

COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 15.10.2007 COM(2007) 596 final

2007/0208 (ACC)

Proposal for a

COUNCIL DECISION

on the position to be taken by the Community concerning the proposal to amend the Customs Convention on the International Transport of goods under cover of TIR carnets (TIR Convention 1975)

(presented by the Commission)

EXPLANATORY MEMORANDUM

1) CONTEXT OF THE PROPOSAL

• Grounds for and objectives of the proposal

The Customs Convention on the international transport of goods under cover of TIR carnets (TIR Convention) of 14 November 1975 was approved on behalf of the European Economic Community by way of Council Regulation (EEC) No 2112/78. The Convention entered into force in the Community on 20 June 1983.

The purpose of the proposed Decision is to introduce amendments in Article 13 of Annex 8 to the TIR Convention. These amendments concern the financial arrangements as regards the functioning of the TIR Executive Board and the TIR Secretariat of the UN Economic Commission for Europe.

• General context

The TIR Convention, which is administrated by the United Nations Economic Commission for Europe (UNECE) based in Geneva, has established a customs transit procedure for the international movement of goods by road. The Convention enables goods, which are under customs and tax suspension, to cross international borders with a minimum of intervention en route by the customs authorities. By easing traditional impediments to the international movement of goods, the TIR system encourages the development of international trade. By reducing delays in transit, it enables significant economies to be made in transport costs. The most important advantage of the system is the fact that the TIR Convention provides, through its international guarantee chain, relatively simple access to the required guarantees.

Over recent months the Public-Private Partnership established by the customs authorities and the guaranteeing associations encountered serious problems within the TIR system in particular in respect of the financing of the TIR Executive Board and the TIR Secretariat. In order to strengthen the TIR system and the Public-Private Partnership both partners decided to take all the necessary steps to amend the TIR Convention so that the word "levy" is replaced by "amount" and the procedure for establishing this amount is clearly specified. Another necessary action was the drawing up of a procedural agreement between the UNECE and the IRU. These actions will certainly provide for a transparent system of financing the UNECE secretariat and the TIR Executive Body.

• Existing provisions in the area of the proposal

There are no existing provisions in the area of the proposal.

• Consistency with the other policies and objectives of the Union

The proposed Decision is consistent with the common policy in trade and transport. The TIR system, providing facilitation in road transport, allows goods to travel across 66 Contracting Parties with a minimum of interference by customs administrations and provides, through an international guarantee chain, relatively simple access to the required guarantees. The simplifications achieved through the TIR Convention are in line with the revised Lisbon strategy.

2) CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

• Consultation of interested parties

Consultation methods, main sectors targeted and general profile of respondents

Consultations on the proposal were carried out with the International Road Transport Union, all guaranteeing associations and customs authorities from the Contracting Parties to the TIR Convention. These consultations took place within the Customs Code Committee meetings and sessions of the Working Party on Customs Questions Affecting Transport.

Summary of responses and how they have been taken into account

Favourable opinion

• Collection and use of expertise

There was no need for external expertise.

• Impact assessment

The rules of financing the TIRExB and the TIR Secretariat need to be clearly specified in the TIR Convention.

By introducing these amendments the sustainability of the TIR system is maintained and the continued existence of the TIR bodies is possible.

3) LEGAL ELEMENTS OF THE PROPOSAL

• Summary of the proposed action

These amendments concern the changes in terminology in Article 13 of Annex 8, by replacing the word "levy" by "amount." It is also clearly described how the procedure for calculation of an amount per TIR carnet should be established and fulfilled.

• Legal basis

Articles 133 and 300 (2) of the Treaty establishing the European Community

• Subsidiary principle

The proposal falls under the exclusive competence of the Community. The subsidiary principle therefore does not apply.

• Proportionality principle

The proposal complies with the proportionality principle for the following reason(s).

The proposal is in conformity with the principle of proportionality. It implements an

amendment to the international agreement which as such respects the principle of proportionality.

The proposal requires changes in the terminology in Article 13 of Annex 8 to the TIR Convention. The aim of these amendments is also to clearly define the mechanism of financing of the TIR bodies and future cooperation between the public and private partners in this respect.

• Choice of instruments

Proposed instruments: Decision.

Other means would not be adequate for the following reason(s).

International agreements and amendments to these arrangements are normally introduced into the Community's legal order by way of a Decision.

4) **BUDGETARY IMPLICATION**

The proposal has no implication for the Community budget.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article133, in conjunction with Article 300 (2) thereof,

Whereas:

- (1) The Customs Convention on the international transport of goods under cover of TIR Carnets (TIR Convention) of 14 November 1975 was approved on behalf of the Community by Council Regulation (EEC) No 2112/78 of 25 July 1978¹ and entered into force in the Community on 20 June 1983².
- (2) In January 2007 the Administrative Committee for the TIR Convention decided that in order to cooperate efficiently within the Public-Private Partnership some amendments to the TIR Convention should be implemented to provide for a transparent system of financing the UNECE Secretariat and the TIR Executive Board. These amendments concern the linguistic changes as well as clearly describe the procedure for the calculation of an amount per TIR Carnet.
- (3) All Member States expressed their positive opinion as regards the amendment proposal. The draft produced by the Administrative Committee to the TIR Convention was already discussed within the Customs Code Committee and it was preliminarily approved.
- (4) The Community position concerning the proposed amendment should be determined,

HAS ADOPTED THIS DECISION:

Article 1

The Community's position within the Administrative Committee shall be based on the draft amendments annexed hereto.

¹ OJ L252, 14.09.1978

² OJ L31, 2.2.1983, p.13

Article

This Decision is addressed to the Member States.

Done at Brussels,

For the Council The President

<u>ANNEX</u>

Replace the existing text of Annex 8, Article 13, paragraph 1 by:

"1. The operation of the TIR Executive Board and the TIR Secretariat shall be financed, until such time as alternative sources of funding are obtained, through an amount per TIR carnet distributed by the international organization as referred to in Article 6. This amount shall be approved by the Administrative Committee."

Add a new Explanatory Note:

"8.13.1-3 Amount

The amount referred to in paragraph 1 shall be based on (a) the budget and cost plan of the TIR Executive Board and TIR Secretariat as approved by the Administrative Committee and (b) the forecast of the number of TIR carnets to be distributed as established by the international organization."

<u>Replace</u> the existing text of Annex 8, Article 13, paragraph 2 by:

"2. The procedure to implement the financing of the operation of the TIR Executive Board and the TIR Secretariat shall be approved by the Administrative Committee."

Add a new Explanatory Note:

"8.13.2. Following consultation with the international organization as referred in Article 6, the procedure referred to in paragraph 2 shall be reflected in the agreement between the UNECE, as mandated by and acting on behalf of the Contracting Parties, and the international organization as referred to in Article 6. The agreement shall be approved by the Administrative committee."