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Governance Scheme for the Implementation of Electronic Customs

Further information

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Governance Scheme for the Implementation of Electronic Customs

I. Why define a governance frame for electronic customs?

- High number of stakeholders involved with divergent needs and prerequisites: different administrations, departments and units from national governments (customs authorities and other administrations) of all Member States, companies of different sizes and structures
- Very broad and far reaching initiative with many different aspects to be analysed, discussed, agreed upon and implemented within an ambitious timeframe (which is linked to target dates laid down in several legal bases)
- Substantial amount of Community and national budgets required to finance the preparation and implementation of electronic customs; considerable need for human resources at Community and national level
- High degree of interdependence between electronic customs (legal, procedural, IT, other operational aspects such as training, communication, etc) and related areas (risk management, tariff, customs controls, etc)
- Importance of defining roles and responsibilities in order to ensure that all parties engage to meet the prefixed deadlines (electronic customs can only succeed if each Member State implements each phase at the same time).

Therefore, the electronic customs governance and management frame needs to address and incorporate **the following components**:

- steering
- close coordination and cooperation
- detailed planning and preparation
- information, consultation and decision-taking process (including commitments)
- risk management
- implementation at Community and national level
- follow-up and monitoring

in order to **ensure an efficient and effective project management and governance approach**.

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II. Three-layered Governance model

The organisational structure should be limited to three main layers in order to enhance coherence and coordination, to reduce duplication and bureaucracy and to ensure commitments at the appropriate levels.

Notwithstanding the overall steering responsibility of the **Customs Policy Group (CPG)**, the implementation of electronic customs will only be successful if there is a regular interaction across all these levels.

The following **bodies** will assist the Commission and the Member States in their responsibilities as regards the strategic direction, preparation, implementation and follow-up of the electronic customs initiative:

? Layer 1: Customs Policy Group (CPG) / Customs Code Committee (CC Committee) / Customs 2013 Committee

CPG: Senior management representatives from all Member States / Candidate Countries having the authority to define and express their national position as regards overall policy and strategy.

CC Committee and Customs 2013 Committee: Middle management representatives from all Member States / Candidate Countries being able to support and provide opinions on legal customs issues and C2013 Programme implementation and management issues.

? Layer 2: Electronic Customs Group (ECG)/ Other C2013 Steering Groups

Middle management representatives from all Member States / Candidate Countries with competency in legal, procedural, project management, operational, planning and IT technical aspects and being mandated by their administration.

? Layer 3: Single projects (seminars, project groups, benchmarking, etc)

Delegates from some or all Member States / Candidate Countries having expertise in a specific electronic customs related subject and having been mandated to work on the issue in accordance with the terms of reference indicated in the approved proposal.

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III. Roles and responsibilities

It is of vital importance for the success of electronic customs that roles, competences and responsibilities are clearly and explicitly defined for each layer and for each body involved in the electronic customs initiative. This should also be reflected in the way agendas of the meetings are set up, documents are distributed, meetings are conducted and minutes of the meetings are drafted.

Also for the participating countries, it will be important to critically examine their national co-ordination structure, to select delegates with the appropriate profile and to ensure that they are fully briefed and prepared for the meetings.

LAYER 1

Customs Policy Group (CPG) – full members / deputies

1. Representation

- 2 compositions:
 - CPG-full members: 2 delegates per participating country being the Head of the customs administration and his Deputy;
 - CPG-deputies: 2 delegates per participating country being the Deputy of the customs administration.
- Experts might be invited if necessary.

2. Decision-taking

- Usually 2 meetings of the CPG-full members and 2 of the CPG-deputies a year - Additional meetings may be organised whenever needed, in particular in relation to electronic customs.
- The CPG acting as a steering body for electronic customs will provide a forum for
 - Issuing opinions on major subjects;
 - Receiving information on developments;
 - Exchange of views on strategic or major implementation issues.

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3. Documentation and reporting:

- Timely distribution of documents to MS, particularly where approval is sought;
- Distribution of minutes to Member States, Commission services and the Electronic Customs Group.

4. Role

- The CPG will assist the Commission in its responsibility to
 - define and oversee electronic customs strategies;
 - ensure the coherence of all activities related to electronic customs;
 - oversee and coordinate overall legal and operational aspects as well as IT developments;
 - steer the implementation activities of all stakeholders;
 - ensure agreed deadlines are respected;
 - provide high level scrutiny of major initiatives, particularly where there are resource implications at national or Community level.

<i>Customs Code Committee</i>

Relevant section for electronic customs is "general rules and procedures".

1. Representation

- 1 delegate per participating country being a legal expert.

2. Decision-taking

- See Commission Proposal for the Modernised Customs Code.

3. Documentation and reporting:

- Distribution of separate report to the Electronic Customs Group and, where discussion is foreseen, to the CPG in order to provide these groups with the

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necessary information on issues related to and important for the realisation of the electronic customs initiative.

4. Role

- Information and consultation on legal aspects.

Customs 2013 Committee

1. Representation

- 1 delegate per participating country being a Deputy Head of the customs administration in charge of the implementation of the Programme at national level.
- 1 delegate per participating country being the Customs 2013 National Coordinator (Network meeting jointly organised with Committee meeting).

2. Decision-taking

- In principle, 1 or 2 meetings of the Customs 2013 Committee a year; an additional meeting can be organised if needed.
- The Customs 2013 Committee assists the Commission in managing the Customs 2013 Programme¹ and its implementation. The Committee should be consulted before adopting any implementing measures such as the Annual Work Programme (AWP).
- The introduction of new IT systems under the C2013 Programme is to be done by means of the AWP.
- Core part of the agenda
 - Formal opinion on the Annual Work Programmes;
 - Progress and planning reporting from the steering groups;
 - Direct reporting from other Customs 2013 action areas;
 - Programme management and financial information;
 - Other.

3. Documentation and reporting:

¹ Decision No 624/2007 of the European Parliament and the Council of 23 May 2007 establishing an action programme for customs in the Community (Customs 2013) (OJ L 154 of 14.06.2007)

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- Timely distribution of documents to MS, particularly where approval is sought;
- Policy issues raised at the Committee will be referred to the CPG for consideration and opinion;
- Distribution of separate report to the Electronic Customs Group as regards issues related to and important for the management and realisation of the electronic customs initiative.

4. Role

- In general, the Customs 2013 Committee will assist the Commission in ensuring that programme actions (IT / Joint Actions) are implemented within the established Customs 2013 management and financial frame.
- The Customs 2013 Committee takes on an overall coordination and monitoring role of the programme activities and related budget expenditure. However, given the large variety and quantity of activities, steering groups are created to carry-out the coordination function in relation to specific activity areas.

LAYER 2

Electronic Customs Group (ECG)

1. Representation

- Meetings of the Electronic Customs Group (ECG – IT & Legal) can be convened with
 - 2 delegates per participating country being a procedural expert of the customs administration and an IT expert or project management expert.
- IT Technical sub-group meetings of the Electronic Customs Group.
- All Member States + Candidate Countries are expected to have their administration represented.
- Meetings will address all aspects of the electronic customs project.
- Other experts (private or public) might be invited, if necessary.

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2. Decision-taking

- The Electronic Customs Group has been set up under Article 10 of the Customs 2013 Programme decision in order to ensure coordination and consistency as regards the overall planning, implementation and follow-up of all legal, procedural, IT and operational aspects related to electronic customs. It is seen as the platform for all participating countries to discuss the electronic customs related subjects and to reach a common understanding and agreement on the Multi-Annual Strategic Plan (MASP), the definition of user requirements, of functional specifications and of technical specifications. Corrective maintenance² of these documents shall be handled in the appropriate IT technical sub-group meetings of ECG, including their final acceptance. Corrective maintenance results in the improvements or elimination of mistakes in the texts, as opposed to evolutive maintenance which introduces new elements in the text.
- The ECG meetings (chaired by TAXUD) need to dispose of a holistic view on all legal, procedural, IT and customs operational aspects of electronic customs. Particular attention will be paid to the holistic project management of eCustoms, to the establishment, monitoring and acceptance of user requirements & specifications for all the constituent parts of eCustoms, to the co-ordination of the implementation plans of all stakeholders and to the follow up of the eCustoms operation.
- Frequent meetings a year of the ECG.
- The agenda points for the meetings will be brought forward "for information/consideration" in order to come to a consensus amongst all countries. Problematic issues or issues requiring a policy/strategy statement will be brought to the CPG, who will assist the Commission in addressing these questions. Legal issues will be reported to the appropriate section of the Customs Code Committee and management or budgetary issues will be referred to the Customs 2013 Committee.
- The ECG may initiate new project groups (under the control of the ECG) or any other kind of activity in support of electronic customs in line with the Customs 2013 procedures (appraisal process, etc).

3. Documentation and reporting:

- Timely distribution of documents to participating countries (14 calendar days in advance);

² Corrective maintenance of an accepted document must not change the scope and/or technical characteristics of the systems, but should be carried out to improve the quality of the document, to correct defective items or to take into account changes of the legal basis.

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- Distribution of relevant ECG documents to the CPG (via DG TAXUD);
- Separate reporting of issues "for information/for consideration/for approval" to CPG (possible strategic impact), Customs Code Committee (possible legislative impact), Customs 2013 Committee (possible management or financial impact).
- In order to ensure coordination with the other Customs 2013 steering groups, separate reports on electronic customs related subjects have to be addressed from the ECG to the other groups and vice versa (via DG TAXUD).

4. Role:

- The key role of the ECG is to assist the Commission in the implementation of electronic customs as regards
 - ensuring coherence between the customs legislation and the implementation of electronic customs (e.g. standardisation of data elements and messages);
 - preparing and establishing a suitable and interoperable IT environment responding to the requirements of electronic customs (e.g. harmonisation of interfaces);
 - ensuring coherence and consistency between all projects related to electronic customs and between the projects and the MASP;
 - improving the dialogue with trade on complex customs issues.
- The ECG will also assist the Commission in the establishment and updating of the MASP implementation plan in order to make sure that the target dates fixed in the Decision on paperless customs and in any other related Decision can be met.
- Preparatory analytical work can be done by the ECG, by another C2013 Steering Group, by a contractor, by a small project group, during a seminar or a benchmark, etc. The Commission, assisted by the ECG, will provide for close coordination and follow-up of each of these activities.

LAYER 3

Single projects (seminars, project groups, benchmarking, etc)

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Please note that as a general principle, each action should be implemented as outlined in the approved proposal and in accordance with the Customs 2013 procedures.

Approval of action proposals must also clarify the appropriate reporting procedures (for instance, to which Group to report).

1. Representation

- For a Customs 2013 seminar: 1-2 delegates from all participating countries corresponding to a predefined profile – chaired by the Commission in partnership with the host country.
- For a Customs 2013 project group: a number of delegates having volunteered to elaborate on a specific issue – mostly chaired by the Commission, exceptionally chaired by a MS.
- For a Customs 2013 benchmarking: a small number of benchmarking partners having agreed to benchmark their working methods, etc in order to identify best practices – a benchmark expert from a MS will act as the team leader.
- For a Customs 2013 working visit: one or two delegates from a MS will visit another MS in order to study or to exchange views and experiences on specific customs issues.

2. Decision-taking

- Outcomes of these actions will be laid down in interim and final reports and brought forward as recommendations to be reconsidered by the Commission, assisted by the ECG. Final decisions can NOT be taken at this level.

3. Documentation and reporting:

- Minutes are required for each meeting and should be made available to the Commission.
- Interim progress reports and final reports should be represented at the ECG and/or other Group as defined in the approved Customs 2013 action proposal.

4. Role

- As defined in the approved Customs 2013 action proposal.

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