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**ECONOMIC COMMISSION FOR EUROPE**  
**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-TENTH SESSION  
(14 - 17 June 2005)**

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## **REPORT**

### **ATTENDANCE**

1. The Working Party held its one-hundred-and-tenth session from 14 to 17 June 2005 in Geneva.
2. The session was attended by representatives of the following countries: Armenia; Austria; Azerbaijan; Belarus; Belgium; Bosnia and Herzegovina; Bulgaria; Czech Republic; Denmark; Estonia; Finland; France; Germany; Georgia; Hungary; Italy; Kyrgyzstan; Latvia; Lithuania; Luxembourg; Netherlands; Norway; Poland; Romania; Russian Federation; Serbia and Montenegro; Slovakia; Sweden; Switzerland; Tajikistan; The former Yugoslav Republic of Macedonia; Turkey; Ukraine; United Kingdom; Uzbekistan. A representative of Jordan participated under Article 11 of the Terms of Reference and Rules of Procedures of the United Nations Economic Commission for Europe (UNECE). Representatives of the European Community (EC) were also present.
3. The following intergovernmental organization was represented: The Organization for Co-operation between Railways (OSZhD).
4. The following non-governmental organizations were represented: International Bureau of Containers (ICB), International Organization for Standardization (ISO), International Road Transport Union (IRU), the International Touring Alliance/the International Automobile Federation (AIT/FIA) and Transfrigoroute International. The Gulf Automobile Federation was represented at the invitation of the secretariat.
5. The meeting welcomed the participation of a number of delegates from countries of the Central Asian and Caucasus region and expressed its appreciation of the funding arrangements made available by the European Community for the participation of these countries.

### **ADOPTION OF THE AGENDA**

Documentation: TRANS/WP.30/219.

Mandate and background: TRANS/WP.30/219, point 1.

6. The Working Party adopted the provisional agenda prepared by the secretariat (TRANS/WP.30/219). The Working Party took note of a question by the delegation of the Russian Federation concerning the report of its one-hundred-and-ninth session, para. 58, which

apparently contained information different to the information contained in the draft report, which had been approved during the one-hundred-and-ninth session. The secretariat explained that, by mistake, information had been included in the draft report from a prior session, that this mistake had been pointed out during the reading of the report and that it had been agreed to subsequently include the correct information in the final report.

## **ACTIVITIES OF UNECE BODIES AND OTHER UNITED NATIONS ORGANIZATIONS OF INTEREST TO THE WORKING PARTY**

Mandate and background: TRANS/WP.30/219, point 2.

7. The Working Party took note that the Inland Transport Committee (ITC) had met on 15 to 17 February 2005. The report of the meeting is contained in document TRANS/2005/162 (<http://www.unece.org/trans/doc/2005/itc/ECE-TRANS-162e.doc>). In relation to the activities of the Working Party, the ITC had approved the reports of its sessions in 2004 as well as the reports of the Administrative Committee of the TIR Convention and had prolonged the mandates of the Ad hoc Expert Groups on Computerization and Revision of the Convention (ECE/TTRANS/162, paras. 107-110). The ITC had urged that the new draft Annex 8 to the Convention on border crossing procedures for international road transport be adopted during the present session and that the Working Party, as a priority matter, considered a new draft Annex 9 on Rail Transport to the Convention, developed by the OSZhD. Finally, the ITC had adopted the Convention on International Customs Transit Procedures for the Carriage of Goods by Rail under the SMGS procedure and had requested the secretariat to arrange for the verification of the legal text of the Convention and arrange for the opening for signature of the Convention from 1 August 2005. The Working Party also took note that the ITC had urged all its subsidiary bodies to accelerate activities in relation to transport security. In this context, the Working Party also took note that it had been decided to organize a Round-Table in conjunction with the sixty-eighth session of the Inland Transport Committee (7-9 February 2006) with the title: "Transport Security in the pan-European context. Selected issues and options". A number of intergovernmental and non-governmental organizations as well as selected Governments will be invited to report on their activities in this field and to identify gaps in international transport security where the UNECE could play a role. Furthermore, the following four issues will be considered in further detail: (a) transport infrastructure security, (b) inland terminal and inland port security, (c) security improvement in the context of personnel and access to the profession and (d) transport security at borders. It is the aim that the conclusions of the Round-Table can be directly considered as issues for further elaboration by the subsidiary bodies of the ITC with a view to introducing additional security provisions in the relevant UNECE legal instruments and standards.

8. The Working Party took note of information concerning an Expert Meeting on the Design and Implementation of Transit Transport Arrangements, which had been organized by the United Nations Conference on Trade and Development (UNCTAD) on 24 to 26 November 2004. The meeting focused on the constraints facing transit trade, developments in transport and logistics and cooperation towards transit transport arrangements. The summary is available from the following web site:

<http://r0.unctad.org/ttl/docs-em/docs-em22/Chairpersonssummary2004FINAL.pdf>.

## **ACTIVITIES OF OTHER ORGANIZATIONS OF INTEREST TO THE WORKING PARTY**

**Documentation:** Informal document No. 7 (2005).

Mandate and background: TRANS/WP.30/219, point 3.

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

- Amendments to the European Community Custom Code Implementing Provisions (CCIP). The latest package of amendments to the CCIP includes provisions introducing the authorized consignee facility for the TIR procedure in the European Community. The provisions will enter into force on 1 October 2005 and are contained in Commission Regulation 883/2005 of 10 June 2005 and have been published in the Official Journal OJ L148, page 5, dated 11 June 2005.

- TIR/NCTS pilot update. The Community Transit system is now fully computerized through the New Computerized Transit System (NCTS). From 1 July 2005 the Community will pilot the use of the NCTS to exchange TIR data between EU Member States. The pilot is compatible with the provisions of Article 48 of the TIR Convention. Its main objective is to accelerate the termination/discharge of TIR operations and so improve the efficiency of the Community's procedures. To date 10 Member States will participate as offices of departure/entry and will capture/input TIR data into the NCTS. In addition, a number of other MS will participate as offices of destination/exit and will process the TIR operation using the NCTS. The operation of the pilot will be evaluated at the end of the year and the Community will provide a further report at the Spring 2006 session.

- Accession of Bulgaria and Romania. It is expected that Bulgaria and Romania will accede to the European Union on 1 January 2007. In preparation of the accession, Romania has requested to accede to the Common Transit Convention and to the Simplification of formalities in trade in goods (otherwise referred to as the SAD convention). Romania has informed that it will accede to these Conventions on 1 January 2006. Bulgaria has not requested to accede to these Conventions, instead Bulgaria is focusing its attention on preparing to accede to the EU. Both acceding countries will, as from now, participate as observers in the Community's regulatory and advisory Committees, including the TIR Committees.

10. The Working Party took note of information provided by the World Customs Organization (WCO) as contained in Informal document No. 7 (2005). The Framework of Standards to Secure and Facilitate Global Trade, which had been developed by the High Level Strategic Group of Director Generals of Customs from the WCO regions will be presented for final adoption at the forthcoming WCO Council Session (23 to 25 June 2005). The framework builds on a twin pillar approach of Customs-to-Customs network arrangements and Customs-to-Business partnerships. A full copy of the Framework text, which will be submitted to the WCO Council, may be found on the following web site: <http://www.wcoomd.org/ie/En/Press/press.html> (item "WCO releases final draft Framework of Standards, 12 May 2005). The Working Party also took note that the Framework includes provisions concerning container security and sealing in conformity with ISO PAS 17712. Finally, the Working Party noted that the next session of the Administrative Committee of the Container Convention, 1972 will take place on 10 and 11 November 2005 in Brussels.

11. The Working Party took note of information provided by the secretariat concerning the ongoing negotiations of the World Trade Organization on the GATT, in particular on Article V relating to transit. The Working Party noted that the secretariat is preparing a note which will aim at clarifying the use of the term "transit" in relation to both the issue of traffic rights as well as Customs transit and which, furthermore, will seek to explain how the UNECE legal instruments in the field of Border Crossing Facilitation can contribute to enhancing the transit issue in the WTO context. The secretariat is in discussion with some WTO member countries, in particular Switzerland, to introduce the note in the WTO negotiating group.

12. The Working Party took note of information provided by the ISO that work has been finalized to convert PAS 17712 on mechanical seals for freight containers to a full ISO standard, including a new annex which details quality control procedures for seal manufacturers. Furthermore, the Working Party took note of the work of ISO/TC 104 concerning the enhancement of container security, including door security and sealing of containers as well as container tracing. The Working Party invited the ISO to provide it with the findings of the work in this field with a view to considering if the standards could also become applicable for the Customs secure construction of containers.

## **INTERNATIONAL CONVENTION ON THE HARMONIZATION OF FRONTIER CONTROLS OF GOODS, 1982 (“HARMONIZATION CONVENTION”)**

Documentation: ECE/TRANS/55 (<http://border.unece.org> - Legal Instruments); TRANS/WP.30/AC.3/13; TRANS/WP.30/AC.3/2005/1; Informal document No. 6 (2005).

Mandate and background: TRANS/WP.30/219, point 4.

### **Status of the Convention**

13. The Working Party was informed that the Convention has 45 Contracting Parties, Kazakhstan being the latest country to accede to the Convention on 25 April 2005. A complete list of Contracting Parties to the Convention is available at the following web site: [http://www.unece.org/trans/conventn/agreem\\_cp.html#48](http://www.unece.org/trans/conventn/agreem_cp.html#48). Information about the status of the Convention can be obtained from the following website: <http://untreaty.un.org/ENGLISH/bible/englishinternetbible/partI/chapterXI/subchapA/treaty17.asp>.

14. Considering that the Administrative Committee of the Harmonization Convention will take place on 16 June 2005, in conjunction with the present session, the Working Party decided not to go into any further detail about the discussions of the issues related to the Convention but to discuss them at the session of the Administrative Committee.

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

Documentation: ECE/TRANS/107/Rev.1; ECE/TRANS/108; (<http://border.unece.org> - Legal Instruments); TRANS/WP.30/2005/26; TRANS/WP.30/2004/21; TRANS/WP.30/214.

Mandate and background: TRANS/WP.30/219, point 5.

### **(a) Status of the Conventions**

15. The Working Party was informed that the Customs Conventions on the Temporary Importation of Private (1954) and Commercial (1956) Road Vehicles as of 1 June 2003 have 77 and 39 Contracting Parties, respectively. A complete list of Contracting Parties to the Conventions is available at the following web site: [http://www.unece.org/trans/conventn/agreem\\_cp.html#48](http://www.unece.org/trans/conventn/agreem_cp.html#48). 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**

16. The Working Party recalled that, at its one-hundred-and-seventh session, it had considered a number of questions concerning the application of the Conventions put forward by the AIT/FIA (TRANS/WP.30/2004/21). The Working Party had provided interpretation on a number of the questions, but had also requested the secretariat to refer the following two questions to the Office of Legal Affairs of the United Nations (OLA) for interpretation: (a) the use of the term “as far as possible” contained in Article 13.3 and 14.3 of the 1954 and 1956 Conventions, respectively and (b) the use of the term “force majeure” in the context of the application of an international Convention, e.g. when two Contracting Parties sever diplomatic relations (TRANS/WP.30/214, paras. 20-28). The OLA had subsequently informed the UNECE secretariat that it could not provide the requested interpretation and that definitions of this kind would be elaborated better by the Contracting Parties to the Convention.

17. The Working Party regretted that the OLA could not provide the requested interpretation. It decided to consider the questions raised by the AIT/FIA in further detail at its next session and requested the secretariat, together with the AIT/FIA, to prepare a document outlining the issues and providing some general legal guidelines concerning the two concepts.

18. The Working Party took note of document TRANS/WP.30/2005/26, transmitted by the AIT/FIA, containing a proposal for a Resolution on the application of the Temporary Importation Conventions for Private and Commercial Road Vehicles. A Resolution with the same purpose had been adopted in 1984 by the Expert Group on Customs Questions affecting Transport; the predecessor to the Working Party.

19. The Working Party, considering the time elapsed since the 1984 Resolution and the developments in the membership of the two Conventions, expressed, tentatively, a positive opinion concerning the adoption of a new Resolution. However, the Working Party requested that the AIT/FIA, together with the secretariat, review the proposed language of the draft Resolution, in particular compared to the 1984 Resolution. Furthermore, the Working Party requested the secretariat to prepare the proposal in all three official languages of the UNECE, for its next session, and to include information in the document about the countries which have accepted the 1984 Resolution as well as to clarify the legal status of Resolutions adopted by the Working Party.

## **CONVENTION ON RAIL TRANSIT COVERING THE SMGS AREA**

Mandate and background: TRANS/WP.30/219, point 6.

20. The Working Party took note of information provided by the secretariat that the Inland Transport Committee (ITC), at its sixty-seventh session, had adopted the draft Convention on International Customs Transit Procedures for the Carriage of Goods by Rail under the SMGS procedure, including provisions for the Secretary-General of the United Nations to become Depository for the Convention. The ITC had requested the secretariat to arrange for the verification of the legal text of the Convention with the Treaty Section of the Office of Legal Affairs of the United Nations (OLA) and arrange for the opening for signature of the Convention from 1 August 2005.

21. The OLA had subsequently informed the secretariat that the United Nations could not become Depository of the Convention, since it is the standing practice of the Depository only to undertake the depositary function for regional treaties, when they are drawn up within the framework of the United Nations regional commissions and are open for participation to their entire membership, i.e. not for Agreements of a sub-regional nature. Neither is it possible for the UNECE to become Depository for the Convention according to the standing practice of the United Nations.

22. As a result, the secretariat will inform the Organization for Co-operation between Railways (OSZhD) about the obstacles for the United Nations to undertake the depositary function. The Working Party invited all involved parties, including the OSZhD and the SMGS Member States and the secretariat, to work towards finding a mutually acceptable solution to resolve the issue. However, the Working Party agreed that the secretariat could propose that the OSZhD or alternatively an SMGS Member State, undertake the depositary function, but that the Working Party could still act as a forum for consideration of issues in relation to the Convention. Furthermore, it should be kept in mind that the Working Party, at its one-hundred-and-second session, had adopted resolution No. 50 on the use of the SMGS Consignment Note as a Customs document (TRANS/WP.30/204, Annex 1). The Working Party encouraged Contracting Parties to the SMGS Agreement to notify the Executive Secretary of the UNECE of their acceptance of the Resolution.

23. The Working Party also took note that the OSZhD and the Intergovernmental Organization for International Carriage by Rail (OTIF) in 2003 had adopted a “Common Position” on co-operation between the two bodies with the objective of eliminating the obstacles with the differing laws of carriage causes. In this context, work has been initiated by the two organizations on the development of a unified consignment note, which possibly can also be recognized as a Customs document. The Working Party requested that the secretariat follow these



developments and, if necessary, provide the offices of the UNECE for the negotiations in this field.

24. The Working Party took note of information provided by the representative of the European Commission that, as an outcome of the work of the OSZhD and the OTIF, a unified consignment note could possibly be launched in 2007. However, the representative of the European Commission considered that, for the time being, it did not seem feasible to envisage that a unified consignment note could be accepted unequivocally as a Customs document.

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

Documentation: ECE/TRANS/17 and Amends.1-24; **2005 TIR Handbook** (<http://tir.unece.org>).

Mandate and background: TRANS/WP.30/219, point 7.

#### **(a) Status of the Convention**

25. The Working Party took note that the TIR Convention has 65 Contracting Parties and that it is applicable in 55 of these, according to information provided by the IRU.

26. A complete list of Contracting Parties to the Convention, as well as a list of countries in which TIR operations can be undertaken, dated February 2005, are contained in Annex 1 to the report of the thirty-eighth session of the TIR Administrative Committee (TRANS/WP.30/AC.2/77, annex 1). Permanently updated information on the scope of the TIR Convention is available on the UNECE TIR web site: (<http://tir.unece.org>).

27. The Working Party took note of information provided by the secretariat about the status of various amendment proposals to the Convention:

- Amendment to Article 1 (b) of a new Explanatory Note 0.1 (b) to the Convention adopted by the TIR Administrative Committee on 26 September 2003. The amendment is contained in Depository Notification C.N. 216.2005.TREATIES-1. The deadline for objection to the amendment is 1 July 2005, otherwise the amendment will enter into force on 1 October 2005.
- Amendments to Article 2, Article 3, paras. 9 and 10 and to Annex 7, Part I, Article 4, paras. 9 and 10 to the Convention adopted by the TIR Administrative Committee on 26 September 2003. The amendment is contained in Depository Notification C.N. 218.2005.TREATIES-2. The deadline for objection to the amendment is 1 July 2005, otherwise the amendment will enter into force on 1 October 2005.
- Amendments to Annexes 1 and 9 to the Convention adopted by the TIR Administrative Committee on 4 February 2005. The amendment is contained in Depository Notification C.N. 367.2005.TREATIES-3. The deadline for objection to the amendment is 31 December 2005, otherwise the amendment will enter into force on 1 April 2006.
- Introduction of a new Article 42 ter and a new Annex 10 as well as amendment to Article 60 to the Convention adopted by the TIR Administrative Committee on 4 February 2005. The amendment is contained in Depository Notification C.N. 370.2005.TREATIES-4. The deadline for objection to the amendment is 12 May 2006, otherwise the amendment will enter into force on 12 August 2006.

**(b) Revision of the Convention**

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

Documentation: TRANS/WP.30/2005/9.

28. The Working Party recalled that, at its one-hundred-and-ninth session, it had considered document TRANS/WP.30/2005/9, transmitted by the Turkish delegation, relating to the application of Article 38 of the Convention. The Working Party had recommended that the TIR Executive Board (TIRExB) develop a set of guidelines for the communication of exclusions according to Article 38. Mrs. N. Rybkina, Chairperson of the TIRExB, informed the Working Party that the TIRExB had considered the issue, had confirmed the view to the Working Party that the question concerning reasons for exclusions according to Article 38 is a matter of national competency and that the TIRExB was in the process of developing a best practice for communicating exclusions according to Article 38. Once the best practice has been finalized by the TIRExB, it will be transmitted to the Working Party for consideration.

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

Documentation: TRANS/WP.30/218; TRANS/WP.30/214; TRANS/WP.30/192; TRANS/WP.30/2005/20; TRANS/WP.30/2005/14; TRANS/WP.30/2005/13; TRANS/WP.30/2005/11; TRANS/WP.30/2005/5; TRANS/WP.30/2005/2-TRANS/WP.30/AC.2/2005/1; TRANS/WP.30/2004/31; TRANS/WP.30/2004/30; TRANS/WP.30/2004/29; Informal document No. 4 (2005).

- Revision of the TIR Carnet

29. The Working Party considered document TRANS/WP.30/2005/13, containing in Annex 1 the text of a draft Recommendation on the use of the HS code prepared by the secretariat in consultation with the European Commission and the IRU and containing in Annex 2 an alternative text for a draft Recommendation prepared by the secretariat. The Working Party had an in-depth discussion of the pros and cons concerning the use of the HS-code in the context of the TIR procedure, i.e. taking into account the WCO Framework of Standards to secure and facilitate global trade. The Working Party agreed not to pursue the draft Recommendation contained in Annex 2 of document TRANS/WP.30/2005/13. The Working Party requested the secretariat, in consultation with the European Commission and the IRU, bearing in mind the outcome of the discussions within the WCO, to revise the text of the draft Recommendation contained in Annex 1 of the said document, to clarify the issues of verification of the HS-code and the issue of liability of the operator and to transmit the revised proposal for consideration at the next session of the Working Party.

- Use of new technologies

30. The Working Party took note of the document TRANS/WP.30/2005/14 (available in English only), which contains the report of the seventh session of the Informal Ad Hoc Expert Group on Conceptual and Technical Aspects of Computerization of the TIR Procedure, which took place on 26 and 27 May 2005. In particular, the Working Party took note that the first part of the work of the Expert Group, encompassing the description of the current TIR Procedure, had been finalized. This analysis, contained in the first chapter of the reference model of the TIR procedure, will be made available for endorsement at the forthcoming session of the Working Party. It also took note that the European Commission, at the Expert Group meeting, had presented its views on the elements and functioning of a computerized TIR system and that the secretariat had been requested, jointly with the European Commission to develop a new document for the next session of the Expert Group, which will take into account the ideas of the secretariat as well as the European Commission. In this context, the Working Party took note of comments by the IRU expressing (a) serious concern about the ideas that had been presented by the secretariat, in particular in document EXG/COMP/2004/23, and (b) pointing out that any new

developments in the field of computerization should take into account developments and systems that were already in place, including the IRU SAFETIR system. The Working Party mandated the Informal Ad hoc Expert Group on Conceptual and Technical Aspects of Computerization of the TIR Procedure to continue its deliberations on the future of the computerized TIR procedure and, with a view to progress the design of the future system, to discuss the joint document to be prepared by the secretariat and the European Commission.

31. The Working Party also considered the question which had been raised at its one-hundred-and-eighth session whether, in the context of the development of the eTIR project, it should be considered either to follow an amendment procedure of the present Convention to introduce the necessary new elements or to elaborate a new eTIR Convention. One delegation already expressed the view that a new separate eTIR Convention will need to be developed. The Working Party requested the secretariat to prepare for its next session a document containing an overview of the possible scenarios in connection with the development of the eTIR project and the alignment of the legal basis in this context. The secretariat had not presented this document for the present session as the results of the eTIR questionnaire, in particular the views of Customs authorities concerning the elaboration of a new eTIR Convention, had not been available in full before the present meeting.

32. Finally, the Working Party discussed whether it should be considered to broaden the scope of work of the computerization project to encompass not only the eTIR procedure but an eTransit procedure with the aim of creating a global Customs transit procedure covering all modes of transport. Some delegations expressed reservations about such an approach whereas others seemed to be being in favour of considering this issue in further detail. However, since the issue was not included in the agenda of the present meeting, the Working Party agreed that, with a view to be able to discuss the issue in detail, it should be included in the agenda for the forthcoming session of the Working Party with a view to having an initial brainstorming on the issue.

**(iii) Amendment proposals for the Convention**

Documentation: TRANS/WP.30/2005/24; TRANS/WP.30/2005/23; TRANS/WP.30/2005/19; TRANS/WP.30/2005/18; TRANS/WP.30/2005/17; TRANS/WP.30/2005/16; TRANS/WP.30/2005/15; TRANS/WP.30/2005/7; TRANS/WP.30/2005/6; TRANS/WP.30/2004/38; TRANS/WP.30/2004/37; TRANS/WP.30/2004/33; TRANS/WP.30/2004/32; TRANS/WP.30/2004/25; TRANS/WP.30/2004/24; TRANS/WP.30/2004/14; TRANS/WP.30/2004/11; TRANS/WP.30/2003/22; TRANS/WP.30/2003/11; TRANS/WP.30/2003/10; TRANS/WP.30/2002/30; TRANS/WP.30/216; TRANS/WP.30/R.179; Informal document No. 8 (2005); Informal document No. 2 (2004).

33. The Working Party took note of information provided by Mrs. N. Rybkina, Chairperson of the TIRExB, about the considerations by the TIRExB of amendment proposals considered of a technical nature, which had been referred to the TIRExB by the TIR Administrative Committee at the request of the Working Party. The TIRExB had already reached conclusions on a number of the issues, whereas other issues required additional considerations. The TIRExB intends to consider the remaining issues at its forthcoming session and subsequently to present all its considerations concerning the full package of amendment proposals to the Working Party at one of its forthcoming sessions.

34. The Working Party also took note of document TRANS/WP.30/2005/15, prepared by the secretariat, containing observations by the United Nations Office of Legal Affairs, Trade Law Division (UNCITRAL) on the concepts of surety and guarantee as well as other legal issues that have been raised in the context of the revision discussions.

35. The Working Party then went on to consider the outcome of the third session of the Ad hoc Expert Group meeting on revision of the Convention, which was held on 19 and 20 May 2005. The draft report of the meeting is contained in document TRANS/WP.30/2005/24 (available in English only). The Working Party decided not to consider the report and the proposals for amendment to the Convention contained in the report at its present session since the report, for the time being, was only available in English and to revert to the report at its next session. Nevertheless, the Working Party took note of the observations of the delegation of the Russian Federation proposing to modify the formulation of Articles 12, 13 and 14 of the report, in particular, to leave out the words "a majority" and "a minority". The Working Party agreed that the next meeting of the Ad hoc Expert Group would take place on 3 October 2005 in conjunction with the one-hundred-and-eleventh session of the Working Party and mandated the Group to meet as need be with a view to finalizing the various amendment proposals before the one-hundred-and-twelfth session of the Working Party in February 2006.

36. The Working Party then went on to consider document TRANS/WP.30/2005/16, prepared by the secretariat, containing an amendment proposal for Article 4 of the Convention. The representative of the European Community proposed the following alternative text with a view to further clarifying the meaning of the article: “As long as goods are carried under the TIR procedure the payment or security of import or export duties and taxes shall be suspended”. The Working Party invited the European Community to prepare an official proposal for consideration at its next session.

37. The Working Party also considered document TRANS/WP.30/2005/17, prepared by the secretariat, containing an explanation of the background of Article 8.2. The representative of the European Community expressed the view that Article 8.2, in general, no longer seemed needed. However, due to an ongoing Court case in one of the EU Member States, which may invoke the provisions of Article 8.2, the Community proposed, for the time being, to postpone any further consideration of this issue. The Community will inform the Working Party once it is in a position to progress with this issue.

38. The Working Party then considered document TRANS/WP.30/2005/18, prepared by the secretariat, containing amendment proposals for Explanatory Note to Article 8.3 of the Convention. One delegation raised the question as to why it was necessary to change the present text, which seemed to reflect the actual status. The representative of the European Community provided a number of alternative proposals for amending the provision in question. The Working Party, with a view to considering all options, invited the European Community to transmit its proposals in writing for consideration at the next session of the Working Party.

39. The Working Party finally considered document TRANS/WP.30/2005/19, transmitted by the Russian Federation, containing an amendment proposal to Article 11 of the Convention. Some delegations expressed general support of the principles expressed in the proposal of the Russian Federation, but considered that the issues addressed were of a nature that were better addressed either as a comment or as an Explanatory Note to the Convention or in a new Annex 9, Part III of the Convention, in particular the issue of the relations between the national guaranteeing association and the international organization as well as the issue of prescribing an appeal procedure. The IRU expressed its support for the proposal. The Working Party, bearing in mind that the Ad hoc Expert Group on revision of the Convention will continue to consider the formulations of Articles 8 and 11 of the Convention, was of the view that the proposal of the Russian Federation and the comments provided to the proposal should be submitted for the discussion of the Expert Group and subsequently for consideration by the Working Party.

(c) **Application of the Convention**

(i) **Control system for TIR Carnets - IRU SafeTIR**

40. The Working Party took note of information provided by the IRU on the functioning of the IRU SAFETIR system. IRU receives SAFETIR messages for 91 per cent with an average delay of 7 days. Concerning reconciliation requests to Customs authorities to verify the termination of TIR Carnets, IRU has issued 5,024 reconciliation requests in the period 1 January to 31 May 2005 and has received replies to 68 per cent of their requests with an average delay of 35 days.

(ii) **Settlement of claims for payments**

41. The Working Party was informed by the IRU of the following figures:

- Notifications/pre-notifications received between 1 January to 31 May 2005: 8,511.
- Pending payment requests per 31 May 2005: 6,809.
- Claim settlement between 1 January and 31 May 2005: 126, of which 33 claims had been settled with payment and 93 without payment.

(iii) **Issues relating to technical provisions**

42. The Working Party took note of a presentation of the ZOCCA Group on Container security providing for an electronic locking mechanism on the inside of the container door. The presentation is available on the following web site:

<http://www.unece.org/trans/bcf/wp30/wp30-reports.htm>.

(iv) **TIR Handbook**

Documentation: UNECE document (<http://tir.unece.org>); 2005 TIR Handbook.

43. 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, the Administrative Committee and the TIRExB.

44. An updated 2005 version of the Handbook is available in the English, French and Russian language versions, both in hardcopy and in electronic form from the UNECE web site. Electronic versions are also available or will soon be available in the Arabic, Chinese, and Spanish language versions and will also be made available in hardcopy during 2005. Electronic versions of the handbook can be viewed and downloaded from the UNECE TIR web site in these languages (<http://tir.unece.org>). A limited number of hard-copy versions or a CD-ROM version of the TIR Handbook may be obtained free of charge from the secretariat.

(v) **Other matters**

45. The Working Party took note of a proposal by the European Community that the secretariat prepare a consolidated version of the TIR Convention for use as a reference document, with a view to considering this at the thirty-ninth session of the TIR Administrative Committee in October 2005. The Working Party requested the secretariat to verify that the Treaty Section of the Office of Legal Affairs of the United Nations (OLA) would agree to the publication of such a reference document as well as to inquire with OLA about its legal status and if the Administrative Committee could adopt such a reference document. On the condition that the OLA would agree to the publication of the document, the Working Party requested the secretariat to prepare a document in English, French and Russian, on the basis of the text of the TIR Handbook, containing the provisions of the Convention and the annexes to the Convention as well as the Explanatory Notes thereto.

46. The Working Party took note of a presentation by the delegate of Georgia concerning the situation on border crossing and transit issues in Georgia. A transcript of the presentation made by the Georgian delegation was made available at the meeting.

47. The Working Party took note of information provided by the secretariat, that a Regional TIR Seminar will be organized for the countries of the Central Asian region and China in Beijing on 22 and 23 September 2005. Representatives from other Contracting Parties can also attend the Seminar.



## **PREVENTION OF THE ABUSE OF CUSTOMS TRANSIT SYSTEMS BY SMUGGLERS**

Documentation: TRANS/WP.30/127.

Mandate and background: TRANS/WP.30/219, point 8.

48. The Working Party took note of information provided by the delegation of Finland concerning methods of smuggling between Finland and the Russian Federation making use of false Customs stamps with a view to falsifying the start of a TIR operation. The Working Party appreciated being informed about these methods, which could be widely used, and noted that such cases, most likely, would not be able to happen in a computerized TIR environment. The Working Party noted a number of concrete proposals by the Russian Federation to enhance Customs control, including a proposal to consider the inclusion of information on the start of a TIR operation at the Customs office of departure into the SafeTIR system.

49. The Working Party also took note of information provided by Mrs. N. Rybkina, Chairperson of the TIRExB, concerning the preparation by the Board of a fraud report mechanism between TIR Contracting Parties. The Working Party will be informed about the developments in this field at one of its future sessions.

### **PROGRAMME OF WORK FOR 2005 TO 2009**

Documentation: TRANS/WP.30/2005/25, TRANS/WP.30/2005/21; TRANS/WP.30/2005/8; TRANS/2004/18; TRANS/2004/19.

Mandate and background: TRANS/WP.30/219, point 9.

50. The Working Party approved the Programme of Work, prepared by the secretariat, contained in document TRANS/WP.30/2005/21. The Working Party also approved to launch the procedure of requesting annual country reports from the UNECE Member States in accordance with the procedure described in document TRANS/WP.30/2005/21.

51. Finally, the Working Party took note of Informal document No. 5, prepared by the secretariat, containing an overview of all Resolutions and Recommendations adopted in the framework of the UNECE work on border crossing facilitation between 1956 and 1984. The Working Party decided to revert to considering the relevance of the Resolutions and Recommendations at a future meeting and requested the secretariat, for its next session, to prepare a document containing Resolutions and Recommendations adopted by the Working Party in the period 1985 until today.

## **OTHER BUSINESS**

Mandate and background: TRANS/WP.30/219, point 10.

### **(a) Dates of the next sessions**

52. The secretariat has already scheduled the one-hundred-and-eleventh session of the Working Party to be held in the week from 3 to 7 October 2005 in conjunction with a number of other meetings. It is proposed to organize the meetings according to the following plan:

- 3 October 2005: Fourth session of the Ad hoc Expert Group on Phase III of the TIR Revision;
- 4 and 5 October 2005: One-hundred-and-eleventh session of the Working Party on customs Questions affecting Transport (WP.30);
- 6 October 2005, a.m.: Thirty-ninth session of the TIR Administrative Committee (AC.2);
- 6 October 2005, p.m.: Eighth session of the Administrative Committee of the “Harmonization” Convention (AC.3);
- 7 October 2005: Reading of the reports of WP.30, AC.2 and AC.3.

The deadline for submission of official documents to be translated in the three official languages for the one-hundred-and-eleventh session of the Working Party is 18 July 2005.

53. The one-hundred-and-twelfth session of the Working Party is tentatively scheduled to be held during the week of 30 January to 3 February 2006 in conjunction with the fortieth session of the TIR Administrative Committee.

### **(b) Restriction on the distribution of documents**

54. The Working Party decided that there were no restrictions on documents.

## **ADOPTION OF THE REPORT**

Mandate and background: TRANS/WP.30/219, point 11.

55. The Working Party decided to adopt the report of its one-hundred-and-tenth session.

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Annex

**Programme of work for the years 2005-2009<sup>1</sup>**

**PROGRAMME ACTIVITY 02.10: CUSTOMS QUESTIONS AFFECTING TRANSPORT**

Harmonization and simplification of requirements for border crossing procedures concerning modes of inland and intermodal transport [Priority: 1]

Description:

- (a) Preparation and implementation and, where appropriate, review and modification of international legal instruments.
- (b) Simplification *and harmonization* of administrative formalities, documents and procedures.

Work to be undertaken: The Working Party on Customs Questions affecting Transport will pursue the following activities:

**CONTINUING ACTIVITIES**

- (a) Review of relevant Conventions and Agreements on border crossing facilitation under the auspices of the Working Party in order to ensure their *relevance and implementation as well as* coherence with other international or sub-regional treaties and to keep them in line with modern transport and border control requirements. Priority: 1

Output expected in 2005:

Analysis of the application of the following UNECE Conventions on border crossing facilitation: TIR Convention 1975; Customs Conventions on the Temporary Importation of Private (1954) and Commercial (1956) Road Vehicles; [Customs Convention Concerning Spare Parts Used for the Repair of EUROP Wagons; and Convention on Customs Treatment of Pool Containers Used in International Transport].

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<sup>1</sup> Text in *italic* characters indicates newly proposed text; text in square brackets ([...]) refers to text proposed for deletion.

*Consideration of the need for negotiating two model container pool agreements providing guidance to the transport industry and the Contracting Parties on the implementation of the provisions of the "Customs Container Pool Convention" covering international rail and international maritime transport.*

- (b) *Periodic review of Resolutions and Recommendations adopted by the Working Party with a view to confirming their usefulness and implementation as well as possibly adopting modifications where deemed necessary* Priority: 2

Output expected in 2005:

*Initial review of all Resolutions and Recommendations adopted by the Working Party with a view to deciding on which Resolutions and Recommendations to focus in the coming year.*

- (c) *Study of the possible extension of relevant UNECE Conventions on border crossing facilitation to other regions, particularly relating to legal and administrative aspects.* Priority: 2

Output expected in 2005:

*Preparation and organization of regional and/or national workshops, possibly in cooperation with UNESCAP and UNESCWA and other relevant UN and international organizations, on the implementation of relevant UNECE Conventions on border crossing facilitation, in particular in Asia and the Middle East.*

- (d) *Study of Customs questions with a view to simplification of Customs formalities and documents in the field of transport, in particular taking account of the possibility of electronic data interchange solutions, including UN/EDIFACT messages.* Priority: 1

Output expected in 2005:

*Analysis and revision of the provisions of both a strategic and technical nature of the TIR Convention, in particular the provisions relating to the guarantee system with a view to enhancing the functioning and efficiency for both the public and private partners in the TIR system;*

[Analysis of the impact on the TIR regime of the New Customs Transit System (NCTS) to be applied in the countries of the Common Transit System (European Community, EFTA and Visegrad countries) and] *Coordination of work with the relevant bodies within the European Community on integration of the TIR system in the New Customs Transit System (NCTS)* [this subject].

*Continuation of work on phase III of the TIR revision procedure, focusing on the revision of the TIR Carnet and on provisions for a modernized EDI-based Customs administration and control system.*

- (e) Study of specific legal and other measures to combat fiscal fraud resulting from simplified Customs and other border crossing procedures, such as the TIR regime, including periodic review of the status of implementation of resolution No. 220 (prevention of the abuse of Customs transit systems by drug smugglers). Setting-up of mechanisms and administrative procedures for the regular exchange of information with other Governmental and non-governmental organizations to combat such fraud.

Priority: 1

Output expected in 2005:

Preparation of adequate instruments and measures to improve international cooperation among Contracting Parties to the TIR Convention, 1975 and concerned national and international organizations to prevent fraud.

Activities towards implementation of the Recommendation adopted by the TIR Administrative Committee on 20 October 1995 on an international EDI control system for TIR Carnets.

Exchange of intelligence among Customs authorities of Contracting Parties to relevant UNECE Conventions on border crossing facilitation on abuses with a view to identifying measures to combat such occurrences.

- (f) Analysis of difficulties encountered relating to border crossing formalities with a view to devising administrative procedures eliminating such difficulties. The analysis will cover health, phytosanitary, veterinary and quality controls, application of standards, public safety controls, etc., including the promotion of the implementation and extension of the scope of the International Convention on the Harmonization of Frontier Controls of Goods of 1982 (Harmonization Convention).

Priority: 1

Output expected in 2005:

[Study of the possibilities to prepare and negotiate] *Finalization of* a new annex to the "Harmonization Convention" on road transport, including possibly an international lorry weight certificate, in close cooperation with the Working Party on Road Transport.

Study of concrete measures facilitating border crossing procedures for railway transport in cooperation with the Working Party on Rail Transport, possibly through the preparation of a new annex on rail border crossing facilitation.

[(g) Study to facilitate formalities for container pools in international transport and follow-up activities within the framework of the Convention on Customs Treatment of Pool Containers Used in International Transport. Priority: 2

Output expected in 2005:

Preparation and negotiation of two model container pool agreements providing guidance to the transport industry and the Contracting Parties on the implementation of the provisions of the "Customs Container Pool Convention" covering international rail and international maritime transport.]

**ACTIVITIES OF A LIMITED DURATION**

[(a) Revision of the TIR Convention, 1975 with a view to stabilizing the TIR Customs transit procedure. Priority: 1

Output expected in 2004:

Continuation of work on phase III of the TIR revision procedure, focusing on the revision of the TIR Carnet and on provisions for a modernized, possibly EDI-based Customs administration and control system.]

(b) Study to facilitate railway transit traffic on the basis of the CIM and the SMGS Consignment Notes, including the preparation of a new Customs transit regime allowing the use of the CIM and the SMGS consignment notes as a Customs document. Priority: 2

Output expected in 2005:

Preparation of a draft Customs transit convention covering international rail transport in [all COTIF and] SMGS Member States.

*Study the full integration of a harmonized Customs transit regime covering all COTIF and SMGS Member States.*

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