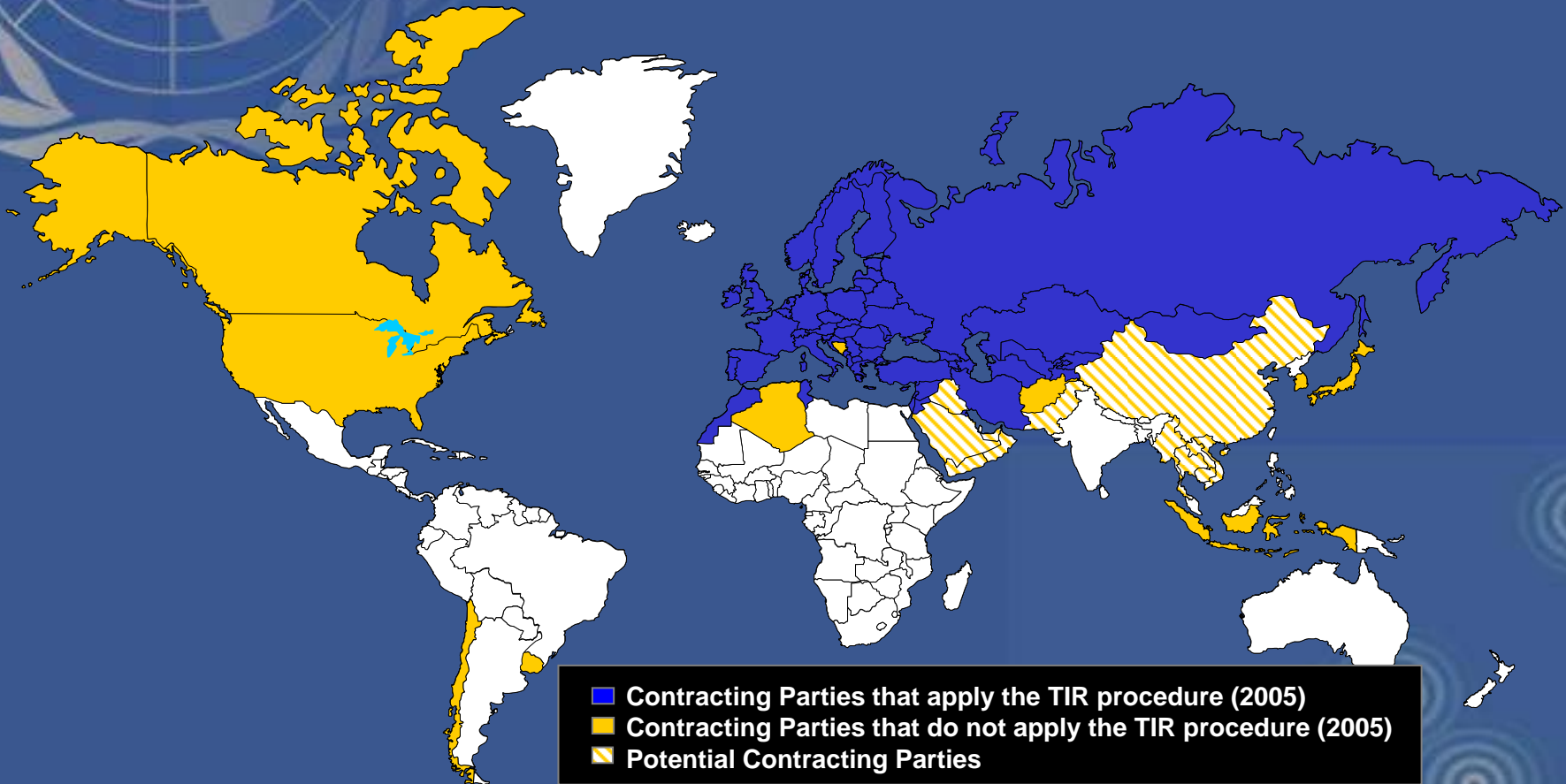


IMPLEMENTATION OF THE TIR AND HARMONIZATION CONVENTIONS IN EECCA COUNTRIES

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CONTRACTING PARTIES TO THE TIR CONVENTION





TIR CARNETS DISTRIBUTED TO NATIONAL ASSOCIATIONS (GLOBAL FIGURES)

YEAR	NUMBER OF CARNETS
1959	67 000
1969	790 035
1980	718 612
1990	748 600
2000	2 782 600
2003	3 298 000
2006	3 599 850

ISSUANCE OF TIR CARNETS IN EECCA COUNTRIES

	2001	2002	2003	2004	2005	2006
Armenia	200	100	250	200	300	550
Azerbaijan	3,600	1,300	1,900	3,950	5,000	5,500
Belarus	232,000	284,200	237,600	187,000	182,200	197,500
Georgia	1,000	2,500	500	2,000	3,600	4,300
Kazakhstan	5,000	6,400	17,400	17,000	19,600	32,650
Kyrgyzstan	550	1,250	2,700	4,900	6,250	11,450
Moldova	21,100	24,450	46,800	46,900	58,500	61,050
Russia	192,800	263,700	313,550	375,650	424,000	499,900
Tajikistan	-	-	-	0	50	300
Turkmenistan	150	0	150	200	400	1,000
Ukraine	200,000	190,000	222,500	251,000	266,000	324,000
Uzbekistan	600	500	900	2,400	1,800	4,500

ISSUED AND TERMINATED TIR CARNETS (SafeTIR 2006 data)

	TIR Carnets issued to domestic operators	TIR operations terminated in the country by both domestic and foreign operators
Armenia	550	2,330
Azerbaijan	5,500	11,008
Belarus	197,500	126,831
Georgia	4,300	?
Kazakhstan	32,650	52,310
Kyrgyzstan	11,450	6,654
Moldova	61,050	33,473
Russia	499,900	1,135,810
Tajikistan	300	3,108
Turkmenistan	1,000	6,416
Ukraine	324,000	183,829
Uzbekistan	4,500	4,940

ACHIEVEMENTS AND PROSPECTS

- **2001 – 2006: TIR Carnets issued in EECCA + 74%
(1,142,700 in 2006)**
- **Moldova: + 289% over same time period (61,050 in 2006)**
- **EECCA shares in 2006: 32 % of TIR Carnets issued & 45% of terminated TIR operations worldwide**
- **Rapid growth to continue when China and Pakistan accede to the TIR Convention**

IMPEDIMENTS

- TIR Convention addresses the issue of Customs transit by road
- This is necessary but not sufficient
- TIR Convention less effective if other border-crossing problems not resolved
- Impediments: (i) directly related to the TIR Convention (or Customs operations); (ii) indirectly affecting the application of the TIR procedure

IMPEDIMENTS DIRECTLY RELATED TO THE TIR PROCEDURE

- Requesting documents/information not foreseen by the Convention
- Excessive use of exceptional control measures such as Customs escorts and physical examination en route
- Lack of training and experience of Customs officials
- Other flaws and omissions in Customs operations

ADDITIONAL DOCUMENTS AND INFORMATION

The TIR Convention foresees two documents only:

- TIR Carnet
- Certificate of approval of a road vehicle for transport under Customs seal

Other documents may be used, if available from operators:

- CMR consignment note, packing list, etc.
- Information from such documents to be used only for the identification of goods and vehicles
- Data on the value of goods and HS-codes not mandatory

CUSTOMS ESCORTS

- May apply in exceptional cases (Article 23) at the carrier's expense
- Entry on TIR Carnet should indicate the reasons for escort
- Escort rates to be justified by actual costs
- Example: Customs escort when the duties and taxes at stake exceed the guarantee limit (additional guarantees not allowed by TIR Convention!)
- Once a decision is taken, Customs escort should be organized as soon as possible
- Payments for questionable services (e.g. parking fees while waiting for escort) should not be tolerated

EXAMINATION EN ROUTE

- **Applicable in exceptional cases to prevent abuse**
- **Use iff well-founded suspicions of an infringement**
- **Modern risk management superior to extensive controls**
- **Other government authorities (e.g. traffic police) not entitled to remove seals without Customs officials being present**

LACK OF TRAINING AND EXPERIENCE OF CUSTOMS OFFICIALS

- **Failure to understand key role of the Customs office of departure → insufficient checking of TIR Carnet, goods and vehicles**
- **Errors in completing TIR Carnets**
- **Requirements in contravention of TIR rules**
- **Poor discipline and failure to follow internal Customs instructions**
- **Non-application of risk analysis and excessive controls**

OTHER FLAWS AND OMISSIONS IN CUSTOMS OPERATIONS

- Poor organization of Customs controls, lack of proper equipment/facilities, limited use of IT and EDI technologies**
- Abuse of official power for private gain, e.g. blackmailing operators with the threat of strict control measures**
- Unnecessary on-the-spot checks inside the country (sometimes performed by other government agencies)**

IMPEDIMENTS BEYOND THE TIR CONVENTION

- **Road/environmental charges**
- **Weighing and weight certificates**
- **Maximum vehicle weight, dimensions and axle load**
- **Lack of coordination among control authorities at the border**
- **Unsatisfactory issuance of visas to professional drivers**
- **Bilateral road transport permits**
- **Poor road infrastructure and border-crossing facilities**
- **Steep domestic duties and taxes that prevent operators from purchasing/leasing new tractor units/trailers/semi-trailers**

THE HARMONIZATION CONVENTION

- **International Convention on the Harmonization of Frontier Controls of Goods became effective in 1982**
- **48 contracting parties, incl. the European Community**
- **9 EECCA countries acceded to the Convention**
- **3 EECCA countries did not accede, incl. Moldova**

AIMS

- **Facilitate border crossing of goods to reduce transport costs by:**
- **Harmonizing and reducing formalities**
- **Harmonizing and reducing # and length of border controls**
- **Establishing procedures for border controls (customs, quality, technical standards, medico-sanitary, veterinary & phyto-sanitary inspections)**
- ***National* cooperation and coordination of various services**
- ***International* cooperation between respective border services**

IMPLEMENTATION

- **Harmonization Convention provides a framework (but not detailed recipes) for:**
- **Joint controls of goods and documents through the provision of shared facilities**
- **Same opening hours and same types of services at the same border**
- **Promotes one-stop shop principle for border controls**

IMPLEMENTATION (cont'd)

- **Survey sent to all contracting parties in April 2006 - about 1/4 responded**
- **70% : Convention served as a model for integrated border management procedures at national and international levels**
- **60% : Lack of detailed guidelines for organizing cooperation between neighbouring countries makes implementation difficult**
- **70% : Capacity-building training on cross-border cooperation needed**

IMPLEMENTATION (cont'd)

- **Limited information on the actual implementation by EECCA countries**
- **Best practice: Trans-border cooperation between Ukraine and Poland, incl. joint border control points**
- **Kazakhstan has started to prepare joint border controls with Russia and Kyrgyzstan**
- **Russia and Kazakhstan have taken steps towards integrated border management at national level**

Trading Across Borders

Former Soviet Union, 2007

	Exports			Imports		
	Documents	Days	Cost (\$)	Documents	Days	Cost (\$)
Central Asia (4)	11	79	2695	12	85	3445
Caucasus (3)	8	33	1662	10	31	1795
Eastern Europe (3)	6	23	1192	8	26	1197
Baltic states (3)	5	9	765	5	10	818
Moldova	6	32	1425	7	35	1545

Source: <www.doingbusiness.org>

Customs Clearance and Technical Control

Former Soviet Union, 2007

	Exports		Imports	
	Days	Cost (\$)	Days	Cost (\$)
Central Asia (4)	8	180	11	193
Caucasus (3)	4	120	4	58
Eastern Europe (3)	3	247	5	247
Baltic states (3)	1	68	2	68
Moldova	3	60	6	80

Source: <www.doingbusiness.org>

CONCLUSION

- **Harmonization Convention: a useful model for integrating border procedures within and between contracting parties**
- **Improvements to procedures entail significant payoffs**
- **Implementation requires mainly administrative and organizational measures (both national and cross-border)**
- **High-level political commitment and adequate training essential**

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