

Letter on the Union Customs Code (UCC) ahead of exchange of views with Commissioner Moscovici in IMCO Committee on 21 June 2017

AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate US investment in Europe totalled more than €2 trillion in 2016, directly supports more than 4.5 million jobs in Europe, and generates billions of euros annually in income, trade and research and development.

On 21 June 2017, Pierre Moscovici, European Commissioner for Economic and Financial Affairs, Taxation and Customs, will engage in an exchange of views focused on the Union Customs Code (UCC) with the Internal Market and Consumer Protection Committee (IMCO) of the European Parliament. In preparation for this meeting, we would kindly like to provide you with the views of the American Chamber of Commerce to the EU (AmCham EU) on a key issue regarding the implementation of the UCC.

AmCham EU members are concerned about the significant delay in the implementation of the European Commission and Member State IT systems required to ensure trade facilitation and the effectiveness of customs controls, as laid out in the UCC Implementing Act.

The UCC states that “the use of information and communication technology is a key element in ensuring trade facilitation and, at the same time, the effectiveness of customs controls, thus reducing costs for business and risk for society.”

When the UCC and its Implementing Act came into force on 1 May 2016, not all Commission and Member State IT systems required to support the implementation of the Code were available. Taking this into account, the UCC provides ‘Transitional Measures’ in its Article 278 : means for the exchange and storage of information, other than the electronic data-processing techniques referred to in Article 6(1), that may be used on a transitional basis until 31 December 2020 at the latest. These are intended to be used where the electronic systems necessary for the application of the provisions of the Code are not yet operational.

In its note of 30 May 2017 to the Electronic Customs Coordination Group (ECCG) and the Trade Contact Group (TCG) on the Multi-Annual Strategic Plan (MASP), the Commission stated that achieving all UCC projects by the end of 2020 is no longer feasible.

This delay has a substantial impact on customs, trade and citizens.

- Firstly, the envisioned increased effectiveness of customs controls, particularly the essential improvements to safety and security at the EU’s external borders, will not be achieved before 2025.
- Secondly, the proposed trade facilitation measure of ‘centralised clearance’, which removes the need to submit customs declarations to 28 countries, using 24 languages and 28 different IT systems, will only be available in 2023. This is a missed opportunity to introduce important time and financial savings and to reduce burden for companies and customs authorities.

Question:

What does the Commission plan to do to ensure that the safety and security measures to protect its citizens and facilitation measures to boost trade will be provided by 31 December 2020 - as mandated by the UCC - instead of delaying the implementation of the systems for another three to five years?