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Customs 2020 Programme Progress Report 2020

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1. ACRONYMS AND ABBREVIATIONS

The following acronyms are used in this document:

Abbreviation	Meaning
AEO	Authorised Economic Operator
AES	Automated Export System
AFF	Action Follow-up Form
ART	Activity Reporting Tool
AWP	Annual Work Programme
BTI	Binding Tariff Information
CCN/CSI	Common Communications Network - Common Systems Interface
CCI	Centralised Clearance for Import
CDCO	Centrally Developed / Centrally Operated
CELBET	Customs Eastern Land Border Expert Team
CLET	Customs Laboratories Expert Team
COPIS	Anti-Counterfeiting and Anti-Piracy System
CRC	Common Risk Criteria
CRMS	Customs Risk Management System
C2020	Customs 2020 Programme
DG SANTE	European Commission Directorate-General for Health and Food Safety
DG TAXUD	European Commission Directorate-General for Taxation and Customs Union
DG TRADE	European Commission Directorate-General for Trade
EAF	Event Assessment Form
EBTI	European Binding Tariff Information
ECCG	Electronic Customs Coordination Group
ECS	Export Control System
EIS	European Information System
ET	Expert Team
GUM	Guarantee Management
ICS	Import Control System
ILIADe	Inter Laboratory Inventory of Analytical Determination
IPR	Intellectual Property Rights
JA	Joint Action
MASP	Multi-Annual Strategic Plan
MFF	Multiannual Financial Framework
N/A	Not available
NCTS	New Computerised Transit System
PICS	Programmes Information and Collaboration Space
PMF	Performance Measurement Framework
PoUS	Proof of Union Status
REX	Registered Exporters
Samancta	Sampling Manual for Customs and Tax Authorities
SPEED	Single Portal for Entry or Exit of Data
SURV-RECAP	Surveillance Database app
UCC	Union Customs Code
WCO	World Customs Organisation

2. EXECUTIVE SUMMARY

The Customs 2020 programme aims to support and improve the proper functioning and modernisation of the Customs Union. It focuses on supporting customs authorities in protecting the financial and economic interests of the Union and of the Member States, including the fight against fraud and the protection of intellectual property rights, increasing safety and security, protecting citizens and the environment, improving the administrative capacity of the customs authorities, ensuring appropriate collection of customs duties including in the context of own resources and strengthening the competitiveness of European businesses. The vast majority of programme funding goes into the operation of European Information Systems (EIS), followed by the organisation of the joint actions (the cooperation and collaboration side) and the human competency building activities.

2020 was the seventh and last year of activities under the Customs 2020 programme¹. Many of the actions initiated in 2019 continued in 2020, though their frequency witnessed a slow-down or cancellations due to the Covid-19 pandemic. In particular, the Covid-19 pandemic strongly impacted the number of collaborative actions and events since March 2020. Almost all face-to-face meetings were cancelled and, although many of them were replaced by on-line meetings, the total number of meetings decreased as several planned events could not be automatically replaced by virtual meetings, due to technical difficulties or uncertainty of the confinement. This resulted into a significant under-consumption of the programme's budget. However, it is worthy to note that since September 2020, the number of (virtual) meetings has increased.

The numbers of European Information Systems (and their availability), actions, events, training activities and participants remained at high levels, testifying to a strong demand from national administrations and business owners for programme activities. Delivery in the area of IT projects and services was not really affected by the pandemic – if anything, productivity went up, due to the longer hours per day worked by staff while teleworking from home. The EU-UK Withdrawal Agreement and the Protocol of Ireland and Northern Ireland implied an impact assessment on all IT systems involved. Based on the findings, the artefacts of those systems have been adapted. That preparatory work led to a very successful transition during the first hours and days of January 2021.

The key observations that can be deduced from the analysis of the Performance Measurement Framework indicators in 2020, are as follows:

- During 2020, the Covid-19 pandemic had no significant impact on IT delivery from the Commission side. The Covid-19 impact on IT activities was mostly on the Member States side. On the other hand, the delays in finalising the negotiations on the post-2020 programme, led the Commission services to adopt in the second half of 2020 a cautious approach in the planning of the IT activities, focusing on maintenance rather than on developing new functions during the year. The objective was to allow financing the core activities early in 2021 with budget from 2020, so as to ensure continuity of service to the Member States and other stakeholders.
- With the focus created and the prioritisation done, **all MASP-C projects, especially UCC projects, continued to progress as planned.**
- As per the MASP-C plan, **two IT projects were completed in 2020**: the major evolution of the Customs Decisions system to version 2 (CDMS & Trader Portal versions 1.24), which was installed in production on 27 June 2020; and the UCC Standardised Exchange of Information for Special Procedures (INF SP) system, which went live in June 2020. Focus was kept on ensuring the operations and maintenance of the existing EIS and providing support to Member States.
- Existing IT systems were **continuously operated** and remained able to process the **increased volume of data** traffic.
- The EU-UK Withdrawal Agreement (WA), including the Protocol on Ireland and Northern Ireland, entered into force on the 1st of February 2020 with a transition period until 31st of December 2020. **Major work to support this activity was executed in the fields of IT.** The implementation of the WA affected 29 Customs systems. All impacted systems were updated and extensive testing

¹ Please briefly explain that a new Customs programme has been adopted and include a reference to it.

activities were organised to ensure their deployment in production. All actions for implementing the WA and the Protocol were executed in time and with no issues.

- As concerns **joint actions**, the Covid-19 pandemic significantly affected some programme grant activities in the absence of travel (and therefore of costs related to them), as activities have been held virtually. As a result of this, some actions could not achieve the expected results planned for 2020. However, the very positive assessment of the joint actions, their usefulness and the ability to meet expectations by national customs officials who participated in them continued.
- Covid-19 restrictions across Europe impacted on the capacity to meet and deliver of **expert teams** funded under the programme. Many of their activities were delayed, resulting into a reshuffle of their initial timeline and under-consumption of the allocated budget.
- The results of the programme awareness surveys shows that less than 50% of the target audience is aware for the programme. This highlights there is an important potential for **further raising awareness** about the programme that should be explored at the level of national authorities.
- Same potential has been identified regarding the **usage and sharing of programme outputs**, where the Commission would expect a higher involvement from national administrations. Around 90% of participants shared what they learned with their colleagues, proving the added value of programme outputs, but only around 77% of participants stated that the programme outputs were made broadly available within national administrations. Additionally, there is an important potential for further improving the **use of such outputs** for changing the national administrations' working practices.
- Overall, the Covid-19 pandemic did not substantially impact the EU training activities. Most trainings were already provided in digital format (such as e-Learning and e-Book) while the Learning courses which were organised in collaboration with experts from Member States have been replaced by on-line events.
- Under the objective to reinforce the skills of customs officials during 2020, the work focused on adapting all the eLearning modules offered by TAXUD (around 600 modules) and updated to reflect the situation resulting from the withdrawal of the United Kingdom from the European Union and supporting the implementation of the UCC and in particular the launch of new Electronic Information Systems for customs with eLearning courses.

2.1 IT systems

Specific events had a significant impact on IT activities during 2020: the preparation of the end of the transition period foreseen by the Withdrawal Agreement between the European Union and the United Kingdom and the delays in closing the negotiations for the post-2020 Customs programme regulation led the Commission to adopt a cautious approach in the planning of the IT activities for the second half of 2020, focusing on operations and maintenance, rather than on developing new functions.

A paper-less customs environment improves both the trade facilitation and the effective enforcement of rules for protection of EU financial, safety and security interests. Mainly, the **European Information Systems (EIS)** supported by Customs 2020 play a vital role in interconnecting customs authorities. The functioning of these IT systems is enabled by the closed and secure **Common Communication Network/Common Systems Interface (CCN/CSI)** infrastructure, which since the launch of the programme has performed with high availability and reliability. The CCN/CSI network registered over 8 373 million messages exchanged during 2020, which represents a 21.3% growth since the previous year. In terms of traffic, the CCN network allowed the exchange of around 42 TB of data during the period January 2020 – December 2020, compared to around 32 TB of data in 2019. This represents an increase of 31% of traffic volume. The high volume of information channelled during the year via CCN/CSI and the EIS supported by the network, shows that the programme and its EIS are a solid and robust enabler for the paper-less environment and information exchange amongst customs authorities.

Since the launch of the programme, IT developments and adaptations of the IT environment to the Union Customs Code² (UCC) have been carried out, bringing the **total number of EIS in operations to 56** at the

² Regulation (EU) 2019/632 of the European Parliament and of the Council of 17 April 2019 amending Regulation (EU) No 952/2013 to prolong the transitional use of means other than the electronic data-processing techniques provided for in the Union Customs Code (OJ L 111, 25.4.2019, p. 54–58).

end of 2020. These developments were essential for a well-functioning and modern Customs Union. During 2020, the Customs 2020 programme continued to finance the development of new EIS projects, in close cooperation with national customs authorities and in line with the deadlines agreed with the Member States and trade stakeholders in the MASP-C. DG TAXUD progressed in 2020 in the development of the **Import Control System 2 (ICS2)** and of the reshaped **Customs Risk Management System (CRMS2)**. The two systems are core Union customs instruments aimed at protecting the external borders of the EU internal market from risks linked to the international movement of goods, including those associated to terrorism and crime. In addition, ICS2 is a large-scale system and underpins the customs pre-arrival safety and security programme. It will provide as of early 2021 a new platform for collection of advance electronic data on all goods and shipments prior to their arrival to the Union customs territory and from different trade sources.

The project to develop a new trans-European system to support and streamline the processes of INF (**UCC Information Sheets (INF) for Special Procedures**) data management and the electronic handling of INF data in the domain of Special Procedures went live on 01 June 2020. Since it ensures the availability of the INF data and streamlines the processes of INF data management.

The UCC Customs Decisions system aimed at harmonising the processes related to the application for customs decisions, their decision-taking and management, started operations on 1 October 2017. The major evolution of the system to **Customs Decisions version 2 (CDMS & Trader Portal versions 1.24)**, was installed in production on 27 June 2020. The use of the system by customs officers and traders continued seamlessly after the upgrade to version 2, as confirmed by the Member States during the post go-live webinar held on the 3 July 2020.

During the year, the programme continued to ensure the running and maintenance of the existing EIS. The correct calculation of tariffs and the fight against fraud are crucial to the protection of EU's financial interests. In this sense, TAXUD continued to ensure during 2020 the daily update of the **TARIC system** (Integrated Tariff of the EU), which provides the required data for the customs clearance systems of the Member States and gives economic operators a comprehensive view of all the measures applicable when importing or exporting goods into/from the EU. Other EIS such as **NCTS (New Computerised Transit System)** allows to monitor the movement of goods within the territory of the EU and of the common transit convention countries, respectively, and to identify cases of fraud or non-payment of customs duties. NCTS has created traceable records for each transit transaction. The **Import Control System (ICS) and the Export Control (ECS) systems** are two of the main trans-European systems that contribute to increased interconnectivity between Member States and with economic operators. In 2020, these three systems (NCTS, ICS and ECS) have maintained the highest availability rate over the last 3 years (99.51%).

The activities to implement the Automated Export System (UCC AES) and new National Computerized Transit System NCTS-P5 continued as planned, in view of their release in operations early in 2021. These are two of the main EIS enabling EU Custom's operations. They are being upgraded significantly with respect to the previous ECS and NCTS-P4 systems, in alignment with UCC provisions and to enable smooth transition from the legacy systems for national administrations and trade sources.

Furthermore, during the year of 2020 extensive work continued to be supported by the Customs 2020 programme to deliver by 1st of July 2021 the **e-Commerce system**, underpinning the new connection between customs and taxation authorities, ensuring a better and fairer management of the e-Commerce business.

2.2 Joint actions and expert teams

The Covid-19 pandemic significantly affected some programme grant activities in the absence of travel (and therefore of costs related to them), as activities have been held virtually. As a result of this, some actions could not achieve the expected results planned for 2020. However, the very positive assessment of the joint actions that could take place (even virtually), their usefulness and the ability to meet expectations by national customs officials who participated in them continued.

In 2020, customs officials continued to exchange views and best practices in the **joint actions** organised under the programme. As in previous years, more than 98% of the responding participants in these joint actions assessed positively the usefulness of the activities from a professional point of view even considering that numerous of the planned activities had to be moved to a digital format while other had to be postponed due to the negative impact of the Covid-19 pandemic.

Working practices, administrative procedures and guidelines were developed and shared among the national administrations following the joint actions. These outcomes assist countries to increase the

performance, effectiveness and efficiency of the customs administration. Guidelines and recommendations were also produced to support the implementation of Union law in the national administrations. They identify and address outstanding technical issues and constitute background information for Union law preparation and review. Since the launch of the programme, over 3000 guidelines and recommendations have been issued further to participation in the programme's joint actions.

Expert teams represent an increasingly used tool from the programme toolbox supporting enhanced operational collaboration, either on a regional or on a thematic basis. The expert team approach allows customs experts of Member States to have in depth cooperation on operational issues which go beyond the traditional means of cooperation to realise the pre-identified objectives of a common long term project (expert teams are active between 12 and 36 months). This approach gives the chance to involve more the participants and make their administration further committed to the projects. Despite the heavy sanitary situation which effected the programme initiatives in general, all the ongoing expert teams continued their activities or renewed their committed work under a new grant agreement. **Customs Laboratories 2 (CLET 2)**, **Binding Tariff Information 2 (BTI 2)** and the **Customs IT Collaboration 2 (ETCIT 2)** continued their work throughout 2020; meanwhile the **EU Eastern and South-Eastern Land Border Expert Team (CELBET 3)** started the next phase for 3 years.

2.3 Training and human competency

Overall, the Covid-19 pandemic did not substantially impact the EU training activities as those were already provided in e-Learning and e-Book formats while the Learning courses which were organised in collaboration with experts from Member States have been replaced by on-line events. But, 14 CLEP training events planned for 2020 were delayed by Member States.

In 2020, the Customs 2020 programme financed the development of **eLearning courses** on topics of common interest in collaboration with customs administrations and representatives of trade. Such courses support the implementation of EU legislation and ensure the dissemination of good customs practices throughout the European Union. As in the previous year, in 2020 TAXUD continued to support the implementation of the UCC, and in particular the customs IT systems for public and private customs users with eLearning modules, namely through producing further language versions or updating the UCC eLearning Programme modules, developing eLearning on the new EU Trader Portal on EBTI and on eAEO (for private sector/economic operators), or updating operational courses for customs officers as Samancta, Container Examination or Drug Precursor control. In total, by end 2020 the EU eLearning portfolio contained more than 41 eLearning courses in the customs area (11 new compared to 2019), all of which support customs professionals from both public and private sector with the application of the UCC and related common customs legal, operational and technical requirements.

Furthermore, Customs 2020 continued to support national customs administrations with the national implementation and/or introduction of competency-based staff development and training, based on the **EU Customs Competency Framework (CustComp^{EU})**, through a series of common and/or country-specific implementation training events. Furthermore, in 2020 the European Commission awarded 4 new Universities (1 in Estonia, 1 in Italy, 2 in Spain) for their high quality academic customs study programmes (MA/BA level), acknowledging their leading role in raising customs performance and professionalism. Compared to previous years, cross-country expertise sharing/-building was difficult to provide throughout 2020 due to the Covid-19 pandemic, e.g. most CLEP events (Common Learning Events Programme) had to be cancelled due to the different travel and meeting restrictions across Europe. Similarly, innovative common knowledge building and/or – sharing formats were further explored throughout 2020, such as EU Training webinars, eBooks, nano-learnings³ and similar. These build the foundation for further enhanced structured EU customs training cooperation in the years to come. Specific EU training support was provided in 2020 in the context of the preparation for the end of the transition period foreseen in the Withdrawal Agreement between the European Union and the United Kingdom, all the eLearning modules offered (around 600 modules) were adapted and updated to reflect the situation resulting from the withdrawal of the United Kingdom from the European Union.

³ Nano-learnings permit participants to learn a subject in a very short time frame.

3. INTRODUCTION

3.1 Customs 2020 in a nutshell

Regulation 1294/2013 of the European Parliament and of the Council of 11 December 2013 establishing an action programme for customs in the European Union for the period 2014-2020 (Customs 2020) (the Customs 2020 regulation) established the multiannual action programme Customs 2020 for the period 2014-2020 with the aim to support the functioning and modernisation of the Customs Union in order to strengthen the internal market. Total budget foreseen for this programme period is EUR 522.9 million. The programme represents a continuation of the earlier generations of programmes Customs 2007⁴ and Customs 2013⁵, which have significantly contributed to facilitating and enhancing cooperation between customs authorities within the Union.

Figure 1: Customs 2020 programme objectives

The Customs 2020 specific objectives:

- To protect the financial and economic interest of the Union and of the Member States, including the fight against fraud and the protection of intellectual property rights.
- To increase safety and security, protect citizens and the environment.
- To improve administrative capacity of the customs authority.
- To strengthen the competitiveness of European businesses.

The specific objectives shall be achieved, in particular by:

- (a) computerisation;
- (b) ensuring modern and harmonised approaches to customs procedures and controls;
- (c) facilitating legitimate trade;
- (d) reducing compliance costs and administrative burden; and
- (e) enhancing the functioning of the customs authorities.

The Customs 2020 operational objectives:

- to support the preparation, coherent application and effective implementation of Union law and policy in the field of customs;
- to develop, improve, operate and support the European Information Systems for customs;
- to identify, develop, share and apply best working practices and administrative procedures, in particular further to benchmarking activities;
- to reinforce the skills and competences of customs officials;
- to improve cooperation between customs authorities and international organisations, third countries, other governmental authorities, including Union and national market surveillance authorities, as well as economic operators and organisations representing economic operators.

There are three types of activities that are organised and financed under the programme:

- **European Information Systems (EIS)** - DG TAXUD's IT teams support the Customs Union by operating the common communication network infrastructure and platforms (CCN, CCN2, SPEED2), the two TAXUD Data Centres, and developing, maintaining and operating the Union components of more than 50 Customs EIS. These systems allow seamless, automated information exchange on import/export/transit movements with Member States and third countries⁶ and other actors of the supply chain at international level, facilitating trade and enabling the functioning of the EU Customs Union, protecting the EU Single Market.

⁴ OJ L 36, 12.2.2003, p. 1

⁵ OJ L 154/25, 14.6.2007, p.25

⁶ Customs international information systems other than the NCTS include the EU Implementation of the UNECE Customs Convention on the international transport of goods under cover of TIR Carnets, eATA Carnet Project, Smart and Secure Trade Lanes (SSTL) and the EU-CH EXS data exchange for indirect exports from Switzerland.

- **Joint actions (JA)** - bringing together officials from the participating countries - these are most commonly project groups, working visits, workshops and seminars (see full list below). The programme covers the cost of organisation and participation to these activities.

Types of joint actions:

1. seminars and workshops;
 2. project groups, generally composed of a limited number of countries, operational during a limited period of time to pursue a predefined objective with a precisely defined outcome, including coordination or benchmarking;
 3. working visits organised by the participating countries or another country to enable officials to acquire or increase their expertise or knowledge in customs matters; for working visits organised within third countries only travel and subsistence (accommodation and daily allowance) costs are eligible under the Programme;
 4. monitoring activities carried out by joint teams made up of Commission officials and officials of the participating countries to analyse customs practices, identify any difficulties in implementing rules and, where appropriate, make suggestions for the adaptation of Union rules and working methods;
 5. expert teams, namely structured forms of cooperation, with a non-permanent or permanent character, pooling expertise to perform tasks in specific domains or carry out operational activities, possibly with the support of online collaboration services, administrative assistance and infrastructure and equipment facilities;
 6. customs administration capacity building and supporting actions;
 7. studies;
 8. jointly developed communication actions;
 9. any other activity in support of the general, specific and operational objectives
- **Human competency building (HCB)** - a customs staff competency framework, common training materials and electronic learning modules play a vital part in developing the human competency component of the Customs Union. Hence, the Customs 2020 programme finances conceptual HCB initiatives as well as the development of eLearning courses on topics of common interest in collaboration with customs administrations and representatives of trade. Such courses support the implementation of EU legislation and ensure the dissemination of good customs practices throughout the European Union.

The Commission and the participating countries (EU Member States and countries recognised as candidates or potential candidates for EU membership having concluded international agreements for their participation in the Customs 2020 programme⁷) establish jointly the annual priorities and objectives of the programme by adopting each year **the Annual Work Programme**. The implementation of the programme is under direct management by the Commission meaning that it is centrally managed by DG TAXUD. It is implemented financially on the basis of grant agreements with the participating countries (joint actions), and procurements (mostly for European Information Systems and human competency building).

⁷ 34 participating countries: 28 Member States, Albania, Bosnia-Herzegovina, Rep. North Macedonia, Montenegro, Rep. Serbia and Turkey.

3.2 The Performance Measurement Framework

The Customs 2020 Regulation stipulates in Article 17 that the Commission shall monitor the implementation of the Programme and actions under it on the basis of indicators and make the outcome of such monitoring public. The final evaluation of the Customs 2013 programme⁸ equally made a recommendation to "develop a comprehensive monitoring framework to track performance and to identify issues of concern in a timely manner".

In order to achieve this purpose, the Commission established in 2014 a Performance Measurement Framework (PMF) to be implemented with the start of the new programme. The PMF is based on the intervention logic (see Figure 3), which describes the logical step-by-step link between the wider problems and needs addressed by the programme and the programme's objectives, inputs, activities, outputs, results and impacts. The PMF relies both on the quantitative (indicators) and qualitative (reporting and interpretation) data for assessing the progress achieved.

The indicators can be divided into two categories:

Output and Results indicators – these are first and second order effects that can be directly attributed to the programme. Outputs refer to those effects (most often tangible products) achieved immediately after implementing an activity, while the results look at the mid-term effects or the difference made on the ground thanks to the outputs. Both types of indicators are collected annually, reflected in the Progress Report and are linked to the operational objectives of the programme.

Impact indicators – they indicate the long-term effects of the programme by measuring its contribution to the broader policy areas, where programme activities are only one of the contributing factors. They mostly rely on the use of existing external indicators (not collected by PMF surveys) and are mainly assessed as part of evaluations. They are linked to the higher-level specific objectives of the programme and the policies it supports.

The PMF uses both its own data collection tools and the data gathered externally. The external data is collected either by other organisations at a global level or inside DG TAXUD. The PMF's own data collection tools gather feedback from programme stakeholders and are summarised in the table below.

Figure 2: PMF data collection tools

Tool	When is the data submitted?	Who submits the data?
Action Reporting Tool - Proposal form	At the beginning of each activity	Action managers
Action Follow up Form	In February, one form per action or one form each year for multi-annual actions	Action managers
Action Follow up Form for working visits		Participants to the working visit
Event Assessment Form (EAF)	60 days after the end of an event or yearly in case of project groups or similar activities longer than 1 year	Participants to an event or members of a project group or similar activities
Programme Poll	Every 18 months – to be launched in: <ul style="list-style-type: none">• Mid-2015,• beginning 2017,• mid-2018,• end 2019	The Programme Poll is addressed to all customs officials in the participating countries

The PMF follows the annual reporting cycle. It takes into consideration a calendar year of activities initiated or organised under the programme. The drafting of the Annual Progress Report starts in the following year once the data collection process is finalised. Following data analysis and consultation with stakeholders, it is published during the following year. The Annual Progress Reports represent a summary of the main output and result indicators and gives an assessment of the overall progress achieved during the year.

⁸ https://ec.europa.eu/taxation_customs/sites/taxation/files/docs/body/customs_2013_final_evaluation_report.pdf

The mid-term evaluation (in 2018) and the final evaluation (in 2021) of the programme make full use of the available Annual Progress Reports and report on the impacts of the programme's intervention.

3.3 Mid-term evaluation of the programme

In accordance with Article 18 of the Customs 2020 Regulation, DG TAXUD conducted a **mid-term evaluation of the programme**⁹, supported by an **external study**. The main objective of this evaluation was to assess the programme's performance since the launch of the programme in 2014 until 2017, including strengths and weaknesses of activities, the continued relevance of problems and needs and the programme's efficiency and value for money.

The study was finalised at the end of 2018 and is available in the Publication Office of the EU¹⁰. This study supported the **Commission Report** on the mid-term evaluation of Customs 2020 addressed to the European Parliament and the Council¹¹, adopted on 7 February 2019.

DG TAXUD, together with national customs authorities, adopted in 2019 an **action plan** to address the recommendations. The implementation of the recommendations is regularly monitored (the first follow-up exercise was done in Q4 of 2020). The final assessment of the follow-up of recommendations will be provided at the time of the final evaluations of Customs and Fiscalis 2020 programmes.

Following one of the recommendations of the mid-term evaluation, DG TAXUD launched in 2019 an external study to review the PMF. The study's aim is to reassess the current set of indicators, simplify them and make sure that the monitoring and its results shall be more fit-for-purpose to decision-making needs. The study also addressed the European Court of Auditors recommendation to set appropriate reporting arrangements and indicators, both on the overall level of implementation and on the delivery of individual IT projects and services. The study has been finalised in December 2020.

In parallel to this Progress report, the Commission is also performing the final evaluation of the Customs programme supported by an external study¹². This final evaluation is expected to be published in the first quarter of 2022.

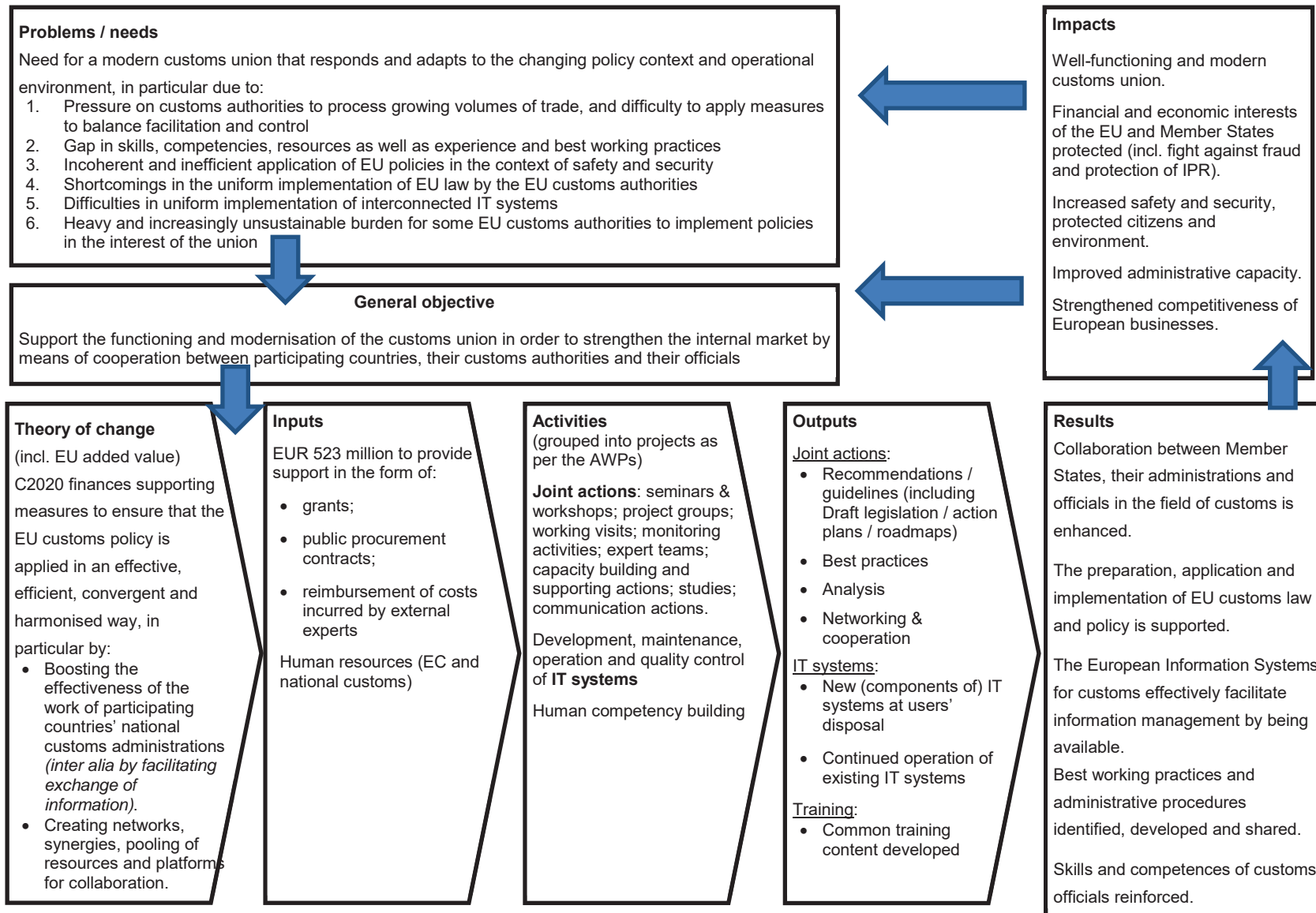
⁹ Commission Staff Working Document SWD(2019)14 final

¹⁰ <https://publications.europa.eu/en/publication-detail/-/publication/6862eee3-2db7-11e9-8d04-01aa75ed71a1/language-en/format-PDF/source-87696278>

¹¹ REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL on the mid-term evaluation of the Customs 2020 programme [COM/2019/57](#)

¹² Reference to be added when published

Figure 3: Intervention logic of the Customs 2020 programme



4. PROGRAMME YEAR 2020 – BASIC PARAMETERS (on budget and joint actions)

4.1 Budget

The overview in Figure 4 below summarises the programme funding according to the main activity types. In order to make the table more meaningful, budgetary information from the previous years has been added.

Figure 4: Committed expenses per budgetary year and main action categories under the programme, in euros¹³

	2014	2015	2016	2017	2018	2019	2020
European Information Systems	57 232 015	61 196 379	59 897 436	82 067 173	71 396 600	67 822 380	64 857 451
Joint actions (other than expert teams and studies)	6 323 000	5 500 000	5 400 000	5 815 000	5 450 000	6 264 000	5 639 100
Joint actions - expert teams	-	-	1 767 365	-	1 726 971	1 450 667	2 100 000
Training	1 350 000	995 000	2 646 000	-	1 800 000	1 836 000	1 814 000
Studies and communication	1 184 798	817 233	1 782 025	1 087 965	1 694 366	812 953	720 239
External experts	200 000	200 000	240 000	230 000	255 618	100 000	33 210
TOTAL¹⁴	66 289 813	68 708 612	71 732 826	89 200 138	82 323 555	78 286 000	75 164 000
AWP	66 293 000	68 801 000	71 733 000	81 895 000	80 071 000	78 286 000	75 164 000
EU Annual Budget	66 293 000	68 801 000	71 733 000	81 895 000	78 860 555	78 286 000	75 164 000
Amount MFF¹⁵	66 293 000	68 801 000	71 733 000	81 895 000	80 071 000	78 286 000	75 164 000

In 2020, in light of the delays in the Multiannual Financial Framework negotiations, a more cautious approach has been taken during the second half of the year regarding the budget allocation and spending in order to ensure business continuity early in 2021. More precisely, and in accordance with the funds allocation principles included in the programme's legal basis¹⁶, the vast majority of funding in 2020 went into the development and operation of European Information Systems (86,3%), followed by the organisation of the joint actions (11,2%, including expert teams and studies), and training activities (2,4%). Covid-19 pandemic has affected programme grant activities in the absence of travel and therefore of costs related to them as activities have been held virtually. Hence, due to the low consumption of the grant budget, the grant was partially de-committed.

The programme also finances the conduct of studies, data collection and comparative analyses in customs issues. Some of the initiatives finalised in 2020 related to:

- **CLEN - Coordination of European Customs Laboratories:** The objective of the work was to assist the Commission in fulfilling the requirements of Community policy in the context of the European Customs Laboratories through the provision of technical, logistical and clerical assistance.

¹³ The table compares committed amounts since the launch of the programme, as the actual expenses are not finalised for all the previous years. Budgetary year X covers from 01/04/X to 31/03/X+1

¹⁴ It is to be noted that the total amount of appropriations may be higher when using foreseen financial contributions from candidate and potential candidate countries participating in Customs 2020 programme.

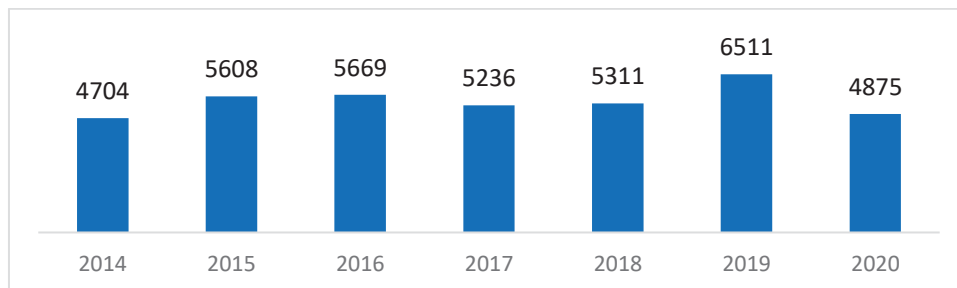
¹⁵ Figures as from 2017 reflect the frontloading for IT expenditure.

¹⁶ Annex III of Regulation 1294/2013

4.2 Participants in joint actions (excluding expert teams)

During 2020, the Covid-19 pandemic and the consequent restrictive measures had a strong impact on the joint actions and therefore to the number of participants participating in the operational actions. Almost all face-to-face meetings were cancelled and many of them have been replaced by on-line meetings. The total number of meetings have been decreased as several planned events have not been automatically replaced by virtual meetings due to technical difficulties or uncertainty of the confinement, in particular on the first period of the pandemic. However, it is worthy to note that since September 2020, the number of (virtual) meetings has increased.

Figure 5: Evolution in the number of participants¹⁷ in joint actions under Customs 2020



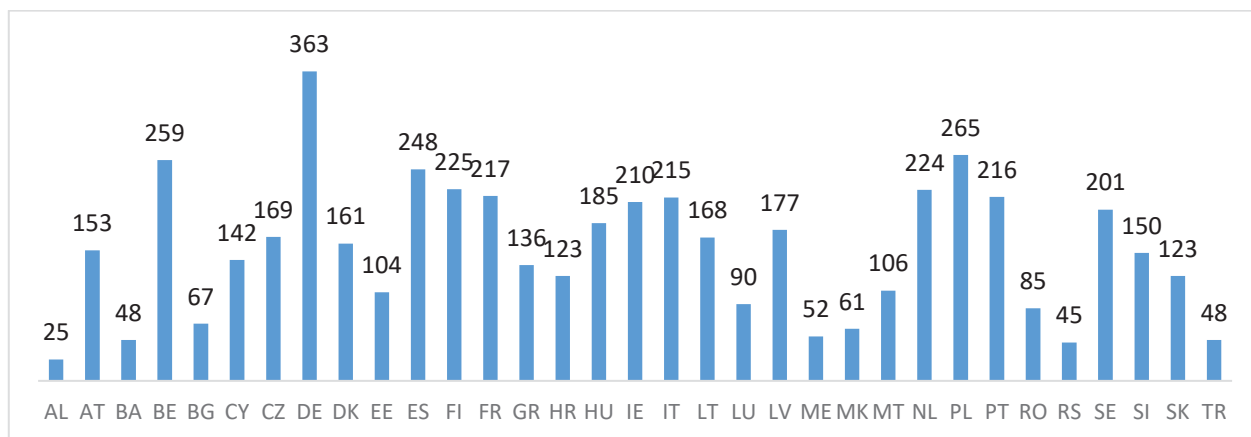
It is important to stress that the participation to programme collaborative activities (joint actions) is voluntary. In addition to the usual factors such as i) the policy needs for organising activities and ii) the individual national administrations' capacity and interest for participation, the global Covid-19 pandemic and the related limitations to travel directly impacted the organisation of meetings: as of mid-March/early April almost all physical meetings were replaced by virtual ones. The implementation of meetings also had adapted to the nature and good practices of online meetings. They became more focused, shorter and consequently more frequent in some cases. Additionally, while DG TAXUD ensured the smooth transition from the physical meetings to the online events for specific action types, such as working visits, only a limited interest was expressed by the participating countries to maintain activities in an on-line format. The same is also true to some project groups, where some nominated group delegates were more reluctant to engage in online meetings. Some specific groups actually went semi-dormant as the majority of the delegates showed no willingness to engage in online meetings.

With regards to the distribution of participants by country, it can be seen that all the countries make use of the programme, but that there are countries that do so to a greater extent than others. This is in line with the voluntary nature of participation in the programme activities and alignment with national priorities and strategies, where the number of participants from a given country depends partly on the level of interest and activity shown by the country's administration in utilizing the potential of the programme. In absolute terms, the countries that had a higher number of participants during 2020 were Germany (363), Poland (265) and Belgium (259). In comparative terms to the previous year, we noticed in 2020 a general decrease of participants for most countries, with the exception of Cyprus (+2%), Greece (~1%), Ireland (8%) and Slovenia (+30%). Data from the United Kingdom has been excluded of this analysis following the withdrawal of this country from the European Union.¹⁸

¹⁷ This is the number of total participants (which measures all instances of participation in activities and allows for the same people to have taken part in multiple activities).

¹⁸ 33 countries participate: 27 Member States and Albania, Bosnia-Herzegovina, Rep. North Macedonia, Montenegro, Rep. Serbia and Turkey.

Figure 6: Overview of participants per country in 2020¹⁹²⁰



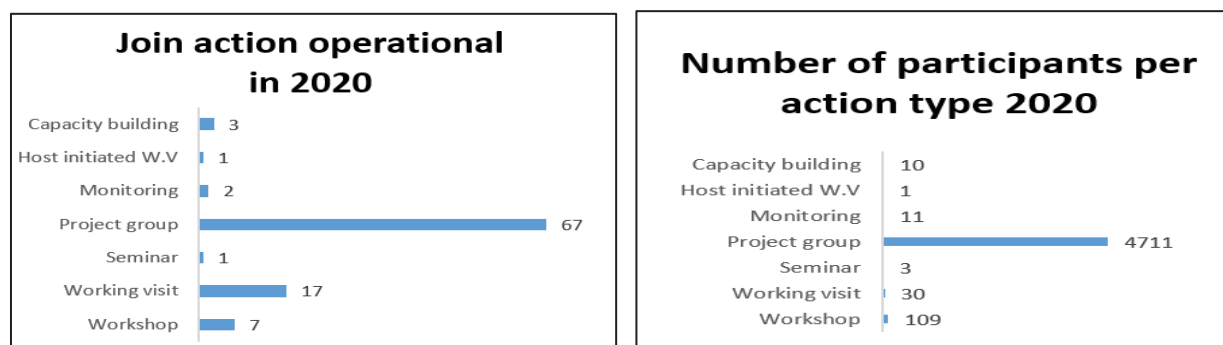
4.3 Joint actions (other than expert teams): proposals and actions

A significant drop in the total number of operational joint actions comparing to 2019 is a result of the restrictive measures during the Covid-19 pandemic, under which almost no physical meetings could take place, except for specific joint actions like MLCs and working visits. It is despite the fact that a lot of face-to-face meetings were replaced by online events.

In 2020, the total number of **operational joint actions** (i.e. the ones that were launched in previous years and continued their activities in 2020, together with the newly launched actions) decreased drastically, from 347 to 98, highly impacted by the Covid-19 pandemic and the different restrictions imposed across the Union.

We can see below that the number of participants is significantly lower when compared with previous years. The situation with regard to the number of participants in relation to the number of joint actions is due to project groups being long-term / multiannual activities, under which several events are organised every year, normally involving a high number of participants, and that there was a strong and continued interest expressed in on-line events for the project groups type of action, following the Covid-19 restrictive measures.

Figure 7: Overview of activity types and number of participants²¹ per activity type



¹⁹ The participants marked as EU represent external experts who come outside national administrations and who may be invited to contribute to selected activities organised under the programme wherever this is essential for the achievement of the programme objectives.

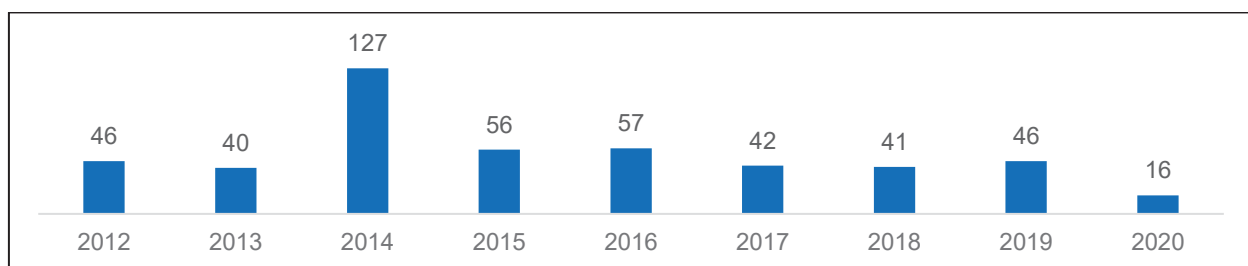
Candidate and potential candidate countries abbreviations: AL (Albania), BA (Bosnia-Herzegovina), ME (Montenegro), MK (Republic of North Macedonia), RS (Serbia), TR (Turkey).

²⁰ The 2020 number of participants for AL, BA, ME and MK are not available at the time of drafting this report. The figure from 2019 has been used instead (2018 figures for AL).

²¹ The graph on number of participants per action type does not cover participants not registered in ART.

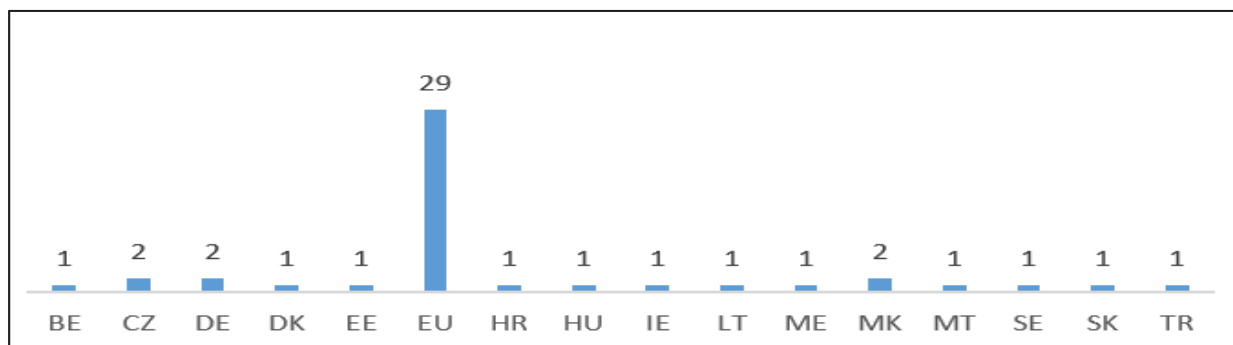
As regards the evolution of **new proposals** over time (Figure 8), working visits should not be taken into account, in order to get a comparable number²². As it is depicted on the figure below, there was an exceptionally high number of proposals in 2014, as the year of transition to the new programme C2020 meant that all proposals for ongoing activities had to be re-launched. That led to the great increase in the number of proposals treated in the year. In the 2015-2016 period, we can observe a stable number of new proposals launched every year, and a decrease in 2017 and in 2018 (from 57 to 41 proposals), which anyway was higher than the average under the Customs 2013 programme. When analysing these figures, we should take into account that in the last years many actions were to a greater extent organised in broader projects covering themes rather than specific interventions. Content-wise, the projects are usually multi-annual rather than annual, as the actions stretch over more than one year. This may lead to less new initiatives and to a decrease in the total number of proposals and actions for a specific year: in particular during 2020 we can observe a significant decrease in the number of proposals, dropping from 46 in 2019 to 16 in 2020 (without working visits).

Figure 8: Number of new proposals submitted during 2020 (without working visits)



In 2020, the Commission maintained its lead in initiating proposals, with 9 action proposals during 2020 (marked EU in Figure 9), or 29 if we include working visits.

Figure 9: Overview of proposals per initiating country in 2020 (including working visits)



²² This is because before 2014 all the working visits were covered by a single proposal, while under the Customs 2020 each business case for a working visit is treated as a separate proposal (thus increasing the number of proposals significantly).

5. PROGRESS IN RELATION TO THE OPERATIONAL OBJECTIVES

5.1 Cross-cut indicators: collaboration robustness between programme stakeholders

The first section of the Performance Measurement Framework contains a number of programme-wide indicators measuring the achievement of results by the joint actions, awareness, networking and the use of outputs.

Firstly, it is detailed in this section the **achievement of results as reported by the action managers of joint actions** in the Action Follow-up Form. In the case of most project groups, the action managers are DG TAXUD policy experts, while for the working visits these are national customs officials. For the other types of actions, the actions managers are indistinctly coming from the Commission or national administrations. The level of achievement of results is evaluated against the anticipated results on a scale from 0 (not achieved) to 4 (fully achieved) at the end of the action. When analysing the figures, it should be kept in mind that the level of achievement is impacted both by internal factors (e.g. if an activity lasts for several years, the results cannot be fully achieved immediately) and by external factors (such as political, business or technological developments). The indicators obtained for 2020, in comparison with the targets and the values in the preceding years, show a slight decrease in the overall appreciation of results for joint actions (from 3.28 in 2019 to 3.03 in 2020). The feedback provided by action managers specifically for working visits (which follow an independent survey) shows a rating for the achievement of results even better than for the rest of joint actions (3.67, same than 2019), indicating that those who organised working visits are highly satisfied with the business value obtained (regardless of minor fluctuations between the years, the indicators has always been above target and baseline).

Indicator	Source	Baseline	Target ²³	2014	2015	2016	2017	2018	2019	2020
Extent to which JA (that sought to enhance collaboration between participating countries, their administrations and officials in the field of customs) have achieved their intended result(s), as reported by action managers: average score on the scale of 0 (not achieved) to 4 (fully achieved)	AFF	2.91 (2014)	>= 3	2.91	3.12	3.00	3.00	3.12	3.28	3.03
	AFF Working Visits	3.55 (2014)	>= 3	3.55	3.59	3.64	3.72	3.67	3.67	3.67

Raising awareness about the programme and its potential among the target audience is an important precondition to fulfilling the C2020 programme's objectives. The awareness is measured through the Programme Poll, which is distributed to customs and tax administrations of the participating countries every 18 months. The Poll is distributed among both participants and non-participants to the programme's activities, since its goal is to measure awareness among the whole of the target audience.

Indicator	Source	Baseline (2011 Poll)	Target	Mid 2015	End 2016	Mid 2018	End 2019
Extent to which the target audience is aware of the programme	Prog. Poll	65.7%	>75%	51%	55%	57%	48%

²³ Taking into account the different factors impacting the level of achievement, it is advisable to set realistic targets for the achievement of results. In the case of most joint actions, such a target could be set at 3 or higher (3 corresponding to "results achieved to a large extent").

The last Programme Poll took place at the end of 2019, gathering replies from 3 791 officials working in 31 participating countries. It can be observed that approximately 48% of all customs officials in Europe are aware of the Customs 2020 programme, which represents a decrease of 9 percentage points compared to the poll results for 2018. The poll results shows that there is an important potential for further raising awareness about the programme, that should be explored at the level of national authorities.

All the results measured since the launch of the programme have been below the target (75%) and the baseline (65.7%). In order to raise awareness, in 2016 DG TAXUD defined a new communication strategy for the Customs 2020 programme, which included the use of new communication tools and channels, as well as common efforts between the EU and national programme teams in the distribution of programme information to the potential beneficiaries.

Several **programme management events** took place in 2020 at the initiative of the Commission:

- An online meeting for newcomers in the programme management community aiming to familiarise them with programme basics, in particular the new Customs programme post 2020, and to integrate them into the network of national programme coordinators, supported by videos recorded by the CPMT;
- Publication of an updated Financial Guide for Joint Actions under the Fiscalis and Customs programme;
- Three online network meetings for national programme coordinators, supported by surveys, with the objectives to discuss the role/function and position of the national programme coordinators, the implementation of the new Customs programme, in particular the presentation of new concepts and financial information, and new ways of working;
- Three information sessions with national programme coordinators on the novelties of the post-2020 Customs programme, on urgent operational issues, and on the next Multi Annual Work Programme draft;
- Several newsletters summarising the new programme highlights were published.
- In addition, a project was launched to investigate the replacement of PICS, the main knowledge sharing tool within the Customs and Fiscalis 2020 programmes, to improve the capabilities, performance and user-friendliness of the instrument, and to increase the awareness of all national officials and not only those participating in programme events.

The **collaboration** between customs officials is key for implementing customs policy in Europe. It creates **networking** that improves the understanding and the implementation of Union customs law and policy, as meeting fellow officials from other countries and maintaining professional contacts with them facilitates the exchange of best practices and ultimately support the better overall functioning of the customs union.

Indicator: Degree of networking generated by programme activities	Source	Baseline (2013)	Target	2014	2015	2016	2017	2018	2019	2020
Q 1: Did the activity provide you a good opportunity to expand your network of and contacts with officials abroad? (percentage agreeing)	EAF ²⁴	94%	>90%	96.5%	95.5%	96.0%	96.3%	96.1%	96.3%	81,1%
Q 2: Have you been in contact for work purposes with the officials you met during this activity since the	EAF	84%	>80%	71.5%	73.2%	70.0%	77.7%	73.5%	74.6%	54,9%

²⁴ Data source changed from Programme Poll to EAF in order to improve data availability for years without poll.

Indicator: Degree of networking generated by programme activities	Source	Baseline (2013)	Target	2014	2015	2016	2017	2018	2019	2020
activity ended? (percentage agreeing)										

The feed-back from participants in joint actions collected under the Performance Measurement Framework shows that the collaboration robustness between programme stakeholders (customs administrations and their officials) was maintained, even within the context of the Covid-19 global pandemic. In 2020, 81.1% of the responding participants declared that the programme provided a good opportunity for them to expand their network of officials abroad (network opportunity). Similar or higher outcome was achieved in previous years, always above the target and the baseline. Additionally, in the same period, the number of respondents who declared that they had been in contact for work purposes with the officials they met during programme activities (lasting networking effect) is around 55%. This significant decrease could be the combination of both the results of the travel and meet restrictions across Europe due to the Covid-19 pandemic and an unclear understanding of the different possibilities to “be in contact”, which with the pandemic more often includes collaborative tools beyond the traditional contacts (such as physical meetings).

The levels of **sharing the programme outputs** (such as recommendations, guidelines, studies, etc.), as reported by action managers through the Action Follow-up Form, returned in 2016 to their baseline level, following a drop in 2015. Since then, the rate oscillated around 81% for three years and in 2019 had a decrease of 3 percentage points. 2020 levels of sharing the programme outputs show a slight increase, but the measurement is still below target. This means that action managers reported that the outputs of their actions were shared slightly more in the national administrations than in the previous year, but not at pre-2018 levels. In this case as well, we can see an important potential for further sharing the programmes outputs within the national administrations. On the other hand, almost 90% of the participants shared what they learned at the programme activities with their national colleagues. It should be highlighted that this value is very close to the set target.

Indicator: Extent to which programme outputs (e.g. guidelines or training material) are shared within national administrations	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
Q 1 (AFF): Were the outputs of the action shared in national administrations? (percentage agreeing)	AFF	81% (2014)	>80%	81.0%	71.0%	81.0%	81.5%	80.7%	77.1%	77.7%
Q 2 (EAF): Further to your participation in this activity, did you share with colleagues what you learned? (percentage agreeing)	EAF	94% (2013)	>90%	96.0%	93.5%	95.3%	96.0%	96.0%	95.6%	89.8%

N.B. Sections 5.2 to 5.6 below provide an analysis of the performance under the different operational objectives. It should be taken into account that, when referring to the number of joint actions, the figure includes the actions launched in previous years and continued their activities in 2018, together with the newly launched ones. When counting the number of actions that are operational in a year under a specific objective, it should also be taken into account that the indicator only counts the actions for which the objective in question was chosen as primary objective; this is done so to avoid counting twice the same action under different objectives.

5.2 Objective 1: support the preparation, coherent application and effective implementation of Union law and policy in the field of customs

Joint actions linked to this primary objective represented the biggest number of joint actions under the programme in 2020: there were 189 joint actions ongoing in 2020 having the preparation, coherent application and effective implementation of Union law as their main objective. This represents 57 actions more than in 2019. The activities were mostly project groups (175) that covered an extensive variety of subjects, like AEO, security risk rules, e-commerce, amongst others. Due to the effect of the Covid-19 pandemic, and in contrast with previous years, no seminars took place in 2020.

Nonetheless, some groups continued and even intensified their work online, when it was possible to do so. The use of online meetings often allowed for a more agile, more targeted/focused approach.

In the risk management area, both the Security Risk Rule and the Financial Risk group carried on actively having a total of 42 meetings progressing towards reinforcing safety and security, as well as towards improved protection of the EU's financial interests. Despite considerable progress was achieved (such as adoption by the Commission of the new air cargo security common risk criteria for pre-loading risk assessment, drafting of guidance on financial risks and simplified procedures, development of CRC for Covid-19 crisis), the format of exclusive online collaboration presented significant challenges and limitations in this area. For example as concerns security risks, due to sensitivity of certain information required to be shared between the national experts and the Commission in the process of establishment of the common risk assessment criteria, it was not possible to organise face to face meetings that would allow exchange of up to-date threat assessments. Trainings of officials (train-the –trainer) which are important for harmonised application of the new risk criteria in practice could not be organised for the entire package of the risk criteria's (sensitive elements) common guidance. In this regards, it would be important to provide online collaboration tools that enable a secure environment for meetings and workshops.

The AEO Network engaged in 22 meetings, including a number of fact-finding to various administrations and their operators. These visits were to review and assess the implementation of AEO Programme by the national administrations, in particular the monitoring of the AEO authorisations carried out both by the authorities and operators, the implementation of internal controls and the AEO in the risk analysis processes.

Following on previous years' evolution, e-commerce and the handling of low-value consignments by customs was also in the focus in 2020. The Project Group on import and export customs formalities related to low value consignments had 9 meetings. These meetings served to share knowledge on the latest developments in the e-commerce domain related to low value consignments, and also allowed for the collaborative development of the guidance document on the import/export formalities related to low value consignments. It also engaged in the establishment of the import one-stop shop (IOSS) and the related customs rules.

The Customs Union Performance group continued its long-standing analytical work further improving the data collection, data analytics and reporting features, in the interest of the assessment and consequent improvement of the Customs Union functioning. The CUP project group had 22 meetings in 2020, contributing to monitor the performance of the Customs Union against its objectives. A dedicated working group contributed significantly to the development of the CUP Management Information System (CUP-MIS). This pool of CUP experts worked mainly online and hold regular consultation with the IT team in charge of agile development of the project.

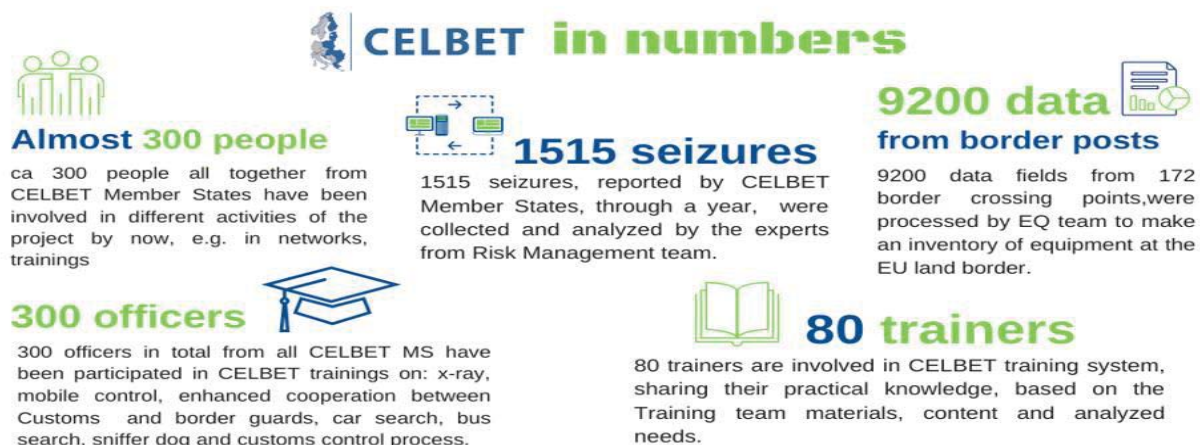
Other initiatives under this objective took the form of **expert teams**. Expert teams represent an increasingly used tool from the programme toolbox supporting enhanced operational collaboration, either on a regional or on a thematic basis. The expert team approach allows customs experts of Member States to have in depth cooperation on operational issues which go beyond the traditional means of cooperation to realise the pre-identified



objectives of a common long term project (expert teams are active between 12 and 36 months). To achieve its objectives, expert teams use innovative working methods based on real operational coordination, deeper sharing of information and pooling of human resources, thus contributing to the implementation of common customs legislation and policy.

During 2020, all four existing customs expert teams continued their work: EU Eastern and South-Eastern Land Border (CELBET), Customs Laboratories (CLET), Binding Tariff Information (BTI) and the Customs IT Collaboration (ETCIT). In general, all the existing expert teams were affected by the Covid-19 pandemic, meaning that many activities of the teams were delayed and re-scheduled. Yet, despite all the challenges, all of them were able to eventually turn to the work on-line and continue fulfilling their tasks. This is briefly described below, per expert team.

CELBET 3: This expert team provides expertise and makes proposals based on practical experience of operational co-ordination and results achieved for further improvement of the operational management of EU Eastern and South-Eastern land border. More specifically, CELBET 3 provides solutions for better targeting of risks, uniform performance measurement standards, flexible use and sharing of resources, training of customs officers, interaction and coordination with relevant border services (including those of third, neighbouring countries) and last, but not least, addressing funding challenges related with control infrastructure and equipment. CELBET 3 helps to improve the control of the external border and preventing the entry of dangerous goods, that could be harmful to people or to our environment, or to the EU's, the Member States' and citizens' financial interests. The improved controls also contribute to smoother and faster border crossing. The new phase of the expert team started its activities under the Covid-19 pandemic, which caused serious delays on the actions, mostly at the core activities (Border Crossing Point (BCP) trainings, study visits, operational checks, etc.).



CLET 2: The Customs Laboratories expert team started its second phase in spring 2019 and continued its activities in 2020. The MSs involved targeted a higher number of analysis, by continuing to pool expertise and equipment in a network (meta-laboratory) to analyse samples and share analytical results. The work of this specific expert team was not really impacted by the Covid-19 pandemic, on the contrary, the customs laboratories had to strengthen their activities, because of the new type of analysis on the necessary medical supply for fighting against the pandemic, which had to be carried out extremely rapidly.

BTI 2: This expert team also renewed their activities in late 2019 and continued to work together in 2020. The expert team aims at addressing specific problems in the functioning of the Customs Union, namely the uniform tariff classification of products being imported into or exported from the Union. Under the Union customs law, the customs authorities of the Member States issue Binding Tariff Information (BTI), at the request of economic operators. The BTI provides the economic operator who requested it with legal certainty about the tariff classification of the goods he/she intends to import or export. The objective of the expert team is to analyse in a structured manner complex cases of divergent tariff classification that occurred at European Union level, and to propose an expert opinion for these cases, by pooling a core team of experts in their specific domains. The expert opinion proposed is subsequently assessed by the Customs Code Committee. A structured collaboration and exchange of specific knowledge between

experts of the domain – building on the results of the BTI expert team – allows proposing to the Customs Code Committee viable solutions to complex classification cases. As the work was slowed down because of the obstacles raised by the Covid-19 pandemic, the team decided to extend their activities for another 3 years.

ETCIT 2: The expert team on Customs IT Collaboration started a new phase 2 in autumn 2019 to continue exploring and identifying new approaches for customs IT systems development and operation, including the realisation of a pilot project among Member States (more information on this expert team can be found on section 5.3.VIII).

When looking at the performance indicators under this objective, the **Union Law and Policy Application and Implementation Index** provides a comprehensive overview of the performance of the joint actions organised under the programme's auspices. This is reflected in the following table.

Indicator	Source	Base-line	Target	2014	2015	2016	2017	2018	2019	2020
Extent to which JA (that sought to support/ facilitate the preparation, application and/or implementation of a specific piece of new (or revised) customs law or policy) have achieved their intended result(s), as reported by action managers: average score on the scale of 0 (not achieved) to 4 (fully achieved)	AFF	3,17 (2014)	>3	3.17	2.88	3.02	3.02	3.38	3.41	3.19
Participants' views on the extent to which a JA (that sought to support/ facilitate the preparation, application and/or implementation of a specific piece of new (or revised) customs law or policy) (has) achieved its intended results (percentage of those who replied 'fully' or 'to large extent')	EAF	94% (2014)	>80%	94.0%	95.0%	96.0%	95.0%	94.5%	95.8%	93.9%
Participants' views on the extent to which an event met their expectations (percentage of those who replied 'fully' or 'to large extent')	EAF	91% (2014)	>80%	91.0%	95.0%	95.0%	95.0%	93.2%	94.3%	93.4%
Participants' views on the usefulness of an event (percentage of those who replied 'very useful' or 'useful')	EAF	98% (2014)	>80%	98.0%	98.0%	99.0%	99.0%	98.7%	99.0%	98.9%
Number of actions (JA) that have supported or	ART	67 (2014)	Grow or	67	65	123	122	114	132	42

Indicator	Source	Base-line	Target	2014	2015	2016	2017	2018	2019	2020
facilitated the implementation, preparation or application of (a specific piece of new or revised) customs law			stable							
Number of recommendations (R) / guidelines (G) / other outputs (O) issued further to a JA	AFF	2014: 266 (R) 9 (G) 385 (O)	On average at least one output per action	266 (R) 9 (G) 385 (O)	237 (R) 10 (G) 74 (O)	114 (R) 111 (G) 234 (O)	152 (R) 115 (G) 434 (O)	106 (R) 27 (G) 680 (O)	114 (R) 49 (G) 236 (O)	35 (R) 12 (G) 60 (O)

The main indicator relates to the level of achievement of expected results. The value obtained of 3.19 in 2020 represents the third highest value since the launch of the programme, confirming a positive trend since 2016. Such value indicates that the action managers are very satisfied with the progress obtained within their groups. The overall positive evaluation by action managers is also confirmed by the participants to joint actions: 93.9% of them declared that the joint activity in which they participated had achieved its intended result and 93.4% declared that the event met their expectations. Participants also expressed very high levels of satisfaction regarding the usefulness of the event since the beginning of the programme, and in particular in 2020 (98.9%).

The two output indicators included in this group provide further insights into the **number of actions** organised and the **recommendations, guidelines and other outputs produced** under the programme: the figures are significantly lower than previous year due to the impact of the Covid-19 pandemic and the different restrictions across Europe. It should also be noticed that, for the time being, the data available on the number of recommendations, guidelines and other outputs are included in replies to the AFF, and therefore dependent on the number of replies.

5.3 Objective 2: implement, improve, operate and support the European Information Systems for customs

The great majority of the programme funding (approximately 85%) is spent on the **European Information Systems (EIS)**, which are of critical importance for the well-functioning of the Customs Union. The list of the existing EIS is included in the Annex II of the Customs 2020 Regulation, while those planned for development are included in the Electronic Customs **Multi-Annual Strategic Plan for Customs (MASP-C)**²⁵, a document drawn up by the European Commission in partnership with Member States in accordance with Article 8(2) of the Decision 70/2008/EC²⁶ on a Paperless environment for customs and trade, also known as the e-Customs Decision.

The Union Customs Code (UCC) adoption and application as of 1 May 2016 completed the shift by customs to a paperless and fully electronic and interoperable environment with core values of simplicity, service and speed. The IT systems required to implement the UCC have been also included in the MASP-C. The Customs 2020 programme provides funds for the Union components of the IT systems included in the MASP-C. These are assets (such as hardware, software, network connections) and services to support IT systems that are common to the Commission and the Member States. National components are expected to be developed and operated by Member States, who bear the associated costs.

Throughout the 2014-2020 period, work on the implementation of the MASP-C progressed under the programme, notably to ensure that all EIS are deployed in accordance with UCC legal deadlines (set in the

²⁵ https://ec.europa.eu/taxation_customs/sites/taxation/files/2019_masp_strategic_plan_en.pdf

²⁶ Decision No 70/2008/EC of the European Parliament and of the Council of 15 January 2008 on a paperless customs environment for customs and trade, OJ 2008, N° L23, p. 21.

UCC Work Programme). It should be highlighted that during 2019 the Commission amended²⁷ the UCC (notably its Article 278a) to allow a longer period for the deployment of 9 out of 17 IT systems that the UCC provides for the completion of customs formalities. It had become clear that it would not be possible to deploy all the systems smoothly by the original deadline of end 2020, given the amount and complexity of the work involved and the interdependencies between the systems, as well as resources constraints – both on the side of the Commission and of the Member States. The amendment maintained the original deadline of 2020 for 8 of the 17 systems. At the same time, it allows customs authorities and economic operators to continue using transitional arrangements (i.e. previously existing IT systems or paper-based arrangements) beyond 2020 for the completion of customs formalities to be managed by 9 systems that now have longer deployment deadlines. The 9 systems in question are 3 national systems that must be upgraded by Member States by end of 2022, and 6 trans-European systems that must be upgraded or developed by the Commission by end of 2025.

Sections I to VIII below provide information on the key performance indicators for EIS, together with detailed technical information on different IT aspects, such as continuity, deployment and development.

It should be highlighted that the information contained in this report regarding the implementation of the EIS is complemented by the **2020 e-Customs progress report**²⁸, which covers both the EU components (funded by the Customs 2020 programme) and the national components of the EIS.

I – Overview of customs IT systems in 2020

In 2020, DG TAXUD continued operating an important portfolio of IT systems (56 systems in total), supporting Member States and third countries in their exchanges of customs related information, and supporting traders. However, in light of the delay in the Multiannual Financial Framework negotiations, the Commission was forced to take a more cautious approach during the second half of 2020, setting aside financial resources from C2020, in order to ensure business continuity early in 2021, focusing mainly on the maintenance of the IT systems rather on the development of new functions. The operational exchanges included around 11.2 million transit movements, 14.74 million indirect export movements and more than 50 million entry summary declarations.

In the context of modernising the customs IT systems and/or expanding the scope of customs exchanges with other partners, these were the 2020 key achievements in terms of systems deployment and development:

a) UCC systems

- **REX (system of Registered EXporters)** became operational at the beginning of 2017 with the objective to facilitate the certification of origin of goods applied in the Generalised System of Preference (GSP) of the European Union. The system is based on a principle of self-certification by economic operators that were registered in a database by their competent authorities. In the beginning of 2020, the **REX release 2.3** which added support for OCT countries has facilitated the traders from OCT countries to add REX registrations. During 2020, evolution of REX to include **Trader Portal (implemented as REX3 project)** was developed and it was ready for production from the 25th of January 2021.
- During 2020, the UCC **Standardised Exchange of INformation for Special Procedures system (INF SP)** went live on 01 June 2020. The centralised INF SP system is useful to ensure the availability of INF data and to streamline the processes of INF data management, in order to improve the efficiency and facilitate the supervision of the relevant processing procedures.
- The UCC Customs Decisions system aims at harmonising the processes related to the application for customs decisions, the decision-taking and the decision management through standardisation and electronic management of application and decision/authorisation data across the Union. In its first

²⁷ Regulation (EU) 2019/632 amending Regulation (EU) No 952/2013 to prolong the transitional use of means other than the electronic data-processing techniques provided for in the Union Customs Code.

²⁸ The e-Customs progress reports are produced pursuant to Article 12 of the e-Customs Decision (Decision No 70/2008/EC) and are published in the Europa website: https://ec.europa.eu/taxation_customs/general-information-customs/electronic-customs_en

version, it started operations on the 1st of October 2017. This trans-European system facilitates consultations during the decision taking period and the management of the authorisations process. A major evolution of this system, **Customs Decisions version 2 (CDMS & TP versions 1.24)**, was installed in production on 27 June 2020. After the upgrade, the use of the system by customs officers and traders continued seamlessly, as confirmed by the Member States during the post go-live webinar held on the 3rd of July.

- The **Automated Export System (UCC AES)** and **new National Computerized Transit System NCTS-P5**, two of the main Customs EIS enabling EU Custom's operations, upgraded significantly the current ECS and NCTS-P4 in alignment with UCC provisions, and enabled smooth transition from the legacy systems for national administrations and trade sources. The technical system specifications were formally approved by National Administrators in 2019. Updated technical specifications that contain the approved changes for the alignment to UCC data latest updates, were approved by Member States in August 2020. The construction of the central convertor platform (ieCA) has completed and deployed in conformance environment so that national administrations progress with the development of their national applications with a view to rendering the transition phase of the system into operation on 15 March 2021, as per the revised UCC Work Programme.
- In the context of the EU Strategy and Action Plan for customs risk management, DG TAXUD progressed in 2020 with the development of two core customs instruments aimed to protecting the external borders of the EU internal market from risks linked to the international movement of goods, including those associated to terrorism and crime:
 - The **Import Control System 2 (ICS2)** is a large-scale system that underpins the customs pre-arrival safety and security programme. It provides a new platform for collection of advance electronic data on all goods and shipments prior to their arrival to the Union customs territory and from different trade sources. The activities of the construction of the Common Repository and the Shared Trader Interface for ICS2 Release 1 (Air Postal and Air Express pre-loading ENS and Risk analyses processes) were completed according to the plan in 2020. ICS2 Release 1 was ready to be operational as of 15 March 2021, as per the revised UCC Work Programme.
 - The reshaped **Customs Risk Management System (CRMS2)** redesigns the current CRMS created in 2005 to provide a comprehensive tool that reflects the evolving needs of risk management and increase the clarity of the different functions to be fulfilled. In 2020, the work on the business requirements and all the documents related to the elaboration and construction phase of the project continued, in view of releasing it in operations by the end of 2021.

b) Non-UCC systems

- The VAT e-Commerce Phase 1 system was deployed in production in Q4 of 2020. The legal act of Council Decision (EU) 2020/1109 of 20 July 2020 amending Directives (EU) 2017/2455 and (EU) 2019/1995 as regards the dates of transposition and application in response to the request by the Member States to postpone the date of enforcement due to the Covid-19 pandemic impact on their preparation work, has changed the applicability of e-Commerce (**VAT IOSS e-Commerce Phase 2**) to the 1st of July 2021. During 2020, the Annex B to the Commission Delegated Regulation (EU) 2015/2446 as well as Annex B to the Commission Implementing Regulation (EU) 2015/2447 currently in force were amended and adopted. The construction activities to update the SURV-RECAPP application have progressed in 2020, so as to be in production from the 1st of July 2021.

c) Other

During 2020, the **Withdrawal Agreement (WA)** between the European Union and the United Kingdom, including the **Protocol on Ireland and Northern Ireland**, entered into force on the 1st of February 2020 with a transition period until on 31 December 2020. Major work to support this activity was executed. The implementation of the WA affected 29 Customs systems. All impacted systems were updated and extensive testing activities were organised to ensure their deployment in production. All actions for implementing the WA and the Protocol were executed in time and with no issues. The deployment to operations activities that took place during the period between 28 December 2020 and 3 January 2021 went smoothly, with no disruptions for the Customs Authorities and the Economic Operators.

II – Key performance indicators for EIS

C2020 output indicators – New IT systems for customs	2017	2018	2019	2020
Number of IT projects in the research phase (PP)	11	4	6	4 ²⁹
Number of IT projects in the development phase (P)	19	21	13	12 ³⁰
Number of new IT systems in operations (PROD)	8	3	6	2 ³¹
Ratio of IT projects in status "Green" (refer to MASP-C 2017) (%) ³²	85.71%	68.00%	66.67%	66.67%
Ratio of IT projects in status "Green" (refer to MASP-C 2019) (%)			100%	69.23%
C2020 output indicators – Existing IT systems for customs	2017	2018	2019	2020
Number of European Information Systems in operations ³³	49	52	54	56 ³⁴
Number of modifications on IT systems in operation following business requests	571	624	385	804
Number of modifications on IT systems in operation following corrections	1 024	853	857	669
Number of occurrences where the service desk is not reachable	None	Partial unavailability during 3 days	None	None
Percentage of services calls answered on time	99.45%	99.82%	98.22%	98.92%
C2020 result indicators – European Information Systems for customs	2017	2018	2019	2020
Availability of the Common Communication Network (CCN), Common Systems Interface (CSI) (%)	99.98%	99.98%	99.47%	99.97%
Availability of centralised IT customs applications (%)	98.70%	99.68%	96.27%	99.82%
Availability of New Computerised Transit System (NCTS), Export Control System (ECS), Import Control System (ICS) (%)	99.30%	99.26%	99.41%	99.51%
Availability of the Single Portal for Entry or Exit of Data (SPEED2)	98.46%	99.24%	99.51%	99.68%

²⁹ MASP-C Rev 2019 V1.1 (in 2020): UCC PoUS, UCC GUM, UCC CCI P2, CSW-CERTEX (Dual use – R3.0.0).

³⁰ MASP-C Rev 2019 V1.1 (in 2020): REX3, Customs Decisions iteration2, NCTS P5, UCC AES, UCC ICS 2.0, CRMS2, UCC INF SP, UCC CCI P1, COPIS e-AFA, CUP-MIS, VAT e-Commerce Phase 2 IOSS, CS/MIS2 (not in MASP-C), UCC PoUS, CSW-CERTEX (FGAS – R2.0.0). SSTL is on hold.

³¹ MASP-C Rev 2019 V1.1 (in 2020): Customs Decisions iteration2, UCC INF SP.

³² Projects that are progressing in line with the requirements, time and budget limitations set-up.

³³ EIS in operation: An annual increase in the number of existing European Information Systems would reflect that the programme is contributing effectively to the stated objective in particular by operating the necessary EIS. Refer to the IT projects in operation.

³⁴ As per Annex 1 of the Customs 2020 Regulation for 2019, explaining that 2 of the EIS were decommissioned (ISPP and RSS), and 2 of the IT systems included in the Number of new IT systems in operations for 2018 were actually evolutions of REX and SURV-RECAPP, existing EIS.

Activity indicators (application data volumes and number of messages CCN Network)	22.89 TB volume 4 348 million messages	29.08 TB volume 5 789 million messages	32.23 TB volume 6 902 million messages	42.21 TB volume 8 373 million messages
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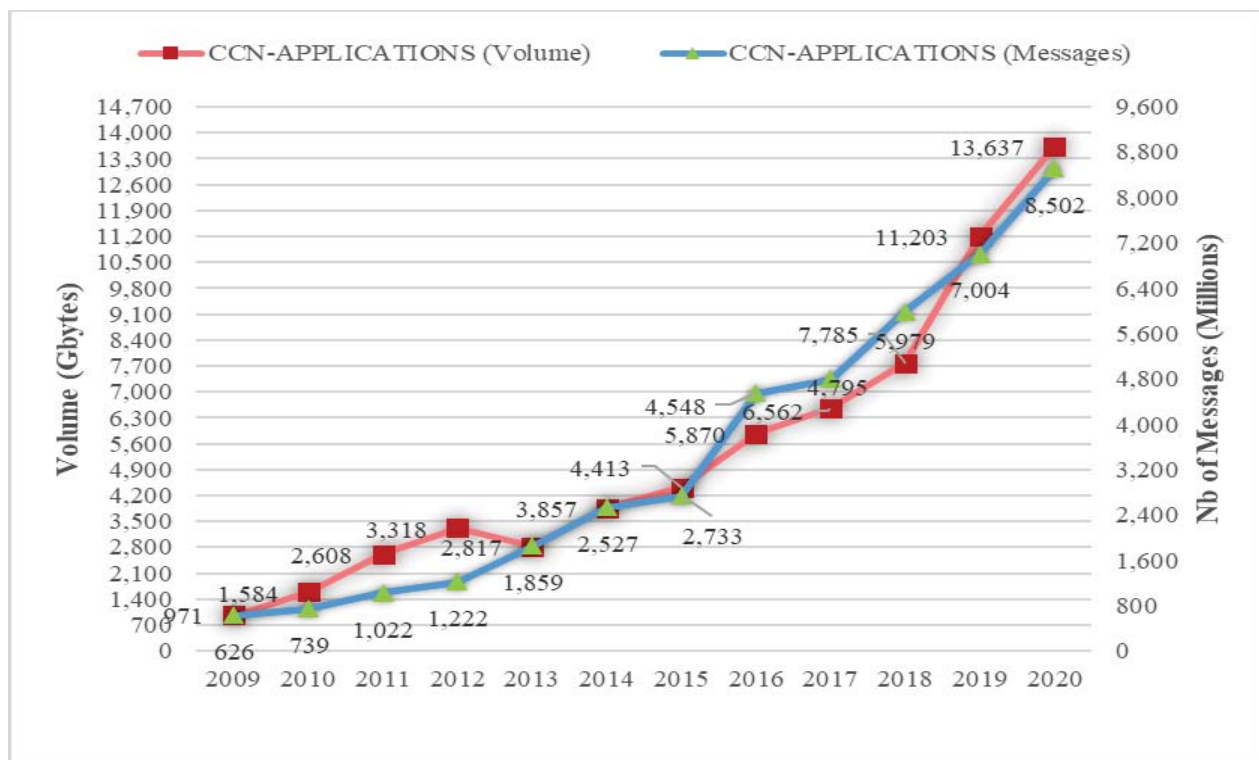
III – IT availability

Ensuring the business and IT systems' continuity is a major responsibility under the programme, since disruptions in the operation of the European Information Systems would affect customs national administrations, citizens and businesses across the entire EU, and hamper the functioning of the Internal Market. The underlying infrastructure (Common Communications Network/Common Systems Interface CCN/CSI) – developed, managed and maintained by the Commission - was available during the period 2014-2020 more than 99% of the time during working hours. In particular during 2020, the availability of this platform was 99.97%, which represents 0.48 percentage points more than in 2019.

IV – Network traffic and business perspective of main applications

The CCN/CSI network registered around 8 373 million messages exchanged during the period January 2020 – December 2020, compared to 6 902 million messages exchanged in the previous year. This represents a 21.3% growth of the number of messages. In terms of traffic, the CCN network allowed to exchange around 42 TB of data during the period January 2020 – December 2020, compared to around 32 TB of data in 2019. This represents an increase of 31% of traffic volume. The high volume of information channelled during the year via CCN/CSI shows that the programme is a solid and robust enabler for the paper-less environment and information exchange amongst customs and tax authorities.

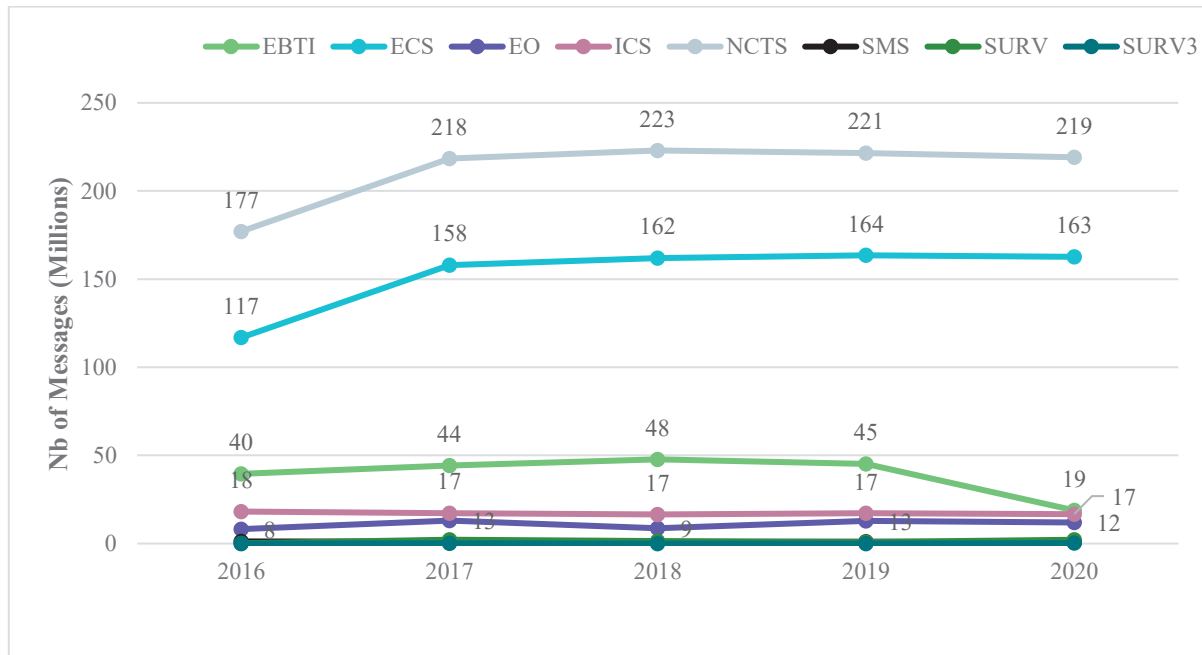
Figure 10: CCN applications – Evolution of volumes / messages



In relation to the evolution of the messages exchanged in the main customs IT applications, it can be seen from the figure below that, by comparison to 2019, there was an decrease during 2020 for Surveillance due to economic situation with the Covid-19 pandemic in 2020 and the consequent drop in terms of trade and

consequently in terms of customs declarations. For all the other systems the number of messages (in millions) either remained stable or decreased. For the European Binding Tariff Information, the global Covid-19 together with both the United Kingdom leaving the European Union and the transition from UCC BTI P1 to UCC BTI P2 pushed down the amount of messages related to this application to 58% of the volumes in 2019.

Figure 11: Evolution of messages exchanged by application.



V – Deployment and entry in operation

A number of projects were completed and entered into production in 2020:

- During 2020, the UCC **Standardised Exchange of Information for Special Procedures (INF SP) system** went in production on 01 June 2020.
- **Customs Decisions version 2 (CDMS & TP versions 1.24)** was installed in production on 27 June 2020.

VI – System development

Projects under elaboration and construction phases during 2020 are indicated below. All projects were on-time according to MASP-C.

Elaboration and construction of:

- REX3 project for development of trader portal;
- Customs Decisions v1.24 which is a major evolution of the system;
- NCTS P5 to align the existing trans-European NCTS system to the new UCC and UCC AES which aims to implement the UCC requirements for export and exit, including the development of the critical converter application (ieCA);
- UCC INF SP and STP to support and streamline the processes of INF data management and the electronic handling of INF data in the domain of Special Procedures;
- UCC Centralised Clearance for Import (CCI) Phase 1;
- COPIS Implementation of electronic AFA;
- Customs Union Performance – Management Information System (CUP-MIS);

- Evolution of SURV-RECAPP to support VAT e-Commerce Phase 2 IOSS project;
- CS/MIS2 system which will replace the current CS/MIS system;
- EU CSW-CERTEX (Release 1.1 and 1.2 covering CHED-PP, CHED-D and ODS).

Elaboration of:

- UCC Proof of Union Status (PoUS) Phase 1;
- EU Customs SW: Certificates Exchange (FGAS – R2.0.0).

VII - Inception and pre-inception phase

Projects under inception and pre-inception phases during 2020:

- UCC Proof of Union Status (PoUS) Phase 1 and 2;
- UCC Guarantee Management (GUM);
- UCC Centralised Clearance for Import (CCI) Phase 2;
- EU Customs SW: Certificates Exchange (Dual use – R3.0.0).

VIII – Joint actions with national customs authorities in the area of IT

In addition to financing the EU common components of the customs European Information Systems, the Customs 2020 programme also supports these systems by means of joint actions and human capacity building activities. The joint actions that were organised in 2020 in relation to the customs EIS were executed in the context of 15 project groups. In addition, different trainings activities in the area of IT were organised (see Section 5.5 dedicated to the reinforced skills and competences of customs officials).

Work by **project groups** included the continuation of those launched in previous years, such as the IT Systems Development Group (ITSD), IT Technology & Infrastructure Group, Customs Business Group, Electronic Customs Coordination Group (ECCG), Customs Decisions collaboration project group or the project group on Centralised Clearance at Import IT.

In particular, the **Electronic Customs Coordination Group (ECCG)** plays a vital role by validating the key outputs coming from different related groups (such as the Customs Business Expert Group, the Customs EIS Operations Group, the IT Systems Development Group and the IT Technology & Infrastructure group) against the plans, the policy and business objectives. It consolidates the results achieved by these groups, through a common understanding and agreement with the Member States on the project scope, design, requirements and architecture of the electronic systems, and where relevant, through consultation and taking the views of the economic operators into account, therefore linking also into the Trade Contact Group. The agreed results are the basis for the regular updates of the UCC Work Programme and of the MASP-C.

In addition to the project groups mentioned above, different expert teams worked towards implementing, improving, operating and supporting the European Information Systems for customs. The objective of the expert team dealing with customs IT systems – **ETCIT 2 (Expert team on Customs IT Collaboration)** - was to explore new approaches to develop and operate customs IT systems, based on the idea that, while the UCC lays down a single EU framework of customs formalities and controls, the development and maintenance of IT systems implementing those rules are largely decentralised at national level and fall under the responsibility of the Member States. ETCIT 2 includes around 40 experts from 16 Member States. The expected results include: the analysis on pros and cons of new approaches of developing and operating customs IT systems; listing the suitable options for a pilot project and provide recommendations for the way forward; guidelines for improving legal and governance framework; recommendations on procurement options and for possible funding; and criteria for the cost benefit analysis. Activities started in October 2019 and will last a little bit more than two years, as the original 24 months was extended in 2020

to 27 months because of the delays caused by the pandemic. The possibility of continuation of the activities with a new expert team (ETCIT 3) is currently considered by a new submitted business case.

The **stakeholders' assessment of the IT related joint actions** was in general terms very positive and equal or above target levels, with few and punctual exceptions:

Indicator	Source	Base-line	Target	2014	2015	2016	2017	2018	2019	2020
Extent to which JAs (that sought to enhance the availability, reliability and/or quality of (specific) Union components of EIS) have achieved their intended result(s), as reported by action managers: average score on the scale of 0 (not achieved) to 4 (fully achieved)	AFF	3.16 (2014)	> 3	3.16	3.96	3.57	3.57	4.00	2.00	3.00
Participants' views on the extent to which a JA (that sought to enhance the availability, reliability and/or quality of (specific) Union components of EIS) (has) achieved its intended result(s) (percentage of those who replied 'fully' or 'to large extent')	EAF	93% (2014)	>80%	93.0%	96.0%	95.0%	95.0%	95.7%	95.3%	97.6%
Participants' views on the extent to which an event met their expectations (percentage of those who replied 'fully' or 'to large extent')	EAF	93% (2014)	>80%	93.0%	93.5%	93.0%	94.5%	94.7%	94.4%	94.7%
Participants' views on the usefulness of an event (percentage of those who replied 'very useful' or 'useful')	EAF	99% (2014)	>80%	99.0%	99.0%	98.0%	98.6%	100.0%	99.1%	98.9%

We notice a significant increase for the first indicator (relating to the achievement of result as reported by action managers) compared to 2019 levels, but still low in contrast the levels achieved by the programme pre-2019. This value has to be read with caution, as the low number of replies to the AFF for activities relating to the EIS (only 3 replies provided) does not constitute a representative population. Participants' feedback on 'fulfilled results', 'met expectations' and 'usefulness' continues to be very positive for events organised under this objective, with rates similar to previous year and well above targets.

5.4 Objective 3: identify, develop, share and apply best working practices and administrative procedures

The development, sharing and application of best working practices and administrative procedures take place at several levels in the programme. It is done through joint actions, European Information Systems and the online collaboration platform PICS.

26 joint actions were running under this operational objective in 2020, mainly project groups and working visits. **14 working visits** took place in 2020 and, as in previous years, the range of topics covered by these visits was wide, e.g. improving the skills of customs officials at external borders, detection dogs, customs controls at different borders types, risk management or centralised clearance.

There were **10 project groups** that continued their activities from previous years in different areas, such as customs controls at the various types of borders: RALFH (northern ports), ODYSSEUS (southern ports), ICARUS (airports), and LFCG (land frontier contact group). These project groups bring together permanent contact points from the participating Member States and senior managers from customs offices at the border, with the aim to address any issues relevant for operational cooperation and co-ordination with regard to controls at the external frontier on all type of transport modes, including rail (with specific rail subgroups). These groups also provide the fora to exchange best practices with a view to make customs controls on movements of various means of transport more efficient. Some other project groups or subgroups aim is to improve and develop customs controls capability and performance standards related to scanning, rummage or detection dogs of customs at the external borders of the European Union.

In the area of customs detection technology and data mining, the work continued to maintain and strengthen the network of practitioners and the exchange of experience and good practices in data mining in the customs area, through interactive, practitioner-led exchanges and sharing of experience from the different perspectives (customs business, scientific/academic and data miners from beginner to advanced practice levels) and with the support of the Joint Research Centre of the Commission.

Indicator	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
Extent to which JAs (that sought to extend working practices and/or administrative procedures/guidelines in a given area to other participating countries) have achieved their intended result(s), as reported by action managers: average score on the scale of 0 (not achieved) to 4 (fully achieved)	AFF	3.25 (2014)	>3	3.25	3.20	3.14	3.14	3,08	3,20	2,14
Participants' views on the extent to which a JA (that sought to extend working practices and/or administrative procedures/guidelines in a given area to other participating countries) (has) achieved its intended result(s) (percentage of those who replied 'fully' or 'to large extent')	EAF	95% (2014)	>80%	95.0%	97.0%	95.0%	95.7%	94.0%	94.6%	92.8%
Participants' views on the extent to which an event met their expectations (percentage of	EAF	95% (2014)	>80%	95.0%	95.0%	95.0%	95.3%	94.0%	94.1%	89.2%

Indicator	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
those who replied 'fully' or 'to large extent')										
Participants' views on the usefulness of an event (percentage of those who replied 'very useful' or 'useful')	EAF	98% (2014)	>80%	98.0%	99.0%	99.0%	98.5%	98.8%	100.0%	98.5%

In the table above, we can see that action managers of joint actions under this objective have reported a decrease in the level of achievement of expected results (from 3.20 in 2019 to 2.14 in 2020), showing moderate level of achievement of results during 2020. This decrease is a direct consequence of the Covid-19 pandemic and restrictions across Europe. Numerous actions and meetings had to be postponed, and therefore had a negative impact in the level of achievement of expected results. Participants' feedback on 'fulfilled results', 'met expectations' and 'usefulness' of events that did took place continues to be very positive, with close to 100% rate on the usefulness of the events organised under this objective.

Indicator	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
Percentage of participants that disseminated a working practice and/or administrative procedure/guideline developed/shared produced with the support of the programme in their national administration	EAF	94% (2014)	>90%	94.0%	94.0%	93.0%	95.0%	96.0%	95,8%	90.7%
Percentage of participants which declare that an administrative procedure/working practice/guideline developed/shared under the programme led to a change in their national administration's working practices	EAF	84% (2014)	>70%	84.0%	74.0%	74.0%	74.3%	88.0%	68.7%	75.7%
Number of actions under the programme organised in this area	ART	85 (2014)	Grow or stable compare to baseline	85	200	191	142	149	121 ³⁵	26 ³⁶

³⁵ It should be taken into account that, while earlier years had more actions in total, and more actions specifically addressing concrete issues, in the last years many actions were to a greater extent organised in broader projects covering themes rather than specific interventions. Content-wise, the projects are usually multi-annual rather than annual, as the actions and processes they cover stretch over more than one year. This may lead to less new initiatives and in a decrease in the total number of actions for a specific year.

³⁶ Significant decrease in the total number of actions under the programme impacted by the Covid-19 crisis and the impossibility to perform working visits

Indicator	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
Number of working practices/administrative procedures (AP) developed/shared	AFF	1 (2014)	On average at least one output per action	1	2	19	74	74	163	128
Number of actions which had outputs used for a benchmarking activity as declared by the action managers	AFF	0 (2014)	Grow or stable	0	2	2	17	9	11	11

There is a high rate of dissemination of programme outputs by the participants, with approximately 90.7% of them declaring to have distributed the outputs nationally. The percentage of participants that declared that the activities outputs led to a change in their national administrations' working practices has increased in 2020 (75.7%). However, there is an important potential for further improving the use of such outputs for changing their national administration's working practices.

In 2020, the number of outputs produced has decreased considerably to 128, highly influenced by the Covid-19 pandemic and the different restrictions to movement across Europe. Fluctuations in these indicators, however, need to be interpreted carefully, as not every working practice/administrative procedure is equally important. Furthermore, the number of outputs depends largely on the business need and the type of the subject matter addressed by the programme action.

Indicator	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
Number of face to face meetings (total for the programme)	ART	443 (2013)	Grow or stable compared to baseline	265	551	552	448	473	570	181
Number of on-line collaboration groups (PICS) (total for the platform)	EC	110 (2013)	Grow	199	261	301	277	340	348	377
Number of downloaded files from PICS (total for the platform)	EC	13 564 (2013)	Grow or stable compared to baseline	73 200	116 538	96 062	104 941	92 500	160 648	n/a ³⁷
Number of uploaded files on PICS (total for the platform)	EC	3 445 (2013)	Grow or stable compared to baseline	5 521	11 177	7 807	7 184	7 887	9 455	n/a

³⁷ No data available for 2020, same for "Number of uploaded files on PICS".

In the area of **online collaboration**, the use of the Programme Information and Collaboration Space (PICS) is measured. This platform is used by DG TAXUD and national customs and tax officials to facilitate the running of joint actions, but also for other, non-programme related collaboration needs and knowledge sharing in communities of practice. We can see that the total number of online collaboration groups on the platform increased in 2020 (377 groups on average during the year, 400 groups in total at the end of 2020). In relation to the number of new users that signed up to PICS, there is a clear trend since 2014, with an annual increase of approx. 1 000 new users. In terms of file sharing, both the number of downloaded and uploaded files increased considerable during 2019: 73.6% more of downloaded files and 19.8% more of uploaded files. Due to a technical issue, the statistics on the number of downloaded/uploaded files on PICS during 2020 are not available.

5.5 Objective 4: reinforce skills and competences of customs officials

Under this objective, we measure the use of the different types of EU common training and human competency building provided under the programme: the e-Learning courses, the commonly developed training materials and the IT training for European Information Systems for customs. There are also other types of activities with a learning dimension organised under the program, such as seminars and working visits. However, they are assessed in relation to their primary business objective and reported on in other chapters.

Indicator	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
Number of produced EU eLearning modules ³⁸	EC	15 (2013)	Grow or stable	15	15	30	129 ³⁹	32 ⁴⁰	48 ⁴¹	59
Number of EU eLearning modules used by participating countries (combined number of all modules used in each country)	EC	174 (2014)	Grow	174	183	305	271	279	377	321
Number of customs officials trained by using EU common training material	EC	4 776 (2014)	Grow or stable	4 623	6 108	23 970	34 214	17 547	40 400	18 109
Average training quality score by customs officials (on a scale of 100)	EC	70.3 (2015)	>70	73.3 ⁴²	70.3	74.3	73.1	72.9	75.0	78.6

The Customs 2020 programme finances the development of eLearning courses on topics of common interest in collaboration with customs administrations and representatives of trade. Such courses support

³⁸ This indicator counts the modules as English (master version) and further localised versions in EU languages as requested by participating countries, as the resources needed to develop each localised version request approx. 60% of the resources spend for the original English version.

³⁹ The indication of '129 eLearning developments' in 2017 relates to 2 newly produced eLearning modules and the production of 127 national language versions of existing EU eLearning modules. During 2017 a specific focus was put in developing localised language versions of existing eLearning modules on specific request of participating countries.

⁴⁰ The number of 32 EU eLearning modules relates to 2 newly produced modules plus 9 and 21 languages versions of each module.

⁴¹ The number of 48 EU eLearning modules relates to 2 newly produced modules plus the updated of other courses and their localisations.

⁴² The new format of the satisfaction survey was only launched towards the end of 2014. Therefore the data collected in 2014 is insufficient to be representative and we should rather rely on the 2015 data as the baseline.

the implementation of EU legislation and ensure the dissemination of good customs practices throughout the European Union.

In 2020, as part of adjustments related to the context of the Covid-19 pandemic, the Commission together with the support of Portugal, Sweden and Belgium provided the “Train the EU webinar trainer”, aiming to instruct the national trainers on how to provide efficient webinar events and adapt to online methodology.

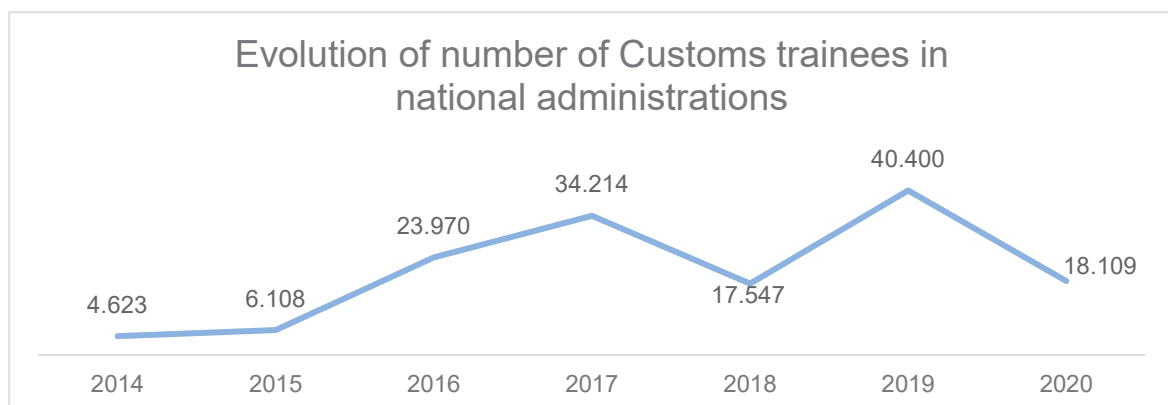
In order to support the implementation of the Union Customs Code (UCC), an extensive UCC EU eLearning programme was developed by DG TAXUD under the Customs 2020 programme, in collaboration with a pool of 70 customs experts from national authorities and the private sector.

During 2020, the work focused on:

1. Adapting all the eLearning modules offered by TAXUD (around 600 modules) and updated to reflect the situation resulting from the withdrawal of the United Kingdom from the European Union (update of maps, number of Member States and examples using United Kingdom were replaced by another country). This activity started already in 2019, but it was finalized at the beginning of 2020;
2. Supporting the implementation of the UCC and in particular the launch of new Electronic Information Systems for customs with eLearning courses. In this case, during 2020, we offered 3 new eLearning modules related to EIS: INF Special Procedures, CLASS and Economic Operator System (EOS).

The updated programme counts currently 48 eLearning courses in the customs area, all of which support customs professionals from both public and private sector. The number of officials trained by using common training material has decreased in 2020, in terms of number of trainees for the full customs-specific EU eLearning course portfolio. It is likely that this is linked to the revision of priorities motivated by the Covid-19 pandemic.

With more difficulty compared to the previous years, cross-country expertise sharing/-building was provided throughout 2020, e.g. in form of **CLEP events (Common Learning Events Programme)** with a total of 3 events (2 webinars). Most of the CLEP events were too practical to be held online, therefore Member States decided to postpone 9 of the training actions planned for 2020. The Commission decided to further explore throughout 2020 innovative common knowledge building and/or – sharing formats, such as EU training webinars, eBooks, nano-learnings and similar. These build the foundation for further enhanced structured EU Customs training cooperation in the years to come. Specific EU training support was provided in 2020 in the context of the preparation for the end of the transition period foreseen by the Withdrawal Agreement between the European Union and the United Kingdom, such as through the



development of fast-track upskilling and on-boarding customs training programmes for direct national administrations' use.

Some of the eLearning courses are also available on the EUROPA website, where they can be downloaded by economic operators and other interested stakeholders. The number of downloads was still significant (34 347 downloads in 2020), representing **721 252 private sector customs professionals trained** on EU Customs eLearning modules – see also section 5.6 for further information on the use of training outputs by economic operators.

The customs officials were asked to report back on the **quality of the training courses** using the internationally recognised Kirkpatrick training scale⁴³. The trainees were requested to score the relevance of the courses, the achievement of their learning objectives, the learning retention and the 'user-friendliness' of the courses. The average score in 2020 was of 78.6 points across all available EU Customs eLearning modules (with 75 = 'very good' and 50 = 'fairly') and indicates an overall positive assessment, the highest since the launch of the programme.

Furthermore, Customs 2020 continued to support national customs administrations with the national implementation and/or introduction of competency-based staff development and training, based on the **EU Customs Competency Framework (CustComp^{EU})**, through a series of common and/or country-specific implementation training events.

In 2020, TAXUD continued with the programme Customs 2020-supported initiative **EU Certificate of Recognition for academic customs study programmes (Bachelor's/Master's level)**, an initiative under the multiannual EU customs & tax training and performance building Action Plan (2017 – 2020)⁴⁴

The successful 2020 EU Recognition pilot cycle (4 academic institutions were awarded with the EU Recognition Certificate) represented continuity toward systematic recognition of customs-specific Bachelor and Master's study programmes (and customs specific modules within wider BA/MA programmes) that have as objective to equip students with the optimal competencies to engage in – or further advance in – their Customs career, both in public and private sectors. EU recognised academic customs programmes will in consequence contribute to the rise of customs performance and professionalism across the EU.

Specifically in the **area of IT**⁴⁵, during 2020 there were 6 training sessions organised by DG TAXUD for national customs officials on how to use various platforms or Electronic Information Systems for customs, such as CCN/CSI, CCN2, Customs Risk Management System, Customs Decisions or e-Authorised Economic Operators. This number represents an increase of 18% over the previous year. The IT training sessions received very positive feedback from the participants in terms of their usefulness and meeting the participants' expectations, very well above targets.

Indicator	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
Number of IT training sessions organised for given systems / components	ART	22 (2014)	Grow or stable	22	45	58	40	39	46	6 ⁴⁶
Number of customs officials trained in IT training	ART	124 (2014)	Grow or stable	124	293	374	472	503	722	273
Percentage of customs officials that found that the IT training met their expectations (percentage of those who replied 'fully' or 'to large extent')	EAF	95% (2014)	>80%	95.0%	92.0%	87.0%	89.0%	92.1%	89.3%	89,1%
Percentage of customs officials that found the IT training to be useful (percentage of those who replied 'very useful' or 'useful')	EAF	99% (2014)	>80%	99.0%	98.0%	97.0%	97.0%	100.0%	98.3%	97.8%

⁴³ http://www.wa.gov/esd/training/toolbox/tg_kirkpatrick.htm

⁴⁴ SWD(2018) 34 final/2: Customs 2020_EU Customs & Tax Training Action Plan 2017 – 2020, Initiative 4 (<https://webgate.ec.europa.eu/plcs/filedepot/655?cid=6778&fid=36036>)

⁴⁵ Training sessions in the area of IT are organised in the form of Project Groups.

⁴⁶ Number of training session significantly lower in 2020 than 2019 mainly due to the impact of the global Covid-19 pandemic and the different travel restrictions across Europe

5.6 Objective 5: improve cooperation between customs authorities and international organisations, third countries, other governmental authorities, including Union and national market surveillance authorities, as well as economic operators and organisations representing economic operators

Under this objective, we look at the joint actions that sought to support cooperation with third countries, the use of training outputs by economic operators and the use of European Electronic Information Systems (EIS) for exchange of information with third countries.

In total, there were 6 **joint actions** running under this objective, and all of them were project groups. On a similar note to the other operational objectives, as a result of the Covid-19 pandemic many actions were cancelled. **Project groups** continued the work initiated in previous years, mainly in the following areas:

- EU-Russia project group on customs border issues: project groups for the exchanges of customs information on border issues;
- Authorised Economic Operator: projects groups on mutual recognition with Japan and with the US;
- Relations with China: projects groups on IPR enforcement, on waste and on the China-HK pilot project on Smart and Secure Trade Lanes;
- Different aspects of competitiveness and trade facilitation, such as the common transit procedure in countries joining the Common Transit Convention, or the interoperability of security and border management systems with customs systems.

There was a new project group launched in 2019, which focused on the comprehensive review of the WCO **Revised Kyoto Convention (RKC)**⁴⁷ and that continued its work in 2020. The project group met once during 2020, involving 11 participants, to mainly conduct a gaps and needs analysis between the UCC and the RKC. The project group's findings are to be considered in future draft coordination documents. The project group allowed for a systematic interaction between the Commission and Member States prior to the meetings of the WCO working group that is conducting the RKC comprehensive review.

The above mentioned activities illustrate the support of the Customs 2020 programme to the EU's international customs cooperation. The participants' feedback on 'fulfilled results', 'met expectations' and 'usefulness' continues to be very positive, with slight fluctuations in some of the years, but always well above baseline levels. The action managers have however reported a low level of achievement of expected results (2.0), which represents a slight decrease from 2019 and still below target. In general terms, we should take into account that, since the launch of the programme, international activities have been reporting more moderate levels of achievement of results than other types of programme activities. As reported by action managers in the past, this is primarily due to political and organisational changes in the partner countries, which impact the success and progress of these activities.

⁴⁷ The WCO adopted in 1999, the Revised Kyoto Convention (RKC) as the blueprint for modern and efficient Customs procedures in the 21st Century, which entered into force in 2006. The EU is a Contracting Party to the RKC by means of Council Decision [2003/231/EC](#), which includes accession to the Body and General Annex and has been very much engaged in the RKC review process from its very beginning.

Indicator	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
Extent to which JAs (that sought to support cooperation between customs authorities and IOs, third countries, other governmental authorities, economic operators) have achieved their intended result(s), as reported by action managers: average score on the scale of 0 (not achieved) to 4 (fully achieved)	AFF	2.36 (2014)	>3	2.36	3.17	2.44	2.44	N/A ⁴⁸	2.50 ⁴⁹	2.00
Participants' views on the extent to which a JA (that sought to support cooperation between customs authorities and IOs, third countries, other governmental authorities, economic operators) (has) achieved its intended result(s) (percentage of those who replied 'fully' or 'to large extent')	EAF	95% (2014)	>80%	95.0%	91.0%	92.0%	93.0%	91.0%	87.4%	82.6%
Participants' views on the extent to which an event met their expectations (percentage of those who replied 'fully' or 'to large extent')	EAF	94% (2014)	>80%	94.0%	90.0%	91.0%	94.6%	91.0%	87.4%	78.2%
Participants' views on the usefulness of an event (percentage of those who replied 'very useful' or 'useful')	EAF	99% (2014)	>80%	99.0%	96.0%	98.0%	99.0%	98.0%	98.8%	95.7%
Number of programme actions supporting the operational objective relating to cooperation with third parties	ART	22 (2014)	Grow or stable compared to baseline	22	43	39	30	24	24	6

⁴⁸ Only one AFF reply for which operational objective 5 was selected. Data considered not representative for 2018.

⁴⁹ These results should be interpreted cautiously, as there were only two AFF replies for which operational objective 5 was selected.

In the area of **exchange of information through EIS** with third countries, the mutual recognition of authorised economic operators was extended to Norway in 2018. The EU currently exchanges information with 14 partner countries: Japan, USA, Norway, Iceland, Switzerland, Liechtenstein, Andorra, San Marino, Russia, Turkey, North Macedonia, China, Serbia and Norway. With some of these partner countries the information exchanged concerned transit movements (NCTS), while with others it concerned AEOs. New initiatives continued to be investigated in pre-inception mode, particularly in the area of NCTS collaboration with Moldova, Ukraine and Georgia. There was equally an ongoing project concerning the future implementation of the mutual recognition on AEO with Canada. AEO mutual recognition negotiations are ongoing with Singapore, Moldova and, in addition, the EU provided technical assistance to a number of countries to prepare them to set up AEO programmes. The main benefits of the mutual recognition of AEO are fewer security and safety related controls, recognition of business partners during the application process, priority treatment at customs clearance and business continuity aspects.

Indicator	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
Number of partner countries that the Customs Union exchanges information with via IT systems	EC	10 (2014)	Grow or stable	10	12	13	13	14	14	14

Economic operators also benefit from programmes activities, in particular regarding human capacity building. In particular, **eLearning courses** (as addressed under Objective 4) that do not contain control-related or otherwise confidential content, are also publicly available for download through the Europa website. They are mostly used by economic operators for training of their staff involved with customs. During 2020, these courses were downloaded 30 408 times. The number of total downloads has gone significantly up, boosted by the new courses launched since 2019 that have been especially relevant to traders, like UCC – Level 3: 'eAEO Trader Portal' and 'eBTI Trader portal'. Moreover the improvements done in the Europa website download portal allowed the download of multiple courses at once. The number of trainees over these years tends to align to the availability of the courses in their local language and the lifecycle of the course itself.

Economic operators also reported back on the quality of the eLearning course used, in line with the international Kirkpatrick training quality scale. Their replies summed up to an average score of 78.6 (with 75 = 'very good' and 50 = 'fairly') and indicates their overall positive assessment.

Indicator	Source	Baseline	Target	2014	2015	2016	2017	2018	2019	2020
Number of downloaded e-learning courses by economic operators and others via Europa.eu website	EC	3 219 (2014)	Grow or stable comp. to baseline	3 219	3 202	12 920	11 807	10 449	10 529	30 408 ⁵⁰
Average training quality score by other users (e.g. traders and individuals) (on a scale of 100)	EC	64 (2014)	>70	64.0	69.2	78.5	73.1	72.9	75.0	78.6

⁵⁰ Increase in total number of downloads due by a combination of the course offer for 2020 (new courses focused on economic operators) and the improvements done in the Download portal of the website that allowed the download of multiple courses at once