Note for Legal Framework for Transit Co-operation

One of Important international agreements for an effective transit system is the Revised Kyoto Convention (RKC). The RKC provides a comprehensive set of uniform principles for simple, effective and predictable Customs procedures with effective Customs control. It thus responds to the key needs of modern-day Customs administrations and the demands of international trade, by providing a balance between the Customs functions of control and revenue collection and the needs of trade facilitation.

Chapter 1 of RKC Specific Annex E focuses on Customs Transit. This Chapter provides for a transit system which is intended to achieve maximum facilitation for the movement of goods under Custom control in international transport, as well as providing transit countries with the requisite security and Customs guarantees.

It outlines facilitative measures such as open transport supported by timely information (rather than requiring the sealing of the transport unit), and simplified procedures granted to authorized consignors and consignees. The essential elements required for a transit system are also reflected in this Chapter. For instance, it includes practical standards concerning responsible persons, authorised consignors and consignees, formalities at the office of departure, Customs seals and the time limit for transit.

In addition to the RKC, I would like to mention that the Istanbul Convention, Convention about temporary admission procedures, might contribute to transit procedures as well. Under the Istanbul Convention, the ATA Carnet replaces national Customs formalities for temporary admission and transit, thus saving on the costs involved in clearing goods at each border. Also Annex B3 to the Istanbul Convention is about temporary admission of transport means including Containers. According to the Annex B3, transporter does not have to submit any Customs document and does not have to deposit guarantee to use containers or other transport means such as pallets for transit operations. It may be greatly facilitate the transit operations.
The Container Convention provides for the temporary importation of containers, free of import duties and taxes, subject to re-exportation within 3 months and without the production of customs documents or guarantees.

Finally, I would like to highlight the importance of bilateral agreements. For instance, information/data sharing among Customs offices in a transit route is essential for effective transit procedures. The exchange of data about transit operations between neighbouring countries should be based on a rigorous and realistic legal framework. The legal framework needs to cover data protection, limitations on the use of the data and electronic data exchange.

We need to consider appropriate combination of multilateral agreements and bilateral agreements for Transit operations for effective transit operations.