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Item 3 (a) (i) of the provisional agenda

**Activities and administration of the TIR Executive Board – Activities
of the TIR Executive Board: Report by the Chair of the TIR Executive Board**

Report of the forty-eighth session of the TIR Executive Board

Summary

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

I. Attendance

1. The TIR Executive Board (TIRExB) held its forty-eighth session on 27–28 October 2011 in Geneva.
2. The following members of TIRExB were present: Mrs. A. Dubielak (Poland), Mr. H. Köseoğlu (Turkey), Mr. H. Lindström (Finland), Mrs. L. Korshunova (Russian Federation), Mrs. M. Manta (European Commission), Mr. I. Makhovikov (Belarus), Mrs. H. Metaxa Mariatou (Greece) and Mr. V. Milošević (Serbia).
3. Mr. V. Luhovets (Ukraine) was excused.
4. The International Road Transport Union (IRU) attended the session as observer and was represented by Mr. J. Genkov.

II. Adoption of the agenda

Documentation: Informal document TIRExB/AGE/2011/48draft

5. TIRExB adopted the agenda of the session, as prepared by the secretariat, with the inclusion of the following issue:

Under Agenda item 15 “Other matters”:

- Rules of Procedure of TIRExB.

III. Adoption of the report of the forty-seventh session of TIR Executive Board

Documentation: Informal document TIRExB/REP/2011/47draft with comments

6. TIRExB adopted the report of its forty-seventh session (Informal document TIRExB/REP/2011/47draft with comments), subject to the following changes:

Page 2, paragraph 9, fifth line

After TIRxB insert prior to the suspension of the guarantee on the territory of a Contracting Party

Page 6, paragraph 31, lines 1–3

Replace existing text by TIRExB took note of information on a visit by etc.

Page 6, paragraph 31, last phrase

Delete phrase

7. IRU reported that the relationship between IRU and the Belarusian Customs authorities were exemplary and that, in its view, TIRExB should not have adopted the statement contained in the annex to the report of its forty-seventh session.

IV. Current status of the eTIR Project

8. TIRExB took note of the outcome of the nineteenth session of the Informal Ad hoc Expert Group on Conceptual and Technical Aspects of Computerization of the TIR Procedure (GE.1) which had taken place in Belgrade on 13–14 September 2011, at the kind invitation of the Serbian Customs administration. In particular, the Board took note of the

discussions on eTIR in a Single window environment and the dematerialization of documents supporting the eTIR Customs declaration. The Board was informed that the final report of the nineteenth session of GE.1 will be submitted to WP.30 for endorsement at its February 2012 session.

9. The Board took note that WP.30 had accepted version 3.0 of the eTIR Reference Model, as contained in document ECE/TRANS/WP.30/2011/4, as the basis for its work, without further amendments.

10. TIRExB reiterated the need to get more countries involved in the work of the GE.1 and stressed that the network of eTIR focal points had been created to allow countries that cannot participate in the GE.1 meetings to actively participate in the computerization process. The Board requested the secretariat to send a letter to Director-Generals of Customs of TIR Contracting Parties, outlining the relevance of the eTIR Project for the future of the TIR system and clarifying the importance for each administration to become actively involved in the activities of GE.1 by means of nominating eTIR Focal points as well as by participating in the meetings. TIRExB requested the secretariat to study if increasing the frequency of GE.1 meetings could facilitate the computerization process. Further to requests from the Inland Transport Committee (ITC), the Working Party on Customs Questions affecting Transport (WP.30) and GE.1, TIRExB mandated the secretariat to conduct a cost/benefit analysis of the eTIR Project.

11. TIRExB was informed of progress made in the Globally Networked Customs (GNC) project, an initiative by the World Customs Organization (WCO) to enhance Customs cooperation. The secretariat participates in the work of this group as observer. The Board encouraged members as well as the secretariat to closely follow the activities of the GNC Ad hoc Group and contribute to its discussions in order to ensure maximum synergy between initiatives developed by WCO in this context and the eTIR Project.

V. Procedure prior to suspension of the guarantee on the territory of a Contracting Party

Documentation: Informal document No. 15 (2011) (restricted)

12. TIRExB considered Informal document No. 15 (2011), submitted by the secretariat and containing a proposal for an example of best practice on a procedure prior to the suspension of the guarantee in the territory of a Contracting Party. TIRExB noted that the presented draft constituted a solid basis for further discussion. TIRExB stressed that, in its view, the guarantee coverage in a given country can only be suspended/terminated by either party to the agreement, concluded between national competent authorities and the authorized national association in accordance with the provisions of Annex 9, Part I, Article 1 (e) and subject to the provisions of the TIR Convention and national legislation.

13. TIRExB requested the secretariat to take account of a number of specific proposals for improving of the text of the draft example and submit it to TIRExB for final consideration at its next session. TIRExB members were invited to contribute to the amended draft by submitting comments/suggestions to the TIR secretariat not later than by **15 January 2012**.

VI. Monitoring the functioning of the TIR guarantee system

14. TIRExB was informed by the secretariat of progress made in gathering information from Customs administrations on Customs claims, covering the years 2007–2010. At present, 41 countries had replied to the questionnaire. TIRExB requested the secretariat to

make a final attempt to solicit replies from missing countries and to prepare a document containing first results, for discussion at its next session.

VII. Issues raised by the Turkish Customs authorities

Documentation: Informal document No. 16 (2011)

15. The Board considered Informal document No. 16 (2011), prepared by the secretariat and containing various issues, raised by the Turkish authorities (See Informal document No. 14 (2011) in reply to questions from the Association of the Bulgarian Enterprises for International Road Transport and the Roads (AEBTRI), on the application of Article 38 of the Convention and its corresponding example of best practice.

15. In a nutshell, the questions raised by the Turkish authorities refer to the following:

(a) Does the application of Article 38 of the Convention allow the exclusion of a TIR Carnet holder from the TIR system in case of a serious offence against Customs laws or regulations which has taken place outside the application of the TIR Convention?

(b) Can an infringement committed by one of his employees justify the exclusion of the TIR Carnet holder from the TIR procedure?

(c) Does the fact that an excluded TIR Carnet holder temporarily leases his vehicle fleet, including drivers/employees, to another TIR Carnet holder constitute the situation where the excluded TIR Carnet holder materially bypasses the exclusion?

16. In general, TIRExB referred to the increased use by Customs of risk management profiles (for TIR Carnet holders as well as drivers and vehicles, to monitor involvement in previous infringements against Customs laws and regulations), which could lead to situations, as described above, which could have an impact on the application of Article 38 of the Convention. With regard to the specific issues raised, there was general consensus among TIRExB members that the application of Article 38 is not limited to infringements against the TIR procedure, but could also be used in case serious offences against provisions of other Customs laws or regulations have been committed. Regarding the possible exclusion of the TIR Carnet holder in case one of his employees has been involved in an infringement, TIRExB was reluctant to provide any observation, considering that the deletion in 2002 of an Explanatory Note to that extent had been the result of lengthy discussions. Concerning the last point, TIRExB was of the view that Article 38 provides for the exclusion of the TIR Carnet holder as a natural and legal person and does not extend to the vehicle fleet or drivers.

17. Further to this discussion, TIRExB requested the secretariat to review the existing example of best practice on the application of Article 38 (Chapter 5.8 of the TIR Handbook) and submit an updated text for discussion by the Board at its next session. TIRExB members were invited to contribute to the update by submitting comments/suggestions to the TIR secretariat not later than by **15 January 2012**.

VIII. Review of the examples of best practices on inquiry procedures

Documentation: Informal document No. 17 (2011)

18. TIRExB considered Informal document No. 17 (2011), containing updated versions of the inquiry procedures in the European Union and the Russian Federation. TIRExB thanked the various members who had contributed to the update for their excellent work. TIRExB adopted the text of the updated example without further comments, except for a slight change in the title and, possibly, the text, to reflect that, in fact, the example also

covers the recovery procedure. TIRExB requested the secretariat to submit the updated draft to the TIR Administrative Committee (AC.2) for endorsement.

IX. Preparation of an example of best practices on the application of Article 11 of the Convention

19. The Board took note of the fact that none of the members had submitted any specific issues for improving the existing text of Chapter 5.7. of the TIR Handbook. The Chapter contains an example of best practices on the application of Article 11 of the Convention. Thus, the Board concluded that, as such, the example was still valid. However, recalling previous discussions in 2003–2004 when such attempt had failed, the Board reconfirmed that it was of the opinion that the example would greatly benefit from including a specimen letter covering pre-notification, considering that this communication was not a legal requirement and, thus, not subject to strict provisions of national law as regards form and content. In reply to comments by IRU, TIRExB clarified that the example only deals with the procedural steps as such, without going into details with regard to their respective content or requirements. In this context, TIRExB referred to Chapter 5.5. of the TIR Handbook, which enumerates the documents to substantiate payment requests.

20. With reference to the specimen letter used by the countries of the European Union, TIRExB requested the secretariat to prepare a first draft specimen letter, for consideration by the Board at its next session.

X. Implementation of the multimodal aspects of the TIR procedure

Documentation: Informal document No. 18 (2011)

21. The Board considered Informal document No. 18 (2011) by the secretariat, which contains introductory information on multimodality, such as an overview of main definitions, references to the multimodal use of the TIR Carnet in the TIR Convention as well as an historic overview of the so-called multi-modal TIR Carnet, which was introduced in the late 1980s but never really used and which was abandoned after a few years of unsuccessful promotion.

22. Upon review of the definitions contained in paragraphs 6–10 of the said document, TIRExB agreed that, at present and as long as no final position on subcontractors in the TIR Convention has been found, the term “intermodal” seems to better reflect the options offered by the TIR Convention than the term “multimodal”, which explicitly allows for the use of subcontractors. Intermodal transport is defined as “the movement of goods in one and the same loading unit or road vehicle, which uses successfully two or more modes of transport without handling the goods themselves in changing modes.”

23. From its side, IRU confirmed that today a certain amount of intermodal TIR transports takes place. In particular, these refer to TIR transports including ferry services (Baltic States, Mediterranean and Black Sea regions) or involving block trains. However, in the case of ferries, the use of the TIR (or another Customs) transit procedure is not required during the sea leg, whereas in the case of block trains, the TIR Carnet generally remains unprocessed during the rail leg. Thus, although it is correct to say, in general, that the TIR Carnet can be used in transports involving more than one mode of transport, the practical function of the TIR Carnet is limited to the road leg only and its intermodal value remains to be proven.

24. TIRExB agreed that it seems most feasible to pursue the efforts to draft an example of best practice of an intermodal TIR transport by means of a combined road-rail transport.

Although, at present, many national railway companies still benefit from a guarantee waiver, with the increased access of private companies to the international railroad market the situation is rapidly changing. At the same time, TIRExB acknowledged that it will remain difficult to create a single Customs transit regime, involving various modes of transport, as long as each mode of transport disposes of its own private contractual regime and consignment note.

25. As a first step to pursue the issue, TIRExB agreed to conduct a short survey among concerned stakeholders in the transport industry (logistic companies and multimodal transporters) in order to determine if there is a specific demand from the transport industry for a single intermodal Customs document and accompanying guarantee. TIRExB invited IRU to contribute to the drafting of the questionnaire as well as identifying its target group.

XI. World Customs Organization e-learning course

Documentation: Informal document No. 19 (2011) (restricted)

26. TIRExB considered Informal document No. 19 (2011) and began its assessment of the extensive list of follow-up actions undertaken jointly by WCO and IRU in reply to comments made by TIRExB on the contents of the e-learning course. In order to facilitate further discussion of each issue in detail, TIRExB requested the secretariat to provide each TIRExB member with his/her personal access code and password, so that members could review all actions by WCO and IRU, in particular those where further clarification had been requested or where the findings by TIRExB had not been followed. At the same time, TIRExB requested the secretariat to prepare a document for discussion by the Board at its next session, providing the secretariat's assessment of the above specified actions.

XII. Issues raised by the Greek national association

Documentation: Informal document No. 20 (2011)

27. The Board took note of Informal document No. 20 (2011), containing a letter in which the Hellenic Federation of Road Transporters (OFAE) requested, inter alia, TIRExB to consider a number of problems encountered by Greek international transport operators. TIRExB was of the opinion that it was competent to consider issue No. 3 (problems encountered by Greek operators in Ukraine with regard to the acceptance of the TIR Certificate of Approval for vehicles with sliding sheets), leaving it up to other addressees of the letter to consider the remaining issues.

28. With regard to the particular issue at stake, TIRExB felt that more information from the side of OFAE and the Ukrainian authorities was required before TIRExB could start its considerations. Thus, it requested the secretariat to send a letter to OFAE, inviting it to send more specific information on the individual cases, including specifications of the vehicles which were said to have been refused to load goods in Ukraine (photos, certificates of approval, etc.) in case it wished TIRExB to further pursue this issue. At the same time, TIRExB requested the secretariat to send a letter to the Ukrainian Customs authorities (which were included in the list of addressees of the OFAE letter), seeking information on any reply or reaction from their side to the reported problems.

XIII. Budget proposal and cost plan of the TIR Executive Board and the TIR secretariat for the year 2012

Documentation: ECE/TRANS/WP.30/AC.2/2011/10, ECE/TRANS/WP.30/AC.2/2011/11, ECE/TRANS/WP.30/AC.2/2011/12

29. TIRExB took note of documents ECE/TRANS/WP.30/AC.2/2011/10 and ECE/TRANS/WP.30/AC.2/2011/11, containing the report of the complete and final accounts for 2010 of the TIRExB and the TIR secretariat and the interim financial statement for 2011, respectively.

30. TIRExB endorsed document ECE/TRANS/WP.30/AC.2/2011/12, containing the budget proposal and cost plan for the operation of the TIRExB and the TIR secretariat for the year 2012.

31. Further to a request from the secretariat, TIRExB decided to add US\$ 1,000 to the budget line "Expert travel" and US\$ 5,000 to the budget line "Travel on official business" by means of redeployment of allotted but unused funds from the 2011 TIRExB and TIR secretariat budget.

XIV. Activities of the secretariat

32. The Board was informed of the secretariat's ongoing work to keep the list of authorized TIR Carnet holders in the International TIR Database (ITDB) up to date. It noted with regret that, despite ongoing reminders and personal contacts, some countries still fail to transmit data to the TIR secretariat, as required by the provisions of Annex 9, Part II of the Convention.

33. The Board took note that the secretariat had finalized the ITDBOnline+ website and that it had successfully been tested by a number of countries. ITDBOnline+ will replace the existing ITDBOnline by the end of 2011. TIRExB expressed its satisfaction with this important result.

34. The Board was informed by the secretariat that, in cooperation with the European Commission, it was exploring the possibilities for the European Commission to provide some kind of assistance (for example within the context of various twinning programmes in the field of Customs or other technical assistance programmes) for countries in transition, in case TIRExB would decide to organize a seminar on the technical requirements of TIR approved vehicles.

XV. Other matters

35. TIRExB requested the secretariat to prepare, for discussion at its next session, a document providing a summary of the Board's past discussions on the intermediate election of replacement TIRExB members (by-elections), including considerations on how to amend the existing Rules of Procedure.

XVI. Restriction in the distribution of documents

36. TIRExB decided that the distribution of the following documents, issued for the present session, should be restricted: Informal document No. 15 (2011), Informal document No. 19 (2011).

XVII. Date and place of next session

37. TIRExB decided to hold its forty-ninth session on Monday 6 February 2012, in conjunction with the 129th session of WP.30 (7–10 February 2012) and the fifty-third session of AC.2 (9 February 2012).
