TIR CONVENTION AS IT IS.

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Regional TIR Seminar
TIR Convention Yesterday.

- TIR Agreement 1949 (6 countries)
  - restoration of Europe after WWII

- TIR Convention 1959 (17 countries)
  - containers, multimodal transport

Today 1 country - Japan

- TIR Convention 1975 (68 Contracting Parties)
  - technical innovations, changes in Customs and Trade Regulations

Entered into force in 1978
The Principles of the TIR Convention

5 Pillars of TIR Transit System

- Secure Vehicles or Containers
- International Guarantee
- TIR Carnet
- Mutual Recognition of Customs Controls
- Controlled Access
Geographical Coverage

68 TIR Convention Contracting Parties TODAY

NO TIR Operations (11)  TIR Operations established (57)
Accessing TIR Convention (1)
Interested in Accession TIR Convention (23)

24 countries acceded during last 15 years
TIR Convention

- One of the most sophisticated instruments adopted under the auspices of the UNECE.
- The ideas and principles of its transit system have become the basis for other transit systems.
- In 1984, the Economic and Social Council of the United Nations adopted the resolution (1984/79), in which all the nations of the world are encouraged to explore the possibility of accession to the TIR Convention and the introduction of its provisions into the national legislations.

The TIR system is recommended to the UN regional commissions, in particular, as well as to the international, intergovernmental and nongovernmental organizations as a universal system of customs transit.
TIR Convention Today

- Based on a partnership between public and private sectors.
  - The only global Customs transit procedure.

- Does not contain any restrictions on the modes of transport (road vehicles and containers).
  - Facilitates international transport.

- Secures the Budgets of the Contracting Parties.

- Has the basis to implement the principle of Intermodal transport.
TIR Carnets Issued Worldwide

<table>
<thead>
<tr>
<th>Year</th>
<th>Carnets Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>1952</td>
<td>3000</td>
</tr>
<tr>
<td>1960</td>
<td>100,000</td>
</tr>
<tr>
<td>1970</td>
<td>800,000</td>
</tr>
<tr>
<td>2000</td>
<td>2,782,600</td>
</tr>
<tr>
<td>2006</td>
<td>3,599,850</td>
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<tr>
<td>2009</td>
<td>2,230,400</td>
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<tr>
<td>2010</td>
<td>2,822,200</td>
</tr>
<tr>
<td>2011</td>
<td>3,074,500</td>
</tr>
</tbody>
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TIR Carnets Issued in the Region of the Central Asia

Regional TIR Seminar
Admin. Structure of the TIR System

**Economic Commission for Europe (UNECE)**
- Inland Transport Committee
- Governmental Organization
- United Nations Member States

**UNECE WP.30**
- (on Customs Questions Affecting Transport)
- Governmental Organization
- United Nations Member States

**TIR Contact Group**
- Mixed Organ
- Customs, Transport, etc

**Administrative Committee**
- Governmental Organization
- All Contracting Parties to the TIR Convention

**TIR Executive Board (TIRExB)**
- Governmental Organization
- 9 elected members

**International Organization**
- (article 6 of Convention)
- Non-Governmental organization
- Transport Operators, etc

**International Insurance or Financial Guarantee System**

**TIR Secretary**
- TIR Secretariat

**Customs Authorities**
- A
- B
- C

**National Association**
- A
- B
- C

**TIR Carnet User**
- A
- B
- C
TIR System Development Stages

Relative Stability Stage 1975-1990
- Regional nature of TIR Convention

Stress – Test of TIR System and Crisis of the 90’s
- Geopolitical processes and changes on the political World map, 1992 - 1 M. of TIR operations. 1998 - 2,7 M., the Dramatic increase in number of Customs claims, Crisis of Insurance Pool.)

- setting up of the TIR Contact Group (11.1994), swift response, Alcohol/Tobacco Carnets, IRU Safe TIR,

NEW CONVENTION OR OLD REVISED ONE?

Regional TIR Seminar
TIR System Development Stages
Stabilization and recovery from the Crisis stage 1995-1999

- Decision of Inland Transport Committee to start the revision process of the Convention (February 1995)

Resolution No. 49 Short-term measures to ensure the security and the efficient functioning of the TIR transit regime from March 3, 1995 (Contains 11 items, signed by 33 countries and the European Community)

Recommendation "Introduction to the control system for TIR Carnets" adopted by the Administrative Committee for the TIR Convention 1975 October 20, 1995 (the transfer of operational data on the presentation of the IRU TIR Carnet by the Customs office of destination and the use of MRF (Model Reconciliation Form)).

Creation of the Registry on Customs seals and stamps.
Results Expected

- Protecting the Budget interests of the Contracting Parties
- Improving the efficiency of customs procedures by means of risk analysis.
- Elimination of illegal activities.
- Acceleration of international transport by simplifying and harmonizing customs procedures.
- Vehicles downtime reduction.
- Decrease of transportation costs
  - Everyone wins – transport, exporters, importers, consumers.
- Enhance the supply chain security and trade.
The TIR Convention Revision Process

  - Establish control over the TIR procedure at the national and international levels for Customs authorities and the private sector to ensure transparency, particularly of the international guarantee system, at all levels;

- **Phase II (1998-2000) Entry into force 12.05.2002**
  - Define responsibilities of all Parties involved, clarify and harmonize key legal and administrative procedures at national and international levels.
  - Establish examples of best practice. The sharing of best practices.

- **Phase III (2001-present). Entry into force in the XXI century.**
  - Usage of modern methods and technologies (eTIR, etc.)
  - Improvement of trade safety elements.
Security Elements

Customs and Associations 2 TIR transport Operators;

Selection and authorization of TIR transport operators:

- The Customs authorities in partnership with the national guaranteeing associations;
- Strict criteria established by the Convention;
- Additional requirements may be imposed by Associations;
- Authorized carriers are similar to the authorized economic operators (AEO) WCO SAFE FoS);
- Exclusion of offenders from the TIR operations (Article 38);
- A central data bank of the TIR (available on-line) for all authorized and excluded carriers.
Regulations on technical conditions to road vehicle which may be accepted for transport of goods under Customs seals:

- Absorbed the experience of customs services;
- Are in line with new technologies and new designs;
- Recent examples: vehicles with sliding sheets and fiber optic cables;
- Mandatory sealing in the office of departure;
- Recommendation to use the most modern Customs seals.
Security Elements

Measures of Public Sector (Customs):

- Documentary control and inspection in the office of departure;
- Ability to set the delivery timeframes and route;
- In exceptional cases - the use Convoys and customs check-in at Customs offices en route;
- **Mutual recognition of customs control measures**;
- **Information exchange**.
Security Elements

Measures of Private Sector (IRU):

- The TIR Carnet as a single customs document and guarantee;
- Visible and invisible protection elements. The control system for TIR Carnets SafeTIR, RTS, BWTO;
- On-line access for Customs Authorities;
- TIR-EPD - preliminary notification system;
- The possibility of advanced information transmission.
New Technologies Stage (Controls vs. Simplification?) and Globalization. 2001 till Now  (eTIR project, 2003)

Out of Scope

Private

Public

B2B

Out of Scope

B2C Declaration
(definition of standard messages)

B2C Claims & SafeTIR
(out of scope)

C2C:
Transport & Guarantee Info

National Association

International Organization

International Guarantee Chain

Holder

National Level

International Level

eTIR System

ITDB

National Level

International Organization

National Association

B2C Holder Info

Out of Scope

WCO SAFE FoS (2005, 2007) & TIR

PILLAR 1 - C2C
CUSTOMS to CUSTOMS
(11 STANDARDS)*

• Standards 3, 5, 9, 11 of C2C Pillar may be incorporated by means of comments to article 47 of the Convention or via new Security Annex

• Standards 1, 3, 5, 9, 11 of C2C Pillar and Standards 1-6 of C2B Pillar may be incorporated by means of new Security Annex

• Standards 8 и 10 of C2C Pillar Not reasonable to incorporate into the TIR Convention.

• Standards 1, 4, 6, 7 of C2C Pillar may be incorporated in the Course of eTIR Project or via New Automation Annex

Standard 9 – Security Assessments
Standard 10 – Employee Integrity
Standard 11 – Outbound Security Inspections

PILLAR 2 - C2B
CUSTOMS to CUSTOMS
(6 STANDARDS)*

Regional TIR Seminar
Prospects of the TIR Convention

• Accession of new Countries (China, Pakistan, Saudi Arabia).
• Improvement of the International Guarantee Chain.
• Computerization of TIR procedures (eTIR Project) and transition on paperless technology (C21) (new Annex on Computerization).
• Intermodal Transport:
  – Container transport covered by the Convention;
  – Expansion of the Scope (the Oceans, Black, Mediterranean, Caspian, Baltic seas, the Dnieper, the Danube, the Rhine, etc.);
  – new users (Maritime transport, Railway transport).

▪ Creation of the Global Transit System for all modes of transport, corresponding to modern specifications.
Thank You!
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WP.30 Chairman.

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