

Action programme for customs (Customs 2020), 2014-2020

2011/0341A(COD) - 29/08/2012 - Legislative proposal

PURPOSE: to establish an action programme for customs in the EU for the period 2014-2020 (Customs 2020).

LEGISLATIVE ACT: **amended proposal** for a Regulation of the European Parliament and of the Council.

BACKGROUND: on 29 June 2011, the Commission adopted a [proposal](#) for the next Multi-Annual Financial Framework for the period 2014-2020, proposing among other things, a new Customs programme.

The **customs union** implies the management of large trade volumes on a daily basis – handling 7 customs declarations every second - requiring customs to strike a balance between the facilitation of trade for business and the protection of citizens against risks to their safety and security. This can only be achieved through **intense operational cooperation** between customs administrations of the Member States, between them and other authorities, with trade and other third parties.

From an economic point of view, action at EU level is much more efficient. The backbone of the customs cooperation is a **highly secured dedicated communication network**. It interconnects national customs administrations in approximately 5 000 connection points. If such an infrastructure were not available, Member States would have to link 26 times to the national systems of each of the other Member States.

The proposed programme is the successor programme of the Customs 2013 programme which ends on 31 December 2013.

IMPACT ASSESSMENT: considering the overall policy context and problems ahead for customs in the next decade, a number of policy options has been analysed and compared:

- **Option 1:** baseline: continuing the programme with the current objectives and design.
- **Option 2:** no continuation of the programme.
- **Option 3:** increased support to EU legal obligations such as the Modernised Customs Code (MCC): this policy option would extend the baseline scenario tailoring the programme to the new needs deriving from the evolving customs union environment, including the [Union Customs Code \(UCC\)](#).
- **Option 4:** increased support to EU legal obligations and financial support for technical capacity building: besides the components in the previous option, this option would include a financial support scheme allowing Member States to request support to acquire equipment to control borders- for instance scanners or laboratory equipment.
- **Option 5:** increased support to EU legal obligations with a maximised shared IT environment.

The impact assessment identified **Option 3 as the preferred option** as it scores best on acceptability by Member States.

LEGAL BASIS: Article 33 of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the draft Regulation proposes to establish a multi-annual action programme "Customs 2020" to support the functioning of the customs union, and covering the period **1 January 2014 to 31 December 2020**.

Scope: the programme will support customs cooperation in the Union clustered around **human networking and competency building**, on the one hand, and **IT capacity building** on the other hand.

- The first cluster allows for the **exchange of good practices** and operational knowledge amongst the Member States and incidentally other countries participating in the programme.
- The latter enables the programme to **fund appropriate IT infrastructure and systems** that allow customs administrations in the Union to evolve to fully-fledged e-administrations.

The programme will be open to **participation** by Member States, candidate countries and potential candidates. Countries of the **European Neighbourhood Policy** will also have the option of taking part in the programme under certain conditions. External experts may also participate in specific actions (e.g. representatives of other authorities, trade, national and international organisations, and possibly other experts), if required to realise the programme objectives.

Objectives: these address the problems identified and challenges expected for customs in the next decade. The specific objective of the programme shall be to **support the functioning of the customs union, in particular through cooperation between participating countries, their customs authorities, other competent authorities, their officials and external experts.**

The programme will have the following **priorities**:

- to support the preparation, coherent application and effective implementation of Union law;
- to strengthen the competitiveness of European businesses through the facilitation of legitimate trade, the reduction of compliance costs and administrative burden, and the protection against unfair competition;
- to support customs in protecting citizens, safety and security and the environment;
- to ensure the protection of the financial and economic interests of the EU and Member States;
- to contribute to the efficient functioning of customs authorities by improving their administrative capacity;
- to fight fraud and to enhance competitiveness, safety and security through cooperation with international organisations, third countries, other governmental authorities, economic operators and their organisations.

The main added value of the programme is generated by enhancing the capacity of Member States to raise revenue and managing increasingly complex trade flows, while cutting costs in developing the tools for these purposes.

BUDGETARY IMPLICATIONS: the timing of the review of EU funding programmes is linked to the [proposal for a new Multiannual Financial Framework](#). In accordance with that proposal, this Regulation on the Customs 2020 programme contains a budgetary framework of **EUR 548 080 000** (in current prices) for the period of 2014-2020.

The Customs 2020 programme will be implemented by means of a direct central management mode and in a priority-based manner. Work programmes are established –together with the stakeholders- stipulating the priorities for a specific period.