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INLAND TRANSPORT COMMITTEE

Working Party on Customs Questions Affecting Transport

**REPORT OF THE WORKING PARTY ON CUSTOMS QUESTIONS AFFECTING
TRANSPORT ON ITS ONE-HUNDRED-AND-FIFTEENTH SESSION
(30 January - 2 February 2007)**

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I. ATTENDANCE

1. The Working Party held its one-hundred-and-fourteenth session from 30 January to 2 February 2007 in Geneva.
2. The session was attended by representatives of the following countries: Austria; Azerbaijan; Belarus; Belgium; Bulgaria; Croatia; Czech Republic; Estonia; Finland; France; Germany; Greece; Hungary; Italy; Kazakhstan; Kyrgyzstan; Latvia; Lithuania; Netherlands; Norway; Poland; Republic of Moldova; Russian Federation; Serbia; Slovakia; Slovenia; Spain; Sweden; Turkey; Ukraine; United Kingdom; United States of America. Representatives of Algeria participated under Article 11 of the Terms of Reference of the Economic Commission for Europe. Representatives of the European Community (EC) were also present.
3. The following intergovernmental organization was represented: The Organization for Cooperation between Railways (OSJD).
4. The following non-governmental organizations were represented: The International Road Transport Union (IRU); the International Organization for Standardization (ISO) and the Liaison Committee of the Body and the Trailer Building Industry (CLCCR).

II. ADOPTION OF THE AGENDA

5. The Working Party adopted the provisional agenda and annotations to it prepared by the secretariat (ECE/TRANS/WP.30/229/Corr.1 and ECE/TRANS/WP.30/229/Add.1).
6. The Working Party took note that a Corrigendum would be added to the report of the one-hundred-and-fourteenth session (ECE/TRANS/WP.30/AC.2/228) containing an annex to the report relating to the adoption by the Working Party of a comment to the Conventions on Temporary Importation of Private and Commercial Road Vehicles.
7. The Working Party also took note of Informal document No. 6 (2007) containing the French and Russian translations of the statement of its Chairman at its one-hundred-and-fourteenth session.

III. ELECTION OF OFFICERS

8. The Working Party re-elected Mr. Guus Jacobs (the Netherlands) as Chairperson of its sessions for 2007. The Working Party was invited to consider for its future sessions the election of a Vice-Chairperson.

IV. ACTIVITIES OF UNECE BODIES AND OTHER UNITED NATIONS ORGANIZATIONS OF INTEREST TO THE WORKING PARTY

9. The Working Party took note that the annual session of the Inland Transport Committee (ITC) will take place on 6-8 February 2007.

10. The Working Party also noted that Montenegro, as of 3 June 2006, has succeeded to a number of the UNECE legal instruments in the field of transport. Information about the specific successions can be obtained from the following website:
<http://www.unece.org/bcf/news/wp30-160107.html>.

V. ACTIVITIES OF OTHER ORGANIZATIONS OF INTEREST TO THE WORKING PARTY

11. The Working Party was informed by the representative of the European Commission representing the European Community of issues relevant to the activities of the Working Party. The Working Party took note of the following issues:

- NCTS-TIR pilot project. The project started in July 2005. At present, in addition to the paper procedure, NCTS is used for TIR transports in 8 countries of departure and 15 countries (16 countries from 1 February 2007) of destination in the European Community encompassing around 30,000 operations per month;
- Amendment of the implementing provisions in the European Community Customs Code. The implementing provisions of the Community Customs Code should be amended over the next months to provide the legal basis for the mandatory and electronic introduction of the TIR declaration data across the whole Community;
- Security amendments. In the context of safety and security measures, the supply of advance cargo information in electronic format will become obligatory as from 1 July 2009 for all import and export operations. For incoming transports, including TIR, to the European Community this means that a pre-entry declaration must be lodged. This declaration can be the transit declaration provided that it contains the additional security data in electronic format and is submitted within the specified deadlines.

12. The Working Party took note of document ECE/TRANS/WP.30/2007/6, transmitted by the ISO, providing information on the latest developments in ISO of issues relating to the UNECE legal instruments in the field of border crossing facilitation, including supply chain security. In particular, the Working Party took note of the developments of ISO standards with regard to reinforcement of door openings on containers and seal standards. The Working Party was of the view that the technical specifications contained in the ISO standards, combined with the developments of these issues in the framework of the WCO, should be considered in the context of the TIR Convention with a view to strengthening the integrity of approved loading units. The secretariat was mandated to follow these issues and to present proposals to one of the future sessions of the Working Party.

13. The Working Party took note of Informal document No. 8 (2007), transmitted by the International Air Cargo Association (TIACA) requesting the UNECE to initiate the development

of standard electronic messages with a view to replacing paper-based accompanying documents. The Working Party welcomed this idea, in particular, in view of the computerization of the TIR procedure and requested the secretariat to make the document available for its next session as an official document. The Working Party was of the view that developments in this field should take place in close consultations with the World Customs Organization and the UNECE Trade Division.

14. The Working Party took note of the conclusions of the Tripartite meeting on Labour and Social Issues arising from Problems of Cross-border Mobility and International drivers in the Road Transport Sector, which had been organized by the International Labour Organization between 23 and 26 October 2006. The Working Party requested to be informed about any follow-up activities in this field.

15. The Working Party was informed by the secretariat of the organization by the Organization for Security and Cooperation in Europe (OSCE) in autumn 2007 of a transit transport conference in Dushanbe (Tajikistan).

VI. INTERNATIONAL CONVENTION ON THE HARMONIZATION OF FRONTIER CONTROLS OF GOODS, 1982 (“HARMONIZATION CONVENTION”)

(a) Status of the Convention

16. The Working Party was informed that the Convention had 49 Contracting Parties. A complete list of Contracting Parties to the Convention is available at the following website: http://www.unece.org/trans/conventn/agreem_cp.html - 48. Information about the status of the Convention can be obtained from the following website (subscription required): <http://untreaty.un.org/ENGLISH/bible/englishinternetbible/partI/chapterXI/subchapA/treaty17.asp>

(b) Preparation of a new Annex on rail border crossing

17. The Working Party took note of Informal document No. 3 (2007), transmitted by the Organization for the Collaboration of Railways (OSJD), containing a draft new Annex 9 to the Convention dealing with facilitation of border crossing in international rail transport. The Working Party also took note of Informal document No. 5 (2007), transmitted by the Government of Poland and Informal document No. 9 (2007), transmitted by the Intergovernmental Organization for International Carriage by Rail (OTIF) providing comments to the new draft annex. The Working Party was informed by the representative of the OSJD, that members of this organization had considered the comments provided by OTIF and had incorporated some of the comments in a new revised version of the draft annex.

18. The Working Party took note that a sixth meeting of the OSJD/UNECE working group, with the participation of invited international organizations, will take place in Warsaw in March 2007 with a view to finalizing the amendment proposals for submission to the UNECE. Bearing this in mind and depending on the level of finalization of the amendment proposals, the Working Party mandated the secretariat to make the necessary arrangements for discussion of the draft either at its session in June 2007 or at a session of the Administrative Committee for the

Harmonization Convention in conjunction with the session of the Working Party in June 2007. On this basis the draft annex can be transmitted to the International Conference on facilitation of border crossing by rail planned by the OSJD in autumn 2007 and subsequently to the Administrative Committee for final adoption.

(c) Seminars on the implementation of the Convention

19. The Working Party took note of document ECE/TRANS/WP.30/2007/1, prepared by the secretariat, containing the conclusions of the two joint UNECE/OSCE seminars on the implementation of the "Harmonization Convention" that have been organized in Moscow (Russian Federation) on 17-18 October 2006 and in Belgrade (Republic of Serbia) on 14 and 15 December 2006.

(d) Consideration of amendments to the Convention

20. The Working Party took note of the list of issues, as contained in annotated agenda for the meeting, that had been identified by the participants in the seminars mentioned under point 6 (c) above as potential elements for further development in the framework of the Convention.

21. The Working Party was of the view that several of the issues could be developed further in the context of the Convention. It mandated the secretariat to work closely with other international organizations such as the WCO, ILO etc. with a view to developing such issues while at the same time avoiding overlap with other international legal instruments and duplication of work with other international organizations.

22. The Working Party took note of information provided by the secretariat that the new Annex 8 to the Convention, adopted by the Administrative Committee of the "Harmonization Convention", should be transmitted to the Contracting Parties in the next couple of weeks.

VII. INTERNATIONAL CONVENTION TO FACILITATE THE CROSSING OF FRONTIERS FOR PASSENGERS AND BAGGAGE CARRIED BY RAIL, OF 10 JANUARY 1952

23. The Working Party, bearing in mind the decisions under point 6 (b) above, decided to follow the same procedure for the consideration of Informal document No. 4 (2007), transmitted by the OSJD, containing a draft text for a new International Convention to Facilitate the Crossing of Frontiers for Passengers and Baggage Carried by Rail and comments provided by OTIF contained in Informal document No. 10 (2007). The outcome of the sixth meeting of the OSJD/UNECE working group should be considered during the session of WP.30 in June 2007.

VIII. CUSTOMS CONVENTIONS ON THE TEMPORARY IMPORTATION OF PRIVATE ROAD VEHICLES (1954) AND COMMERCIAL ROAD VEHICLES (1956)

(a) Status of the Conventions

24. The Working Party took note that the Customs Conventions on the Temporary Importation of Private (1954) and Commercial (1956) Road Vehicles have, respectively, 80 and 41 Contracting Parties. Complete lists of Contracting Parties to the two Conventions are available at the following website: http://www.unece.org/trans/conventn/agreem_cp.html#39 and http://www.unece.org/trans/conventn/agreem_cp.html#43. Information about the status of the Convention can be obtained from the following websites: <http://untreaty.un.org/ENGLISH/bible/englishinternetbible/partI/chapterXI/subchapA/treaty8.asp>, <http://untreaty.un.org/ENGLISH/bible/englishinternetbible/partI/chapterXI/subchapA/treaty10.asp>

(b) Application of the Conventions

25. No new developments were reported concerning these Conventions.

IX. RAIL TRANSIT

26. The Working Party took note of a proposal by the UNECE that the official signing of the Convention on International Customs Transit Procedures for the Carriage of Goods by Rail under Cover of SMGS Consignment Notes could take place during the International Conference on facilitation of border crossing by rail planned in autumn 2007.

X. CUSTOMS CONVENTION ON THE INTERNATIONAL TRANSPORT OF GOODS UNDER COVER OF TIR CARNETS (TIR CONVENTION, 1975)

(a) Status of the Convention

27. The Working Party took note that the Convention had 67 Contracting Parties and that it was operational in 55 of these Contracting Parties.

28. A complete list of Contracting Parties to the Convention, as well as a list of countries in which TIR operations can be undertaken, will be annexed to the report of the forty-third session of the TIR Administrative Committee (ECE/TRANS/WP.30/AC.2/89, annex) and can also be found on the following website: http://www.unece.org/trans/conventn/agreem_cp.html#48. Permanently updated information on the scope of the TIR Convention is available on the UNECE TIR website: (<http://tir.unece.org>).

(b) Revision of the Convention

(i) Implementation of Phases I and II of the TIR revision process and examples of best practices

29. The Working Party took note that Amendment 27 to the Convention had been published as document ECE/TRANS/17/Amend.27 and was available on the TIR website: <http://www.unece.org/trans/bcf/tir/convention/documents/17-Amend-27efr.pdf>.

(ii) Preparation of Phase III of the TIR revision process

– Revision of the TIR Carnet

30. The Working Party decided that the issue concerning the draft Recommendation for the use of the HS code in the TIR Convention should be transferred to the TIR Administrative Committee for consideration.

– Use of new technologies

31. The Working Party endorsed the report of the 10th session of the Ad hoc Expert Group on Conceptual and Technical aspects of computerization of the TIR Procedure (ExG) which took place on 25 and 26 September 2006, contained in document ECE/TRANS/WP.30/GE.1/2006/10. It took note of the oral report on the 11th session of the ExG, which took place on 29 January 2007. The Working Party endorsed the decision by the ExG to mandate a small working session of some IT experts from Customs, the IRU and its member associations and, to task this session, where appropriate, to (a) review, reformulate and amend document ECE/TRANS/WP.30/GE.1/2007/2 for further discussion by the Expert Group at its forthcoming session, (b) align Chapters 1 and 2 of the Reference Model and (c) consider technical issues raised by the IRU and others.

32. The delegation of Turkey stated that computerization of the TIR procedure could only be supported as long as the basic principles of the TIR Convention are preserved.

33. The Working Party considered document ECE/TRANS/WP.30/2007/2, providing answers to a number of questions, raised by the IRU in relation to draft proposals for Chapter 2 of the eTIR Reference Model as contained in documents ECE/TRANS/WP.30/2006/8 and ECE/TRANS/WP.30/GE.1/2006/9. The Working Party welcomed the document and requested the small working session, which would be convened, to take the clarifications provided by the answers in the document into due account when reviewing document ECE/TRANS/WP.30/GE.1/2007/2. The IRU informed the meeting that it agreed with this way forward. The IRU appreciated the replies given by the secretariat on behalf of the Contracting Parties involved in drafting Chapter 2 of the Reference Model. According to the IRU, these replies meant that the draft Chapter 2 needed to be revised in accordance with the mandate given to the working session mentioned under item 31 of this report IRU in particular expressed the view that Chapter 2 should make clear that the exchange of electronic data between Customs was the main element of the computerized TIR system rather than the priority given to the management of the TIR guarantee data. In addition the IRU drew attention to the fact that the messages related to Annex 10 of the Convention should be given more attention in Chapter 2 of the Reference Model.

34. The representative of the Hungarian issuing and guaranteeing association raised the question about the financing and management of the eTIR international system and the statement made about the need to incorporate the existing computerized part of the TIR procedure into the new eTIR international system.

35. The Working Party was informed by the secretariat that it would submit proposals to review and re-assess the mandate for the establishment of the informal Ad hoc Expert Group on Legal Aspects of Computerization of the TIR procedure, with the aim that this Expert Group could be convened in the near future to discuss the outstanding and, possibly, other issues of a legal or strategical nature in relation to the computerization of the TIR procedure.

– Article 38

36. The Working Party considered document ECE/TRANS/WP.30/2006/17/Rev.1, prepared by the secretariat, containing a revised proposal, developed by the TIRExB, for an example of best practice for the communication of exclusions according to Article 38. The Working Party provided a few comments concerning the recommendation to use registered mail in as far as provided for by national law as well as providing flexibility to use the other languages than the 3 official UNECE languages in official correspondence. The Working Party requested the secretariat to make the appropriate changes to the text and submit the text to the forthcoming session of the TIR Administrative Committee for endorsement.

(iii) Amendment proposals for the Convention

37. The Working Party was informed by the representative of the European Commission that the European Community, for the time being, was not in a position to discuss document ECE/TRANS/WP.30/2007/5, which it had transmitted, as Community consultations were still going on. The European Community will submit new proposals for the forthcoming session of the Working Party. The European Commission representative speaking on behalf of the European Community also informed that the Community intended to forward proposals concerning the possibility to make electronic declarations and to transmit the data between Customs administrations in the framework of the Convention with a view to preparing for the computerization of the TIR system.

38. The Working Party considered document ECE/TRANS/WP.30/2006/5/Rev.1, prepared by the secretariat and consolidating all proposals for amendments that have been transmitted until now by Contracting Parties, the Expert Group on revision and the TIRExB. In this context, a number of Contracting Parties from the European Community, as well as the European Commission agreed that the proposals they had made, so far, concerning amendments to various articles of the Convention could be deleted from the document as they will be substituted by the forthcoming proposals to be submitted by the European Community. For its next session, the Working Party requested the secretariat, to prepare a new document consolidating the new proposals from the European Community, the proposals from other Contracting Parties outside the European Community, the proposals agreed by the Expert Group on the revision process, the proposals agreed by TIRExB and finally the proposals made by the IRU. The secretariat was requested to highlight those proposals where, so far, there seemed to be a principle agreement on a proposed text.

39. The Working Party took note of the remarks made by a number of delegations concerning the differences in the guarantee levels between Contracting Parties. The secretariat informed about the initiative of the TIRExB to study the question of guarantee levels. The Working Party invited delegations to transmit their views on this issue to the secretariat for its forthcoming session.

(c) Application of the Convention

(i) Control system for TIR Carnets - IRU SafeTIR

40. The IRU provided information on the functioning of the IRU SafeTIR system. In the period 1 January to 31 December 2006, IRU received SafeTIR messages for 88 percent of all terminated TIR Carnets with an average delay of 6 days. 22.4 percent of the messages have been transmitted in real-time (within 24 hours). Concerning reconciliation requests to Customs authorities to verify the termination of TIR Carnets, IRU has issued in the same period 9,456 reconciliation requests and has received replies to 64% of the requests with an average delay of 36 days. An overview detailing the functioning of the IRU SafeTIR system in each Contracting Party was distributed at the session.

41. The Working Party welcomed the information that the secretariat and the IRU will revive the joint informal SafeTIR Task Force with a view to enhance the implementation of Annex 10 of the Convention.

(ii) Settlement of claims for payments

42. The IRU provided the following figures:

- Between 1 January to 31 December 2006, the IRU received 15,967 notifications/ prenotifications sent by Customs authorities to their national Guaranteeing Associations;
- The number of pending payment requests per 31 December 2006 was 7,138;
- The number of claims settled in full or in part between 1 January and 31 December 2006 was 136, while the number of claims closed without payment was 363.

43. The Working Party took note of information provided by the secretariat that the TIRExB intends to launch a survey amongst the Contracting Parties in spring 2007 about the claim situation at national level. The survey also seeks to collect information concerning the views of Contracting Parties about guarantee levels.

(iii) Issues relating to technical provisions

44. The Working Party requested the secretariat to organize, as soon as possible, a workshop, in conjunction with one of the sessions of the Working Party, on the approval and control of vehicles. The Working Party was of the view that regular delegates to the Working Party as well as representatives of TIR vehicle approval authorities should participate in such a seminar. Delegations were invited to consider to contribute financially to the organization of such a seminar with a view to ensuring that all Contracting Parties can participate and to contact the secretariat with proposals in this respect.

45. The Working Party took note that the government of Serbia with the assistance of the CAFAO had developed a set of templates to be used for the approval of vehicle and loading units. Once experience has been gained using these templates, they could possibly be used to harmonize the vehicle approval procedures throughout all TIR Contracting Parties.

46. Finally, the Working Party noted that the secretariat will prepare some editorial proposals for its forthcoming session with a view to ensuring full alignment of the technical provisions in the Convention after the introduction of the fibre optic cable.

(iv) TIR Handbook

47. The TIR Handbook contains the text of the Convention and its Annexes, including the amendments to the Convention and Explanatory Notes, as well as all relevant comments adopted by the Working Party and the Administrative Committee.

48. The 2005 version of the Handbook is available in the Arabic, Chinese, English, French, Russian and Spanish language versions both in hard copy, CD-ROM and in electronic version for download from the UNECE TIR website: <http://tir.unece.org>. Hard copies and CD-ROM's can be obtained from the secretariat.

49. The 2007 version of the Handbook is scheduled to be released in March 2007.

(v) Other matters

50. The Working Party took note of Informal document No. 2 (2007), transmitted by the Executive Committee of the CIS Transport Coordination Meeting and Informal document No. 7 (2007), transmitted by the Union of Road Transport Associations in the Black Sea Economic Cooperation Region (BSEC-URTA). Both documents addressed the sustainability of the TIR system.

XI. PREVENTION OF THE ABUSE OF CUSTOMS TRANSIT SYSTEMS BY SMUGGLERS

51. No new issues were reported concerning this question.

XII. OTHER BUSINESS

(a) Dates of the next sessions

52. The secretariat has already scheduled the one-hundred-and-sixteenth session of the Working Party to be held from 6 to 8 June 2007 in conjunction with the twelfth session of the Informal Ad hoc Expert Group on Conceptual and Technical aspects of Computerization of the TIR Procedure, which will take place on 5 June 2007 and possibly also in conjunction with a session of the Administrative Committee for the "Harmonization Convention". The deadline for submission of official documentation for translation for the session is 22 March 2007.

53. The Working Party has made arrangements for the one-hundred-and-seventeenth session of the Working Party to take place during the week of 24 to 28 September 2007.

(b) Restriction on the distribution of documents

54. The Working Party decided that there were no restrictions with respect to the distribution of documents issued in connection with its current session.

XIII. ADOPTION OF THE REPORTS

55. The Working Party adopted the report of its one-hundred-and-fifteenth session on the basis of a draft prepared by the secretariat.
