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Economic Commission for Europe
Administrative Committee for the TIR Convention, 1975
Sixty-ninth session
Geneva, 7 February 2019
Item 4 (b) (ii) of the provisional agenda
Activities and administration of the TIR Executive Board:
Administration of the TIR Executive Board and the TIR secretariat-
Procedure for financing the operation of
the TIR Executive Board and TIR secretariat

Financing of the operation of the TIRExB and the TIR secretariat for 2019

Transmitted by the International Road Transport Union

In Annex, the secretariat transmits a letter by the International Road Transport Union (IRU)
Annex

Mr Yuwei Li
Director
Sustainable Transport Division
United Nations Economic Commission for
Europe (UNECE)
Palais des Nations
1211 - GENEVE 10
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By email and post
AD/GE1046249/UDP
Geneva, 22 January 2019

FINANCING OF THE OPERATION OF THE TIREXB AND THE TIR SECRETARIAT FOR 2019

Dear Mr. Li,

As informed in IRU’s letter AD/GE1045956/UDP dated 20 November 2018, the TIR Administrative Committee (AC.2) at its sixty-eighth session, held in Geneva on 18 October 2018, approved the amount of USD 1.23 (rounded) per TIR Carnet to generate the income necessary to cover the additional funds of USD 1,194,039 needed for the operation of TIREXB and the TIR secretariat in 2019.

According to the IRU budget, 973,525 TIR Carnets will be distributed in 2019.

The estimated amount to be invoiced by IRU in 2019 for the financing of TIREXB and TIR Secretariat activities would be USD 1.23 (rounded) *973,525 TIR Carnets = USD 1,194,039 (already transferred by IRU on 14 November 2018).

It should be noted that IRU will not be able, in 2019, to charge USD 1.23 for each TIR Carnet issued, considering the difficult financial environment in which our industry operates and in particular road transport operators. IRU will continue to charge CHF 0.88 per TIR Carnet to support transport operators during these challenging times.

On 14 January 2019, IRU received PricewaterhouseCoopers' Audit Report and management letter relating to the IRU accounts used for the invoicing and advance transfer of money required to finance the TIRExB and TIR Secretariat operations for the year ended 31 December 2018. The number of TIR Carnets distributed in 2018 (1,020,650 Carnets) was lower than the forecast at the end of 2017 (1,088,000) and as a consequence, a deficit of CHF 95,282,01 has accrued.

In line with our auditors’ recommendation and as per Article 12 b) of Annexe 4 to the UNECE/IRU Agreement, IRU proposes that, at its forthcoming session on 7 February 2019, the Administrative Committee agrees that the deficit is recorded in the IRU account and is subsequently adjusted. This decision will enable IRU to continue financing the TIREXB and TIR Secretariat operations, while protecting the TIR system as a result of declining TIR volumes.

Now more than ever, cooperation between IRU and UNECE aims to accelerate the full digitalisation of the TIR customs transit procedure, and to boost international trade in order to support a common vision for the long-term sustainability of the TIR system, including overcoming this accumulated deficit.
In this respect, IRU kindly requests that you bring this letter to the attention of the Administrative Committee, so that the IRU proposal can be endorsed at its sixty-ninth session.

I thank you for your cooperation and remain,

Yours sincerely,

Umberto de Pretto
Secretary General