

Union Customs Code. Recast

2012/0027(COD) - 20/02/2012 - Legislative proposal

PURPOSE: to carry out a recast of Regulation (EC) n° 450/2008 ((Modernised Customs Code)) before the current date of application.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: [Regulation No 450/2008](#) entered into force on 24 June 2008, but it is not yet applicable. It shall be applicable once its implementing provisions are in force and on 24 June 2013 at the latest. The Commission proposes to amend Regulation (EC) No 450/2008 ('MCC') before it becomes applicable for the following reasons:

- **the implementation most of the processes** to be introduced depends on the definition and the development, by the Commission, the national customs administrations and the economic operators, of a wide range of electronic systems. This requires important investments in new EU wide IT systems and supporting activities as well as an unprecedented effort from the business community to operate according to new business models. It is now apparent that only a very limited number or even no new customs IT systems may be introduced in June 2013, the latest legal date for the implementation of the MCC;
- **following the entry into force of the Lisbon Treaty**, the Commission must propose amendments so that implementing provisions of the MCC which have to be "split" between delegated acts and implementing acts in accordance with new provisions in line with Articles 290 and 291 TFEU. Moreover, the "Community" Customs Code (Modernised Customs Code) has now to be renamed the "Union" Customs Code (UCC);
- **there is a need to adjust some provisions of the MCC** which are no longer in line with changes introduced since 2008 to current customs legislation or have proved difficult to implement through sound measures and workable business processes (such as the temporary storage of goods or a customs declaration through an entry of data in the declarant's records).

Consequently the Commission found it was appropriate to proceed to a recast of Regulation (EC) No 450/2008 before its currently scheduled application. Policy objectives remain those of the Regulation to be recast.

The proposal preserves the objectives of Regulation (EC) No 450/2008, which were fully in line with existing policies and objectives relevant to the trade of goods brought into and out of the customs territory of the Union.

IMPACT ASSESSMENT: a full recast of the MCC before its currently scheduled application is the only comprehensive solution which will avoid changing Regulation (EC) N° 450/2008 twice at a very short notice and would also allow the introduction of the adjustments necessary for a sound implementation of that new legal and procedural framework.

As the proposal for Regulation (EC) N° 450/2008 to be recast has already gone through an impact assessment and the proposed changes introduced by this Regulation are justified by technical and procedural considerations, there is no need for an Impact Assessment.

LEGAL BASIS: Articles 33, 114 and 207 of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the proposed action is to **replace Regulation (EC) No 450/2008 (Modernised Customs Code) with a recast Regulation** which: (i) postpones the date of application of the Modernised Customs Code, (ii) aligns it to the Treaty of Lisbon, (iii) adjusts it to the practical aspects and developments in customs legislation and in other policy fields relevant to the movement of goods between the EU and third countries and (iv) allows sufficient time for the development of supporting IT systems.

Most of the provisions of the Regulation to be recast are affected by changes, either due to the need to align provisions with the Lisbon Treaty or to the need for adjustments because of the further evolution of relevant EU legislation. The overall structure of the Regulation remains the same

BUDGETARY IMPLICATIONS: the budgetary implications are the same as those relating to Regulation (EC) No 450/2008 being recast. The Commission, Member States and traders will have to invest in accessible, inter- operable customs clearance systems. The financial implications concerning the EU share of IT developments for that purpose are set out in the proposal for the [FISCUS programme](#).