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*****I**

REPORT

on the proposal for a decision of the European Parliament and of the Council
establishing an action programme for customs in the Community (Customs
2013)
(COM(2006)0201 – C6-0158/2006 – 2006/0075(COD))

Committee on the Internal Market and Consumer Protection

Rapporteur: Janelly Fourtou

Symbols for procedures

- * Consultation procedure
majority of the votes cast
- **I Cooperation procedure (first reading)
majority of the votes cast
- **II Cooperation procedure (second reading)
majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend the common position
- *** Assent procedure
majority of Parliament's component Members except in cases covered by Articles 105, 107, 161 and 300 of the EC Treaty and Article 7 of the EU Treaty
- ***I Codecision procedure (first reading)
majority of the votes cast
- ***II Codecision procedure (second reading)
majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend the common position
- ***III Codecision procedure (third reading)
majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission.)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION	5
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION	5
EXPLANATORY STATEMENT	20
PROCEDURE.....	33

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a decision of the European Parliament and of the Council on an action programme for customs in the Community (Customs 2013)
(COM(2006)0201 – C6-0158/2006 – 2006/0075(COD))**

(Codecision procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2006)0201)¹,
 - having regard to Article 251(2) and Article 95 of the EC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C6-0158/2006),
 - having regard to Rule 51 of its Rules of Procedure,
 - having regard to the report of the Committee on the Internal Market and Consumer Protection and the opinions of the Committee on Budgets and the Committee on Budgetary Control (A6-0428/2006),
1. Approves the Commission proposal as amended;
 2. Considers that the financial envelope indicated in the legislative proposal must be compatible with the ceiling of heading 1a of the new multi-annual financial framework (MFF) and points out that the annual amount will be decided within the annual budgetary procedure in accordance with the provisions of point 37 of the IIA of 17 May 2006;
 3. Calls on the Commission to refer the matter to Parliament again if it intends to amend the proposal substantially or replace it with another text;
 4. Instructs its President to forward its position to the Council and Commission.

Text proposed by the Commission

Amendments by Parliament

Amendment 1 Recital 1

(1) A major objective for the Community over the next years is the creation of growth and jobs, as reflected in the re-launch of the Lisbon Strategy. The previous programmes in the customs field,

(1) A major objective for the Community over the next years is the creation of growth and jobs, as reflected in the re-launch of the Lisbon Strategy. The previous programmes in the customs field,

¹ Not yet published in OJ.

in particular Decision No 253/2003/EC of the European Parliament and the Council of 12 February 2003 adopting an action programme for customs in the Community¹, (hereinafter “Customs 2007”) have significantly contributed to the achievement of that objective and to the overall objectives of the Customs policy. It is therefore appropriate to continue activities commenced under those programmes. This programme should be established for a period of six years to align its duration with that of the Multi-Annual Financial Framework contained in the Inter-institutional agreement of **(date to be inserted)** between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management².

¹ OJ L 36, 12.2.2003, p. 1.

² *To be inserted in the course of the negotiations.*

in particular Decision No 253/2003/EC of the European Parliament and the Council of 12 February 2003 adopting an action programme for customs in the Community¹, (hereinafter “Customs 2007”) have significantly contributed to the achievement of that objective and to the overall objectives of the Customs policy. It is therefore appropriate to continue activities commenced under those programmes. This programme should be established for a period of six years to align its duration with that of the Multi-Annual Financial Framework contained in the Inter-institutional agreement of **17 May 2006** between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management².

¹ OJ L 36, 12.2.2003, p. 1. **Decision amended by Decision No 787/2004/EC of the European Parliament and of the Council of 21 April 2004.**

² **OJ C 139, 14.6.2006, p. 1.**

Amendment 2

Recital 2, third sentence

Customs administrations play a vital role in protecting the interests of the Community, particularly its financial interests. They also provide an equivalent level of protection to the citizens and economic operators of the Community at any point in the Community customs territory where customs clearance formalities are carried out. In this context, the strategic policy defined by the Customs Policy Group has aimed at ensuring that national customs administrations operate as efficiently and effectively and react to any requirement arising from a changing customs environment as would one single

Customs administrations play a vital role in protecting the interests of the Community, particularly its financial interests. They also provide an equivalent level of protection to the citizens and economic operators of the Community at any point in the Community customs territory where customs clearance formalities are carried out. In this context, the strategic policy defined by the Customs Policy Group has aimed at ensuring that national customs administrations operate as efficiently and effectively and react to any requirement arising from a changing customs environment as would one single

administration.

It is therefore important that this programme is consistent and supportive of the overall Customs policy and that *the establishment of* the Customs Policy Group, comprising the heads of Customs administrations *and their deputies*, is supported under this programme. The implementation of the programme should be coordinated and organised by the Commission and the Member States within the common policy developed by the Customs Policy Group.

administration.

It is therefore important that this programme is consistent and supportive of the overall Customs policy and that the Customs Policy Group, comprising *the Commission and* the heads of Customs administrations *of the Member States or their representatives*, is supported under this programme. The implementation of the programme should be coordinated and organised by the Commission and the Member States within the common policy developed by the Customs Policy Group.

Amendment 3

Recital 9

(9) Customs officials need a sufficient standard of linguistic competence to cooperate and participate in the Customs programme. It is the responsibility of the *Member States* to provide the necessary language training for their officials.

(9) Customs officials need a sufficient standard of linguistic competence to cooperate and participate in the Customs programme. It is the responsibility of the *participating countries* to provide the necessary language training for their officials.

Amendment 4

Recital 12

(12) This Decision establishes a financial framework for the entire duration of the programme, which is to be the principal point of reference for the budgetary authority, within the meaning of point 33 of the Inter-institutional agreement of 6 May 1999 between the European Parliament, the Council and the Commission on budgetary discipline and *improvement of the budgetary procedure*.

(12) This Decision establishes a financial framework for the entire duration of the programme, which is to be the principal point of reference for the budgetary authority, within the meaning of point 37 of the Inter-institutional agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and *sound financial management*.

Amendment 5

Recital 13

(13) The measures necessary for the

(13) The measures necessary for the

implementation of this Decision should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission¹.

¹ OJ L 184, 17.7.1999, p. 23.

implementation of this Decision should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission¹.

¹ OJ L 184, 17.7.1999, p. 23. ***Decision last amended by Decision 2006/512/EC (OJ L 200, 22.7.2006, p. 11).***

Amendment 6
Article 1, paragraph 1

1. A multiannual Community action programme (Customs 2013) hereinafter referred to as “the programme”, is hereby established for the period 1 January 2008 to 31 December 2013 to support and complement the action undertaken by Member States in the customs field.

1. A multiannual Community action programme (Customs 2013) hereinafter referred to as “the programme”, is hereby established for the period 1 January 2008 to 31 December 2013 to support and complement the action undertaken by Member States ***to ensure the effective operation of the internal market*** in the customs field.

Amendment 7
Article 3, paragraph 4

4. Participating countries shall be represented by ***members*** of the relevant administration.

4. Participating countries shall be represented by ***officials*** of the relevant administration.

Amendment 8
Article 4, paragraph 1 (a)

(a) ensure that the customs activities match the needs of the internal market, including supply chain security;

(a) ensure that the customs activities match the needs of the internal market, including supply chain security ***and the simplification of trade, and support the strategy for growth in employment;***

Amendment 9

Article 4, paragraph 1 (b)

(b) interaction and performance of the duties of the Customs administrations as efficiently as though they were one administration, ensuring *equivalence of controls* at every point of the Community customs territory and the support of legitimate business activity;

(b) interaction and performance of the duties of the **Community** Customs administrations as efficiently as though they were one administration, ensuring *controls with equivalent results* at every point of the Community customs territory and the support of legitimate business activity;

Amendment 10

Article 4, paragraph 1 (d)

(d) strengthening the security and safety *of citizens*;

(d) strengthening the security and safety;

Amendment 11

Article 4, paragraph 1, point (e)

(e) to prepare for enlargement, including the sharing of experience and knowledge with the customs administrations of the countries concerned.

(e) to prepare *the countries mentioned in Article 3(2)* for enlargement, including the sharing of experience and knowledge with the customs administrations of the countries concerned.

Amendment 12

Article 4, paragraph 2

2. The common approach regarding the customs policy shall continuously be adapted to new developments in partnership between the Commission and the Member States in the Customs Policy Group, composed of the heads of customs administrations *from the Commission and* the Member States or their representatives. The Commission shall keep the Customs Policy Group regularly informed of measures relating to the implementation of the programme.

2. The common approach regarding the customs policy shall continuously be adapted to new developments in partnership between the Commission and the Member States in the Customs Policy Group, composed of *the Commission and* the heads of customs administrations *of* the Member States or their representatives. The Commission shall keep the Customs Policy Group regularly informed of measures relating to the implementation of the programme.

Amendment 13
Article 5, paragraph 1 (a)

(a) to reduce the administrative burden and the cost of compliance for economic operators by improving the standardisation and simplification of customs systems and controls, ***in particular for data input and risk management***;

(a) to reduce the administrative burden and the cost of compliance for economic operators by improving the standardisation and simplification of customs systems and controls, ***and maintain open and transparent cooperation with the commercial players***;

Amendment 14
Article 5, paragraph 1 (c)

(c) to maintain a system of the measurement of the performance of Member States in customs administrations in order to improve ***performance***;

(c) to maintain a system of the measurement of the performance of Member States in customs administrations in order to improve ***their efficiency and effectiveness***;

Amendment 15
Article 5, paragraph 1 (d)

(d) to support actions to prevent irregularities by providing ***control*** information rapidly to front line customs posts;

(d) to support actions to prevent irregularities, ***in particular*** by providing information ***on risks*** rapidly to front line customs posts;

Amendment 16
Article 5, paragraph 1 (d) (a)

(da) to ensure a standard and unambiguous classification of tariffs in the European Union, in particular by improving coordination and cooperation between laboratories;

Amendment 17
Article 5, paragraph 1 (h)

(h) to contribute to the ***establishment*** of high quality customs administrations in

(h) to contribute to the ***development*** of high quality customs administrations in

third countries;

third countries;

Amendment 18
Article 7, paragraph 2 (b)

(b) the ***New*** Computerised Transit System
(NCTS/***NSTI***);

(b) the Computerised Transit System
(NCTS);

Amendment 19
Article 7, paragraph 2 (c)

(c) the Tariff systems;

(c) the Tariff systems ***in particular the Data Dissemination System (DDS), the Combined Nomenclature (CN), the information system of the Integrated Tariff of the European Community (TARIC), the European binding tariff information system (EBTI), the management system tariff and quota surveillance (TQS), the suspension information system, the Specimen Management System (SMS), the Information System for Processing Procedures (ISPP), the European Customs Inventory of Chemical Substances (ECICS) and the Registered Exporters System (REX)***;

Amendment 20
Article 7, paragraph 2 (d)

(d) the electronic customs systems;

deleted

Amendment 21
Article 7, paragraph 2(e)

(e) the systems ***for the security amendments;***

(e) the systems for ***increasing security set out in Regulation (EC) No 648/2005 of the European Parliament and of the Council of 13 April 2005 amending Regulation (EEC) No 2913/92 of the***

Council establishing the Community Customs Code¹, in particular the Community risk management system, Export Control System (ECS), the Import Control System (ICS) and the system for authorised economic operators;

¹ OJ L 117, 4.5.2005, p. 13.

Amendment 22
Article 7, paragraph 2(f)

(f) any new customs related communication and information exchange systems established under Community legislation and provided for in the Work Programme referred to in Article 6.

(f) any new customs ***(including electronic customs systems)*** related communication and information exchange systems established under Community legislation and provided for in the Work Programme referred to in Article 6.

Amendment 23
Article 7, paragraph 5

5. The Commission shall co-ordinate, in co-operation with the participating countries, those aspects of the establishment and functioning of the Community and non-Community components of the systems and infrastructure referred to in paragraph 2 which are necessary to ensure their operability, interconnectivity and continuous improvement. ***The schedules and deadlines established for that purpose shall be complied with by*** the participating countries.

5. The Commission shall co-ordinate, in co-operation with the participating countries, those aspects of the establishment and functioning of the Community and non-Community components of the systems and infrastructure referred to in paragraph 2 which are necessary to ensure their operability, interconnectivity and continuous improvement. ***The Commission and the participating countries shall do everything within their power to comply with*** the schedules and deadlines established for that purpose.

Amendment 24
Article 7, paragraph 6

6. The Commission may make the ***communication and information exchange systems*** available to other ***public service*** for customs or non-customs purposes ***provided that a*** financial contribution ***is paid to the programme.***

6. The Commission may make the ***CCN/CSI*** available to other ***administrations*** for customs or non-customs purposes. ***A*** financial contribution ***may be required to cover the relevant costs.***

Amendment 25
Article 11, paragraph 2

2. The participating countries shall enable visiting officials to play an effective role in the activities of the host administration. To this end, visiting officials shall be authorised to carry out the tasks relating to the duties entrusted to them by the host administration in accordance with its legal system.

2. The participating countries shall enable visiting officials to play an effective role in the activities of the host administration. To this end, visiting officials shall be authorised to carry out the tasks relating to the duties entrusted to them by the host administration in accordance with its legal system. ***If circumstances so require and, in particular, in order to take into account the specific requirements of the judicial system of each participating country, the competent authorities of the participating countries may restrict that authorisation.***

Amendment 26
Article 11, paragraph 3

3. During the working visit, the civil liability of the visiting official in the performance of his duties shall be treated in the same way as that of officials of the host administration. Visiting officials shall be bound by the same rules of ***professional secrecy*** as national officials.

3. During the working visit, the civil liability of the visiting official in the performance of his duties shall be treated in the same way as that of officials of the host administration. Visiting officials shall be bound by the same rules of ***professional confidentiality*** as national officials.

Amendment 27
Article 12, paragraph 1, first sentence

1. ***The Commission, in cooperation with the participating countries, shall facilitate structured co-operation between national training bodies and officials responsible for training in customs administrations, and in particular by the following means:***

1. The participating countries, ***in cooperation with the Commission, shall facilitate cooperation between the national training establishments, in particular:***

Amendment 28
Article 12, paragraph 1(a)

a) the setting of training standards, the development of existing training programmes and, ***where necessary, new programmes*** to provide a common core of training for officials relating to the full range of customs rules and procedures so

a) the setting of training standards, the development of existing training programmes and, ***where appropriate, the development of existing training modules and new modules using online learning*** to provide a common core of training for

as to enable them to acquire the necessary professional skills and knowledge;

officials relating to the full range of customs rules and procedures so as to enable them to acquire the necessary professional skills and knowledge;

Amendment 29
Article 12, paragraph 1(b)

b) where appropriate, ***the coordination of the opening to officials from*** all participating countries ***of*** training courses in the Customs field where such courses are provided by a participating country for its own officials;

b) where appropriate, ***the promotion of and access to*** training courses in the Customs field ***for officials of*** all participating countries where such courses are provided by a participating country for its own officials;

Amendment 30
Article 12, paragraph 1(c)

c) where appropriate, the ***development*** of the necessary infrastructure and tools for ***common customs training*** and customs training management;

c) where appropriate, the ***supply*** of the necessary infrastructure and tools for ***common online learning in the customs field*** and customs training management;

Amendment 31
Article 12, paragraph 1(d)

d) the consideration of the opportunities to develop training activities with other public services.

Deleted

Amendment 32
Article 12, paragraph 2, subparagraph 1

2. Participating countries ***shall ensure that common training programmes and the common customs training infrastructure referred to in paragraph 1(c) are fully integrated within*** their national training programmes.

2. ***Where appropriate,*** participating countries ***shall integrate the jointly developed online learning modules during the set up referred to in paragraph 1(a) in*** their national training programmes.

Amendment 33
Article 12, paragraph 2, second sentence

Participating countries shall also ensure that their officials receive the initial and

Participating countries shall also ensure that their officials receive the initial and

continuous training necessary to acquire the common professional skills and knowledge in accordance with the training programmes *and* the linguistic training necessary for *them* to ascertain a sufficient standard of linguistic competence for participation in the programme.

continuous training necessary to acquire the common professional skills and knowledge in accordance with the training programmes. *The participating countries shall also promote* the linguistic training necessary for *officials* to ascertain a sufficient standard of linguistic competence for participation in the programme.

Amendment 34
Article 13, paragraph 1

1. The Commission, in cooperation with *the participating countries* shall decide which specific sectors of Community customs legislation may be subject to monitoring.

1. The Commission, in cooperation with *the Member States* shall decide which specific sectors of Community customs legislation may be subject to monitoring.

Amendment 35
Article 14

Representatives of international organisations, administrations of third countries, economic operators and their organisations may take part in activities organised under the programme whenever this is *essential* to carry out the objectives mentioned in Article 4 and 5.

Representatives of international organisations, administrations of third countries, economic operators and their organisations may take part in activities organised under the programme whenever this is *useful* to carry out the objectives mentioned in Article 4 and 5.

Amendment 36
Article 15

The Commission in cooperation with the Participating countries, shall develop the *systematic and structured* sharing of information resulting from programme activities.

The Commission in cooperation with the Participating countries, shall develop the sharing of information resulting from programme activities.

Amendment 37
Article 16, paragraph 2

2. The annual appropriations shall be authorised by the budgetary authority within the limits of the multi-annual scheme of the financial *perspectives*.

2. The annual appropriations shall be authorised by the budgetary authority within the limits of the multi-annual scheme of the financial *frameworks, in accordance with*

point 37 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management.

Justification

For reasons of legal clarity, it is important to indicate the relevant provisions.

Amendment 38
Article 17, paragraph 2(b)

b) the travel and living expenses incurred by officials from the participating countries relating to benchmarking activities, working visits, seminars, workshops and project groups, training and monitoring actions;

b) the travel and living expenses incurred by officials from the participating countries relating to benchmarking activities, working visits, seminars ***and*** workshops, project groups ***and steering groups and*** training and monitoring actions;

Amendment 39
Article 17, paragraph 2, point (c)

(c) the organisational costs of seminars and workshops, ***as well as travel and living expenses incurred for the participation of external experts and participants referred to in Article 14;***

(c) the organisational costs of seminars and workshops;

Amendment 40
Article 17, paragraph 2(c a) (new)

ca) travelling and living expenses incurred through the participation of the external experts and participants referred to in Article 14;

Amendment 41
Article 17, paragraph 2, point (e)

(e) the costs of any other activity referred to

(e) the costs of any other activity referred to

in point h of Article 1(2).

in point h of Article 1(2) ***up to a ceiling of no more than 5% of the overall cost of the programme.***

Justification

The possibility of support for ‘any other activities required for the realisation of the objectives of the programme’ is expressed in very broad terms. In order to achieve the necessary flexibility without causing damaging effects to other tasks within the Customs 2013 programme, a ceiling of 5% as agreed in the Council working party should also be incorporated in the text of the decision.

Amendment 42 Article 17, paragraph 2 a (new)

2a. The participating countries shall bear the following expenditure:

a) the cost of the development, acquisition, installation, maintenance and the cost of the day-to-day operation of the non-Community components of the communication and information exchange systems set out in Article 7(4);

b) the cost relating to the initial and continuous training, in particular linguistic training of their officials.

Amendment 43 Article 17, paragraph 4

4. The Commission shall, in accordance with the procedure referred to in Article 19(2), adopt any necessary measures for the budget management of the programme.

Deleted

Amendment 44 Article 17, paragraph 6

6. Participating countries shall bear the following expenditure:

Deleted

(a) the development, purchase, installation, maintenance and the cost of the day-to-day operation of the non-Community components of the communication and information exchange systems referred to in Article 7(4);

(b) the costs relating to the initial and continuing training, including the linguistic training, of their officials.

Amendment 45

Article 17 a (new)

Applicability of the Financial Regulation

The provisions of the Financial Regulation shall be applicable to all subsidies granted in accordance with the present decision within the meaning of Title 6 of the Financial Regulation. In particular, they shall be subject to a prior written agreement with the beneficiary as set out in Article 108 of the Financial Regulation and on the basis of the implementing rules adopted in accordance with it, whereby the beneficiaries declare their acceptance to have their utilisation of the appropriations granted audited by the European Court of Auditors.

Justification

If the Commission concludes partnership framework regulations, it should comply with all the relevant provisions of the Financial Regulation, without exception. Since these are not exclusively provisions on financial control, the applicability of the Financial Regulation should be set out in a separate paragraph.

Amendment 46
Article 18

18. Financing decisions and any agreements or contracts resulting from this Decision shall be subject to financial control, and if necessary, on the spot audits by the Commission, including the European Anti-Fraud Office (OLAF) and by the European Court of Auditors. ***Any grants made pursuant to this Decision will be subject to agreement in writing in advance by the beneficiaries. Such agreement shall contain the acceptance by the beneficiaries to an audit by the European Court of Auditors into the use made of the financing granted.***

Financing decisions and any agreements or contracts resulting from this Decision shall be subject to financial control, and if necessary, on the spot audits by the Commission, including the European Anti-Fraud Office (OLAF) and by the European Court of Auditors. ***Such audits may take place unannounced.***

Justification

Audits are considerably more effective if they take place unannounced. This obligation of the Member States should therefore be included in the text of the decision. The obligations of the partners to the agreement under the Financial Regulation do not relate exclusively to financial control, and are therefore set out in a separate article: Article 17 a (new) 'Applicability of the Financial Regulation'.

Amendment 47

Article 21, paragraph 3, point (a)

(a) by ***30 September*** 2011 at the latest, a mid-term evaluation report, and a communication on the desirability of continuing the programme;

(a) by ***31 July*** 2011 at the latest, a mid-term evaluation report, and a communication on the desirability of continuing the programme;

Justification

The dates for submission of reports by the Commission to Parliament, the ESC and the CoR do not take enough account of deadlines in the EP's budgetary procedure. The Commission's deadlines for submission should therefore be changed from 30 September to 31 July.

Amendment 48

Article 21, paragraph 3, point (b)

(b) by ***30 September*** 2014 at the latest, a

(b) by ***31 July*** 2014 at the latest, a final

final evaluation report.

evaluation report.

Justification

The dates for submission of reports by the Commission to Parliament, the ESC and the CoR do not take enough account of deadlines in the EP's budgetary procedure. The Commission's deadlines for submission should therefore be changed from 30 September to 31 July.

EXPLANATORY STATEMENT

The intra-Community trade in goods whose volume has almost doubled since the dismantling of internal barriers now allows for some €1 500 billion annually. Customs administrations play a key role in the Community by preserving and developing the internal market, carrying out controls at external borders and protecting the Community's financial and other interests. The customs programmes are a key part of these tasks, since without them European trade would be seriously disrupted, its competitiveness weakened and the security of its citizens threatened. Faced with new challenges and ongoing changes, it is essential to move up a gear and take initiatives to pursue the development, particularly in the IT sector.

The mid-term assessment of the Customs 2007 programme (which will end on 31 December 2007), has shown that this programme is well adapted to the requirements of the administrations, that is essential to the sound operation of the European Union's customs union and that it plays a key role in assisting participating countries to learn from each other.

The evaluation recommended reinforcing activities in the areas of training and the dissemination of information. This is why the Customs 2013 programme has been created as an extension of the Customs 2007 programme, reinforced with additional financial resources, both to support new political initiatives and to foresee a marginal increase in the budget of all other sub-headers.

The objectives of this programme are:

- to support customs administrations of the participating countries to facilitate legitimate trade;
- to simplify and speed up procedures;
- to protect the security and safety of citizens and the financial interests of the Community.

These objectives will be attained through the development of a pan-European electronic customs environment and the implementation of a modernised Customs Code, the further expansion of international customs cooperation, support for the further development and implementation of the authorised economic operator concept, the maintaining and current operational trans-European IT systems and the further development of cooperation, exchanges of information and best practices with the Customs administrations of third countries, in particular candidate countries, (potential candidate countries) and the partner countries of the European Neighbourhood Policy.

The budget proposed for the Customs 2013 programme shows a marked increase compared with six years ago, since it has risen from €157 435 m to €323.8 m. This increase is due mainly to the development of new IT systems to support new commercial and legislative initiatives:

- €77 m are needed for the running and development of the transit system and tariff system;
- €104.5 m over six years to run the electronic customs project currently being developed;
- €38.7 m need to be allocated to initiative management systems on security aspects of custom policy;

- €46 m has been entered in the budget to fund common actions;
- finally, the programme earmarks €11.4 m over six years to contribute to the development of joint training tools to support the customs policy objectives referred to above.

In conclusion, the Customs 2013 programme will improve cooperation between customs administrations and their officials and establish computerised trans-European networks which make it possible to meet the customs control obligations in the internal market and to maintain the taxation of goods and services in conformity with national and Community fiscal legislation within the market. This programme has a key role to play in ensuring that the single market works smoothly and in managing the EU's external borders, thus contributes to attaining the Commission and Lisbon strategy objectives for 2005 to 2009. The renewal of this programme is indispensable for the competitiveness of European trade, the collection and protection of the Community's revenue and the security of EU citizens.

It is essential to ensure the continuity of the programme. This is why a vote must be taken as soon as possible. With a view to a single reading, your rapporteur has therefore tabled amendments fully in line with the Council's approach.

20.11.2006

OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on the Internal Market and Consumer Protection

on the proposal for a decision of the European Parliament and of the Council establishing an action programme for customs in the Community (Customs 2013)

(COM(2006)0201 – C6-0158/2006 – 2006/0075(COD))

Draftsman: Wojciech Roszkowski

SHORT JUSTIFICATION

Customs 2013 programme is the successor of the currently running Customs 2007 programme which is to expire at the end of 2007. Its duration has been planned for the period from 1 January 2008 to 31 December 2013, so it is to terminate at the same time as the Multi-annual Financial Framework agreed upon this year.

Overall objectives of the programme are: ensuring compliance of the customs activities with the needs of the internal market, functioning of the different customs administrations as if they were one administration, protection of the Community's financial interests and increasing citizens' safety and security. These objectives along with the more specific ones are to be achieved in practice via, inter alia, operational communication and exchange information systems, benchmarking in order to identify best practices, training, common projects and monitoring of actions.

The reference amount proposed for the 6 years of the duration of the programme is EUR 323.8 million. This means an increase compared to the previous edition of the programme. According to the Commission increased funding is necessary in order to implement the new strategic initiatives (eCustoms) and, to a lesser extent, for the modernisation of trans-European IT systems and other objectives.

According to the Financial Statement attached to the Commission's proposal, 2.1% of the reference amount (EUR 6.8 million) would be spent on administrative expenditure. The breakdown of the expenditure in the six years of the duration of the programme is presented in the table below, with separate categories for administrative and operational expenditure.

EUR million									
Expenditure type		2008	2009	2010	2011	2012	2013	2014-2015	Total 2008-13
Operational expenditure									
Commitment Appropriations (CA)	(1)	41.868	48.368	50.318	54.768	59.568	62.118	-	317.008
Payment Appropriations (PA)	(2)	15.417	35.276	47.368	51.253	55.133	59.328	53.233	317.008
Administrative expenditure within reference amount									
Technical & administrative assistance (NDA)	(3)	1.132	1.132	1.132	1.132	1.132	1.132	-	6.792
TOTAL REFERENCE AMOUNT									
Commitment Appropriations	(1+3)	43.000	49.500	51.450	55.900	60.700	63.250	-	323.800
Payment Appropriations	(2+3)	16.549	36.408	48.500	52.385	56.265	60.460	53.233	323.800

The CUSTOMS programme has been a successful tool for supporting European customs services in both cooperation and training. The programme provided for organisation of seminars, international working groups, internships, benchmarking and training.

C2007 also ensures the functioning of information sharing systems among its partners.

In the conclusions of the mid-term evaluation of the Customs 2007 programme the Commission concludes: "...there is general satisfaction with the effectiveness and efficiency of the Programme. This seems to be confirmed by the quantitative data gathered during this evaluation."

The Draftsman believes that with consideration of the following amendments, the Commission's proposal for renewal of the programme shall develop into an even more effective support tool for European customs services for the years 2008-13.

AMENDMENTS

The Committee on Budgets calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following amendments in its report:

Draft legislative resolution

Amendment 1 Paragraph 1 a (new)

1a. Considers that the financial envelope indicated in the legislative proposal must be compatible with the ceiling of heading 1a of the new multi-annual financial framework (MFF) and points out that the annual amount will be decided within the annual budgetary procedure in accordance with the provisions of point 37 of the IIA of 17 May 2006;

Proposal for a decision

Text proposed by the Commission¹

Amendments by Parliament

Amendment 2 Recital 1

(1) A major objective for the Community over the next years is the creation of growth and jobs, as reflected in the re-launch of the Lisbon Strategy. The previous programmes in the customs field, in particular Decision No 253/2003/EC of the European Parliament and the Council of 12 February 2003 adopting an action programme for customs in the Community, (hereinafter “Customs 2007”) have significantly contributed to the achievement of that objective and to the overall objectives of the Customs policy. It

(1) A major objective for the Community over the next years is the creation of growth and jobs, as reflected in the re-launch of the Lisbon Strategy. The previous programmes in the customs field, in particular Decision No 253/2003/EC of the European Parliament and the Council of 12 February 2003 adopting an action programme for customs in the Community, (hereinafter “Customs 2007”) have significantly contributed to the achievement of that objective and to the overall objectives of the Customs policy. It

¹ Not yet published in OJ.

is therefore appropriate to continue activities commenced under those programmes. This programme should be established for a period of six years to align its duration with that of the Multi-Annual Financial Framework contained in the Inter-institutional agreement of *(date to be inserted)* between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management.²

²*To be inserted in the course of negotiations.*

is therefore appropriate to continue activities commenced under those programmes. This programme should be established for a period of six years to align its duration with that of the Multi-Annual Financial Framework contained in the Interinstitutional Agreement of **17 May 2006** between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management².

² *OJ C 139, 14.6.2006, p. 1.*

Justification

Reference to the current Interinstitutional Agreement should be inserted.

Amendment 3

Recital 12

(12) This Decision establishes a financial framework for the entire duration of the programme, which is to be the principal point of reference for the budgetary authority, within the meaning of **point 33** of the Inter-institutional agreement **of 6 May 1999** between the European Parliament, the Council and the Commission on budgetary discipline and **improvement of the budgetary procedure**¹⁰.

¹⁰ *OJ C 172, 18.6.1999, p. 1, agreement as last amended by Decision 2003/429/EC (OJ L 147, 14.6.2003, p. 25).*

(12) This Decision establishes a financial framework for the entire duration of the programme, which is to be the principal point of reference for the budgetary authority, within the meaning of **point 37** of the Interinstitutional Agreement **of 17 May 2006** between the European Parliament, the Council and the Commission on budgetary discipline and **sound financial management**.

Justification

The Interinstitutional Agreement of 6 May 1999 is no longer in force.

Amendment 4

Article 4, paragraph 1, point (a)

(a) ensure that the customs activities match the needs of the internal market, including supply chain security;

(a) ensure that the customs activities match the needs of the internal market, including supply chain security **and trade facilitation, and support the strategy for growth and**

jobs;

Justification

Overall objectives of the programme should be completed in line with the Lisbon strategy.

Amendment 5

Article 4, paragraph 1, point (b)

(b) ***interaction and performance of the duties of the Customs administrations*** as efficiently as though they were one administration, ensuring ***equivalence of*** controls at every point of the Community customs territory and the support of legitimate business activity;

(b) ***ensure that Customs administrations in the Community interact and perform their duties*** as efficiently as though they were one administration, ensuring controls ***leading to the equivalence of results*** at every point of the Community customs territory and the support for legitimate business activity;

Justification

One should insist on the equivalence of results rather than controls.

Amendment 6
Article 4, paragraph 1, point (d)

(d) strengthening **the** security and safety **of citizens**;

(d) strengthening security and safety;

Justification

Wider wording allowing for greater flexibility seems to be more appropriate.

Amendment 7
Article 4, paragraph 1, point (e)

(e) **to** prepare for enlargement, including the sharing of experience and knowledge with the customs administrations of the countries concerned.

(e) prepare **the countries referred to in Article 3(2)** for enlargement, including the sharing of experience and knowledge with the customs administrations of the countries concerned.

Justification

Provision will be more precise with a reference to Article 3.

Amendment 8
Article 14

Representatives of international organisations, administrations of third countries, economic operators and their organisations may take part in activities organised under the programme whenever this is **essential** to carry out the objectives mentioned in Article 4 and 5.

Representatives of international organisations, administrations of third countries, economic operators and their organisations may take part in activities organised under the programme whenever this is **useful** to carry out the objectives mentioned in Article 4 and 5.

Justification

Conditions for the participation of the representatives of external bodies should be less restrictive.

Amendment 9
Article 16, paragraph 2

2. The annual appropriations shall be

2. The annual appropriations shall be

authorised by the budgetary authority within the limits of the multi-annual scheme of the financial *perspectives*.

authorised by the budgetary authority within the limits of the multi-annual scheme of the financial ***frameworks, in accordance with point 37 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management.***

Justification

For reasons of legal clarity, it is important to indicate the relevant provisions.

Amendment 10
Article 17, paragraph 2, point (e)

(e) the costs of any other activity referred to in point h of Article 1(2).

(e) the costs of any other activity referred to in point h of Article 1(2) ***up to a ceiling of no more than 5% of the overall cost of the programme.***

Or. de

Justification

The possibility of support for 'any other activities required for the realisation of the objectives of the programme' is expressed in very broad terms. In order to achieve the necessary flexibility without causing damaging effects to other tasks within the Customs 2013 programme, a ceiling of 5% as agreed in the Council working party should also be incorporated in the text of the decision.

Amendment 11
Article 17 a (new)

Article 17a

Applicability of the Financial Regulation
The provisions of the Financial Regulation shall be applicable to any grants made pursuant to this Decision within the

meaning of Title VI of the Financial Regulation¹. In particular, they shall be subject to a prior written agreement with the beneficiaries as set out in Article 108 of the Financial Regulation and on the basis of the implementing rules adopted in accordance with it². Such agreements shall contain the acceptance by the beneficiaries of an audit by the European Court of Auditors into the use made of the financing granted.

¹ Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities, OJ L 248, 16.9.2002, p. 1.

² Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, OJ L 357, 31.12.2002, p. 1. Last amended by Regulation (EC, Euratom) No 1248/2006 (OJ L 227, 19.8.2006, p. 3).

Or. de

Justification

If the Commission concludes partnership framework regulations, it should comply with all the relevant provisions of the Financial Regulation, without exception. Since these are not exclusively provisions on financial control, the applicability of the Financial Regulation should be set out in a separate paragraph.

Amendment 12 Article 18

Financing decisions and any agreements or contracts resulting from this Decision shall be subject to financial control, and if necessary, on the spot audits by the Commission, including the European Anti-Fraud Office (OLAF) and by the European Court of Auditors. ***Any grants made pursuant to this Decision will be subject to agreement in writing in advance by the***

Financing decisions and any agreements or contracts resulting from this Decision shall be subject to financial control, and if necessary, on the spot audits by the Commission, including the European Anti-Fraud Office (OLAF) and by the European Court of Auditors. ***Such audits may take place unannounced.***

beneficiaries. Such agreement shall contain the acceptance by the beneficiaries to an audit by the European Court of Auditors into the use made of the financing granted.

Or. de

Justification

Audits are considerably more effective if they take place unannounced. This obligation of the Member States should therefore be included in the text of the decision. The obligations of the partners to the agreement under the Financial Regulation do not relate exclusively to financial control, and are therefore set out in a separate article: Article 17 a (new) 'Applicability of the Financial Regulation'.

Amendment 13
Article 19, paragraph 2

2. Where reference is made to this paragraph, the procedure laid down in **Article 4** of Decision 1999/468/EC shall apply, in compliance of Articles 7 and 8 thereof. ***The period provided for in Article 4(3) of Decision 1999/468/EC shall be three months.***

2. Where reference is made to this paragraph, the procedure laid down in **Article 3** of Decision 1999/468/EC shall apply, in compliance of Articles 7 and 8 thereof.

Or. de

Justification

Even in the case of a programme that serves mainly to support the Member States, but nevertheless implements EU policy and is funded from the EU budget, the Council should not be placed at an advantage over the Parliament. An advisory committee is therefore more appropriate than a management committee.

Amendment 14
Article 21, paragraph 3, point (a)

(a) by **30 September** 2011 at the latest, a mid-term evaluation report, and a communication on the desirability of

(a) by **31 July** 2011 at the latest, a mid-term evaluation report, and a communication on the desirability of continuing the

continuing the programme;

programme;

Or. de

Justification

The dates for submission of reports by the Commission to Parliament, the ESC and the CoR do not take enough account of deadlines in the EP's budgetary procedure. The Commission's deadlines for submission should therefore be changed from 30 September to 31 July.

Amendment 15

Article 21, paragraph 3, point (b)

(b) by **30 September** 2014 at the latest, a final evaluation report.

(b) by **31 July** 2014 at the latest, a final evaluation report.

Or. de

Justification

The dates for submission of reports by the Commission to Parliament, the ESC and the CoR do not take enough account of deadlines in the EP's budgetary procedure. The Commission's deadlines for submission should therefore be changed from 30 September to 31 July.

PROCEDURE

Title	Proposal for a decision of the European Parliament and of the Council establishing an action programme for customs in the Community (Customs 2013)
References	COM(2006)0201 – C6-0158/2006 – 2006/0075(COD)
Committee responsible	IMCO
Opinion by Date announced in plenary	BUDG 15.6.2006
Enhanced cooperation – date announced in plenary	
Drafts(wo)man Date appointed	Wojciech Roszkowski 15.6.2006
Previous drafts(wo)man	
Discussed in committee	20.11.2006
Date adopted	20.11.2006
Result of final vote	+ : 25 – : 0 :
Members present for the final vote	Reimer Böge, Simon Busuttil, Gérard Deprez, Brigitte Douay, Bárbara Dührkop Dührkop, James Elles, Ingeborg Gräßle, Louis Grech, Nathalie Griesbeck, Catherine Guy-Quint, Anne E. Jensen, Alain Lamassoure, Janusz Lewandowski, Vladimír Maňka, Jan Mulder, Gérard Onesta, Giovanni Pittella, Wojciech Roszkowski, Antonis Samaras, Esko Seppänen, László Surján, Kyösti Virrankoski, Ralf Walter
Substitute(s) present for the final vote	Hans-Peter Martin, Margarita Starkevičiūtė
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	...

PROCEDURE

Title	Proposal for a decision of the European Parliament and of the Council establishing an action programme for customs in the Community (Customs 2013)				
References	COM(2006)0201 – C6-0158/2006 – 2006/0075(COD)				
Date of Parliament's first reading	17.5.2006				
Committee responsible Date announced in plenary	IMCO 15.6.2006				
Committee(s) asked for opinion(s) Date announced in plenary	BUDG 15.6.2006	CONT 15.6.2006	INTA 15.6.2006	ITRE 15.6.2006	LIBE 15.6.2006
Not delivering opinion(s) Date of decision	CONT 20.6.2006	INTA 30.5.2006	ITRE 12.9.2006	LIBE 20.6.2006	
Rapporteur(s) Date appointed	Janelly Fourtou 12.6.2006				
Previous rapporteur(s)					
Simplified procedure – date of decision	0.0.0000				
Discussed in committee	10.10.2006	13.09.2006	21.11.2006	22.11.2006	
Date adopted	22.11.2006				
Result of final vote	+: –: 0:	34 0 0			
Members present for final vote	Charlotte Cederschiöld, Mia De Vits, Janelly Fourtou, Małgorzata Handzlik, Malcolm Harbour, Christopher Heaton-Harris, Anna Hedh, Edit Herczog, Anneli Jäätteenmäki, Pierre Jonckheer, Alexander Lambsdorff, Kurt Lechner, Arlene McCarthy, Manuel Medina Ortega, Zita Pleštinská, Guido Podestà, Luisa Fernanda Rudi Ubeda, Heide Rühle, Leopold Józef Rutowicz, Christel Schaldemose, Andreas Schwab, Eva-Britt Svensson, József Szájer, Marianne Thyssen, Jacques Toubon, Bernadette Vergnaud				
Substitute(s) present for the final vote	André Brie, Jean-Claude Fruteau, Benoît Hamon, Konstantinos Hatzidakis, Othmar Karas, Maria Matsouka, Olle Schmidt, Anja Weisgerber				
Substitute(s) under Rule 178(2) present for the final vote	Marie-Line Reynaud				
Date tabled	28.11.2006				
Comments (available in one language only)	...				