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INLAND TRANSPORT COMMITTEE

Working Party on Customs Questions
affecting Transport

(Ninety-second session, 22-26 February 1999,
agenda item 6 (b)(i))

**REPORT OF THE TIR CONTACT GROUP
ON ITS SIXTH SESSION
(Istanbul, 2-4 December 1998)**

ATTENDANCE

1. The Contact Group held its sixth session from 2 to 4 December 1998 in Istanbul on the invitation of the Government of Turkey.
2. The session was attended by Governmental and non-governmental representatives from the following countries: Albania; Austria; Belarus; Belgium; Bulgaria; Croatia; Czech Republic; Denmark; Estonia; Finland; France; Germany; Greece; Hungary; Italy; Jordan; Latvia; Lithuania; Netherlands; Norway; Poland; Romania; Russian Federation; Slovakia; Slovenia; Spain; Sweden; Switzerland; The former Yugoslave Republic of Macedonia; Turkey; United Kingdom. Representatives of the European Community (EC) were also present.
3. The International Road Transport Union (IRU) was also represented.

ADOPTION OF THE AGENDA

4. The Contact Group adopted the provisional agenda prepared by the ECE secretariat as distributed to delegations before the session.

ELECTION OF A CHAIRMAN

5. The Contact Group elected Mr. H. Tiras (Turkey) as Chairman of its session.

STATUS OF THE REVISION PROCESS OF THE TIR CONVENTION

Documentation: TRANS/WP.30/AC.2/47, annex 2 and Corrs. 1 and 2;

Depositary Notification C.N. 433.1997.TREATIES-1.

6. The Contact Group was informed that the Legal Office of the United Nations had notified the ECE secretariat that, during the period during which objections to the amendment proposals, adopted by the TIR Administrative Committee on 27 June 1997 (TRANS/WP.30/AC.2/47, annex 2), could have been lodged (refer to Depositary Notification C.N. 433.1997.TREATIES-1) no such objection has been registered. Therefore, these amendment proposals would come into force on 17 February 1999.

7. A Depositary Notification informing all Contracting Parties of this situation will be issued by the Legal Office of the United Nations in due course.

CENTRAL CONTROL PROCEDURES, INCLUDING DISCHARGE PROCEDURES

8. Representatives of the Turkish Customs authorities made a presentation on computerized central control procedures that were applied in Turkey for all TIR operations. The system also allowed for search and inquiry procedures. During a technical visit to the Customs post in Erenköy, participants had the opportunity to see in practice discharge and control procedures applied by the Turkish Customs authorities.

IMPLEMENTATION OF THE NEW AMENDMENTS TO THE TIR CONVENTION

Documentation: TRANS/WP.30/182; TRANS/WP.30/180; TRANS/WP.30/AC.2/51; TRANS/WP.30/AC.2/49; TRANS/WP.30/AC.2/47 and Corrs. 1 and 2; Informal documents prepared by the ECE secretariat.

9. The Contact Group considered all aspects related to the application of the amendment proposals as adopted by the TIR Administrative Committee (TRANS/WP.30/AC.2/47 and Corrs. 1 and 2). It noted that the new provisions of the Convention had to be applied as of 17 February 1999 as no transition period is foreseen for their entry into force.

10. In particular, the Contact Group noted the following new provisions of the TIR Convention that needed to be applied as of 17 February 1999:

- (a) Controlled access to the TIR procedure and transparent international guarantee system
- (i) Authorization for national associations to issue and guarantee for TIR Carnets

General provisions (article 6, paragraph 1 of the Convention)

Minimum conditions and requirements (annex 9, Part I of the Convention)

- Established association representing the interests of the transport sector (refer also to annex 6, explanatory note 9.I.1(a) of the Convention)
- Sound financial standing and organizational capabilities
- Proven knowledge of staff
- No offences against Customs or tax legislation
- Written agreement between association and competent authority (to be deposited with the TIRExB), including, at least, the following provisions:
 - compliance with the provisions of article 8 of the Convention
 - verification of minimum conditions for persons applying for use of TIR Carnets
 - provisions of full guarantee coverage
 - coverage of all liability through certified insurance contract temporarily to be signed by IRU and international insurer and insurance certificate (refer to TRANS/WP.30/49, annex 2; TRANS/WP.30/51, paras. 17-19; TRANS/WP.30/182, paras. 25 and 26)
 - verification of records
 - procedure for dispute settlement
 - revocation of authorization in case of non-compliance
 - compliance with decision of possible exclusion of TIR Carnet users
 - Implementation of decisions of TIR Administrative Committee and TIRExB
- Revocation of authorization
- Compliance with all provisions of the Convention
- Additional conditions and requirements.

11. The Contact Group noted in particular that Chambers of Commerce are explicitly admitted as national associations (annex 6, explanatory note 9.I.1 (a) of the Convention) and that the detailed provisions of annex 9, Part I, paragraph 1 (f) should be included explicitly into the written agreement between national associations and competent authorities.

(ii) Authorization for natural and legal persons to utilize TIR Carnets

General provisions (article 6, paragraphs 3,4 and 5 of the Convention)

Minimum conditions and requirements (annex 9, Part II, paragraphs 1 and 2 of the Convention)

- Proven experience in international transport
(refer also to TRANS/WP.30/AC.2/45, page 7)
- Sound financial standing
- Proven knowledge in the application of the Convention
- Absence of offences against Customs or tax legislation
- Written declaration of commitment to the association including at least the following provisions:
 - compliance with all Customs formalities
 - compliance with payment requests
 - allow associations to verify information on minimum conditions
- Additional conditions

Procedures (annex 9, Part II, paragraphs 3 to 7 of the Convention)

- National procedures
(refer to annex 6, explanatory note 9.II.3 of the Convention on Authorization Committees)
- Within one week transmission of info to TIRExB in line with Model Authorization Form (MAF)
- Annual complete list of authorized persons to be established
- Authorization does not constitute right to obtain TIR Carnets
- Authorization without prejudice of responsibilities under the Convention

12. The Contact Group took particular note of the following considerations:

- The provisions of annex 9, paragraph 1 (e) of the Convention should be included explicitly into the written declaration of commitment
- There exists no automatic authorization for present TIR Carnet users. Every individual person will require an authorization in line with article 6, paragraph 4 of the Convention as of 17 February 1999.
- Authorization for access to the TIR procedure does not constitute in itself a right to obtain TIR Carnets from the associations.

- Authorization for access to the TIR procedure can only be provided or withdrawn by the competent authorities (or, if appropriately mandated, by the national association).
- Annex 9, Part I, paragraph 1 (f)(viii) of the Convention does not allow associations to veto the application of a person wishing to obtain authorization to utilize TIR Carnets
- The TIR Administrative Committee and the TIR Executive Board (TIRExB) are recommended to provide information on the use of the international TIR data bank containing information provided through the Model Authorization Form (MAF) of annex 9, Part II of the Convention.
- A clear-cut definition for the holder to a TIR Carnet should be prepared. With regard to authorization for natural and legal persons to utilize TIR Carnets (Annex 9, Part II of the Convention) it was stressed that this requirement would apply to all TIR Carnet holders as well as to third parties (sub-contractors) transporting goods under the TIR regime to which Carnets had been provided in special cases. In the future the details of such third parties, if acceptable, should be inscribed into the TIR Carnet.
- The procedure for authorization is to be arranged in line with national legislation in accordance with article 6, paragraphs 3-5 and annex 9, Part II of the Convention.
- Realizing that the amendments to the Convention will come into force on 17 February 1999 without any transition period, the IRU stressed that by that date all associations may not be in a position to transmit the required data as contained in the MAF to the competent authorities.

13. In this context, the Contact Group took note of a proposal made by the ECE secretariat to establish a simple procedure for the authorization of persons to utilize TIR Carnets which was in line with annex 9, Part II of the Convention and with the data requirement as stipulated in the Model Authorization Form (MAF). The objective of this procedure was to minimize resource requirements for all the parties concerned, i.e. for national associations, national Customs authorities and the TIR Executive Board in the implementation of these provisions.

14. In particular, it was proposed to establish a data entry mask containing all data required in the MAF which could be distributed by the ECE secretariat on CD-ROM to all national association in January 1999. Data entry with this mask would only require a WINDOWS 95 or higher environment and would allow the transfer of data from any existing data base on TIR Carnet users that existed already in most national associations. Thus, this procedure would avoid repetitive keying-in of data that often existed already. These data would then be transmitted by diskette or similar support, together with a paper (hard) copy as required, to the national Customs authorities. Following approval by Customs authorities, the diskette or similar support would then be transmitted to the TIR Executive Board, together with the paper (hard) copy for inclusion of the data on authorized persons into the International TIR databank.

15. Several Customs authorities and national associations, welcoming this proposal of the ECE secretariat, declared their willingness to participate in a test run of this procedure to be finalized in early January 1999.

16. The Contact Group noted that use of this procedure by national associations and Customs authorities was optional.

(iii) Governmental supervision at the international level

Functions of the TIR Executive Board (TIRExB) (annex 8, article 10 of the Convention)

- Supervision of the application of the Convention.
- Supervision of the printing and distribution of TIR Carnets (licence given to the International Road Transport Union (IRU) for 1999)
- Exchange of intelligence
- Facilitation for the settlements of disputes (refer to draft rules of procedure of TIRExB)
- Support for the training of personnel
- Maintenance of central records on activities of international organization and its rules and directives
- Monitor prices of TIR Carnets.

Operation of the TIRExB (annex 8, articles 9, 11, 12 and 13 of the Convention)

- Draft Terms of Reference (TRANS/WP.30/AC.2/49, annex 3 of the Convention)
- Draft Rules of Procedure (TRANS/WP.30/AC.49, annex 4 of the Convention).

17. The Contact Group was informed by the ECE secretariat as well as by the representatives of the IRU that, in accordance with the amendments and the decisions taken by the TIR Administrative Committee (TRANS/WP.30/AC.2/51, paras. 29-31), an Agreement had been concluded between the IRU and the ECE on the transfer of the funds required for the establishment and the operation of the TIR Executive Board in 1999. The Contact Group was also informed that the ECE secretariat is including the financing of the TIR Executive Board (TIRExB) into its budget proposal for the biennium 2000-2001 for approval by the General Assembly of the United Nations.

(iv) Harmonized application of the TIR Convention

Exclusion from the TIR operation (article 38, paragraph 2 of the Convention)

National and international control measures (article 42 bis of the Convention)

FUNCTIONS AND OPERATION OF THE TIR ADMINISTRATIVE COMMITTEE, THE ECE WORKING PARTY ON CUSTOMS QUESTIONS AFFECTING TRANSPORT (WP.30) AND THE TIR CONTACT GROUP UNDER THE AMENDED CONVENTION

18. The Contact Group noted that, with the start of operation of the TIRExB, it was expected that the ECE Working Party on Customs Questions affecting Transport (WP.30) would no longer need to consider at great length and in detail problems related to the application of the Convention and could concentrate its activities on legal and administrative issues as well as on Phases II and III of the TIR revision process. The role of the TIR Contact Group would, however, not be affected by the entry into force of the amendments.

APPLICATION OF THE EDI CONTROL SYSTEM FOR TIR CARNETS (IRU SAFETIR SYSTEM)

Documentation: TIR CUTE-WISE Procedure (published by the ECE and the IRU).

19. The Contact Group was informed of the latest developments in the IRU SAFETIR system as well as of access for interested Customs authorities to the IRU data bank on discharged, stolen and falsified TIR Carnets (CUTE-WISE). Copies of a handbook on the CUTE-WISE system may be obtained from the ECE or the IRU (for the moment in English only).

OTHER BUSINESS

20. The representatives of the IRU informed the Contact Group about the difficult situation prevailing in the Russian Federation for transport operators utilizing the TIR operation and requested the ECE secretariat and the European Commission to undertake all necessary measures to rectify this situation as soon as possible.

21. The Contact Group expressed its gratitude to the Government of Turkey for hosting its sixth session in Istanbul. In particular, it expressed its appreciation to the Turkish Customs authorities, the Turkish Chamber of Commerce (TOBB), the Turkish Transport Operator's Association and the IRU for the professional organization of the meeting and the technical visit, for the services and support provided and for the warm hospitality extended to all participants of the Contact Group.
