Standard Summary Project Fiche

Basic Information

1.1 CRIS Project Number: 2003/004-347-03-05
1.2 Title: Completing preparation for the implementation of the Customs acquis
1.3 Sector: Customs
1.4 Location: Hungary

Objectives

2.1 Overall Objective(s):

The complete adoption of the relevant fields of acquis communautaire and its ensured implementation by the Hungarian Customs and Finance Guard.

2.2 Project purpose:

• To contribute to the complete development of the Hungarian NCTS system
• To ensure that customs free zone legislation is implemented in accordance with the acquis.
• To facilitate the EU-standard examination and classification of alcohol products and other food products.

2.3 Accession Partnership (AP) and NPAA priority

The project is in line with the following short-term priorities stated in the Action Plan:

A.P. 25.1.: Hungary should “strengthen the administrative capacity, including continued training of customs officers and the computerisation process of the Hungarian customs administration.”

A.P. 25.2: Hungary should “develop IT systems to allow for the exchange of computerised data between the EC and Hungary. (in need of particularly urgent action).”

Measures for implementation of commitments taken by Hungary in negotiations (A.P. Chapter 25) include: “further development of the Customs Laboratory”.

Chapter 8.2 of the NPAA declares “the further improvement of customs administration to adopt the EU-conform standard IT systems”.

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2.4 **Contribution to National Development Plan (and/or Structural Funds Development Plan/SDP)**

Not applicable.

2.5 **Cross Border Impact**

Not applicable.

3. **Description**

3.1 **Background and justification:**

In accordance with the requirements related to Hungary’s accession to the EU, legal harmonisation, inter-operability of IT systems and establishment of required organisational units form an essential part of preparation. In order to achieve the above goal, better preparation and sound implementation of all the national systems at the Hungarian Customs and Finance Guard are required to ensure the proper exchange of information with the European Union and the Member States.

As a requirement for accession HCFG should harmonise EU legislation related to the field of customs through the establishment of inter-operability with the Member States.

- *This harmonisation process has almost been finished* and HCFG has already started its own projects regarding the corresponding IT systems, but the exchange of views and practical experience would be essential for the proper founding and use of appropriate legislation and the sound management of the IT systems.

The inter-operability programme of the Hungarian Customs and Finance Guard based upon the guidelines set up by the DG TAXUD within the Suggested Approach of the Inter-Operability Implementation Strategy has also been launched recently. The implementation of the Inter-operability Strategy of HCFG is now underway. To contribute to this, the NCTS Project has been set up.

- After making the necessary organisational arrangements the first steps were taken to carry out the tasks of the project. A contract was concluded and the requirements and functional specification have been elaborated. A most recent and currently ongoing task is the preparation of plans ensuring the proper introduction of NCTS and in the near future the first steps of the testing phase will be implemented.

- Based on training plans the training of users would start in January 2003 so as to allow enough time until the first phase of the system’s introduction: 9th June 2003. The overall introduction of the system (affecting every customs office) must be completed at the latest by 1st July 2003. In order to meet the requirements set by the European Commission the final deadline of operating NCTS in all Hungarian customs offices was brought forward from 1st January 2004 to 1st July 2003. According to this the Hungarian NCTS project had to re-schedule most of its activities. Thus, training should be started at the end of 2002 already. These changes affect the timing of the risk analysis development and the set-up of a web-site and make it indispensable that these tasks are fulfilled in the shortest time possible after the start of the system.

The MCC (Minimum Common Core) system representing the core of NCTS contains only the most basic functions that can be applied similarly by every user country and secures the operation of those
basic functions. The adoption of this MCC system is obligatory for Hungary in order to meet the criteria for Accession. The EU Commission gives support to the application of this common core. However, there are such functions related to the NCTS system, which are not identical in every country, they are designed and developed according to unique national needs. Those functions, the application of which is desirable but is highly dependent on the national needs and characteristics (e.g. risk analysis), do not form a part of the centrally developed common system, they should be developed at national level.

- The present Hungarian customs data processing system does have such a function so it is absolutely indispensable for the Hungarian Customs Administration that the NCTS system should be supplemented by a module for risk analysis. To elaborate this HCFG would like to get acquainted with the results of other user countries in this field and to make use of their experience and information at the development of our own system. The elaboration of the risk analysis module would start in the 2nd half of 2003. Furthermore, HCFG would like to get acquainted with the experience of other countries about how – with what supplementary programmes – the NCTS can be enabled to manage national transit procedure or other transportation modes, e.g. water transport or normal procedure air transport after 2004.

The contracting country should have similar IT and business structures concerning the NCTS like Hungary. It should be at an advanced stage in the implementation process of NCTS with sufficient experience in operating the system and in developing a risk analysis module / an information website.

According to the law applicable in the EU the tariff classification of goods is based on compulsory analysis. Only on the basis of such examinations can the customs tariff number be defined with absolute certainty. The incorrect classification may cause significant differences regarding authorisation for importing, control, customs revenues, subsidisation and payments. For any product that falls under the Act on Excise and also for determining the tax rate of VAT for imported goods the Commercial Customs Tariff gives the basis for classification. In the case of sampling based on its official competence connected to the export-import trade and inland control, the Customs Laboratory carries out the product classification according to the Commercial Customs Tariff, on the basis of 46. § (9) of Act no. C. of 1995, as well as 67/A. § and 68. § of Government Decree 45/1996. (III. 25.). The Act No. CIII. of 1997 on Excise Taxes regulates the official activities of HCFG (e.g. sampling excise goods) in order to ensure the legalised manufacturing, distribution, circulation and usage of excise goods.

Based on the results of negotiations between the Central Customs Laboratory and the National Wine Qualification Institute (NWI), and also bearing in mind the recommendations of the external expert, who had been hired by the EU Commission Services to assess laboratory equipment-purchase projects in Hungary, HCFG would like to use the NMR equipment operating now at the NWI in a form of co-operation for some of its analysis purposes. In order to fully utilise this co-operation it would be necessary to purchase some items for the preparation of samples and some types of software for the analyses to be done at the request of HCFG.

- The SNIF-NMR is a method regulated by Regulation EEC No. 2348/91 for the examination of wines but the applicability of the method is not confined to wines, also other food products can be effectively examined by it. Most European customs laboratories prefer this method. SNIF is an abbreviation from Site-Specific Natural Isotope Fractionation. It means that the proportion of stable isotopes being built into the sugar in plants and fruits is characteristic of the given location and product. This phenomenon is the basis for determining the place of origin of wines. In practice
the SNIF-NMR measuring method has been elaborated for a number of products, such as: wines, liquors, other alcoholic beverages; vinegar (biological or synthetic vinegar), fruit juices and concentrates (tracing additional beet sugar, determining place of origin), honey (tracing additional beet sugar), aromas, fragrant substances (natural or synthetic origin), oils, fats, milk, lipids, etc. With the NMR equipment the ratio of isotopes can be measured by way of analysing the alcohol. If a sample is not in a form to be directly analysed, it must be distilled or fermented to receive alcohol that can be analysed with the equipment.

- A SNIF-NMR apparatus is used at the National Wine Qualification Institute. However, that equipment is exclusively designated to the analysis of wine and grape juice. In the case of the Customs Laboratory the examination of other types of products beside the analysis of wine would be necessary. Out of the annually planned approx. 1500 analyses that the Customs Laboratory would require an NMR for – this number not containing the tasks arising from CAP – about 20 % is the analysis of various wine samples but the remaining 80 % would be from other product circles.

- Products other than wine and grape-juice to be analysed by the Customs Laboratory need sample-preparing modules. The preparation of samples would be done at the Customs Laboratory and the analysis at the Wine Qualification Institute. In order that the NWI would be able to analyse other than wine samples at the request of HCFG, special software would be procured. This assessment software and database makes possible the evaluation of the results of the analysis. There are various applications for the various product circles. This would be installed at the NWI on the NMR equipment but it would be the property of HCFG. (This also provides for the sustainability of development process at the Customs Laboratory. If in the future HCFG would buy an NMR equipment from Hungarian budgetary resources then this software would be already available.)

- By the co-operation between the Customs Laboratory and NWI the capacity of the NMR equipment at the NWI would be utilised almost to full extent. In this case – if HCFG requests approx. 1500 analyses yearly from the NWI – the NWI could give priority to 20 % - 25 % of HCFG’s samples. Priority scheduling means the results would be available on the next working day. The remaining samples of HCFG would be scheduled among all the other samples to be analysed by the NWI – this “normal” scheduling means a maximum 30-day time-span. Currently the cost of analysis by the NWI’s NMR equipment is rather high for HCFG: one analysis costs 150 000 - 200 000 HUF. This cost would be definitely lower as a result of implementation of this project because sample preparation would be done very economically at HCFG and thus the cost of analysis by NWI could be reduced.

- The final settlement of this issue would be done by way of concluding a co-operation agreement between HCFG and the NWI. The agreement will be concluded before the tender for the equipment is launched.

Based on the recommendations of the external expert HCFG would like to procure an IRMS equipment. The IRMS would be located at the Customs Laboratory and the Customs Laboratory would do analyses on it also at the request of NWI, based on the above-mentioned co-operation agreement.

- IRMS is an abbreviation of Isotope-ratio Mass Spectrometer. This measuring technique is an important and very precise method of determining the chemical structure of various substances. It
is a known scientific fact that by measuring the ratio of isotopes in molecules it is possible to
discern chemically identical molecules that came into existence during different processes. In
practice the IRMS method has been elaborated for a number of products, such as: wines, liquors,
other alcoholic beverages; fruit juices and concentrates (tracing additional beet sugar), honey
(synthetic, artificial, tracing additional beet sugar), aromas, fragrant substances (natural or synthetic
origin), pharmaceuticals (synthetic, artificial), vegetable oils and fats, (the origin of fatty acids,
amino-acids).

- The IRMS method means the measuring of isotopes but it concerns different isotopes than the
NMR technique. This means that the analysis of a sample can provide answers from different
points of view and other information can be obtained by it than by NMR. The advantage of having
an IRMS equipment would be that it complements very well the NMR measuring technique
and it could be used in the same way of co-operation between the HCFG and the NWI.

BTI and BOI decisions – administrative decisions that have a binding effect for six years both on the
customs authority and the holder – are issued by the HCFG Customs Laboratory now and these
decisions are going to be issued by the Customs Laboratory after EU Accession as well. The legal
background of issuing the decisions is given by the regulations of the Commercial Customs Tariff.
Taking a look at BTI and BOI decisions made by the HCFG Customs Laboratory it was found that
a large number of goods falling under the effect of the Act on Excise, on Wine and the Act on
Consumables are affected.

On the basis of the Hungarian Act No. I. of 1973 on Criminal Procedures the HCFG has authority to
investigate certain criminal acts described in the Hungarian Criminal Code. These include the following:
abuse with excise, excise secretion, encouragement of abuse with excise, smuggling and customs
secretion, foreign trade activity without license, counterfeit marking of excise- or customs goods. In the
case of a based suspicion for one of these criminal acts HCFG must initiate the investigation. The
currently used mobile laboratories for oil analysis examine random samples on the whole territory
of Hungary and the results are instantly available for starting legal proceedings. HCFG has
experienced their significant preventive effect.

- Taking into consideration the opinion of the independent expert, HCFG would procure some
equipment for the analysis of alcoholic products. This would mean the type of equipment that
could be located in a mobile laboratory but in this case it would not be mobile – the equipment
would be placed at the Central Customs Laboratory. There would be a unit set up in the Customs
Laboratory who would analyse the samples of alcoholic substances arriving from the countryside
as a result of HCFG’s crime-detection and prevention activity.

The number of samples to be analysed in a given year is determined by risk analysis that is carried out
by several HCFG organisations. There is no pre-set number of samples, it depends always on
known needs but there is a growing need for more analyses.

- In year 2001 there were over 16,000 samples overall analysed by the Customs Laboratory.
More than half (approximately 60 %) of the annual 15,000-17,000 samples are product analyses
connected to export-import circulation, 30 % is covered by product analysis related to posterior
and excise controls, and 10 % is made up of other sample analysing assignments (assignments by
clients for delivering an expert opinion).

- The oil laboratory of HCFG analysed 3800 samples of mineral oil in year 2001.
• The three mobile laboratories analysed an additional 6400 samples. Before the mobile laboratories were put to use this amount of samples had to be sent for analysis to outside laboratories and institutes which had raised a cost of 100 million HUF yearly.

• The number of samples to be analysed by the NWI’s NMR equipment is approx. 1500 annually. There are chemists who are professionals in customs matters at HCFG Customs Laboratory and the operation of the mobile laboratories is done by well-trained staff. The Customs Laboratory continuously trains the staff based on the training plan approved by the National Headquarters of HCFG. Moreover, the Customs Laboratory takes part in training programmes realised by EU assistance (e.g. Twinning programme, EBTI/EBOI training). The staff doing the analyses takes part in training programmes organised by universities/professional organisations.

When launching an equipment procurement tender HCFG always requires training beside the supply of equipment. The training forms an integral part of complying with contract obligations. The training is sometimes done not only at the site of installation but at the premises or research laboratory of the manufacturer.

The staffing of the Customs Laboratory is done on the basis of the recruitment schedule approved by the Human Resources Department of HCFG. The additional human resources are provided by selecting the applicants. For the posts requiring professional knowledge applicants with middle-level or high-level chemist qualification will be chosen. Recruitment of the staff for operating the IRMS technique and the other laboratory equipment will be run parallel to the equipment purchase, so by the time the equipment is installed and training can be started the staff will be available.

The necessary operational costs for the equipment are allocated. As it could be seen by the expert in liaison with the EU Delegation on his visit to the Customs Laboratory, the proper site is ensured to place the equipment in the Laboratory and the physical infrastructure of the Customs Laboratory is adequate to allow for proper operation of the equipment.

3.2 Linked activities:

HCFG has been a recipient of Phare support since 1991. Funding among others has involved modernisation of border crossing points on future EU borders, supply of equipment to fulfil requirements arisen from harmonisation of EU legislation.

The Customs Laboratory has received Phare support for the procurement of laboratory equipment also in the frame of the HU98.03.03 and HU9905-02 programmes. The equipment greatly helped the Laboratory to reach the technical level required by preparation for EU Accession. The list of equipment procured by the HU98.03.03 and HU9905-02 Phare programmes is enclosed as Appendix 6.

The HU0005-01 Twinning project of HCFG on Approximation of Customs Legislation has been launched in February 2002. It contains activities on customs related field such as TARIC, QUOTA, origin and others, but customs free zones, payment of customs duty and customs guarantee are not involved, however these are issues highly differing from former Hungarian legislation.

Experts from the Spanish Customs Laboratory visited Hungary and prepared an assessment report about “the Needs and Official Competence of the Hungarian Customs Laboratory”. In the report the Spanish expert emphasised that considering the practice of European customs authorities the
Hungarian Customs Laboratory is able to undertake the workload posed by the CAP analytical control tasks. Bearing in mind the type of products that would be controlled, “the analytical parameters necessary for CAP control would require (among others) the following specific equipment: Equipment of Isotopic Mass Spectroscopy for the analysis of wine identity.” (The Report of the Spanish experts is enclosed as an Appendix 4).

In the framework of 2002 Phare National Program “Unallocated Institution Building Envelope” a Twinning Light project has been approved regarding NCTS. However, the project only involves activities regarding the planning, programming and development phase of the system, whereas this project fiche deals with the gaps and needs arisen after the implementation of the first phase. Close co-ordination with the Twinning Light project shall be ensured.

The training organised by DG TAXUD cannot replace the requested seminars and study tours, nor can they be compared. The number of participants on DG TAXUD’s training courses is limited. The knowledge that can be gained there is of high level but rather IT-related and operational type. However, HCFG could get answers to the more professional, and especially the practice-related professional questions from those Member State customs administrations that already use the system or at least that are more ahead in introducing it.

HCFG will ensure the required co-ordination among all those projects in order to avoid unnecessary duplication and overlapping of activities. The HCFG Integration Office uses a list about all the participants of the programmes and it will pay attention to the fact that the widest possible circle of customs officers would take part in the programmes, different persons for each training session. Sustainability will be provided because every participant has to write reports on his/her experience and the knowledge acquired on the training activities. Based on the new Training and Human Development Strategy of HCFG all information gained with the help of Phare and other EU-related programmes must be collected at the Integration Office and it will be disseminated by the EU-Integration Liaison Officers’ network throughout the whole HCFG. The expertise acquired by this project will be transferred into the regular internal training activities of HCFG because the updating of the Training Strategy of HCFG is facilitated by the now ongoing HU0005-01 Twinning programme.

3.3 Results:

- HCFG staff is trained concerning the operational characteristics of NCTS and the development of the interactive web-site
- Assessment Report prepared by expert.
- HCFG staff is trained in the relevant fields of the Customs Code.
- IRMS equipment, additional elements to the NMR and laboratory equipment for examination of alcohol products are installed and operational at the Customs Laboratory (and at the NWI).

3.4 Activities:

- **Twinning Light Project:** Inter-operability of IT systems and harmonisation of customs legislation

Part I. - Inter-operability of IT systems
- One week study visit to an EU country and one week seminar in Budapest on operation of NCTS (especially on MCC – Minimum Common Code and ECN – EDI Communication Node systems) regarding preparation to the second introduction phase.

- One week study visit to an EU country examining the additional programs (e.g., risk-analysis) installed as parts/additional programs to NCTS.

The study visit should first of all provide information on how risk assessment has been planned and implemented, including the problems and difficulties and risks in the development and the proof of effectiveness. Based on this study visit the Hungarian NCTS project should be able to plan, develop and implement an own risk analysis module.

- An Assessment Report prepared by the expert about how the NCTS system of the Partner Country was supplemented by nationally developed elements. In what respect does their system differ or offers more than the common core of NCTS. The Assessment Report should detail in particular what problems did the Partner Country meet on the way of developing its system, what decisions were made and which solutions were chosen and why. This would be a sustainable way of gaining insight into the activities of an EU Member State in developing its own system.

- One week study visit to an EU country and one week seminar in Budapest on the development of an interactive web-site providing wide range of information, legislative background and direct help from the expert of a given field for the MCC system.

According to plans of the NCTS_HU Project this web-site would be set up beside the National NCTS Help Desk function. The web-site would play the role of an information portal accessible by clients. Pieces of legislation, their modifications, information materials, links etc. would be placed on this web-site. The web-site would provide for the publication of information materials accessible by clients who may decide to connect to the system. On the other hand, the NCTS Help Desk would deal only with specific, technical and procedural problems and would be accessible only for authorised NCTS users. Both the Help Desk and the web-site are now in the starting phase of development.

The contracting country should have similar IT and business structures concerning the NCTS like Hungary. It should be at an advanced stage in the implementation process of NCTS with sufficient experience in operating the system and in developing a risk analysis module / an information web-site.

Part II. - Harmonisation of Customs Legislation

- One week study visit to an EU country and one week seminar in Budapest on practical experiences regarding the legislation of customs free zones and provisions on payment of customs duty and customs guarantee.

The legislation of customs free zones in Hungary is quite different now from the current EU legislation. Harmonisation will take place from 1st January 2003 for the payment of customs duty and for the newly established customs free zones. The free zones now existent will be phased out by the Accession. While HCFG carries on with the harmonisation process
and the training of the staff about EU legislation on the whole is being done, HCFG has no practical experience regarding the implementation and procedural rules of this part of EU legislation. That is the reason why a hands-on experience and an exchange of expertise is needed. The study visit would take place in the partner country with which the Twinning Light would be conducted, on the European continent.

The questions to be answered include the following: the difference between customs free zones and customs free warehouses, the conditions of the establishment of a customs free zone/warehouse, the guarantees needed for authorisation, the origin of goods processed in customs free zones, the special legislation for agricultural goods in connection with customs free zones, the rules on payment of duties, the practical side of payment of duties, in what form is guarantee required etc.

- **Equipment procurement project**
  - Supply of one IRMS equipment for EU standard examination of wines and other food products.
  - Supply of additional elements to the NMR equipment of the National Wine Qualification Institute (these elements will be the property of HCFG and used by the NWI).
  - Supply of laboratory equipment for the examination of alcohol products.

A detailed list of equipment to be procured can be found in Appendix 7.

**3.5 Lessons learned:**

HCFG has no experience in managing Twinning Light projects, and the HU0005-01 Twinning project is a currently ongoing project. Its preparation process was rather problematic and the difficulties that arose at the beginning had really slowed down the implementation of the programme at first.

- By now HCFG has gained some experience in managing such activities and HCFG Departments are committed to co-operate closely in defining the exact needs and to harmonise the planned activities of the programme in order to ensure its smooth and effective realisation.

On several occasions in the past HCFG had problems with obtaining and securing the co-financing amount at the right time for the project.

- Now HCFG has a commitment from the Ministry of Finance supporting the allocation of the necessary amount of co-financing for this project from the 2003 National Budget.

Co-operation between the Departments of HCFG has not always been very effective regarding Phare programmes, which hindered the management capacity of HCFG on the whole.

- To solve this problem the Phare Monitoring Sub-Committee was set up inside HCFG, with the participation of all the relevant Departments. It holds meetings monthly to discuss and sort out issues endangering the successful implementation of HCFG’s Phare programmes.
In the EMS Report dated 25th September 2002 it is stated that “HCFG should ensure that all Phare-funded physical works and equipment are labelled in accordance with Phare specifications, as detailed in Annex 3 of the Financing Memorandum.”

- The tables have already been ordered and the installation has been finished at some border crossing points. The labels were ordered by 8th November 2002.

Another recommendation of the EMS report is that “HCFG should introduce a system to ensure that professionals with adequate technical and English language skills and trained in Phare procedures are available for tender evaluation”.

- The HCFG Integration Office asked all the relevant departments of HCFG to provide information on the staff that fulfil these requirements and also the staff that can substitute them in their absence. In this case the Integration Office will have a proper list of experts suitable for being appointed for the different kinds of tender evaluation procedures.

The EMS report also recommended that “HCFG should pay special attention to the fact that the time lost with the preparation of the technical specifications does not adversely impact the implementation”.

- HCFG will pay special attention to this problem.

4. Institutional Framework

Professional aspects of implementation shall be the responsibility of the HCFG Customs Directorate, the NCTS Project Team, the IT Department and the Central Customs Laboratory. The HCFG Integration Office will be responsible for the co-ordination and management of the programme.

The Customs Directorate (as one of the departments of the National Headquarters of HCFG) is responsible for the customs legal harmonisation issues inside HCFG and for defining procedural rules for HCFG operations. It oversees and co-ordinates professional activities regarding the application of laws. In this respect the Customs Directorate is responsible for the professional aspects of the Twinning Light component on “Harmonisation of Customs Legislation”.

The NCTS Project Team was set up at the launch of the Inter-operability Strategy of HCFG. Its specific task is to develop the NCTS system in Hungary. It is composed of staff coming from various HCFG organisations, among them the Customs Directorate and the IT Department. They are now assigned only to this project, thus realising the most efficient co-operation form between the two departments.

The IT Department (as one of the departments of the National Headquarters of HCFG) is responsible for all the technical aspects of implementation of IT strategy and it also hosts the NCTS Project Team. They are together the actual recipients of the Twinning Light component on “Inter-operability of IT systems”.

The Central Customs Laboratory is a middle-level organisation in HCFG with official competence. Its task is to perform the required goods analyses for the control of foreign trade and for excise tax duties in accordance with the relevant Hungarian and EU legislation and to make decisions on product classification in connection with tax regulations. The Central Customs Laboratory plays a leading role in the implementation of the equipment procurement project. The tender dossier for the equipment procurement will be prepared by the Customs Laboratory in close co-operation with the Integration Office. If necessary, an outside expert will be hired to help in this task.
The Integration Office (as one of the departments of the National Headquarters of HCFG) carries out the managerial tasks of the two Twinning Light projects and also the equipment procurement. The Integration Office will keep contacts with the CFCU and the EU Commission Delegation, it will ensure co-ordination of the activities and observance of Phare rules by HCFG. The HCFG will continuously co-ordinate the planned Twinning Light projects with the Spanish PAA of the currently ongoing HU0005-01 Twinning project.

The Central Finance and Contracting Unit (CFCU) will be responsible for contracting and payment.

5. Detailed Budget

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<th>Phare Support</th>
<th>Support</th>
<th>Total Phare (=I+IB)</th>
<th>National Public Co-financing*</th>
<th>IFI</th>
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The HCFG will cover costs that are not eligible under Twinning projects, e.g. the travel costs of the participating Hungarian customs officers.

Co-financing for the equipment component is joint. The ratio between the Phare and national co-financing is binding and has to be applied to the final contract price. The national co-financing part of the budget does not include the VAT, which will be paid separately from the Hungarian State budget.

6. Implementation Arrangements

6.1 Implementing Agency

The Implementing Agency of the project is the Central Finance and Contracting Unit (CFCU). The CFCU will be the Contracting Authority and in that capacity will issue and evaluate tenders, conclude contracts and make contractually related payments. The Director of the CFCU will act as PAO of the project. Her contacts are:

**PAO:** Ms. Judit Rózsa, Director of CFCU

Address: Deák Ferenc u. 5.

H-1052 Budapest

Telephone: (361) 327 3652

Fax: (361) 327 3572

*judit.rozsa@ahh.gov.hu*

**SPO:** Mr. Lajos Rajczy, Director General for EU Accession and International Affairs

Address: Delej u. 20

Telephone: (361) 303 8977
6.2 Twinning

The contracting authority and financial management of the twinning components will be the responsibility of the CFCU, headed by Ms Judit Rózsa. The Beneficiary institution will be the HCFG. The HCFG Integration Office (supervised by Mr. Lajos Rajczy, Director General for EU Accession and International Affairs and SPO of the programme) will ensure co-ordination among the professional departments of HCFG.

Contact person Ms. Mónika Váradi Tarjányiné
Head of EU Assistance Unit of HCFG Integration Office

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e-mail: varadi.monika@mail.vpop.hu

6.3 Non-standard aspects

During the implementation of the project the Practical Guide for Phare, ISPA and SAPARD contracts will be strictly followed.

6.4 Contracts

The available budget for the Twinning Light Covenant is 85,000 Euro. The IRMS equipment and the laboratory equipment for alcoholic products will be acquired through international open tendering, with a planned maximum value of 1,0 M Euro.

7. Implementation Schedule

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<th>Contract</th>
<th>Start of Tendering</th>
<th>Start of Project Activity</th>
<th>Project Completion</th>
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8. Equal Opportunity

All participating Hungarian institutions are equal opportunity employer. No discrimination of whatever nature will be applied.

9. Environment

The project has no measurable effect on the environment
10. Rates of Return

n.a.

11. Investment Criteria

n.a.

12. Conditionality and sequencing

Phare support will be conditional upon the provision of Hungarian co-financing in the case of the supply of the equipment. The further strengthening of the HCFG’s management capacity ensures the successful implementation of the project.

Recruitment of the staff for operating the IRMS technique and the other laboratory equipment will be run parallel to the equipment purchase, so by the time the equipment is installed and training can be started the staff will be available.

The launch of the tender for the purchase of laboratory equipment will be conditional to a co-operation agreement between HCFG and the NWI on the current use of the SMR equipment and the future use of the NWQI.

In the framework of the Inter-operability Strategy the NCTS project must develop the Hungarian NCTS system by the prescribed time in order to make possible the realisation of this Twinning Light project. The NCTS system must be operating before the development of the risk analysis module and the web-site could be done.
Annexes to the Project Fiche

1. Logical framework matrix in standard format

2. Detailed implementation chart

3. Cumulative contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)

4. Reference to feasibility studies: Report on the operational needs and powers of Hungary’s Customs Laboratory – prepared by Miguel Párraga, the Director of the Spanish Central Customs Laboratory

5. List of relevant laws and regulations

6. List of the equipment of Customs Laboratory procured in the HU98.03.03 and HU9905-02 Phare programmes

7. List of equipment to be procured under this project
## LOGFRAME PLANNING MATRIX FOR

<table>
<thead>
<tr>
<th>Programme name and number: 2003/004-374-03-05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completing preparations for the implementation of the Customs acquis</td>
</tr>
</tbody>
</table>

| --- | --- |

<table>
<thead>
<tr>
<th>Total budget : 1,085,000 Euro</th>
<th>Phare budget : 835,000 Euro</th>
</tr>
</thead>
</table>

### Overall objective
The complete adoption of the relevant fields of acquis communautaire and its ensured implementation by the Hungarian Customs and Finance Guard.

**Objectively verifiable indicators**
- Structural requirements of the relevant field of acquis achieved by the time of Accession.
- HCFG customs operations regarding the fields addressed in this project are equal to the practice of other MS Customs Authorities
- Improved rating in EU Commission Reports and fulfilled requirements of the Action Plan in the areas covered by the project.

**Sources of Verification**
- Government screening and reports
- Commission reports on Hungary’s Progress towards Accession

### Project purpose

<table>
<thead>
<tr>
<th><strong>Project purpose</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• To contribute to the complete development of the Hungarian NCTS system</td>
</tr>
<tr>
<td>• To ensure that customs free zone legislation is implemented in accordance with the acquis.</td>
</tr>
<tr>
<td>• To facilitate the EU-standard examination and classification of alcohol products and other food products.</td>
</tr>
</tbody>
</table>

**Objectively verifiable indicators**
- The 100% successful development of the NCTS system is carried out in time for the Accession.
- At the time of Accession the application of EU legislation in the relevant field is in line with EU requirements
- Examination of alcohol products and other food products is in line with the relevant EU directive.
- After installing the procured equipment HCFG is able to make its official decisions on the basis of 100% EU-conform analysis carried out by the Customs Laboratory using the equipment delivered within the project

**Sources of Verification**
- Regular Report on Hungary
- Assessment Report on Interoperability
- Revised Action Plan

**Assumptions**
- Continued commitment to achieve the Acquis in the field of customs.

### Results

<table>
<thead>
<tr>
<th><strong>Results</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• HCFG staff is trained concerning the operational characteristics of NCTS and the development of the interactive web-site.</td>
</tr>
<tr>
<td>• HCFG staff is trained in the relevant fields of the Customs Code.</td>
</tr>
<tr>
<td>• IRMS equipment, additional elements to the NMR and laboratory equipment for examination of alcohol products are installed and operational at the Customs Laboratory (and at the NWI).</td>
</tr>
</tbody>
</table>

**Objectively verifiable indicators**
- The number of samples analysed yearly reaches between 1500-2500 samples.
- The laboratory unit for alcohol products is ready to analyse approximately 2000 more samples.
- The number of samples analysed in co-operation with the NWI on the NMR equipment and the IRMS equipment
- Assessment Report prepared by expert by the end of the Twinning project.
- Number of the trained staff: min. 20 people.
- Development of the web-site based on the experience gained from the Twinning Light.

**Sources of Verification**
- Progress reports by the participating Departments and the Twinning partners.
- Operating interactive web-site.
- Issued Final Acceptance for supplies.

**Assumptions**
- High-quality co-ordination and co-operation between HCFG Departments ensured.
- Funds for operating and maintenance of the equipment and operational expertise are available.
- Trained staff can be retained in the long run.

### Activities

<table>
<thead>
<tr>
<th><strong>Interoperability of IT systems</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Seminars and study visits, preparing an Assessment Report</td>
</tr>
</tbody>
</table>

**Means**
- 1 Twinning Light
- 1 supply contract

**Assumptions**
- Trained staff can be retained.
- Equipment is installed by
### Harmonisation of Customs Legislation

#### Seminars and study visits

Supply of Customs Laboratory Equipment

- Supply of one IRMS equipment
- Supply of additional elements to the NMR equipment of the NWI

Supply of laboratory equipment for the examination of alcohol products.

#### Preconditions

- Phare support will be conditional upon the provision of Hungarian co-financing in the case of the supply of the equipment.
- The further strengthening of the HCFG's management capacity ensures the successful implementation of the project.

#### Professional experts

- Training concerning the operation of NCTS is followed up by developing own systems.
Annex 2

Customs Modernisation 2003

DETAILED IMPLEMENTATION TIME CHART

<table>
<thead>
<tr>
<th>Component</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL - Inter-operability of IT systems and harmonisation of customs legislation</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>T</td>
</tr>
<tr>
<td>Supply</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
</tbody>
</table>

* The contracted equipment will be delivered and put into use by the end of 2003 but the maximum possible period for payment explains this chart.

D: Design (15%)

T: Tendering and contracting (30%)

I: Implementation (50%)
## CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE

<table>
<thead>
<tr>
<th>Component</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I</td>
<td>II</td>
<td>III</td>
<td>IV</td>
</tr>
<tr>
<td><strong>Contracting</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interoperability of IT Systems</td>
<td>0.0000</td>
<td>0.0470</td>
<td>0.0470</td>
<td>0.0470</td>
</tr>
<tr>
<td>Harmonisation of Customs Legislation</td>
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<td>0.0380</td>
<td>0.0380</td>
<td>0.0380</td>
</tr>
<tr>
<td>Supply</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.7500</td>
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<tr>
<td><strong>Sub-total</strong></td>
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<td>0.0850</td>
<td>0.0850</td>
<td>0.8350</td>
</tr>
<tr>
<td><strong>Disbursement</strong></td>
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<td></td>
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<tr>
<td>Interoperability of IT Systems</td>
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<td>0.0380</td>
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<tr>
<td>Supply</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.4500</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td>0.0000</td>
<td>0.0425</td>
<td>0.0665</td>
<td>0.5350</td>
</tr>
</tbody>
</table>
REPORT ON THE OPERATIONAL NEEDS AND POWERS OF HUNGARY’S CUSTOMS LABORATORY.

The purpose of this report is to evaluate the needs and powers of the Hungarian Customs Laboratory, which is run under the auspices of the Chemical Analysis Institute at the Hungarian Customs and Finance Guard (HC&FG), with an eye to the requirements for a possible analytical control on CAP introduction after Hungary has completed the process of joining the European Union. This report was prepared using information provided by the Institute, surveys conducted prior to the preparatory visit and data collected during the preparatory visit. This report basically evaluates the Institute in its role as a chemical laboratory for customs and excise.

PART A. STUDY OF THE CURRENT SITUATION

1. LEGISLATION AFFECTING THE INSTITUTE’S OPERATION

The Institute’s activities at the HC&FG are regulated fundamentally by the 1995 Act on Customs Law, Customs Proceedings and Customs Administration and subsequent rules on rates and circulation of goods subject to excise duties. These activities are conducted by civil servants and other staff working under the management and coordination of the Director of the Institute, a Deputy Director and a Main Engineer.

2. CURRENT POWERS

The HC&FG’s Institute accomplishes the following activities:

1. Issuing Binding Tariff Information (BTI’s), conducting any analyses required.
2. Issuing Binding Origin Information (BOI’s).
3. Performing the necessary goods analyses for the control of foreign trade and for excise tax duties in accordance with the powers assigned to it. This activity is performed both on Institute premises and in mobile laboratory vans.
4. Drawing up decisions on product classification in connection with tax regulations.
5. Conducting chemical analyses on behalf of outside clients and issuing reports on those analyses.

3. ORGANIZATIONAL STRUCTURE OF THE HC&FG’s CHEMICAL ANALYSIS INSTITUTE

Managerial responsibility in the Institute falls upon a Director, a Deputy Director and a Main Engineer. The HC&FG’s Chemical Analysis Institute has the following divisions:

3.1. Analytical and Quality Assurance Department

Management is provided by a Head of Department under the supervision of the Main Engineer. The department comprises the following work groups:

a) Mineral Oils Group
b) Foods Group
c) Organic/Inorganic Group
d) Paper, Textiles and Plastics Group
e) Instrumentation Group
f) Quality Assurance Group

Their main tasks are:
- To carry out the necessary analyses for the customs classification of goods and verification of compliance with indirect tax regulations.
- To gather and fine-tune the necessary analytic methods for the indicated actions.
- To store and to eliminate samples, maintaining the specific safety conditions for each.
- To apply and to review the scientific literature, internal guidelines and rules concerning the laboratory’s activity.
- To participate in training and skills-refining activities related with the activities in its area.

The Quality Assurance Group in particular maintains the records of results, monitors working procedures and prepares the necessary documents for the laboratory’s accreditation.

3.2. Legal, Administration and Secretarial Department

This department handles the Institute’s legal and clerical work.

3.3. Tariff Classification and Information Department

Led by a Head of Department under the Main Engineer’s supervision. The main tasks of this department are:
- To provide decisions on the classification of goods based on data provided by the different groups of the Analytical Department.
- To determine, for each type of goods, the necessary analysis to be conducted by the different groups and to coordinate the work in cases where additional analyses are needed.
- To provide clients with information orally (by telephone or in person) and in writing on the classification of goods under the different codes in the Combined Nomenclature.
- To maintain connections with other information services.
- To examine the band of goods subject to indirect taxes.

3.4. Mobile Services

Mobile services are managed by a Head of Department under the supervision of the Director of the Institute and the Deputy Director. Their main tasks are:
- To analyse alcoholic products and petroleum products in situ to determine the applicable excise rate.
- To analyse and identify goods subject to customs declaration.
- To participate in activities conducted in customs enclosures.
- To maintain the vehicles and technical gear.
- The Institute supports this service if necessary.

3.5. Personnel and Logistics Department

This department handles the personnel and organization section of the Institute.

3.6. Binding Tariff Information (BTI) and Binding Origin Information (BOI) Department

Led by a Head of Department under the supervision of the Director of the Institute. This department is divided into two groups, one of which is in charge of BTI activities, and the other, of BOI activities. Their main tasks are:
- To record and systematize data.
- To examine data for the preparation of reports.
- To maintain the database.
- To prepare BTI’s and BOI’s authorized at national level.

4. HUMAN AND PHYSICAL RESOURCES

The Institute, created only very recently, has the following physical and human resources:

4.1. Building
The building was created for the purpose of housing the Institute. It was opened in 1999. Since it was designed specifically for the main purpose of housing a chemical laboratory and administrative offices, it complies with the proper safety and functionality conditions that this type of building ought to meet.

The Institute has 1,000 m² of space spread over two stories. Since a large part of the Institute’s activity consists of goods analysis, a large proportion of the building’s area is occupied by the chemical analysis laboratory and the supporting complementary facilities that all laboratories require.

### 4.2. Instrumental Resources

The Customs Laboratory, which is dependent upon the Institute, is highly specialized thanks to, *inter alia*, the existence of modern instrumentation recently acquired, in part with aid under the PHARE programme. The instrumentation the laboratory currently owns includes the following:

- Three Liquid Chromatography instruments (HPLC), two of them with refractory index, UV and fluorescence detectors.
- Three Gas Chromatographs equipped with flame ionisation detector (FID) and Electronic Capture detector.
- Two Infrared Spectrophotometers FTIR and one Near Infrared Spectrophotometer.
- Two Visible-Ultraviolet Spectrophotometers.
- One Inductively Coupled Plasma Spectrophotometer (ICP).
- Two Atomic Absorption Spectrophotometers.
- One x-rays fluorescence equipment.
- Automatic distillation instruments for petroleum products.

The laboratory also has low-cost instrumentation such as analytical balances, refractometers, polarimeters, viscosimeters, extractors, stirrers, etc., and analytical instruments for finding parameters related with the mechanical properties of specific materials (paper, textiles, etc.).

Furthermore it also has three lorries equipped with laboratory instruments for on-site testing.

### 4.3. Human Resources

The Institute has a workforce of around 70, between functionaries and non-functionary staff. The number of staff members related with the Laboratory’s activity is as indicated herein below:

- Tariff Classification and Information Department ....................... 7
- Analytical and Quality Assurance Department ............................. 28
- Mobile Service ........................................................................... 9

### 5. The Institute’s Analytical Activity

In the year 2000 the laboratory analysed about 17,000 samples, mostly for the purpose of controlling petroleum product related indirect duties. No overall data have been provided on samples analysed in the year 2001, but it appears they are on the same order. The samples are distributed by percentages among the following types of goods:

- Foods .......................... 16%
- Chemical products ....... 20%
- Solvents ........................ 2%
- Petroleum products ...... 4%
- Mineral oils .............. 42%
- Other ............................ 16%

A large part of the checks run on petroleum products were performed in the mobile units.
PART B. NECESSARY LABORATORY REQUIREMENTS FOR COMMON AGRICULTURAL POLICY CONTROL

1. STATUS OF EUROPEAN CUSTOMS LABORATORIES

In most member States of the European Union, customs laboratories include among their functions the performance of analytical controls for CAP purposes, not only with regard to the monitoring of imports, but also with regard to export refunds on agricultural products.

In the case of Spain, Royal Decree 222/1987 of 20 February structuring the Ministry of the Economy and the Exchequer defines in article 12, paragraph 1 the powers of the Directorate-General of Customs to include “The direction of the Management and Inspection of Taxes and Charges upon Foreign Trade and traditional own resources of the Budget of the European Communities, and likewise the Inspection of Agricultural Export Refunds, without prejudice of the powers attributed to the Directorates-General of Taxes and of Financial and Tax Inspection.” These attributes are complemented by effective coordination between the customs services and FEGA, the agency in charge of paying out agricultural export refunds.

It seems logical that if powers over the inspection of export refunds are assigned in Spain to the Customs Services, it should be the customs laboratories, run under the auspices of the Customs and Excise Department, that should be in charge of the analytical control of such operations.

We do not know if such powers are assigned to the customs services in all EU countries, but we do know that the customs laboratories of many EU members perform such analytical controls. In fact, a survey conducted recently among customs laboratories of the EU Member States revealed that 15 to 49% of the analytical activity of many of them was devoted to CAP control.

We can mention countries such as Austria, Germany, Spain, Finland, France, Ireland, Italy, Holland, Portugal and Sweden, where customs laboratories perform this analytical activity for CAP control. In Greece CAP analytical control is performed by a government laboratory, and in the United Kingdom and Denmark, by two private laboratories that hold government contracts. Nevertheless it must be noted that in these last three cases there is no “Customs Laboratory.”

The fundamental reasons for this sort of control to be performed by customs laboratories could be the following:

- In certain cases, customs services are assigned certain powers in refund controls. In such cases it makes sense for the customs services to use regular technical support provided by customs laboratories. These laboratories, furthermore, are familiarized with customs documents and terminology.
- Unification of import and export controls.
- Refund nomenclature linked to tariff classification nomenclature. In fact, in order to ascertain the right to receive a refund, the products in question must first undergo tariff classification. In some cases the analytical determinations necessary for ascertaining the refund code will be identical with those necessary for the tariff classification of goods.
- Similarly the conditions for obtaining refunds on Processed Agricultural Products (PAP) require a knowledge of the tariff nomenclature.

Finally, the customs laboratories of the Customs Union maintain connections and common points of contact with one another, such as periodic meetings of what is known as the Coordinating Group of Customs Laboratory and circular analyses that often revolve around CAP-related issues.

2. PHYSICAL AND HUMAN RESOURCES NECESSARY FOR ANALYTICAL LABORATORY CONTROL UNDER COMMON AGRICULTURAL POLICY

In general, with the exception of certain highly specific analytical controls, the instrumentation and personnel needed to run CAP controls does not represent any great difficulties for a well-equipped laboratory such as the current Hungarian Customs Laboratory, dependent upon the HC&FG’s Institute.
Furthermore, regarding the workload of customs laboratories, it must be taken into consideration that the increase of activity required for the analyses of import and export goods under Common Agricultural Policy, especially in the field of agricultural refunds, is counteracted by a tendency toward a decline with regard to the control of foreign trade operations. This one is logically reduced, in many cases to zero, as a consequence of intra-Communitary exchanges of goods. All these factors generally lead to a practical stability with regard to the number of total controls.

As for the products being controlled, bearing in mind the features and type of agricultural production of a country like Hungary, it is estimated that the sectors most sharply affected by the CAP could be summarized as follows:

- Beef and pork sector
- Dairy products
- Wines
- Processed vegetables
- Processed agricultural products (PAP)

For this type of products, the analytical parameters necessary for CAP control would require the following equipment:

1. **General Equipment:**
   - Drying and vacuum ovens and furnaces
   - Liquid Chromatographs (HPLC)
   - Gas Chromatographs
   - Fat extraction systems soxhlet
   - UV-Vis spectrophotometer
   - Distillators - titrators Kjeldal
   - Refractometers
   - Polarimeters
   - Microscopes, Stereoscopic lens, Image analysers
   - Mills, cutters, homogenizers of samples
   - Stirrers
   - Water baths

2. **Specific Equipment**
   - Electrophoresis systems (to differentiate animal and vegetal species), PCR
   - Thermocyclers (genetic analysis: animal sex)
   - Titration material and specific reagents for PCR
   - Cereal mills
   - Specific material for milk products analysis: Gerber, Roeder, Tose-Gotlieb
   - Automatic densimeters
   - Equipment of Isotopic Mass Spectroscopy and Nuclear Magnetic Resonance of Deuterium (Analysis of wine identity)

For the above reasons the customs laboratory dependent upon the HC&FG’s Institute is considered to be able to undertake the workload involved in the CAP analytical control.

Nevertheless, still on the subject of the size of the Hungarian Customs Laboratory, should the laboratory be assigned powers in CAP control, it is felt that the working space dedicated to the laboratory’s different activities should be rearranged. There are instrumental techniques, listed herein above, that would need to be relocated. Furthermore, it is also felt that the area currently used for the food products group is too small and should be expanded in the future. Regarding this question the Director of the Institute stated that action is being taken to consider moving different administrative type of services to other locations in order to provide the laboratories with more working space.

Madrid, 26 August 2002

Miguel Párraga
DIRECTOR OF THE
SPANISH CENTRAL CUSTOMS LABORATORY
LIST OF RELEVANT LAWS AND REGULATIONS

List of Relevant Hungarian Laws and Regulations:

Hungarian National Programme for the Adoption of the Acquis

Declaration of Endorsement of the Pre-Accession Strategy for Customs and Tax Administrations in Hungary. (Endorsed by Commissioner Mario Monti and the Hungarian Ministry of Finance)

Act No. C. of 1995 on Customs Law, Customs Procedures and Customs Administration and its Implementing Provisions:


Government Decree 2212/1998. (X.30.) (Korm.) on Legal Harmonisation (the implementation of concrete elements of the Acquis)

Act No. CIII. of 1997 on Excise Taxes and Special Regulations on the Marketing of Excise Goods


Act No I. of 1973 on the criminal actions.

Act No IV. of 1978 on the Hungarian Criminal Code.

List of Relevant EU Laws and Regulations:

Agenda 2000 - Commission Opinion on Hungary’s Accession to the European Union

Community Customs Code and its Implementing Provisions


Blueprint managed by DG XXI. of the European Commission
Annex 6

Equipment purchased using Phare support

COP’98 Development of the Customs Laboratory

Analytical balance with digital display (Gilbertini E42 SB)
Precision laboratory balance with digital display (Gilbertini EU 3000 HR)
Precision laboratory balance with digital display (Gilbertini EU 4000 AR)
Drying oven (DIGITRONIC)
Laboratory annealing furnace (Labotherm LH15/14)
Thermostat (DIGIT-COOL)
Cryostat (Haake F8-K75L)
Table top centrifuge (Meditronic BL)
Heatable magnetic stirrer (Agimatic REV-E)
Ultrasonic bath (Bandelin Sonorex Super Digital DK156 BP)
Universal pH/ion, redox potential and conductivity measuring instrument (Radiometer PHM250-CDM-230)
Rotary evaporator (Strike 202 GLP)
Refractometer (Bellingham & Stanley RFM330)
Electrically controlled rod mixer (Heidolph RZR 2021)
Universal titration equipment (Radiometer TitraLab90)
High pressure asher (Milestone MLS-Pyro)
Microwave digestion apparatus (Ethos 1600)
Grinding machine (Grindomix GM 200)
Shaking machine (Sieveshaker Giuliani Tecnologie EG/3)
Stereoscopic microscope (Axiolab Zeiss MIK 400)
Automatic equipment measuring alcohol (Gilbertini D.E.E.)
Aphrometer (Haffmans inpack CO2 calculator)
Falling number equipment (Perten 1500)
Apparatus for determination of gluten content (Perten 2100)

Vacuum distilling apparatus
Capillar melting point testing instrument
Instrument for determination pour point and drop point
Rotary viscosity meter combined with thermostat
Instrument for determination of solidification point
Apparatus for determination of oil content of the waxes
Universal penetrometer
Microwave equipment for the determination of sulphate ash
Tensiometer
Automatic oil distilling apparatus
Automatic viscosity meter

UV-visible spectrophotometer (Cary 50)
Atomabsorption spectrometer (SpectrAA 880)
HPLC
GC-MS Equipment
COP’99 Development of the Customs Laboratory

Bekk type smoothness tester, burst strength tester, thickness tester, tearing tester.
ICP Instrument, ultrasonic vaporization system, microwave digestion system and its recommended accessories

Kjeldahl – system (automatic equipment for the determination of total protein content), UV-VISIBLE spectrometer and from its options the GRAMS 32/UV software for Windows, a PC Data system and a HP Deskjet printer.

Analytical balance, Automatic moisture analyser, laboratory muffle furnace, vacuum drying oven with vacuum unit, rotary evaporator, thermostat, laboratory centrifuge, water bath.

Automatic density meter, Equipment for determination of octane number and multifunctional analyser, Automatic Pensky-Martens closed cup flash-point tester, Automatic Cleveland Flash-point tester and the optional accessories.
### List of equipment to be procured under this project

<table>
<thead>
<tr>
<th>Equipment</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRMS</td>
<td>Additional elements to NMR: Software and equipment to prepare samples.</td>
</tr>
<tr>
<td></td>
<td>Equipment for alcohol products:</td>
</tr>
<tr>
<td></td>
<td>– Alcohol distilling apparatus,</td>
</tr>
<tr>
<td></td>
<td>– Densimeter for the determination of alcohol content;</td>
</tr>
<tr>
<td></td>
<td>– Thin-layer chromatograph for the detection of sugar;</td>
</tr>
<tr>
<td></td>
<td>– “Quick dry-substance-measuring equipment” for the determination of dry extracts;</td>
</tr>
<tr>
<td></td>
<td>– Refractometer for the determination of sugar content;</td>
</tr>
<tr>
<td></td>
<td>– Gas-chromatograph for the detection of fusel-oil components and aroma components</td>
</tr>
</tbody>
</table>

*Phare financing and national co-financing together. Phare amount is 750,000 Euro while national co-financing is 250,000 Euro.*