



KYRGYZ REPUBLIC: SIMPLIFICATION OF TRANSIT SYSTEM^{*}

^{*} The views expressed in this paper are the views of the author and do not necessarily reflect the views or policies of the Asian Development Bank (ADB), or its Boards of Directors or the governments they represent. ADB makes no representation concerning and does not guarantee the source, originality, accuracy, completeness or reliability of any statement; information, data, finding, interpretation, advice, opinion, or view presented.

Materials to the report: «Simplification of transit system»

1. Simplification, standardisation and mutual recognition of procedures on customs control and documentation on transit transportation (including the recognition of customs seals and stamps).

Regional systems of transit (review).

Taking into consideration that states-members of Committee for Customs Co-operation (excluding China and Mongolia) till recently were republics of USSR then it's quite logically that the most close co-operation on customs issues is established between these countries.

One of the practical issues for simplification of transit transportation of goods is the achieving the mutual recognition of procedures for customs control and documentation on transit transportation (including the recognition of customs seals and stamps).

In the TACIS reports on TRACECA project the following was noted.

Problem: for the purposes of identification the various seals and stamps are used, even despite the fact that the method of transportation might not be approved by TIR and for this reason the stamps might be forged.

Recommendation: in this cases might be used the various methods of identification (numbers, descriptions or even stamping the goods). As a rule transportation to the internal customs terminals is permitted only in case when used transport is sealed in a way of revealing the traces of possible unsealing. Apart from the system of using the numbers of individuals stamp it's necessary to use such information as numbers of transport registration, detailed description of goods particularly the manufacturer's number etc .

Kyrgyz Republic has signed the number of international documents concerning the mutual recognition of transit documents, seals and stamps:

- Agreement on co-operation and mutual assistance in customs issues dated 15.04. 1994 (CIS);
- Agreement on simplification and unification of procedures of customs registration on customs borders dated 08.07.1994 (CIS);
- Agreement between State tax Committee of Republic of Uzbekistan and State Custom Inspection under the Government of Kyrgyz Republic about mutual recognition of customs documentation and customs maintenance (customs sealing or fixing identification marks) dated 25.12.1996;
- Agreement between State Customs Committee of Kyrgyz Republic and Customs Committee under the Government of Republic of Tajikistan «On mutual recognition of customs documentation and customs maintenance (customs sealing or fixing identification marks)» dated 06.05.1998.

On transit transportation:

- Agreement on principles and conditions in the field of transportation dated 30.12. 1993 (CIS);
- Agreement on the procedure of transit through the territories of states-members of Commonwealth of Independent States dated 04.06.1999;
- Agreement on the general transit conditions through the territories of states-members of Customs Union dated 22.01. 1998;

- Agreement on transit trade of Organisation of Economic Co-operation (OEC) dated 15.03 1995;
- Framework Agreement of OEC on transit transportation dated 09.05. 1998;
- Protocol on customs carriers of states-members of Commonwealth of Independent States (adopted by the Resolution of Council of Heads of Customs Services (CHCS) of CIS, September 30, 1999 N 2/24);
- Protocol on customs carriers of states-members of Customs Union (Resolution of CHCS of Customs Union dated October 15, 1999)

For today there is no agreements on mutual recognition of customs maintenance (customs sealing or fixing identification marks) and customs documentation between China and Kyrgyz Republic.

However in March 2003 the Protocol of Intentions between the General Customs department of China and Department of Customs Services of Kyrgyz Republic was signed. This Protocol relates to certain issues and particularly to the mutual recognition of customs documentation and means of customs maintenance (customs sealing or fixing identification marks), realisation of mentioned Protocol offers the real possibility for strengthening of co-operation between customs services of both parties.

At present Kyrgyz Republic and Mongolia initiated bilateral correspondence with the aim to conclude Protocol on collaboration in customs issues.

It's necessary to note that mutual recognition of means of customs maintenance (customs sealing or fixing identification marks) applied by customs services of various states has the significant practical importance for the activity of customs services. In relation with above-mentioned, the experience of customs services of Tajikistan and Kyrgyz Republic is interesting regarding the achieved agreement. This agreement relates to mutual recognition of the means of customs maintenance (customs sealing or fixing identification marks) only if they belong to certain officials of contiguous customs bodies in times of internal instability.

Customs regime of transit is established by section 6 of customs Code of Kyrgyz Republic as well as by Resolution on customs regime of transit which was approved by the Instruction of State Customs Inspection № 15-11/753 dated 23.11.00, and was registered in the Ministry of Justice of Kyrgyz Republic № 196 dated 05.12.00.

In accordance with the article 36 of Customs Code the following terms for transportation of goods under customs regime of transit were established:

- Proper equipment of transportation;
- Customs convoy;
- Transportation of goods by customs carrier.

The rules of equipping the transports (containers) for goods transportation with customs sealing and stamps are approved by the resolution of Government of Kyrgyz Republic № 119 dated 20.03.96.

Customs convoy of goods and transports is realised in accordance with Provisions on customs convoy that was approved by the Instruction of SCI № 115-11/547 dated 10.08.00, registered in the Ministry of Justice of Kyrgyz Republic № 151 dated 30.08.00. According to the Register of payable and free of charge services that are rendered by state bodies, customs convoy is executed free of charge.

Customs convoy by customs carrier is regulated by Provisions on customs carrier that was approved by Instruction of SCI № 15-11/638 dated 29.09.00r, registered in the Ministry of Justice of Kyrgyz Republic № 174 dated 09.10.00.

Normative acts of Kyrgyz Republic related to the certain categories of goods establish the following:

- Decree of Government of Kyrgyz Republic № 3 dated 04.01.1999 establishes the procedure for transit transportation of alcohol production within the customs territory of Kyrgyz Republic.

Decree of Government of Kyrgyz Republic stipulates that the goods owner shall deposit to the settlement account of customs bodies the money equal to amount of excise tax and VAT for transported volume of goods.

- According to Decree of Government of Kyrgyz Republic № 276 dated May 14, 1997 «On realisation of Basil Convention about control over transboundary transportation of perilous tailings and their removal" and "Agreement on control over transboundary transportation of perilous and other kind of tailings".

Decree of Government of Kyrgyz Republic № 274 dated May 12, 1997 approves the list of automobile routes assigned for transportation of imported and exported goods and production as well as for admission of transit automobile transportation (including those that are transported by foreign vehicles) through the customs territory of Kyrgyz Republic.

Kyrgyz Republic by the Law of Kyrgyz Republic № 99 dated 19 December, 1997 ratified the Customs Convention on international transportation of goods with the usage of TIR (TIR Convention) dated 1975, and since November 20, 2000 Kyrgyz Republic is a country that issues and guarantees TIR Carnets that are recognised by foreign customs services.

The necessity of resolving the issues of transit transportation of goods for creation of the most favourable conditions for the subjects of foreign economic activity predetermines the participation of Kyrgyz Republic in various integrating establishments and economic blocks.

Thus, at present Kyrgyz Republic is the participant of such integrated unions as Commonwealth of Independent States (CIS), Eurasian Economic Community (EurAsEC), Central Asian Community (CAC), Organisation of Economic Co-operation (OEC).

Participation of Kyrgyz Republic in the mentioned unions gives an opportunity, along with the resolving other economic and political issues, to elaborate the mutual actions for harmonisation and unification of customs legislation of Parties. As well as to simplify the customs procedures for flow of labour force, goods and services through the boundaries of Parties, to solve the issues of transit transportation of goods.

Thus, for instance. Within the Organisation of Economic Co-operation (OEC) the following agreements were signed: Agreement on transit trade of Organisation of Economic Co-operation (OEC) dated March 15, 1995 (ratified by the Law of Kyrgyz Republic № 17 dated January 15, 2000) and Framework Agreement of OEC on transit transportation dated May 9, 1998 (ratified by the Decree of Government of Kyrgyz Republic № 459 dated August 18, 2001).

These international legal acts are directed to the assist in trade field and for minimisation of delays while transit transportation of goods within the territory of states-participants of OEC.

According to the article 28 of the Framework Agreement of OEC on transit transportation dated May 9, 1998, the contracting parties that are participants of Custom Convention on international transportation of goods with usage of TIR dated 1975, will apply the provisions of given Convention.

Kyrgyz Republic since December 20, 1998 is a member of World Trade Organisation. Along with other benefits that are given to members of WTO in mutual trade, membership in WTO offers possibility to solve the issues of transit transportation by the most civilised ways and methods.

Article 5 of General Agreement of Tariffs and Trade says "Any contracting party may require that transit transportation through its territory would be executed through the appropriate entry customs, but, excluding the cases of non-observance of applied customs laws and rules, such transportation from the territories of other contracting parties or to their territories are not subject to extra delays or restrictions. And they are free from customs duties and other transit fees prescribed for transit, excluding fees for transportation or fees equal to administrative costs for transit, or equal to the price for rendered services".

However if, for instance, European Economic Community at present applies the unified mechanism of providing the transit, then, unfortunately on post soviet area the issues of civilised solution of transit matters are on the stage of elaboration the common approaches

Agreement on creation of zone of free trade dated April 15, 1994 that is the base for countries of post soviet area, establishes the observance of free transit principle as the main condition for achieving the goals of given Agreement, and as a substantial element of integration process to the system of international labour and co-operation.

Article 10 of Agreement on creation of zone of free trade dated April 15, 1994, defines that transit through the territories of every contracting party is realised on the base of free transit principle on the ways that are most appropriate for international transportation, transit transportation to / from the territories of other contracting parties without any differences that are based on the flag of boats, place of origin, place of departure, place of exit or destination. Or based on other circumstances related to the right of ownership on goods, boats or other kind of transportation.

Similar norm is stipulated by Agreement on general conditions of transit through the territories of state-participants of Custom Union dated January 22, 1998. Kyrgyz Republic is an active member of this Agreement

Regardless the achieved arrangements, they often has a declaratory character and don't give the practical possibility for creation of any acceptable conditions for transit of goods. Actually, the absence of agreed approach in transit issues leads to the implementation rules of national legislation that creates the significant difficulties for development of trade.

At present the main basic mechanisms of transit ensuring is the implementation of customs convoy or depositing the appropriate amount of customs fees and taxes to deposit account of customs body in the country of transit. The indicated methods are uncomfortable for subjects of foreign economic activity. The necessity in adaptation to provisions regulating transit in every transit country is arisen that decrease the speed of delivery of goods.

In TACIS Reports on studying the possibilities of the region in realisation of project TRACECA, the significant attention was paid to the issues of ensuring the transit transportation of goods. In particular, in the section "Problems - Recommendations" on these issues the following were noted:

Problem: On some border crossing points there is a practise of Customs escort or Convoy that costs money, increases the corruption level that entails the unacceptable delays and as a rule doesn't meet the requirements. Often the payment for rendered services is required, but in practise such payment is not registered and transparency is not provided.

Recommendation: As International Convention on Concordance of Level of Conducting the Control on the borders supposes the implementation of convoy only on exceptional cases, the national legislation of certain country must be properly amended. Thus, introducing the amendments into legislation might formally abolish the current system of customs convoy. If such amendments are unwanted or would take too much time, then such customs service which is risky and costly has to be very expensive for customers, and then private entrepreneurs would prefer the other methods of control as it practises in many countries of the world.

Almost in all post soviet countries the practise of implementation of customs convoy is accepted as one of the most efficient and necessary. At that, many countries don't analyse the risk of keeping the goods on the territory of transit country, the status of importer or exporter of the

goods (big state companies, state ministries and governmental bodies, recognised huge commodity producer with the trademark, transportation of specific goods that are not used in the economy of transit country).

Another factor is extra commercialisation of transit issues, when economic benefits of certain transit country from customs convoy prevail over international principles.

Within the framework of TRACECA researches some problems were revealed that impede the implementation of modern methods of control over transit transportation. These are:

Problem: National Transit System (not TIR) exists, but rarely used because the system of guarantees is not effective and very costly.

Recommendations: For all system of national transit it's necessary to elaborate the detailed and effective system of guarantees that already particularly exists for TIR. Such system shall be elaborated with participation of interested business circles, and may be with participation of official representatives of EuroCustoms who experienced in the sphere of organisation of system of transit and guarantees as New Customs Transit System (NCTS) that operates in several neighbour countries of EU.

Problem: The recommendation is required for adopting the system of guarantees, however the existing system is already complicated even on this early stage. This creates too complicated requirements for consignor of goods.

Recommendations: The usage of general guarantees unlike the individual guarantees would facilitate the extent of load. Financial institutions must be questioned on this issue, id est instruction and persuasion of financial institutions for submitting guarantees. In the beginning its usage might be limited and applied only in relation to consignor / receiver of goods with a confirmed volume of annual income. Importers also may use the services of Customs Convoy as it described above and bear corporate expenses.

Problem: the opinion was declared that the system of customs guarantees for goods imposed to high duties can be inapplicable in various countries at present, and convoy always would be in need due to the following reasons:

- Apprehension of administration for possible falsification of appropriate documentation;
- Banking system can be unprepared for confirmation of guarantees in a view of absence of practical experience and business relations in this field between traders and bankers;
- Up to now in many countries of the region there are still difficulties in the field of connection with ППП, excluding the very short messages;
- Significant exchange-rate fluctuations of relevant currencies; and
- The absence of system of Customs brokers (only Customs Agents).

Recommendation: Customs shall actively participate in broker transactions between Financial and Trading sectors. All interested parties may obtain the commercial advantages. In case of availability of double system of guarantees the work of Customs would be simplified, trade sector could be receive the acquired goods more faster, and banks and other financial institutions as insurance agents would have possibility to earn money. Administration of customs bodies has to think of funding the seminars and conferences dedicated to this subject. The advantages of neatly working system of customs guarantees applied in relation to customs and other indirect taxes on transited goods are obvious. And particularly shown in decreasing the load to customs,

increasing the efficiency, reliability and confidence on border crossing points, as well as advantages for financial sector that provides the financial aid.

Problem: if certain guarantee was not prepared before arrival at the entrance point of country then it will result to serious delays.

Proposed solution: It's necessary to provide the following:

- Transit system of EU was elaborated for resolving the similar problems. Thus it's necessary to consider the issue of implementation the analogue system in a form of addendum to the current system in order to receive the advantages from EU experience.
- In connection with the interests of local banks it's necessary to develop the system of guarantees at that, the relevant bank (that as a result of a bid was considered to be applicable from the point of view of Customs), shall open account from which the amount of money equal to guarantee for certain kind of imported goods can be withdrawn.
- It's recognised that banking system in some countries of the region still is lack of system experience that inherent in other states. However, it's necessary to recommend them the development of such system, as it would open new perspectives for profit of banks. Involvement of Customs and business groups in development of this system will ensure the representation of clients' demands in this system. Besides, it is possible to use the experience of other countries in this field.
- As a result, it will entail to accelerated procedure of customs clearance of acquired goods from the border to the internal system of Customs.
- It is necessary to ensure the possibility for payments of cash deposit on the border. This deposit henceforth might be covered by presenting the order to internal Customs administration (no need for importer to go back to the frontier administration).
- Preferable decision is usage of general guarantees, not the separate guarantees for each operation.

The work on implementation of system of banking guarantees is on the initial stage, particularly within the framework of EurAsEC. The members of which are Kazakhstan, Kyrgyz Republic, Tajikistan, Byelorussia and Russian Federation. It's necessary to note that for today there are more questions than practically applicable answers. In practise and in understanding the issues of transit exceeds the bounds of customs services and relates even to the interests of banking sector including the National Banks and Ministries of Finance of the parties. Differences in national procedures of guarantee issuance by banks also don't promote the effective implementation of the system of banking guarantees in the region. At practical realisation of implementation of bank guarantees the following problems are arisen: the calculation due customs fees and duties taking into consideration the difference in rates of customs fees and duties in various countries; submission of the sufficient evidences that goods are kept in certain transit country; determination of procedure of conducting investigation on moot points. Implementation of New Customs Transit System based on the experience of European countries is not possible at present due to the significant differences in development of informational technologies.

Kyrgyz Customs Services on 20th meetings of heads of customs services of states-members of EurAsEC proposed the project of agreement according to which the body of country of destination of goods has to ensure (guarantee) the delivery of the good by transit. Sufficiently tough mechanism of documentary control over transportation and delivery of goods to the country of destination, determination of points of crossing and exit from transit countries, determination of traffic route of transit transportation that are laid in the project of agreement practically enable the possible realisation of transit without implementation of financial

guarantees. At that the customs bodies of the parties themselves form the list of the most conscientious participants of foreign economic activity related to whom the risk of non-delivery of goods would be minimised.

The project of agreement was took into account and the idea for issuance the guarantee obligations was recommended to consider when elaborating the similar agreements for ensuring the transit transportation of goods within the countries of EurAsEC. Additionally it was recommended to approve the mechanism of implementation of guarantees of customs bodies by conclusion the bilateral agreements.

Implementation of insurance for transit transportation of goods.

The most attractive part in realisation of simplification mechanism of transit system within CCC, with taking into consideration the universality and acceptability as an effective tool for control, is Customs Convention on international transportation of goods with using the TIR Books (Convention on TIR) dated 1975 (Kyrgyz Republic ratified this Convention by Law #99 of Kyrgyz Republic dated December 19, 1997).

However the disadvantage of such mechanism is sufficiently expensive ensuring of TIR book that are available only for specialised auto companies, the availability of automobiles that might be admitted to the transportation according to the procedure of TIR CARNET.

The perspective thing is the development of transit transportation with application of insurance in case of non-delivery of goods to the place of destination.

The general principles of state regulation of insurance activity are defined by the Law of Kyrgyz Republic № 96. "On organisation of insurance activity of Kyrgyz Republic" dated 23.07.1998. At that the present Law is not applied to the state social insurance and mutual insurance, as well as insurance agreement, condition and procedure of realisation are not prohibited and regulated by the Civil Code of Kyrgyz Republic.

According to the above mentioned Law of Kyrgyz Republic the interference of executive bodies into insurance activity is forbidden, excluding the state body of management over insurance supervision of Kyrgyz Republic. Thus the national legislation doesn't prohibit the insurance of transited cargo, even it requires the significant clarifications with reference to insurance of goods transported by transit.

Consulting with banks and insurance companies that are ready to render such services in transit transportation of goods showed their big interest to the existing problems. At the same they recognised that they are both kind of problems legal and procedural.

By introducing the insurance it is important to recognise the insurance policies of one country in the country of transit transportation of goods. Such norm might be defined only by international or multilateral agreement that will regulate the procedure of conducting the insurance operations, the procedure of submission evidences of occurrence the insurance event, functions of authorised state bodies on controlling the parties' observance of obligations on compensating the customs fees and duties in the country where the goods are kept without permission of customs bodies, and other issues. Undoubtedly the drafting such document is a very complicated process since it refers to the interests of transit state and its authorised bodies, interests of carrier, insurance company that issued the insurance policy, interests of good owner, interests of custom services of country of goods sending/receiving. It's necessary to note that the role of customs services when realising the insurance of transit goods will be significantly as a result of an imposed responsibility for authenticity of presented information on non-delivery of goods that is base for receiving insurance payments.

Besides, there is no definite opinion on who will conclude the agreement with insurance company - the carrier or the good owner. For the transit country there is no principal difference who will conclude the agreement provided that insurance company in specific terms will

reimburse the amount of damage. Nevertheless for insurance company that issues the insurance policy this issue is of the utmost importance.

Principally the norm of insurance of international transportation is stipulated by separate international agreements, however such norm refers only to the insurance of civil responsibility.

In particular, the analysis of bilateral intergovernmental agreements of Kyrgyz Republic in the field of international automobile transportation has revealed that in principle the idea of insurance (even if to consider the example of insurance of civil responsibility of driver for committing a traffic accident on the territory of foreign country) has the right to exist.

Another principal issue while studying the insurance of transited goods in cases of non-delivery is resolving the issue on legislation of what country it is necessary to conduct the insurance procedure - the country of sending (receiving) goods or the country of transit. The raising of this issue is obvious due to the following reason.

The cases of occurrence of insurance event suppose the occurrence of unforeseen, force-major obstacles, as for instance: fires, floods, acts of God, occurrence of military events. National customs legislation of almost all countries doesn't require the compensation for damage in kind of repayment of due customs fees and taxes in the country of transit if it is for certain proven that as a result of force major obstacles the transited goods don't fall into the national economy of transit country.

Non-delivery of goods, if transited goods fall into the national economy of transit country, supposes the availability of such schemes of transit transportation of goods when certain interested parties purposefully avoid the payment of fees and taxes in the country of transit.

In this case, along with the development of insurance system for guarantying the transit transportation of goods, it is necessary to raise the issue of struggle against organised crime. As long as it refers to the issue of organising the illegal channels for receiving the goods into the national economy of the transit country.

The separate issue is the study of possibilities of insurance sector of every country with the object to actual maintenance of issued insurance policies.

At present in Kazakhstan the new Customs Code was Such norm gives new possibilities for transit transportation of goods through the customs territory of Kazakhstan, however for today there is no mechanism that defines insurance and such norm has a national character. In case if importers and exporters from the other countries will not have possibilities for insurance in the country of departure or destination of goods, but not at the moment of crossing the customs point, then realisation of transit insurance within Kazakhstan hardly will be successful.

Perfection of system of adoption of TIR Carnet at the border crossing points and elimination of arbitrary fees for transit on the key transit routes.

For execution the provisions of Convention on TIR dated 1975, the Customs Services of Kyrgyz Republic elaborated and approved by the Instruction of SCI № 15-7/3 dated 06.01.99r. the Regulations on procedure of application of the Customs convention on international transportation of goods with using TIR Books, that defines the main norms for transportation of goods and vehicles with using TIR books.

The Instruction of SCI № 15-11/974 dated 11.12.01r. approves the list of fixed customs and border points of Kyrgyz Republic that realise the admission of goods transported on TIR procedure.: «Ak-Jol», «Chaldovar», «Dostuk», «Irkeshtam», «Kairagach», «Bek-Abad», «Chona-Kapka», «Ak-Tilek», «Torugart».

Vehicles, transported goods in accordance with TIR procedure must be admitted to such transportation in compliance with Instruction «On procedure of admission of vehicles (containers) for transportation of goods under the customs sealing and stamps », that was approved by the Instruction of SCI № 15-11/225 dated April 4, 2000.

The processing and transmission of data on completed TIR Books is executed in accordance with the Memorandum on mutual understanding between State Customs Inspection, Kyrgyz Association of International Ferryman and MSAT «On collection, processing and exchanging the data about completion of TIR Carnets at the customs points of destination (SAFETIR)», and in accordance with Instruction of SCI № 15-11/824 dated 20.10.01.

The conditions and requirements to Kyrgyz carriers who want to get the access to TIR procedure, are presented in accordance with the Rules of admission of Kyrgyz carriers to the TIR procedure, that were approved by the Director of SCI and secretary General of Kyrgyz Association of International Ferryman.

The most complex survey for eliminating the barriers in mutual trade was made by TACIS within the frameworks of TRACECA: Harmonisation of procedures of crossing the borders.

TRACECA report indicated the problem that in case of transit (sometimes in cases with TIR and almost always in cases of national transit) it is necessary to fill in the unified administrative document in all sections of questionnaire as well as the whole documentation is mandatory. It takes too much time often as much as customs clearance for the purpose of internal needs.

As a recommendation TACIS proposes with the aim to simplify and facilitate the work on the border and to prepare importers it is necessary to decrease the quantity of documents required for presenting in order to clear the transited goods. It is necessary to decrease the quantity of documents to the required minimum (only documents for goods, accounts and license or permission for goods or the method of transporting that make the possible entry to the country).

At the same time it is necessary to note that in every country there are several governmental bodies controlling the transportation that create obstacles for transportation of transited goods. On the April session of the Committee on Customs Co-operation it was proposed to parties to study the possibility of creation the inter-departmental working commissions for studying and resolving problem arisen when transporting the goods in accordance with the TIR Procedure.

Kyrgyz Customs Service directed such proposals to the address of the following interested governmental bodies and private sector: Ministry of Internal Affairs, Kyrgyz Association of automobile carriers, «Kyrgyzintrans», Ministry of transportation and communication, and to the most specialised automobile company MGATP-7.

Indicated organisations showed interests in creation of inter-departmental working commission as well as presented the following suggestion to time limit of its work

For the national inter-departmental groups it was suggested the periodicity of conducting the sessions once in two months, at that the periodicity for sessions of the chairmen of inter-departmental working groups of states-members of CCC is set as once a year.

Problem: In the states-members of TRACECA the Regional Transit System theoretically exists that doesn't find an appropriate use.

Recommendation: Implementation of the regional system, for instance by using the model of New Customs Transit System (NCTS) of EU.

Problem: Regardless that many countries of the region are the members of TIR Convention, this Convention is not often used. One of the reasons is the high price of the TIR Book, even this reason seems to be not very weighty for explanation of the fact why such insignificant quantity of trucks deals with transportation on TIR System.

Recommendation: When considering the advantages of TIR System it is necessary to pay an attention to the other obstacles as non-usage of transports with extremely high level of exhaust. *However, in perspective there will be possibility to get rid from the old transportation that can*

not be registered in TIR system. Apart from that it is necessary to take measures for regulating the work of guaranteeing associations that are under Customs, and Ministry of Transport shall simplify the rules for small companies to join the association.

Problem: for the purposes of identification the various seals and stamps are used, even despite the fact that the method of transportation might not be approved by TIR and for this reason the stamps might be forged.

Recommendation: in this cases might be used the various methods of identification (numbers, descriptions or even stamping the goods). As a rule transportation to the internal customs terminals is permitted only in case when used transport is sealed in a way of revealing the traces of possible unsealing. Apart from the system of using the numbers of individuals stamp it's necessary to use such information as numbers of transport registration, detailed description of goods particularly the manufacturer's number etc .