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**ADMINISTRATIVE COMMITTEE  
FOR THE TIR CONVENTION, 1975**

**TIR Executive Board (TIRExB)**

**REPORT OF THE THIRTY-FOURTH SESSION  
OF THE TIR EXECUTIVE BOARD (TIRExB)  
(12 and 13 November 2007)**

**I. ATTENDANCE**

1. The TIR Executive Board (TIRExB) held its thirty-fourth session on 12 and 13 November 2007 in Warsaw.
2. The following members of the TIRExB were present: Mr. S. Baghirov (Azerbaijan), Mrs. A. Dubielak (Poland), Mr. H. Köseoğlu (Turkey), Mr. H. Lindström (Finland), Mr. V. Luhovets (Ukraine), Mr. V. Milošević (Serbia), Mrs. J. Popiolek (European Commission), Mrs. N. Rybkina (Russian Federation). Mr. R. Šmidl (Czech Republic) was excused.
3. The International Road Transport Union (IRU) attended the session as observer and was represented by Mr. P. Hook.

**II. ADOPTION OF THE AGENDA**

4. The TIRExB adopted the agenda of the session as prepared by the secretariat (TIRExB/AGE/2007/34) with the inclusion of the following issues:

Under agenda item 4 "Best practices with regard to the use of the TIR Carnet"

- Mistakes in the filling-in of TIR Carnets;
- Filling-in of boxes 16 and 17 on the vouchers of the TIR Carnet;

Under agenda item 6 "Survey on Customs claims and on the TIR guarantee level"

- Use of two TIR Carnets for one road vehicle;

Under agenda item 9 "Activities of the TIR secretariat"

- Current status of the eTIR project on the computerization of the TIR procedure;
- Application of the TIR procedure in Italy;

Under agenda item 11 "Other matters"

- Application of the TIR procedure in the Russian Federation;
- Re-introduction of the guarantee coverage for some sensitive goods on the EU territory;
- Modifications of the Cute-WISE software;
- Approval of a specific construction of road vehicles.

**III. ADOPTION OF THE REPORT OF THE THIRTY-THIRD SESSION OF THE TIRExB**

Documentation: TIRExB/REP/2007/33draft

5. The TIRExB adopted the report of its thirty-third session as drafted by the secretariat (TIRExB/REP/2007/33draft).

**IV. POSSIBILITY OF UNDERTAKING A TIR TRANSPORT WHEN A TRACTOR UNIT DOES NOT BELONG TO THE TIR CARNET HOLDER**

Documentation: Informal document No. 7 (2007)/Rev.1

6. The TIRExB adopted the draft questionnaire, prepared by the secretariat, as contained in Informal document No.7 (2007)/Rev.1. It advised the secretariat, however, to use the term “so-called subcontractor” instead of “subcontractors”, considering that the term as such may not be equally well-known in all Contracting Parties or languages. The Board requested the secretariat to finalize the questionnaire, announce it at the forthcoming meeting of the Administrative Committee and then officially send it out to Customs and national associations, together with e-mail copies to Focal Points. In case members of the Board would have any further suggestions for improving the questionnaire, they were invited to submit them to the secretariat before the end of 2007.

**V. BEST PRACTICES WITH REGARD TO THE USE OF THE TIR CARNET**

Documentation: Informal document No. 5 (2007)/Rev.2

7. The TIRExB welcomed an updated example of best practices concerning the use of the TIR Carnet (Informal document No.5 (2007)/Rev.2) which took into account the comments and proposals made by the TIRExB at its previous session. The Board stressed the urgent need of this

document for the Customs authorities and requested the secretariat to finalize the example before the next session in order to distribute it as soon as possible.

8. Concerning the use of the TIR Carnet in the event of accident or incident, one TIRExB member pointed out that sometimes transport operators misuse their right to take preventive measures in case of emergency without notifying the competent authorities (para. 17 of the best practices).

#### **Mistakes in the filling-in of TIR Carnets**

9. The TIRExB noted with concern proliferating mistakes in the filling-in and treatment of TIR Carnets at Customs offices of departure in various countries, in particular:

- acceptance of an expired TIR Carnet;
- use of exporter's seals instead of Customs seals;
- acceptance of TIR Carnets with missing data on the cover page, such as the country(ies) of departure or the number of the certificate of approval;
- acceptance of a TIR Carnet for the transport of tobacco products, currently excluded from the TIR procedure.

10. The Board requested the secretariat to officially draw the attention of the Customs authorities concerned to the above facts. At the same time, the TIRExB was of the opinion that further measures were required to rectify the situation, such as informing the WP.30 and/or AC.2 about the underlying problem as well as publishing typical mistakes on the TIR website. The Board also encouraged Contracting Parties to forward to the secretariat copies of any incorrectly filled-in TIR Carnet when found.

#### **Filling-in of boxes 16 and 17 on the vouchers of the TIR Carnet**

11. The TIRExB was informed of new cases when a Customs stamp had been wrongly placed in box 16, instead of box 17, on the vouchers of a TIR Carnet. The Board recalled its previous discussion on the subject (TIRExB/REP/2007/32, para.19) and underlined the importance of the proper filling-in of box 17, as it certifies the acceptance of a TIR Carnet and the start of a TIR transport. The TIRExB was of the view that this problem should be listed as a typical mistake in the filling-in of a TIR Carnet and be specifically addressed in the example of best practices (see para. 7 above). Another solution could be found in modifying the layout of the TIR Carnet, so that boxes 16 and 17 would be clearly separated.

## **VI. MONITORING THE PRICE OF TIR CARNETS**

Documentation: Informal document No. 15 (2007)

12. The TIRExB took note of a legal study on the issue undertaken at the request of the IRU (Informal document No. 15 (2007)). Having analyzed the TIR Convention and Swiss law, the author had come to the conclusion that the TIRExB was not entitled to obtain details of the price structure of TIR Carnets.

13. The Board was of the view that, before considering the issue in substance, other legal opinions should be sought. To this end, the TIRExB requested the secretariat to contact the UN Legal Office in New York. One Board member informed about the possibility of undertaking a similar legal study. Meanwhile, the TIRExB decided to focus its activities on the monitoring of the absolute price of TIR Carnets at national level. To this end, the Board invited the IRU to collect the necessary data from the national associations or, at least, to support a survey of the national associations to be conducted by the secretariat. Otherwise, the TIRExB would have to report to the TIR Administrative Committee on the fulfilment of its task to monitor the prices of TIR Carnets.

## **VII. SURVEY ON CUSTOMS CLAIMS AND ON THE TIR GUARANTEE LEVEL**

Documentation: Informal document No. 11 (2007)

14. The TIRExB was informed of preliminary results of the survey concerning Customs claims and the TIR guarantee level (Informal document No.11 (2007)). The Board requested the secretariat to continue its efforts with a view to obtaining missing replies, verifying the submitted data and preparing an updated document for the next session.

15. The Board also had an initial discussion on the TIR guarantee level (part II of the survey). In particular, Mrs. N. Rybkina (Russian Federation) recalled the issue, raised by the IRU, of the termination of the TIR procedure when the duties and taxes exceeded US\$ 50'000 (TIRExB/REP/2007/33, paras. 15 and 16). In all underlying cases, to avoid Customs escorts imposed in the framework of the TIR procedure, the holders of TIR Carnets had opted for the national transit procedure where no guarantee limit existed. According to Mrs. N. Rybkina, at some border crossings up to 50 % of TIR transports exceed the current guarantee limit. The TIRExB believed that, under such circumstances, the TIR system might become uncompetitive.

### **Use of two TIR Carnets for one road vehicle**

16. At the request of the IRU, the TIRExB recalled its earlier view that, according to Article 17 of the TIR Convention, only one TIR Carnet is required per road vehicle or container even if the amount of Customs duties and taxes at stake exceeds the TIR guarantee limit (TIRExB/REP/2007/31, para. 18).

## VIII. APPLICABILITY OF THE TIR PROCEDURE TO POSTAL ITEMS

Documentation: Informal document No. 12 (2007)

17. The TIRExB welcomed Informal document No. 12 (2007) by the secretariat, containing an analysis of the Universal Postal Convention and the Revised Kyoto Convention with regard to postal items in transit. According to the above Conventions, Customs clearance of postal items should benefit from maximum simplification. In particular, Customs formalities for transit should be waived, including the application of the TIR procedure. To stress this fact, the TIRExB decided to submit to the Administrative Committee for consideration a new draft comment to Article 3 and, possibly, Article 47 of the TIR Convention to read as follows:

*“TIR procedure and postal items*

*According to the specific Annex J to the revised Kyoto Convention, postal items are not subject to Customs formalities whilst they are being conveyed in transit. Therefore, the TIR procedure should not apply to postal items which are defined as letter-post and parcels, as described in the Acts of the Universal Postal Union currently in force, when carried by or for postal services.”*

## IX. PROGRAMME OF WORK FOR 2007 AND 2008

18. The TIRExB took note that the Administrative Committee, at its forty-fourth session in September 2007, had approved the Programme of Work of the TIRExB for the years 2007-2008 with the addition of the following item under point 7: “Clarify procedures prior to a suspension of the guarantee on the territory of a Contracting Party”.

19. The TIRExB recalled past examples when some Contracting Parties had been notified that the guarantee coverage on their territories would be suspended as of a certain deadline. The Board requested the secretariat to analyze the relevant provisions of the TIR Convention and draft an example of such procedures.

## X. ACTIVITIES OF THE TIR SECRETARIAT

### **Maintenance of the ITDB and the current status of data transmission**

20. The TIRExB was informed about the current status of the transmission of data to the ITDB and of the opportunity to enlarge the number of authorized Customs users who could benefit from on-line access to the ITDB.

### **ITDBonline+ project**

21. The TIRExB took note of a presentation by the secretariat highlighting the advantages of the ITDBonline+ project over the current ITDB infrastructure, including new functions of ITDBonline+ system, interactions between different actors and the concepts of website and web

services. The TIR secretariat had completed the design phase of the project and would distribute a functional specification document to the Board's members before the end of the year 2007 for information.

### **Methods to authenticate authorized on-line users**

22. The TIRExB recalled the concerns expressed by the TIR Administrative Committee regarding security features of an on-line version of the UNECE Register of Customs Sealing Devices and Customs Stamps (ECE/TRANS/WP.30/AC.2/89, para. 16 and ECE/TRANS/WP.30/AC.2/91, para.11). The Board took note of a presentation by the secretariat, providing an overview of the authentication methods available on the market, with a special emphasis on methods of the so-called "strong authentication" (two-factor authentication). The TIRExB noted that the secretariat intended to pursue a common authentication strategy for all on-line projects, including the on-line UNECE Register of Customs Sealing Devices and Customs Stamps as well as ITDBonline+.

23. Some TIRExB members felt that the level of confidentiality of the information contained in the on-line UNECE Register of Customs Sealing Devices and Customs Stamps and the ITDB would not justify complex and expensive authentication methods. In their view, to "read only" the information, it would be sufficient to employ a user name and password for each authorized Customs officer. The TIRExB realized that sophisticated authentication techniques would ensure better data protection. Nevertheless, the Board was of the view that a reasonable compromise should be found here, taking into account factors such as the degree of confidentiality, the total number of authorized on-line users and their level of permission ("read only" or "read and write"). The TIRExB was of the opinion that a higher level of security (two-factor authentication method) should be required for the "read and write" users. The Board recalled that, for the time being, the ITDBonline is using a "two-factor authentication" method based on a user name, password and scratch lists. The TIR secretariat pointed out that this method could not be used in the future, if the number of users would grow enormously. Should it be the case, the TIR secretariat proposed to replace the scratch lists with an authentication token (automatic random number generator). The Board decided to revert to this issue at one of its future sessions, if necessary.

### **TIR training seminars**

24. The TIRExB welcomed the outcome of a special training seminar on approval and control of TIR load compartments held on 24 September 2007 in Geneva. The Board also took note of a regional TIR seminar for Middle East organized jointly by the Jordanian and Italian Customs Administrations in Amman at the end of November 2007.

### **Current status of the eTIR project on the computerization of the TIR procedure**

25. The TIRExB was informed that the WP.30 had adopted and the AC.2 had endorsed Chapter 2 of the so-called "eTIR Reference Model", containing the high level description of the

future TIR system, which would serve as basis for the establishment of technical specifications and the design of electronic messages. The Board took note that work would now start to study and assess the financial implications of the eTIR Project at the national and at the international level. The Board requested the secretariat to keep it informed of any further developments.

### **Application of the TIR procedure in Italy**

26. The secretariat informed that, following a request from the Board at its thirty-second session (TIRExB/REP/2007/32, para. 26), it had received a second letter from the Turkish authorities, further elaborating on the problems Turkish operators experience in Italy. In view of the fact that the issues at stake seem to involve the competence of the Ministry of Transport and the Customs Agency, the secretariat transmitted the letter to the Minister of Finance and the Director-General of Customs, requesting, to the extent possible, a combined response. Pending further reaction, the TIRExB encouraged the Turkish authorities to continue seeking a bilateral solution for the issue.

## **XI. BUDGET PROPOSAL AND COST PLAN OF THE TIREXB AND THE TIR SECRETARIAT FOR THE YEAR 2008**

27. The TIRExB recalled that, prior to the forty-fourth session of the TIR Administrative Committee, on 26 September 2007, the Board had considered and endorsed the budget proposal and cost plan of the TIRExB and the TIR secretariat for the year 2008 (ECE/TRANS/WP.30/AC.2/2007/13) and had noted that the budget proposal and cost plan for 2008 (US\$ 1,205,300) reflected an increase of 9 % over the approved budget and cost plan for 2007 (US\$ 1,106,200). The increase was due to higher salary costs and related entitlements.

## **XII. OTHER MATTERS**

### **Approval of a specific construction of road vehicles**

Documentation: Informal document No. 13 (2007)

28. At the request of the IRU and the Belarusian national association BAMAP, the TIRExB considered a particular type of trailers whose construction includes an open platform for the transport of heavy or bulky goods as well as a closed load compartment that can be sealed (Informal document No. 13 (2007)). In particular, the following questions were raised: (i) whether approval can be granted to such vehicles and (ii) whether two TIR Carnets (one for the open platform and one for the load compartment) can be used. Following a short exchange of views, the TIRExB requested the secretariat to study these issues and prepare a document for consideration at the next session of the Board.

### **Application of the TIR procedure in the Russian Federation**

Documentation: Informal document No. 14 (2007)

29. The TIRExB was informed by the IRU about an incident where the St Petersburg Customs had refused a TIR transport from the United Kingdom to continue its route (Informal document No. 14 (2007)). According to the IRU, the reason given by the Customs authorities was that the transport had not been made mainly by road. Mrs. N. Rybkina doubted that this was the real reason and was prepared to investigate the underlying case, provided that the TIR Carnet number would be communicated to her. The Board invited the parties concerned to settle this issue on a bilateral basis.

### **Re-introduction of the guarantee coverage for some sensitive goods on the EU territory**

30. The TIRExB noted information from the IRU that the insurers of the TIR system as well as the EU national associations had accepted to re-introduce in the territory of the EU, as of 1 January 2008, the coverage of the following so-called sensitive goods under cover of a TIR Carnet within certain weight limitations:

<i>HS Code</i>	<i>Description</i>	<i>TIR guarantee provided up to</i>
0202 10	Meat of	max. 3,000 kg
0202 20	bovine animals,	
0202 30	frozen	
0402 10	Milk and cream,	max. 2,500 kg
0402 21	concentrated or	
0402 29	containing added	
0402 91	sugar or other	
0402 99	sweetening matter	
0405 10	Butter and other fats	max. 3,000 kg
0405 90	and oil derived from milk	
1701 11	Cane or beet sugar	max. 7,000 kg
1701 12	and chemically	
1701 91	pure sucrose,	
1701 99	in solid form	

Additionally, the TIR coverage for the transport of bananas in the territory of the EU will be fully restored as of that same date, without limitation. Finally, the IRU recalled that tobacco products with HS codes 24.02.10, 24.02.20 and 24.03.10 as well as alcohol and derived products with HS codes 22.07.10 and 22.08 remain excluded from the TIR guarantee in all Contracting Parties to the TIR Convention, EU included.

31. The Board welcomed the above information and invited the IRU to produce a list of all goods that would remain not covered by the TIR guarantee on the EU territory as of 1 January

2008. In this context, Mrs. J. Popiolek (European Commission) stated that the EU had always considered illegal any exclusions from the TIR guarantee on its territory, apart from alcohol and tobacco products.

#### **Modifications of the CUTE-Wise software**

32. The TIRExB recalled its earlier recommendations regarding the lists of so-called "invalidated" TIR Carnets available to Customs authorities through the IRU's CUTE-Wise system, in particular, to complement the database with the date and reason of invalidation as well as to keep the status of an invalidated TIR Carnet as "invalid", even if it is afterwards found and returned to the association (see, for example, TIRExB/REP/2004/24, para. 9, and TIRExB/REP/2007/31, para. 9). In this context, the Board welcomed information that the IRU would introduce, as of 30 November 2007, these and some further changes into the CUTE-Wise program, thus making it more user-friendly for the authorized Customs users.

#### **XIII. RESTRICTION ON THE DISTRIBUTION OF DOCUMENTS**

33. The TIRExB decided that the distribution of the following document, issued in connection with its present session, should be restricted: Informal document No. 7 (2007)/Rev.1, Informal document No. 11 (2007).

#### **XIV. DATE AND PLACE OF NEXT SESSIONS**

34. The TIRExB expressed its deep appreciation to the Ministry of Finance of Poland for the excellent organization of the present session and the hospitality extended to all participants.

35. The TIRExB decided to hold its thirty-fifth session in Geneva on 28 January and, possibly, on 1 February 2008, in conjunction with the 118th session of the UNECE Working Party on Customs Questions affecting Transport (WP.30) and the 45th session of the TIR Administrative Committee.

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