

**124th session of WP.30
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***Implications of the WCO Framework
of Standards to Secure and Facilitate
Global Trade for the TIR Convention***

SAFE Framework vs. TIR Convention

- **Supply chain security, with anti-terrorism focus**
- **Facilitation**
- **160 countries**
- **All modes of transport**
- **All Customs procedures**
- **Not legally binding**
- **Implementation only through other legally binding instruments**
- **Revenue protection from fiscal fraud**
- **Facilitation**
- **67 countries**
- **Mainly road**
- **Customs transit**
- **Legally binding**
- **Direct implementation possible**

SAFE Framework: core elements

- **Advance electronic cargo information**
- **Risk management approach to security threats**
- **Outbound inspection of high-risk containers and cargo on the basis of non-intrusive equipment**
- **Benefits that Customs provide to businesses that meet minimal supply chain security standards (AEO)**

SAFE Framework: two pillars

C2C

- **Integrated Supply Chain Management**
- **Cargo Inspection Authority**
- **Modern Technology in Inspection Equipment**
- **Risk-Management Systems**
- **High-risk Cargo or Container**
- **Advance Electronic Information**
- **Targeting and Communication**
- **Performance Measures**
- **Security Assessments**
- **Employee Integrity**
- **Outbound Security Inspections**

C2B

- **Partnership**
- **Security**
- **Authorization**
- **Technology**
- **Communication**
- **Facilitation**

SAFE: third pillar under discussion

- **Single Window concept**
- **Integrated Border Management**
- **Can be addressed in the framework of the Harmonization Convention**

Coexistence of TIR and SAFE

- **Article 47 of TIR Convention: SAFE is a set of measures and controls imposed on grounds of public security**
- **All other national and international global supply chain security initiatives also fall under Article 47**
- **Is there a risk for border crossing facilitation?**
- **Can the TIR Convention facilitate the implementation of security requirements?**

SAFE Pillar I standards and TIR

Fully included

- Cargo Inspection Authority

Missing elements can be added under eTIR

- Integrated Supply Chain Management
- Risk-Management Systems
- Advance Electronic Information
- Targeting and Communication

Missing elements can be added as part of a new security Annex

- Integrated Supply Chain Management
- Modern Technology in Inspection Equipment
- High-risk Cargo or Container
- Security Assessments
- Outbound Security Inspections

Unreasonable to add

- Performance Measures
- Employee Integrity

SAFE Pillar II standards and TIR

All not incorporated and can be added as part of a new security Annex:

- Partnership
- Security
- Authorization
- Technology
- Communication
- Facilitation

Feasibility of incorporation of the core security elements into TIR

- Advance electronic information **Yes**
- Risk management **Yes**
- Outbound security inspection **Yes**
- Customs - business partnerships based on the AEO concept **No clear-cut answer**

AEO vs. TIR Carnet holder: definitions

- **AEO: “a party involved in the international movement of goods in whatever function that has been approved by or on behalf of a national Customs administration as complying with WCO or equivalent supply chain security standards”**
- **TIR Carnet holder: “the person to whom a TIR Carnet has been issued in accordance with the relevant provisions of the Convention and on whose behalf a Customs declaration has been made in the form of a TIR Carnet...”**

AEO vs. TIR Carnet holder: differences in approach

	AEO	TIR Carnet holder
Status	Optional: operators may not be forced to apply	Obligatory: no authorization means no TIR use
Benefits	Expedited processing and other measures	Facilitation of Customs transit, as laid down in TIR
Purpose of authorization criteria	Selecting businesses that offer a high degree of security in respect of their role in the supply chain	Selecting reliable operators to avoid Customs fraud

AEO vs. TIR Carnet holder: requirements

SAFE FRAMEWORK

TIR CONVENTION

Demonstrated compliance with Customs requirements

Incorporated

Financial viability

Incorporated

Satisfactory System for Management of Commer. Records

Not incorporated

Education, Training and Awareness

Not incorporated

Information Exchange, Access and Confidentiality

Not incorporated

Cargo Security

Partially incorporated

Conveyance Security

Partially incorporated

Premises Security

Not incorporated

Personnel Security

Not incorporated

Trading Partner Security

Not incorporated

Crisis Management and Incident Recovery

Not incorporated

Measurement, Analyses and Improvement

Not incorporated

Incorporation of AEO into the TIR Convention: considerations

- All missing AEO requirements may be incorporated as part of a new security Annex to the TIR Convention**
- If the AEO status is optional, shall the TIR Convention be amended to include specific AEO benefits?**
- Shall the TIR Convention discriminate between 'pure' TIR Carnet holders and those with the AEO status?**