

**Summary of proceedings and Conclusions of 15-16 June 1998 meeting of the Transit
Contact Group (DOC. XXI.1184/98)**

**Document amending Appendices I and II of the Convention of 20 May 1987 on a Common
Transit procedure (DOC. XXI/1402/97 – Rev.3)**

UNICE Comments:

1. Identification of goods in the transit declaration

UNICE can understand that the HS code will be an objective to be achieved in the medium term. However it pleads that special cases will require special treatment, provided that the number of cases to be discussed is not limited in advance. The same applies to the indication of an approximate (or statistical) value.

2. Coverage of the financial risk connected with the transit operation

The conclusions of the 15-16 June panel discussion are only acceptable to UNICE if the comprehensive guarantee is also available (with conditions) for the transit of sensitive goods. Criteria to be met for a comprehensive guarantee or a waiver should mainly depend on the risk analysis of the economic operator involved and not only on the goods transported.

3. Monitoring the movement of goods in transit

UNICE believes that rigid itineraries are economically unjustified. Only where routes will not hamper transport of the goods could these be imposed in exceptional situations. Where transporters can offer reliable commercial monitoring techniques, customs authorities should not add their own rules.

4. Discharge from transit

UNICE would like to obtain clarification on the subject of discharge from transit. Where until now the Customs Code only prescribes when transit will end, the draft Decision on Common Transit explicitly formulates in Article 39 that discharge can only take place after a comparison between the data supplied by the office of departure and those supplied by the office of destination. As far as we know, a similar obligation is not included in Community customs legislation.

Conclusion

UNICE remains of the view that the Commission has chosen to address the symptoms of the problem – namely, loss of revenue – and not the root causes. In effect, all that the Commission is likely to achieve is a transfer of the administrative formalities of an outdated and inadequate system from the Commission and Member States to the business community. The existing Community and Common Transit systems are inherently susceptible to fraud and this problem will finally be resolved only when the Commission recognises that a fundamentally different approach is required to securing the movement of goods on which duties and taxes have not been paid.

UNICE looks forward to continuing its active collaboration with the Commission on reform of the Community Transit regime. It wishes to receive Commission legislative revision documents **as early as possible** so that it can give its input at the most appropriate time.
