



FOREIGN TRADE ASSOCIATION

The EU's e-customs concept - a critical interim appraisal

Two years after the consensual green light was given in Toledo for the development of the e-customs concept, it is time to draw up a critical interim appraisal. It should be remembered that the basic aim of the plan is the logical simplification of custom procedures which, from an administrative point of view, are often seen as unnecessarily complicated and bureaucratic. This is to be achieved by

- a radical simplification and modernisation of customs law
- the exclusive use of IT systems
- the creation of a single window
- the integration of customs procedures and
- the introduction of joint risk management to standardise customs inspections at the external borders.

The EU Commission described all these measures in detail in its communication of 24 July 2003 to the Council, the European Parliament and the Economic and Social Committee on a simplified, paperless environment for customs and trade, and in its communication on the role of customs in the integrated administration of the external borders, and called for the concept to be accepted. Furthermore, the EU Commission put forward proposals on how the customs codex of the Communities could be adapted to meet the requirements of the e-customs concept.

Achieving the e-customs concept is a complex matter

As far as the creation of a simplified, paperless working environment for customs and trade is concerned, the Council reacted to this with its resolution of 5 December 2003. Briefly, this resolution urges the member states to ensure, by setting up or completing interfaces between existing and planned national systems, that these systems are in line with the rules and standards to be agreed at Community level. Meanwhile, the Commission has been asked to work out a multiannual action plan for electronic customs, in close cooperation with the member states. The Council noted the Commission's intention to present proposals for the modification of the customs codex of the communities without making any comment.

In the view of the FTA, the Council Resolution, which does not deal with important aspects and glosses over potential difficulties, is not an appropriate response to the comprehensive communication from the Commission. After reading the relevant Commission documents, it seems doubtful whether the creation of interfaces alone will be sufficient to connect national systems to the procedures of the other member states and the Commission.

Once again, the members states are apparently striving to hold on to their own national concepts, and this is not compatible with the ambitious aims of the EU Commission.

The member states' request to the Commission to work out a multiannual strategic action plan for the creation of a European electronic working environment is extremely vaguely formulated and needs to be expressed in more concrete terms. While the Commission is apparently quite ready to do this, the willingness for change among the member states does not appear very marked in some cases.

Security aspects of the customs codex

Alongside the further development of the e-customs concept, the Commission also had to take care of the incorporation into European law of the security initiative taken by the USA, an undertaking which has not yet been completed. In its communication on the role of customs in the integrated administration of external borders, the Commission states that the main aim of its strategy is to improve security and all checks carried out at the external borders. At the same time, passenger travel and legal cross-border goods transport is to be made easier.

How these contradictory aims were to be achieved at first remained unclear. However, the initial proposals for modifications to the customs codex from a security point of view made it clear that priority is to be given to actual or simply supposed security at the external borders. One example mentioned in this context is the originally planned requirement for a summary declaration to be submitted at least 24 hours before bringing goods into the customs area of the Community.

This regulation met with criticism in large sections of trade and industry, as considerably delays in cross-border goods traffic were rightly feared. Thanks to targeted lobby work by all the trade and industry associations concerned, the 48-hour rule was modified so that now a 24-hour rule is applied - and then only in the case of transport by sea lasting several days. For all other forms of transport, i.e. short sea journeys, air freight and rail or road transport, a period of two hours will now apply, provided that the summary declaration is sent electronically. This regulation seems tenable, particularly since things are to be made easier for so-called authorised economic partners in respect of security customs checks. However, the conditions that the authorised economic partners have to fulfil still have to be finally clarified. Some EU member states also reject the idea of automatic recognition of the status of authorised economic partner for the entire Community, which contradicts the principle of the single approval.

Structure of a modernised customs codex welcome

It is satisfying to note that the EU Commission has taken the opportunity offered by the revision of the customs codex, which is necessary in any case, to adapt the structure of this corpus of laws, which is now over ten years old, so as to bring it more into line with practical requirements than has hitherto been the case. In fact, the codex devised in the 1980s on the basis of various national provisions and individual regulations and directives no longer meets the demands facing modern customs law. The FTA will follow the work involved critically and constructively.

Given the ambitious aims which the EU Commission has set itself, the achievement of which is to some extent being delayed or even prevented by the stress laid on national interests, the FTA calls upon all concerned to show greater political will to introduce the e-customs concept. Otherwise, the fear is that this concept will be implemented at a point in time when at least the levying of customs duties no longer plays any role.

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