Interconnecting customs system

EU experience in the context of Union transit, Common transit and TIR

TIRExB Friends of Chair meeting
Samarkand 21-22 June 2023
The EU customs union

- In 2023, the European Union celebrated its 55th anniversary

- No internal duties, common external duties. 27 EU Member States.

- Internal market since 1993: no internal customs borders.

- Protection of safety and security of EU member states and collection revenues for the EU budget

- A balance between trade facilitation and necessary controls

- Transit regulations used since 1968
Forms of transit in the EU customs union

- **External transit (T1)**: Non-Union goods
  - Union / common
  - TIR
  - ATA
  - Rhine manifest

- **Internal transit (T2)**: Union goods
  - Form 302
  - Postal transit
Importance of transit for the EU customs Union

From one point to another in the EU or a common transit country:

1. Crossing the territory
2. Bringing goods inland
3. Moving non-Union goods within the EU/CTC
4. Export followed by transit for Union goods
Transit volumes in the EU Customs union

- **Union and Common Transit**
  - 37 countries with EU member states and contracting parties to the Common Transit Convention
  - Approximately 10 million of NCTS movements per year (approx. 3000 per day)

- **TIR**
  - 27 EU member states
  - For TIR purposes the Union is considered to form a single territory
  - Exchange of TIR data via NCTS
  - Approximately 300,000 NCTS TIR movements per year with the EU (of which 135,000 TIR opened in the EU)
Necessity of going paperless

- **Paper transit declarations**
  - Increased risk of frauds for EU customs administrations
  - Burdensome paper procedures for traders
  - Risk for the collection of revenues

- **Electronic transit declarations**
  - Less fraud prone (secure customs network)
  - More uniform implementation of transit regulations
  - Efficiency of transit operation for traders and administrations increases
  - Monitoring and revenue collection facilitated
From Paper to IT

- **Paper**
  - Use of the *single administrative document with wet ink signatures and rubber stamps*
  - *Incorrect transit declarations* (absence of automatic checks of entries) and slow manual procedure
  - Less *efficient* customs controls
  - Higher *fraud risk due to* falsified guarantee documents, signatures and stamps...

- **NCTS since 2003 (TIR 2009)**
  - *Electronic transit declaration*
  - *Electronic guarantee management*
  - *Risk analysis of advance information, more efficient controls and monitoring of time limit*
  - *inclusion of simplifications*
List of main advantages of digitalisation

• For Traders
  ➔ Direct electronic data exchange with customs
  ➔ Less administrative workload
  ➔ reduced costs

• For administrations
  ➔ Direct data exchange between administrations via a secured network
  ➔ Elimination of fraudulent document manipulation
  ➔ More Selective controls based on electronic risk analysis facilitated
  ➔ Reduction of number and length of enquiry procedures
NCTS extended to TIR

• History
Since 2009, within the EU, the termination/discharge of the TIR operation between the customs offices of departure/entry and the customs offices of destination/exit is accelerated by replacing the return of the voucher 2 by electronic messages in NCTS

• Advantages
→ Fast and effective on-line communication between customs offices
→ possibility to check holder status in the ITDB and check validity of carnet (IRU database)
→ possibility of advance risk analysis
→ Reduced time for discharge or recovery
Possibilities to connect to NCTS for TIR

Via a [direct web interface at national level](#)

Via an [electronic data interchange solution](#)

Via a [terminal in a customs office](#)

Via an [interface developed by the International Organisation](#)
The EU and eTIR international system

- **Strong support of the EU**
  - Drafting and adoption of Annex 11
  - Active participation in GE.2, GE.1 and TIB
  - Ongoing work of interconnection NCTS to eTIR International system

- **Challenges**
  - Connecting 27 countries is more complex and time consuming
  - Planning and inter-institutional validation process
  - NCTS need to be updated to better handle safety and security data first (NCTS p. 6) before eTIR can be implemented in the EU
Thank you for your attention

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