



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 17.10.2002  
COM(2002) 575 final

2002/0029 (COD)

Amended proposal for a

**DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**adopting an action programme for customs in the Community (Customs 2007)**

(presented by the Commission  
pursuant to Article 250 (2) of the EC Treaty)

## **EXPLANATORY MEMORANDUM**

### **I PROCEDURE**

1. The current Customs 2002 Programme<sup>1</sup> expires on 31 December 2002. On 23 January 2002, the Commission proposed a continuation and extension of this programme. The new programme is to be known as Customs 2007.
2. The European Parliament welcomed the proposal and proposed a number of amendments. These did not challenge the substance of the proposal and were mainly aimed at improving the objectives, evaluation and comitology. The Report from the Rapporteur, Mrs Fourtou was adopted by the Parliament on 3 September 2002.
3. The proposal was also welcomed by the Council who saw it as a natural development of the existing programme and in support of the Commission's Communication<sup>2</sup> and the Council's Resolution<sup>3</sup> on a strategy for the Customs Union. During discussion in Council, it was clear that there was substantial agreement with the position of the Parliament.
4. The Economic and Social Committee welcomed the proposal and the report by Mr Simpson (Rapporteur) was approved at the plenary session on 17 July 2002.

### **II OBJECTIVES OF THE PROPOSAL**

1. The object of this amended proposal is to incorporate the amendments adopted by Parliament into the original proposal of the Commission, thereby achieving adoption of the Decision in a single reading.
2. The changes introduced by the amendments can be summarised as follows:
  - The objectives are now in a single article and have been further developed to reflect this change.
  - The specific objectives (Article 4 of the Commission proposal) are now priorities and some improvements have been made to them.
  - The role and functions of the Committee have been clarified in order to reflect the respective responsibilities of the institutions. Flexibility has, however, been retained or even improved.
  - A clause has been added to Article 6 to allow the continuation of existing systems.
  - Article 2 (referring to the candidate countries) has been simplified to adopt the term “participating countries”.

---

<sup>1</sup> Decision No 105/2000/EC of the European Parliament and of the Council of 17.12.1999 establishing a programme of Community action for customs in the Community (Customs 2002 programme), OJ L 13 of 19.01.2000, p.1.

<sup>2</sup> COM (2001) 51 final of 8.2.2001.

<sup>3</sup> OJ C 171 of 15.6.2001, p. 1.

- Article 15.3 (the expenses participating countries bear) has been re-ordered and simplified.
- Evaluation and reporting (Article 18) has been strengthened.
- The repeal of Customs 2002 has been deleted (Article 19) to ensure that a final report of Customs 2002 is prepared and the obligation on Member States in relation to NCTS implementation is retained.

3. The amendments proposed by Parliament are the result of intensive discussions between the Commission, the Council and Parliament, during the course of which a number of suggested changes have been rejected. The amendments are the end product of these negotiations and are accepted by all parties. Some of the amendments are valuable changes from the Commission's point of view (eg separating objectives from priorities), some are essential (eg the possibility to extend the funding for Anti-Fraud Information Office (AFIS) for 2003, as requested by OLAF) and some simply reflect measures the Commission intended to take (eg on evaluation) but were considered important by Parliament and some Member States. The amendments should be seen, therefore, as a balanced package where unacceptable changes have been rejected.

Amended proposal for a

**DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**adopting an action programme for customs in the Community (Customs 2007)**

**1. PURPOSE OF THE PROPOSAL**

The current Customs 2002 Programme<sup>4</sup> expires on 31 December 2002. On 23 January 2002 the Commission proposed a continuation and extension of this programme. The central objective of the new programme (to be known as Customs 2007) is to ensure that Community law is applied by customs in such a way as to maintain the proper functioning of the single market in an enlarged Community.

**2. BACKGROUND**

- The Commission adopted its initial proposal [COM(2002) 26 final] on 23 January 2002.
- Following various informal tripartite contacts, the European Parliament adopted 41 amendments on first reading on 3 September 2002.
- The Economic and Social Committee welcomed the proposal and the Simpson report was approved at the plenary session on 17 July 2002.

**3. THE COMMISSION'S OPINION ON THE EUROPEAN PARLIAMENT'S AMENDMENTS**

**3.1 General assessment**

The amendments adopted by the European Parliament are in line with the Commission's proposal. The amendments to the objectives, the setting of priorities, the deletion of the repeal of Customs 2002 and the addition of the clause on existing applications are all considered valuable additions, the evaluation provisions have been improved and the changes to Articles 2 and 15 are useful clarifications. The Commission therefore accepts them all.

---

<sup>4</sup> Decision No 105/2000/EC of the European Parliament and of the Council of 17.12.1999 establishing a programme of Community action for customs in the Community (Customs 2002 programme), OJ L 13 of 19.01.2000, p.1.

### **3.2 Examination of the amendments**

#### - Establishment of the programme [Article 1]

Parliament proposes to strengthen Article 1 so that it explicitly refers to the need to guarantee the effective functioning of the internal market. This is in accordance with the objectives of the programme and is acceptable to the Commission.

#### - Definition of countries participating in the programme [Article 2]

Parliament has simplified Article 2 and has adopted the term “participating countries”. This term is then applied throughout the Decision. This is a helpful clarification which the Commission accepts.

#### - The programme’s objectives [Article 3]

In the Commission’s proposal, the objectives were divided between “overall objectives” (Article 3) and “specific objectives” (Article 4). Parliament was concerned that the difference between the two types of objectives was unclear and proposes that there is a single Article on objectives. It has therefore expanded the programme’s objectives in Article 3. This revised formulation, taken together with changes to Article 4 (see below) is considered by the Commission to improve and clarify the objectives of the programme and is therefore acceptable. The Commission considers that the consequential amendment to Article 3.2 is consistent with the revised objectives.

#### - The programme’s priorities [Article 4]

Following the change to Article 3, Parliament proposes that the specific objectives should be seen as priorities in the implementation of the programme’s objectives. They also propose some changes, notably concerning the co-operation and co-ordination between laboratories. Taken together with the proposed amendments to Article 3, the changes to Article 4 are acceptable to the Commission.

#### - Comitology Articles 4.2, 6.2, 11.1 and 13]

Parliament was concerned that Commission proposal gave legislative authority to the Customs 2007 Committee by virtue of Articles 4.2, 6.2, 11.1 and 13. Deletion of Article 4.2 is acceptable to the Commission, given the other changes to Articles 3 and 4 (see above). Articles 6.2, 11.1 and 13 have all been amended to remove reference to the Customs 2007 Committee, whilst retaining flexibility for development in accordance with the objectives of the programme. These changes are also acceptable to the Commission.

#### - Continuation of existing IT systems [Article 6]

Parliament has added a clause to Article 6 which allows the continuation of existing Community IT systems. This ensures the funding of the AFIS system until 31 December 2003 and is therefore acceptable to the Commission.

- Expenditure by participating countries [Article 15.3]

Whilst there is no change to the intent of Article 15.3 of the Commission's proposal relating to the expenses participating countries bear, Parliament proposes a re-ordering and simplification of the paragraph. This improves the reading and comprehension of the paragraph and is acceptable to the Commission.

- Evaluation and reporting [Article 18]

Parliament was concerned about the evaluation and reporting of the programme and wished to see indicators established in the first year of the programme. It also proposed extending the period of evaluation in the first part of the programme, thereby giving a more representative evaluation and requires the report to be made to the European Parliament and the Council, rather than simply reporting to the Customs 2007 Committee. These changes reflect the Commission's intentions and improve the evaluation of the programme and are acceptable to the Commission.

- Repeal of Customs 2002 [Article 19]

Parliament was concerned that the repeal of Customs 2002 would remove the obligations on the Commission to prepare a final report of Customs 2002 and on Member States in relation to the implementation of the new computerised transit system (NCTS). The Commission accepts these amendments.

#### **4. CONCLUSION**

In accordance with Article 250(2) of the EC Treaty the Commission amends its proposal as set out above.