



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 1 March 2013

6992/13

**Interinstitutional File:
2013/0003 (NLE)**

**UD 51
ELARG 24
COWEB 27**

NOTE

from:	Presidency
to:	Working Party on Customs Union
on:	4 March 2013
No Cion doc.:	COM(2013) 1 final
No previous doc.	5569/13 UD 11 ELARG 1 COWEB 5
Subject:	Council Regulation on the waiver from the requirement to submit entry and exit summary declarations for Union goods that are moved across the Neum corridor - Presidency compromise text

Delegations will find attached a revised compromise text on the above proposal, prepared by the Presidency.

Changes compared to doc. 5569/13 are indicated in bold/underline, deletions by [...].

Presidency compromise text

Proposal for a

COUNCIL REGULATION

**on the waiver from the requirement to submit entry and exit summary declarations for
Union goods that are moved across the Neum corridor**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Accession Treaty of Croatia, and in particular Article 3(4) thereof,

Having regard to the Act concerning the Conditions of Accession of Croatia, and in particular Article 43 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) On 9 December 2011, the Member States of the Union and Croatia signed the Treaty concerning the accession of the Republic of Croatia to the European Union (“Accession Treaty”). By virtue of Article 3(3) of the Accession Treaty it is to enter into force on 1 July 2013 provided that all the instruments of ratification have been deposited before that date.
- (2) According to Article 2 of the Act concerning the conditions of accession of the Republic of Croatia and the adjustments to the Treaty on European Union, the Treaty on the Functioning of the European Union and the Treaty Establishing the European Atomic Energy Community (“the Act concerning the conditions of accession”), as from the date of accession, the provisions of the original Treaties and the acts adopted by the institutions before accession shall be binding on Croatia under the conditions laid down in those Treaties and in the Act concerning the conditions of accession.

- (3) The territory of Neum ("Neum Corridor") is a place where the territory of Bosnia and Herzegovina reaches the Adriatic coast, thus separating the area of Dubrovnik from the rest of the territory of Croatia. Tourism is of significant importance for the local economy, which is driven by small and medium sized enterprises dependent on supplies from the rest of the territory of Croatia. The value of such supplies usually does not exceed EUR 10 000 per consignment and 89 % of these goods have the status of goods in free circulation on the territory of Croatia.
- (4) Article 43 of the Act concerning the conditions of accession provides that the Council, acting by qualified majority on a proposal from the Commission is to define the terms under which the requirement for an entry or exit summary declaration may be waived as regards Union goods that are moved across the Neum Corridor.
- (5) According to Articles **36a**, **36b**, **182a** and **182b** of Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code¹ ("the Community Customs Code"), goods entering or leaving the customs territory of the Union must be **covered**, in advance, by a summary declaration submitted electronically which contains the data necessary for the performance of risk analysis.
- (6) Given the specific characteristics of the local economy it is appropriate to provide for waivers from the obligation to lodge entry and exit summary declarations for Union goods moved across the Neum Corridor.
- (7) Customs authorities should perform **[...]** risk analysis and customs security checks on the basis of the data present on the invoice and transport documents, accompanying the goods.
- (8) The current arrangements derogate from the principle of electronic **pre-departure and** pre-arrival submission of safety and security data set up under the Community Customs Code. In order to ensure effective and efficient risk analysis and controls for the purposes of safety and security, Croatia should ensure that the border crossing points at the Neum Corridor dispose of the necessary human resources, equipment and control.

¹ OJ L 302, 19.10.1992, p.1.

- (9) Where a consignment is found not to fulfil the requirements of this Regulation, the consignment in question should not be allowed to re-enter the territory of Croatia unless an assessment of the risk involved has been carried out and effective and targeted measures based upon a risk analysis have been adopted.
- (10) In addition to the exchange of information for the purposes of safety and security as provided under Article 4g (2) of Regulation (EEC) N° 2454/92, Croatia should regularly inform the Commission under the procedures of the Common Risk Management Framework for any irregularities found and, where applicable, of the measures subsequently adopted with regard to the movement of goods across the Neum Corridor.
- (11) An assessment for the purposes of verifying the proper application of this Regulation should be carried out two years after the date of accession,

HAS ADOPTED THIS REGULATION:

Article 1

Subject matter and scope

This Regulation lays down the rules under which:

- (a) the requirement for an exit summary declaration is waived for Union goods **exiting** the territory of Croatia to be moved across the Neum corridor;
- (b) the requirement for an entry summary declaration is waived for Union goods when they re-enter the territory of Croatia after having moved across the Neum corridor.

Article 2

Definitions

For the purposes of this Regulation the following definitions shall apply:

- (1) "Union goods" means the goods defined in Article 4(7) of the Community Customs Code;
- (2) "Area of Dubrovnik" means the administrative region of Dubrovnik as established in accordance with the national law of Croatia;
- (3) "Mainland territory of Croatia" means the territory of Croatia except for the area of Dubrovnik;
- (4) "Neum Corridor" means the area which is a part of the territory of Bosnia and Herzegovina that separates the area of Dubrovnik from the mainland territory of Croatia;
- (5) "Customs authorities" means the customs authorities of Croatia at the exit and re-entry border crossing points at the Neum Corridor;
- (6) "Exit" means the exit of goods, either from the area of Dubrovnik into the mainland territory of Croatia through the Neum Corridor, or from the mainland territory of Croatia into the area of Dubrovnik through the Neum Corridor;
- (7) "Re-entry" means the entry of goods into the area of Dubrovnik from the mainland territory of Croatia through the Neum Corridor, or into the mainland territory of Croatia from the area of Dubrovnik through the Neum Corridor.

Article 3

Waiver from the requirement to submit an exit or an entry summary declaration

1. No exit summary declaration shall be required for Union goods upon their exit.
2. No entry summary declaration shall be required for Union goods upon their re-entry.

Article 4

Conditions for the application of the waiver

Article 3 shall apply where the following conditions are met:

- (a) The total value of each consignment of Union goods moved across the Neum Corridor does not exceed EUR 10 000 or its equivalency in local currency;
- (b) The goods referred to under point (a) of this Article are accompanied by invoices or transport documents which:
 - i) include at least the particulars referred to in the first subparagraph of Article 317(2) of Commission Regulation (EEC) No 2454/93¹ as well as the total value of the goods;
 - ii) are endorsed with official markings by the customs authorities upon exit;
 - iii) are presented for verification to the customs authorities upon re-entry.

¹ OJ L 253, 11.10.1993, p. 1.

Article 5

Customs Controls

1. The risk analysis associated to the customs controls applied to Union goods moved across the Neum Corridor may be performed by the customs authorities through means other than automated data-processing techniques.
2. Croatia shall ensure that the border crossing points at exit from and re-entry into its territory of goods moved through the Neum Corridor dispose of all necessary resources, equipment, control facilities and capabilities to ensure the application of this Regulation [...].
3. Upon exit, the customs authorities shall:
 - (a) determine a time limit for the movement of Union goods across the Neum Corridor;
 - (b) indicate that time limit together with the date of endorsement of the invoice or transport document as referred to in Article 4(b) ii);
 - (c) where they deem it necessary, seal the space containing the goods or each individual package of goods that are to be moved across the Neum corridor.
4. Upon re-entry, the customs authorities shall:
 - (a) carry out risk analysis primarily for security and safety purpose;
 - (b) verify the invoices or transport documents accompanying the goods;
 - (c) check compliance with the time limit referred to in Article 5 (3)(a);
 - (d) check the integrity of seals, when affixed in accordance with Article 5 (3)(c);
 - (e) where appropriate, physically examine the goods;
 - (f) remove seals as appropriate.

5. Where customs authorities establish that **conditions referred to in Article 4** have not been complied with, they shall allow the re-entry of such a consignment where:
- (a) an effective risk analysis has been carried out;
 - (b) on the basis of the **results of the risk** analysis referred to in point (a), the customs authorities have adopted effective measures specifically targeted to prevent risks related to safety and security.

Article 6

Information

Croatia shall inform the Commission about any irregularities found as regards the application of this Regulation as well as concrete measures that have been taken in order to remedy those irregularities **at any time but** no later than **[...]** 1 March 2014.

Article 7

Report

The Commission shall submit a report to the Council providing an assessment of the application of the rules laid down under this Regulation no later than two years after the accession of Croatia.

Article 8

Entry into force

This Regulation shall enter into force **[...] subject to and on the date of** the entry into force of the Accession Treaty.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council

The President
