Changes to legislation: *There are outstanding changes not yet made to Regulation (EU) No 1294/2013 of the European Parliament and of the Council. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

Regulation (EU) No 1294/2013 of the European Parliament and of the Council of 11 December 2013 establishing an action programme for customs in the European Union for the period 2014-2020 (Customs 2020) and repealing Decision No 624/2007/EC

REGULATION (EU) No 1294/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 11 December 2013

establishing an action programme for customs in the European Union for the period 2014-2020 (Customs 2020) and repealing Decision No 624/2007/EC

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 33 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Acting in accordance with the ordinary legislative procedure[(1)],

Whereas:

(1) The multi-annual action programme for customs which applied before 2014 has significantly contributed to facilitating and enhancing cooperation between customs authorities within the Union. Many of the activities in the customs area are of a cross-border nature, involving and affecting all Member States, and therefore they cannot be effectively and efficiently delivered by individual Member States. A customs programme at Union level, implemented by the Commission, offers Member States a Union framework to develop those cooperation activities, which is more cost–efficient than if each Member State were to set up individual cooperation frameworks on a bilateral or multilateral basis. It is therefore appropriate to ensure the continuation of the previous multi-annual action programme for customs by establishing a new programme in the same area, the Customs 2020 programme ('the Programme').

(2) The activities under the Programme, namely the European Information Systems, the joint actions for customs officials and the common training initiatives, will contribute to the realisation of the Europe 2020 Strategy for smart, sustainable and inclusive growth by strengthening the functioning of the internal market. In providing a framework for activities which strive for more efficient and modernised customs authorities, strengthen the competitiveness of businesses, promote employment and rationalise and coordinate the Member States' actions to protect their financial and economic interests and those of the Union, the Programme will actively strengthen the functioning of the customs union, so that businesses and citizens can benefit from the full potential of the internal market and of global trade.

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(3) In order to support the process of accession and association by third countries, the Programme should be open to the participation of acceding and candidate countries as well as potential candidates and partner countries of the European Neighbourhood Policy if certain conditions are fulfilled. Considering the increasing interconnectivity of the world economy, the Programme should continue to provide the possibility of involving external experts, such as officials of third countries, representatives of international organisations or economic operators in certain activities. The participation of external experts is considered to be essential whenever the objectives of a programme cannot be achieved without the contribution of those experts. The setting up of the European External Action Service under the authority of the High Representative of the Union for Foreign Affairs and Security Policy facilitates policy coordination and coherence in an area which is a relevant component of the Union's external strategies and actions, both on a bilateral and multilateral basis.

(4) The objectives of the Programme should take into account the problems and challenges identified for customs in the next decade. The Programme should continue to play a role in vital areas such as the coherent implementation of Union law in the field of customs and related matters. Moreover, the Programme should focus on protecting the financial and economic interests of the Union and safeguarding safety and security. This should encompass, inter alia, cooperation and information pooling between national and Union market monitoring authorities and the customs authorities. The Programme should also be dedicated to trade facilitation, inter alia, through collaborative efforts to fight fraud and increasing the administrative capacity of customs authorities. In that perspective, a cost-benefit analysis of detection equipment and related technology should be carried out in order to facilitate the acquisition of modern customs control tools by customs authorities after 2020. Methods facilitating the acquisition of modern customs control tools, including joint public procurement, should also be explored.

(5) The programme tools which applied before 2014 have proven to be adequate and should therefore be retained. In view of the need for more structured operational cooperation, additional tools should be added, namely expert teams composed of Union and national experts to perform tasks jointly in specific domains and public administration capacity-building actions which should provide specialised assistance to those participating countries in need of administrative capacity building.

(6) The European Information Systems play a vital role in reinforcing the customs systems within the Union and should therefore continue to be financed under the Programme. In addition, it should be made possible to include in the Programme new customs-related information systems established under Union law. The European Information Systems should, where appropriate, be based upon shared development models and IT architecture, in order to increase the flexibility and efficiency of customs administration.

(7) Human competency building should also be carried out in the form of common training and should be realised through the Programme. Customs officials need to build up and update their knowledge and the skills required to serve the needs of the Union. The Programme should be essential to strengthen human capacities through enhanced training support that targets customs officials as well as economic operators. To that

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end, the current common training approach of the Union, which was mainly based on central eLearning development, should develop into a multifaceted training support programme for the Union.

(8) The Programme should give due importance, and allocate an adequate share of its budget, to the functioning of the existing European Information Systems for customs and to the development of new European Information Systems necessary for the implementation of the Union Customs Code. At the same time, the appropriate means should be dedicated to activities bringing together officials working with customs and to human competency building. Moreover, the Programme should provide for a certain degree of budgetary flexibility in order to respond to changes in policy priorities.

(9) The Programme should cover a period of seven years to align its duration with that of the multiannual financial framework laid down in Council Regulation (EU, Euratom) No 1311/2013[(2)].

(10) This Regulation lays down a financial envelope for the entire duration of the Programme which is to constitute the prime reference amount, within the meaning of point 17 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management[(3)], for the European Parliament and the Council during the annual budgetary procedure.

(11) In line with the Commission's commitment, set out in its Communication of 19 October 2010 entitled 'The EU Budget Review', to coherence and simplification of funding programmes, resources should be shared with other Union funding instruments if the envisaged activities under the Programme pursue objectives which are common to various funding instruments, excluding however double financing. Actions under the Programme should ensure coherence in the use of the Union's resources supporting the functioning of the customs union.

(12) The measures necessary for the financial implementation of this Regulation should be adopted in accordance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council[(4)] and with Commission Delegated Regulation (EU) No 1268/2012[(5)].

(13) The financial interests of the Union should be protected through appropriate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, unduly paid or incorrectly used, and, where appropriate, penalties.

(14) Cooperation on intelligent risk assessment is vital in order to allow compliant and trustworthy businesses to gain maximum benefit from the simplification of the e-administration of customs, and allowing irregularities to be targeted.

(15) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission in respect of the establishment of the annual work programmes. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[(6)].

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(16) In order to respond appropriately to changes in policy priorities, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of amending the list of indicators to measure the achievement of the specific objectives and modifying the indicative amounts allocated to each type of action. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

(17) Since the objective of this Regulation, namely establishing a multiannual programme to improve the functioning of the customs union, cannot be sufficiently achieved by the Member States as they cannot efficiently perform the cooperation and coordination necessary to carry out the Programme, but can rather, by reason of its scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.

(18) The Commission should be assisted by the Customs 2020 Committee for the implementation of the Programme.

(19) To facilitate the evaluation of the Programme, a proper framework for monitoring the results achieved by the Programme should be put in place from the very beginning. A mid-term evaluation looking at the achievement of the objectives of the Programme, its efficiency and its added value at the European level, should be carried out. A final evaluation should, in addition, deal with the long–term impact and the sustainability effects of the Programme. Full transparency with regular reporting on monitoring and evaluation to the European Parliament and to the Council should be ensured. Those evaluations should be based on indicators, measuring the effects of the Programme against pre-defined baselines. The indicators should, inter alia, measure the time during which the Common Communication Network is available without system failures, as this is the condition for the proper functioning of all the European Information Systems, for customs authorities to cooperate efficiently within the customs union.

(20) Directive 95/46/EC of the European Parliament and of the Council[(7)] governs the processing of personal data carried out in the Member States in the context of this Regulation and under the supervision of the Member States competent authorities, in particular the public independent authorities designated by the Member States. Regulation (EU) No 45/2001 of the European Parliament and of the Council[(8)] governs the processing of personal data carried out by the Commission within the framework of this Regulation and under the supervision of the European Data Protection Supervisor. Any exchange or transmission of information by competent authorities should be in accordance with the rules on the transfer of personal data as laid down in Directive 95/46/EC and any exchange or transmission of information by the Commission should be in accordance with the rules on the transfer of personal data as laid down in Regulation (EC) No 45/2001.

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(21) This Regulation replaces Decision No 624/2007/EC of the European Parliament and of the Council[9]. That Decision should therefore be repealed,

HAVE ADOPTED THIS REGULATION:

CHAPTER I

GENERAL PROVISIONS

Article 1

Subject matter

1 A multiannual action programme "Customs 2020" ("the Programme") is hereby established to support the functioning of the customs union.

2 The Programme shall cover the period from 1 January 2014 to 31 December 2020.

Article 2

Definitions

For the purpose of this Regulation, the following definitions shall apply:

(1) "customs authorities" means the authorities responsible for applying rules on customs;

(2) "external experts" means:

(a) representatives of governmental authorities, including those from countries not participating in the Programme, pursuant to Article 3(2);

(b) economic operators and organisations representing economic operators;

(c) representatives of international and other relevant organisations.

Article 3

Participation in the Programme

1 Participating countries shall be the Member States and the countries referred to in paragraph 2, provided that the conditions set out in that paragraph are met.

2 The Programme shall be open to participation by any of the following countries:

a acceding countries, candidate countries and potential candidates benefiting from a pre-accession strategy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements, Association Council decisions or similar agreements;

b partner countries of the European Neighbourhood Policy provided that those countries have reached a sufficient level of approximation of the relevant legislation and administrative methods to those of the Union.