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INLAND TRANSPORT COMMITTEE

Working Party on Customs Questions

affecting Transport

(One-hundred-and-sixth session, 3-6 February 2004,
agenda item 7 (b) (ii))

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

Application of the Convention

Revision of the Convention

Preparation of Phase III

Note by the secretariat

A. BACKGROUND

1. At its one-hundred-and-fifth session, the Working Party was informed orally of the progress made by the Informal ad hoc Expert Group on Conceptual and Technical Aspects of Computerization of the TIR procedure (hereafter called “the Expert Group”), at its third meeting, which took place on 1 and 2 September 2003 in Budapest. The Working Party endorsed the work undertaken by the Expert Group and took particular note of three issues, where the Expert Group had

expressed that it needed further guidance from the Working Party. The Working Party requested the secretariat to prepare a document containing the questions raised by the Expert Group, for discussion at its forthcoming session (TRANS/WP.30/210, paras. 27-31).

2. The full report of the third session of the Expert Group is contained in document ExG/COMP/2003/5.

B. ISSUES FOR CONSIDERATION

(a) Objective of the project

3. At its ninety-fifth session, the Working Party expressed the view that, following the conclusions of Phases I and II of the TIR revision process, the next logical step was to provide the TIR regime with the legal and administrative basis to allow for the use of modern information, management and control technology based on highly automated and secured electronic procedures. The Working Party recognized that computerization of the TIR procedure was inevitable (a) in the light of today's extremely rapid technological developments, based on Internet and Smart Card technologies, particularly affecting international transport and trade, (b) the ever increasing need for improved efficiency of Customs transit procedures and (c) the fight against fraudulent activities which must be conducted with the most appropriate and effective means (TRANS/WP.30/190, para. 26).

4. At its first meeting, the ad hoc Expert Group on the Computerization of the TIR procedure confirmed and further defined these objectives (TRANS/WP.30/2001/5, paras. 14-30). Taking account of the considerations made within this context and the structure of the TIR Convention (consisting of a succession of national Customs transit procedures), it was of the opinion that there exist basically only two main targets for computerization of the TIR procedure at the international level:

- (a) The first obvious target for computerization at the international level is the TIR Carnet, prescribed in Annex 1 of the TIR Convention. The TIR Carnet provides for (a) the international administrative link between the various national Customs transit procedures, (b) Customs control at the national level (vouchers No. 1 and 2), (c) evidence to the TIR Carnet holder and the guarantor about the completion of national transit procedures or termination of the TIR transport and finally (d) proof of the subscription of the necessary international guarantee. These functions of the TIR Carnets, complemented possibly by others, need to be addressed during computerization;

- (b) The second target for computerization at the international level is the exchange of information and data, possibly on-line, both at the national and international levels (TRANS/WP.30/2001/5, paras. 31-33).

5. So far, the scope of the computerization project, as formulated in the Reference Model, is limited, to the TIR Carnet (ExG/COMP/2003/1, chapters 1.1.2 and 1.1.3).

6. However, at its third session the Expert Group, felt that the use of the term “computerization of the TIR procedure” as it has been used by the WP.30 since it formulated the scope of Phase III of the TIR revision process, needed further clarification. The Expert Group realized that, at that time, the WP.30 had no intention of further defining the scope of the project, as it wished to accommodate all possible technological solutions likely to be implemented in the years ahead. However, knowing that the political and technical climates had evolved considerably since 2000, the WP.30 might wish to give more concrete and detailed instructions to the Expert Group on how to give shape to the computerization project, indicating its boundaries (and the approach to be taken – see under (b)). In addition, the Expert Group felt that the terms “TIR procedure”, “TIR transport”, “TIR system” and “TIR regime” were in need of further clarification and precise definitions (ExG/COMP/2003/5, para. 14).

7. The secretariat proposes that WP.30 confirm that the computerization of the TIR procedure should encompass the whole TIR Carnet life cycle (i.e. issuance and distribution, TIR transport, return and repository – see also ExG/COMP/2003/1, chapter 1.3.2.) and should, ultimately, be aimed at replacing the current paper-based TIR system (see TRANS/WP.30/2001/5, para. 23).

(b) **Approach of the project**

8. At its ninety-fifth session, the Working Party felt that the existing and widely varying national Customs procedures, administrative practices and legal requirements in the Contracting Parties to the Convention should be taken into account. Computerization of the TIR procedure, based on the TIR regime as revised during Phases I and II of the TIR revision process, would therefore have to focus on the possibility of linking national Customs transit procedures via a standard electronic and/or paper-based data file containing all information of the TIR Carnet. The newly to be created electronic data file would need to be compatible with most if not all possible technical EDI solutions applied or yet to be applied in the Contracting Parties (TRANS/WP.30/190, para. 27).

9. The link between national Customs procedures and the transfer of data files should be possible via (a) international EDI systems, as is being done in the New Computerized Transit System (NCTS), (b) Smart Cards that could be filled-in and carried along by the transport operator as well as filled-in, read and validated by Customs authorities, or (c) the present paper-based TIR Carnets, possibly supplemented by bar-code and TIR Carnet holder identification systems (TRANS/WP.30/190, para. 28).

10. The Working Party was of the view that, whatever system is to be used, the approach taken in computerization of the TIR regime must be courageous and forward looking and should be able to accommodate all possible technological solutions likely to be implemented in the years ahead (TRANS/WP.30/190, para 29).

11. The ad hoc Expert Group on Computerization, at its second session, reconsidered the fundamental approaches for computerization of the TIR procedure and agreed that, knowing that the computerization of the TIR procedure was a continuing process, involving various stages of development, none of the options (mentioned in paragraph 9 of the underlying document) could be excluded for the time being. Efforts should be pursued at the national level to prepare the national Customs legislation for the acceptance of electronic data processing and interchange techniques and the electronic signature (TRANS/WP.30/2001/13, paras. 18 and 19).

12. With regard to the description of the approach on how to achieve the computerization of the TIR procedure, the Expert Group felt that, in view of political and technical developments having taken place over the last few years, the Working Party might wish to provide more detailed guidance to the Expert Group on which approach the computerization project should pursue (TRANS/WP.30/210/para. 29 (b)). Such guidance would facilitate further work by the ad hoc Expert Group, in particular once the present and future requirements (described in Part I and Part II of the Reference Model) have been identified and will have to be translated in specifications (including financial implications) that can be followed by software developers and message designers.

(c) **Title of the project**

13. So far, the project to computerize the TIR procedure does not dispose of an abbreviated name, which would clearly identify it and distinguish it from similar projects in the field of computerization of transit procedures. Therefore, the secretariat had proposed the abbreviation "eTIR", as a simple, easily identifiable and catchy way of capturing the objective of the project to computerize the TIR procedure.

14. At the proposal of its Chairman, the Working Party is requested to voice an opinion on this issue. Within the context of the issue, the Working Party may wish to take into account that fact that already now, both within and outside UNECE circles, the terme TIR is often used when referring to the project to computerize the TIR procedure.

C. FINAL CONSIDERATIONS

15. The observations, made by the Working Party with regard to the three outstanding issues, will serve to amend and finalize the respective parts in the Reference Model and will provide concrete guidelines for the continuation of the project.
