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FOR EUROPE



# The TIR Convention

**Erik Willems**

Customs expert





# Customs Transit

## Needed for :

- **A country to be linked to trade routes**
- **Smooth border procedures (inland declaration)**
- **Economic development (free zones, inward processing)**





# General Principles of Customs Transit

Based on Article V of the GATT agreement :

**Movement of goods under Customs control without payment of duties and taxes**

Safeguards for customs :

- guarantee
- Customs seals,
- time limits
- Customs escorts





# Several Kinds of Customs Transits Systems

National transit

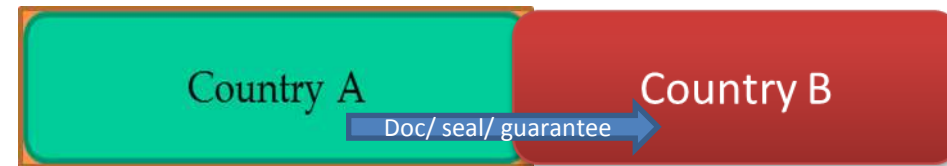


or



Bilateral or multilateral transit

- Closed system between two or more countries (access on invitation)



Global transit → TIR







# TIR Convention

## Background & characteristics

- **History:**
  - **First Convention 1949, revision 1975**
  - **From 6 countries to 68 countries (Operational: 56)**
- **Objective:**
  - **Facilitation**
  - **revenue protection + Customs checks**
- **Only global transit procedure**
- **Intermodal (trucks and containers)**
- **Public/Private Partnership**



# THE TIR CUSTOMS TRANSIT PROCEDURE

## The five pillars of the TIR System

TIR Convention, 1975

5 pillars of the TIR system

Secure vehicles  
or containers





# Secure Vehicles and/or containers

→ no goods can be removed from or introduced into the sealed part

→ Customs seal : simply and effectively

→ No concealed spaces

→ All spaces accessible for customs

Detailed technical regulations in the annexes of the convention

Certificate of approval





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# Secure Vehicles and/or containers





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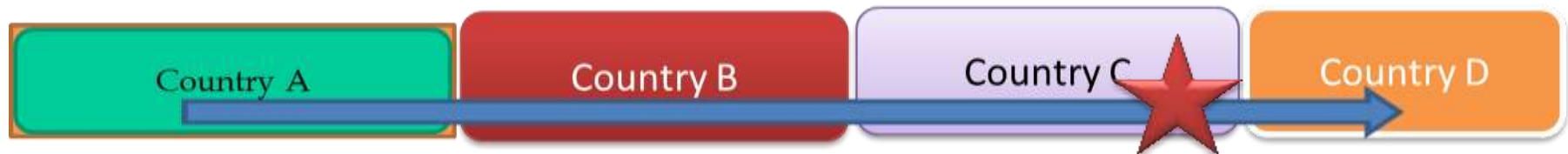
International  
guarantee



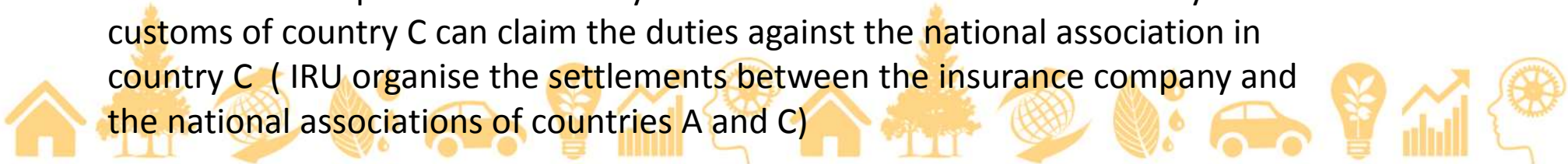


# International Guarantee

- Organised by the IRU
- Customs claim against the national association in their country



When there is a problem in country C with a TIR carnet issued in country A the customs of country C can claim the duties against the national association in country C ( IRU organise the settlements between the insurance company and the national associations of countries A and C)



## Traditional guarantee

- Level is decided by local customs officers
- Customs has to decide quickly on limited information
- Local Customs are responsible → no risk
- Duty/Taxes : HS code + value
- Controlling HS code : physical inspection => time loss
- Value ??
  - Invoices for «customs purposes only»
  - Transactions inside a multinational
  - Royalties
  - Discussions : time loss, risk for corruption





# TIR

Risk  
For the  
state  
budget is  
low

- Fix guarantee of 50.000 USD,
- increased in most countries to 60.000 EURO (to be agreed with IRU)
- Only taxes +duties value goods : 200.000 USD or more,
- Guarantee level is too high for more than 90 % of the transports in the EU
- Alcohol and tobacco is not allowed under TIR
- Number of claims where guarantee is not enough is very small
- Transporter have still to pay also
- Number of claims is small (authorised access and IT tools)







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## Comprehensive guarantee

Is often only accessible for local economic operators  
Not a good solution for international land transport





# TIR

Border crossing facilitation instrument

→ Fix level guarantee is an important part of it



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TIR  
Carnet



# Document : TIR Carnet

One single document, security elements printing and issued by the IRU only



**CARNET TIR \***

**6 volets**

1. Numéro de Carnet unique par transport de marchandises  
2. Libération  
3. Marchés  
4. Déclaration de destination de l'expédition  
5. Déclaration de destination  
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Secure vehicles  
or containers

International  
guarantee

TIR Carnet

Mutual recognition of  
Customs controls



# Mutual recognition of Customs Control

## Article 5 :

Good carried under the TIR procedure in sealed road vehicles, combinations of vehicles or containers shall not as a general rule be subjected to examination at Customs offices en route



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Mutual recognition of  
Customs controls

Controlled  
access





# Controlled access (annex 9 )

Customs authorities give access to the TIR procedure :

To national associations to issue TIR Carnets and act as guarantor

For Transport operators to utilize TIR Carnets (also the national associations have their input)

The information concerning all persons authorised to use the TIR transit procedure is listed in UNECE's : International TIR Data Bank (ITDB).





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# Geographical scope



- Contracting parties to the TIR Convention
- TIR operational countries
- In admission countries
- Interested Parties





# Number of TIR Carnets

**1959**                      **67,000**

**1969**                      **790.035**

**1990**                      **748,600**

**2000**                      **2,782,600**

**2008**                      **3,258,300**

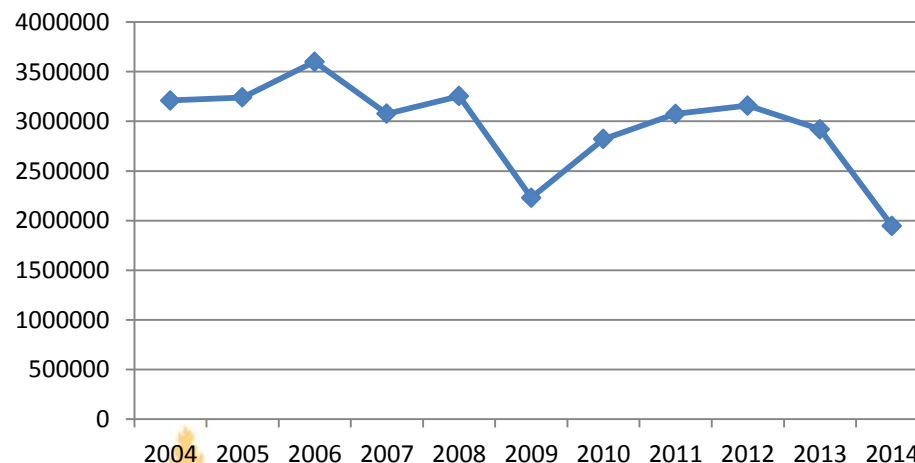
**2009**                      **2,230,400**

**2011**                      **3,074,500**

**2013**                      **2,920,150**

**2014**                      **1,945,050**

**TIR carnets distributed by IRU**





# Countries with most TIR carnets issued

- 1996 - Poland, Hungary, Turkey, Russia, Romania
- 2002 - Romania, Turkey, Lithuania, Belarus, Russian Federation
- 2013/2014
  - » Turkey : 540.500 /385.500
  - » Russia : 529.700/300.400
  - » Ukraine : 434.400 /95.000
  - » Poland : 260.500/283.000
- Other countries
  - » Azerbaijan : 10.300/4.800
  - » Iran : 105.000/90.000
  - » Kazakhstan :25.000/24.200
  - » Lebanon : 300/500
  - » Tajikistan : 3.500/4.000





# SUMMARY



## ADVANTAGES

### Customs Authorities:

- No physical inspection of goods needed in transit (in principle)
- A national contact point for the guarantee system
- Authorized/known operators
- No national Customs documentation and control system

### Transport/Trade Industry:

- Minimum of procedures at border crossings
- No restriction in the modes of transport used
- Significant reduction of transport costs (reduced export and import costs)





# Questions ?

## Thank you!

Contact: [erik.willems@unece.org](mailto:erik.willems@unece.org)

