



**INFORMATION • INFORMATORISCHE AUFZEICHNUNG • INFORMATION MEMO • NOTE D'INFORMATION
ΠΛΗΡΟΦΟΡΙΑΚΟ ΣΗΜΕΙΩΜΑ • NOTA D'INFORMAZIONE • TER DOCUMENTATII**

Brussels, November 1984

Computerization of Customs Administrative Procedures, C.D.
Project *

The Commission has just approved a communication to the Council concerning the computerization of customs administrative procedures, the Coordinated Development (C.D.) Project.

On 15 May 1984 the Council adopted a resolution inviting the Member States to develop as rapidly as possible the computerization of their procedures for intra-Community trade. This resolution also recommended the computerization of data exchanges as well as the gradual interconnection of the computers used for these procedures. Finally, the Council asked the Commission to prepare appropriate proposals for the completion of this task within a Community framework.

C.D. Project

The recent difficulties in the smooth flow of intra-Community trade caused by angry lorry drivers who had become increasingly frustrated by delays at Community borders clearly showed the necessity for a simplification of administrative controls at internal borders. The Council has already made a significant step forward on this path by adopting in principle the Single Customs Document which will replace the 60-70 documents currently in use for export, import and transit operations.

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* COM(84)556

The Commission's communication presents a framework for the development of computer systems in the field of international trade between the present time and the early 1990s. It goes beyond the field originally envisaged in the Council's Resolution in that it not only lays down guidelines for the development of national computer systems dealing with intra-Community trade but also extends to systems covering external trade and to the interlinking of Commission systems with those of member States.

The Commission has therefore suggested an overall approach to the problem where there would be agreement at Community level on a common framework covering 6 main areas:

- Intra-Community Trade
- Trade with third countries (import and export)
- Interfaces with commercial operators
- Interfaces with the Commission's systems
- Interconnection of systems
- Establishment of norms for data exchange

The C.D. Project is part of the CADDIA programme (1).

The Commission wishes to make it clear that so far as intra-Community trade is concerned, the computerization proposals contained in its communication must be regarded as interim solutions pending the complete abolition of controls on intra-Community trade. Furthermore, until such time as all such controls are abolished, care must be taken to avoid replacing customs barriers by computer barriers.

Benefits of the proposed system

The system proposed by the Commission, if implemented, will provide clear advantages for all principal parties involved in international trade:

- the customs administrations
- traders
- carriers and
- port and airport administrations

and will also benefit the European computing industry.

1) Customs administrations

As far as customs administrations are concerned the vast majority of declarations relating to intra-Community trade and external trade will be processed by computer. The customs computers of each Member State will be linked internally with the computers of other national departments such as those dealing with VAT, and externally with the computers of customs services of other Member States and with the computers of the Commission. This will produce a number of important benefits including:

(1) CADDIA - Cooperation in the Automation of Data and Documentation for Imports/exports and Agriculture. (See OJ No C 112, 26.4.84). .../...

- a substantial acceleration in the customs clearance of goods;
- better management information which will allow customs services to concentrate their attention on high risk consignments and to reduce controls on low risk ones;
- more efficient management of tariff quotas, including up to the minute information on quota exhaustion;
- easier collection and more rapid preparation of import and export surveillance data and external trade statistics through the integration of certain statistical and customs data processing operations;
- reduction of errors as a result of computerized checking of data and better dissemination of customs information;
- improvement in accounting procedures allowing movement from payment of customs duties transaction by transaction to consolidated traders' accounts of duties payable;
- reduction of difficulties created by different languages in the Community, through the use of common data elements and codes.

2) Traders

Turning to the field of commerce, those traders who have high volumes of intra-Community trade, imports or exports will either be linked on-line to customs computer systems or will supply their data periodically on computer media (such as tapes, disks etc.). Other traders will be able to communicate with customs systems on a transaction by transaction basis by way of their micro-computers or will have their declarations computer-processed using common facilities provided by a computer bureau or the customs. This will enable them to make customs declarations directly from their own offices, to reduce substantially their paperwork, to have their goods cleared more rapidly, to benefit in many cases from simplified computerized procedures, and to obtain access much more easily to tariff and other customs information necessary for their businesses.

3) Carriers, port and airport administration

The computer systems of the larger carriers and port and airport administrations will communicate with those of national customs services. This will enable them to have easier access to information about customs operating procedures (e.g. opening hours of customs posts, availability of inspection facilities) and the types of traffic handled at specific customs posts. Better and more accessible information of this type should facilitate route planning and permit a more expeditious handling of the traffic of carriers who are registered and meet certain conditions. It should also lead to improved control over inventories and a faster movement of goods through ports and airports.

4) Informatics industry

As far as the informatics industry is concerned, common standards will be established for data and messages and for technical interconnections in conformity with the appropriate international technical standards. This standardisation, together with the demand which will arise for new computer equipment, will provide important new opportunities for the Community's informatics industries.

5) Costs

It is not possible at the moment to give detailed indications about costs since they will depend upon the approaches adopted by Member States in building the agreed functions and facilities into their national systems and also upon the timing of the implementation of these systems and the cost of the equipment at the time of purchase.

Experience in the Member States where comprehensive entry processing systems are already adopted has shown that the changes were completely justified not only in terms of qualitative benefits but also in purely financial terms.

Regarding costs, the Commission is prepared to help, under the Community financial instruments already in force (NCI), Member States where the installation of the necessary computer equipment will give rise to particular difficulties.