

# Electronic customs and trade: a paperless environment for customs and trade, implementing the Single Window and One-Stop Shop

2005/0247(COD) - 23/07/2007 - Council position

The common position, which has been unanimously adopted by the Council and which is supported by the Commission, has been designed to achieve, within a realistic timeframe and taking into account the technical and political challenges linked to it, the aim of the proposed Decision, which is to establish a paperless environment for customs and trade and to create an instrument for the implementation of interoperable and accessible automated customs systems and for coordinated processes and services. Given however the technical difficulties inherent to such an ambitious project, linked with a substantial allocation of resources to be committed by national administrations, the Council favours a step-by-step approach, allowing the implementation of the electronic systems in cascading phases.

The main issues which are different from the Commission's proposal are as follows:

**Electronic customs systems:** the drafting has been amended to clarify that the electronic exchange concerns "data contained in customs declarations, documents accompanying the customs declarations, certificates and other relevant information".

**Objectives:** the words "and the interception of dangerous and illicit goods" have been deleted, as this objective was already included in the terms "control of goods". The word "help" has been added to indicate that electronic systems as such will not ensure the collection of duties, but will assist customs authorities in fulfilling this mission. The terms "customs duties and other charges" have been introduced, in line with the text of the proposal for a Modernized Customs Code. The word "receive" has been added to reflect the fact that the information should circulate back and forth along the international supply chain. The new drafting reorganises the data flow, between the authorities of exporting and importing countries, as well as between the customs authorities and the economic operators. The drafting has been amended to take account of customs related processes. The Council considers that the interoperability of the electronic customs systems, not only with the customs systems of third countries, but also with those of international organizations should be fostered, providing that such an objective be subject to proper financial arrangements.

**Data exchange:** the text has been re-arranged and shortened, and the terms "customs authorities" have been introduced, in line with the text of the proposal for a Modernized Customs Code. Data exchange has been restricted to official agencies. In order to take account of current Community legislation on data protection, the Council has inserted a new paragraph concerning the disclosure or communication of data.

**Systems and services, and time-table:** the text has been amended to allow for cascading time-limits, an approach which the Council considers more appropriate for the implementation of the systems and services foreseen in the proposal:

- the common position commits Member States to make operational (and not only establish) the electronic systems under points (a) to (c) in accordance with the requirements and time-tables set in the legislation in force;

- the systems for import and export should interoperate with the system for transit (already implemented);
- the system of registration for economic operators, which should also allow their identification and interoperate with the authorised economic operators system, should take account of existing Community or national systems, in order to avoid overlaps or undue costs;
- the insertion of this new point follows from the proposal for a Modernized Customs Code and the role attributed therein to the authorized economic operator;
- while the drafting has been re-arranged, the substance of this provision on the common customs portals is unchanged;
- while the drafting has been re-arranged, the substance of this provision on an integrated tariff environment is unchanged;
- the Council considers that, in order to ensure that the objectives set out in the proposal can be safely met, the Commission should, within three years after the entry into force of this Decision and in partnership with Member States, evaluate the common functional specifications for a framework for single access points, electronic interfaces for economic operators and single window services;
- within three years, Member States commit to endeavour to establish and make operational the framework for single access points and the electronic interfaces for economic operators;
- Member States and the Commission commit to endeavour to establish and make operational the framework of single window services, with progress in this area being evaluated and reported;
- the new drafting allows for maintenance of, in addition to improvements to, the systems described in the above paragraphs.

**Components and Responsibilities:** the amended text clarifies responsibilities for Community and national components, the list of which having been made non-exhaustive, adds feasibility studies to the Community components and specifies the common system specifications.

**Tasks of the Commission:** the deployment of electronic customs systems has been added to the tasks, the list of which having been made non-exhaustive. The Council inserted this provision, in order to link the tasks to be completed by the Commission to the multi-annual strategic plan. It also considers that the co-ordination by the Commission at Community level of electronic customs services and single window services should also foster the promotion and the implementation of these services at national level. Lastly, it considers that the co-ordination of training needs is the responsibility of the Commission.

**Tasks of the Member States:** the deployment of electronic customs systems has been added to the tasks, the list of which having been made non-exhaustive. Training has been added to the list of tasks under the responsibility of Member States. The Council considers that Member States should communicate annually to the Commission the resources needed to comply with the multi-annual strategic plan. The Council considers that Member States should inform the Commission, and not seek its approval, prior to an action on the electronic customs systems which might compromise their interoperability or functioning.

**Strategy and Co-ordination:** the text has been amended to reflect the importance of a proper co-ordination and strategy in the implementation of systems and services foreseen in the proposal. The co-ordination of the information of the customs authorities and economic operators has been added.

**Reports:** the report amends the delivery date of the annual report, it is being postponed to March, giving sufficient time to Member States to prepare their reporting, and with these reports being based on a

standard format. The Council also postpones from March to June, the delivery date of the consolidated annual report established by the Commission. This consolidated report should also evaluate the progress achieved by Member States and the Commission, in particular with regard to the implementation of systems and services and the possible need for an extension of the time-limits laid down in this Article. The consolidated report, which should also be submitted to the Customs Policy Group, should contain the results of any monitoring visits by the Commission.

**Implementing measures:** the Council provides for the adoption by the Commission in accordance with the regulatory procedure with scrutiny of implementing measures laying down an extension of the time-limits.

**Committee:** a new provision provides for the committee whose task is to assist the Commission in the adoption of the implementing measures.