

Part A: Strategic Framework of the AWP 2012

1. STRATEGIC CONTEXT OF THE AWP 2012

The aim of the Customs 2013 Programme is to support and complement the action undertaken by Member States (MS) to guarantee the effective functioning of the internal market in the customs field.

The strategic framework of the Annual Work Programme 2012 builds upon:

- The Commission's general objective of ensuring that customs policy supports wider EU policy goals.
- The customs policy adapted to new developments and initiatives agreed in partnership between the Commission and the Member States in the Customs Policy Group (CPG) as referred to in Article 4 of the Decision and supported by the ad hoc High Level Steering Group, being for the time of its creation the steering group for the implementation of the Modernised Customs Code.
- The current and future orientation of customs in line with the strategic objectives as articulated in the Joint Mission Statement¹, the Commission's Communication on the Strategy for the evolution of the Customs Union² (also known as Future Customs Initiative or 'FCI'), which was supported by the Council and the European Parliament³.
- Decision No 70/2008/EC of the European Parliament and of the Council on a paperless environment for customs and trade.
- Declarations from the high-level seminars of Ruka and Barcelona in 2010.

2. OBJECTIVES AND RELATED PRIORITIES FOR 2012

The annual work programme is set up **according to the overall and specific objectives** stipulated in Articles 4 and 5 of the Customs 2013 Decision⁴. The defined policy areas and priorities may encompass activities which are more strategic oriented, or rather related to core operational customs business. Since the policy objectives are very cross-linked, actions often pursue multiple objectives and priorities.

¹ Regulation (EC) 450/2008 of 23 April 2008 laying down the Community Customs Code (Modernised Customs Code) – Art 2 (Mission of customs authorities).

² Communication (COM) No169/2008 of 1 April 2008 + ECOFIN Council Conclusions of 14 May 2008.

³ European Parliament's Resolution on the 40th anniversary of the Customs Union of 19 June 2008.

⁴ Decision No 624/2007/EC of the European Parliament and the Council of 23 May 2007 establishing an action programme for customs in the Community (Customs 2013) – JO L154 of 14/06/2007.

Activities will be carried out in the year 2012 to **support** the following **objectives**:

1. Protection of the financial and economic EU interests.
2. Trade facilitation, cooperation and competitiveness.
3. Acting as 'One single European Customs Administration'
4. Strengthening security and safety for trade and citizens
5. Enlargement and relations with EU neighbouring countries and other third countries.
6. Horizontal Programme Support.
7. Any other topic.

Furthermore, a priority in 2012 will be to carry out activities to explicitly enhance the coordination between the activities under these objectives.

Each of this seven policy areas has been split up into thematic priorities for the year 2012, as follows:

2.1. Protection of the financial and economic EU interests ***Objective 1(c) of Article 4 of the C2013 Decision***

- A. Simplification, modernisation and implementation of customs legislation and other EU legislation
 - Assist in the preparation of new legislation and its implementation, in particular as regards the Modernised Customs Code (MCC).
 - Assist in the modernisation and implementation of the HS and CN Nomenclatures.
 - Continue the development and implementation of customs concepts, such as the Authorised Economic Operators (AEO) concept with regard to risk management, the concepts resulting from the Modernised Customs Code and the longer-term concepts, such as system-based approach on customs controls, single access points/one stop-shop and single window.
 - Align customs and other EU legislation, especially with regard to the status of Authorised Economic Operator.
 - Analyse the need for amendments or new legislation, in particular as regards a possible approximation of customs infringements and penalties
- B. Correct and uniform application of customs legislation and standardisation of methods
 - Assist in the correct and uniform application of mainly new and recent EU legislation by means of preparing action plans, guidelines/user guides and information sessions (such as on the new GSP rules of origin) and monitoring actions, in particular on decisions on recovery, remission or repayment of customs duties, the management of tariff quotas and

surveillance of goods and possible other prominent issues included in the Annual Monitoring Programme for 2012.

- Contribute to a uniform classification in the EU tariff, mainly by establishing cooperation between Member States experts and by assisting in drafting guidelines and legal measures.
 - Harmonise the customs clearance systems of the Member States through the introduction of credibility checks applicable at the moment of customs declaration, in particular by defining guidelines in this area.
 - Harmonise customs working methods and customs systems (amongst others post-clearance systems) to ensure their equivalency at every point of the customs territory, mainly as regards the establishment of control standards, the identification of best working practices, the enhancement of risk management techniques, the enhancement of sampling procedures, the promotion of high quality in customs laboratories work. Follow-up of the recommendations from the report on "Convergence of MS working methods and customs controls".
 - Harmonise the procedures in relation to Binding Tariff Information and its use.
 - Harmonise the determination of customs value at EU level (as regards methods for detecting under-valuation, the appropriate treatment of transfer prices, etc).
 - Assist in the implementation of the Community Risk Management Framework (CRMF) (equivalent to IV.D but with a view to protect financial and economic interests of the European Union) including Common Priority Control Areas (CPCA).
 - Assist in the implementation of the standard process of EU wide valid Customs Decisions
 - Assist in the development of an EU wide system to manage EU wide valid customs guarantees
 - Review procedures used in Member States for the management of post-clearance verification requests on proofs of origin, including an assessment of the need to create a specific database.
 - Explore and develop new and harmonised working methods to enhance operational results in particular in the area of Intellectual Property Rights (IPR), safety of products, drug precursors and cash controls.
- C. Co-operation between customs administrations and between them and other public or private bodies
- Strengthen the existing customs networks and develop where necessary new networks.

- Encourage cooperation and action between groups of ports, airports, land frontiers crossing points and other points of entry.
- Stimulate co-operation between customs and tax administrations in the field of VAT and excise.
- Encourage proper co-operation, including systematic exchange of information, between customs and other administrations as well as between them and national and international organisations.
- Stimulate the development of the single window concept and the one-stop shop concept.
- Support common customs actions and operations ensuring controls with equivalent results to prevent irregularities (e.g. by means of improving the correctness and completion of data, supporting coordination in the usage of different kinds of risk related information, etc).
- Ensure an efficient co-ordinated management of the external border as regards controls carried out on incoming and outgoing goods.
- Innovate and develop different modes and mechanisms of co-operation and co-ordination of activities among agencies involved in various aspects of international trade and various stages of border crossing and clearance, considering also possible specificities, rules and agencies relating to the different modes of transport and application of such procedures based on international standards.
- Improve and further develop existing forms of cooperation, and consider new forms of cooperation between customs administrations with a view to combat violations of laws in connection with international movement of goods.

2.2. Trade facilitation, cooperation and competitiveness *Objective 1(a) of Article 4 of the C2013 Decision*

A. Understanding and interpretation of complex legislation

- Stimulate the dialogue and partnership between Commission, national administrations and trade (inter alia trade associations at European level and economic operators) to ensure a transparent information flow to economic operators, to encourage use of international standards and other means of harmonisation and to assist the understanding and interpretation of legislation by them.
- Stimulate the establishment of standardised processes and procedures for the implementation of Central Clearance throughout the EU.
- Produce best practice guidance, manuals, EU eLearning tools, etc for trade on the application of EU customs legislation such as the modernised Customs Code, and thus enhance the further dissemination and publication of EU material to traders with support of the EU trade

association's networks (e.g. web publication, consultation and information events with EU trade associations) and support actions for national administrations' communication with trade.

- Raise awareness and improve compliance by communicating EU customs policy and legislation, in partnership with Member States' administrations as well as stakeholders' associations, on the basis of identified communication priorities for 2012.
- Support a harmonised implementation of safety and security provisions as well as the authorised economic operators (AEO) programme, including the implementation of benefits linked to AEO status.

B. Cooperation with economic operators in correct implementation of customs legislation to support the competitiveness of European companies

- Support a regular consultation with trade through forums of discussions, between EU customs administrations and business, on customs-related issues and developments in the field of the customs policy.
- Support the creation and maintenance of agreed business process models for customs in the EU in view of future automation efforts as well as discussions on possible needed legal evolutions.
- Cooperate with the business community in the development and implementation of new and existing concepts, in particular in relation to the implementation of the trade-oriented projects of the electronic customs initiative (such as authorised Economic Operators Systems (EOS formerly known as AEO/EORI) – European Customs Information Portal (ECIP)) and similar projects.
- Support the harmonisation of the interfaces between trade and customs in the EU.
- Support the establishment of remote trader access to centralised EU customs systems
- Support the competitiveness of EU companies through effective fight against fraud (e.g. area of IPR (Intellectual Property Rights), in close cooperation with the business community and as laid down in the EU trade policy.
- Develop exchange of information techniques and procedures between customs and economic operators on the basis of international standards and harmonised or interoperable IT systems.

C. Cooperation between Member States and third countries in relation to trade facilitation

- Support cooperation with third countries in the context of fight against fraud (in particular the area of IPR and drugs precursors), international trade facilitation and cooperation.

- Support negotiation and implementation of international agreements relating to trade facilitation (e.g. WTO, Istanbul Convention), including the harmonisation of rules of origin.
- Support cooperation with the World Customs Organisation (WCO).

2.3. Acting as one single European Customs Administration⁵ Objective 1(b) of Article 4 of the C2013 Decision

- A. (Inter) operability, maintenance and upgrading of the existing communication and information exchange systems; deployment, maintenance and evolutions of systems related to the "safety and security initiative"⁶
- Ensure the maintenance, availability and continuity of operations and strategic evolution of the CCN/CSI system – including the development of the next generation for CCN (CCN2), its interface with 3rd countries and with other agencies. Develop the next generation of SPEED (Single Portal for the Entry and Exit Data) to enhance flexibility and security. .
 - Ensure that the central applications (such as DDS, SURV, TARIC, QUOTA, EBTI, ECICS and all other reference data applications) are operational and upgraded
 - Develop and deploy the Intra Laboratory Inventory of Analytical Determination (ILIADe) as part of the ECICS system.
 - Ensure the maintenance and quality of operations of the following systems related to safety and security measures and to the flow of goods in, through and out of the EU
 - Export Control System (ECS)
 - (New) Computerised Transit System ((N)CTS)
 - Import Control System (ICS)
 - Economic Operators Systems (EOS) (including AEO/EORI)
 - Community Risk Management System (CRMS - including RIF and CPCA)
 - Support the management of IT services and systems
 - Improve cooperation between customs authorities and Commission to make IT developments and IT production more agile and more cost efficient

⁵ This policy area is linked to the objective to act as though the customs administrations were "one single administration" and therefore supports common initiatives in the area of trans-European IT systems, electronic customs, training, and the future evolution of customs.

⁶ Regulation (EC) No 648/2005 amending Council Regulation (EEC) no 2913/92 establishing the Community Customs Code, OJ L 117 of 4.5.2005.

- B. Preparation and implementation of new IT projects following the Decision on a paperless environment for customs and trade⁷, the Modernized Customs Code⁸, and possibly other legislative acts, administrative agreements and joined agreements with 3rd countries
- Complete the strategic MCC & eCustoms IT Master Plan in order to have a cost-efficient global approach, a cost assessment, a roadmap, an architecture and an organisational blueprint.
 - Prepare the development of systems to automate customs procedures as prioritised in the IT Master Plan, by means of amongst others business and system process modelling, systems specifications, etc.
 - Ensure the adaptation of existing customs transaction systems (such as ECS, (N)CTS, ICS) and centralised systems (such as EBTI) to bring them in line with the Modernised Customs Code,
 - Prepare and develop a new architecture of trans-European IT systems in such a way that the new generation of customs IT systems can fit the needs of future EU customs legislation (such as the MCC) in terms of efficiency, agility, flexibility, confidentiality, integrity, security and availability.
 - Support the development of a new system managing the applications for customs action and statistics in the field of counterfeit and intellectual property rights (COPIS).
 - Prepare the development of a new system managing the registration of approved exporters in the field of the preferential origin rules (REX).
 - Support the development of a new centralized global eATA Carnet system underpinning the Istanbul Convention.
 - Maintain, enhance and develop systems and services which enable trade to access information systems such as the European customs information portal (ECIP) and to lodge declarations to customs electronically throughout the EU in a harmonised way (Single Electronic Access Point (SEAP)).
 - Support developments on Single Window and enhance the co-ordination with other relevant authorities.
 - Prepare, develop and secure data exchange with third countries (i.e. CH, NO, USA, CN, JA, Neighbouring countries...) in the area of AEO mutual recognition, control mutual recognition and extension of NCTS to non candidate 3rd countries.

⁷ Decision (EC) No 70/2008, OJ L 23 of 26.1.2008.

⁸ Regulation (EC) No 450/2008, OJ L 145 of 4.6.2008

- C. Management of a common training approach, training infrastructure, e-Learning modules and other customs related information
- Develop, maintain and update where necessary EU e-Learning modules, mainly in view of the Modernised Customs Code (MCC and MCC-IP related aspects) and possible other EU legislation or operational topics as identified through the EU eLearning topic selection process with participating countries.
 - Re-assessment of the efficiency of the current localisation processes for EU eLearning courses and implementation of appropriate improvement measures, if so required.
 - Analysing the potential of future common training initiatives (e.g. common competency framework, feasibility study for an EU academic programme) in cooperation with national customs administrations and other potential stakeholders (e.g. universities).
- D. Define the future direction of customs in the European Union in partnership with the trade community and ensuring coherency between all future activities
- Innovate, plan and develop future policy and enhance the coherence and streamlining of existing policy initiatives under context of the Future Customs Initiative, in particular by focussing on the initiatives as enumerated by the Customs Policy Group and by establishing a comprehensive and detailed implementation plan including the following elements:
 - examination of options for adopting the systems-based approach on customs controls
 - implementing business process modelling to support the re-engineering of customs business procedures and to secure alignment between legislation, processes and ICT
 - developing a comprehensive, long-term risk management strategy
 - enhancing harmonisation and standards in the field of customs controls with a view to achieve equivalent results throughout the EU
 - enhancing a common approach in the field of audit
 - developing and sharing supply chain expertise within the national customs administrations and between these administrations and trade.
 - Develop a long-term vision for customs within the horizon of year 2020, consistent with ongoing and planned developments between 2012 and 2020 (also in the light of the successor programme of Customs 2013), and taking into account the results of the work undertaken to assess the operational functioning of the customs union.

- Maintain and further develop a system of the measurement of participating countries' performance in Member States' customs administrations within the Measurement of Results (MoR) project, particularly including the enhancement of the validity, reliability and quality of data reported, the further adaptation of measurement points in view of the electronic customs initiative, customs controls and their results, and measures supporting facilitation of trade. Develop activities and tools for publication of aggregated non-sensitive data to increase public awareness of the customs work.
- Ensure the appropriate follow-up to the adoption of the MoR Code of Conduct, including the implementation of its principles, taking account of the Code of Conduct when developing new indicators in sensitive areas and when developing activities and tools for publication of aggregated non-sensitive data to increase public awareness of the customs work.
- To follow up outcomes of the Performance Measurement Project with the objective to measure customs performance at the level of the EU Customs Union and align them with the activities carried out within the Future Customs Initiative and Measurement of Results Project.

2.4. Strengthening security and safety for trade and citizens
Objective 1(d) of Article 4 of the C2013 Decision

A. Supply chain security

- Improve co-operation to ensure supply chain security by means of agreeing rules for security measures, the development of joint security risk rules and ways for rapid exchange of risk related information, recognising the programme of AEOs as one of the essential components in securing supply chain.
- Examine and support the use of new emerging detection technologies to make customs controls more efficient and enhance security in the supply chain.

B. Increased effectiveness of customs controls

- Fight against products leading to distortion of trade and threatening the safety of the society.
- Common understanding, working methods and practices in specific customs controls (controls on cash entering or leaving the EU, controls on health, safety, environment, drug precursors, dual use goods, IPR infringing goods, cultural goods...).
- Enhance the use of findings of the MoR Project and Performance Measurement Project in order to ensure further harmonisation and standardisation of working methods leading to equivalent treatment and results of consignments at every point of the EU.

- C. Development of a scientific customs force that can rapidly give support, if necessary also on the field or online
 - Establish a call centre based on a network of customs laboratories and scientific institutes capable to rapidly identify and classify goods or give scientific or safety information.
 - Promote the development and the use of mobile laboratories and mobile equipment.
 - Explore possibilities to appoint the Joint Research Centre as a reference and testing centre for EU customs services for customs seals.
- D. Protect society by applying effective measures against the movement of illicit, unsafe, restricted and prohibited goods.
 - Ensure the proper development of the EU Risk management framework (policy aspects), the setting up of common standards for security and safety, the proper functioning of priority control areas, the development of specific customs joint controls and the continuous improvement of exchange of information.
 - Improve cooperation between customs and in particular to promote regular cooperation and exchange of information between ports, airports, land frontier and national risk centres with a view to improve the quality and efficiency of customs controls and their coordination.
 - Improve cooperation between customs administrations and between customs administrations and other authorities responsible for the application of EU legislation with a view to combating illicit trafficking of unsafe, restricted and prohibited goods.

2.5. Enlargement and relations with EU neighbouring countries and other third countries

Objective 1(e) of Article 4 of the C2013 Decision

- A. Sharing of experience and knowledge on customs legislation and procedures and their implementation
 - Support the countries preparing for accession by means of sharing experience and knowledge on the specific fields of the customs legislation/procedures and their implementation.
 - Support Eastern Partnership (EaP) countries in strategic assessment of their needs for capacity building in relevant areas of customs operations, offer training aimed at strengthening the EU external border.
 - Support beneficiary countries to prepare themselves for the implementation of new preferential rules of origin.

- B. Exchange of experience and co-operation between customs administrations of the EU, (potential) Candidate Countries, ENP Countries and other third countries
- Encourage co-operation with countries neighbouring the EU's present and future external border in order to improve its security, to facilitate legitimate trade and to avoid border traffic congestion.
 - Encourage exchange of experience and best practices between Member States, EU neighbouring countries and other third countries in different fields of customs such as customs control and fight against fraud.
 - Assist third countries with their compliance with the obligations resulting from the administrative cooperation procedures in the area of preferential origin.
 - Assist third countries with their efforts to prepare for customs IT systems in view of a future EU Membership or accession to the Convention on Common Transit.
- C. Cooperation with EU neighbouring countries and other third countries on security and safety related risks by international trade as well as on the facilitation of trade flows
- Take steps towards a common framework for the exchange of customs information between the EU (through MS' customs administrations) and EU neighbouring countries or other third countries.
 - Ensure the follow-up the results of the events on customs cooperation in South-East Europe.
 - Prepare for future implementation of actions proposed under the EaP initiatives and as part of the Strategic Frameworks for customs cooperation between the EU and its Eastern neighbours (future extension of common transit system, improvement of border control, exchange of information, capacity building, Early Warning Mechanism). Ensure the development of cooperation at the Eastern border of the EU (follow-up to the Budapest and Krakow Conferences).
 - Support the implementation of the Action plan to fight against smuggling of cigarettes and alcohol along the EU Eastern border.
 - Support data exchange and cooperation with US, China, Russia, Norway, Switzerland, Japan, Canada, EU neighbouring and other third countries to ensure smart and secure international trade lanes, to enhance international customs controls based on mutual recognition of security measures, AEOs, control results and/or to facilitate trade flows through the simplification of procedures and other related actions (see also III.A-B).

- Enhance cooperation in the field of combating money laundering, controls on health, safety, drug precursors and environment, IPR, dual-use goods.
- Support implementation of the World Customs Organisation (WCO) framework of Standards to Secure and Facilitate Global Trade (SAFE) and Capacity Building Programme.
- Support cooperation within the ASEM customs forums.

2.6. Horizontal Programme Support
Article 15 and Article 17 of the C2013 Decision

A. Management of the Customs 2013 Programme

- Encourage the steering and coordination of programme activities.
- Encourage the appropriate use of Programme tools.
- Ensure the efficient use of Programme management instruments like those to manage the budget and activities (ART for instance).
- Follow up of the implementation of the recommendations of the mid-term evaluation of the Customs 2013 Programme.
- Prepare for a successor Customs Programme and ensure transparency about the progress of the legal adoption procedure to relevant stakeholders.

B. Communication and information sharing

- Align and address common communication needs on EU legislation or new policy initiatives in partnership with the EU Communication Network for Taxation and Customs (ECNtc) and implement these communication projects to raise awareness, ensure compliance, support and promote actions of national customs administrations..
- Enlarge the user community of the common platform PICS (Programmes' Information and Collaboration Space) allowing online collaboration as a modern and efficient way to strengthen co-operation between the Commission and the national customs administrations, including the national training schools through the TACTIC community. Optimise the use of PICS by sharing best practices. Build bridges with other programme tools such as ART2 and CIRCA.

2.7. Any other topic

Contribute to the overall objective of the Programme which is to improve the effective functioning of the internal market in the customs field by increasing co-operation between participating countries, their administrations and officials, and possibly with experts from trade, other authorities, other administrations, international organisations, etc.

Part B: budgetary implementation

1. LEGAL BASIS

Decision No 624/2007/EC of the European Parliament and of the Council of 23 May 2007 establishing an action programme for customs in the Community (Customs 2013) (OJ L 154, 16.6.2007, p.25).

2. CUSTOMS 2013 (BUDGET LINE 140402)

Total 2012 indicative amount for the budget line: EUR 53,000,000⁹. The operations are divided into the following groups (detailed descriptions provided below):

- IT actions: total amount foreseen: EUR 41,000,000;
- Joint actions: total amount foreseen: EUR 8,000,000;
- Common training tools: EUR 2,000,000;
- Other actions: EUR 2,000,000.

2.1. Joint Actions:

Types of joint actions: benchmarking, seminars and workshops, project groups, steering groups, working visits, training activities, monitoring actions and any other activities carried out by national administrations or the Commission, the costs of which will be borne by the Union.

Total indicative amount of the grant EUR 7,800,000¹⁰. An envelope of EUR 200,000 is dedicated to the reimbursement of travel and living expenses of external experts and participants invited by the Commission to the Joint actions in accordance with Article 17(2)(d) of Decision No 624/2007/EC.

2.2. IT activities

Introduction and maintenance of communication and information exchange systems in the customs field by means of the equipment and service procurement contracts necessary to ensure that the connection of national networks is operational. Total indicative amount EUR 41,000,000:

⁹ The total amount of appropriations will be higher if Turkey, Croatia, the former Yugoslav Republic of Macedonia, Serbia, Montenegro and Albania pay their foreseen contributions for joint actions (maximum amount EUR 483,895).

¹⁰ The total amount of appropriations will be higher if Turkey, Croatia, the former Yugoslav Republic of Macedonia, Serbia, Montenegro and Albania, pay their foreseen contributions for joint actions (maximum amount EUR 483,895).

- CCN/CSI operations (Common Systems Interface): EUR 7,500,000;
- Customs Development: EUR 13,500,000;
- Customs Support: EUR 15,800,000;
- Quality assurance for all IT systems: EUR 4,200,000.

2.3. Common training tools

The development and maintenance of training modules and where appropriate, the supply of the necessary infrastructure and tools for common e-learning in the field of customs and in customs training management. Total indicative amount: EUR 2,000,000.

2.4. Other actions

The financial allocation for the Programme may also cover expenses relating to preparatory, monitoring, control, audit and evaluation activities which are required directly for the management of the Programme and the achievement of its objectives, and in particular studies, meetings, information and publication actions, expenses linked to IT networks focusing on information exchange, together with all other technical and administrative assistance expenses that the Commission may incur for the management of the Programme and any other activities required for the realisation of the objectives of the programme. Total indicative amount: EUR 2,000,000.

3. INFORMATION CONCERNING PUBLIC PROCUREMENT FOR CUSTOMS 2013 (BUDGET LINE 140402)

3.1. Information about contracts to be signed under 2012 appropriations

IT activities, Common training tools and any other activities and expenses related to programme management will be carried out by means of service procurement contracts. To this end, it is estimated to sign about 45 specific contracts for the total indicative amount of EUR 45,000,000¹¹ under existing multi-annual framework contracts.

3.2. Information on new tender procedures where no budgetary impact is expected for the year 2012.

Five new procurement procedures are envisaged to be launched in 2012 in view of concluding multi-annual framework contracts:

- Provision of services for Quality Assurance and Quality Control of IT activities managed by DG Taxud (QA3). The budget for this contract will be divided between Customs 2013 and Fiscalis 2013 (estimated ratio 60% Customs 2013

¹¹ The specific contracts are usually shared with budget line 14.0503 Fiscalis 2013, which is mentioned later in this Financing Decision. Thereby the actual value of the specific contracts will be higher.

and 40% Fiscalis). Estimated publication of the procurement procedure: 3rd quarter of 2012. The indicative amount of the framework contract will be EUR 40,000,000 with a maximum duration of 5¹² years.

- Provision of IT services as Architecture, Specifications, Development, Test and Maintenance of Customs, Taxation and Excise Trans-European Systems and Applications (CustFitsDev). The tender will be published in one or more lots and the budget for this contract will be divided between Customs 2013 and Fiscalis 2013 (estimated ratio 60% Customs 2013 and 40% Fiscalis). Estimated publication of the procurement procedure: 4th quarter of 2012. The indicative amount of the framework contract will be EUR 200,000,000 with a maximum duration of 8¹³ years.
- Provision of services for Scientific and Technical Assistance for revision and translation of chemical names in European Customs Inventory of Chemical Substances database (ECICS). Estimated publication of the procurement procedure: 2nd quarter of 2012. The indicative amount of the framework contract will be EUR 500,000¹⁴ with a maximum duration of 4 years.
- Provision of services for Scientific and Technical Assistance for improvement of sampling procedures. Estimated publication of the procurement procedure: 3rd quarter of 2012. The indicative amount of the framework contract will be EUR 400,000¹⁵ with a maximum duration of 4 years.
- Provision of communication services: Estimated publication of the procurement procedure: 3rd quarter of 2012. The budget for this contract will be divided between Customs 2013, Fiscalis 2013 and Internal Market¹⁶ (estimated ratio 60% Customs 2013, 30% Fiscalis, 10% Internal Market). The indicative amount of the framework contract will be EUR 10,000,000 with a maximum duration of 4 years.
- Provision of services to develop CCN/CSI (Common Communication Network/Common System Interface) (CCN2). The budget for this contract will

¹² Operational TAXUD systems are critical for Customs union and Taxation in Europe. In view of assuring continuity of the critical services, replacement of contractors has to be as long as 18 months as experience shows. This means that in the case of 4 years contracts, only one year of stability of the service would be assured. During this period it takes place the drafting and awarding of the next call for tender, a process that normally takes up to 2 years. Bearing in mind that limited innovation can happen during hand over and take over phases, duration of 4 years would exclude or drastically limit innovation in our IT contracts. This guides in the need of longer duration of these contracts.

¹³ Operational TAXUD systems are critical for Customs union and Taxation in Europe. In view of assuring continuity of the critical services, replacement of contractors has to be as long as 18 months as experience shows. This means that in the case of 4 years contracts, only one year of stability of the service would be assured. During this period it takes place the drafting and awarding of the next call for tender, a process that normally takes up to 2 years. Bearing in mind that limited innovation can happen during hand over and take over phases, duration of 4 years would exclude or drastically limit innovation in our IT contracts. This guides in the need of longer duration of these contracts.

¹⁴ About 50% of this framework contract is expected to be covered by budget line 14.0201 Internal Market, which is not part of this financing decision.

¹⁵ About 50% of this framework contract is expected to be covered by budget line 14.0201 Internal Market, which is not part of this financing decision.

¹⁶ Budget line Internal Market (14.0201) is not part of this financing decision.

be divided between Customs 2013 and Fiscalis 2013 (estimated ratio 60% Customs 2013 and 40% Fiscalis). Estimated publication of the procurement procedure: 2nd quarter of 2012¹⁷. The indicative amount of the framework contract will be EUR 40,000,000 with a maximum duration of 5¹⁸ years.

4. INFORMATION CONCERNING GRANTS FOR CUSTOMS 2013 (BUDGET LINE 140402)

The Joint Actions for a maximum amount of EUR 7,800,000¹⁹ will be carried out by means of a grant agreement for an action with multiple beneficiaries. The grant is expected to be awarded in the 1st quarter of 2012.

The proposed activities (Joint actions) to be included in the action financed through the grant shall be selected and assessed on the basis of the following evaluation criteria:

4.1. Eligibility criteria

- In accordance with Article 168(1)(d) of the Implementing Rules, the grant may be awarded without a call for proposals to bodies identified by a basic act, within the meaning of Article 49 of the Financial Regulation, as beneficiaries of a grant, in accordance with the conditions detailed in the annual work programme 2012 (see above).
- In conformity with Article 3 of Decision n° 624/2007/EC of 23 May 2007, the beneficiaries of the grant will be the customs administrations of the 27 Member States and of other eligible countries fulfilling the conditions for participation outlined in Article 3 §2 of the basic act.²⁰
- The proposed activities must be part of the activities provided for by Article 1§2 of the basic act: benchmarking, seminars and workshops, project groups and steering groups, working visits, training activities, monitoring actions and any other activities required for the realisation of the objectives of the programme.

¹⁷ The tender procedure has been postponed from the year 2011.

¹⁸ Operational TAXUD systems are critical for Customs union and taxation in Europe. In view of assuring continuity of the critical services, replacement of contractors has to be as long as 18 months as experience shows. This means that in the case of 4 years contracts, only one year of stability of the service would be assured. During that year the drafting of the next call for tender would be necessary. Bearing in mind that limited innovation can happen during hand over and take over phases, duration of 4 years would exclude or drastically limit innovation in our IT contracts. This guides in the need of longer duration of these contracts.

¹⁹ This amount may reach EUR 8,283,895 in case Turkey, Croatia, the former Yugoslav Republic of Macedonia, Serbia, Montenegro and Albania, pay their foreseen contributions for joint actions (maximum amount EUR 483,895).

²⁰ The three candidate countries currently participating in CUSTOMS 2013 are Turkey, Croatia and the Former Yugoslav Republic of Macedonia. Serbia is the only potential candidate country currently participating in CUSTOMS 2013. Montenegro, a candidate country, and Albania, a potential candidate country, could both become also participating countries in CUSTOMS 2013 as from 2012.

4.2. Selection criteria

- The applicants have the necessary operational and organisational competences for hosting the proposed activities when applicable.
- The applicants have the appropriate knowledge and expertise in the customs policy areas covered by the proposed activity.

4.3. Award criteria

- The proposed activities shall be in line with the objectives of the basic act and the priorities as specified in the Annual Work Programme.
- The proposed activities shall be of value added to the customs policy as outlined at Union level. It shall moreover be complementary to past, present and future activities set up in this field.
- The results and outputs of the proposed activities shall have a multiplying effect through their interest for and dissemination to a wider target audience within the national customs administrations than only the beneficiaries attending the activities.
- The activities shall be proposed on the basis of a coherent concept, with sufficient detail and appropriate methodology and timing.
- The proposed activities should be cost efficient in that the related costs, such as organisational and participant related cost for the activities should be in proportion to their objectives and expected outcomes.
- The proposed activities shall have a European dimension in that their expected outcomes should be beneficial to all participating countries (Member States, Croatia, Former Yugoslav Republic of Macedonia, Serbia, Turkey, Montenegro and Albania) or to at least two participating countries if the subject area is more targeted.

4.4. Grant

The grant will take the form of a combination of :

- Reimbursement of up to 100% of the eligible costs actually incurred by the beneficiaries for the following items:
 - (a) travel costs of their delegates;
 - (b) accommodation costs of their delegates, up to a maximum of a given amount pre-defined per country;
 - (c) costs linked to the organization of events in the framework of a given joint action up to the corresponding ceiling, as authorized by the Commission.
- Lump sums for daily allowances for national delegates.

The amounts to be used for (b) and the second bullet point are those set out in the Commission Decision for the general implementing provisions adopting the guide to missions for officials and other servants of the European Commission in force at the moment of the signature of the grant agreement. Both lists of rates shall be annexed to the grant agreement.

Moreover the national administrations put their financial and human resources at the disposal of both the organization and the participation in the above-mentioned events. The corresponding administrative expenditure, staff and equipment costs, including the salary costs of personnel are covered by national administrations, in compliance with the co-financing principle.