Current TIR expansion efforts in China and beyond

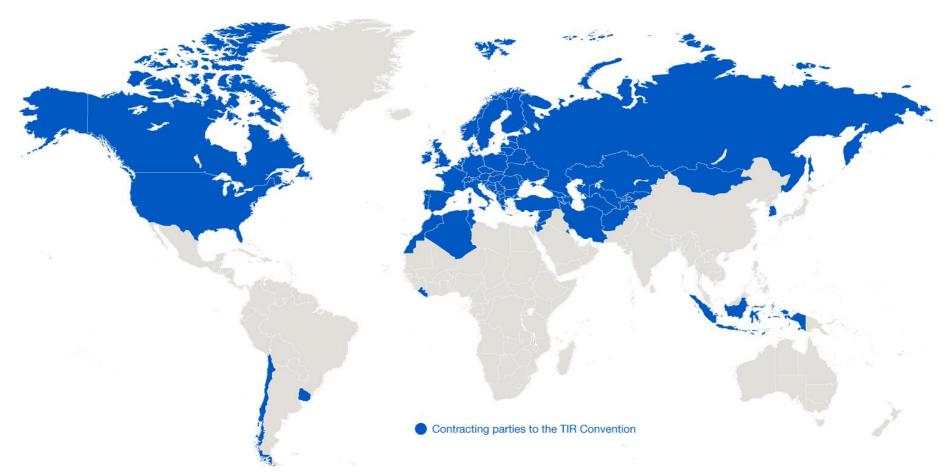
Dushanbe, 22 May 2015





Geographical scope of the TIR Convention

Based on TIR Convention of 1975





TIR geographical scope has been changing over the years and continues to do so

TOP ISSUING COUNTRIES	1994	2004	2014
1	HUNGARY	TURKEY	TURKEY
2	CZECH REPUBLIC	ROMANIA	RUSSIA
3	BULGARIA	LITHUANIA	POLAND
4	TURKEY	RUSSIA	UKRAINE
5	RUSSIA	BULGARIA	LITHUANIA
6	POLAND	POLAND	BELARUS
7	GERMANY	BELARUS	BULGARIA
8	ROMANIA	UKRAINE	IRAN
9	NETHERLANDS	HUNGARY	MOLDOVA
10	AUSTRIA	ESTONIA	LATVIA



Last country to (re)start TIR: Afghanistan

- ✓ TIR re-activated on 4 September 2013 (TIR Audit and training conducted)
- ✓ Over 300 TIR operations conducted to Afghanistan by foreign TIR Holders (from Iran, Kazakhstan, Turkey, Lithuania)
- ✓ First TIR Carnets issued to Afghan Holders
- ✓ TIR-EPD implemented as an IT TIR risk management tool





TIR Expansion



April 2014

UAE Customs sign guarantee agreement



April 2014

Pakistan officially confirms forthcoming accession to TIR



January 2015
China officially starts TIR accession process

Other countries have expressed interest in TIR





Brazil



Iraq



Saudi Arabia



Kenya

TIR expansion: Pakistan



Latest developments:

- ➤ In principle approval granted by competent Ministries at end 2014
- > TIR legislation approval is on the agenda of the Council of Ministers
- Positive study on TIR benefits for Pakistan prepared by Pakistani National Institute of Management for the Government
- > The progress in PRC should influence Pakistan











PRC speeds up TIR accession process to reach 2015 objective



Latest developments

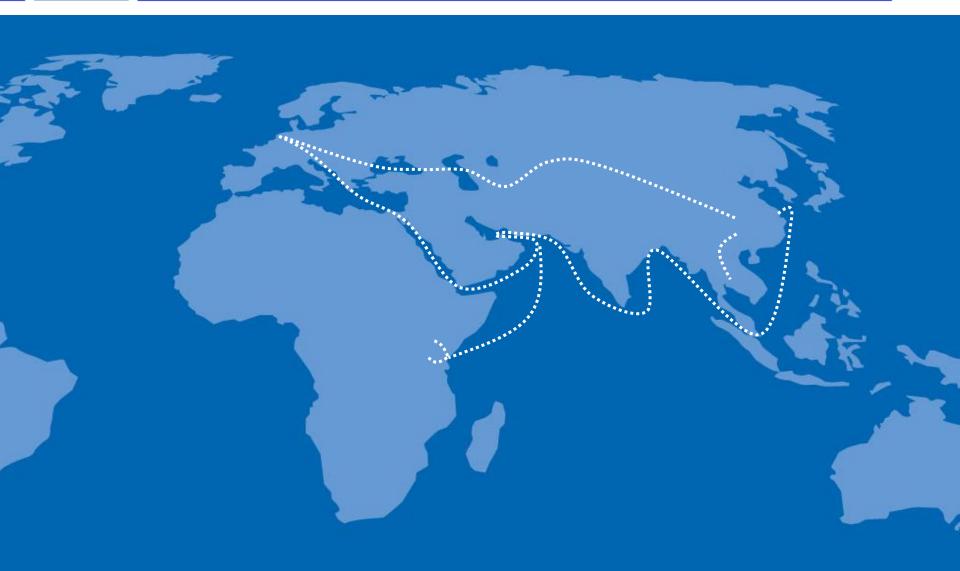
- 13 February 2015: PRC's Customs officially approved TIR accession file which was sent for final review to 4 Ministries
- 16 February 2015: Ministry of Foreign affairs gave 15 March deadline to Hong Kong to also consider joining
- 27 February 2015: Chinese Ministry of Transport: **APPROVED**
- 03 March 2015: Administration of Quality Inspection and Quarantine: APPROVED
- 06 March 2015: Ministry of Public Security: **APPROVED**
- 16 April 2015: Ministry of Foreign Affairs: **APPROVED**
- **Next step:** Chinese State Council to submit official application to the UN







What's next once PRC joins TIR? One Belt One Road – with TIR



Glance of PRC's International Road Transport



14 bordering countries 6 TIR operating countries

35 million tons transported by road at value of \$40 billion (1% of total)

Permit system 360,000 C permits in 2013

11 countries 70 crossing points

287 routes 136 for passengers 151 goods transport

1,400 international transport operators with 26,800 trucks (0.002% of total trucks)



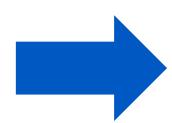
What will happen after PRC joins TIR

Reduced cost

Reduced waiting time

Progress in regional transport facilitation

Progress in regional economic cooperation



Increased freight transport by road

New economic opportunities

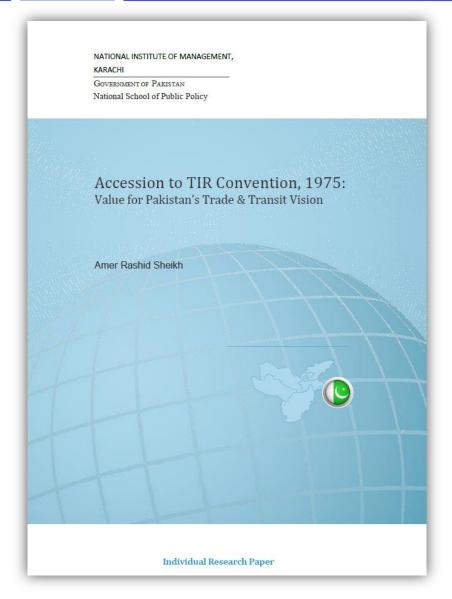
More countries in TIR

Impact on new regional transit systems

Competition in the road transport market



TIR benefits: analysis made for the GoP



Study "Accession to TIR Convention: Value for Pakistan's Trade & Transit Vision« by Customs official Mr Amer Rashid Sheikh, National Institute of Management, Government of Pakistan National School of Public Policy.

The study has been conveyed by the National Institute of Management to all relevant ministries of the Government of Pakistan and will serve to expedite the accession process.

Benefits of TIR accession for Pakistan

- Pakistan will evolve into regional transit hub for land-locked countries
- In view of coming accession of China, TIR will be the key success factor for the China-Pak Economic Corridor project
- Pakistan is the only non-TIR country in ECO. 63% of ECO trade is intraregional.
- Reduces time for Customs formalities
- Reduced costs for business
- > TIR can serve as basis for single-window transit processing
- Safety and security of transit
- Improved Customs controls
- All the factors above will result in the growth of trade
- Benefits from increased transit movements (at present transit is 0.7%)

Importance of Pakistan for international trade

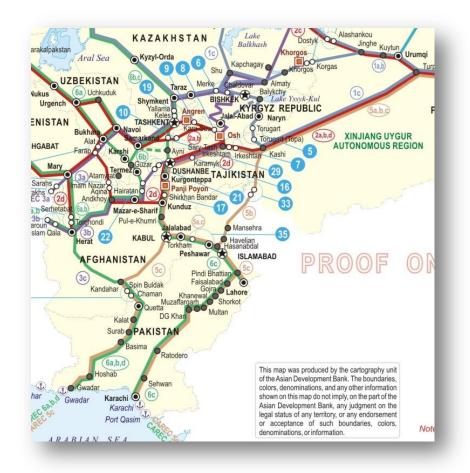
- > 3 warm water round-the-year ports
- Gawadar 3rd deepest port in the world
- Shortest route to CAR
- All routes between South Asia and Central Asia pass through Pakistan

Country with a population of 186 million is emerging economy of

the region.



Benefits for the region



Corridors 6c (north-south) and 5 (China – Pakistan)

Simplification and harmonisation of customs procedures at the regional level

Increase volume of trade and economic benefits for all countries of the region

Better risk management and data exchange at the regional level (risk management tools are compulsory for all new TIR countries

