

Common Transit System and Its Purpose: Definition, Advantages & Types of Transit Declarations (T1 - T2 - TR)

Today, global trade dynamics are shaped not only by production capacity but also by logistics agility, inter-agency customs collaboration, and the maturity of digital supervision infrastructure. In response to these needs, the **Common Transit System** has emerged as one of the most critical frameworks underpinning international trade.

What is the Common Transit System?

Based on the Common Transit Convention signed in 1987 between the European Economic Community and EFTA countries, the Common Transit System is a multilateral customs cooperation mechanism that enables the movement of goods across multiple customs territories with a single transit declaration and a single guarantee.

Key Objectives of the System:

- Minimize waiting times and operational delays at border crossings,
- Eliminate the need to provide separate guarantees for each country,
- Transition from paper-based to digital processes,
- Establish a risk-based, data-driven control and monitoring infrastructure.

The system offers a fully integrated digital ecosystem based on mutual trust among customs authorities.

Türkiye's Accession: A Strategic Milestone

In alignment with EU legislation, **Türkiye became a full party to the Common Transit Convention on December 1, 2012,** and started operational use on that date. Despite not being an EU member, Türkiye joined under **EFTA status.**



Sectoral Impacts of Accession:

- Real-time visibility in transit operations through data exchange with nearly 35 countries,
- Speed and cost advantage strengthening Türkiye's strategic role as a logistics hub,
- Simplified customs procedures that enhance the global competitiveness of exporters and logistics operators.

Why Was the Common Transit System Established?

Transport operations involving multiple border crossings—especially via road or intermodal transport—pose cumulative risks of delays and increased costs. The Common Transit System addresses these challenges by:

- Using a single transit document (T1/T2) and shared guarantee mechanisms,
- Simplifying procedures,
- Strengthening anti-smuggling efforts,
- Ensuring logistical continuity.

Key Benefits:

- Simplified processes through a single document / single guarantee structure,
- Reduction in transit duration and lower inventory carrying costs,
- Improved traceability via data sharing among member countries,
- Enhanced security and reduction of tax evasion risks.

Benefits to Participating Countries and Stakeholders:

The multi-stakeholder structure of the system benefits not only customs authorities but also carriers, exporters/importers, and end consumers:

- Time Efficiency: Faster border crossings reduce idle time and related costs,
- Lower Operational Costs: The removal of multiple guarantee requirements lowers cash flow pressure, especially for transit-focused companies,
- Digital Monitoring & Transparency: Declarations can be instantly tracked via the MRN Follow-up
 portal in the New Computerised Transit System (NCTS),
- Risk Management: Shared data enables targeted inspections on high-risk consignments,
- Transparency & Trust: Standardized message formats (IEOO6, IEO18, etc.) support harmonized documentation,
- International Cooperation: The platform fosters quick feedback loops and efficient problem-solving between customs administrations,
- Compatibility with Digitalization & E-Invoicing.



What Are T1, T2, and TR Transit Regimes and Why Are They Differentiated?

Transit regime codes are assigned based on the customs status of the goods (whether they are in free circulation in the EU) and the associated tax risk:

- T1 Transit: Used for non-EU goods (non-Community goods) transported within the EU or between Common Transit countries,
- T2 Transit: Used for EU-origin or EU free circulation goods transported within Common Transit
 countries,
- TR Transit: Refers to domestic transit movements that start and end within the Turkish Customs Territory.

Conclusion:

The Common Transit System is **not merely a declaration framework.** It is a strategic architecture that provides **security**, **speed**, **and cost-efficiency** in cross-border trade. Türkiye's integration into this system has empowered its logistics sector and exporters with a **new dimension of mobility and global competitiveness**.

Türkiye serves not merely as a user of the Common Transit System, but as a strategic player that capitalizes on its unique geopolitical position to convert regional logistics potential into global trade opportunities. Each T1 transit operation routed through Türkiye highlights the country's pivotal role and the international significance of its geographic location.

Today, customs is no longer just a point of declaration; it is the center of digital integration, cross-border collaboration, and competitive logistics. And this center is advancing—with solid steps, simplified solutions, and a strong vision.

