The TIR guarantee level, discussion
TIR guarantee options

(1) Each country determines independently the recommended maximum guarantee amount;

(2) Introduction of various guarantee levels;

(3) Unlimited guarantee coverage;

(4) General increase of recommended maximum guarantee amount;

(5) Additional guarantees.
TIR guarantee options

(1) Each country determines independently the recommended maximum guarantee amount:
+ it is not against the provisions of the Convention;
+ it is already in practice in various countries;
+ it would allow countries to reflect the evolution of the guarantee amount since 1975.
TIR guarantee options

(1) Each country determines independently the recommended maximum guarantee amount:

- Differences between countries with higher and lower levels of guarantee;
- Does not necessarily solve the problem with escorts;
- Price of TIR Carnets might increase;
- Complication in reimbursement within the guarantee chain.
(2) Introduction of various guarantee levels:
+ Flexibility for operators
+ Cost reduction for operators
TIR guarantee options

(2) Introduction of various guarantee levels:
- Operators will have to calculate level of customs duties and taxes;
- Verification by customs at every border crossing;
- Would require full computerization;
- Requires amending the Convention
- Unreliability and instability of the TIR system.
(3) Unlimited guarantee coverage:
+ Full amount of customs duties and taxes covered;
+ Most straightforward system for customs;
+ Possibility for the guarantors to provide tailor-made guarantees;
+ No need for escorts.
(3) Unlimited guarantee coverage:
- Likely increase in price of TIR Carnets;
- Stricter selection of holders;
- Possibility for the guarantee chain to exclude the transport of certain goods;
- Requires amending the Convention;
- Reduces need for customs to seek out the person(s) directly liable.
TIR guarantee options

(4) General increase of the recommended maximum guarantee amount:
+ Limited amendment of the Convention (i.e. Explanatory Note 0.8.3.);
+ Still allows countries to determine different guarantee levels.
TIR guarantee options

(4) General increase of the recommended maximum guarantee amount:
   - Not easy to find commonly accepted recommended amount;
   - Likely increase in price of TIR Carnets;
   - Does not exclude escorts;
   - Requires amending the Convention.
(5) Additional guarantees:
+ Proven functioning in some countries (TIR+);
+ Cheaper alternative to escorts.
TIR guarantee options

(5) Additional guarantees:
- Requires amending the Convention.