

*international freight transport,  
development of intelligent transport system,  
new computerized transit system*

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## IMPORTANCE AND ADVANTAGES OF USING NEW PRIORITY WAYS IN INTERNATIONAL FREIGHT TRANSPORT

In the intense of reconstruction the transport system in the Republic of Lithuania one of the main tasks is to guarantee effective transport activities oriented forwards satisfying the needs of Lithuanian economy, especially in international freight transport by road as a priority field. In order to guarantee effective international freight transport it is very important to create favourable conditions for that. Those conditions are influenced a great deal by the customs which is an important public institution in charge of performing customs clearance operations and collecting taxes.

On this basis it is possible to identify measures for solving the problems of the busiest customs-houses, thus positively influencing Lithuanian economy and enabling a more precise view of inspection of customable freight carrying transport means' with the present number of customs officials.

## WAŻNOŚĆ I ZALETY UŻYWANIA NOWYCH TRAS PRIORYTETOWYCH W MIĘDZYNARODOWYM TRANSPORCIE TOWAROWYM

Jednym z głównych zadań intensywnej przebudowy systemu transportowego w Republice Litwy jest zagwarantowanie odpowiednich zadań transportowych skierowanych dla zaspokojenia potrzeb ekonomii litewskiej, w szczególności zaś międzynarodowego drogowego transportu towarowego jako dziedziny priorytetowej. W celu zagwarantowania efektywnego międzynarodowego transportu towarowego jest bardzo istotnym stworzenie odpowiednich ku temu warunków. Na te warunki w dużej mierze mają wpływ cła, co stanowi ważny system państwowy odpowiedzialny za przeprowadzanie odpraw celnych i pobieranie podatków.

Na tej podstawie możliwe jest definiowanie metod rozwiązywania problemów najbardziej obciążonych posterunków celnych, a zatem korzystnie wpływających na ekonomię Litwy oraz dających możliwość bardziej dokładnego obrazu inspekcji cłonnych ładunków przewożonych środkami transportu przy obecnej liczbie celników.

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#### 4. THE NEW COMPUTERISED TRANSIT SYSTEM (NCTS)

The system offers traders many advantages, including:

- Improved quality of service:
  - Less time spent waiting at customs, because the declaration will have been sent electronically beforehand;
  - Greater flexibility in presenting declarations.
- Earlier discharge of the transit procedure because an electronic message is used instead of the return of the paper copy No 5 by mail, leading to a faster release of the guarantee.
  - The high costs, incurred in relation with the paper-based system of declaring goods (lengthy procedures involving much time and effort), are reduced.
  - A greater clarity of the transit operation, for the benefit of trade.
  - Because customs will have decided well in advance of the arrival of the goods at the office of destination whether or not they want to check the consignment, the trader will not lose valuable time at the office of destination waiting for a decision.

Apart from these general advantages for trade, there is an additional advantage for authorised consignors linked to the NCTS system. They no longer have to carry out the cumbersome formalities that are necessary in a paper-based environment, because all the movements will be directly managed by the system [6].

*The advantages of the NCTS for customs are:*

- The communication and coordination between the customs administrations involved will improve.
  - Repetitive activities will only have to be performed once; this saves time and eliminates the risks involved in the duplication of information.
  - Creation of a more coherent system, which will speed up the processing of data and at the same time making the system more flexible.
  - Harmonisation of operating criteria, which will do away with the plethora of subprocedures and divergent interpretations of how the rules have to be implemented.
  - Availability of a system run directly by customs, which offers greater security and a higher tempo in managing transit, provides more reliable data and better monitoring of movements.

It is clear that the trader indirectly benefits from the advantages of the NCTS for customs, and vice versa.

**Operation.** *Main items or messages used in a NCTS operation.* Before going into the details it is useful to mention the main items and messages in a NCTS operation.

- The transit declaration, which is presented in a paper or electronic form.
- The movement reference number (MRN), which is a unique registration number, given by the system to the declaration to identify the movement.
- The transit accompanying document, which accompanies the goods from departure to destination.
- The ‘anticipated arrival record’ message, which is sent by the office of departure to the declared office of destination mentioned in the declaration.

- The ‘anticipated transit record’ message, which is sent by the office of departure to the declared office(s) of transit\* to notify the anticipated border passage of a consignment.
- The ‘notification of crossing frontier’ message, which is sent by the actual office of transit used after having checked the consignment.
- The ‘arrival advice’ message, which is sent by the actual office of destination to the office of departure when the goods arrive.
- The ‘control results’ message, which is sent by the actual office of destination to the office of departure after the goods have been checked.

Furthermore it is important to understand that the system covers all the possible combinations of normal and simplified procedures, at departure as well as at destination.

*Office of departure.* The transit declaration is presented at the office of departure, either in paper form (in which case the data is introduced in the system by the customs office – see Fig. 1) or in a computerised form (see Fig. 1, as well as Fig. 2 in case the simplified procedure is being used). Electronic declarations can be made from terminals made available to traders at the customs office of departure or from a trader’s own premises.

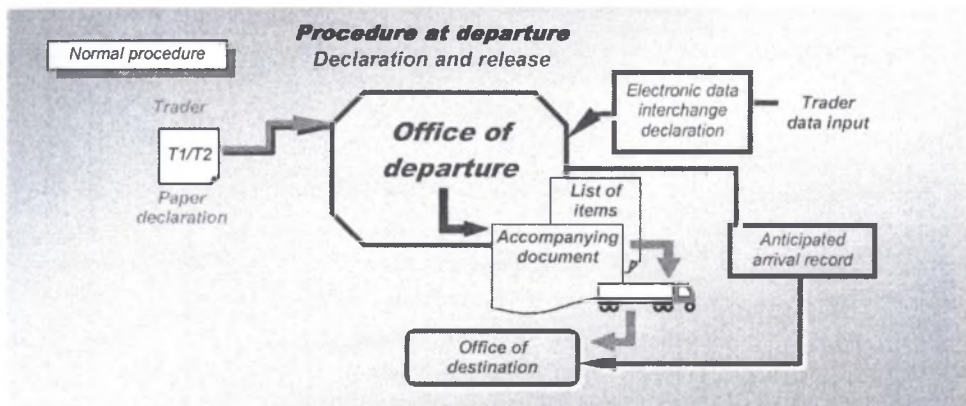


Fig. 1. Office of departure – Normal procedure

Whatever the form of the presentation, the declaration must contain all the data required and comply with the system specifications, since the system codifies and validates the data automatically. If there is an inconsistency in the data the system will indicate this. The trader will be informed, so that he can make the necessary corrections before the declaration is finally accepted [6].

Once the corrections have been entered and the declaration is accepted, the system will provide the declaration with a unique registration number, the movement reference number.

Then, once any inspections have been carried out, either at the office of departure itself or at the authorised consignor’s premises, and the guarantees are accepted, the goods will be released for transit. The system will print the transit accompanying document and, where appropriate, the list of items, either at the office of departure or at the authorised consignor’s

\* An office of transit is a customs office situated a tone of the external land borders of the EU or one of the other participating countries of the Common Transit Convention.

premises. The accompanying document and the list of items must travel with the goods and be presented at any office of transit and at the office of destination.

When printing the transit accompanying document and the list of items, the office of departure will simultaneously send an anticipated arrival record to the declared office of destination. This message will mainly contain the information taken from the declaration, enabling the office of destination to control the consignment when it arrives. The office of destination needs to have access to the best possible information about the transit operation to take a correct and reliable decision about what actions to take when the goods arrive.

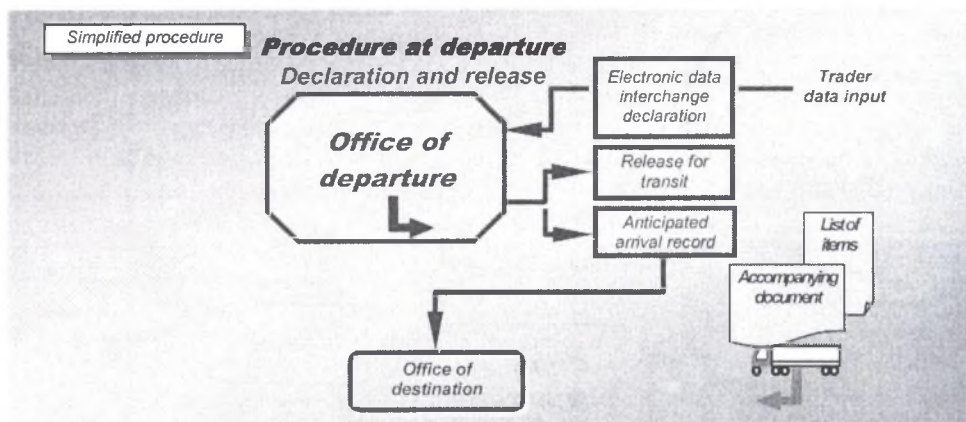


Fig. 2. Office of departure – Simplified procedure (authorised consignor)

Should the movement have to pass an office of transit, the office of departure will also send an anticipated transit record, so that any office of transit has prior notification of the consignment concerned and can check the passage of the movement.

*Office of destination.* Upon arrival, the goods must be presented at the office of destination (either indirectly via the authorised consignee or directly) together with the transit accompanying document and the list of items, if appropriate (see Fig. 3, and Fig. 4 in case of the simplified procedure). Customs, having already received the anticipated arrival record will have full details about the operation and therefore will have had the possibility to decide beforehand what controls are necessary.



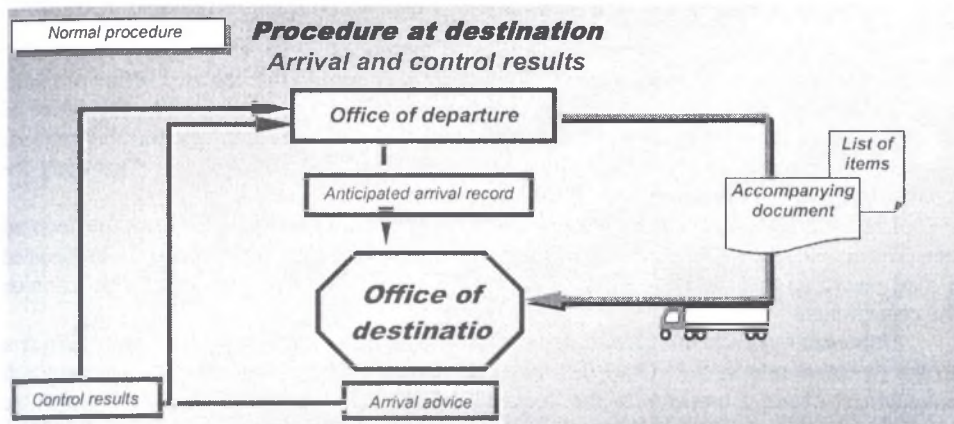


Fig. 3. Office of destination – Normal procedure

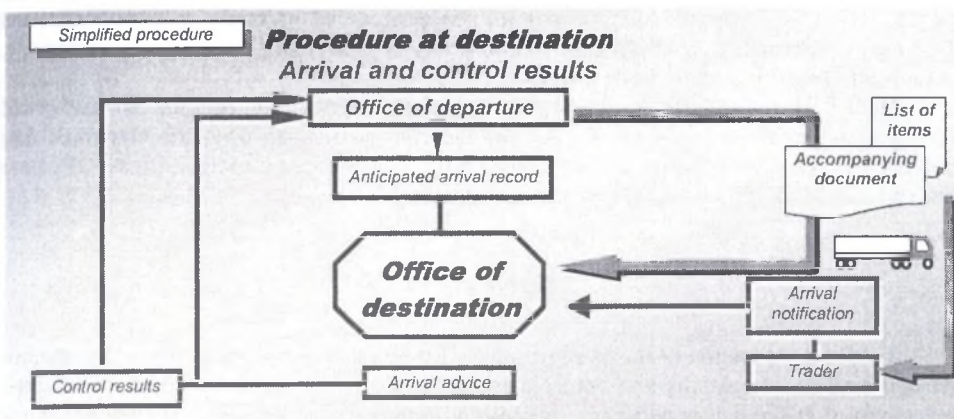


Fig. 4. Office of destination – Simplified procedure (authorised consignee)

When they enter the movement reference number into the system, it will automatically locate the corresponding anticipated arrival record, which will be used as a basis for any action or control, and send an arrival advice message to the office of departure.

After the relevant controls have been carried out, the office of destination will notify the office of departure of the control results by using a control results message, stating which, if any, irregularities have been detected.

The control results message is necessary to discharge the transit operation and free the guarantees that were used for it.

*Office of transit.* When the goods pass by an office of transit, the goods, the transit accompanying document and, where appropriate, the list of items have to be presented to customs. The anticipated transit record, already available in the system, will automatically be located when the movement reference number is entered and subsequently the movement may

be approved for passage. A notification of crossing the frontier is sent to the office of departure.

*Change of office of transit or destination.* If the goods go via an office of transit other than the declared one, the message that had initially been sent to the declared office of transit is of no use. In this case the actual office of transit will send a message to the office of departure, requesting the anticipated transit record, so that it can access the relevant information. Having checked the movement it will send the notification of crossing the frontier to the office of departure.

Likewise, the goods can be presented at an office of destination, other than the declared one. The actual office of destination will request the office of departure to send the anticipated arrival record so that the new office of destination may obtain the necessary information on the consignment.

If there is a change in office of transit or destination, the messages which have been sent to the declared offices are of no use and will remain open. To this end, the system will automatically send a message to the declared offices, notifying them where and when the goods have been presented, so that they can close the messages.

*Simplified procedures: authorised consignor and authorised consignee.* The use of both simplified procedures represents the optimal use of resources within the framework of the NCTS. The possibility of carrying out all the procedures at one's own premises and exchanging information with customs electronically is clearly the most rapid, comfortable, secure and economic way of doing business.

Obviously in addition to satisfying the normal criteria to become an authorised consignor or authorised consignee, they will have to possess an adequate electronic data processing system for information interchange with their relevant customs offices. Of course this can only work if these offices are connected to the NCTS.

## 5. CONCLUSIONS

1. For acceleration of the interoperability process it is important to focus the attention on optimisation of customs and border-crossing operation. In the analyses of the strategic objectives of customs it is necessary to consider the main aims related to the application of information systems, to the implementation of advanced control technologies, to the implementation of modern customs information system based on the advanced information telecommunication technologies.

2. Once these criteria have been fulfilled the NCTS allows authorised consignors to:

- create the transit declaration in their own computer system;
- send the corresponding declaration message electronically to the office of departure without the goods having to be physically presented there;
- send and receive by electronic means subsequent messages, including requests for correction of the declaration, notification of its acceptance and notification of the release of the goods.

As far as authorised consignees are concerned the NCTS allows them to:

- receive the goods and the accompanying document directly at their own premises;
- send the arrival notification message to the relevant office of destination electronically;
- receive and send subsequent messages concerning permission to unload goods and the notification of the results of the unloading to customs electronically.

These advantages really make the NCTS the transit system of the future.

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