

Customs Service Postpones Customs Convention Exit

By The Moscow Times

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The Federal Customs Service has postponed its planned exit from the TIR international customs transit system for road transport until Sept. 14, following a meeting with the Association of European Businesses, Vedomosti reported Thursday.

The TIR system allows sealed, pre-approved shipments to cross borders with minimal delays and no on-the-spot payments. Established by a UN Convention in 1975, it operates in 68 countries.

The FCS had said it would withdraw from the system on Aug. 14, saying that it was owed to 20.8 billion rubles (\$630 million) by the Association of International Automobile Carriers, a figure the association has disputed.

The AEB proposed a six-month postponement, saying that it would take that length of time for the FCS to change its regulatory framework and update software for a new customs

regime.

If Russia proceeds with its plans to withdraw, all shipments will require a national customs guarantee regardless of whether they have TIR documents, slowing deliveries and raising overheads.

The International Road Transport Union, which implements the system, is dismayed by this possibility.

IRU Secretary General Umberto de Pretto asked Prime Minister Dmitry Medvedev to attend to the matter immediately in a letter published Monday, declaring the decision unexpected, unilateral, and in violation of both domestic and international law.

Russia is "the largest beneficiary of the TIR system worldwide," he wrote, with more than 1.5 million freight deliveries terminating in Russia each year.

Implementing this decision would be "detrimental to the economies of all countries having international trade with Russia, as well as to the Russian economy itself," de Pretto wrote.

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