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ECONOMIC COMMISSION FOR EUROPE

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

REVISION OF THE CONVENTION: PHASE I OF THE TIR REVISION

Implementation of the amendments

Establishment of the TIR Executive Board (TIRExB)

Cost plan and size of the TIR secretariat

Note by the ECE secretariat

In accordance with the decision of the Administrative Committee at its twenty-fourth session (TRANS/WP.30/AC.2/49, paras. 30 and 31), the ECE secretariat has prepared the present budget proposal and cost plan for the TIRExB and the TIR secretariat for the year 1999. This cost plan has been the basis for the ECE/IRU Agreement on the transfer of funds, in accordance with the provisions of annex 8, article 13 of the Convention, for the establishment and operation of the TIRExB and the TIR secretariat as contained in document TRANS/WP.30/AC.2/1999/2.

The Administrative Committee may wish to adopt this budget proposal and cost plan.

**LOCAL TECHNICAL COOPERATION TRUST FUND
ENTITLED "TIR"**

TIR EXECUTIVE BOARD (TIREXB) AND THE TIR SECRETARIAT

A. MANDATE AND DESCRIPTION

1. The package of amendment proposals to the TIR Convention under phase I of the TIR revision process, scheduled to come into force by 17 February 1999 (notification deadline for objections expires on 17 November 1998), provides inter alia for the creation of a TIR Executive Board (TIRExB) and a TIR secretariat.
2. The TIR Convention which has been prepared and is administered under the auspices of the United Nations Economic Commission for Europe (UN/ECE), is the only world-wide international Customs transit regime allowing for uninterrupted road transport with only a minimum of border control procedures and with an international guarantee and documentary system. At present more than 2.5 mio. TIR transit operations are carried out per year in more than 40 countries.
3. The objective of the TIRExB, composed of nine members to be elected by the Administrative Committee for the TIR Convention, i.e. the representatives of Contracting Parties to the Convention, is to supervise the application of the TIR Customs transit regime in its more than 60 Contracting Parties (article 58 ter and annex 8, articles 9 and 10 of the Convention). The TIRExB, as a governmental organ set up under the TIR Convention, is mandated inter alia to oversee the operation of the guarantee system and the printing and distribution of TIR Carnets. The TIR Administrative Committee has authorized the International Road Transport Union (IRU) to fulfil the latter function for the year 1999 (TRANS/WP.30/AC.2/49, para. 31). The IRU is also managing the international guarantee system (insurance pool) of the system.
4. In particular, the specific functions of the TIRExB, in accordance with annex 8, article 10 of the Convention, are as follows:
 - (a) supervise the application of the Convention, including the operation of the guarantee system, and fulfil the functions entrusted to it by the Administrative Committee, specifically those provided for in article 38, paragraph 2; article 42 bis, annex 8; annex 9, Part I, paragraphs 1 (e); annex 9, Part I, paragraph 1 (f)(v) and annex 9, Part II, paragraphs 4 and 5;
 - (b) supervise the centralized printing and distribution to the associations of TIR Carnets which may be performed by an agreed international organization as referred to in article 6 of the Convention;
 - (c) coordinate and foster the exchange of intelligence and other information among competent authorities of Contracting Parties;

- (d) coordinate and foster the exchange of information between competent authorities of Contracting Parties, associations and international organizations;
- (e) facilitate the settlement of disputes between Contracting Parties, associations, insurance companies and international organizations without prejudice to article 57 of the Convention on the settlement of disputes;
- (f) support the training of personnel of Customs authorities and other interested parties concerned with the TIR procedure;
- (g) maintain a central record for the dissemination to Contracting Parties of information to be provided by the international organizations as referred to in article 6 of the Convention, 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 of the Convention;
- (h) monitor the price of TIR Carnets.

The TIRExB shall report on its activities, including the submission of audited accounts, to the TIR Administrative Committee at least once a year or at the request of the Administrative Committee.

5. The decisions of the TIRExB are executed by a TIR Secretary who shall be a member of the ECE secretariat, under the direct supervision of the Director of the ECE Transport Division and who shall be assisted by a TIR secretariat (annex 8, article 12 of the Convention).

6. The TIR secretariat, under the direction of the TIR Secretary, shall undertake the following tasks:

- (a) Establishment and maintenance of an international Governmental TIR data bank accessible to all Contracting Parties on:
 - approved and excluded transport operators
(annex 9, Part II, paragraphs 4 and 5)
 - stolen and falsified TIR Carnets
 - approved Customs sealing devices
 - approved Customs offices for accomplishing TIR operations (article 45)
 - contact points (Customs, enforcement agencies, national associations, etc.);
- (b) Preparation and servicing of the sessions of the TIREXB;
- (c) Exchange of information between competent authorities of Contracting Parties, national associations, insurance companies and international organizations concerned;
- (d) Provide administrative support to facilitate the settlement of disputes between Contracting Parties, national guaranteeing associations, insurance companies and the IRU;

- (e) Depositary of the
 - written agreement or any other legal instrument between associations and competent authorities (annex 9, Part I, paragraph 1 (e)),
 - insurance contracts between national associations, and national and international insurers (annex 9, Part I, paragraph 1(f)(v));

- (f) Provision of information, interpretation and support for training on the application of the TIR procedure, in particular for countries that have only recently acceded to the Convention, in the establishment of administrative procedures.

7. The Terms of Reference and Rules of Procedure have already been established in principle by the Contracting Parties to the TIR Convention, 1975 (TRANS/WP.30/AC.2/49, annexes 3 and 4).

B. BUDGET AND COST PLAN FOR THE YEAR 1999

8. In accordance with annex 8, article 13 in conjunction with annex 6, explanatory note 8.13.1-1 of the TIR Convention, the operation of the TIRExB and the TIR secretariat shall be financed (until such time as alternative sources of funding are obtained and initially for a period of two years) through a levy on each TIR Carnet distributed by the international organization as referred to in article 6 of the Convention. The amount of the levy and the procedure for its collection shall be determined by the TIR Administrative Committee following consultations with the international organization.

9. In order to make the TIRExB and its TIR secretariat operational as of the beginning of February 1999 - when the amendment proposals are scheduled to come into force - the TIR Administrative Committee has requested the UN/ECE secretariat to establish, on the basis of the adopted Terms of Reference of the TIRExB, a budget proposal and a cost plan for the operation of the TIRExB and the TIR secretariat for final adoption at the February 1999 session of the TIR Administrative Committee (TRANS/WP.30/AC.2/49, para. 29).

10. The TIR Administrative Committee has also decided to establish a Trust Fund in accordance with the regulations, rules and procedures of the United Nations to provide for the transfer of the required resources for the operation of the TIRExB and the TIR secretariat, to be recovered through a levy on TIR Carnets by the international organization (TRANS/WP.30/AC.2/49, para. 30).

11. With a view to allowing for a timely start of the operation of the TIRExB and the TIR secretariat, i.e. on 1 January 1999 for the latter, the TIR Administrative Committee in its capacity as supervisory organ of the TIRExB (article 58 ter of the revised Convention refers) and under the assumption that by 17 November 1998 no objection would have been lodged against the adopted amendment proposals, has authorized:

- (a) the International Road Transport Union (IRU) to centrally print and distribute TIR Carnets in the year 1999 in accordance with annex 8, article 10 (b) of the Convention;
- (b) the UN/ECE secretariat, on its behalf, to negotiate and arrange with the IRU the required arrangements for the transfer of funds, in accordance with annex 8, article 13 of the Convention, on the basis of a budget proposal to be prepared by the UN/ECE secretariat for the operation of the TIRExB in the year 1999 (TRANS/WP.30/AC.2/49, para. 31).

12. The estimated budget and cost plan for the TIRExB and the TIR secretariat for the year 1999 is given below. The budget for the year 1999, including the Operating Reserve Fund amounts to US\$ 698,880. For the estimated 2.5 million TIR Carnets to be issued in the year 1999, this would represent a levy on each TIR Carnet of US\$ 0.28.

COST PLAN

United Nations Economic Commission for Europe, Transport Division

Programme: TIR Executive Board (TIRExB) and TIR secretariat

Title of Trust Fund: "TIR"

Account No.: ZL-RER-8001

Proposed cost plan for 1999

<u>Budget line</u>	<u>Object of expenditure</u>	<u>Amount</u> (in US\$)
1100	Project Personnel	436,000
1101	Customs expert (Eastern Europe)	142,000
1102	Customs expert (Western Europe)	142,000
1103	Administrative and EDI expert	142,000
1104	EDI data base consultant	10,000
1500	Official travel	30,000
1501	Travel of Project Staff	20,000
1502	Travel of the TIR Secretary	10,000
1600	Mission costs	15,000
4300	Premises	25,000
4500	Local procurement	33,000
5100	Operation and maintenance of equipment	2,000
5300	Sundry	5,000
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Total:		546,000
Programme support (13% of Total)		70,980
Operating Reserve Fund (15% of Total; first year of operation only)		81,900
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Grand Total		698,880

TIR Trust Fund resource requirements for 1999**Project Personnel (1100) - US\$ 436,000**

The proposed amount under this object of expenditure is intended to cover the standard salary staff cost of three experts at the L-3 level on fixed-term appointments. It includes also EDI database consultancies to make and keep the TIR data bank operational.

Official travel (1500) - US\$ 30,000**Official travel (1501) - US\$ 20,000**

The proposed amount under this object of expenditure is intended to cover the travel cost of the Project Staff.

Official travel (1502) - US\$ 10,000

The proposed amount under this object of expenditure is intended to cover the travel cost of the TIR Secretary, staff member of the UN/ECE Transport Division.

Mission costs (1600) - US\$ 15,000

The proposed amount under this object of expenditure is intended to cover DSA and some travel cost for the nine members of the TIRExB. (Calculation base:

Geneva DSA: Sfr 278=US\$ 184 (official exchange rate 31.5.98: 1 US\$= Sfr 1.51)

3 (meetings in Geneva) x 2 (days) x 9 (persons) x US\$ 184 = US\$ 9,936

= approx. US\$ 10,000

+ airline tickets (in case of need or urgency) = US\$ 5,000

Total: = US\$ 15,000)

Premises (4300) - US\$ 25,000

The proposed amount under this object of expenditure is intended to cover the rent of three/four offices (depending on the size) at the Palais des Nations in Geneva.

Local procurement (4500) - US\$ 33,000

The proposed amount under this object of expenditure is intended to cover the procurement of relevant electronic and computer office equipment (PCs, copy machine, fax, etc.), including databank hard- and software systems.

Operation and maintenance of equipment (5100) - US\$ 2,000

The proposed amount under this object of expenditure is intended to cover the cost of repair and maintenance of office and computer equipment (PCs, copy machine, fax, etc.).

Sundry (5300) - US\$ 5,000

The proposed amount under this object of expenditure is intended to cover the cost of the management and operation of the TIR secretariat (paper, mail, telephone/fax, petty cash, etc.).

C. TIMING

The TIR secretariat should start its operation as of 1 January 1999 in accordance with the relevant decision of the TIR Administrative Committee (TRANS/WP.30/AC.2/49, para. 31), under the assumption that no objection to the relevant amendment proposals will have been raised before the legal objection deadline on 17 November 1998 has expired.

With a view to allowing sufficient time for the required administrative arrangements for the operation of the TIRExB and the TIR secretariat, including the recruitment of personnel, it is essential that, following the required consultations with the International Road Transport Union (IRU), the requested amount of US\$ 698,880.- will be deposited as of 1 December 1998 at the designated TIR Trust Fund account of the United Nations.

D. JOB DESCRIPTION OF PROJECT STAFF

The TIR secretariat will consist, during 1999, of the TIR Secretary, a staff member of the secretariat (Transport Division) of the UN/ECE and three experts funded by the TIR Trust Fund: Two Customs experts and one Administrative and EDI expert.

The engagement of personnel financed by the Trust Fund is subject to the regulations, rules, policies and procedures of the United Nations.

The job descriptions of the above project personnel are given below.

Post Title: Customs Expert (L-3) (Eastern Europe, Transcaucasus, Central Asia)

Duration: 12 months

Date: January 1999 - December 1999

Duty station: Geneva

Duties: Under the supervision of the TIR Secretary, the Customs expert will be dealing with all matters within the mandate of the TIR secretariat with particular emphasis on the functioning of the TIR regime in the countries of Eastern Europe, the Transcaucasus and Central Asia.

In particular, the Customs Expert shall contribute to the following tasks of the TIR secretariat:

- (a) Establishment and maintenance of the required international Governmental TIR data banks accessible to all Contracting Parties;
- (b) Preparation and servicing of the sessions of the TIREXB;
- (c) Exchange of information between competent authorities of Contracting Parties, national associations, insurance companies and international organizations concerned;
- (d) Provision of administrative support to facilitate the settlement of disputes between Contracting Parties, national associations, insurance companies and the IRU;
- (e) Depositary of the
 - written agreement or any other legal instrument between associations and competent authorities (annex 9, Part I, paragraph 1 (e) of the Convention),
 - insurance contracts between national associations, and national and international insurers (annex 9, Part I, paragraph 1(f)(v));
- (f) Provision of information, interpretation and support for training on the application of the TIR procedure, in particular for countries that have only recently acceded to the Convention, in the establishment of administrative procedures.

The Customs expert will also perform other related duties as assigned by the TIR Secretary.

Field of study: Advanced university degree in law, economics, administration or similar subject.

Specialization in the fields of Customs/ trade procedures and legislation.

Competencies and skills: At least four to six years of professional experience in the field of Customs legislation and procedures at the national and international level. Profound knowledge in the functioning of the TIR Convention, 1975 and its implementation in the countries of Eastern Europe, the Transcaucasus and Central Asia, both at the national and international level. Experience in electronic data and word processing.

Language proficiencies: Fluency in English and Russian with good drafting ability.

Post title: Customs Expert (L-3) (Western and Central Europe, other regions)

Duration: 12 months

Date: January 1999 - December 1999

Duty station: Geneva

Duties: Under the supervision of the TIR Secretary, the Customs expert will be dealing with all matters within the mandate of the TIR secretariat with particular emphasis on the functioning and implementation of the TIR regime in the countries of Western and Central Europe as well as in other regions as required.

In particular, the Customs Expert shall contribute to the following tasks of the TIR secretariat:

- (a) Establishment and maintenance of the required international Governmental TIR data banks accessible to all Contracting Parties;
- (b) Preparation and servicing of the sessions of the TIREXB;
- (c) Exchange of information between competent authorities of Contracting Parties, national associations, insurance companies and international organizations concerned;
- (d) Provision of administrative support to facilitate the settlement of disputes between Contracting Parties, national associations, insurance companies and the IRU;
- (e) Depositary of the
 - written agreement or any other legal instrument between associations and competent authorities (annex 9, Part I, paragraph 1 (e) of the Convention),
 - insurance contracts between national associations, and national and international insurers (annex 9, Part I, paragraph 1(f)(v));
- (f) Provision of information, interpretation and support for training on the application of the TIR procedure, in particular for countries that have only recently acceded to the Convention, in the establishment of administrative procedures.

The Customs expert will also perform other related duties as assigned by the TIR Secretary.

Field of study: Advanced university degree in law, economics, administration or similar subject.

Specialization in the fields of Customs/ trade procedures and legislation.

Competencies and skills: At least four to six years of professional experience in the field of Customs legislation and procedures at the national and international level. Profound knowledge in the functioning of the TIR Convention, 1975 and its implementation in the countries of Western and Central Europe, both at the national and international level. Good knowledge of the application of the TIR regime in the European Community. Experience in electronic data and word processing.

Language proficiencies: Fluency in English or French with good drafting ability. Good working knowledge of Russian desirable.

Post title: Administrative and EDI Expert (L-3)

Duration: 12 months

Date: January 1999 - December 1999

Duty station: Geneva

Duties: Under the supervision of the TIR Secretary, the administrative and EDI expert will be dealing with all matters within the mandate of the TIR secretariat relating to (a) the organization of the TIR secretariat, including liaison with the United Nations administrative services, and (b) the establishment and maintenance of the TIR data banks.

The administrative and EDI expert shall also contribute to the following tasks of the TIR secretariat:

- (a) Preparation and servicing of the sessions of the TIREXB;
- (b) Exchange of information between competent authorities of Contracting Parties, national associations, insurance companies and international organizations concerned;
- (c) Provision of administrative support to facilitate the settlement of disputes between Contracting Parties, national associations, insurance companies and the IRU;
- (d) Depositary of the
 - written agreement or any other legal instrument between associations and competent authorities (annex 9, Part I, paragraph 1 (e) of the Convention),
 - insurance contracts between national associations, and national and international insurers (annex 9, Part I, paragraph 1(f)(v));
- (e) Provision of information, interpretation and support for training on the application of the TIR procedure, in particular for countries that have only recently acceded to the Convention, in the establishment of administrative procedures.

The administrative and EDI expert will also perform other related duties as assigned by the TIR Secretary.

Field of study: Advanced university degree in administration, statistics, informatics or similar subjects.

Competencies and skills: At least two years of professional experience in the field of public or private administrations and proven experience in data processing, including establishment and maintenance of data banks. Knowledge in the functioning of the TIR Convention, 1975. Experience with United Nations administrative rules and procedures desirable.

Language proficiencies: Fluency in English and/or French. Working knowledge of Russian an asset.
