (2002); Informal document No.15 (2001); Informal document No.14 (2001); Informal document No.13 (2001); Informal document No.12 (2001); Informal document No.8 (2000); Informal document No.7 (2000); Informal document No.1 (2000); Informal document No.5 (1997).

- **Revision of the TIR Carnet**

20. The Working Party considered document TRANS/WP.30/2004/10, prepared by the secretariat in consultation with the IRU, containing a proposal for a best practice concerning additional documentary requirements in the TIR procedure to be included in the TIR Handbook, Chapter 5.

21. The Working Party adopted the proposed best practice, with a few amendments, as contained in annex 2 to this report. In this context, the Working Party pointed out that the TIR Carnet is the main transit document.

- **Increase in the number of loading and unloading places**

22. The Working Party considered in much detail the issue of increasing the number of loading and unloading places in the TIR procedure. Most Contracting Parties, as well as the IRU, stated that there did not seem to exist such a need for the industry, in particular in view of the recent adoption by the Working Party of a comment to Article 18 of the Convention providing for the use, in exceptional cases, of two TIR Carnets for TIR transports, where more than four loading and unloading places were involved (TRANS/WP.30/208, para. 28).

23. The representative of Turkey expressed concern about the total amount of the guarantee when using two TIR Carnets consecutively. Therefore, the representative of Turkey requested that, since there seemed to be no demand for a facility providing for more than 4 loading and unloading places, the comment to Article 18 be deleted.

24. The Working Party considered that this would be premature and decided to review the need for and the usefulness of the comment at one of its future sessions and invited the IRU to monitor the use of this facility closely and provide the Working Party with statistical information on the issue.

- Use of new technologies

25. The Working Party took note of a presentation given by the TIR secretariat, in which it outlined the general objectives of the Computerization project and the results achieved so far, elaborating, in particular, three questions raised by the Informal Ad hoc Expert Group on Conceptual and Technical Aspects of Computerization of the TIR Procedure (hereafter called “the Expert Group”) at its third session in Budapest (Hungary) on 1 and 2 September 2003 (TRANS/WP.30/2004/3).

26. With regard to the three questions raised, the Working Party decided as follows:

- (a) The Working Party confirmed that the final objective of the computerization of the TIR procedure encompasses the computerization of the whole TIR Carnet life cycle from distribution issuance and via the TIR transport to return and repository and that it should, ultimately be aimed at replacing the current paper TIR Carnet.

The Working Party agreed that the process to achieve this objective may be challenging , requiring the input of considerable human and financial input, both at the international and the national level. Therefore, the Working Party agreed that a step-by-step approach seemed the only feasible alternative to achieve any tangible results in the near future. To that end, it mandated the secretariat, as a first step, in cooperation with the Expert Group (a) to work out concrete proposals on how to exchange the so-called ‘static’ data-elements contained in the TIR Carnet (data elements which remain unchanged throughout the TIR Transport) between the competent authorities of Contracting Parties, possibly also including the data contained in the ITDBOnline as a preliminary step, (b) to conduct a feasibility study on the practicability of such proposals and, ultimately, (c) to propose a pilot along one of the major transit corridors to implement them.

The Working Party agreed that, as a next step, the integration of the so-called ‘dynamic’ data elements (data elements which may be amended or updated in the course of the TIR Transport) should be considered. Further steps should then address the issue of inclusion of additional features, such as security related information and advance cargo information. Once these tangible steps had been achieved, the Expert Group could focus its attention on further, outstanding, issues in relation to the computerization of the TIR procedure.

- (b) The Working Party agreed that the approach of the computerization process should, until further notice, be focused on the establishment of an international, centralized database, whose aim it should be to facilitate the secure exchange of data between national Customs systems. At a later stage, the sharing and exchange of data with other bodies concerned (such as TIRExB, international organizations, national associations and the international guarantee), should not be excluded.
- (c) The Working Party agreed that the Project to Computerize the TIR Procedure could, in future, be referred to as “eTIR-project”.

27. Various Contracting Parties, in particular the European Community, as well as the IRU, underlined the importance of full computerization of the TIR procedure as a long term goal and reconfirmed their commitment to the work performed by the Expert Group.

(iii) **Draft amendments on the inclusion and attribution of voting rights to Regional Economic Integration Organizations (REIO)**

28. The Working Party was informed by the representative of the European Community that bilateral negotiations with the United States and Turkey are ongoing concerning the inclusion and attribution of voting rights to Regional Economic Integration Organizations (REIO). The representative of the United States confirmed this information. The Working Party will be informed of the results of the negotiations at one of its future sessions.

(c) **Application of the Convention**

(i) **Functions and roles of the TIRExB, the TIR secretariat and the IRU**

Documentation: TRANS/WP.30/2004/11; TRANS/WP.30/2003/22; TRANS/WP.30/2003/11; TRANS/WP.30/2003/10; TRANS/WP.30/2002/30; TRANS/WP.30/R.179.

29. The Working Party took note of the response of the Russian Federation (TRANS/WP.30/2004/11) to a number of questions that had been posed by the representatives of the European Commission and the IRU in reply to document TRANS/WP.30/2003/11, which contained amendment proposals to Article 6.2 bis and Article 11 of the Convention.

30. The Working Party was informed that other Contracting Parties also would transmit proposals for amendments to the Convention. The Working Party was of the view that it would be preferable to consolidate all amendment proposals in one document in order to address all proposed amendments issue by issue. Contracting Parties to the Convention were invited to transmit their proposals in this respect to the secretariat, who was requested to prepare a consolidated document for its one-hundred-and-seventh session in June 2004.

31. The Working Party considered the idea of mandating a small task force to review and develop further amendment proposals to the Convention and decided to revert to this question once the Working Party had discussed any additional amendment proposals in at its June session.

(ii) **Control system for TIR Carnets - IRU SafeTIR**

32. The Working Party was informed by the IRU that the project to include all data, which are relevant to Customs authorities and which already exist in the IRU TIR Carnet databases, in the IRU managed SAFETIR/Cutewise application is on track and that it is expected that the new functionalities will be operational before the end of 2004, including, if possible, data concerning signatures and stamps of TIR Carnet issuing associations used on TIR Carnets.

33. The Working Party took note of information provided by the IRU on the functioning of the IRU SAFETIR system. IRU receives SAFETIR messages for 89 per cent of all terminated TIR operations. For the year 2003, IRU had issued 13,063 reconciliation requests to Customs authorities to verify that termination of TIR Carnets had taken place and had received 10,936 replies (84 per cent reply level) with an average delay of 51 days.

(iii) **Settlement of claims for payment**

Documentation: TRANS/WP.30/210.

34. The Working Party was informed by the IRU of the following figures:
- Notifications/pre-notifications received between 1 January 2003 to 29 January 2004: 6,911
 - Pending payment requests:
 - 31 December 2002: 7,984
 - 29 January 2004: 8,116
 - Claim settlement in 2003:
 - 167 claims settled through payment
 - 487 claims settled administratively or by Court decisions without payment.

35. The Working Party was also informed by the IRU about the final ruling of the Arbitration Court of the case between the IRU and PFA, the former insurance pool backing the TIR guarantee chain, which in 1995 had cancelled the insurance contract with IRU. The Court ruling is for the time being confidential between the parties. The IRU could nevertheless inform that the Court of Arbitration had ruled that the cancellation of the contract was illegal and that PFA should meet its obligations. The Court of Arbitration had also decided in which specific cases PFA is liable to pay, if something has to be paid and in which cases IRU is liable to pay, if something has to be paid, due to, for example, mistakes in the Carnet management by the IRU and the guaranteeing associations. Finally, a residual group of cases had been identified, where the IRU and PFA were of the opinion that no payment is to take place due to non-respect of the provisions of the Convention, for example due to late submission by Customs authorities of notifications or payment requests. In total the Court of Arbitration had considered 6,000 cases, of which around 2,500 cases had been settled before the final ruling; thus 3,500 cases were covered by the final ruling. The IRU will provide the Working Party with written information about the consequences of the Court ruling as soon as possible. National guaranteeing associations, with the assistance of the IRU and the insurers, will with immediate effect organize bilateral coordination meetings with those Customs authorities affected, starting with the authorities mostly affected, with a view to clarifying the situation concerning individual countries. In some cases, if agreement cannot be reached between the guaranteeing chain and Customs authorities on the validity of claims, this could result in settlement through national court procedures.

36. The Working Party expressed deep concern of the fact that, with the final ruling of the Court of Arbitration, there still did not seem to be a closure for the great number of outstanding cases, that there was no transparency in the Court ruling and that the customs authorities risk being manipulated for this reason. The Working Party strongly urged the IRU to provide full information on the ruling, including statistics as soon as possible.

37. The European Community referred to a pending case before the European Court of Justice concerning the recovery of duties and urged the IRU and the former insurer to act quickly to finalize this matter before the Court delivers its decision.

38. The Working Party also expressed concern that a similar situation could happen again with the present insurer, even though an arbitration clause does not exist in the present contract between the IRU and the insurer. In this context, the Working Party emphasized that national Customs authorities only have a relation with their respective national guaranteeing associations and the TIR Carnet holder and not with the IRU and its insurer. The Working Party felt that it would be important to keep this point in mind in the revision of the Convention.

(iv) **Amendment proposals relating to technical provisions**

Documentation: TRANS/WP.30/2004/8; TRANS/WP.30/2004/7; TRANS/WP.30/2004/4; TRANS/WP.30/2003/13; TRANS/WP.30/2002/27.

39. The Working Party considered document TRANS/WP.30/2004/4, prepared by the secretariat containing draft proposals for amending the provisions of the Convention relating to the use of cables to allow for the use of fibre optic cables. The Working Party decided to follow option 1 as proposed by the secretariat and adopted the amendment to Annex 2, Article 3, para. 9 of the Convention as well as the new comment to Annex 2, Article 3, para. 10 to the Convention as contained in annex 1 of this report, which specifically address the use of fastening cables with fibre-optic protection.

40. The representative of the United States of America pointed out that the positioning of the lock of the fibre optic cable close to the handle of the load compartment might have negative repercussions on its functionality. The Working Party requested the secretariat to take account of this complicating factor when finalizing the text of the draft comment to Annex 2, Article 3, para. 10 and to submit the full text of the amendment proposals to the TIR Administrative Committee for consideration and, possible adoption at its forthcoming session.

41. The Working Party appreciated a presentation given by the representative of the United States on the vulnerability of mechanical seals. In this context, the Working Party considered two documents transmitted by the Government of the United States on tamper-indicating seals (TRANS/WP.30/2003/13) and proposals for strengthening technical regulations for container seals (TRANS/WP.30/2004/8). In the same context, the Working Party also considered document TRANS/WP.30/2004/7, transmitted by the ISO containing an ISO standard on mechanical seals. The Working Party requested the secretariat to prepare a document containing amendment proposals to the Convention for its one-hundred-and-seventh session on the use of mechanical seals in the TIR procedure, based on the proposals made by the United States and the ISO standard. Furthermore, the secretariat was requested to invite representatives of the seal manufacturing industry to present the state of seal technology at the June session of the Working Party.

(v) **The concept of authorized consignee in the TIR Convention**

Documentation: TRANS/WP.30/2003/19; TRANS/WP.30/2003/12; TRANS/WP.30/2003/1.

42. The Working Party, as a follow-up to its previous discussions on this issue, where it had been established that the TIR Convention did not exclude the concept of authorized consignee, was informed by the representative of France that, as a result of the initial experiences gained in France,

many companies showed interest in being authorized under this procedure. Concerning the questions that had previously been raised by the IRU in relation to the procedure applied in France, the Working Party took note that a TIR Carnet presented to an authorized consignee must be presented within 24 hours to the Customs authorities who, subsequently, should transmit a message concerning termination to the SAFETIR database. Furthermore, in the French experience there did not seem to be a need for a database of authorized consignees as transport operators seemed to have the necessary information.

43. The Working Party decided to revert to this issue in the future, only if a need or interest was expressed.

(vi) **Practical application for the TIR procedure of the Customs Union between the Russian Federation and Belarus**

Documentation: TRANS/WP.30/2004/5; TRANS/WP.30/2003/17, Informal document No. 8 (2003).

44. The Working Party took note of the information provided by the Russian Federation contained in document TRANS/WP.30/2004/5. The representative of the Russian Federation also informed the Working Party of a presentation given to the TIRExB on the same issue, that seemed to have answered all outstanding questions in this respect. Mr. M. Amelio, Chairman of the TIRExB, informed the Working Party that the TIRExB had concluded that the application of Customs procedures in respect of TIR in the Customs Union between the Russian Federation and Republic of Belarus would need to be further improved as it did not seem straightforward and that the TIRExB had urged the competent authorities of the Russian Federation and Republic of Belarus to ensure the entry into force of one of the sustainable long-term solutions mentioned as soon as possible.

(vii) **CITES**

Documentation: TRANS/WP.30/2004/6.

45. The Working Party considered a proposal transmitted by the European Community, document TRANS/WP.30/2004/6, concerning the inclusion of provisions in the TIR Convention about endangered species (The Washington Convention 1973, CITES). The Working Party supported the inclusion in the Convention of provisions protecting wildlife but felt that the proposals made by the European Community still needed some modifications in relation to the proposed comment to Article 47. Furthermore, the Working Party questioned the practicability of including a specific description of this question in Annex 1 to the Convention.

46. The Working Party invited the representative of the European Commission to consider these comments and to transmit a revised proposal for the forthcoming session of the Working Party in June 2004.

(viii) **TIR Handbook**

Documentation: UNECE document (<http://tir.unece.org>).

47. The TIR Handbook contains the text of the Convention and its annexes, including the amendments to the Convention, at present including the amendments adopted under Phase II of the TIR revision process, as well as all relevant comments adopted by the Working Party, the Administrative Committee and the TIRExB. The updated TIR Handbook in English, French and Russian can be viewed and downloaded from the UNECE TIR web site in these languages (<http://tir.unece.org>). Updated hard-copy versions of the TIR Handbook are available in Arabic, Chinese, English, French, Italian and Russian. A limited number of such copies may be obtained free of charge from the secretariat.

(ix) **Other matters**

48. The representative of Belarus requested to be informed on the future status of existing borders crossings between EU accession countries and neighbouring non-accession countries after the enlargement of the EU on 1 May 2004, in particular, on the possible limitation of border crossings approved for the TIR procedure.

49. The representative of the European Commission informed that this question belonged to the competency of the member States of the European Community.

50. The representative of Poland agreed to transmit information on the issue to the UNECE secretariat as soon as possible. The Working Party invited other EU accession countries also to transmit such information. The representative of Lithuania informed that, concerning the special border crossings between Lithuania and Belarus presently used for bilateral traffic, these border crossings will change status. The Lithuanian authorities will inform Belarus bilaterally as soon as possible.

PREVENTION OF THE ABUSE OF CUSTOMS TRANSIT SYSTEMS BY SMUGGLERS

Documentation: TRANS/WP.30/127.

Mandate and background: TRANS/WP.30/211, point 8.

51. The Working Party was informed by the IRU about the discovery by the Finnish Customs authorities of the use of counterfeit TIR Carnets. The Finnish authorities had confiscated one such Carnet and, in subsequent investigations, it had discovered that 9 other such Carnets had already been used without being confiscated. The investigations by the IRU confirmed that the counterfeit Carnets were sophisticated and were not easily detectable. The IRU pointed out that if the IRU Cutwise application had been used by the Customs authorities, when opening the TIR Carnet, these cases could most likely have been discovered.

52. The Working Party invited Contracting Parties to be very vigilant in the controls of TIR Carnets as it seems likely that more such counterfeit Carnets are in circulation, given the sophistication and the probable high cost for organized crime to produce such counterfeits.

PROGRAMME OF WORK 2004 TO 2008

Documentation: TRANS/WP.30/2004/9.

Mandate and background: TRANS/WP.30/211, point 9.

53. The Working Party adopted its programme of work covering the years 2004 to 2008 as contained in annex 3 to this report.

OTHER BUSINESS

Mandate and background: TRANS/WP.30/211, point 10.

(a) Dates of the next sessions

54. The Working Party decided to convene its one-hundred-and-seventh session between 15 and 18 June 2004. The deadline for document submission is 29 March 2004.

55. The one-hundred-and-eighth session of the Working Party is tentatively scheduled to be held during the week of 11 to 15 October 2004 in conjunction with the thirty-seventh session of the TIR Administrative Committee and the seventh session of the Administrative for the “Harmonization” Convention. The one-hundred-and-ninth session of the Working Party is tentatively scheduled to be held during the week of 31 January to 4 February 2005.

(b) **Restriction on the distribution of documents**

56. The Working Party decided that document TRANS/WP.30/2004/7 transmitted by the ISO should remain restricted.

ADOPTION OF THE REPORT

57. The Working Party adopted the report of its one-hundred-and-sixth session.

Annex 1

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

AMENDMENT PROPOSAL

agreed upon by the Working Party on 6 February 2004

Amend Annex 2, Article 3, paragraph 9:

“9. The following fastenings shall be used:

- (a) steel wire ropes of at least 3 mm diameter; or
- (b) ropes of hemp or sisal of at least 8 mm diameter encased in a transparent sheath of unstretchable plastic; or
- (c) any other type of material, as long as it shall be strong and durable and resistant to weather and corrosion.

Wire ropes may have a transparent sheath of unstretchable plastic.

In cases where... etc. etc. (rest of paragraph 9 remains unchanged)”

“Comment to Article 3, paragraph 10

Fastenings with fibre-optic protection

The use of fastening cables, consisting of batches of fibre-optic lines, spirally wound and with a sheath of unstretchable plastic is admissible, as long as the conditions set out in Annex 2, Article 1 (a) and (b) and Article 3, paragraphs 9 and 10 are met.”

Annex 2

TIR CONVENTION, 1975

Best practice

adopted by the Working Party on 6 February 2004

To be included in the TIR Handbook part 5:

"Information and documentation, other than the TIR Carnet, that may be required by Customs offices en route in connection with a TIR transport

For purposes of control, the Customs offices en route are recommended to use mainly the TIR Carnet, being a Customs transit declaration. Where the Customs offices en route require additional documentation in connection with a TIR transport, this should not be required to contain more than the information necessary to identify the goods and the road vehicles. The Customs authorities should base their requirements on those set out in the relevant international transport agreements, such as, for instance, the Convention on the Contract for the International Carriage of Goods by Road (CMR) of 19 May 1956 and should limit their information requirements to those available in carriers' normal documentation (CMR consignment note, packing list, if any, etc.)."

Annex 3

Programme of work for the years 2004-2008^{1/}

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: 1**

Output expected in 2004:

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.

^{1/} Text in bold characters indicates newly proposed text; text in square brackets ([...]) refers to text proposed for deletion.

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.

- (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 2004:

Preparation of regional and/or national workshops, possibly in cooperation with UNESCAP and UNESCWA, 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 2004:

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 EUROP 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 2004:

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 2004:

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 2004:

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

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

Output expected in 2004:

Continuation 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.

- (h) 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 2004:

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