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Item 4 (a) (i) of the provisional agenda

Activities and administration of the TIR Executive Board:

Report by the Chair of TIRExB

Self-evaluation

Review of the TIRExB programme of work for 2017-2018

Note by the TIR Secretary

A. Background

1. On the basis of the approved TIRExB reports for 2017-2018, the secretariat prepared for endorsement by the Committee Informal document WP.30/AC.2 (2019) No. 4, summarizing main accomplishments of the Board in its term of office and, in Annex I, main results of the Board's activities against each work programme item (as contained in ECE/TRANS/WP.30/AC.2/2017/12). Annex II of the document reproduces the consolidated replies to a self-evaluation survey among TIRExB members, together with recommendations for future compositions of TIRExB.

B. Main accomplishments of TIRExB in its term of office

2. TIRExB scheduled nine meetings in its term of office with eleven meeting days (two meetings scheduled for December 2018 and February 2019 included).

3. During its term of office, TIRExB had extensive discussions on the relations of the international organization with the Moldovan and Romanian associations. In this regard, TIRExB provided its good office for the settlement of disputes between the international organization and national associations, and also provided guidelines upon the request of Romanian customs authorities. The Board had also extensive discussions on the intermodal use of the TIR procedure, settlement of customs claims and prices of TIR Carnets. TIRExB drafted amendment proposals on the mandatory submission of data using the International TIR Data Bank (ITDB) and on the increase of the number of places of loading and unloading from four to eight. TIRExB also revised the best practice on the example agreement to be

included in the TIR Handbook. The Board supported the training of all relevant actors via seminars and online training tools.

C. Considerations by the Committee

4. The Committee is invited to endorse the activities of TIRExB during its current term of office in Annex I as well as consider the self-evaluation and recommendations in Annex II.

Annex I

I. Activities of the TIRExB in 2017–2018

Outputs expected in 2017 and 2018

Main accomplishments

A. Ongoing activities

(1) Support the adaptation of the TIR procedure to modern business, logistics and transport requirements, including intermodal transport

Monitor guidelines for the TIR Administrative Committee on how to promote the intermodal use of the TIR Carnet, including clarification of the use of subcontractors.

Support discussions in the TIR Administrative Committee on the introduction of the concepts of authorized consignors and consignees in the TIR Convention and undertake any follow-up action if so requested by AC.2.

Continue studying further mechanisms to modernize and strengthen the TIR system (taking into account the needs of the business sector).

Implementation of the intermodal aspects of the TIR procedure

At its seventy-fifth session¹ (December 2017), the secretariat informed that it met with the Intergovernmental Organisation for International Carriage by Rail (OTIF) as a first step towards cooperation on the intermodal aspect of the TIR Convention. TIRExB then considered a draft report of an intermodal TIR transport covering three different modes of transports between Slovenia and Iran (Islamic Republic of) submitted by International Road Transport Union (IRU).

TIRExB took note of the example of an intermodal transport as very promising, but noted that many questions remained open. Therefore, TIRExB decided to keep the example on its agenda for the next session and to request IRU for more information, in particular on the TIR Carnets concerned and the benefits of the example.

At its seventy-sixth session² (February 2018), the Chair noted that (a) it would be good to have the exact benefits of the example outlined, (b) the authorization and issues in relation to guarantee coverage for rail merit further consideration, since the automated system in Turkey only allowed one type of guarantee, and (c) that the reasons for not continuing the transport with a CIM consignment note in Iran (Islamic Republic of) were unclear.

Mr. M. Ayati (Iran (Islamic Republic of)) explained that (a) there had been eleven operations with intermodal TIR transports from Slovenia to different locations in Iran (Islamic Republic of), (b) the IRU TIR Electronic Pre-Declaration (EPD) was used before the containers arrived at the border for risk-analysis, which saved five days, (c) saving time and energy was important in transportation and in some cases the mode of rail was beneficial for transporters, (d) the name of the subcontractor was included in box 11 to notify Iranian officials accordingly, and (e) the CIM consignment note had not been used for the rail leg of the transport in Iran (Islamic Republic of), since it did not provide a guarantee for customs taxes and duties.

¹ See document ECE/TRANS/WP.30/AC.2/2018/4.

² See document ECE/TRANS/WP.30/AC.2/2018/5.

Mr. S. Fedorov (Belarus) asked: (a) how the subcontractor was exactly included in the TIR Carnet (box 11), (b) whether the TIR Carnet had been used only as a guarantee document and not as transit declaration (box 8), and (c) where the change in transport mode was noted, i.e. whether another transport document had been issued to accompany the container. He added that the main question was whether the example constituted an effective system to be further considered.

Mr. Ayati (Iran (Islamic Republic of)) emphasized the importance for TIRExB, the Working Party on Customs Questions affecting Transport (WP.30) and AC.2 to consider intermodal transport under the TIR Convention, since such operations would increase with the accession of China and India. In response to Mr. S. Fedorov's (Belarus) questions, Mr. M. Ayati explained that Iran (Islamic Republic of) had used the TIR Carnet for the rail leg in Iran (Islamic Republic of) not only as a guarantee but also as a customs document with the subcontractor specified in box 11 of the TIR Carnet by its code. In reference to adjustments of the TIR Convention for subcontracting, Mr. Y. Guenkov (IRU) observed that the use of subcontractors was a matter of description in the TIR Carnet: It could be referred to as a representative or agent of the TIR Carnet holder. Mr. S. Somka (Ukraine) shared information about a new order adopted by the Minister of Finance of Ukraine, which allowed the use of subcontractors in Ukraine under the TIR Convention.

TIRExB noted that the matter of subcontractors was currently on the agenda of WP.30. In conclusion, TIRExB decided to continue its consideration and, in view of the questions raised, invited IRU to provide additional information on the example together with the benefits experienced.

(2) To facilitate the computerization of the TIR procedure

Facilitate the computerization of the TIR procedure, in close collaboration with the Ad hoc Expert Group on Technical and Conceptual Aspects of the Computerization of the TIR Procedure (GE.1), the Group of Experts on Legal Aspects of the Computerization of the TIR Procedure (GE.2), the International Road Transport Union and countries involved in various pilot projects.

Offer its good offices to achieve consensus among all stakeholders on the finalization of the eTIR Project.

eTIR projects and eTIR pilot projects

At its seventy-second session³ (May 2017), the Board took note that Step 2 of the UNECE-IRU eTIR pilot project between Iran (Islamic Republic of) and Turkey ended on 20 February 2017. UNECE and IRU prepared a final report of the project, which showed a high level of satisfaction and willingness to move further with the computerization of the TIR procedure. The Board also took note that the final report had been submitted to GE.1 for its consideration. The Board further noted that UNECE and IRU were currently preparing a new Memorandum of Understanding (MoU) with the purpose to continue working jointly towards the computerization of the TIR procedure.

In addition, the Board took note of the progress achieved in the eTIR pilot between Georgia and Turkey, in particular the successful conduct of the tests to push information from the Central Exchange Platform to the Turkish customs ICT system.

³ See document ECE/TRANS/WP.30/AC.2/2017/11.

Contribute to the preparation and adoption of the legal framework for the computerization of the TIR procedure.

Promote the eTIR Project as part of the Board's training and capacity building activities, including the promotion of the use of EDI standards.

Encourage IT and legal experts to participate, either as eTIR focal point or as national representatives, in the activities undertaken by GE.1 and GE.2.

Supervise and promote the new ITDB as building block of the future eTIR system.

Expand the scope of the ITDB to include, inter alia, data on Customs offices approved for TIR operations and certificates of approval of vehicles and containers.

Mr. Y. Guenkov (IRU) expressed the readiness of IRU to further cooperate with UNECE in the eTIR project and its satisfaction with the report on the Turkey-Iran pilot project. In addition, he reiterated the view of IRU to have a generic article to speed up the process of computerization.

At its seventy-fifth session (December 2017), the Board took note that, further to the successful conduct of the eTIR pilot project between Iran and Turkey and taking into account the Joint Statement on the Computerization of the TIR procedure, adopted in June 2015 by AC.2, on 26 September 2017, the UNECE Executive Committee (EXCOM) accepted a five years eTIR project with a total budget of 1,511,275 USD. Subsequently, on 6 October 2017, UNECE and IRU signed an MoU on cooperation in the field of the computerization of the TIR procedure and a Contribution Agreement, which will ensure the provision of the necessary funds to finance, inter alia, an additional ICT expert working on the project as well as the hosting of the eTIR international system at UNOG data centre.

With regard to the eTIR pilot project between Georgia and Turkey, the Board took note that all technical issues had been resolved on the development environment of the Central Exchange Platform and both countries will be soon in a position to move to the production environment.

The Board also took note that it was intended to ultimately merge the two platforms used for the pilot projects and that the Board would be requested at one of its forthcoming sessions to allow all eTIR projects to automatically query the International TIR Data Bank (ITDB), as foreseen in the eTIR specifications.

At its seventy-sixth session (February 2018), the Board noted that, further to the signature of the MoU between UNECE and IRU on 6 October 2017, UNECE and IRU were preparing standard conditions for any new computerization project to be launched under the framework of this MoU. The Board also noted that eTIR transports were still carried out between Iran (Islamic Republic of) and Turkey and that data on TIR transports continued to be exchanged between Turkey and Georgia.

Furthermore, the Board took note that the secretariat would meet experts from the European Commission on 20 February 2018 to undertake a comparison between the European Union New Computerized Transit System (NCTS) and eTIR messages and that the secretariat would present the eTIR project to the Electronic Customs Coordination Group on 14 March 2018.

At its seventy-seventh session⁴ (June 2018), the Board noted that the customs administrations of Azerbaijan, Georgia and Kazakhstan had already confirmed their willingness to take part in an intermodal eTIR project on the basis of the standard conditions. The Board also took note that, as a first step to a possible eTIR project

⁴ See document ECE/TRANS/WP.30/AC.2/2019/1.

between Turkey and Ukraine, Turkey had organized a study visit for a Ukrainian delegation to show how the eTIR pilot project between Iran and Turkey functions in practice. Representatives of the TIR secretariat and IRU also participated in the study visit.

The Board further noted that eTIR transports continued to be carried out between Iran (Islamic Republic of) and Turkey (at the time of the session, 144 eTIR transport had been carried out successfully) and that data on TIR transports between Turkey and Georgia were now exchanged on the Central Exchange Platform production environment. The Board welcomed the success of both pilot projects and welcomed the interest of other contracting parties to engage in eTIR projects.

Expert Groups on computerization of TIR procedure (GE.1 and GE.2)

At its seventy-third session⁵ (June 2017), the Board was informed about the outcome of the twenty-sixth session of GE.1 which took place on 18 and 19 May 2017. The Board took note, among others, of (a) the subdivision of the eTIR Reference Model in four documents, i.e. eTIR introduction, eTIR concepts, eTIR functional specifications and eTIR technical specifications; (b) the recommendation to leave, for the time being, the responsibility of the submission of any additional information to the transport operator; and (c) the request for a new message to be sent by customs in case of refusal to start a TIR operation.

TIRExB noted that GE.2 had held its fourth session on 16 and 17 May 2017. At that session, GE.2 continued its work on the development of an optional Annex to the TIR Convention and necessary amendments to the main body of the TIR Convention. The Board took note that those amendments included, among others (a) the establishment of a Technical Implementation Body (TIB) tasked with maintaining and updating the functional and technical documentation of the eTIR international system; and (b) a definition of the eTIR procedure to be included in Article 1 of the TIR Convention. Concerning financing, GE.2 confirmed the recommendation by GE.1 that the maintenance costs of the eTIR international system could be covered by means of an amount per transport. However, GE.2 was of the view that a decision on the required funds for the initial development and deployment of the system should be taken by the contracting parties. To that effect, the issue was going to be brought to the attention of WP.30 at its next session in June 2017.

At its seventy-fifth session (December 2017), TIRExB took note that the twenty-seventh session of GE.1 took place in Geneva on 4 and 5 December 2017. It further noted that GE.1 discussed a number of amendments to the eTIR specifications resulting from the pilot projects and from the outcome of the work of GE.2.

⁵ See document ECE/TRANS/WP.30/AC.2/2018/1.

TIRExB noted that the fifth and last session of GE.2 took place in Geneva on 30 and 31 October 2017 and that GE.2 submitted the eTIR legal framework to WP.30 for further consideration (see ECE/TRANS/WP.30/2018/3, ECE/TRANS/WP.30/2018/4, ECE/TRANS/WP.30/GE.2/10, paras. 26 and 30).

At its seventy-sixth session (February 2018), TIRExB took note of the comments the secretariat received from Belarus on draft Annex 11, which would be discussed at the WP.30 session. Further, TIRExB took note of Mr. S. Fedorov's (Belarus) comment that the eTIR legal framework should also provide adequate protection of data integrity. Moreover, TIRExB took note that the management of UNECE had confirmed its willingness to host the eTIR international system subject to the right to outsource the hosting, the availability of the required funds and an exclusion of liability of UNECE.

International TIR Data Bank (ITDB)

At its seventy-second session (May 2017), TIRExB was informed about the progress in implementing the new ITDB and the new ITDB web service. The secretariat informed TIRExB that the new ITDB had been launched on 9 May 2017 and was well received by the users: From 9 to 15 May 2017, the ITDB had already had 218 connected users from 22 contracting parties, compared to 157 connected users from 25 contracting parties in the old system from 1 January to 8 May 2017. With regard to web services, the secretariat informed that Finland was already connected and that France as well as Turkey were in the process of testing.

At its seventy-third session (June 2017), the Board took note that the secretariat had a meeting with the European Commission (EC) in Brussels on 30 May 2017 to work on connecting the ITDB with the central repository of customs offices of the European Union. The Board was also informed that the secretariat had been invited to make a presentation of the ITDB at the meeting of the Customs Expert Group (CEG/TIR/01) in Brussels on 31 May 2017. The secretariat reported that the feedback received was very positive. The secretariat further informed the Board that the work on the customs offices database progressed steadily with the aim to have a prototype ready for presentation at the Board's next session.

At its seventy-fifth session (December 2017), TIRExB heard a presentation about a prototype of the customs offices' database by the secretariat.

At its seventy-sixth session (February 2018), the secretariat informed TIRExB about the progress of the new ITDB module on customs offices. The module was expected to be released in March 2018. The secretariat also informed about the organization of a seminar on the ITDB that would take place during the next WP.30 session in June 2018. TIRExB took note that UNECE had sent a letter to the European Commission, requesting guidance on the application of the European Union General Data Protection Regulation (2016/679) (the "GDPR") (entry into force on 25 May 2018), since it might

impact the transmission of data, such as the name or contact details of TIR Carnet holders, by European Union member States to the ITDB.

At its seventy-seventh session (June 2018), the secretariat informed TIRExB that the new module of ITDB on customs offices had been released in May 2018 for restricted use by customs authorities. The Board requested the secretariat to prepare a document that would address data requirements for the customs office module as well as reflections from countries, if any. Finally, the Board concluded that the customs offices database should only be made public upon completion of the work.

With regard to the web services of the ITDB, the secretariat informed TIRExB that three countries had started using the web service to check the status of TIR Carnet holders in the course of TIR transports and that there were other countries already testing or interested in connecting to it. The secretariat pointed out that these developments increased the need to provide 24/7 technical support and that, as a consequence, hosting the ITDB servers at a United Nations data centre was under consideration. The Board took note that the secretariat prepared a guide on the ITDB web services for the customs authorities and that the guide was submitted to the 149th session of WP.30 in three official languages (see document ECE/TRANS/WP.30/2018/13). The secretariat also added that it planned to start developing the module on approval certificates after the infrastructure would have been enhanced and that the aim was to complete this work in 2019. TIRExB requested the secretariat to report on any further development at future sessions.

(3) To supervise the functioning of the TIR international guarantee system

- Monitor the settlement of Customs claims, on the basis of information provided by national Customs authorities and the IRU.
- Conduct a survey on Customs claims and the TIR guarantee level covering the years 2013-2016.

Survey on customs claims

At its seventy-second session (May 2017), the Board approved the draft survey on customs claims for the period 2013-2016 and requested the secretariat to distribute it to the competent authorities, with a deadline to reply before 15 October 2017.

At its seventy-fifth session (December 2017), the Board noted that the deadline for replying to the survey (30 November 2017) had passed and regretted that only 36 contracting parties had replied to the survey. The Board requested the secretariat to send reminders to TIR Focal Points of contracting parties that had not yet responded urging them to respond to the survey before 15 January 2018.

At its seventy-seventh session (June 2018), while the Board did not have time to consider the preliminary results of the survey, it noted that Contracting Parties using a significant number of TIR Carnets had not responded to the survey and requested the secretariat to send official letters to the heads of the customs administrations of those contracting parties, requesting their assistance to ensure that their administrations would reply to the questionnaire before 1 September 2018.

Settlement of customs claims

At its seventy-fifth session (December 2017), IRU informed about 13 claims for payment exceeding the maximum amount of the TIR guarantee since January 2017. TIRExB noted that eight of the Turkish cases had been closed in the meantime by further actions, and that the two remaining cases were currently before court for other aspects. TIRExB also noted that it was beneficial for the settlement of disputes to bring such matters to the attention of the customs administration concerned.

Mr. S. Amelyanovich (Russian Federation) asked whether IRU had any proposals to ensure that contracting parties were not missing out on payments in case the customs duties exceeded the TIR guarantee. TIRExB noted that the Convention was clear in its reference to the maximum amount. Mr. Y. Guenkov (IRU) added that customs authorities always had the right to address the person directly liable for the amount due and pointed to the World Customs Organization (WCO) guidelines, which facilitated trade and transport. TIRExB also noted that it had proven helpful in the national experience if customs authorities made a protocol with the national associations, since many cases could be settled in good will before going to court.

Ms. E. Takova (Bulgaria) explained that the Bulgarian cases remained open, though the amount initially due had been fully paid, but not the interests exceeding the maximum amount of the TIR guarantee. Mr. Y. Guenkov (IRU) said that the case would thus remain open with the interests growing and asked for clarification that the case would remain open under customs laws of the country, but only to the person directly liable and not to the guarantee chain.

TIRExB noted that it might be preferable if IRU informed about certain cases without pointing to specific countries and figures. TIRExB was of the general view that claims should not exceed the maximum guarantee amount pursuant to Article 8, paragraph 1 of the TIR Convention and that the first liable person should be the TIR Carnet holder. However, TIRExB noted that the matter needed further consideration and agreed to revert to the matter at its next session.

At its seventy-seventh session (June 2018), the Board recalled that most of the claims referred at its previous session had been settled. Ms. Takova (Bulgaria) stated that the Legal Department of the National Customs Agency had changed its opinion of the interpretation of the provision of Art. 8 (1) of the TIR Convention and considered that the amount to be claimed from the guarantee chain should not exceed the maximum guaranteed amount specified in the contract between the national guaranteeing association and the customs authorities. In this respect, the two cases regarding TIR claims reported by IRU in Informal document No. 21 (2017) were now closed. On that note, TIRExB concluded its considerations of the matter and recalled that claims should not exceed the maximum guarantee amount pursuant to Article 8, paragraph 1 of the TIR Convention.

(4) To support training activities on the application of the TIR Convention, mainly in contracting parties where difficulties are experienced or might be expected in this area.

Organize and substantially contribute to regional and national workshops and seminars on the application of the TIR Convention, where possible with particular focus on topical as well as technical issues.

Update and distribute the TIR Handbook in the six official UN languages.

Prepare and distribute, also via Internet, training material on the application of the TIR Convention.

Workshop on the WCO transit guidelines (La Paz, 23-27 January 2017);

WCO Administrative Committee of the Customs Convention on Containers (Brussels, 27 and 28 February 2017);

Seminar on the automation of transit procedures and electronic exchange of data in the context of trade facilitation (Istanbul, 19 and 20 April 2017);

Workshop on a regional computerized TIR corridor (Batumi, 11 and 12 May 2017);

Meeting with the European Commission for the ITDB customs offices database (Brussels, 30 May 2017);

Meeting of the European Commission Customs Expert Group (Brussels, 31 May 2017);

WCO IT Conference 2017 (Tbilisi, 7-9 June 2017);

International Transport Forum (Leipzig, 31 May-2 June 2017);

WCO Working Group on the World Trade Organization (WTO) Trade Facilitation Agreement (Brussels, 16-17 October 2017);

eTIR- NCTS working meeting (Brussels, 20 February 2018);

Electronic Customs Coordination Group (ECCG) (European Commission) (Brussels, 15 March 2018);

Inauguration Workshop for the accession of Qatar to TIR Convention (Doha, 10 April 2018);

Ukrainian e-TIR field visit (Istanbul and Izmir, 9-10 May 2018);

Organization for Security and Cooperation in Europe (OSCE) Training for Border Guards and Customs Officers Serving at the Border Crossing Points on the International Railway and International Road Crossings (Ashgabat, 28 May-2 June 2018);

2018 WCO IT Conference and Exhibition (Lima, 6-8 June 2018);

WCO Regional Workshop on Simplification and Acceleration of Customs Procedures (Baku, 20-21 June 2018);

eTIR-NCTS working meeting (Brussels, 18 July 2018);

International trade and transport facilitation through digitalization of TIR procedures (Baku, 4-6 September 2018);

ECCG- European Commission (Brussels, 23 November 2018);

The secretariat also organized an ITDB Seminar on 14 June 2018 in Geneva and presented the TIR Convention during the visits of delegations from India, South Africa and Qatar at the Palais des Nations.

The TIR Handbook was updated and distributed in the three United Nations languages (English, French and Russian) in August 2018. Translation into other official United Nations languages is in progress. (see <https://www.unece.org/tir/tir-hb.html>)
 The TIR training webpage was updated with a new design of the courses and improved content. (see <https://www.unece.org/tir/training/english.html>)
 See also activity 5.

(5) To promote the geographical expansion of the TIR system

Promote the TIR Convention at regional and national workshops, seminars and conferences on transit, trade and transport facilitation or related issues, in particular, in regions where countries have recently acceded or expressed an interest to accede to the TIR Convention in the near future (such as, but not limited to, Argentina, China, India, Pakistan and Saudi Arabia).
 Provide technical assistance and advice to interested parties.

High-Level Meeting for the Euro-Asia Region on Improving Cooperation on Transit, Trade Facilitation and the 2030 Agenda for Sustainable Development (Hanoi, 7-9 March 2017);
 Regional Awareness Raising Workshop on the Main UN Road Transport Legal Instruments and on Intelligent Transport Systems (ITS) (Brussels, 4 July 2017);
 WCO Global Transit Conference (Brussels, 10-11 July 2017);
 Fifteenth meeting of the Inter-agency Consultative Group on the Least Developed Countries (LDCs) (IACG) on the Implementation of the Istanbul Programme of Action for LDCs for the Decade 2011-2020 (New York, 3 October 2017);
 Fifth meeting of the IACG on the Follow-up and Implementation of the Vienna Programme of Action for the LDCs for the Decade 2014-2024 (New York, 4 October 2017);
 Expert Group Meeting on Financing Infrastructure Development for Enhanced Integration of the LDCs into Global Trade (New York, 4-5 October 2017);
 Fourth WCO Global Authorized Economic Operator Conference (Kampala, 14-16 March 2018);
 Seventeenth Transport Sector Coordinating Committee Meeting of Central Asia Regional Economic Cooperation Program (CAREC) (Istanbul, 18-19 April 2018);
 WCO Regional Transit Workshop (Asuncion, 21-23 May 2018);
 See also activity 4.

(6) To supervise the centralized printing and distribution of the TIR Carnets, including the monitoring of the price of TIR Carnets

Monitor the annual numbers of TIR Carnets distributed to various contracting parties, broken down by type (i.e. 4-, 6-, 14- or 20-voucher TIR Carnets).
 Monitor the price of TIR Carnets at international level (i.e., ex-IRU price) on the basis of information to be reported by IRU annually or when modified.

Analysis of the prices of TIR Carnets

At its seventy-second session (May 2017), The Board took note that the secretariat had received the 2017 TIR Carnet prices from 33 associations (compared to 51 in 2016). The Board also took note that no association had used the online survey to report their prices. The Board mandated the secretariat to send a reminder to those associations that had not replied yet (possibly with the assistance of IRU) and noted that the 2017 prices as well as the analysis of those prices would be submitted to a future session of the Board.

Analyse the data on prices of TIR Carnets at the national level, as provided by national associations in line with to Annex 9 Part I, paragraph 3 (vi), and publish them on the TIR website.

At its seventy-third session (June 2017), the Board thanked IRU for sending a reminder to issuing associations on 31 May 2017 and took note of the TIR Carnet prices for 2017 (39 associations compared to 51 in 2016). Taking note that the number of replies had increased subsequent to the reminder but that the number of replies was still lower as compared to the previous year, the Board mandated the secretariat to send another reminder to associations, possibly with the assistance of IRU, and prepare an analysis of the prices for its next session. Furthermore, the Board decided to postpone the discussion on the survey on TIR Carnet prices to its next session.

At its seventy-fifth session (December 2017), the Board took note that 50 associations had provided the TIR Carnet prices for 2017 and thanked IRU for their efforts to ensure that associations comply with their obligation to provide the prices of the types of TIR Carnets they issue. The Board requested the secretariat to publish the 2017 prices on the TIRExB website.

The Board regretted that only one association had replied to the price survey, which had been launched with the aim to provide more transparency and comparability between the prices. The Board acknowledged that Annex 9, Part I, paragraph 3 (vi) of the TIR Convention did not provide an obligation for associations to respond to the survey in 2017 but stressed that it had approved the questionnaire and requested its circulation at its seventy-first session. The Board requested the secretariat to send a letter to the heads of associations requesting them to respond to the online price survey and recalling on which basis the request was made. The Board requested the letter to be sent before the end of the year and with email copies to associations TIR Focal Points and customs TIR Focal Points. The Board also requested assistance of IRU, if necessary, to obtain contact information of the heads of national associations.

While supporting the compliance by national associations with all their obligations resulting from the TIR Convention, Mr. Y Guenkov (IRU) expressed concerns with regard to the detailed nature of the survey, which, in his view, went beyond the requirements set forth in Annex 9, Part I, paragraph 3 (vi).

With regard to the analysis of the 2017 prices, the Board took note that the analysis led to the same conclusions as those undertaken in previous years, i.e. while the principle of economies of scale is respected, the analysis does not show any relation between the TIR Carnet prices and the variables used as proxies for the operational costs of associations. The Board requested the secretariat to submit the data and the analysis to AC.2.

At its seventy-sixth session (February 2018), TIRExB noted that nineteen contracting parties had responded to the online survey and that six more contracting parties had sent prices directly to the secretariat. The Board recalled that the deadline to send price data and respond to the survey was 1 March 2018 and decided to revert to the agenda item at its next session.

At its seventy-seventh session (June 2018), TIRExB noted that, to date, thirty-seven associations had responded to the online survey and that eight more associations had sent prices directly to the secretariat. The Board regretted that only forty-five associations had provided the 2018 TIR Carnet prices and, for the sake of comparability with previous analyses, requested the secretariat to send reminders (with the assistance of the IRU) to gather additional data prior to conducting the analysis of the 2018 TIR Carnet prices. The Board also noted that the survey did neither allow to calculate harmonized comparable TIR Carnet prices (i.e. allowing an unbiased comparison of the prices between the various countries) nor ensure that all prices are the actual final prices paid by the transport operators (i.e. inclusive of all taxes and fees). Consequently, the Board instructed the secretariat to prepare a revised version of the questionnaire for its next question. The IRU offered its assistance to revise the questionnaire. Finally, the Board also requested the TIR secretariat to already publish on the TIR website the 2018 prices.

(7) To facilitate the settlement of disputes between contracting parties, associations, insurance companies and international organizations without prejudice to Article 57

Analyze and monitor disputes referred to the Board and make recommendations (if necessary) to facilitate their settlement.

Relations of the international organization with Moldavian and Romanian associations

At its seventy-second session (May 2017), TIRExB considered a joint letter addressed to TIRExB and Ms. Molnar (UNECE). The letter asked for assistance to obtain certain information related to IRU, including a copy of the global insurance contract regarding the two national associations and a full copy of the IRU external audit report. Further, the Board took note of the letter sent in response by Ms. Molnar (UNECE), which referred, among others, to the responses provided by IRU during the session in February 2017 of WP.30 with regard to its external audit report.

With regard to the request for a copy of the global insurance contract, the Board noted that it fell under Annex 9, Part III, paragraph 2 (a). Questions were raised as to the responsibilities of the international organization under that paragraph and UNECE's role in the distribution of documents pertaining to the guarantee chain.

The secretariat clarified that AC.2, at its sixty-third session (February 2016), had endorsed a checklist of documents that the international organization ought to provide in fulfilment of its obligations under Annex 9, Part III and that those documents be deposited with the TIR secretariat at UNECE. In addition, AC.2 had established a procedure whereby contracting parties could request copies of those documents through their permanent missions in Geneva. Accordingly, the secretariat was mandated to distribute those documents only upon request by and to contracting parties.

Furthermore, the secretariat noted that Annex 9, Part III, paragraph 2(a) appeared to

stipulate that the international organization would have a responsibility to transmit the global insurance contract to its member associations. In response, Mr. Y. Guenkov (IRU) informed the Board that both associations had been provided with a copy of the global insurance contract according to the records of IRU.

After extensive discussions, TIRExB agreed to request (a) IRU to resend a copy of the global insurance contract to the two national associations; and (b) the two national associations to provide all documents to the Board to enable it to provide an informed response to the letter.

At its seventy-third session (June 2017), the Board noted that the national associations had complied with the request made at its previous session to provide all documents referred to in their letter to the Board. The Board noted that the delegation of IRU did not consent to the distribution of those documents outside TIRExB.

Against that background, the Board heard a presentation by Mr. C. Șerban from the Romanian Association for Road Transport (ARTRI). The presentation provided an overview on allegations from the perspective of Moldavian Association for International Road Transport (AITA) and ARTRI pertaining to, among others, financial mismanagement at IRU. The two national associations asked TIRExB to (a) request IRU to provide the full insurance documents, the external audit report, financial statements and audits of all its entities; (b) oblige IRU to inform TIR bodies about the status of pending criminal proceedings and to take responsibility for their action; (c) support all current actions towards transparency and legality from all actors of the TIR system; and (d) ensure that IRU respected the provisions of the TIR Convention in particular Annex 9, Part III. TIRExB thanked ATRI for the presentation and requested to have the presentation and the copy of the statement for further consideration. ATRI clearly indicated its consent to that end.

With respect to the global insurance contract, it was clarified that IRU had provided it to all national associations. However, ARTRI and AITA considered the document provided as not complete, lacking certain annexes and information.

There was general agreement among TIRExB that the matter was of high importance. It was stated that the allegations with regard to criminal misconduct were serious, but for the Swiss authorities and not the Board to investigate. It was also stated that the monitoring role of TIRExB under the Convention regarding the insurance system was linked to ensuring that the guarantee chain functioned satisfactorily with regard to customs debt. Therefore, the view was expressed that insurance premiums, investments and other financial issues were outside the scope of responsibilities of TIRExB. A further consideration was that the Board was not composed of financial but customs experts. However, it was pointed out that increasing transparency had been explicitly included in the Board's programme of work 2017-2018. Thus, the Board would have to fulfil its monitoring function in that regard. To that end, it was proposed to recommend

an audit of IRU to AC.2. The Board recalled that AC.2 would consider a package of amendments for adoption at its October 2017 session, including on Annex 8, mandating TIRExB to carry out external audits on the international organization. With regard to the prices of TIR Carnets, IRU clarified that they were fixed by the IRU General Assembly. In addition, the Board was cautioned by the secretariat not to let itself be dragged into internal matters between the international organization and its national associations.

After discussion, the Board agreed that (a) the letter by the two national associations warranted a reply to be prepared by the secretariat and considered by the Board at a future session; (b) careful consideration and analysis on whether the matters fell within its competence was needed; and (c) the level of competence of the Board on the matters at stake should be carefully outlined. In addition, TIRExB agreed, further to the provision of Annex 9, Part III, paragraph 2 (a) of the TIR Convention, to request IRU to submit directly to TIRExB a certified copy of the full set of the global insurance contract, for consideration by the Board at its next session. With regard to the external audit report, the Board recalled its decision at its previous session. Upon request of IRU to also have the copy of the presentation made by Mr. C. Șerban (ARTRI), the secretariat was requested to seek clarification from ARTRI.

At its seventy-fourth session⁶ (October 2017), the Board noted that the new President of AITA had requested the Board to disregard the previous submissions by the former management of AITA, so that the draft response would only be addressed to ARTRI. In response to a question by Mr. S. Fedorov (Belarus), the secretariat confirmed that the certified copy of the global insurance contract was transmitted to the Board as received, which was in French. In addition, the Board noted that the certified copy corresponded to the version that the secretariat had received in 2011, but included, in addition, annexes with certain redacted figures.

Thereafter, Mr. S. Amelyanovich (Russian Federation) noted that the submission of the certified copy of the global insurance contract with redacted figures constituted a failure to comply with Annex 9, Part III, paragraph 2 (a) as already claimed by ARTRI. However, Mr. S. Somka (Ukraine) emphasized that the Board had received a certified copy of the global insurance contract and that the missing parts seemed to be figures related to other matters than linked to the TIR procedure, such as management fees, reimbursement, etc. He added that the reason for redaction might have been confidentiality and recalled a previous session, in which representatives of insurance companies did not provide the concrete premiums to the Board for that reason. Mr. S. Amelyanovich observed that it was not clear which parts of the contract were missing nor what document the copy was certified from, i.e. a redacted or complete original.

⁶ See ECE/TRANS/WP.30/AC.2/2018/2.

Mr. S. Fedorov (Belarus) proposed that the Board should simply provide a statement of facts without any commentary, i.e. that there had been a request to provide a certified copy of the full global insurance contract in response to a situation where a national association claimed non-receipt of it and that the Board did not receive the full, but a redacted version.

After discussion, the Board decided to (a) follow Mr. S. Fedorov's proposal; (b) to request the certified copy of the full global insurance contract without any redactions from IRU; and (c) inform AC.2 accordingly.

In view of the letters received between July and October 2017, in particular the initiation of the process of exclusion and termination by IRU of its contractual relations with ARTRI, the Board regretted the deterioration in the relationship between ARTRI and IRU and urged all relevant parties to sustain efforts for continuing the functioning of the guarantee system. In addition, the Board decided to bring the matter to the attention of the Committee.

The Board noted that the Romanian customs authorities had requested its advice on the case, which merited a response. The Board also noted that the Convention explicitly addressed the duties of the national association, the international organization and the contracting parties. Moreover, the Board decided to bring to the attention of AC.2 that the only reference to the relationship between the international organization and its national associations was in the Explanatory Note to Article 6, paragraph 2bis, which only stated "the relationship should be defined in written agreements on the functioning of the international guarantee system". In that regard, Mr. Amelyanovich (Russian Federation) proposed that TIRExB should start working on a model agreement between the international organization and AC.2. In response, the Board viewed the proposal as premature, since AC.2 should be first informed about the issue.

The Board decided to continue its assessment at its next session and to ask IRU for clarification about the reasons for excluding ARTRI. At the same time, the Board was of the view that the matter should also be brought to the attention of the Committee for further consideration, since each national association was authorized by a contracting party and the contracting parties, through AC.2, authorized the international organization.

At its seventy-fifth session (December 2017), TIRExB continued its consideration of the matter. Mr. Y. Guenkov (IRU) informed the Board that the redacted figures in the global guarantee contract concerned business intelligence information being also accessible through the E&Y audit report. However, Mr. Y. Guenkov brought a certified copy of the global guarantee contract to the current session, which TIRExB could examine in his presence and without any pictures taken. Mr. Amelyanovich (Russian Federation) considered that procedure as not complying with the requirement in Annex 9, Part III, Article 2 (a) of the TIR Convention. In his view, (a) the contracting parties

had not received the full certified copy of the global guarantee contract with all figures, (b) the situation was not in compliance with Annex 9, Part III, Article 2 (a), and (c) TIRExB should insist that the provision be complied with in the future, in particular since the figures could be of interest to ministries of finance.

In the view of Mr. S. Somka (Ukraine), IRU had complied with the request by TIRExB. Mr. S. Somka explained that the exact figures had no importance to him, since they had no relevance for the functioning of the TIR guarantee system and were part of the private relationship between IRU and its member associations. He added that Annex 9, Part III, Article 2 (a) did not reflect the mechanism of how the information should be provided nor referred to any annexes. Ms. L. Jelínková (European Commission) said that IRU had complied with the request of TIRExB, but that it was another question whether national associations had seen the full guarantee contract or not. Mr. S. Fedorov (Belarus) noted that contracting parties seemingly had not complained about the form in which they had received the global guarantee contract until to-date. In conclusion, TIRExB noted that Annex 9, Part III, Article 2 (a) was a provision providing contracting parties with certified copies of the global guarantee contract and proof of coverage. TIRExB also noted that the TIR Convention did not define a mechanism on the manner and form in which the contract should be provided. According to the assessment by TIRExB, in practice, the international organization through the national associations had not provided contracting parties with the full certified copy, i.e. with the figures in the annexes. Therefore, TIRExB decided to bring the matter to the attention of AC.2. TIRExB recognized, however, that it had not raised any concerns before. Further, TIRExB called on IRU to intensify the cooperation with its national associations, so that matters concerning their relationship would not escalate to the level of TIRExB. TIRExB noted that IRU cooperated with the request to provide the full global guarantee contract to the Board. Nonetheless, Mr. S. Amelyanovich requested his concerns to be fully reflected in the report.

TIRExB reiterated that the request for guidance by the Romanian customs administration merited further consideration and a response. TIRExB noted that AC.2 was informed at its sixty-sixth session (October 2017) of the points that needed further consideration of the contracting parties, i.e. no reference in the TIR Convention to the agreement between the international organization and its national association except for the Explanatory Note 0.6.2 bis-1 and concerns that IRU could exclude a national association when the respective customs authorities viewed the national association to meet all its obligations.

Mr. Y. Guenkov (IRU) informed that (a) the deed of engagement with ARTRI was terminated with entry into effect on 31 January 2018, (b) ARTRI could still appeal against the termination of its membership at the IRU General Assembly (May 2018), and (c) the National Union of Road Hauliers from Romania (UNTRR) had agreed to

take on the responsibilities of ARTRI. Further, Mr. Guenkov clarified that the Romanian customs authorities had been notified of the termination of the deeds of engagement. In response, TIRExB regretted the deterioration of the situation. Mr. S. Amelyanovich (Russian Federation) observed that, though Romania had a second national association ensuring the continuation of the TIR guarantee chain, the case presented a bad precedence.

In response to the question by Mr. S. Amelyanovich (Russian Federation) which contractual provisions ARTRI violated, Mr. Y. Guenkov (IRU) explained that (a) the deeds of engagement could be terminated with or without cause by either party and (b) ARTRI had harmed the reputation of IRU through repeated serious, defamatory allegations, putting the role and operation of IRU, including the international guarantee coverage, at serious risk, thus violating the IRU constitution to which ARTRI had agreed.

Mr. S. Amelyanovich (Russian Federation) was of the opinion that IRU terminated the deeds of engagement without any violation thereof by ARTRI and that the IRU constitution was irrelevant as not mentioned in the TIR Convention. Mr. S. Somka (Ukraine), however, pointed out that the TIR Convention required the affiliation of the national association with the international organization. He also stated that he had reviewed the IRU constitution forming a solid basis thereof. He added that the IRU constitution clearly described the procedure for affiliation with IRU and the IRU management had duly followed the procedure for exclusion.

In the response to the letter by the Romanian customs authorities, TIRExB decided to call on the customs authorities, IRU and all parties involved to sustain the operability of the guarantee chain. TIRExB agreed to reiterate (a) the concerns that IRU could exclude a national association when the respective customs authorities viewed the national association to meet all its obligations and (b) its findings that the TIR Convention was silent on the agreement between the international organization and its national association except for the reference in the Explanatory Note 0.6.2 bis-1 as already brought to the attention of AC.2. TIRExB agreed to remind the Romanian customs authorities that a (new) national association would need to comply with the minimum conditions and requirements pursuant to Annex 9, Part I of the TIR Convention, to avoid that there was no TIR guarantee coverage for Romania.

TIRExB agreed to include in the letter a paragraph drawing the attention of the Romanian customs authorities to Article 6, paragraph 2 of the TIR Convention which required that the national association should be affiliated with the international organization and that the duties of the national association were also stipulated in Annex 9, Part I, paragraph 3 (v) requiring the affiliation of the national association to the international organization. Thus, TIRExB finalized its response to the Romanian customs authorities and requested the secretariat to transmit its letter following the

session. TIRExB urged Romanian customs authorities, IRU and all relevant parties to sustain efforts for the uninterrupted continuation of the international guarantee chain. At its seventy-sixth session (February 2018), TIRExB took note that the Romanian customs authorities had authorized the UNTRR to act as TIR guaranteeing association in Romania, in accordance with the provisions of Article 6, paragraph 2 and Annex 9, Part I of the TIR Convention.

Mr. Y. Guenkov (IRU) further informed that ARTRI had obligations towards the Romanian authorities and remained responsible for all TIR Carnets issued by ARTRI up to and including 31 January 2018. In addition, he assured that the international guarantee chain would take the responsibility for all claims.

In response to questions raised, Mr. Y. Guenkov (IRU) confirmed that ARTRI would remain responsible for a claim regarding a TIR Carnet issued by ARTRI before 31 January 2018, but with the claim submitted after 31 January 2018, e.g. 10 February 2018. Further, Ms. L. Jélínková (European Commission) asked why the claims should be addressed to ARTRI if UNTRR had a valid certificate and agreement as of 8 January 2018. Mr. Y. Guenkov replied that the reason for two insurance certificates was most probably that UNTRR had previously been only authorized for issuing national TIR Carnets. In addition, Mr. S. Somka (Ukraine) expressed doubts, shared by Mr. S. Fedorov (Belarus), on whether ARTRI could cover claims arising after 31 January 2018 on TIR Carnets issued before 1 February 2018, if the insurance coverage by AXA only covered the time until 31 January 2018 for ARTRI.

In response to a question by Mr. S. Amelyanovich (Russian Federation), the secretariat stated that there was no written formal procedure on how contracting parties were notified on the change of a TIR Carnet issuing national association and made reference to the IRU Circular letter distributed via email to TIR Focal Points and included in the Informal document WP.30/AC.2 (2018) No. 2.

Mr. Y. Guenkov (IRU) clarified that the appeal by ARTRI concerned only its IRU membership and would be decided at the next IRU General Assembly meeting (4 May 2018). The terminated deed of engagement to issue TIR Carnets remained unaffected thereof. TIRExB noted the developments and expressed, once more, its regret about the deterioration of situation, i.e. the relations of IRU and its member.

In view of the questions raised on the details of the guarantee coverage and the transition between ARTRI and UNTRR, TIRExB requested IRU to provide further information, including example cases with dates on the guarantee coverage for better comprehension of the situation. TIRExB also called on IRU to provide further information to WP.30 and AC.2 (February 2018 sessions) to clarify the situation for all contracting parties.

TIRExB considered a letter by the Romanian customs authorities, in which the Romanian customs authorities shared the findings of TIRExB that the TIR Convention

was silent on the agreement between the international organization and its national association except for the reference in the Explanatory Note 0.6.2 bis-1. TIRExB noted that the Romanian customs authorities proposed to clarify the reasons for termination of those agreements in a new Explanatory Note to Article 6, paragraph 2.

TIRExB decided to (a) remind AC.2 of its findings that the TIR Convention was silent on the agreement between the international organization and its national associations except for the reference in the Explanatory Note 0.6.2 bis-1, (b) inform AC.2 of the proposal by the Romanian customs authorities, and (c) urge contracting parties at the upcoming AC.2 session to pay more attention to the grey area noted on the matter in the TIR Convention and to provide guidance to TIRExB.

In addition, TIRExB finalized its response to a request by ARTRI for further reaction on the case. TIRExB decided to respond to ARTRI by (a) acknowledging receipt of the letters dated 5 December 2017 and 23 January 2018, (b) stating that TIRExB considered the matter in reference to the letter sent to ARTRI on 16 October 2017 as well as the letter to Romanian customs on 11 December 2017, (c) informing that TIRExB would bring the matter to the attention of AC.2, and (d) expressing its regrets about the deterioration of the situation.

At its seventy-seventh session (June 2018), TIRExB took note of information provided by IRU in its letter dated 23 February 2018 that IRU's Presidential Executive had decided to recall its decision on the exclusion of AITA from IRU and on the termination of the Deeds of Engagements. Mr. Guenkov (IRU) confirmed that AITA will maintain its status as the national guaranteeing association for the Republic of Moldova.

TIRExB further considered the letter from IRU, dated 8 May 2018, on the exclusion of the ARTRI from IRU membership. Mr. Guenkov (IRU) stated that the letter was sent further to the decision of the IRU General Assembly on 4 May 2018 to uphold the decision of IRU's Presidential Executive to exclude ARTRI. Consequently, ARTRI was no longer a member of IRU and had no contractual affiliation via the Deeds of Engagement, which terminated on 31 January 2018. He added that all due measures had been taken to ensure the uninterrupted and proper functioning of the TIR system in Romania. Ms. Jélíková (European Commission), recalling previous discussions on the use of TIR Carnets issued by ARTRI prior to exclusion and its possible consequences, requested further clarification about the liability of ARTRI for those TIR Carnets and any possible claims procedure. Mr. Guenkov (IRU) clarified that all business relations set out in the Deeds of Engagement between IRU and ARTRI remained intact, which meant that the responsibility of ARTRI for the use of TIR Carnets vis-a-vis the guarantee chain and the responsibility of the guarantee chain for the guarantee coverage for these TIR Carnets remained valid. He added that all measures had been taken regarding the validity of the TIR Carnets, and that TIR Carnets issued before 31

January 2018 had full guarantee coverage. He also mentioned that transporters had already started registering with the UNTRR, but that such registration was completely left to their discretion.

Ms. Jélíková (European Commission) informed that, to her knowledge, the Romanian customs authorities were in the process of revoking the authorization of ARTRI. At the same time, they preferred continuing to communicate with ARTRI on claims and other problems arising from TIR Carnets that had been issued by this association, whereas IRU recommended that such claims should be cleared with UNTRR. Mr. Guenkov (IRU) stated that, in the view of IRU, the legitimate association to communicate with in such cases should be the association authorized by the competent authorities, which, at this moment, is UNTRR. However, in case the Romanian customs authorities preferred to continue addressing the association that had issued the TIR Carnets, this would be acceptable as well, as long as it was ensured that the guarantee chain was informed in a timely manner.

Article 6, paragraph 2

At its seventy-seventh session (June 2018), the Board held a first round of discussions on the issue on the basis of the background information provided by the secretariat on the history of Explanatory Note 0.6.2 bis 1 which elaborated on the connection between, on the one hand, the agreement between customs authorities and the national associations which is governed by public law and, on the other hand, the contractual relationship that exists between the international organization and its member associations, which is governed by private law (IRU Constitution and Deeds of Engagement). The Board, although conscious that the matter was sensitive, recalled the mandate that it had received from AC.2 “to assess whether and to which extent it would be possible to include provisions on the relation between the international organization and its national associations in the text of the TIR Convention and to report back to the Committee at one of its future sessions” (see ECE/TRANS/WP.30/AC.2/137, paras. 16 and 39).

The Board agreed that, indeed, the recent events in Romania had led to an unprecedented situation. However, this should not prevent the Board or, eventually, contracting parties from drawing lessons from it which could provide guidance for any (similar or other) future complication in the public-private partnership. As a first step, the Board decided to analyse the current provisions in the TIR Convention, viz, Article 6, paragraph 2, Explanatory Note 0.6.2. bis 1 and the provisions of Annex 9, Part I. As a next step, the Board could then address the question whether it would be possible to establish a link between the agreement concluded between national competent authorities and national guaranteeing associations and the affiliation of national associations to one and the same international organization or whether the latter was purely a matter of private law. The Board decided to revert to this matter at its next session.

IRU external audit report

At its seventy-second session (May 2017), with regard to the matter of the recent allegations against IRU and its management, the Board decided that it was not in a position to discuss the Executive Summary of the IRU external audit report due to lack of time and to discuss the matter at a future session subsequent to the consideration of the matter by WP.30 at its June 2017 session. In addition, the Board requested the secretariat to make the Executive Summary available to the new members of the Board upon their request.

At its seventy-third (June 2017), seventy-fourth (October 2017), seventy-fifth (December 2017) and seventy-sixth (February 2018) sessions, noting that WP.30 had kept the item on its agenda, TIRExB decided to retain the agenda item and to monitor any new development at WP.30.

At its seventy-seventh session (June 2018), TIRExB recalled that AC.2, at its sixty-sixth session (October 2017), had reiterated the importance of having the opportunity to thoroughly review the full audit report and decided to maintain the item on the agenda for future discussions, and also that the European Union had put forward a proposal at that session, namely whether it would be possible to mandate TIRExB to engage, on the basis of its budget provisions, an expert or consultant to review the full report on behalf of AC.2. TIRExB further recalled the mandate given at the sixty-seventh session of AC.2 (February 2018) to further look into the IRU external audit report and assess the situation.

Against this background, TIRExB held a first round of discussions on the matter. First of all, it was highlighted that the members of the Board themselves did not have the expertise to analyse such a report. Questions such as the added value of hiring another external auditor to audit this report, funding mechanisms, possible implications of such an activity and access to the full report were raised. The Board decided to revert to this matter at its next session.

Problems of Kyrgyz TIR transporters at the Kazakh border

At its seventy-fifth session (December 2017), TIRExB considered the problems of Kyrgyz TIR transporters at the Kazakh border reported by the Kyrgyz Republic. TIRExB noted that the secretariat had contacted the Permanent Mission of Kazakhstan, the Kazakh TIR Focal Point and the adviser to the Eurasian Economic Commission (EEC), for further information on the situation. Noting the shortage of information to assess the situation thoroughly, TIRExB requested the secretariat to send a letter to the Kazakh customs administration asking for information on the case, transmitting the same letter (a) directly to the Kazakh customs administration and (b) through diplomatic channels with a reminder to the Permanent Mission of its outstanding response. Further, TIRExB requested the secretariat to transmit via email copies of TIRExB correspondence sent.

At its seventy-seventh session (June 2018), the Board recalled that it had only received information from the EEC adviser on the issue, who had referred to a high-level meeting between the two countries where an action plan seemed to have been concluded.

Considering the limited information available, TIRExB decided to finalize its considerations of the matter for the moment and requested the secretariat to send a letter to the Kyrgyz customs administration summarizing the discussions and putting forth its readiness to analyse the issue further if the problems persisted and subject to being provided with more and detailed information.

(8) To study specific measures (both legal and practical) to combat fraud resulting from the misuse of the TIR procedure

Identify possible weaknesses in the legal basis of the TIR Convention which could make it prone to fraud and recommend appropriate solutions.

No specific measures were reported to TIRExB during the current mandate.

(9) To increase transparency and facilitate the exchange of information between competent authorities of contracting parties, national guaranteeing associations, IRU and other Governmental and non-governmental organizations. To coordinate and foster the exchange of intelligence and other information among competent authorities of contracting parties

Elaborate adequate instruments and find measures to improve international cooperation among Contracting parties to the TIR Convention and their national associations, and the international organization in order to prevent and combat fraud.

Improve transparency between all stakeholders by means of, but not limited to, monitoring IRU's financial statement.

Taking into account the views of other international governmental and non-governmental bodies, and in consultation with the IRU, identify fraud prevention measures, including risk analysis tools.

On the basis of information provided by the TIR international guarantee chain, study the situation with regard to the new trends of fraud, the notifications of non-discharge and TIR infringements as a contribution to an "early-warning system" for identification and prevention of fraud.

Four Fraud Report Forms (FRF) were posted at the restricted TIR customs focal point webpage during the current mandate.

At its seventy-seventh session (June 2018), TIRExB considered two letters sent by the State Customs Committee of Republic of Uzbekistan. In its letters, Uzbek authorities referred to 692 TIR Carnets presented at customs offices in the first quarter of 2018 with an improper goods description in box 10. The letters also mentioned that such malpractice had caused irregularities, such as the removal of goods by replacing attached documents. TIRExB also took note of a letter sent by IRU to the Uzbek authorities on the issue offering assistance to further analyse the matter while recommending the use of IRU TIR Electronic Pre-Declaration (EPD) application. TIRExB recalled its discussions on similar incidents encountered in the past (see ECE/TRANS/WP.30/AC.2/2007/7, paragraphs 19-25) and the example of best practice on the proper filling-in and use of the TIR Carnet contained in Part 7 of the TIR Handbook.

TIRExB requested the secretariat to submit the case for the attention of the competent authorities at the forthcoming session of WP.30 on 12-14 June 2018. The Board pointed out the responsibilities of the customs offices of departure pursuant to Article 19 and its accompanying Explanatory Note, and recommended the use of best practices in Part 7 of the TIR Handbook to ensure the accuracy of the goods manifest in the TIR Carnet. See also activity 2.

Supervise and promote the new ITDB as building block of the future eTIR system.

Expand the scope of the ITDB to include, inter alia, data on Customs offices approved for TIR operations and certificates of approval of vehicles and containers.

(10) To supervise the national/regional customs control measures introduced in the framework of the TIR Convention

Identify national/regional customs control measures introduced in contracting parties to the TIR Convention and check their conformity with the provisions of the TIR Convention.

Address the respective national authorities in order to modify or abolish measures which are in contradiction to the TIR Convention for the sake of ensuring proper application of the TIR Convention in all Contracting parties.

At its seventy-fifth session (December 2017), Mr. Y. Guenkov (IRU) informed that the problems reported by some of its national associations on the implementation of TIR Convention in the Russian Federation had recently stopped. In addition, Mr. Y. Guenkov informed about a draft decree or instructions which might further limit the implementation of the TIR Convention in the Russian Federation, notably by referring only to import goods without any reference to export goods or offices open for that procedure. Mr. Y. Guenkov also made an appeal for the computerization of the TIR procedure to happen soon to accommodate national procedures of contracting parties which made electronic transit declarations on their territories obligatory, and posed the question whether such requirement would be compatible with the TIR Convention. Mr. S. Amelyanovich (Russian Federation) said that there were no limitations in the application of the TIR Convention by the Russian Federation. In addition, he appealed to IRU to choose its submissions more thoroughly to avoid spending time on matters that had been resolved and were, in his view, unfounded.

At its seventy-seventh session (June 2018), TIRExB was informed by Mr. Guenkov (IRU) that IRU had not received further complaints from the parties which had raised the original problems. However, he pointed out that the number of customs offices approved for accomplishing TIR operations on the territory of the Russian Federation had decreased over time and that particularly the ports were left out. He added that the statistics also revealed a drastic decrease in the number of TIR operations in the Russian Federation on account of the use of the national transit system. He stated that such practices limited the scope of application of the TIR Convention.

Regarding customs offices available for accomplishing TIR operations in the Russian Federation, Mr. Somka (Ukraine) referred to the Decree of the Ministry of Finance of the Russian Federation of 24.10.2017, No. 159n "On the movement of goods in accordance with the Customs Convention on the International Transport of Goods with the TIR Carnet", which had come into force in May 2018, containing a list of border crossing points (BCPs) authorized to process TIR Carnets. With reference to prior discussions on the BCPs between the Russian Federation and Ukraine, he raised concern about possible negative effects of this Decree, since the requirement in Article 45 of the TIR

Convention of consultations between neighbouring countries to agree on corresponding border offices, had been ignored. He underlined that, for the proper functioning of the TIR system, it was important to comply with the provision of Article 45 of the TIR Convention.

TIRExB took note of the information and having noted the absence of further complaints concluded its discussions on the matter.

(11) To monitor the application of the EDI control system for TIR Carnets

Continue activities, in cooperation with IRU, towards the full implementation of an international EDI control system for TIR Carnets, as foreseen by Annex 10 to the TIR Convention.

Monitor performance and give feedback to contracting parties.

Study, with the support of IRU, how the EDI control system for TIR Carnets is being used by the national issuing associations and Customs authorities for the purposes of fraud prevention.

At its seventy-seventh session (June 2018), TIRExB was informed by Mr. Guenkov (IRU) about a modification in the TIR Carnet layout as a consequence of having started printing TIR Carnets in Belgium. He stated that, as TIR Carnets would now be printed both in Belgium and Switzerland, it was necessary to delete the reference to the country of production from the TIR Carnets.

(12) To maintain the central record for dissemination to contracting parties of information on all rules and procedures prescribed for the issue of TIR Carnets by associations, as far as they relate to the minimum conditions and requirements laid down in Annex 9

Input to be provided by the IRU in case of changes.

(13) To provide support in the application of specific provisions of the TIR Convention

Consider options to introduce more flexibility in the use of guarantees in the TIR Convention.

Consider, at the request of AC.2, the application of Article 7 of the Convention.

Draft, at the request of the TIR Administrative Committee, an Explanatory Note to Article 18 of the Convention on the nature of the maximum number of places of loading and unloading.

Consider proposals with regard to making use of the new ITDB mandatory.

Update the example agreement for inclusion in Chapter 6.2 of the TIR Handbook.

Proposals to introduce more flexibility in the guarantee system

At its seventy-third session (June 2017), TIRExB recalled that the previous composition of the Board, towards the end of its mandate, had exhausted its assessment of increasing further flexibility in the guarantee system and had transmitted its considerations to AC.2 for further discussion. The Board agreed to commence consideration of that matter only subsequent to the deliberations of AC.2.

At its seventy-fourth session (October 2017), The Board reiterated its decision to commence consideration of the matter only subsequent to the deliberations of AC.2. Ms. L. Jelínková (European Commission) said that it would be useful to know how many contracting parties had already raised the TIR guarantee limit to EUR 100,000 and asked the secretariat to provide such information for the next session. In response, the secretariat preliminary informed that to-date it had been notified by five contracting parties about agreements with its respective national associations to harmonize the TIR

*Outputs expected in 2017 and 2018**Main accomplishments*

When required, draft recommendations and/or examples of best practice on the application of specific provisions of the TIR Convention.

guarantee level (Italy, Poland, Romania, Slovenia and Turkey), but that the actual number was probably higher. The secretariat further informed that a more concrete number could be provided in January 2018, when the insurance certificates would be received for 2018. Mr. Y. Guenkov (IRU) added that the Czech Republic had also raised the TIR guarantee level and that IRU would provide further information on the number of contracting parties having raised the TIR guarantee level to the secretariat to be reported to the Board at its next session.

At its seventy-fifth session (December 2017), TIRExB noted that 20 contracting parties had raised the TIR guarantee limit to EUR 100,000.

At its seventy-sixth session (February 2018), TIRExB reiterated its decision to commence consideration of the matter only subsequent to the deliberations of AC.2. Further, the secretariat informed the Board that the insurance certificates for 2018 indicated an increase of the insurance level to 100,000 Euro for seven additional contracting parties. TIRExB noted, however, that the increase in the insurance certificate only pertained to the insurance coverage and did not indicate an increase of the maximum guarantee level by the contracting parties.

At its seventy-seventh session (June 2018), TIRExB reiterated its decision to commence considerations of the matter only subsequent to the deliberations of AC.2.

Article 18: Number of places of loading and unloading

At its seventy-second session (May 2017), the Board recalled that AC.2 had requested TIRExB to commence considerations on a draft Explanatory Note to Article 18, to accompany the original proposal to increase the number of places of loading and unloading from four to eight and clarify its application.

Against that background, TIRExB considered a first draft proposal for a new Explanatory Note that would introduce, under certain conditions, the possibility for contracting parties to limit the number of places of loading and unloading on their territory. In the first instance, the Board considered that the formulation should be altered to clarify that any limitation would apply to all TIR operations on a given territory and not be applied on a case by case basis. Therefore, references to national processes, such as risk assessment, should be avoided. As a general observation, the Board agreed with the necessity to include a requirement for contracting parties to inform of any such limitations. Moreover, the Board acknowledged the relevance of Article 42bis in the consideration of the issue. Finally, some Board members highlighted that, in the interest of reaching consensus on the issue, the Explanatory Note should allow the optional application of the new maximum number of places of loading and unloading.

TIRExB was of the general view that a compromise could be found to accommodate the concerns raised by some contracting parties on the potential risks associated with an increased number of places of loading and unloading. To that effect, TIRExB requested

the secretariat to submit a revised document pursuant to the aforementioned discussions for the next session.

At its seventy-third session (June 2017), the secretariat introduced a revised draft Explanatory Note prepared in accordance with the drafting guidelines provided at the previous session. As a first reaction, the Board was of the view that the first paragraph of the draft Explanatory Note was not sufficiently clear, notably, whether the limitation introduced by a single Contracting Party would apply to that portion of the journey only or to the whole TIR transport. After discussion, the Board agreed that it would be preferable to refer to the entire TIR transport, rather than introduce a mechanism requiring complicated calculations for operators and customs alike.

Considering that Explanatory Notes did not modify the provisions of the Convention but merely made their contents, meaning and scope more precise, the Board was of the view that the wording of the Explanatory Note would need to be further considered. Some Board members raised the question of whether Article 18 should instead be amended. Taking into account that observation, the Board agreed that the current mandate from AC.2 referred to the elaboration of an Explanatory Note and, to that extent, decided to continue its work in that direction. The delegation of IRU offered a proposal for an alternative formulation for the Explanatory Note. As the proposal had not been submitted in writing in advance of the current session, the Board members decided to consider it after the session, and to transmit their comments to the secretariat no later than 15 July 2017 for consolidation and inclusion in a new document.

In conclusion, TIRExB requested the secretariat to collect the comments on the proposal of the delegation of IRU and to revise the draft Explanatory Note.

At its seventy-fourth session (October 2017), the Board considered that the proposal prepared by the secretariat met the requirements of the mandate provided by the Committee and should be transmitted as soon as possible for further consideration and possible adoption. Against that background, TIRExB requested the secretariat to issue the text of the proposal, as agreed during the session, as Informal document for the sixty-sixth session of AC.2 (October 2017), for information.

Article 7: Distribution prices

At its seventy-third session (June 2017), pursuant to a request by AC.2, the Board commenced consideration of the issue of TIR Carnet prices raised by the Russian Federation. In the view of the Russian Federation, there was a confusion between the concept of the TIR Carnet price under Article 7 of the Convention, namely whether it was to be considered as a (a) product of printing (i.e. currently valued at 1,79 CHF) or (b) guarantee document which included insurance payment and other elements (i.e. IRU distribution price currently at 25 and 59 CHF, depending on the number of volets). The customs authorities of the Russian Federation had concerns regarding the accuracy of the current practice where the exemption of import duties and taxes was based on the IRU

distribution price rather than on the production price. Therefore, the Russian Federation proposed instructing IRU to (a) provide a separate indication in the invoice for the TIR Carnet price, the value of the form as well as the cost of other expenses and services; (b) submit to AC.2 details on the elements of the cost of TIR Carnets, precisely on each type of Carnet issued in accordance with Annex 9, Part III, paragraph 2 (f) of the TIR Convention; and (c) make available to the customs authorities of the Russian Federation the export declarations for the TIR Carnets processed by the customs office in Switzerland that were sent by IRU to the Russian Federation covering the period starting from 2013 up until the present moment.

In response, Mr. S. Somka (Ukraine) stated that it would be advisable to analyse the question more broadly. More specifically, he added that the TIR Carnets were the object of international trade operations and thus provisions of national law linked to the General Agreement on Tariffs and Trade (GATT) were applicable. Against that background, Mr. S. Somka was of the view that there should be no analysis of separate parts of the customs value of the TIR Carnet. In addition, the delegation of IRU provided information on the legal opinion of a former Head of IRU Legal Services on a similar case in the past, stating that taxation of TIR Carnets by customs authorities would be against Article 7 of the Convention and taxation by the tax authorities of the TIR Carnets issued by an issuing association would be considered as a means of circumventing the requirements of Article 7. Mr. S. Amelyanovich (Russian Federation) asked the delegation of IRU about the value declared by the Swiss customs authorities for the TIR Carnet forms imported into the Russian Federation in 2014, 2015 and 2016. Mr. Y. Guenkov (IRU) responded that, only as preliminary information, the total amount calculated by the Swiss customs was CHF 1.79, as it was considered in the category of printed material. Mr. Y. Guenkov pointed out that he was not in a position to confirm that at the current session, since it pertained to the particular invoice and a total lump-sum amount declared. However, he informed the Board that it had been recently agreed with the Swiss customs to have the amount corresponding to the invoice value stated in the export documents to accommodate the request of the Russian Federation. The Board agreed that (a) the legal opinion referred to by Mr. Y. Guenkov (IRU) should be shared with the Board members; and (b) the matter be considered further at a future session.

At its seventy-fifth session (December 2017), TIRExB continued its consideration of the matter. TIRExB recalled that it had requested IRU to share the legal opinion referred to by Mr. Y. Guenkov (IRU) at its seventy-third session. However, only the statement made by Mr. Y. Guenkov had been circulated via email due to internal restrictions of IRU. TIRExB requested the secretariat to include the statement in an Informal document for its next session.

TIRExB recalled that IRU had informed about its agreement with the Swiss customs authorities to have the amount corresponding to the invoice value stated in the export documents to accommodate the request of the Russian. TIRExB requested the secretariat to include the copies of the export documents, which Mr. Y. Guenkov (IRU) provided at the current session, in an Informal document for its next session.

TIRExB decided to first continue its assessment of the matter at its next session on the basis of the two newly requested Informal documents before deciding on the two remaining proposals.

At its seventy-sixth session (February 2018), TIRExB recalled that Mr. Y. Guenkov's statement on the legal opinion of a former head of IRU Legal Services had been provided for consideration of the Board.

The Chair noted that she could not see the relevance of the legal opinion to the matter at hand. Supporting the Chair's observation, Mr. S. Amelyanovich (Russian Federation) explained that the problems identified by the Russian Federation were not caused by a desire to tax TIR Carnets shipped to the Russian Federation, but by the need to have a clear indication of the costs of blank TIR Carnets, due also to the fact that the Russian customs authorities had the task of controlling foreign currency transactions. Thus, in the opinion of the Russian Federation, the price of the TIR Carnet forms as printed material should be indicated when importing TIR Carnets to the Russian Federation. To solve the problems, the Russian Federation had proposed instructing IRU to comply with the three requests made.

In response to a proposal by Mr. Y. Guenkov (IRU) to remove the agenda item, the Chair clarified that the item could not be deleted from the TIRExB agenda by referring simply to a meeting between Swiss, Russian and, eventually also, IRU officials, since AC.2 had transferred the matter to TIRExB. Thus, the Chair added, efforts should be sustained to understand the underlying problem.

Mr. S. Amelyanovich (Russian Federation) clarified that the Russian Federation had requested a clear and unambiguous understanding of the concept of the costs of a TIR Carnet form under Article 7 of the TIR Convention, i.e. whether it was the price as printed material, and that an assessment by TIRExB could help.

As a preliminary observation, the secretariat stated that Article 7 seemed to allude to the fact that the distribution price should not be taxed, since TIR Carnet forms would most likely not be imported if it was not for the fact that they also represent the guarantee which costs are also included in the distribution price. The Chair noted that, in her view, Article 7 stipulated that no taxes or duties should be imposed on TIR Carnets when imported. Then she posed the question whether, for Article 7, there was a difference between the TIR Carnet having the costs of 1.79 Swf or 25/59 Swf as price provided by IRU to the national associations.

Mr. Y. Guenkov (IRU) explained that the indication of the price of the TIR Carnet as printing costs came from requirements in Swiss legislation for export documents for merely statistical purposes, but no one would use the TIR Carnet form if it did not come with the costs of administration and guarantee coverage. Subsequently, Swiss authorities had agreed to modify their export documents to accommodate the Russian concerns. Mr. Y. Guenkov added that no other Contracting Party encountered those difficulties and posed the question what difference the price would make (printed material vs. valid guarantee). Mr. S. Amelyanovich (Russian Federation) stated that, in his view, the TIR Carnet forms were merely paper when imported and only gained their value afterwards when becoming a guarantee upon subscription. Thus, only the value as printed material was relevant for Article 7. In addition, he drew the attention to the difference between invoiced price and custom value and said that other costs, such as insurance, rental of premises, etc., could not be include in the customs value. He pointed to principles for defining the customs value applied upon recommendations of the World Trade Organization (WTO) and in various Conventions.

TIRExB took note that the Russian Federation would like to see the content of Article 7 to be clarified. The Chair asked whether IRU could try to better understand the need of the Russian Federation and whether the request by the Russian Federation could be formulated in a different way.

At its seventy-seventh session (June 2018), due to a lack of time, TIRExB decided to discuss the issue at its next session.

Consecutive use of two TIR Carnets for a single TIR transport

At its seventy-second session (May 2017), the Board discussed the case submitted by the Government of Germany on the use of two TIR Carnets for one TIR transport.

The secretariat noted that the case seemed to be an attempt to increase the number of unloading points for a TIR transport under the limitations set in the Union Customs Code (UCC) of the European Union (EU), constituting a single customs territory, on the consecutive use of two TIR Carnets. The method chosen in the case, however, did not comply with the options provided in the comments to Article 18 of the TIR Convention. Furthermore, the secretariat noted that it could not be considered as a new option to increase loading and unloading points since (a) it did not comply with Article 17 that required the issuance of only one TIR Carnet per road vehicle or container; and (b) there was contradicting information on the TIR Carnet.

Mr. M. Ayati (Iran (Islamic Republic of)) stated that the case had been caused by mere human error according to his information. Mr. Y. Guenkov (IRU) observed that there might be a different problem in the case: There might have been two loading units and the registration was intended to be one for the vehicle and a separate one for the trailer and the semi-trailer. However, Mr. Y. Guenkov added that the information provided was not sufficient to make that assessment. Pursuant to those interventions, the Board noted

that, as a temporary assessment, the use of TIR Carnets in the case was not fully in line with the Convention. However, the Board requested Mr. M. Ayati and Mr. Y. Guenkov to look further into the case and to provide the Board with additional information at its next session to enable it to reach an informed final decision.

At its seventy-third session (June 2017), Mr. M. Ayati (Iran (Islamic Republic of)) and Mr. Y. Guenkov (IRU) notified the Board that the case had been caused by mere human error according to the information they had received. Against that background, the Board requested the secretariat to prepare a response to the Government of Germany informing about the Board's assessment on the case with a clear statement when consecutive use of TIR Carnets was permitted under the Convention.

Mr. Y. Guenkov (IRU) pointed out the possibility of cases with a trailer and a semi-trailer, in which the issuance of subsequent TIR Carnets might bring some difficulties. Mr. S. Fedorov (Belarus) responded that, although not that common, there might be some issues in relation to those cases that merit discussion. Considering that there was no written submission on that matter, the Board agreed to address the use of two TIR Carnets and the issue of registration of road vehicles at a future session.

At its seventy-fifth session (December 2017), TIRExB recalled that it had concluded its assessment of the case submitted by Germany. TIRExB noted that Germany had received a response accordingly.

TIRExB recalled that Mr. Y. Guenkov (IRU) had pointed out the possibility of cases with a trailer and a semi-trailer, in which the issuance of subsequent TIR Carnets might bring some difficulties. Further, TIRExB recalled that, from its preliminary exchange of views, the case did not present common practice. Therefore, and considering that there was no formal submission received, TIRExB decided to close the matter.

Mandatory submission of data using ITDB

At its seventy-third session (June 2017), TIRExB commenced considerations on how to achieve mandatory usage of the ITDB. TIRExB noted that the matter was very important and had thus been included in its programme of work 2017-2018. TIRExB noted that the Model Authorization Form (MAF), contained in Annex 9, Part II, still allowed countries to submit ITDB data on paper. That practice was resource consuming for contracting parties and the secretariat. In addition, it delayed the timing of data submission and processing. TIRExB was also informed that the same issues existed with regard to submission of the annual list under Annex 9, Part II, paragraph 5 and with regard to exclusions under article 38, paragraph 2 of the Convention, although AC.2 had adopted Explanatory Notes with regard to those three provisions clarifying that proper usage of the ITDB by customs administrations and associations rendered the submission to the Board of authorized TIR Carnet holder data in any other form, such as paper, redundant. There was general agreement that the moment had come to make data submission via ITDB mandatory, since the ITDB existed already since 1999 and was available online

since 2012. In that regard, Mr. G. Andrieu (France) expressed a preference for the approach of a legal amendment. Ms. B. Gajda (Poland) raised the question on the number of States that were currently not using the ITDB at all, since that information had an impact on the consideration, in particular any transitional period. Ms. L. Jelínková (European Commission) said that introducing mandatory usage of the ITDB by all EU Member States was currently under discussion as well as possible connection of ITDB with national transit systems. However, such interconnection could only be realized when all contracting parties were using the ITDB since it could otherwise cause problems at borders. Ms. L. Jelínková also said that it would be helpful to have proposals by the secretariat for the wording of legal amendments or comments at the next session. Mr. Y. Guenkov (IRU) stated that IRU fully supported computerization and pointed out the importance of accurate information.

In conclusion, the Board agreed to request the secretariat, for its next session, to (a) provide statistical information on the number of countries that did not use the ITDB, and in particular which countries still submitted annual lists on paper; and (b) prepare proposals on legal amendments or comments with the aim to make data submission via the ITDB mandatory. In addition, the Board recommended to IRU to request national associations to keep the ITDB updated and underscored the need for all parties to sustain efforts to that end for the benefit of all.

At its seventy-fifth session (December 2017), TIRExB continued its consideration on the mandatory data submission to TIRExB via the ITDB on the basis of statistical information on the current use of the ITDB.

TIRExB requested the secretariat to revise the statistical information on the submission of annual lists for 2017 to have more updated information for the next session.

TIRExB then considered proposals for legal amendments and comments to the TIR Convention to achieve mandatory use of the ITDB for data submission to TIRExB.

TIRExB generally agreed that (a) the use of the ITDB should be mandatory and (b) legal amendments would best achieve that purpose.

Noting the limited use of the ITDB by contracting parties, TIRExB concluded that more attention should be paid to awareness raising about the ITDB, before it was set as mandatory in the TIR Convention. In response to the possible organization of a seminar in the margin of the WP.30 and AC.2 sessions, doubts were expressed whether AC.2, WP.30 and the TIR Focal Points were the adequate forum to raise awareness, since they might not represent the actual users of the ITDB. Mr. S. Fedorov (Belarus) stated that Information Technology (IT) had an impact on the legal basis that regulated the TIR procedure and that there was a need to look at mechanisms how to use the ITDB, providing explanation on its use. To that end, TIRExB welcomed a proposal by the secretariat to update the ITDB guides and to organize a seminar in 2018 to further assist the non-IT customs departments in increasing their national awareness. Highlighting the

importance of awareness raising at the national and international level, Mr. G. Andrieu (France) shared the experience of the French customs authorities which had drafted a user guide on the ITDB in French and organized explanatory meetings with the national association. Furthermore, TIRExB welcomed a proposal by Mr. S. Somka (Ukraine) to hold training sessions via video conferencing for IT experts as a complementary step. At its seventy-sixth session (February 2018), TIRExB continued its considerations on proposals for legal amendments. TIRExB considered whether the deadline for submission of exclusions pursuant to Article 38, paragraph 2 and of authorization and withdrawal thereof pursuant to Annex 9, Part II, paragraph 4 of the TIR Convention should be shortened for mandatory data transmission via the ITDB.

Mr. S. Amelyanovich (Russian Federation) observed that it would be very helpful in fighting contraband to have information on exclusions of TIR Carnet holders pursuant to Article 38 available for all contracting parties. In support, Mr. S. Somka (Ukraine) added that the information would be helpful for the risk analysis. Mr. Y. Guenkov (IRU) expressed concerns about the practice in the ITDB to share the exclusion of a TIR Carnet holder with all contracting parties, as going beyond Article 38, paragraph 2, which provided only for the notification of the exclusion to the Contracting Party on whose territory the person concerned was established or resident. He added that such application of the ITDB negatively affected the position of other contracting parties towards that TIR Carnet holder and might also raise concerns with regard to the GDPR, a matter on which IRU might make a written submission to TIRExB. In response, the secretariat clarified that the information had already been reflected in the old ITDB in accordance with paragraph 8, subparagraph (a) of the Terms of Reference of TIRExB. TIRExB noted that the current practice of sharing fraud reports also circulated information on irregularities among contracting parties, but without providing information on the TIR Carnet holder.

It was further clarified that the proposed draft legal amendment to the Explanatory Note of Article 38, paragraph 2 did not change the responsibility of contracting parties, but concerned the mandatory transmission of data to TIRExB. In response to a proposal by Mr. S. Amelyanovich (Russian Federation) to recommend to AC.2 to make the connection between the ITDB and eTIR, it was clarified that the current proposals concerned data submission to TIRExB via the ITDB and not draft Annex 11. It was further clarified that the specifications for eTIR contained a reference to such data exchange.

In conclusion, TIRExB requested the secretariat to revise draft proposals, pursuant to the comments made, with the different proposals for time limits on the data submission to TIRExB via the ITDB in square brackets and clearly distinguishing between authorization, withdrawal and exclusion.

At its seventy-seventh session (June 2018), the Board recalled its earlier discussions on the wording to be used for the deadline of data submission via the ITDB, and considered the options provided in the document. The Board concluded that the term “without delay” would best cover the necessity to submit the data as soon as possible and that it provided enough flexibility to respond to the needs of all contracting parties whereas any alternative wording would cause practical constraints.

The Board deemed it necessary to underline that, irrespective of the alignment of notification deadlines in the paragraph, the use of the ITDB is limited to the notification to TIRExB only, as stipulated by the accompanying Explanatory Note. The Board further added that, as already indicated in the comment to Article 38, the notification to competent authorities of the contracting party on whose territory the person concerned is established or resident should contain as many details as possible and that this could be best achieved through official correspondence, not using the ITDB.

TIRExB finalized its discussions on the mandatory use of the ITDB and requested the secretariat to submit the proposals to AC.2 for consideration and, possibly, adoption. Furthermore, the Board reiterated its conclusion that there was no need for a transitional period, since discussions on the amendment proposals would take time.

Example agreement

At its seventy-fifth session (December 2017), TIRExB recalled that, at its seventieth session, it requested the secretariat to prepare a revised draft of the example agreement for inclusion in Chapter 6.2 of the TIR Handbook. In response to a question concerning the mandate for the example agreement, the secretariat clarified that AC.2 had endorsed the work on the example agreement in 2001.

TIRExB noted that the example agreement was used in practice as a helpful tool.

TIRExB also noted the following comments on the draft updated example agreement: (a) the TIR guarantee amount should reflect the TIR guarantee raise to EUR 100,000 in square brackets, (b) the reason for modifying paragraph 7 on page 4 was not clear, (c) paragraph 1 (d) of Part A should be drafted in a general way to also correspond to the mandatory use of the ITDB when achieved in the future, and (d) the example of best practice on the inquiry and recovery procedures in Chapter 5.4 of the TIR Handbook provided sufficient information on existing procedures and a reference thereto could be included in the updated example agreement.

TIRExB also noted that the secretariat had prepared the updated example agreement, whereas IRU had submitted the procedure for settling disputes pursuant to its proposal at the seventieth session of TIRExB. Some members of the Board challenged the conformity of the procedure for settling disputes in Annex II, submitted by IRU, with the TIR Convention and national legislation.

In conclusion, TIRExB decided to continue its work on the draft example agreement without the procedure for settling disputes proposed by IRU, and in due consideration of the comments made.

At its seventy-seventh session (June 2018), the Board continued discussions on the draft example agreement. With regard to determining the exchange rate applicable for claims, which was regulated under Section D “Maximum guarantee per TIR Carnet” of the draft agreement, several members mentioned the necessity of leaving the basis for the conversion rate to national legislation, as there are different methods in use for such calculations. Thus, the Board decided to continue with the current text of the example agreement on this issue.

TIRExB also exchanged views on the settlement of disputes arising from the improper use of TIR Carnets. The Board concluded that it would be beneficial both for competent authorities and national associations to accept a procedure for the efficient settling of disputes which may result in a reduced number of disputes taken to courts. Therefore, it was decided to keep a reference to this issue in Section A “Undertaking” of the example agreement, with the addition of the wording “if possible without recourse to courts”. The Board also referred to the example of best practice on the inquiry and recovery procedures in Chapter 5.4 of the TIR Handbook as a useful tool for existing procedures, and decided to insert a reference thereto under Section A of the example agreement. TIRExB concluded its discussions on the draft example agreement and requested the secretariat to transmit the amended example of best practice to AC.2 for endorsement and subsequent inclusion in the next version of the TIR Handbook. The Board recommended contracting parties to make use of the example agreement when establishing or renewing their agreement with the national association(s).

(14) Self-evaluation

Prepare a quantitative and qualitative assessment of the Board’s achievements during its 2017–2018 term of office in relation with its program of work and mandate for endorsement by the TIR Administrative Committee.

- Number of meetings: 2017: 4, 2018: 4, 2019: 1
- Number of participants: 2017: 36, 2018: 21 (78th session)
- Number of meeting days: 2017: 5, 2018: 5, 2019: 1
- Number of Informal documents: 72nd: 5, 73rd: 2; 74th: 16; 75th: 7; 76th: 9; 77th: 8, 78th: 4
- Number of Articles adopted: 77th: 3
- Number of Explanatory notes adopted: 74th: 1, 77th: 2
- Number of comments adopted:
- Number of recommendations adopted:

Outputs expected in 2017 and 2018

Main accomplishments

- Number of best practices adopted: 77th: 1
 - Number of national control measures analysed:
 - Number of surveys conducted: 3
 - Number of seminars organized or attended: 10 (as at November 2018)
 - Number of authorized TIR Carnet holders registered with the ITDB: 33,572 (November 2018)
 - The Board prepared this self-evaluation report for endorsement by AC.2.
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Annex II

Results of the self-evaluation survey

Question 1

If you could highlight individual activities, what would you consider the major achievements of the TIRExB during its 2017-2018 term of office (please, indicate max. 3)?

Consolidated reply:

TIRExB considered the amendment proposals drafted on the mandatory submission of data using the ITDB as the major achievement of the current term of office, followed by discussions on the relations of the international organization with the Moldovan and Romanian associations and discussions on the intermodal use of the TIR Carnet.

Question 2

In your view, what are the areas of strength of the TIRExB and which areas could benefit from improvement?

Areas of strength:

Consolidated reply:

Members all agree that the Board's composition, i.e. limited number of members with expertise in TIR and customs matters, effective coordination and cooperation between the members, the Chair and the secretariat, and the possibility of discussing major current issues and future challenges constitute the main assets of TIRExB.

Areas for improvement:

Consolidated reply

Members agree that more efforts should be undertaken to avoid repeating discussions and to avoid considering political matters. Members also underline that full commitment of all members throughout the entire term of office is essential for having in-depth discussions.

Question 3

Are you satisfied with the support and assistance provided by the TIR secretariat to the TIRExB? If not please indicate in which areas you would like to see improvement.

Consolidated reply:

Members are fully satisfied with the support of and assistance by the TIR secretariat.

Question 4

Do you think the TIRExB resources are sufficient to fulfil its functions? If not please provide information which additional resources would be required.

Consolidated reply:

TIRExB is satisfied with the current level of resources but draws attention to the possible resource requirements in the future, e.g. related to the new provisions of Annex 8, article 1bis of the TIR Convention (see ECE/TRANS/17/Amend. 34).

Question 5

Taking account of the fact that, in accordance with the provision of Explanatory Note 8.13.1-2, the respective government should finance the work of their TIRExB member:

Consolidated reply:

The Board is satisfied with the current DSA procedure (DSA for all TIRExB sessions).

Question 6

In your view, are there any changes required which would improve the effectiveness of TIRExB?

Consolidated reply:

Issues out of the field of expertise of the members, such as finance and accountancy issues or technical details, should not be submitted to TIRExB. More two-day sessions could be convened. Some members considered that the language regime could be reviewed to avoid interpretation, i.e. the sole use of English during meetings.

Question 7

In your view, does TIRExB communicate well with the other parties in the TIR system, and, in particular, with IRU, which participates in TIRExB sessions as observer? Please elaborate your answer.

Consolidated reply:

In general, TIRExB is satisfied with the way it communicates with other fora as well as with IRU. Particularly for the 2017-2018 term, members noted that:

- (a) TIRExB responded to many requests addressed to it by different TIR parties (customs authorities, national associations, IRU etc.);
- (b) TIRExB provided its good office for the settlement of disputes between the international organization and some national associations, and also provided guidelines, upon request of the Romanian customs authorities. For this particular agenda item, TIRExB invited relevant parties to its sessions, observed the principle of 'right to be heard', and treated the matter with due care;

- (c) Issues brought to the agenda by IRU (i.e. claims exceeding the maximum guarantee level) were dealt with due care;
- (d) TIRExB paid attention to conclude its assessments and to communicate them to the parties concerned in a timely manner.

Question 8

In your view, which goals would be interesting for the next TIRExB to work towards?

Consolidated reply:

TIRExB recommends the next composition to continue focusing on issues such as, but not limited to:

- (a) the introduction of simplifications (in particular authorized consignor);
- (b) the intermodal use of the TIR procedure;
- (c) activities towards computerization (i.e. eTIR, ITDB);
- (d) conducting research and analysis for increasing competitiveness of the TIR system and introducing more flexibility in the guarantee system;
- (e) recommendations on the relationship between the international organization and national associations.

In order to be able to closely follow all TIR related issues, TIRExB recommends that members attend, to the extent possible, all sessions of WP.30 and AC.2. TIRExB also recommends the next composition to be proactive in proposing and analysing amendments to the TIR Convention.

Question 9

In general, how would you rate the TIRExB at its current term of office?

Consolidated reply:

Most TIRExB members are satisfied with the current term of office of TIRExB. A few are somewhat satisfied.
