

System of the Communities' own resources: implementing Decision 94/728/EC, Euratom

1997/0352(CNS) - 27/11/2013 - Follow-up document

In accordance with Council Regulation (EC, Euratom) No 1150/2000, the Commission presented its seventh report on the operation of the inspection arrangements for traditional own resources (2010-2012).

Traditional own resources (TOR), i.e. customs and agricultural duties on products imported from third countries, plus sugar levies. **Over the period 2010-2012 more than EUR 48.8 billion was made available (net).**

Main results of the inspections: the Commission carried out **94 inspections** during the period 2010-2012. Of the 372 findings noted, 120 had a direct financial impact (32.2%) and 125 a regulatory impact (33.6%). The Commission has taken appropriate measures to resolve the financial consequences of the findings observed.

The main findings are as follows:

- the results of the inspections performed in 2009 and 2010 showed that in general Member States had made efforts towards the development of **customs control strategies** to be in compliance with the requirements of the legislation and to provide protection for the EU's financial interests;
- in 2010, 2011 and 2012 inspections concerning the **collection of antidumping and countervailing duties** showed that in the majority of the Member States the collection of these duties and the related control strategy was compliant with EU legislation;
- in 2011 inspections on the **local clearance procedure** revealed major shortcomings in the management and control of this procedure;
- 2011 inspections in four Member States on **binding tariff information (BTI)** showed in general a high level of compliance with EU legislation. Major weaknesses were found as regards the post-clearance recovery of TOR in the case of annulment of a BTI or the absence of control strategies to verify the use of periods of grace;
- 2012 inspections in 21 Member States on **EU transit** were carried out. The Commission found that the situation had improved in most of the Member States. Weaknesses were noted concerning the calculation of the guarantee covering the transit movement, the content of transit declarations and the number of checks carried out on the transit movements and on authorised consignors and consignees.

As regards **inspections relating to accounting matters**, the Commission stated that the overall situation was improving thanks to the pressure exerted by the Commission's inspections and also to the introduction in most Member States of customs and/or accounting computer tools that enable the risk of one-off errors to be reduced. More comprehensive inspection measures were conducted in 7 Member States in order to evaluate their **TOR collection systems**. On the other hand, major shortcomings were identified as regards how the **Member States deal with irrecoverable amounts of TOR**.

Follow-up to Commission inspection measures: during the period 2010-2012 the Court of Justice delivered a number of important judgments following infringement procedures brought by the Commission. Where needed, the Member States concerned had to assume the financial consequences.

Over the reference period (2010-2012) **additional entitlements totalling more than EUR 249 million** were paid to the Commission following observations made in its inspection reports. Moreover, interest for late payment was also charged for delays in making TOR available. The **interest for late payment** paid by the Member States totalled more than **EUR 484.5 million**.

Future actions: the results recorded from 2010 to 2012 show that the **Commission's inspections of TOR and the systematic follow-up of the shortcomings observed are necessary**. This was illustrated by the improved compliance with EU provisions as well as by the financial impact (the additional net amount made available to the EU budget was around EUR 733.5 million).

This inspection activity ensures equality of treatment between the Member States as regards both application of the customs and accounting rules and protection of the EU's financial interests.

In future, the Commission therefore intends:

- to continue with its role as regards on-the-spot inspections;
- to continue strengthening the monitoring of recovery measures in the Member States;
- to continue monitoring the acceding countries;
- to reinforce the Member States' capability and willingness to perform TOR inspections themselves.