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**ECONOMIC COMMISSION FOR EUROPE**

Administrative Committee for the TIR Convention  
(Twenty-sixth session, 25 and 26 February 1999,  
agenda item 4 (b)(iii))

**REVISION OF THE CONVENTION: PHASE I OF THE TIR REVISION**

**Implementation of the amendments**

**Establishment of the TIR Executive Board (TIRExB)**

**ECE/IRU Agreement for the year 1999**

**Note by the ECE secretariat**

In accordance with the decision of the Administrative Committee, the ECE secretariat has negotiated and agreed with the International Road Transport Union (IRU) on arrangements for the transfer of funds, in accordance with annex 8, article 13 of the Convention for the establishment and operation of the TIRExB and the TIR secretariat in the year 1999 (TRANS/WP.30/AC.2/49, paras 30 and 31).

The text of this ECE/IRU agreement is reproduced below for information and endorsement by the Administrative Committee.

## **AGREEMENT**

**between the  
INTERNATIONAL ROAD TRANSPORT UNION (IRU)  
and the  
UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE (UN/ECE)**

Whereas the amendments to the Customs Convention on the International Transport of Goods Under Cover of TIR Carnets of 1975 (hereafter: "the TIR Convention"), adopted by the Administrative Committee for the TIR Convention of 1975 (thereafter: "the TIR Administrative Committee") at its twenty-third session (Geneva, 26 and 27 June 1997) which will enter into force on 17 February 1999, provide for the establishment of a TIR Executive Board (TIRExB) and a TIR secretariat;

Whereas the establishment of the TIRExB and the TIR secretariat is aimed at strengthening further cooperation among national Customs authorities in the application of the TIR Convention and between Customs authorities, national associations and the international organization referred to in article 6 of the TIR Convention;

Whereas the TIR Convention stipulates that the TIRExB, as a subsidiary body of the TIR Administrative Committee, shall inter alia supervise the centralized printing and distribution of TIR Carnets which may be performed by an agreed international organization;

Whereas the TIR Convention provides for the financing of the TIRExB and the TIR secretariat - until such time as alternative sources of funding are obtained and initially for a period of two years - through a levy on TIR Carnets distributed by the above international organization; the amount of the levy and the procedure for its collection shall be determined by the TIR Administrative Committee, following consultations with the above international organization;

Whereas the TIR Administrative Committee, at its twenty-fourth session (Geneva, 26 and 27 February 1998), with a view to allowing for a timely start of the operation of the TIRExB and the TIR secretariat, i.e. on 1 January 1999 for the latter, and under the assumption that by 17 November 1998 no objection would have been lodged against the adopted amendment proposals, has authorized

- (a) the IRU to centrally print and distribute TIR Carnets in the year 1999 in accordance with annex 8, article 10 (b) of the TIR Convention;

- (b) the UN/ECE, on its behalf, to negotiate and arrange with the IRU the required arrangements for the transfer of funds, in accordance with annex 8, article 13 of the TIR Convention, on the basis of a budget proposal to be prepared by the UN/ECE for the operation of the TIRExB in the year 1999;

Whereas the IRU, a non-governmental organization representing the interests of the road transport industry, that has for many years ensured the central printing and distribution of TIR Carnets as well as the organization of the international guarantee system, is ready to act in accordance with the authorization provided by the TIR Administrative Committee under (a) above;

Referring to the consultations that had been held between the IRU and the UN/ECE in accordance with annex 8, article 13, paragraph 2 of the TIR Convention on the amount of the levy per TIR Carnet and the procedure for its collection for the year 1999;

Now therefore, the IRU and the UN/ECE agree as follows:

1. The IRU will contribute, by levy on each TIR Carnet used, an amount of US\$ 698.880.- (six-hundred-ninety-eight-thousand-eight-hundred and eighty), covering the operation of the TIRExB and the TIR secretariat for the year 1999, as described in Attachment A to the TIR Trust Fund established by the UN/ECE for this purpose (Note by the ECE secretariat: Attachment A is contained in document TRANS/WP.30/AC.2/1999/1).
2. The funds due under this Agreement mentioned under (1) will be transferred in US\$ to the UN General Fund, Account No CO-590.160.1 with the UBS SA, Case Postale 2770, 1211 Genève 2, with a clear mention of the title of "TIR Trust Fund", indicating allotment account number ZL-RER-8001.
3. The funds due under this Agreement mentioned under (1) will be transferred, in their entirety, to the UN General Fund mentioned under (2) as of 1 December 1998.
4. The TIR Trust Fund and the activities financed therefrom shall be administered by the UN/ECE in accordance with the applicable United Nations regulations, rules and directives. Accordingly, personnel shall be engaged and administered; equipment, supplies and services purchased; and contracts entered into in accordance with the provisions of such regulations, rules and directives.

5. The UN/ECE will, in order to assist in the defrayment of the costs of the administration and other expenses incurred by the United Nations in administering the above project (TIRExB and TIR secretariat), deduct from the above funds at the moment of deposit and retain for its own account an amount equal to 13% (thirteen per cent) of the above funds. In accordance with United Nations Financial Regulations and Rules, the UN/ECE will also deduct from the above funds at the moment of deposit and retain for its own account an amount equal to 1% (one per cent) of the remuneration or net salary of the staff engaged by the UN/ECE in this project, to provide for a reserve for coverage of any claim for service-incurred death, injury or illness, which reserve cannot be refunded to the donors.

6. The United Nations regulations and rules provide for an operating reserve of 15% (fifteen per cent) over the estimated annual expenditures of the project. This operating reserve, which shall be maintained during the duration of the project, provides for the exchange rate fluctuations or to cover any shortfalls and is used to meet final expenditures under the trust fund, including any liquidating liabilities. Any balance left after the completion of the first year of the project, will be reimbursed to the IRU at that time or could be used, in agreement with the IRU, towards financing of the TIRExB and the TIR secretariat in the following year.

7. Subject to paragraph 12 below, the IRU states its intention (a) to continue the central printing and distribution of TIR Carnets; and (b) to finance, as long as the relevant IRU activities are not transferred to another international organization or as long as its expenses are not covered by the Regular Budget of the United Nations, the operation of the TIRExB and the TIR secretariat.

8. Further to the report of the TIRExB on its activities to the TIR Administrative Committee at least once a year or at the request of the TIR Administrative Committee as required under the TIR Convention, the UN/ECE will submit an annual report to the IRU. This report will include a financial statement showing the funds received and expended for the project. As is the case for all United Nations Trust Funds, the TIR Trust Fund is exclusively subject to the internal and external auditing procedures laid down in the Financial Regulations, Rules and Directives of the United Nations and will be audited according to the schedule set by the United Nations Board of Auditors

9. The provisions of this Agreement shall not affect the contractual relationships that the IRU may have or may enter into during the duration of this Agreement with its issuing and guaranteeing associations or with any other party, such as the insurers, nor shall these contractual relationships affect in any manner the relationship between the IRU and the UN/ECE as stipulated in this Agreement.

10. This Agreement will enter into force immediately after signing by the United Nations Economic Commission for Europe (UN/ECE) and the International Road Transport Union (IRU).

11. This Agreement is concluded for the year 1999 in accordance with the mandate given by the TIR Administrative Committee at its twenty-fourth session (TRANS/WP.30/AC.2/49, paragraphs 29-31).

12. A new Agreement shall be concluded between the IRU and the UN/ECE for the year 2000 or for any other period only if the TIR Administrative Committee, at its twenty-sixth session scheduled to be held on 25 and 26 February 1999,

- (a) authorizes the IRU to centrally print and distribute TIR Carnets in the year 2000 or for any other period in accordance with annex 8, article 10 (b) of the TIR Convention,
- (b) authorizes the UN/ECE to arrange with the IRU the required transfer of funds for the year 2000 or for any other period in accordance with annex 8, article 13 of the TIR Convention.

In witness whereof, the undersigned have signed the present Agreement in the English language in two copies.

Geneva, ..... November 1998

Geneva, ..... November 1998

David C. Green  
President  
for the  
International Road Transport Union

Yves Berthelot  
Executive Secretary  
for the  
United Nations  
Economic Commission for Europe

Martin Marmy  
Secretary General  
for the  
International Road Transport Union

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