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(Information)

COUNCIL

COUNCIL RESOLUTION

of 21 June 1999

on the reform of the customs transit systems

(1999/C 193/01)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Whereas:

(1) Customs transit procedures have developed, for both economic operators and customs administrations, into proven instruments of commercial policy, essential for facilitating and managing the huge growth of international trade in goods; this applies in equal measure to:

— the Community transit procedure for the carriage of goods within the Community on the basis of the Community Customs Code ⁽¹⁾,

— the common transit procedure for trade between the Community, the EFTA countries and the Visegrad countries on the basis of the EC-EFTA multilateral Convention on a common transit procedure ⁽²⁾, and

— the transit procedure under cover of TIR carnets for trade in goods between the Community Member States and the other Contracting Parties to the TIR Convention ⁽³⁾, particularly in central and eastern Europe,

under which goods can be dispatched either within the Community customs territory or between this territory and third countries with a minimum of formalities and with customs duties and national charges suspended;

(2) In view of the constant increase in the volume of traffic arising from the opening of borders with the countries of central and eastern Europe and the process of global-

isation, experience with the development of transit trade as a result of completion of the internal market and the planned extension of the common transit system to further central and eastern European countries, transit procedures will become increasingly important in future, even after Community enlargement; Community customs administrations currently process some 20 million transit operations each year on the basis of standard customs documents;

(3) The customs transit systems have been fraudulently exploited by international criminal organisations, in particular in relation to the smuggling of heavily taxed goods (cigarettes, alcohol) and sensitive CAP goods (meat, milk powder, sugar, etc.) sent by road;

(4) Problems with fraud led to the early adoption of measures and special rules that have already made economic operators and customs administrations considerably more alert to the risks and have helped curb abuse of the transit systems;

(5) However, in view of the deficiencies that have in practice occurred in applying the system because of the large number of transit operations, transit reform must be continued vigorously;

(6) The European Parliament's recommendations and the proposals which the Commission made on that basis in its action plan for transit in Europe ⁽⁴⁾ are the main bases for the measures needed to ensure more efficient conduct and control of transit procedures;

(7) In the light of previous experience in implementing the action plan, and taking into consideration the progress report of the Presidency on the reform of customs transit procedures, which the Council took note of on 21 June 1999, further efforts aimed at legislative and operational measures and computerisation of the transit system should be spelled out in detail, so that further practical progress can be made as quickly as possible;

⁽¹⁾ Council Regulation (EC) No 2913/92 of 12 October 1992 establishing the Common Customs Code (OJ L 302, 19.10.1992, p. 1). Regulation as last amended by Regulation (EC) No 955/1999 (OJ L 119, 7.5.1999, p. 1).

⁽²⁾ Convention of 20 May 1987 on a common transit procedure (OJ L 226, 18.8.1987, p. 2).

⁽³⁾ Customs Convention on the International Transport of Goods under cover of TIR carnets of 14 November 1975.

⁽⁴⁾ Commission communication of the European Parliament and the Council — Action plan for transit in Europe — A new customs policy (OJ C 176, 10.6.1997, p. 3).

- (8) In the interests of both economic operators and customs administrations, reform of the Community transit system should as far as possible go hand in hand with reform of the common transit procedure agreed between the Community and the EFTA and Visegrad countries;
- (9) Changes in the legal requirements of these very different spheres are to be based on a thorough analysis of the actual situation and the new frame of reference determined by the practical experience acquired; the general rule should be that the quality of the new provisions should receive first priority;
- (10) The operational measures put in hand require further consistent joint efforts if progress is to be made towards the aims of Decision No 210/97/EC of the European Parliament and of the Council of 19 December 1996 adopting an action programme for customs in the Community (Customs 2000) ⁽¹⁾ of having European customs administrations function as one;
- (11) It is also appropriate to bear in mind the aims already pursued by the Council Resolution of 23 November 1995 on the computerisation of customs transit systems ⁽²⁾, if computerisation of customs transit systems in all countries concerned is to be attained as soon as possible,

SUPPORTS

the European Parliament's conclusions that customs transit systems are vital to the achievement of an efficient economic structure in Europe and that it must therefore be ensured that they function effectively in a secure and controllable environment,

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that considerable progress has been made, particularly in the legislative area, in the reform of the transit systems,

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- that reform of the customs transit systems should ensure their continuation as an instrument to facilitate cross-

border goods traffic as well as, in order to continue the prevention of and the fight against fraud, a sufficiently secure system of suspending duties;

- that reform of the customs transit systems must proceed, taking due consideration of the views of business, by means of legislative and uniform operational measures, together with rapid computerisation, throughout all countries concerned,
- that the necessary legislative steps and uniform operational measures, making for harmonised application of the relevant provisions by economic operators and customs administrations, will be taken in order of urgency,

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- the Commission, taking into account the abovementioned aims of reform of the transit systems, to proceed apace in partnership with the Member States and in dialogue with business, priority should go to the measures for uniform application of the transit rules and timely introduction of the necessary legislative changes,
- the Member States for their part to contribute actively to the reform of the transit systems taking due consideration of the views of business by:
 - maintaining priority to the transit reform,
 - taking appropriate operational measures to ensure the proper functioning of the transit systems,
 - taking the necessary steps to ensure a rapid implementation of the computerisation of the transit systems,

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the Commission to convey this Resolution to the Contracting Parties to the EC-EFTA Convention on a common transit procedure, with a view to adoption of a Joint Committee Recommendation that reflects it as closely as possible.

⁽¹⁾ OJ L 33, 4.2.1997, p. 24.

⁽²⁾ OJ C 327, 7.12.1995, p. 2.