



2023/0156(COD)

17.1.2024

OPINION

of the Committee on Budgets

for the Committee on the Internal Market and Consumer Protection

on the proposal for a regulation of the European Parliament and of the Council
on Establishing the Union Customs Code and the European Union Customs
Authority, and repealing Regulation (EU) No 952/2013
(COM(2023)0258 – C9-0175/2023 – 2023/0156(COD))

Rapporteur for opinion: José Manuel Fernandes

PA_Legam

SHORT JUSTIFICATION

The EU customs union is the basis and the guardian of the EU single market¹, allowing goods to move freely within the Union in compliances with ambitious legislation, setting environmental, security, social and digital standards that shape the way businesses operate within and beyond the single market. In 2022, EUR 25 billion in customs duties were transferred to the EU budget, representing about 10 % of the EU's total revenue that year.

Customs authorities are increasingly burdened with an ever-growing range of tasks stemming from the above mentioned very ambitious legislation. As a result, customs authorities are today squeezed between increasing tasks and complexity on the one hand, and a sharp increase of low value shipments in e-commerce on the other.

The proposal of the Commission aims at strengthening the capacity of customs to supervise and control which goods enter and leave the customs union.

Customs would take a new strategic approach, driven by data analysis of supply chain information, to have targeted and coordinated customs action. In a new partnership with trade operators, the administrative burden would be reduced and customs processes streamlined. A new EU Customs Data Hub would facilitate the exchange and combination of information in a single central environment. A new EU Customs Authority (EUCA) would run a central risk analysis and supports national administrations, leading to coordinated customs action. Finally, the proposal would provide for an effective, risk-based intervention by public authorities and contribute strengthen the Union budget, through traditional own resources.

Your Rapporteur welcomes the overarching aims of the proposal. His draft opinion focuses on areas where the Committee on Budgets can add value in particular the EUCA and the necessary monitoring of the financial consequences of the proposal on the EU and Member States' budgets. The opinion also draws the consequences of the introduction of the common approach to administrative penalties through this Regulation by making explicit the possibility to capture the proceeds of these penalties into a future own resources Decision.

Budgetary impact and financial provisions

The EU Customs Authority (EUCA):

The costs of EUR 58 million for the EUCA and the development of the EU Customs Data Hub in the first two years will be financed under the Customs Programme 2021-2027 of which EUR 3 million for the EUCA and EUR 55 million for the Hub.

Post 2027 the total costs of the reform for the EU budget are estimated at EUR 1.855 billion. This covers the cost of the tasks entrusted upon the EUCA (EUR 280,5 million) as well as the EU Customs Data Hub (EUR 1 574.5 million of which EUR 1 295 million would be outsourced to the EUCA).

¹ European Parliament resolution of 18 January 2023 on the 30th anniversary of the single market: celebrating achievements and looking towards future developments ([P9_TA\(2023\)0007](#)).

Your Rapporteur introduces a set of amendments in recitals and Title XII of the proposal:

a) to oppose the Commission's intention to fund more than 82% of the budget of the EUCA through contribution agreements. Instead of being financed from contribution agreements set in the work programme of the Customs programme decided under the comitology procedure, it will be funded from the EU contribution decided within the frame of the annual budgetary procedure.

b) to emphasise the need for the agency to be resourced in a manner commensurate with its tasks and responsibilities.

The consequences on the collection costs of customs duties:

According to the Commission Impact Assessment, the centralisation of functions in the EUCA would result in significant savings for Member States. The assessment estimated these could start in the region of EUR 194 million and rise over a 15 year window to around EUR 2.3 billion annually.

For recollection, in the period 2021-2027, Member States will retain 25% of the collected customs duties.

In view of the potential savings for the Member States resulting from the establishment of the EUCA financed from the EU budget, your rapporteur believes that a in depth monitoring and regularly updated forecast of the costs of the proposal both on the EU and the Member States budgets is necessary. The Rapporteur suggests introducing an amendment accordingly in Title XV.

Penalties:

Your rapporteur is of the opinion that any public revenue generated by the implementation of Union policies or the enforcement of Union regulations should, by default and in order to mutualise the benefits, accrue to the Union budget, as an own resource or as other revenue.

The Commission proposal introduces a common approach to administrative penalties applied in the frame of the Customs Union. Your rapporteur suggests highlighting under Title XIV that the Regulation should not prevent from capturing these penalties within a future decision on own resources alongside with customs duties.

Governance, parliamentary scrutiny and evaluation

Your Rapporteur also introduces a number of amendments to ensure that all the provisions comply fully with the principles in the Common Approach.

This includes removing the Commission's veto right over administrative and budgetary decisions since autonomy in budgetary and administrative decision-making is key for the Agency's effectiveness.

AMENDMENTS

The Committee on Budgets calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to take the following into account:

Amendment 1

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The implementation of Regulation (EU) No 952/2013 has disclosed weaknesses in several areas. These include: the insufficient/ineffective action in ensuring the protection of the Union and its citizens against non-financial risks applicable to goods established by Union policies other than customs legislation; the capacity of customs authorities to effectively handle the increasing volume of goods imported from third country via distance sales (e-commerce transactions); the capacity of the IT systems architecture created by Regulation (EU) No 952/2013 to digitalise customs processes to keep up with the pace of technological progress, namely with technologies based on the exploitation of data; the lack of effective governance structures of the customs union, resulting in divergent practices and non-uniform implementation of the rules in the Member States. Those weaknesses lead to the emergence of obstacles to the proper functioning of the customs union and therefore of the internal market, due to the internal and external risks and threats.

Amendment

(2) The implementation of Regulation (EU) No 952/2013 has disclosed weaknesses in several areas. These include: the insufficient/ineffective action in ensuring the protection of the Union and its citizens against non-financial risks applicable to goods established by Union policies other than customs legislation; the capacity of customs authorities to effectively handle the increasing volume of goods imported from third country via distance sales (e-commerce transactions); the capacity of the IT systems architecture created by Regulation (EU) No 952/2013 to digitalise customs processes to keep up with the pace of technological progress, namely with technologies based on the exploitation of data; the lack of effective governance structures of the customs union, resulting in divergent practices and non-uniform implementation of the rules in the Member States. Those weaknesses lead to the emergence of obstacles to the proper functioning of the customs union and therefore of the internal market, due to the internal and external risks and threats, ***and have also significantly undermined the capacity of national authorities to levy customs duties proportionate to the real value of imports entering the EU Single Market. This customs gap has led to an important loss of revenues for the Union budget, which should be addressed.***

Amendment 2

Proposal for a regulation Recital 18

Text proposed by the Commission

(18) In order to ensure a uniform level of digitalisation and to create a level playing field for economic operators in all Member States, an EU Customs Data Hub should be established as a set of centralised, secure and cyber-resilient electronic services and systems for customs purposes. The EU Customs Data Hub should ensure the quality, integrity, traceability and non-repudiation of data processed therein, so neither sender nor recipient can later dispute the existence of the exchange of data. The EU Customs Data Hub **and** should comply with the relevant regulations for the processing of personal data and cybersecurity. The Commission and the Member States should jointly design the EU Customs Data Hub. The **Commission** should **also** be tasked with governing, implementing and maintaining the EU Customs Data Hub, **which may delegate to another Union body**.

Amendment 3

Proposal for a regulation Recital 18 a (new)

Text proposed by the Commission

Amendment

(18) In order to ensure a uniform level of digitalisation and to create a level playing field for economic operators in all Member States, an EU Customs Data Hub should be established as a set of centralised, secure and cyber-resilient electronic services and systems for customs purposes. The EU Customs Data Hub should ensure the quality, integrity, traceability and non-repudiation of data processed therein, so neither sender nor recipient can later dispute the existence of the exchange of data. The EU Customs Data Hub should comply with the relevant regulations for the processing of personal data and cybersecurity. The Commission and the Member States should jointly design the EU Customs Data Hub. The **EU Customs Authority** should be tasked with governing, implementing and maintaining the EU Customs Data Hub.

(18a) Common Customs Tariff duties and other duties established in respect of trade with third countries constitute an own resource entered in the Union budget, and represent a legitimate, stable and important source of revenue for the Union budget. For the sake of covering the operationg costs supported by their national administrations to ensure the

proper functioning of the EU Customs Union, Member States retain by way of collection costs, a percentage of the amounts due of customs duties collected by them.

Amendment 4

Proposal for a regulation Recital 18 b (new)

Text proposed by the Commission

Amendment

(18b) Over the period covering the MFF 2021-2027, Member States retain 25% of the collected customs duties with the intention to cover collection costs and to serve as an incentive to ensure a diligent collection of the amounts due. Such retention rate has been constantly increasing over the years from 10% to 20% and up to 25% under the current MFF without being justified by an increase in customs equipment, staff and information costs in the Member States. Such an upward trend undermines the Union budget, goes against the spirit of the Own Resources Decision and leads to an equivalent increase in Member States contribution to the Union budget, the GNI-based contribution acting as an adjustment factor to ensure a balanced EU budget. The roll out of the EU Customs Data Hub will bring further synergies and savings for the Member States thanks to the economy of scales resulting from the pooling of IT infrastructure at EU level while the costs will be borne by the EU budget. In this context, the costs incurred by the EU budget and the Member States for the collection of customs duties should be closely monitored to provide a sound and factual basis to draw appropriate conclusions on the retention rate in the future.

Amendment 5

Proposal for a regulation Recital 55

Text proposed by the Commission

(55) Criteria to be taken into account in order to contribute to the decision making process for choosing the EU Customs Authority seat should be the assurance that Authority can be set up on site upon the entry into force of this Regulation, the accessibility of the location and the existence of adequate education facilities for the children of staff members as well as appropriate access to the labour market, social security and medical care for both children and spouses of staff members. In view of the cooperative nature of most of the EU Customs Authority activities, and in particular the close connection that will exist between the IT systems that the Commission will maintain during the transitional period, while the EU Customs authority will build and operate the EU Customs Data Hub, it should be in a place that allows such close cooperation with the Commission, the authorities of the Union regions most relevant for international trade, and relevant Union and international bodies *(for example the World Customs Organisation for facilitating practical cross fertilisation on specific subjects)*. Considering these criteria, the EU Customs Authority should be located at [...].

Amendment

(55) Criteria to be taken into account in order to contribute to the decision making process for choosing the EU Customs Authority seat should be the assurance that Authority can be set up on site upon the entry into force of this Regulation, the accessibility of the location and the existence of adequate education facilities for the children of staff members as well as appropriate access to the labour market, social security and medical care for both children and spouses of staff members. In view of the cooperative nature of most of the EU Customs Authority activities, and in particular the close connection that will exist between the IT systems that the Commission will maintain during the transitional period, while the EU Customs authority will build and operate the EU Customs Data Hub, it should be in a place that allows such close cooperation with the Commission, the authorities of the Union regions most relevant for international trade, and relevant Union and international bodies. ***In order to achieve financial savings, the Authority should, where and when appropriate, cooperate closely with other Union institutions, agencies and bodies, especially those that have their seat in the same Member State. Furthermore, the geographical spread of EU institutions, bodies and agencies should be taken into consideration.*** Considering these criteria, the EU Customs Authority should be located at [...].

Amendment 6

Proposal for a regulation Recital 56

Text proposed by the Commission

(56) The Member States **and** the Commission should be represented on a Management Board, in order to ensure the effective functioning of the EU Customs Authority. The composition of the Management Board, including the selection of its Chairperson and Deputy-Chairperson, should respect the principles of gender balance, experience **and** qualification. Given the Union's exclusive competence on the customs union, and the close link between customs and other policy fields, it is appropriate that its chairperson is elected from among those Commission representatives. In view of the effective and efficient functioning of the EU Customs Authority, the Management Board should, in particular, adopt a Single Programming Document including annual and multiannual programming, carry out its functions relating to the Authority's budget, adopt the financial rules applicable to the Authority, appoint an Executive Director, and establish procedures for taking decisions relating to the operational tasks of the Authority by the Executive Director. The Management Board should be assisted by an Executive Board.

Amendment 7

Proposal for a regulation Recital 56 a (new)

Text proposed by the Commission

Amendment

(56) The Member States, the Commission **and the Parliament** should be represented on a Management Board, in order to ensure the effective functioning of the EU Customs Authority. The composition of the Management Board, including the selection of its Chairperson and Deputy-Chairperson, should respect the principles of gender balance, experience, qualification **and integrity**. Given the Union's exclusive competence on the customs union, and the close link between customs and other policy fields, it is appropriate that its chairperson is elected from among those Commission representatives. In view of the effective and efficient functioning of the EU Customs Authority, the Management Board should, in particular, adopt a Single Programming Document including annual and multiannual programming, carry out its functions relating to the Authority's budget, adopt the financial rules applicable to the Authority, appoint an Executive Director, and establish procedures for taking decisions relating to the operational tasks of the Authority by the Executive Director. The Management Board should be assisted by an Executive Board.

(56 a) With regard to the prevention and management of conflicts of interest, it is essential that the Authority acts impartially, demonstrates integrity and establishes high professional standards.

There should never be any legitimate reason to suspect that decisions might be influenced by interests conflicting with the role of the Authority as a body serving the Union as a whole or by private interests or affiliations of any member of the Management Board which would create, or have the potential to create, a conflict with the proper performance of the official duties of the person concerned. The Management Board should therefore adopt and make publicly available comprehensive rules on conflicts of interests, giving due consideration to the recommendations of the European Ombudsman. Those arrangements should ensure in particular that senior representatives of the Authority do not undermine its integrity during or after their term of office.

Amendment 8

Proposal for a regulation Recital 57

Text proposed by the Commission

(57) To guarantee its effective functioning, the EU Customs Authority should be granted an autonomous budget, with revenue coming from the general budget of the Union and any voluntary financial contribution from the Member States. In exceptional and duly justified circumstances, the EU Customs Authority should also be in the position to receive additional revenues through contribution agreements or grant agreements, and charges for publications and any other service provided by the EU Customs Authority.

Amendment

(57) ***The Agency should be provided with the necessary human and financial resources to fulfil the objectives, tasks and responsibilities assigned to it under this regulation or by any other relevant Union legal acts.*** To guarantee its effective functioning, the EU Customs Authority should be granted an autonomous budget, with revenue coming from the general budget of the Union and ***complemented by*** any voluntary financial contribution from the Member States, ***providing it does not jeopardise the independence of the Authority.*** In exceptional and duly justified circumstances, the EU Customs Authority should also be in the position to receive additional revenues through contribution agreements or grant agreements, and charges for publications and any other service provided by the EU Customs

Authority.

Amendment 9

Proposal for a regulation Recital 64a (new)

Text proposed by the Commission

Amendment

(64a) The financial proceeds resulting from the enforcement of Union regulations may accrue to the Union budget, as an own resource or as other revenue. The minimum harmonisation of non-criminal sanctions as well as the increasing role of the EU in the enforcement of the Union Customs Code should be considered in this context. The proceeds of the sanctions should therefore be established as own resources alongside customs duties in accordance with Art 311 TFUE.

Amendment 10

Proposal for a regulation Recital 65

Text proposed by the Commission

Amendment

(65) The performance of the customs union should be evaluated at least on an annual basis to allow the Commission, with the help of the Member States, to take the appropriate policy orientations. The collection of information from customs authorities should be formalised and deepened, as more comprehensive reporting would improve benchmarking and could help to homogenise practices and assess the impact of customs policy decisions. It is, therefore, appropriate to introduce a legal framework for the evaluation of the performance of the customs union. To allow sufficient granularity of analysis, the performance measurement should be done not only at national level but also at border crossing point level. The EU Customs Authority

(65) The performance of the customs union, ***including the costs incurred by customs authorities to carry out their tasks***, should be evaluated at least on an annual basis to allow the Commission, with the help of the Member States, to take the appropriate policy orientations. The collection of information from customs authorities should be formalised and deepened, as more comprehensive reporting would improve benchmarking and could help to homogenise practices and assess the impact of customs policy decisions. It is, therefore, appropriate to introduce a legal framework for the evaluation of the performance of the customs union. To allow sufficient granularity of analysis, the performance measurement should be done not only at

should support the Commission in the evaluation process by gathering and analysing the data in the EU Customs Data Hub and identifying how customs activities and operations support the achievement of the strategic objectives and priorities of the customs union and contribute to the mission of customs authorities. In particular, the EU Customs Authority should identify key trends, strengths, weaknesses, gaps, and potential risks, and provide recommendations for improvement to the Commission. In the context of cooperation with law enforcement and security authorities in particular, the EU Customs Authority should also participate, from the operational perspective, in strategic analyses and threat assessments conducted at Union level, including those carried out by Europol and Frontex.

national level but also at border crossing point level. The EU Customs Authority should support the Commission in the evaluation process by gathering and analysing the data in the EU Customs Data Hub and identifying how customs activities and operations support the achievement of the strategic objectives and priorities of the customs union and contribute to the mission of customs authorities. In particular, the EU Customs Authority should identify key trends, strengths, weaknesses, gaps, and potential risks, and provide recommendations for improvement to the Commission. ***It should also support the Commission to carry out, in close cooperation with Member States, an analysis of the operating costs incurred by national customs authorities for the fulfilment of their tasks.*** In the context of cooperation with law enforcement and security authorities in particular, the EU Customs Authority should also participate, from the operational perspective, in strategic analyses and threat assessments conducted at Union level, including those carried out by Europol and Frontex.

Amendment 11

Proposal for a regulation Article 29 – paragraph 3

Text proposed by the Commission

3. The Commission shall develop, ***implement and maintain*** the EU Customs Data Hub, including making publicly available the technical specifications to process data within it, and shall establish a data quality framework.

Amendment

3. The Commission shall develop the EU Customs Data Hub, including making publicly available the technical specifications to process data within it, and shall establish a data quality framework. ***The EU Customs Authority shall operate and maintain it.***

Amendment 12

Proposal for a regulation

Article 204 – paragraph 3

Text proposed by the Commission

3. The EU Customs Authority shall set up a crisis response cell that is permanently available throughout the crisis.

Amendment

3. The EU Customs Authority shall set up a crisis response cell that is permanently available throughout the crisis. ***This cell should be financed by the budget granted to the EU Customs Authority.***

Amendment 13

Proposal for a regulation Article 207 – paragraph -1

Text proposed by the Commission

Amendment

-1. The EU Customs Authority shall operate and maintain the information technology systems used for the implementation of the Customs Union, such as the EU Customs Data Hub, as laid down in Title III.

Amendment 14

Proposal for a regulation Article 207 – paragraph 1

Text proposed by the Commission

Amendment

1. The EU Customs Authority shall contribute to achieving the mission of customs authorities as set out in Article 2.

deleted

Amendment 15

Proposal for a regulation Article 208 – paragraph 3

Text proposed by the Commission

Amendment

3. The EU Customs Authority shall perform capacity building activities and

3. The EU Customs Authority shall perform capacity building activities and

provide operational support and coordination to customs authorities. In particular, it shall:

provide operational support and coordination to customs authorities *and the Commission*. In particular, it shall:

Amendment 16

Proposal for a regulation

Article 208 – paragraph 3 – point b

Text proposed by the Commission

(b) carry out performance measurement for the customs union, and support the Commission in its evaluation of the performance of the customs union, in accordance with Title XV, Chapter 1;

Amendment

(b) carry out performance measurement for the customs union, and support the Commission in its evaluation of the performance of the customs union, ***including the measurement of operating costs incurred by customs authorities to carry out their activity***, in accordance with Title XV, Chapter 1;

Amendment 17

Proposal for a regulation

Article 208 – paragraph 3 – point i a (new)

Text proposed by the Commission

Amendment

(i a) providing support to the Commission for developing and implementing an operational strategy for activities relating to the allocation, funding and procurement of control equipment, including the assessment of needs, joint procurement and co-sharing of equipment.

Amendment 18

Proposal for a regulation

Article 209

Text proposed by the Commission

Amendment

Article 209

deleted

Other tasks

deleted

The Commission may entrust to the EU Customs Authority the following tasks for

deleted

the implementation of the customs-related funding programmes:

(a) activities related to the development, operation and maintenance of the information technology systems used for the implementation of the Customs Union, such as the EU Customs Data Hub, as laid down in Title III;

deleted

(b) providing support to the Commission for developing and implementing an operational strategy for activities relating to the allocation, funding and procurement of control equipment, including the assessment of needs, joint procurement and co-sharing of equipment.

deleted

Amendment 19

Proposal for a regulation Article 212 – paragraph 1

Text proposed by the Commission

1. The Management Board shall be composed of one representative from each Member State **and** two representatives of the Commission, all with voting rights.

Amendment

1. The Management Board shall be composed of one representative from each Member State, two representatives of the Commission **and one member designated by the European Parliament**, all with voting rights.

Amendment 20

Proposal for a regulation Article 212 – paragraph 2

Text proposed by the Commission

2. The Management Board shall also include one member designated by the European Parliament, without the right to vote.

Amendment

deleted

Amendment 21

Proposal for a regulation Article 212 – paragraph 4

Text proposed by the Commission

4. Members of the Management Board and their alternates shall be appointed in the light of their knowledge in the field of customs, taking into account relevant managerial, administrative and budgetary skills. All parties represented in the Management Board shall make efforts to limit turnover of their representatives, in order to ensure continuity of its work. All parties shall *aim* to achieve a gender-balanced representation on the Management Board

Amendment

4. Members of the Management Board and their alternates shall be appointed in the light of their knowledge in the field of customs, taking into account relevant managerial, administrative and budgetary skills. All parties represented in the Management Board shall make efforts to limit turnover of their representatives, in order to ensure continuity of its work. All parties shall *ensure* to achieve a gender-balanced representation on the Management Board

Amendment 22

Proposal for a regulation Article 212 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5 a. Each member and alternate shall sign a written statement at the time of taking office declaring that he or she is not in the situation of conflict of interests. Each member and alternate shall update his or her statement in the case of a change of circumstances with regard to any conflict of interests, or at least on an annual basis. The Authority shall publish the statements and updates on its website.

Amendment 23

Proposal for a regulation Article 214 – paragraph 6

Text proposed by the Commission

6. When a matter of confidentiality or conflict of interests is on the agenda, the Management Board shall discuss and decide on this matter without the presence

Amendment

6. When a matter of confidentiality or conflict of interests is on the agenda, the Management Board shall discuss and decide on this matter without the presence

of the member concerned. Detailed rules for the application of this provision may be laid down in the rules of procedure.

of the member concerned. ***This shall not affect the right of the Member States, the European Parliament and of the Commission to be represented by an alternate or by any other person.*** Detailed rules for the application of this provision may be laid down in the rules of procedure.

Amendment 24

Proposal for a regulation

Article 215 – paragraph 1 – point f

Text proposed by the Commission

(f) adopt rules for the prevention and management of conflicts of interests in respect of its members; and shall publish annually on its website the declaration of interests of the management board members;

Amendment

(f) adopt ***and make publicly available the*** rules for the prevention and management of conflicts of interests in respect of its members; and shall publish annually on its website the declaration of interests of the management board members;

Amendment 25

Proposal for a regulation

Article 215 – paragraph 1 – point h

Text proposed by the Commission

(h) adopt its rules of procedure;

Amendment

(h) adopt ***and make publicly available*** its rules of procedure;

Amendment 26

Proposal for a regulation

Article 216 – paragraph 2

Text proposed by the Commission

2. The decision referred to in Article 215(1), points (b), (c), (e), (f), (j), (m), (n), (o) and (s) may only be taken if the representatives of the Commission cast a

Amendment

delete

positive vote. For the purposes of taking the decision referred to in Article 215(1), point (s), the consent of the representatives of the Commission shall only be required on the elements of the decision not related to the annual and multi-annual work programme of the EU Customs Authority.

Amendment 27

Proposal for a regulation Article 217 – paragraph 5

Text proposed by the Commission

5. The Executive Board shall be composed of the two representatives of the Commission to the Management Board and three other members appointed by the Management Board from among its members with the right to vote. The Chairperson of the Management Board shall also be the Chairperson of the Executive Board. The Executive Director shall take part in the meetings of the Executive Board, but shall not have the right to vote. The decisions of the Executive Board shall be taken by simple majority. ***Decisions with respect to paragraph (2), point (b) may only be taken if one representative of the Commission casts a positive vote.***

Amendment

5. The Executive Board shall be composed of the two representatives of the Commission to the Management Board and three other members appointed by the Management Board from among its members with the right to vote ***and with the aim to ensure gender balance.*** The Chairperson of the Management Board shall also be the Chairperson of the Executive Board. The Executive Director shall take part in the meetings of the Executive Board, but shall not have the right to vote. The decisions of the Executive Board shall be taken by simple majority.

Amendment 28

Proposal for a regulation Article 218 – paragraph 1

Text proposed by the Commission

1. The Executive Director shall be engaged as a temporary agent of the EU Customs Authority in accordance with Article 2(a) of the Conditions of Employment of other servants.

Amendment

1. The Executive Director shall be engaged as a temporary agent of the EU Customs Authority in accordance with Article 2(a) of the Conditions of Employment of other servants.

The Executive Director shall be appointed by the Management Board *on grounds of merit and documented administrative and managerial skills, as well as relevant competence and experience, from a list of at least three candidates proposed by the Commission*, following *an open and transparent selection* procedure.

For the purpose of concluding the contract of the Executive Director, the EU Customs Authority shall be represented by the Chairperson of the Management Board.

The Executive Director shall be appointed by the Management Board *in accordance with the* following procedure :

(a) *on the basis of a shortlist drawn up and published by the Commission ensuring gender balance after a call for candidates and a transparent selection procedure, applicants will be asked to address the competent committee of the European Parliament and the Council and to reply to questions;*

(b) *the European Parliament and the Council will then give their opinions and state their preferences;*

(c) *the Management Board will appoint the Executive Director taking those opinions into account.*

For the purpose of concluding the contract of the Executive Director, the EU Customs Authority shall be represented by the Chairperson of the Management Board.

Amendment 29

Proposal for a regulation Article 218 – paragraph 3

Text proposed by the Commission

3. The Management Board, acting on a proposal from the Commission *which* takes into account the assessment referred to in paragraph 2, may extend the term of office of the Executive Director once for no more than 5 years.

Amendment

3. The Management Board, acting on a proposal from the Commission *that* takes into account the assessment referred to in paragraph 4, may extend the term of office of the Executive Director once, for no more than *five* years. *The Management Board shall inform the European Parliament and the Council about its*

intention to extend the Executive Director's mandate. Before the Management Board takes its decision to extend the mandate, the Executive Director may be asked to make a declaration before the competent committee of the European Parliament and answer questions.

Amendment 30

Proposal for a regulation Article 218 – paragraph 5

Text proposed by the Commission

5. The Executive Director may be removed from office only upon a decision of the Management Board acting on a proposal from the Commission.

Amendment

5. The Executive Director may be removed from office only upon a decision of the Management Board acting on a proposal from the Commission. ***The European Parliament and the Council shall be informed of the reasons.***

Amendment 31

Proposal for a regulation Article 219 – paragraph 3

Text proposed by the Commission

3. The Executive Director shall report to the European Parliament and the Council on the performance of his or her duties and the overall performance of the EU Customs Authority when invited to do so.

Amendment

3. The Executive Director shall report to the European Parliament and the Council on the performance of his or her duties and the overall performance of the EU Customs Authority when invited to do so. ***The Executive Director may be called upon at any time by the European Parliament or by the Council to attend a hearing on any matter linked to the Agency's activities.***

Amendment 32

Proposal for a regulation Article 219 – paragraph 5 – point a

Text proposed by the Commission

- (a) ensure the day-to-day administration of the EU Customs Authority;

Amendment

- (a) ensure the **sustainable and efficient** day-to-day administration of the EU Customs Authority;

Amendment 33

Proposal for a regulation
Article 228 – paragraph 1

Text proposed by the Commission

1. In order to combat fraud, corruption and other unlawful activities within the EU Customs Authority, the provisions of Regulation (EU, Euratom) No 883/2013 shall apply without restriction.

Amendment

1. In order to combat fraud, corruption and other unlawful activities, **as well as ensure observance of human rights and environmental protection principles** within the EU Customs Authority, the provisions of Regulation (EU, Euratom) No 883/2013 shall apply without restriction.

Amendment 34

Proposal for a regulation
Article 237 – paragraph 3 – subparagraph 1

Text proposed by the Commission

3. Where exceptional circumstances so require, the Executive Director may decide to establish **a local office in another Member State** for the purposes of carrying out the EU Customs Authority's tasks in a more, efficient, effective and coherent manner.

Amendment

- 3.(1)** Where exceptional circumstances so require, the Executive Director may decide to establish **offices in other Member States** for the purposes of carrying out the EU Customs Authority's tasks in a more, efficient, effective and coherent manner.

Amendment 35

Proposal for a regulation
Article 254 – paragraph 1

Text proposed by the Commission

Where sanctions to customs infringements

Amendment

- 1.** Where sanctions to customs

referred to in Article 252 are applied, they shall take at least one or several of the following forms, while ensuring that sanctions are effective, proportionate and dissuasive and taking into account extenuating and mitigating circumstances referred to in Article 247 and aggravating circumstances referred to in Article 248

infringements referred to in Article 252 are applied, they shall take at least one or several of the following forms, while ensuring that sanctions are effective, proportionate and dissuasive and taking into account extenuating and mitigating circumstances referred to in Article 247 and aggravating circumstances referred to in Article 248

Amendment 36

Proposal for a regulation Article 254 – paragraph 2 (new)

Text proposed by the Commission

Amendment

2. Member States shall decide on the use of the proceeds resulting from the enforcement of non-criminal sanctions except for when established as an own resource in accordance with Article 311(3) TFEU.

Amendment 37

Proposal for a regulation Article 255 – paragraph 1

Text proposed by the Commission

Amendment

1. The Commission shall assess and evaluate the performance of the customs union at least on an annual basis. This includes the measurement of customs activities performed by the customs authorities of the Member States and where possible candidate countries at national and border crossing points levels. Such measurement may build on existing tools developed by the Commission and Member States for this purpose.

1. The Commission shall assess and evaluate the performance of the customs union at least on an annual basis. This includes the measurement of customs activities performed by the customs authorities of the Member States and where possible candidate countries at national and border crossing points levels, **as well as a regular monitoring of the level of expenditure incurred by national customs authorities in carrying out their activities.** Such measurement may build on existing tools developed by the Commission and Member States for this purpose.

Amendment 38

Proposal for a regulation
Article 255 – paragraph 2

Text proposed by the Commission

2. The EU Customs Authority shall assist the Commission with that task. To support the Commission in its evaluation of the performance of the custom union, the EU Customs Authority shall identify how customs activities and operations support the achievement of the strategic objectives and priorities of the customs union and contribute to the mission of customs authorities laid down in Article 2. In particular, the EU Customs Authority shall identify key trends, strengths, weaknesses, gaps, **and** potential risks, and provide recommendations for improvement to the Commission.

Amendment

2. The EU Customs Authority shall assist the Commission with that task. To support the Commission in its evaluation of the performance of the custom union, the EU Customs Authority shall identify how customs activities and operations support the achievement of the strategic objectives and priorities of the customs union and contribute to the mission of customs authorities laid down in Article 2. In particular, the EU Customs Authority shall identify key trends, strengths, weaknesses, gaps, potential risks, **support the Commission in gathering relevant data regarding the levels of expenditure incurred by national customs authorities to ensure their functioning**, and provide recommendations for improvement to the Commission.

Amendment 39

Proposal for a regulation
Article 256 – paragraph 4

Text proposed by the Commission

4. The Commission shall verify the report and transmit it afterwards to the Member States for information.

Amendment

4. The Commission shall verify the report and transmit it afterwards to the Member States **and to the European Parliament** for information.

Amendment 40

Proposal for a regulation
Article 258 – paragraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(b a) an overview of the costs incurred by the Union on the one hand and the

Member States on the other hand for the implementation of the Regulation including in comparison with the costs incurred at the date of entry into force of the Regulation.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

The rapporteur has received input from the following entities or persons in the preparation of the opinion, until the adoption thereof in committee:

Entity and/or person
Alibaba Group

The list above is drawn up under the exclusive responsibility of the rapporteur.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Establishing the Union Customs Code and the European Union Customs Authority, and repealing Regulation (EU) No 952/2013
References	COM(2023)0258 – C9-0175/2023 – 2023/0156(COD)
Committee responsible Date announced in plenary	IMCO 19.10.2023
Opinion by Date announced in plenary	BUDG 19.10.2023
Rapporteur for the opinion Date appointed	José Manuel Fernandes 28.6.2023
Discussed in committee	16.11.2023
Date adopted	11.1.2024
Result of final vote	+ : 23 - : 3 0 : 0
Members present for the final vote	Pietro Bartolo, Olivier Chastel, Katalin Cseh, Andor Deli, Pascal Durand, José Manuel Fernandes, Eider Gardiazabal Rubial, Vlad Gheorghe, Andrzej Halicki, Valérie Hayer, Monika Hohlmeier, Moritz Körner, Camilla Laureti, Janusz Lewandowski, Margarida Marques, Lefteris Nikolaou-Alavanos, Andrey Novakov, Bogdan Rzońca, Nils Torvalds, Nils Ušakovs, Rainer Wieland
Substitutes present for the final vote	Ana Collado Jiménez, Francisco Guerreiro
Substitutes under Rule 209(7) present for the final vote	Maria Grapini, Markus Pieper, Bernhard Zimniok

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

23	+
NI	Andor Deli
PPE	Ana Collado Jiménez, José Manuel Fernandes, Andrzej Halicki, Monika Hohlmeier, Janusz Lewandowski, Andrey Novakov, Markus Pieper, Rainer Wieland
Renew	Olivier Chastel, Katalin Cseh, Vlad Gheorghe, Valérie Hayer, Moritz Körner, Nils Torvalds
S&D	Pietro Bartolo, Pascal Durand, Eider Gardiazabal Rubial, Maria Grapini, Camilla Laureti, Margarida Marques, Nils Ušakovs
Verts/ALE	Francisco Guerreiro

3	-
ECR	Bogdan Rzońca
ID	Bernhard Zimniok
NI	Lefteris Nikolaou-Alavanos

0	0

Key to symbols:

+ : in favour

- : against

0 : abstention