



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from:	Presidency
to:	Delegations
No. prev. doc.:	16570/3/11 REV 3 UD 299
Subject:	Council conclusions on the customs cooperation with Eastern neighbouring countries

Delegations will find attached draft Council conclusions on the above subject, prepared by the Presidency.

DRAFT

Council conclusions on the customs cooperation with Eastern neighbouring countries¹

THE COUNCIL OF THE EUROPEAN UNION

NOTING THAT:

The European Neighbourhood Policy, the Eastern Partnership and the EU-Russia Partnership for Modernisation are priorities of the European Union aimed at establishing an institutional framework for a closer political and economic cooperation between the EU and its Eastern Neighbour countries;

HAVING REGARD TO:

- * the Partnership and Cooperation Agreements concluded between the EU and its Member States and Armenia, Azerbaijan, Georgia, Kazakhstan, the Republic of Moldova, Russia and Ukraine;
- * the Council conclusions on the European Neighbourhood Policy adopted by the Council on 20 June 2011;
- * the strong commitment of the EU and its Eastern European Partners² to further enhance the political association and economic integration which is confirmed by the Eastern Partnership and the negotiations of association and Deep And Comprehensive Free Trade Areas (DCFTA);

¹ These countries are Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, the Republic of Moldova, Ukraine and Russia.

² These countries are Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine.

- * the Joint Declaration of the Eastern Partnership Summit in Warsaw, 29-30 September 2011 concerning in particular the agreement to further enhance the cooperation in the areas of integrated border management, fight against drugs, organised crime and corruption;
- * Strategic frameworks for customs cooperation with Russia and, when endorsed, with Belarus, the Republic of Moldova and Ukraine;
- * the conclusions of the meetings on Customs Cooperation at the Eastern Border of the EU, in particular the High Level Seminar held in Budapest on 14-15 April 2011 and the High Level Seminar “Towards better cooperation” held in Cracow on 19-21 October 2011;
- * the Commission Action Plan to fight against smuggling of cigarettes and alcohol along the EU Eastern border³;
- * the Council conclusions on a strategy to prepare certain neighbouring countries for accession to the 1987 EC-EFTA Conventions on a common transit procedure and the simplification of formalities in trade in goods;
- * the ongoing European Union efforts to combat the smuggling of highly taxed goods, in particular the large scale investigations coordinated by the European Anti-Fraud Office (OLAF), the Agreements concluded by the EU and Member States with tobacco manufacturers, the regional and cross-border measures under the Eastern Partnership, the European Neighbourhood and Partnership Instrument as well as the role played by the EU Border Assistance Mission (EUBAM);

³ Commission Staff Working Paper – Action Plan to fight against smuggling of cigarettes and alcohol along the EU Eastern Border (SEC(2011) 791 final, 24.06.2011), accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions and the Court of Auditors on the Commission Anti-Fraud Strategy (COM(2011) 376 final).

WITH A VIEW TO FOCUSING ON THE FOLLOWING PRIORITY AREAS OF COOPERATION AS AGREED IN BUDAPEST AND IN CRACOW:

- * developing safe and fluid trade lanes;
- * promoting risk management and the fight against fraud;
- * investing in customs modernisation in the region;

INVITES THE COMMISSION AND THE MEMBER STATES TO COOPERATE WITH THE EASTERN NEIGHBOURING COUNTRIES WITH A VIEW TO:

1. Develop safe and fluid trade lanes, in particular by:
 - * giving support to the countries in the region in their preparations for the extension of the Common Transit Convention and the Convention on the simplification of formalities in trade in goods which are powerful instruments for trade facilitation, for increasing the harmonisation of procedures and to convey economic integration;
 - * considering assistance in the development of reliable and compatible authorised economic operators systems in the Eastern neighbouring countries and later on the mutual recognition thereof;
 - * enhancing coordination at the border including the creation of fast lanes and the development of infrastructure where applicable;
 - * supporting initiatives of Member States that facilitate speedy transportation of goods through the EU Eastern border.

2. Promote risk management and the fight against fraud, in particular by:
- * cooperating in developing and improving risk management systems and methods of risk analysis, including in order to increase the performance in the application of security and safety measures and to prevent smuggling of highly taxed goods and valuation fraud;
 - * developing exchanges of information on a sound legal basis to facilitate trade and strengthen risk management, beginning by studying needs, building on the experience of past and current schemes of information exchange such as pilot projects;
 - * organising joint actions targeting risk areas and/or identified illicit trade routes in the region;
 - * stepping up actions to fight against smuggling of cigarettes and alcohol along the EU Eastern border;
 - * launching a study to identify the information useful to exchange and the ways of transmission, to strengthen risk management and improve customs controls with the view of establishing safe and fluid trade lines as well as fighting fraud.
3. Foster customs modernisation, in particular by:
- * assisting the countries in the region in capacity building, including development and implementation of customs modernisation strategies;
 - * cooperating to facilitate convergence of customs legislation and procedures in line with the objectives of free trade area agreements currently negotiated or foreseen.

4. Explore the possible use of available assistance mechanisms for these purposes, such as:
 - * Customs 2013⁴ and its successor programme;
 - * Hercule II⁵ and its successor programme;
 - * Twinning and other assistance projects;
 - * Programmes for regional and trans-border cooperation;
 - * EU Border Assistance Mission.
5. Seek to prepare and adopt the Strategic Frameworks as instruments to strengthen the customs cooperation with Armenia, Azerbaijan and Georgia.
6. Continue the dialogue between the EU and Eastern neighbouring countries by setting up regular dedicated customs fora.

INVITES THE COMMISSION TO:

- * evaluate the progress achieved in the agreed priority areas;
- * report to the Council on the progress in order for the Council to propose a follow up to the above actions by the end of 2013.

⁴ Decision No 624/2007/EC of the European Parliament and of the Council of 23 May 2007 establishing an action programme for customs in the Community (Customs 2013, OJ L 154, 14.06.2007, p.25).

⁵ Decision No 878/2007/EC of the European Parliament and of the Council of 23 July 2007 amending and extending Decision No 804/2004/EC establishing a Community action programme to promote activities in the field of the protection of the Community's financial interests (Hercule II programme, OJ L 193, 25.07.2007, p. 18).