



European Commission  
Taxation and Customs Union

# ***Modernisation of the Community Customs Code***

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# Modernisation: WHY?





# Modernisation: HOW?

**LEGAL  
(MCC)**

Streamlined and simpler legislation

'Electronic customs' as a rule

**IT (MCC +  
e-Customs  
Decision)**

Further  
Community harmonisation

Interoperable  
national computerised systems

Inclusion of the  
security 'acquis':  
AEO, pre arrival/departure info,  
risk management

Shared responsibilities  
and enhanced co-operation  
between  
customs administrations



Enhanced rights  
and clearer obligations

**Modernised Customs Code**

Community-wide  
management  
of customs procedures

Protection of financial interests  
of EC and MS

Single Window  
& One-Stop-Shop



## ***Modernisation : WHAT? (1) Rights and obligations of persons***

- No national restrictions on **customs representation** but possible conditions and common criteria to be fulfilled by those persons who want to act as representatives in other Member States
- Common rules for all types of decisions by customs authorities – including **right to be heard** before a negative decision is taken and more protective appeal procedures
- Prohibition of **customs fees**, charges and costs not corresponding to a service actually rendered
- Possible extension of **binding information** (advance rulings) to other areas than tariff classification and origin – e.g. valuation
- Common principles for **customs penalties**



## ***Modernisation: WHAT? (2) Customs debt and guarantees***

- Common rules on **guarantee** for a potential or existing customs debt, covering all procedures
- Streamlined rules and procedures allowing debtors to benefit from **non-recovery** or **repayment/remission** of duties in specific situations
- Streamlined rules on **limitation in time** (3 years or 10 years) of the possibility for customs to recover duties



## ***Modernisation: WHAT? (3) Customs procedures***

- All customs formalities and exchanges of data, documents, decisions and notifications between operators and customs made using **electronic data-processing techniques**, as a rule:
- Unification of the **simplified procedures** for customs declaration (1 instead of 3 procedures)
- Community-wide management of customs procedures: '**single authorisations**' and '**centralised clearance**'
- Additional simplifications of formalities and controls and **self-assessment**

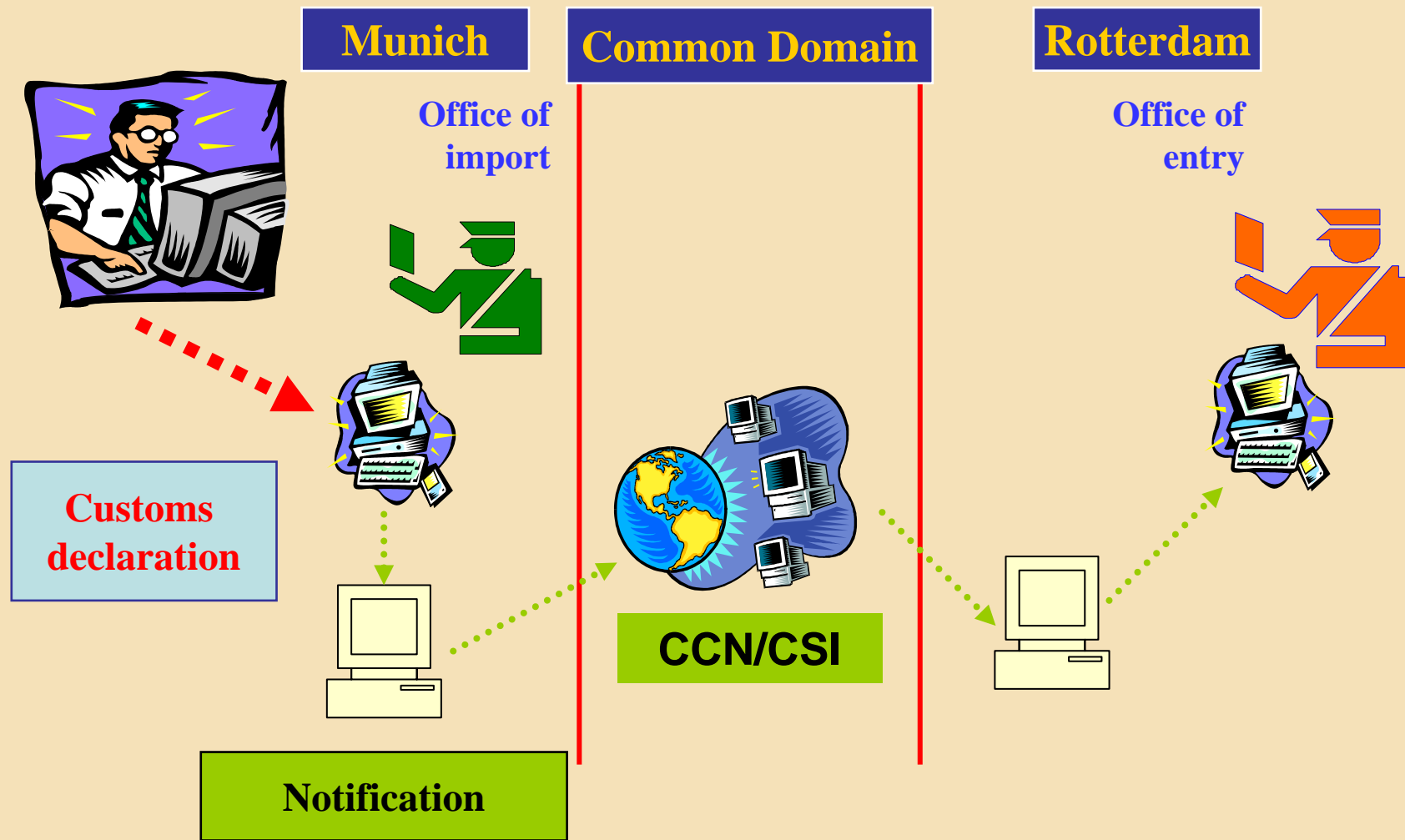


## **Centralised Clearance (Art. 106 MCC)**

- **Centralised Clearance** offers the possibility for an economic operator to lodge its electronic customs declarations at the customs office of the place where he is established and hold his records, irrespective of the place where the goods enter, leave or are presented in the customs territory
- The place of declaration is **dissociated** from the place where the goods are physically presented and responsibilities are divided between the different customs offices involved:
  - the **'border' office of entry/exit** is responsible for security and safety control and other possible controls of the goods declared on request by the office of import/export before releasing them on the Community market
  - the **'inland' office of import/export** is responsible for the other formalities and controls related to the tariff, fiscal and trade policy measures to be applied to the goods

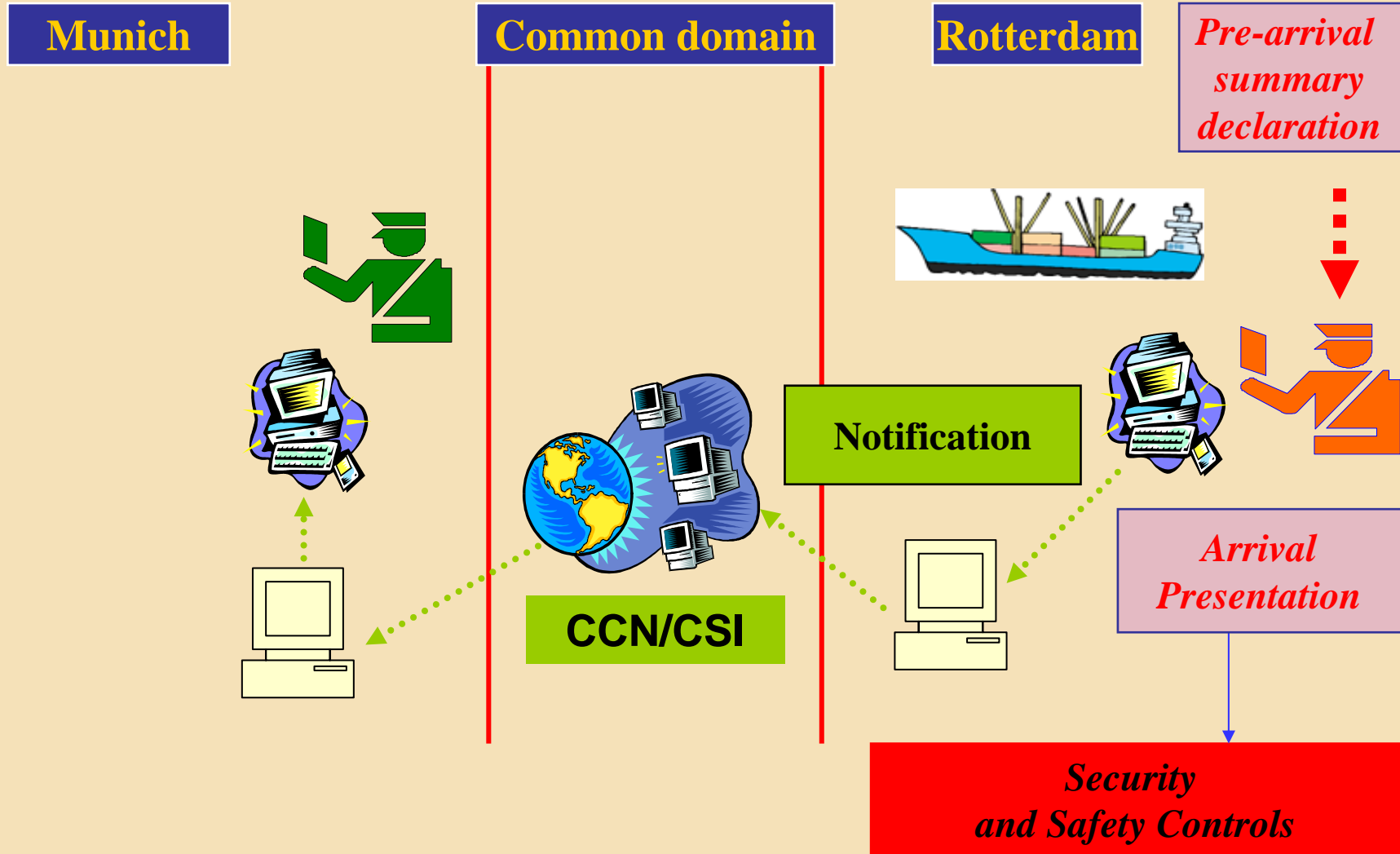


# Customs declaration



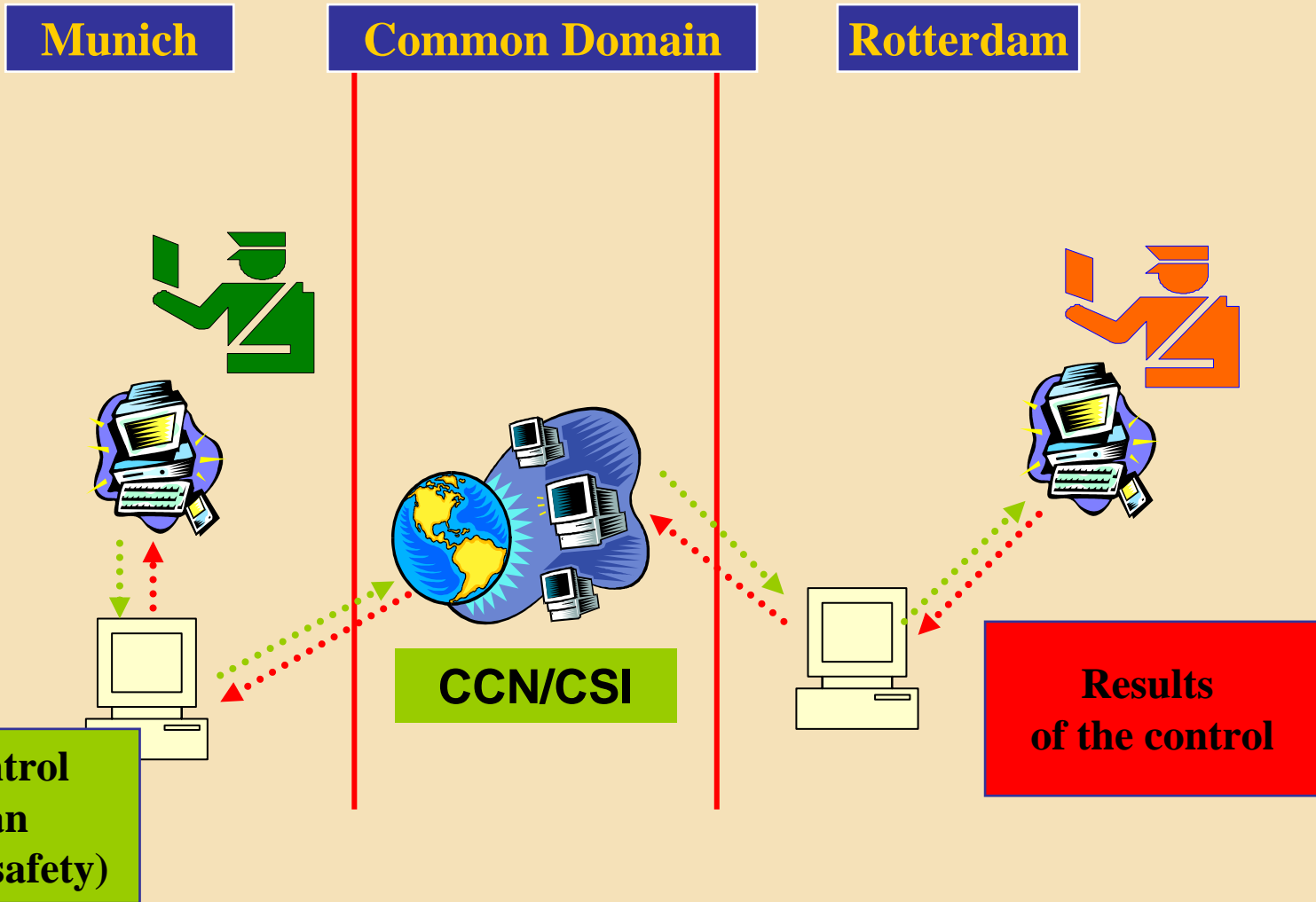


# Arrival and presentation of the goods



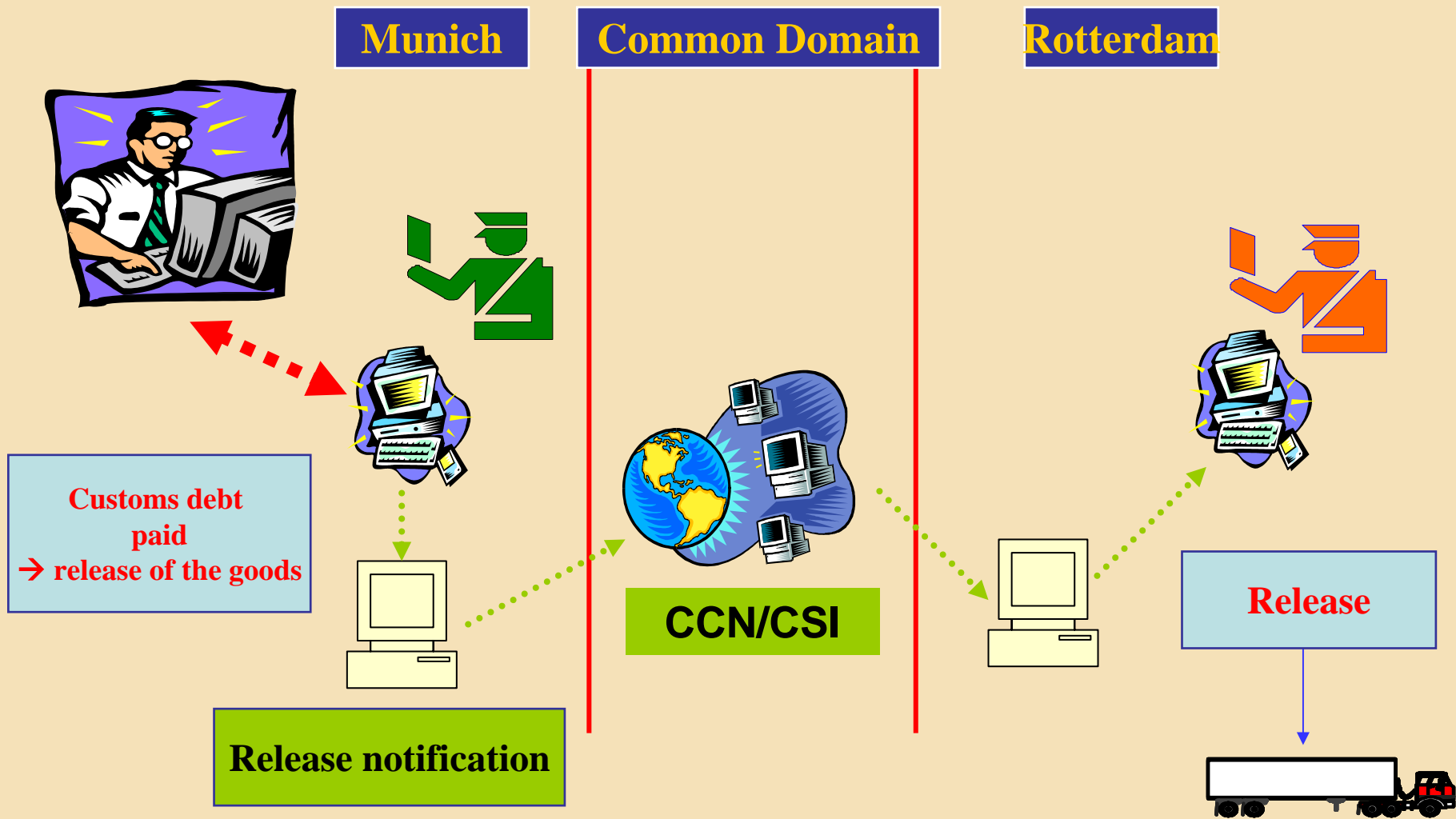


# Control of the goods declared





# Customs debt and release of the goods





## ***Self-assessment (Art. 116 MCC)***

- **'Self-assessment'** can be seen as an 'empowerment' from customs authorities to pre-audited reliable economic operators (AEOs) to carry out themselves certain customs formalities or perform certain controls which should normally be carried out and performed by customs
- Self-assessment paves the way for 'system-based controls' instead of controls based on individual 'transactions', customs declaration by customs declaration
- **'System-based control'** consists in verifying how economic operators have ensured themselves compliance with the rules (in particular with regard to the calculation and payment of duties and charges) through their own internal control standards and systems
- Under the MCC self-assessment cannot affect formalities and controls for **security and safety purposes**



## *Single Window and One-Stop-Shop (Art. 26 MCC & e-Customs Decision)*

- **'Single Window'** means a concept:
  - allowing to lodge standardised information and documents with a single electronic entry point to fulfil all import, export and transit related regulatory (customs or not) requirements. If information is electronic, then individual data elements should be submitted only once
  - making available standardised information to customs and other authorities involved in import, export or transit movements—delivered to one single portal by electronic means
- **'One-Stop-Shop'** means:
  - the carrying out of (customs or not) controls and physical examination for different international trade related measures in respect of the same goods as far as possible at the same time and in one place (one stop)
  - a structured and coordinated organisation of these controls and physical examinations irrelevant of the respective responsible administrations involved



## ***Modernisation: WHEN?***

### ***State of play***

- 30.11.2005: Commission's proposals for a Modernised Customs Code and a e-Customs Decision under co-decision procedure
- 12.12.2006: Parliament 1st reading
- 15.10.2007: Council common position 1st reading

### ***Next steps:***

- 18.02.2008: Parliament 2nd reading (no amendment in recommendation adopted by IMCO committee)
- 19.02.2008: MCC is deemed to be adopted if EP approves the common position without any amendment
- Mid-2008: MCC enters into force - once signed by Presidents and SGs of EP & Council – 20 days after its publication
- 2008-2009: finalisation and adoption by the Commission of the MCC Implementing Provisions (subject to a 'comitology' procedure involving a right of scrutiny by Council and Parliament)
- From 2010 onwards: application of MCC and IPs including computerisation of procedures



### **'Modernised Community Customs Code'**

**means**

#### **a modern legal instrument**

- providing for simpler and more coherent rules and fully and interoperable computerised procedures
- balancing security and trade facilitation
- making customs a partner of the reliable and compliant traders
- representing an essential milestone in the evolution of Community customs legislation from the birth of the customs union (exactly 40 years ago!) to the preparation of Customs to their Future Role...



***Thank you!***

***1 July 1968 - 1 July 2008***

**40th Anniversary of the Customs Union**