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ANNEX

**ANNEX**

**to the**

**Commission Implementing Decision**

**on the financing of the Customs programme for cooperation in the field of customs for  
the year 2023 and the adoption of the multi-annual work programme for 2023, 2024 and  
2025**

## ANNEX

### **Work programme for 2023, 2024 and 2025 for the Customs programme for cooperation in the field of customs<sup>1</sup>**

#### **1. INTRODUCTION<sup>2</sup>**

This is the second work programme for the Customs programme for cooperation in the field of customs ('the Customs programme' or 'the programme') adopted under the multiannual financial framework for the years 2021 to 2027.

The Customs programme has the general objective to support the customs union and customs authorities working together and acting as one to protect the financial and economic interests of the Union and its Member States, to ensure security and safety within the Union and to protect the Union from unfair and illegal trade, while facilitating legitimate business activity. It is a tool that supports the implementation of customs policy as well as customs legislation, both at the Union level and at the Member States' level.

#### **1.1. Programme priorities for 2023, 2024 and 2025**

As a priority, the programme addresses the actions identified in the Commission's strategic documents on customs policy, primarily:

- the **Communication from the Commission "Taking the Customs Union to the Next Level: a Plan for Action"**<sup>3</sup>;
- the **Strategic Plan 2020-2024 of the Commission Directorate-General Taxation and Customs Union**<sup>4</sup> and its future iteration.

The Customs programme takes also into account the developments in the domain of customs, such as the **findings of the interim evaluation of the implementation of the Union Customs Code (UCC)**<sup>5</sup> and the **reflections of the Wise Persons Group on Challenges Facing the Customs Union (WPG)**<sup>6</sup>. During the years 2023, 2024 and 2025, the Customs programme may support the developments and aide the follow-up actions linked with the strategic evolution stemming from these and similar findings. The programme may also support **customs union reform<sup>7</sup> related initiatives which may be adopted** during the period.

In addition to supporting the implementation of the customs strategic policy, the Customs programme has been responding and will continue to respond in the years ahead to cope with

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<sup>1</sup> Regulation (EU) 2021/444 of the European Parliament and of the Council of 11 March 2021 establishing the Customs programme for cooperation in the field of customs and repealing Regulation (EU) No 1294/2013 (OJ L 87, 15.3.2021, p. 1).

<sup>2</sup> The introduction covers equally the grants, the procurement and other expenditure sections of the document.

<sup>3</sup> COM(2020) 581 final

<sup>4</sup> [https://ec.europa.eu/taxation\\_customs/general-information-customs/customs-action-plan\\_en](https://ec.europa.eu/taxation_customs/general-information-customs/customs-action-plan_en)

<sup>5</sup> [https://ec.europa.eu/info/publications/strategic-plan-2020-2024-taxation-and-customs-union\\_en](https://ec.europa.eu/info/publications/strategic-plan-2020-2024-taxation-and-customs-union_en)

<sup>6</sup> [Commission Staff Working Document on the interim evaluation of the implementation of the Union Customs Code - SWD/2022/0158 final/2](https://ec.europa.eu/taxation_customs/customs-4/wise-persons-group-challenges-facing-customs-union-wpg_en)

<sup>7</sup> [https://ec.europa.eu/taxation\\_customs/customs-4/wise-persons-group-challenges-facing-customs-union-wpg\\_en](https://ec.europa.eu/taxation_customs/customs-4/wise-persons-group-challenges-facing-customs-union-wpg_en)

<sup>7</sup> [https://taxation-customs.ec.europa.eu/news/commission-seeks-views-upcoming-eu-customs-reform-2022-07-22\\_en](https://taxation-customs.ec.europa.eu/news/commission-seeks-views-upcoming-eu-customs-reform-2022-07-22_en)

the challenges the Union is being confronted with. **Russia's military aggression against Ukraine**, its evolution and the related measures, as well as the persisting effects of the **withdrawal of the United Kingdom** and of the **COVID-19 pandemic**, and the associated **risks of persistent high inflation rates**, reinforce even further the need to ensure intelligent management, coordination, cooperation and digitalisation of the customs union. The customs authorities and the customs union also contribute substantially to the objectives of the **European Green Deal**<sup>8</sup> by playing an essential role in controlling the movement of goods across the Union's external borders as well as implementing the related measures, such as the Carbon Border Adjustment Mechanism (CBAM)<sup>9</sup>.

In particular, to address the above challenges and deliver on President von der Leyen's pledge to take Union customs to the next level, the **European Union Single Window Environment for Customs initiative**<sup>10</sup> was designed as an ambitious project to streamline digital customs cooperation and facilitate trade over the coming decade.

By supporting the implementation of these policy objectives and by responding to the challenges the customs union is confronted with, the Customs programme is a major support for all key actors to deliver as expected.

## 1.2. Overall policy context and programme support

The Customs programme addresses the following key components of the customs union.

### 1.2.1. Comprehensive legal framework

The UCC is the comprehensive legal framework governing nearly all aspects of customs processes in the Union (e.g. rules on procedures, declarations, decisions and related IT systems). As such, it represents the core of the customs union's common legal framework and is a key element underpinning also the Customs programme's objectives.

The implementation of the UCC legal package<sup>11</sup> is complemented by Union-wide interoperable IT systems, cooperation actions and guidance documents directly or indirectly reinforcing the uniform interpretation and application of law by the Member State customs authorities, aiming towards a well-functioning customs union. All tools (eligible actions) of the Customs programme can be mobilised to provide support to the common interpretation, to harmonise the implementation and to upgrade the UCC as well as other customs-related legal acts.

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<sup>8</sup> COM(2019) 640 final

<sup>9</sup> [https://ec.europa.eu/taxation\\_customs/commission-priorities-2019-24-and-taxation/european-green-deal-dg-taxud\\_en](https://ec.europa.eu/taxation_customs/commission-priorities-2019-24-and-taxation/european-green-deal-dg-taxud_en).

<sup>10</sup> Regulation (EU) 2022/2399 of the European Parliament and of the Council of 23 November 2022 establishing the European Union Single Window Environment for Customs and amending Regulation (EU) No 952/2013 (OJ L 317, 9.12.2022, p. 1)

<sup>11</sup> Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (recast) (OJ L 269, 10.10.2013, p. 1). Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code (OJ L 343, 29.12.2015, p. 1). [Consolidated text](https://ec.europa.eu/taxation_customs/business/union-customs-code/ucc-legislation_en). Further related legal acts and explanatory information on the UCC legal package: [https://ec.europa.eu/taxation\\_customs/business/union-customs-code/ucc-legislation\\_en](https://ec.europa.eu/taxation_customs/business/union-customs-code/ucc-legislation_en)

### *1.2.2. Modern digital customs environment*

Delivering on the commitments for increased digitalisation in the area of customs is a top priority in the customs union. The importance of digitalisation is also reflected by the fact that approximately 90% of the overall Customs programme budget is dedicated to establishing and operating the customs electronic systems that allow the improved functioning of the customs union. Upgrading and developing electronic systems designed to make the customs union a modern, interconnected and fully paperless environment should be completed across the Union before the end of 2025 at the latest. As delays by Member States in the implementation of certain modules interfere with the proper functioning of the Union-wide interoperable IT systems, support mechanisms to closely monitor progress and facilitate Member States in the set-up of their IT systems may be required. As defined in the Multi-annual Strategic Plan for Electronic Customs (MASP-C Revision 2019)<sup>12</sup>, a particular emphasis in 2023, 2024 and 2025 will be put on the following actions:

- the maintenance and updates of operational IT systems and business continuity<sup>13</sup>, representing the highest budget consumption sector within the IT budget;
- the design, development and deployment of UCC electronic systems<sup>14</sup>;
- the design, development and deployment of non-UCC systems and support to the implementation of the Customs Action Plan.

Customs in the 21<sup>st</sup> century, as the rest of the society, faces a technological revolution by which it is and will remain heavily impacted. If customs is to overcome these technological challenges, it has to embrace new technologies, use innovative solutions and provide user-friendly tools for both customs officers and the clients of customs authorities. The Customs programme facilitates these efforts by providing a platform to review and monitor modern and emerging solutions (e.g. blockchain, artificial intelligence, machine-learning, technology transfers, solutions by start-up/scale-up ecosystems). Consequently, the development of a modern digital customs environment is a focal point of the Customs programme. This includes the testing and delivery of high-quality and reliable new customs systems, the operation and maintenance of existing IT systems, which already play a key role in the customs union, and interoperability and connectivity with other national IT systems, primarily those linked with border control.

The Customs programme will help the implementation of the technological changes that could be required in terms of the evolution of the role of customs and the functioning of the customs union. It is of utmost importance that all goods entering or exiting the Union are efficiently controlled through a Union-wide, agile, flexible and timely management of risks and threats that by nature are volatile and constantly evolving. This implies having data at the centre of customs operating model and making the customs union fit for the digital age, with information and data exchange between customs authorities, the European Commission, economic operators, and other relevant authorities (e.g. market surveillance authorities, tax authorities, security authorities).

### *1.2.3. Cooperation and human competency building*

Collaboration, including enhanced operational cooperation, between the Member States' and other programme participating countries' customs authorities, directly contributes to their

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<sup>12</sup> [https://ec.europa.eu/taxation\\_customs/general-information-customs/electronic-customs\\_en#heading\\_2](https://ec.europa.eu/taxation_customs/general-information-customs/electronic-customs_en#heading_2)

<sup>13</sup> European electronic systems for customs already developed and deployed.

<sup>14</sup> See [MASP-C Annex 2](#) listing the project fiches.

increased effectiveness and efficiency. The Customs programme provides fora for this collaboration: the authorities can share knowledge, experience, best practices and set guidelines together through the programme activities. The collaboration supported by the Customs programme can benefit the strategic policy aspects as well as the day-to-day operational functioning of the customs union and of the customs authorities. Working together in task teams, task forces, expert teams, networks, project groups and other similar set-ups further reinforces operational synergies, deepens trust between the programme participating countries' customs authorities, and contributes to achieving equivalent results by them. In addition, the Customs programme facilitates collaboration with the key trade partners of the Union in the interest of the functioning of the customs union. The programme also supports close cooperation with and between enlargement and neighbourhood policy countries to facilitate their approximation and integration process.

The legal and digitalised customs environments are just as valuable as the people implementing and using them. Therefore, the Customs programme also finances activities performed by the Commission or by the programme participating countries that directly contribute to human competency building and training. As such, promoting, keeping up-to-date and implementing throughout the Union a modern and comprehensive human competency-building framework for customs professionals is another relevant programme aspect. In this context, the Customs programme will be used not only to support a wide scale of activities such as e-learning modules, study visits, as well as training sessions that directly contribute to human competency building, but also for complementing the financial instrument aimed to purchase and upgrade customs control equipment, the instrument for financial support for customs control equipment, established by Regulation (EU) 2021/1077 of the European Parliament and of the Council<sup>15</sup>.

### **1.3. Synergies with other Union programmes and initiatives**

In pursuing its objectives, the Customs programme will continue feeding into the wider Commission agenda and create synergies with other Union programmes. Regulation (EU) 2021/444 specifically calls for the Customs programme to exploit possible synergies with other Union measures in related fields to ensure cost-effectiveness. Recital 5 of the Regulation (EU) 2021/444 highlights such synergies with the Fiscalis programme<sup>16</sup>, the Customs Control Equipment Instrument, the Union Anti-Fraud Programme<sup>17</sup>, the Border Management and Visa Instrument (BMVI)<sup>18</sup>, the Internal Security Fund<sup>19</sup>, the Single Market Programme<sup>20</sup>, the Recovery and Resilience Facility<sup>21</sup>, and the Technical Support Instrument<sup>22</sup>.

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<sup>15</sup> Regulation (EU) 2021/1077 of the European Parliament and of the Council of 24 June 2021 establishing, as part of the Integrated Border Management Fund, the instrument for financial support for customs control equipment (OJ L 234, 2.7.2021, p. 1).

<sup>16</sup> Regulation (EU) 2021/847 of the European Parliament and of the Council of 20 May 2021 establishing the 'Fiscalis' programme for cooperation in the field of taxation and repealing Regulation (EU) No 1286/2013 (OJ L 188, 28.5.2021, p. 1).

<sup>17</sup> Regulation (EU) 2021/785 of the European Parliament and of the Council of 29 April 2021 establishing the Union Anti-Fraud Programme and repealing Regulation (EU) No 250/2014 (OJ L 172, 17.5.2021, p. 110).

<sup>18</sup> Regulation (EU) 2021/1148 of the European Parliament and of the Council of 7 July 2021 establishing, as part of the Integrated Border Management Fund, the Instrument for Financial Support for Border Management and Visa Policy (OJ L 251, 15.7.2021, p. 48).

<sup>19</sup> Regulation (EU) 2021/1149 of the European Parliament and of the Council of 7 July 2021 establishing the Internal Security Fund (OJ L 251, 15.7.2021, p. 94).

<sup>20</sup> Regulation (EU) 2021/690 of the European Parliament and of the Council of 28 April 2021 establishing a programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, the area of plants, animals, food and feed, and European statistics (Single Market

The Customs programme also facilitates the implementation of the more recent Union legislation on prohibitions and restrictions linked with the cross-border movement of goods and substances. While back in the 1990s, the legislation on prohibitions and restrictions was limited to a set of well-defined bans and authorisations (for nuclear substances, firearms, drug precursors, etc.) and the compliance and safety requirements of products focused essentially on key product categories (including toys, medicines and foodstuffs), nowadays there are more than 350 Union legal acts dealing with prohibitions and restrictions and covering a wide range of policy areas. In addition to it, the policy agenda on the European Green Deal and the Union's desire to contribute to fairer working conditions worldwide by fighting against imports made by child and forced labour are expanding the areas where customs authorities may play a key role in the enforcement of the Union policies.

#### **1.4. Financing and the budget**

On the basis of the objectives given in Regulation (EU) 2021/444, this work programme contains the actions to be financed and the budget breakdown for years 2023, 2024 and 2025 as follows:

- for grants (implemented under direct management) (point 2),
- for procurement (implemented under direct management) (point 3),
- for other actions or expenditure (point 4).

Legal basis

Regulation (EU) 2021/444 of the European Parliament and of the Council of 11 March 2021 establishing the Customs programme for cooperation in the field of customs and repealing Regulation (EU) No 1294/2013 (OJ L 87, 15.3.2021, p. 1).

Budget line

03 01 03 – “Support expenditure for Customs”  
03 05 01 – “Cooperation in the field of customs (CUSTOMS)”

#### **1.5. Objectives pursued**

The programme is a tool that supports the implementation of the customs policy and customs legislation both at the Union's and the Member States' level. The aim of the Customs programme is to support the customs union and customs authorities working together and acting as one to protect the financial and economic interests of the Union and its Member States, to ensure security and safety within the Union and to protect the Union from unfair and illegal trade, while facilitating legitimate business activity.

The programme aims to contribute to the smart, sustainable and inclusive growth in the Union by strengthening the functioning of the internal market. It addresses the Commission priorities in terms of activities that contribute to an economy that works for the people, to protecting our

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Programme) and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014 and (EU) No 652/2014 (OJ L 153, 3.5.2021, p. 1).

<sup>21</sup> Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

<sup>22</sup> Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, 18.2.2021, p. 1).

European way of life, and to taking the customs union to the next level, equipping it with a stronger framework that will allow better protecting the Union citizens and the single market.

This concerns specifically the following policy domains and subjects<sup>23</sup>:

- Overall functioning and modernisation of the customs union;
- Customs union performance measurement and monitoring;
- Development, implementation, evaluation and enforcement of customs union legislation and related policies;
- EU Single Window Environment for Customs initiative;
- E-commerce;
- Customs risk management, data analytics, supply chain security;
- Authorised Economic Operators (AEO) programme together with the related mutual recognition agreements;
- Cooperation with third countries and international organisations, international agreements;
- Determination and collection of customs duties and related taxes;
- Customs tariff and classification;
- Rules of origin;
- Customs valuation;
- Customs procedures and formalities;
- Prohibitions and restrictions – Intellectual Property Rights, cash controls, cultural heritage, drug precursors, product safety and compliance, health, environment and other public interests;
- Competitiveness and trade facilitation;
- Effective and efficient customs administrations and authorities;
- Training and human competency building;
- Operational procedures and working methods;
- European Customs Laboratories;
- IT capacity building;
- Programme management<sup>24</sup>.

## 1.6. Expected results

The actions are expected to support the following activities:

- (1) the preparation and uniform implementation of customs legislation and policy;
- (2) customs cooperation;
- (3) IT capacity building including the development and operation of European

<sup>23</sup> The scope of the programme covers customs cooperation (Article 33 TFEU), the internal market (Article 114 TFEU) and commercial policy (Article 207 TFEU).

<sup>24</sup> Article 4 of Regulation (EU) 2021/444.

- electronic systems;
- (4) human competency building and training;
- (5) innovation in the area of customs policy.

## 2. GRANTS

The global budgetary envelope reserved for grants under this work programme for 2023, 2024 and 2025 is EUR 18 550 000.

By derogation from Article 190 of the Financial Regulation, the programme may finance up to 100 % of eligible costs of an action, in the following cases:

- (a) Reimbursement of the eligible costs actually incurred by the beneficiaries for the following items:
  - (i) costs for hosting experts of the project (long-term missions), up to 100%;
  - (ii) depreciation costs for equipment needed for the project (only depreciation costs prorata the duration of the project), up to 100%;
  - (iii) costs for subcontracting, (external services for hiring special expertise, limited in volume and to non-essential parts of the project), up to 100%;
  - (iv) other direct costs (e.g. organisational costs for of events, software licences, printing promotion material, the purchase of consumables and supplies needed for the project), up to 100%;
- (b) Reimbursement of the eligible costs on the basis of unit costs incurred by the beneficiaries for the following items:
  - (i) travel costs for national participants, up to 100%;
  - (ii) daily allowances for national participants, up to 100%;
  - (iii) accommodation costs for national participants, up to 100%;
  - (iv) personnel costs for national participants and for the grant coordinator (based on basic salary), up to 100%;
- (c) Reimbursement on the basis of a flat rate for indirect costs (overheads), corresponding to 7% of all direct eligible costs, up to 100%.

Specific eligible costs applicable to the specific grants shall be described in the grant agreement. The list of unit costs shall be annexed to the grant agreement.

### 2.1. General collaboration activities in the field of customs

Type of applicants targeted by the direct award

In accordance with Article 195, first paragraph, point (f), of the Financial Regulation, the grants shall be awarded without a call for proposals where the eligible entities are customs authorities of the Member States and of the third countries participating in the programme as



referred to in Article 5 of Regulation (EU) 2021/444, provided that the conditions set out in that Article are met.<sup>25</sup>

In accordance with Article 9(4) of the Regulation (EU) 2021/444, the work of the evaluation committees shall be based on the general principles applicable to grants laid down in Article 188 of the Financial Regulation and in particular, on the principles of equal treatment and transparency, as well as on the principle of non-discrimination.

The evaluation committees shall evaluate proposals on the basis of award criteria, such as, where appropriate:

- (a) relevance of the proposed actions in view of the objectives pursued;
- (b) quality of the proposed actions;
- (c) impact, including economic, social and environmental impact; and
- (d) budget and cost-effectiveness.

Description of the activities to be funded by the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation

The grant will provide financial support for carrying out customs cooperation activities supporting the achievement of the programme objectives in the areas referred to in point 1.5 in the form of:

- (a) One-off events, such as seminars, workshops, study visits, support visits and similar activities;
- (b) Series of events, such as platforms, networks, steering groups, coordination groups, project groups, working groups, study visits, support visits and similar activities;
- (c) Other similar cooperation activities, excluding expert teams addressed under separate grants in points 2.2. to 2.6.

Implementation

The grant will be implemented directly by DG TAXUD.

Indicative implementation start date: first semester 2024.

Indicative duration of the grant: until 31 December 2026.

## **2.2. Expert team on new approaches to develop and operate customs IT systems (ETCIT IV)**

Type of applicants targeted by the direct award

In accordance with Article 195, first paragraph, point (f), of the Financial Regulation, the grants shall be awarded without a call for proposals where the eligible entities are customs authorities of the Member States and of the third countries participating in the programme as referred to in Article 5 of Regulation (EU) 2021/444, provided that the conditions set out in that Article are met.<sup>26</sup>

<sup>25</sup> Article 9(3) of Regulation (EU) 2021/444.

<sup>26</sup> Article 9(3) of Regulation (EU) 2021/444.

In accordance with Article 9(4) of Regulation (EU) 2021/444, the work of the evaluation committees shall be based on the general principles applicable to grants laid down in Article 188 of the Financial Regulation and in particular, on the principles of equal treatment and transparency, as well as on the principle of non-discrimination.

The evaluation committees shall evaluate proposals on the basis of award criteria, such as, where appropriate:

- (a) relevance of the proposed actions in view of the objectives pursued;
- (b) quality of the proposed actions;
- (c) impact, including economic, social and environmental impact;
- (d) budget and cost-effectiveness.

Description of the activities to be funded by the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation

The grant will provide financial support for the customs authorities of the participating countries to facilitate and manage enhanced operational cooperation in the area of IT collaboration.

Description of the activities:

The expert team will support the participating countries in identifying new approaches for IT collaboration and elaborating a methodology for future collaboration projects by facilitating and promoting ideas among the participating countries and supporting projects and services with collaboration methods for joint development, maintenance, operation and procurement. The team will investigate the possibilities of establishing a long-term function in order to facilitate and manage IT collaboration among participating countries and the Commission.

Expected results:

(a) Direct, short-term deliverables and outputs:

- Use of pooling of resources in the area of customs IT explored and assessed, pros and cons analysed;
- Methodology and process for business case and organization for pilot project or proof of concept;
- Mechanisms identifying, prioritising and supporting future IT collaborative activities among participating countries and the Commission;
- Identified channels for communicating and promoting IT collaboration projects among the participating countries;
- IT projects and services that use collaborative methods for joint development, maintenance, operations and procurement;
- Cost-benefit analysis of IT customs projects developed jointly by the participating countries and the Commission.

(b) Longer-term impacts:

- Enhanced IT collaboration among participating countries;
- Collaborative tools and concrete proposals for policy decisions regarding future customs IT management;
- Input to the long-term Union strategy for customs IT systems;
- Consistency in long-term framework of Union IT collaboration in customs, supported

for example by methods, tools, guidance etc.

#### Implementation

The grant will be implemented directly by DG TAXUD.

Indicative implementation start date: Q3 2023.

Indicative duration of the grant: 36 months.

### **2.3. Expert team for pooling expertise to resolve complex cases of divergent tariff classification (BTI III)**

#### Type of applicants targeted by the direct award

In accordance with Article 195, first paragraph, point (f), of the Financial Regulation, the grants shall be awarded without a call for proposals where the eligible entities are customs authorities of the Member States and of the third countries participating in the programme as referred to in Article 5 of Regulation (EU) 2021/444, provided that the conditions set out in that Article are met.<sup>27</sup>

In accordance with Article 9(4) of Regulation (EU) 2021/444, the work of the evaluation committee(s) shall be based on the general principles applicable to grants laid down in Article 188 of the Financial Regulation and in particular, on the principles of equal treatment and transparency, as well as on the principle of non-discrimination.

The evaluation committees shall evaluate proposals on the basis of award criteria, such as, where appropriate:

- (a) relevance of the proposed actions in view of the objectives pursued;
- (b) quality of the proposed actions;
- (c) impact, including economic, social and environmental impact;
- (d) budget and cost-effectiveness.

#### Description of the activities to be funded by the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation

The grant will provide financial support for the customs authorities of the participating countries to implement enhanced operational cooperation in the area of tariff classification<sup>28</sup> of goods and binding tariff information<sup>29</sup>. The term ‘tariff classification of goods’ is defined in Article 57 of the UCC and it means determining the subheadings or further subdivisions of the Combined Nomenclature (CN)<sup>30</sup> under which the goods will be classified. Classification is not just used to determine the customs duty rate for a specific subheading but it is also used to in terms of non-tariff measures, such as import or export licences restrictions, certificate of origin,

<sup>27</sup> Article 9(3) of Regulation (EU) 2021/444.

<sup>28</sup> Tariff classification of goods: [https://taxation-customs.ec.europa.eu/customs-4/calculation-customs-duties/customs-tariff/classification-goods\\_en](https://taxation-customs.ec.europa.eu/customs-4/calculation-customs-duties/customs-tariff/classification-goods_en)

<sup>29</sup> Binding Tariff Information (BTI): [https://taxation-customs.ec.europa.eu/customs-4/calculation-customs-duties/customs-tariff/ebti-european-binding-tariff-information\\_en](https://taxation-customs.ec.europa.eu/customs-4/calculation-customs-duties/customs-tariff/ebti-european-binding-tariff-information_en)

<sup>30</sup> Combined Nomenclature: [https://taxation-customs.ec.europa.eu/customs-4/calculation-customs-duties/customs-tariff/combined-nomenclature\\_en](https://taxation-customs.ec.europa.eu/customs-4/calculation-customs-duties/customs-tariff/combined-nomenclature_en)

liability to excise duty, etc.

Description of the activities:

The expert team will provide reasoned expert opinions on specific tariff classification cases supporting the Customs Code Committee in order to smoothly and rapidly find a solution to cases of divergent tariff classification between Member States.

Expected results:

(a) Direct, short-term deliverables and outputs:

Reasoned expert opinions, containing the reasons for a suggested tariff classification as well as, when requested, a draft proposal for a measure (classification Regulation or Combined Nomenclature Explanatory Note).

(b) Longer-term impacts:

Enhanced collaborative cooperation between the Commission and Member States.

Implementation

The grant will be implemented directly by DG TAXUD.

Indicative implementation start date: Q4 2024.

Indicative duration of the grant: 36 months.

#### **2.4. Expert team for pooling and sharing specific analytical expertise of Customs Laboratories at Union level (CLET IV)**

Type of applicants targeted by the direct award

In accordance with Article 195, first paragraph, point (f), of the Financial Regulation, the grants shall be awarded without a call for proposals where the eligible entities are customs authorities of the Member States and of the third countries participating in the programme as referred to in Article 5 of Regulation (EU) 2021/444, provided that the conditions set out in that Article are met.<sup>31</sup>

In accordance with Article 9(4) of Regulation (EU) 2021/444, the work of the evaluation committees shall be based on the general principles applicable to grants laid down in Article 188 of the Financial Regulation and in particular, on the principles of equal treatment and transparency, as well as on the principle of non-discrimination.

The evaluation committees shall evaluate proposals on the basis of award criteria, such as, where appropriate:

- (a) relevance of the proposed actions in view of the objectives pursued;
- (b) quality of the proposed actions;
- (c) impact, including economic, social and environmental impact;
- (d) budget and cost-effectiveness.

Description of the activities to be funded by the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation

<sup>31</sup> Article 9(3) of Regulation (EU) 2021/444.

The grant will provide financial support for the customs authorities of the participating countries to implement enhanced operational cooperation in the area of customs laboratories.

Description of the activities:

The expert team will assist the customs laboratories of the Member States and the enlargement countries by providing analytical capacity and expertise especially when sophisticated or rare laboratory equipment or special scientific expertise are required.

The expert team pools the expertise and equipment in a network of customs laboratories, to analyse samples, to share results of analysis at Union level, to elaborate an operational common/harmonised approach for analysis and to test and promote new working methods.

The expert team is composed by a pool of selected experts with specific expertise and equipment available. The same expertise or the same equipment can be proposed by several Member States in order to provide more comprehensive knowledge and backup equipment (business continuity).

It aims to develop top specific competencies by using the expertise of scientists of the customs laboratories.

Expected results:

- (a) Direct, short-term deliverables and outputs: reports of laboratory analysis, reports of scientific expertise.
- (b) Longer-term impacts: improved customs control throughout the whole Union underpinned by solid scientific evidence.

Implementation

The grant will be implemented directly by DG TAXUD.

Indicative implementation start date: Q4 2024.

Indicative duration of the grant: 36 months.

## **2.5. Expert team for Import Control System 2 (ICS2) Safety and Security Analytics (ICS2 SSA II)**

Type of applicants targeted by the direct award

In accordance with Article 195, first paragraph, point (f), of the Financial Regulation, the grants shall be awarded without a call for proposals where the eligible entities are customs authorities of the Member States and of the third countries participating in the programme as referred to in Article 5 of Regulation (EU) 2021/444, provided that the conditions set out in that Article are met<sup>32</sup>.

In accordance with Article 9(4) of Regulation (EU) 2021/444, the work of the evaluation committees shall be based on the general principles applicable to grants laid down in Article 188 of the Financial Regulation and in particular, on the principles of equal treatment and transparency, as well as on the principle of non-discrimination.

The evaluation committee(s) shall evaluate proposals on the basis of award criteria, such as,

<sup>32</sup> Article 9(3) of Regulation (EU) 2021/444.

where appropriate:

- (a) relevance of the proposed actions in view of the objectives pursued;
- (b) quality of the proposed actions;
- (c) impact, including economic, social and environmental impact;
- (d) budget and cost-effectiveness.

Description of the activities to be funded by the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation

The grant will provide financial support for the customs authorities of the participating countries to implement enhanced operational cooperation in the area of Safety and Security Analytics based on advance cargo data in the ICS2 system.

The ICS2 system is a new strategic platform for customs risk management. It brings new and improved advanced cargo data flows (Entry Summary Declarations – ENS) - a new requirement for advance cargo data on postal parcels was introduced as from 15 March 2021, while new “multiple filing” requirements to bring better advance cargo data in air cargo as well as, maritime, road and rail modes of transport will be introduced, respectively, from March 2023 and from March 2024. It introduces new real-time collaboration between customs across the Union, underpinned by a common repository that orchestrates the operational sharing of declared data and the results of risk analysis and controls. It brings forward a Safety and Security Analytics (SSA) capability which is to enable the Member States to work together with the support of additional tools and working methods, leveraging the common repository and ICS2 business processes to better manage safety and security risks, which need to be identified before loading in a third country (e.g. serious threats such as concealment of improvised explosive devices in aircraft) or before arrival in the Union.

The SSA capability entered in the development phase in 2021, and is planned for live operations in 2023.

Description of the activities:

- (a) Establish the expert team as a functioning working method to investigate and establish the potential operational structures, addressing key issues necessary for the operational use of ICS2 SSA capabilities in national risk management, in line with the ICS2 SSA Concept. Issues, to be defined in a business plan, are expected to include depending on the tasks completed in Phase 1:
  - The core expert team roles which will be provisionally indicated in the SSA Concept;
  - The project workflow including the project agreement process – prepare and clarify standardised decision-making processes taking account of legal and data protection constraints;
  - The working methods for effective participation of officers assigned to work on behalf of their Member States on SSA;
  - Prepare and engage participation from all Member States according to capabilities and interest (direct participation in core ET and/or assigned officer role);
  - Use cases (approach to using SSA for key risk management issues), consistent with SSA concept development, meeting priorities (including customs crisis response).
  - Prepare necessary personal data protection arrangements, agreements (joint controller, controller-processor) and related artefacts (e.g. data protection impact

assessment) by engaging with all the Member States;

(b) Carry out specific SSA pilot actions and analytics priority projects in ICS2 operational environment, establishing and refining the concept of virtual project team and the functioning of all roles, while:

- Developing and testing specific analytical models which customs could use operationally to improve the detection of safety and security threats in real time, while goods are moving through the supply chain;
- Developing and testing the use of risk lists and indicators; and
- Identifying potential refinements needed for subsequent phases of SSA capability development.

Expected results

(a) Direct, short-term deliverables and outputs:

- New collaborative working method/processes are prepared and validated;
- Member States are ready for “live” phase starting in 2023 (operating models and roles);
- Specific analytical methods, tools and use cases designed for “Day 1” (if feasible based on pilot activity).

(b) Longer-term impacts:

- New strategic asset for customs: a multidisciplinary capability for operational collaboration, exploiting advanced data analytics tools, benefiting from mutual sharing of expertise, and leveraging the ICS2 common repository to strengthen protection of people and the internal market of the Union against safety and security threats linked with inbound goods (in line with the mandate of the Commission);
- Overcome current barriers to collaboration, reducing lead times for deploying common projects to days or even hours in crisis situations;
- Strengthened customs contribution, and identity, at external border;
- Flexible working methods which could be adapted (subject to policy and legal considerations) to serve non-safety and security risk management (assuming a re-usable toolset is developed in parallel).

The grant will be implemented directly by DG TAXUD

Indicative implementation date: Q4 2023

Indicative duration of the grant: 24 months

## **2.6. Grant for expert team on Customs Eastern and South-Eastern Land Border Expert Team (CELBET+)**

Type of applicants targeted by the direct award

In accordance with Article 195, first paragraph, point (f), of the Financial Regulation, the grants shall be awarded without a call for proposals where the eligible entities are customs authorities of the Member States and of the third countries participating in the programme as referred to in Article 5 of Regulation (EU) 2021/444, provided that the conditions set out in

that Article are met.<sup>33</sup>

In accordance with Article 9(4) of Regulation (EU) 2021/444, the work of the evaluation committees shall be based on the general principles applicable to grants laid down in Article 188 of the Financial Regulation and in particular, on the principles of equal treatment and transparency, as well as on the principle of non-discrimination.

The evaluation committees shall evaluate proposals on the basis of award criteria, such as, where appropriate:

- (a) relevance of the proposed actions in view of the objectives pursued;
- (b) quality of the proposed actions;
- (c) impact, including economic, social and environmental impact;
- (d) budget and cost-effectiveness.

In particular, as with all actions financed by the Customs programme, it is important to ensure alignment of the expert team with the latest policy developments and priorities, and its overall contribution to an effective customs union. Therefore, the involvement of Member States other than the ones situated at the Eastern and South-Eastern Land Border and the coverage of additional border types other than the land border should be duly assessed as part of the evaluation.

Description of the activities to be funded by the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation

The grant will provide financial support to enable the customs administrations of participating Member States, to a much greater extent than a project group, to deal more intensively with the Union's Eastern and South-Eastern land border management issues while seeking synergies with other border types and Member States. The operational implementation, i.e. the day-to-day management relating to the control of goods crossing the Union's external is primarily the responsibility of the Member States and their national customs administrations. Equivalent results and efficient controls of goods at the external border – at each individual border crossing point (BCP) – is a common challenge for the Union and operational cooperation is proven to support the Member States' efforts to build an chain of equally strong BCPs and control capacity.

Description of the activities:

The expert team will perform operational tasks in the interest of the other Member States and of the Union. The expert team will provide expertise, solutions and make suggestions based on practical experience, operational co-operation and results achieved, contributing to improved operation cooperation and capacity of customs at the Union's Eastern and South-Eastern land borders. In line with the expected evolution of the expert team, it is envisaged to seek further alignment and coordination of customs control efforts, therefore also opening up to the 27 Member States and to maritime, air and postal borders. Mobile units' activities and issues will also have a prominent focus.

Expected results:

- (a) Direct, short-term deliverables and outputs: guidelines, synchronised and coordinated

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<sup>33</sup> Article 9(3) of Regulation (EU) 2021/444.



operational actions, training material and course documentation, etc.

- (b) Longer-term impacts: With a comprehensive and consistent approach, the expert team will reinforce the harmonisation of customs control activities and working methods, improve detection technology and the quality of customs service, thus contributing to the overall aim of ensuring that customs act as one when delivering on their mission.

## Implementation

The grant will be implemented directly by DG TAXUD.

Indicative implementation start date: Q1 2024.

Indicative duration of the grant: 48 months.

## 3. PROCUREMENT

The global budgetary envelope reserved for procurement contracts in 2023, 2024 and 2025 is EUR 388 406 000. To this end, it is estimated to sign about 498 specific contracts under existing or new multi-annual framework contracts.

### 3.1. Development and operation of European electronic systems for customs (common components)

General description of the contracts envisaged

The Commission and the Member States are committed to deliver efficient, effective and interoperable information and communication systems between public administrations, including between their front and back offices, in order to exchange and process public sector information across Union in a secure manner. They set up and operate secure, integrated, interoperable and accessible electronic customs IT systems, also known as trans-European systems. These systems facilitate end-to-end supply chain logistics and customs processes for the movement of goods into and out of the Union. They also reduce the risks of threats to the safety and security of citizens by further approximating the Member States' customs processes and enhancing information and data flow. The Union electronic customs systems are built in accordance with international standards as regards data sets/models and message formats, thus allowing future interaction with non-Union countries' systems as well.

Article 11(1) of Regulation (EU) 2021/444 stipulates that the Commission and the Member States shall jointly ensure the development and operation of the European electronic systems for customs, including their design, specification, conformance testing, deployment, operation, maintenance, evolution, modernisation, security, quality assurance and quality control.

The Commission therefore intends to undertake IT capacity-building activities through contracts following public procurement. It concerns notably the development, maintenance, operation, and quality control of common components of the following existing and new European electronic systems for customs (EES) with a view to ensuring the interconnection of customs authorities:

- (a) Platforms acquisition, development and support including the management of infrastructure components (e.g. Common Communication Network (CCN), CCN2, Single Portal for Entry or Exit of Data 2 (SPEED2)) and that of the systems linking with Member States and third parties for data exchange and service management;
- (b) Software development, including maintenance of existing customs IT systems and

development of new customs IT systems. These contracts support the lifecycle from overall project management activities, feasibility studies, customs business analysis and modelling, through functional specifications, the development of software and initial tests, deployment, and support to service management of systems in operation;

- (c) Operations include all the IT activities related to the technical and operational support of the infrastructure, platforms and IT applications. This involves testing, deployment, monitoring, configuration and administration of hardware and software components as well as integration of the technical, administrative and operational management;
- (d) Support of and coordination with Member States for the delivery and operations of the non-Union components of the trans-European systems and quality assurance and control of all Customs IT projects and operations.

Procurement of services will be undertaken through specific contracts under existing or new framework contracts or through administrative arrangements, service level agreements or memoranda of understanding with other Commission Directorates General or Services.

Indicative number of contracts envisaged: 400.

The total indicative amount for IT procurement represents approximately 91% of the total programme budget for years 2023, 2024 and 2025.

The budget for IT procurements will be divided between Customs and Fiscalis programmes.

New invitations to tender for services expected to be launched in 2023, 2024 and 2025:

- TIMEA4
  - Description: Provision of consultancy services for Union IT systems and applications in the customs, excise and taxation areas.
  - Launch of call: Q3 2023
- ITSM4 Operations
  - Description: Technical and operational support of the infrastructure, platforms (middleware) and IT application. This involves testing, deployment, monitoring, configuration and administration of hardware and software components.
  - Launch of call: Q2/Q3 2023
- ITSM4 trans-European system support
  - Description: Provision of services in the field of trans-European system management and coordination. Services include support and coordination with Member States for the delivery of national components of the trans-European systems. This part of the programme will be strengthened to help cater for the delays of certain Member States in delivering on certain UCC deadlines. The Commission will use part of the resources to ensure better monitoring but also to support the Member States so that adequate progress can be made to keep the UCC implementation on track. Depending on the final decisions, the preparatory work for CBAM and the future IT requirements of the customs union in light of the ever changing customs environment, role of customs and may be also covered under this part of the programme, and in framework contract SOFT DEV.
  - Launch of call: Q2/Q3 2023
- ITSM4 Integration

- Description: Provision of IT service management support including the architecture, operations, asset, contract, security and project management aspects. The main objective is to ensure the coherence, the completeness and the efficiency of the Commission Directorate-General for Taxation and Customs Union IT services. Services also include the provision of project management support, benchmarking and consultancy on collaboration.
- Launch of call: Q4/2023-Q1/2024
- CCN Evolution
  - Description: Development and evolution of all TAXUD business agnostic platforms. The Lot A will support CCN in its scope, Lot B will provide development and support for the SOA platforms CCN2(ng), SPEED2(ng), CDCO/TSOAP and SSV.
  - Launch of call: Q2 2025

### Implementation

Actions will be implemented directly by DG TAXUD and (partly) by co-delegations or cross subdelegations to DGT, DIGIT, DG MARE, OIL, DG SANTE, SCIC or other Directorates-General and Commission services as appropriate

Additional information required by the basic act for the work programme

N/A

### 3.2. Other service contracts

General description of the contracts envisaged

The Commission intends to undertake the following activities through contracts following public procurement:

- (a) Support services for specification, development, maintenance and dissemination of common customs training (e-learning, blended learning), online collaboration tools and staff performance building activities, to ensure a wide uptake by participating countries;
- (b) Studies, scientific and communication support (e.g. academic support, typology, data collection and comparative analyses in customs issues, provision of scientific and technical assistance in the field of scientific customs, mainly in the area of customs laboratories);
- (c) Innovation activities such as proof-of-concepts, pilots, prototyping initiatives, smart data mining and collaboration among systems;
- (d) Communication and information support, including translations;
- (e) Programme support activities, including programme management and knowledge sharing tools (such as the Activity Reporting Tool, the Programmes Information and Collaboration Space, the Customs and Tax EU Learning Portal) support tools and material;

(f) IT collaboration support activities.

Indicative number of contracts envisaged: 98

New invitations to tender for services expected to be launched in 2023, 2024 and 2025:

- Management of programmes and training support (PRO-TRAIN)
  - Description: Contract for the provision of expert services supporting programme management, knowledge sharing, and multifaceted EU training and staff development in customs, including IT and communication support as described in the above section.
  - Indicative time of the call: Q1 2023
- Provision of scientific and technical support in the field of scientific customs – coordination of European Customs Laboratories
  - Description: the scope of the contract consists of support for the organisation and coordination of various activities (e.g. proficiency tests, scientific studies, training activities) to support the coordinated work of the EU customs laboratories in the Union.
  - Indicative time of the call: Q2 2023
- Provision of scientific and technical support in the field of scientific customs – update and enrichment of the European Customs Inventory of Chemical Substances (ECICS) database
  - Description: the support consists in the tariff classification of chemicals, the consultation of the tariff classification experts of the Member States and afterwards the update and enrichment of the ECICS database which provides the tariff classification of chemicals to customs officers and economic operators.
  - Indicative time of the call: Q2 2023
- Provision of scientific and technical support in the field of translations of chemical names
  - Description: revision and translation of chemical names in the ECICS database; establishment and update of the procedures to translate chemical names in the ECICS database
  - Indicative time of the call: Q2/Q3/2023
- Provision of scientific and technical assistance, improvement of sampling procedures:
  - Description: Update and development of the Sampling Manual for Customs and Taxation Authorities (SAMANCTA) database<sup>34</sup> and training of customs officers about sampling.
  - Indicative time of the call: Q2-Q3/2023

## Implementation

Actions will be implemented directly by DG TAXUD and (partly) by co-delegations or cross subdelegations to DGT, DIGIT, DG MARE, OIL, DG SANTE, SCIC or other Directorates-

<sup>34</sup>

[https://ec.europa.eu/taxation\\_customs/dds2/SAMANCTA/EN/index\\_EN.htm](https://ec.europa.eu/taxation_customs/dds2/SAMANCTA/EN/index_EN.htm)

General and Commission services as appropriate

Additional information required by the basic act for the work programme

N/A

#### **4. OTHER EXPENDITURE**

##### **4.1. Reimbursement of external experts participating in programme activities**

Amount

EUR 240 000

Description

This measure allows supporting the participation of external experts referred to in Article 8 of Regulation (EU) 2021/444 in specific activities when this is essential for the achievement of the objectives of the activity. The amount allocated to external experts is subject to revision and potential further reduction in light of the increased use of hybrid and online working arrangements and the consequent reduction in travel and other eligible participation costs.

Additional information required by the basic act for the work programme

N/A