



Economic Commission for Europe

Inland Transport Committee

Working Party on Customs Questions affecting Transport

165th session

Geneva, 6 (p.m.), 7 and 9 (a.m.) February 2024

Item 7 of the provisional agenda

Customs Conventions on the Temporary Importation

of Private Road Vehicles (1954) and Commercial Road Vehicles (1956):

Issues in the application of the Conventions

Report of the Informal Ad hoc Expert Group on digitalization of the Carnets de Passage en Douane on its first session*

Contents

	<i>Paragraphs</i>	<i>Page</i>
I. Attendance.....	1–2	1
II. Adoption of the agenda (agenda item 1)	3	2
III. Status of the Conventions (agenda item 2).....	4–12	2
IV. Current status of the Carnets de Passage en Douane (agenda item 3).....	13–15	3
V. Digitalisation of the Carnets de Passage en Douane (agenda item 4)	16	4
VI. Other Business (agenda item 5).....	17	5
VII. Next session (agenda item 6).....	18	5

I. Attendance

1. The Informal Ad hoc Expert Group on digitalization of the Carnets de Passage en Douane (CPDs) (further referred to as “the Expert Group”) held its first session on 14 December 2023 online.

2. The session was attended by experts from Albania, Armenia, Australia, Belgium, Brazil, Cyprus, Denmark, Egypt, Finland, France, Germany, India, Iran (Islamic Republic of), Moldova, Russian Federation, Saudi Arabia, Slovakia, Sweden, Switzerland, Tunisia, Türkiye, Ukraine, United Kingdom of Great Britain and Northern Ireland and Uzbekistan. Experts from the TIR Executive Board (TIRExB), the Australian Automobile Association, the automobile and touring club of Egypt, the Touring and Automobile Club of the Islamic Republic of Iran (TACI), the Automóvel Club de Portugal, International Association of Road

* This document was submitted late due to delayed inputs from other sources.

Hauliers of Moldova (AITA), the Saudi Automobile & Touring Association, the Automobil Club Switzerland, the Touring Club Suisse, the Turkmen Association of International Road Carriers (THADA), the Association of the International Road Carriers of Ukraine (AsMAP UA), the Emirates Motorsport Organization, the CARS UK, the Universal Risk Ltd, the UDITIS SA, the PZM Travel, the Automobile Club du Luxembourg, the Federation Internationale de l'Automobile (FIA), the International Road Transport Union (IRU) also attended the session.

II. Adoption of the agenda (agenda item 1)

3. The Expert Group adopted its provisional agenda. The experts requested the secretariat to prepare the agenda of the group well before the sessions following the United Nations Economic Commission for Europe (ECE) standards regarding agendas and reports of the meetings and the need for an expanded language diversity was expressed. This practice would facilitate discussions since the experts will be well prepared for the meetings and it would be ensured that the most experienced experts for the topics under discussion will attend the sessions of the group.

III. Status of the Conventions (agenda item 2)

4. The secretariat provided information on the status of the two Conventions and their provisions on amendments proposals.

5. The customs Convention of the temporary importation of private road vehicles of 1954 has eighty-one contracting parties the latest being United Arab Emirates that ratified the Convention in 2007.

6. Article 42 of the Convention refers to the procedure concerning the amendment proposals. Any Contracting Party may propose one or more amendments to this Convention. The text of any proposed amendment shall be transmitted to the Secretary-General of the United Nations who shall circulate it to all Contracting Parties. Any proposed amendment circulated in accordance with the preceding paragraph shall be deemed to be accepted if no Contracting Party expresses an objection within a period of six months following the date of circulation of the proposed amendment by the Secretary-General. The Secretary-General shall notify as soon as possible all Contracting Parties whether an objection to the proposed amendment has been expressed, and if no such objection has been expressed, the amendment shall enter into force for all Contracting Parties three months after the expiration of the period of six months referred to in the preceding paragraph.

7. The Customs Convention on the Temporary Importation of Commercial Road Vehicles of 1956 has forty-two contracting parties the latest being the Republic of Moldova that ratified the Convention in 2013.

8. Article 41 of the Convention refers to the procedure concerning the amendment proposals. Any Contracting Party may propose one or more amendments to this Convention. The text of any proposed amendments shall be transmitted to the Secretary-General of the United Nations who shall transmit it to all Contracting Parties and inform all other countries referred to in Article 33, paragraph 1 of the Convention. Any proposed amendment circulated in accordance with the preceding paragraph shall be deemed to be accepted if no Contracting Party expresses an objection within a period of six months following the date of circulation of the proposed amendment by the Secretary-General. The Secretary-General shall, as soon as possible, notify all Contracting Parties whether an objection to the proposed amendment has been expressed. If an objection to the proposed amendment has been expressed, the amendment shall be deemed not to have been accepted and shall be of no effect whatever. If no such objection has been expressed the amendment shall enter into force for all Contracting Parties three months after the expiry of the period of six months referred to in the preceding paragraph.

9. This Convention has a specific provision regarding annexes to the Convention. Independently of the amendment procedure laid down in paragraphs 1, 2 and 3 of this Article,

the annexes to this Convention may be modified by agreement between the competent administrations of all the Contracting Parties. The Secretary-General shall fix the date of entry into force of the new texts resulting from such modifications.

10. Both Conventions refer to Regional economic integration organizations. Regional economic integration organizations which are Contracting Parties to this Convention, for the matters within their competence, shall exercise their right to express an objection. In such a case the Member States of said organizations, which are Contracting Parties to this Convention, shall not be entitled to exercise individually such right.

11. The experts discussed and agreed that in principle relevant to the digitalization of CPDs provisions should be prepared as amendment proposals to the two Conventions to be discussed and agreed by the contracting parties to the Convention and then, if possible, transmitted to the Secretary-General of the United Nations who shall circulate it to all Contracting Parties. The experts decided that they should focus their efforts on identifying the type of amendment proposals that should be suggested. Either new provisions should be proposed, or new annexes to the Conventions, or new protocols or a combination of those options.

12. The experts requested the secretariat to prepare for their next session, a document that provides a summary of the options exist in order to amend the Conventions including the possible pros and cons of each option.

IV. Current status of the Carnets de Passage en Douane (agenda item 3)

13. FIA secretariat provided a lot of information regarding the history of the CPDs system, its development and the status today. The CPD system was introduced by FIA in 1911 and it was first put into use in 1913. The system actually refers to temporary importation of private and commercial vehicles without payment of import duties and import taxes and free of import prohibitions and restrictions. FIAs responsibilities regarding the CPDs system are the following:

- (a) Issuing of CPDs,
- (b) Managing the CPD system and its operations,
- (c) Granting authority to selected clubs and associations to issue and guarantee the CPDs,
- (d) Setting legal terms, detailing roles and duties for these organizations,
- (e) Providing clear instructions for handling CPDs , including issuance and proper use.

14. The holders of CPDs have also specific responsibilities:

- (a) The equipment mentioned on the CPD, it has to be presented when leaving the visited country,
- (b) The holder cannot be using her/his vehicle for paid transport in the importing country,
- (c) The holder may repeatedly import vehicles with proper documentation and Customs records each time,
- (d) The holder may request an extension for a CPD prior to its expiration, unless prevented by unforeseen events.

15. The CPD is a booklet with 5, 10, 15, or 25 pages. It is issued in English and French and in the Middle East in English and Arabic. It has a QR code attached to it, which can be scanned by a QR code reader. A new page of the carnet is used for every new country visited by the CPD holder and vehicle information must be copied by the issuing club on every page of the carnet. Each page of the carnet is divided into three sections. The top, counter-foil section, is stamped once on entry and once on exit. The middle section is removed on exit

and the lower section is removed by Customs on entry into a country. There were 55,000 CPDs issued in 2018 and it is expected that more than 120,000 will be issued in 2023.

V. Digitalisation of the Carnets de Passage en Douane (agenda item 4)

16. FIA secretariat also presented the intended procedure for digitization in accordance with its presentation and committed to providing the presentation to the experts. The experts held a general first discussion – brainstorming on how the possible digitization of CPDs will take place, what are the possible challenges and opportunities that they should address and where they should focus their efforts. The following list of first recommendations was mentioned for further analysis and discussions:

(a) The work on the digitalization of CPDs is a great opportunity to further revitalize the two Conventions, streamline the current procedures and further therefore improve transparency, security, the flow of information and efficiency,

(b) The digitalization efforts should include not only the data that exists in the paper CPD but also the procedures that are being described in the Conventions further streamlining those procedures increasing security and transparency,

(c) Pre-arrival notification / advanced CPD data submission is a service that customs authorities would welcome in the framework of CPDs digitalization,

(d) Introduction of border crossing facilitation tools / procedures in combination with state-of-the-art technology such as RFID should be also included among the tasks,

(e) Data protection and cyber security issues satisfying in parallel the requirements of national laws should be addressed,

(f) Fallback procedures in cases of systems failures / lack of connections should be addressed,

(g) Procedures that permit communication with the holders while being in the country without realising holder's personal data should be addressed,

(h) The transition mechanism from paper CPDs to the electronic ones should be described and agreed well before the time of its implementation,

(i) Transition options should also be agreed and discussed, for instance set a day where all contracting parties will go digital or set a transition period where both systems – paper and electronic – are used in parallel, leaving to each contracting party to decide when to go fully digital,

(j) Possibly, with the adequate assistance by ECE, pilot projects for such a transition to electronic procedures could be performed,

(k) As it concerns possible fraud and possible issuance of “fake” CPDs, the measures undertaken already by FIA secretariat were to the right direction having already reduced that risk. Possibly, further streamlining might be required for those procedures including the development of international databank for holders of CPDs,

(l) In general, good practices implemented by other initiatives should be followed, efforts of the experts should be focused to build on what exists and not to try to “reinvent the wheel”,

(m) Experts from other initiatives / efforts to digitalize Conventions should be invited at the group to share their experience and good practices,

(n) Experts from the World Customs Organization (WCO) should be also invited to participate in the sessions of the group, to discuss and clarify if the work of the group will have an impact to the relevant provisions of the Istanbul Convention concerning the temporary importation of private and commercial vehicles.

VI. Other Business (agenda item 5)

17. The experts believed that a formal group of experts should be established under the auspices of the working party on customs questions affecting transport (WP.30) where sessions are being organised providing parallel interpretation in three official ECE languages and the documents are being translated also in the three official languages. The experts requested the secretariat to bring this request for discussion at the next WP.30 session seeking its approval and guidance.

VII. Next session (agenda item 6)

18. The Expert Group requested the secretariat to organize the next session of the group early in April making sure that the agenda and the document requested are sent to the experts well in advance. The secretariat should inform the experts as soon as possible for the dates of the next meeting of the group.
