TIR as enabler to strengthen CHN overland corridors

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The global leader in connecting societies with safe, efficient, green mobility and logistics.
FACILITATING TRADE AND TRANSPORT SINCE 1948
OUR MEMBERS

164 members
82 countries

62% logistics

38% mobility
The TIR System

Managed by IRU under UN mandate since 1949
TIR is the only globally applicable international customs transit and guarantee system

- **More than 70 signatory countries** to the TIR Convention around the world
- **Over 34,000 transport and logistics companies** use TIR to quickly and reliably move goods across international borders
- **Tried and tested for over 70 years,** TIR has a 0.01% claim rate every 1 million carnets issued
Secure logistics: the 6 pillars of the TIR System

- Secure vehicles or containers
- International guarantee chain
- TIR Carnet
- Reciprocal recognition of Customs controls
- Controlled access by Customs and IRU
- SafeTIR and Electronic Data Exchange
Electronic Data Exchange for risk management

- Connect TIR actors
- Enhance TIR security
China acceded to the TIR Convention in 2016 and became operational on 18 May 2018.
China TIR operation timeline

- **2016.7** China ratified TIR Convention, becoming the 70th contracting party;
- **2018.4** GACC designated first batch of 6 TIR pilot customs ports;
- **2018.5** China officially launched TIR operation;
- **2018.5** China-KAZ first TIR movement started at Khorogs;
- **2018.7** First TIR movement along CHN-KRG-UZB route arrived at Irkeshtam;
- **2018.11** First China to Europe TIR transport arrives in Poland;
- **2019.2** First Europe to China TIR transport arrives in Khorgos, China;
- **2019.3** GACC designates four more CHN-KAZ BCPs as TIR pilot port;
- **2019.6** China opens all customs checkpoints (1230+) for TIR;
- **2019.8** First TIR transport to China via CHN-MNG border Erenhot.
TIR BCPs in China

- First batch of 4 ports (May 2018)
- Second batch of 6 ports (March 2109)

All checkpoints opens for TIR from 25 June 2019
Some cases:

# 4500km

May 2018

July 2019
China – EU by road

• Delivery time faster than rail
• Similar door-to-door delivery time with at least 40% cost savings compared to air
China-EU route: China-Spain (Alicante) route

Southern China (Foshan)- Spain of EU Pilot (2019.04)
- 13,600 km; door-to-door 16 days
China- EU route: Italy – China (Imports)
Shanghai – Istanbul by road

- June 2019
- 13,000km
- 19 days DTD
Advantages of road transport on China overland corridor

Comparison of different transport modes for CHN-EU transport

<table>
<thead>
<tr>
<th>Mode</th>
<th>Cost (USD/KG)*</th>
<th>Door-to-door delivery time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road</td>
<td>0.4</td>
<td>13-16 days (based on pilots)</td>
</tr>
<tr>
<td>Railway</td>
<td>0.15-0.25</td>
<td>20-30 days</td>
</tr>
<tr>
<td>Maritime</td>
<td>0.1-0.2</td>
<td>&gt;30 days</td>
</tr>
<tr>
<td>Air</td>
<td>2-4</td>
<td>11-30 days</td>
</tr>
</tbody>
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* Figures vary during low and peak seasons

Why under TIR?

- Customs’ mutual recognition: safer, more efficient, less red-tapes
- For high-value goods sensitive to delivery time: auto parts, electronic devices, and etc
- Refrigerated transport: less likelihood to open compartments
Refrigerated transport under TIR

Belarus – RUS – KAZ - China Khorgos (2019.07)
- Frozen meat
- 5000 km
- 8 days (DTD)

Belarus- RUS- MNG- China Erenhot (2019.08)
- Frozen meat
- 8000+ km
- 12 days
Vision: forging the Fourth Logistics Channel connecting China and Europe

- Unleash **road transport** potential in the corridor in addition to the existing sea, air and rail logistics channels;

- **Fourth channel** is not a specific thoroughfare, but consisting of various trade routes connecting China and Europe and countries en route, such as Mongolia, Russia, Central Asia, Caucasus and Turkey and ultimately to connect Asia and Europe.
TIR has been intermodal since 1975
Digital TIR to boost intermodal corridors

UKR and TUR via GEO and AZE to KAZ and CHN in the future
For a world in motion

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