

**COUNCIL OF  
THE EUROPEAN UNION**

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(OR. d)

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**LIMITE**

**ENFOCUSTOM 27**

**NOTE**

from :	Presidency
to :	Customs Cooperation Working Party
Nos prev. docs:	OJ C 316, 27.11.1985, p. 33; 7273/2/95 ENFOCUSTOM 17 + COR 1(d), 12195/98 ENFOCUSTOM 56 + COR 1 (fin), 12861/98 ENFOCUSTOM 63
Subject :	Convention on the use of information technology for customs purposes (CIS Convention) – technical development

At their annual meeting in May 1999, the heads of the EU customs administrations complained about the lack of progress as regards technical development of the Customs Information System on the basis of the CIS Convention and called for strenuous efforts to develop the system.

Ultimately that request relates to the Customs Information System as a whole and thus the CIS under both the first and third pillars.

**A. State of play:**

From the beginning of the initial discussions until agreement was reached on the relevant legal acts, the creation of a uniform customs information system was the stated aim of the Member States and the Commission. For that reason, the texts of both acts – the CIS Convention and Regulation (EC) No 515/97 – correspond to a large extent. For legal reasons the data are separated logically on the basis of the division of customs cooperation into first and third pillars.

At the same time as accepting the CIS Convention, the Commission undertook to manage the CIS (7273/2/95 ENFOCUSTOM 17 REV 2; Article 23(3), Regulation (EC) No 515/97), with the result that both systems currently being developed are managed by the Commission. Both systems are equipped with the same hardware. In future, this will also be true of much of the software. Member States stipulated the requirements for the third-pillar CIS at the Justice and Home Affairs Council in December 1998. The Commission has still to reply.

At the beginning of the discussions under the first pillar the Commission instructed a firm to develop the program. The Member States, although users of the database, were not involved in the development of the basic design and had no opportunity to mention their practical experiences and requirements in planning discussions from the outset. Moreover, the Customs Cooperation Working Party was not informed of the details of the database until the end of the development stage. Involving all interested parties as soon as possible, which would have been desirable because of the related subject matter and the prejudicial effects on the third-pillar CIS would in our view have made it possible to advance the work and make it much more effective.

In the interim, the Commission has said that it cannot complete the development of the third-pillar CIS because of a lack of funds. The Commission has not yet produced a written statement on this subject, with the result that its position cannot be discussed in detail. However, we should refer here to the clear cost arrangements agreed on both by the Member States and by the Commission (7273/2/95 ENFOCUSTOM 17 REV 2):

Article 22 of the CIS Convention differentiates between types of "other" non-operational expenditure according to whether they can be kept separate from the operation of the Community CIS. Expenditure which cannot be kept separate from the operation of the first-pillar Customs Information System must be borne by the Commission. Foremost among such "inseparable" expenditure is, in the Presidency's view, an "interface", i.e. a connection between the two databases which would standardise and simplify use of the two information systems. The interface is to be created and funded by the Commission.

## **B. Conclusion**

Against this background, the Working Party is asked to approve the following suggestions:

1. Fundamental questions on the development and management of the CIS are dealt with under both the first and third pillars. Member States represent the same views on technical matters in first and third pillar fora. In the interest of harmonising the future development of both customs information systems, developments under the third pillar should take account of the results already achieved under the first pillar. In the same way, the technical requirements recognised for the third pillar must influence the proceedings under the first pillar. The CIS Task Force set up under the first pillar will therefore also deal with third-pillar issues and report at regular intervals on progress to the first and third-pillar Working Parties.
2. The Commission is asked to inform the Member States which problems it considers are impeding development of the third-pillar CIS. In order to clarify the cost issue fully, the Commission is also asked to inform the Customs Cooperation Working Party in writing of its view of responsibility for expenditure with precise details of the nature of the expenditure and the sums involved. This should also include figures for the "interface" as a matter of priority.