



2019

Annual Activity Report

Annexes

**DG TAXATION
AND
CUSTOMS UNION**

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ANNEX 1: Statement of the Director(s) in charge of Risk Management and Internal Control

"I declare that in accordance with the Commission's communication on the internal control framework¹, I have reported my advice and recommendations on the overall state of internal control in the DG to the Director-General.

I hereby certify that the information provided in the present Annual Activity Report and in its annexes is, to the best of my knowledge, accurate and complete."

27 March 2020

Signed

S. HENZLER
Director

¹ C(2017)2373 of 19.04.2017.

1.1 ANNEX 2: Reporting – Human Resources, Better Regulation, Information Management and External Communication

This annex is the annex of section 2.2 "Other organisational management dimensions".

A. Human Resource Management

Objective: The DG deploys effectively its resources in support of the delivery of the Commission's priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.

Indicator 1: Percentage of female representation in middle management

Source of data: Sysper 12/2019

Baseline: 28.57% on 31/12/2015	Target: 40% in 2020 <i>The DG TAXUD target adopted in 2015 (SEC(2015)336) was replaced with a nomination target of 3 additional female Heads of Unit (first appointments) by end 2019.</i>	Output: 30% on 31/12/2019
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Indicator 2: Percentage of staff who feel that the Commission cares about their well-being

Source of data: Commission staff survey

Baseline: 38 %(positive) in the 2014 staff survey	Target: 50% in 2020 <i>The target is to surpass the Commission average and to regain the level reached in 2013 before the reform of the Staff Regulations.</i>	Output: 59% in the 2018 staff survey (Commission average 52%)
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Indicator 3: Staff engagement index

Source of data: Commission staff survey

Baseline: 70% in the 2014 staff survey	Target: 75% in 2020 <i>Although still above the 2014 Commission average (65%) DG TAXUD aims at regaining the level reached in 2013.</i>	Output: 75% in the 2018 staff survey (Commission average 69%)
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Main outputs in 2019

Output	Indicator	2019 Result
Improved talent- and succession management. Better knowledge management (identify & manage expertise)	Approval of the talent and succession policy by Senior Management.	Approved
Increased job satisfaction and improved health of staff. Better use of the well-being rooms and improved facilities.	The results of the 2018 Commission staff survey in the field of fit@work.	Improved

Action plan as follow-up on staff opinion survey 2018	Approval of action plan by Director General	Approved
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B. Better Regulation

Objective: Prepare new policy initiatives and manage the EU's acquis in line with better regulation practices to ensure that EU policy objectives are achieved effectively and efficiently.

Indicator 1: Percentage of Impact Assessments submitted by DG TAXUD to the Regulatory Scrutiny Board that received a favourable opinion on first submission.

Source of data: Evaluation and Impact Assessment Support function in DG TAXUD (TAXUD.D.4.003)

Baseline 2015	Interim Milestone 2019	Target 2020
<p>Commission average in 2015: 52%</p> <p>DG TAXUD Moving Average over the last 10 years (2006 – 2015): 15 positive opinions on 20 first submissions = 75%</p> <p>DG TAXUD Moving Average over the last 5 years (2011 – 2015): 9 positive opinions on 12 first submissions = 75%</p> <p>DG TAXUD average in 2015: 0 positive opinions on 0 first submissions = n/a</p>	<p>DG TAXUD Moving Average over the last 10 years (2010 – 2019): 23 positive opinions on 32 first submissions = 72%</p> <p>DG TAXUD Moving Average over the last 5 years (2015 – 2019): 13 positive opinions on 18 first submissions = 72%</p> <p>DG TAXUD average in 2019: n/a, as no submission of impact assessment reports to the RSB in 2019</p>	<p><i>Positive trend compared to baseline 2015.</i></p>

Indicator 2: Percentage of the DG's regulatory acquis covered by ex-post evaluations and Fitness Checks not older than five years.

Relevance of Indicator 2: *The application of better regulation practices would progressively lead to the stock of legislative acquis covered by regular evaluations to increase.*

Source of data: Evaluation and Impact Assessment Support function in DG TAXUD (TAXUD.D.4.003)

Baseline 2015	Interim Milestone 2019	Target 2020
<p>Percentage of the DG's regulatory acquis covered by ex-post evaluations and Fitness Checks not older than five years (2011-2015):</p> <p>W.r.t. acquis in the area of Customs: 12%</p> <p>W.r.t. acquis in the area of Taxation: 13%</p>	<p>Percentage of the DG's regulatory acquis covered by ex-post evaluations and Fitness Checks not older than five years (2015-2019):</p> <p>W.r.t. acquis in the</p>	<p><i>Positive trend compared to the baseline 2015</i></p>

W.r.t total acquis of DG TAXUD: 12%.	area of Customs: 8% W.r.t. acquis in the area of Taxation: 28% W.r.t total acquis of DG TAXUD: 16%	
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C. Information Management

Objective: Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable

Indicator 1: Percentage of registered documents that are not filed² (ratio)

Source of data: *Hermes-Ares-NomCom (HAN)³ statistics*

Baseline 2014	Milestone 2019	Target
1.10%	0.51%	0%

Indicator 2: Percentage of HAN files readable/accessible by all units in the DG

Source of data: *HAN statistics*

Baseline	Milestone 2019	Target
90.99%	74%	90%

Indicator 3: Percentage of HAN files shared with other DGs

Source of data: *HAN statistics*

Baseline	Milestone 2019	Target
0.07%	55%	45%

D. Communication

Objective: Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making and they know about their rights in the EU.

Indicator 1: Percentage of EU citizens having a positive image of the EU

Definition: Eurobarometer measures the state of public opinion in the EU Member States. This global indicator is influenced by many factors, including the work of other EU institutions and national governments, as well as political and economic factors, not just the communication actions of the Commission. It is relevant as a proxy for the overall perception of the EU citizens. Positive visibility for the EU is the desirable corporate outcome of Commission communication, even if individual DGs' actions may only make a small contribution.

Source of data: Standard Eurobarometer.

Baseline: November 2014	Milestone 2019	Target: 2020
Total "Positive": 39% Neutral: 37 % Total "Negative": 22%	Total positive: 43% Total Neutral: 36% Total negative: 20% Don't know: 1%	Positive image of the EU ≥ 50%
Main outputs in 2019		

² Each registered document must be filed in at least one official file of the *Chef de file*, as required by the [e-Domec policy rules](#) (and by ICS 11 requirements). The indicator is to be measured via reporting tools available in Ares.

³ Suite of tools designed to implement the [e-Domec policy rules](#).

Output	Indicator	Target
DG TAXUD Europa website	1. Number of page views: 66 940 157 (56 565 850 in 2018) 2. Number of unique visitors: 14 918 341 (13 321 602 in 2018) 3. Traffic to website from social media (measured as referrals): 71 076 in 2019 (47 749 in 2018)	1. 18.34 % increase over 2018 annual figures 2. 11.99 % increase over 2018 annual figures 3. 48.85% increase over 2017 annual figures
<u>Social media outreach</u>	Number of followers/subscribers on social media	10% increase over 2017 annual figures
• Twitter	16.506 (December 2019)	22.2% increase since December 2018
• Youtube	2920 (December 2019)	16.8% increase since December 2018

Annual communication spending (based on estimated commitments):

Baseline 2015	Target 2019	Total amount spent 2019	Total of FTEs working on external communication
EUR 450 000	EUR 578 400*	EUR 583 852,48	6

* Following a change in priorities, some initially planned communication actions were cancelled. As such the budget target was lowered.

ANNEX 3: Draft annual accounts and financial reports

AAR 2019 Version 1

Annex 3 Financial Reports - DG TAXUD - Financial Year 2019

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6 : Average Payment Times

Table 7 : Income

Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders

Table 10 : Waivers of Recovery Orders

Table 11 : Negotiated Procedures

Table 12 : Summary of Procedures

Table 13 : Building Contracts

Table 14 : Contracts declared Secret

Table 15 : FPA duration exceeds 4 years

Additional comments

The accounting situation presented in the Balance Sheet and Statement of Financial Performance does not include the accruals and deferrals calculated centrally by the services of the Accounting Officer.

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditor

Refresh date : 19/03/2020

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2019 (in Mio €) for DG TAXUD					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 14 Taxation and customs union					
14	14 01	Administrative expenditure of the 'Taxation and customs union' policy area	5,37	1,96	36,59 %
	14 02	Customs	82,43	80,75	97,96 %
	14 03	Taxation	34,00	33,41	98,28 %
	14 04	Policy strategy and coordination	3,27	3,27	100,00 %
Total Title 14			125,07	119,39	95,47 %
Title 22 Neighbourhood and enlargement negotiations					
22	22 01	Administrative expenditure of the 'Neighbourhood and enlargement negotiations' policy area		0	
Total Title 22				0	
Title 24 Fight against fraud					
24	24 04	Anti-Fraud information system (AFIS)	0,12	0,12	100,00 %
Total Title 24			0,12	0,12	100,00 %
Title 34 Climate action					
34	34 02	Climate action at Union and international level	0,35	0,35	100,00 %
Total Title 34			0,35	0,35	100,00 %
Total DG TAXUD			125,54	119,87	95,48 %

* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

% Outturn on Commitment Appropriations in 2019 for DG TAXUD

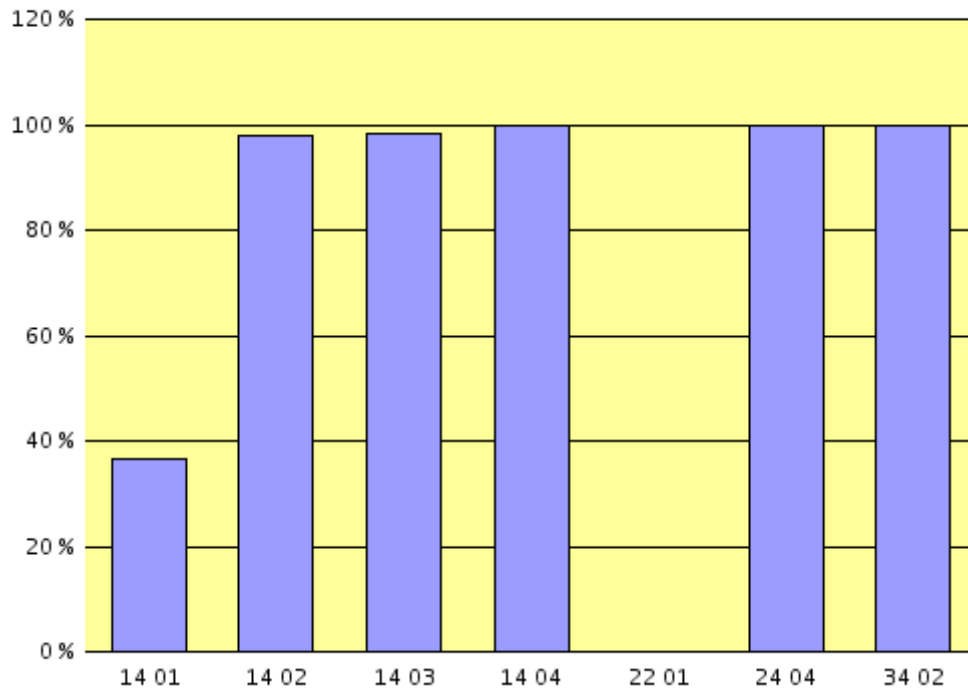


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2019 (in Mio €) for DG TAXUD					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 14 Taxation and customs union					
14	14 01	Administrative expenditure of the 'Taxation and customs union' policy area	8,33	2,38	28,59 %
	14 02	Customs	84,14	80,25	95,39 %
	14 03	Taxation	32,38	30,97	95,65 %
	14 04	Policy strategy and coordination	2,94	2,94	100,00 %
Total Title 14			127,79	116,55	91,20%
Title 24 Fight against fraud					
24	24 04	Anti-Fraud information system (AFIS)	0	0	#DIV/0
Total Title 24			0	0	#DIV/0
Title 34 Climate action					
34	34 02	Climate action at Union and international level	0,15	0,15	100,00 %
Total Title 34			0,15	0,15	100,00%
Total DG TAXUD			127,93	116,69	91,21 %

* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).

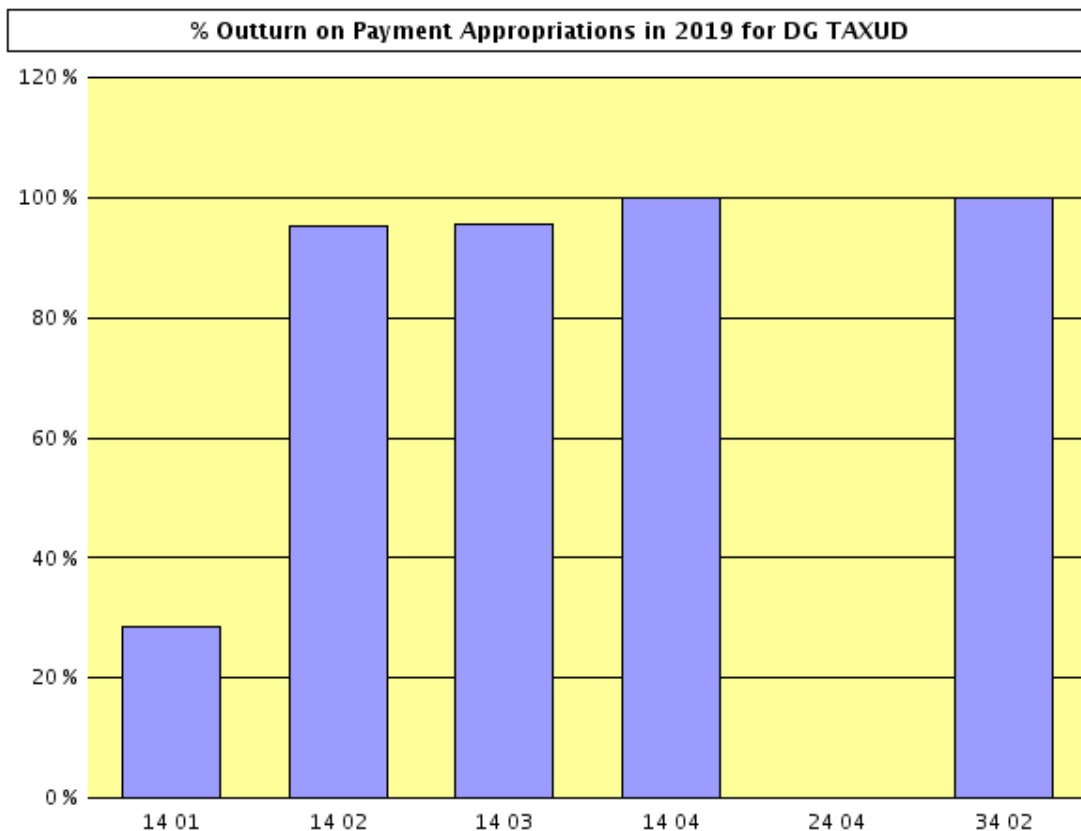




TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2019 (in Mio €) for DG TAXUD									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2018	Total of commitments to be settled at end of financial year 2019	Total of commitments to be settled at end of financial year 2018
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
14	14 01	Administrative expenditure of the 'Taxation and customs union' policy area	1,96	0,65	1,32	66,98%	0,00	1,32	1,76
	14 02	Customs	80,75	16,68	64,07	79,35%	45,40	109,48	112,42
	14 03	Taxation	33,41	12,46	20,95	62,72%	11,79	32,75	31,56
	14 04	Policy strategy and coordination	3,27	0,59	2,68	81,97%	1,40	4,08	3,87
Total Title 14			119,39	30,37	89,02	74,56%	58,60	147,62	149,61

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2019 (in Mio €) for DG TAXUD									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2018	Total of commitments to be settled at end of financial year 2019	Total of commitments to be settled at end of financial year 2018
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
22	22 01	Administrative expenditure of the 'Neighbourhood and enlargement negotiations' policy area	0,00		0,00	0,00%	0,00	0,00	0,00
Total Title 22			0,00		0,00	0,00%	0,00	0,00	0,00

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2019 (in Mio €) for DG TAXUD									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2018	Total of commitments to be settled at end of financial year 2019	Total of commitments to be settled at end of financial year 2018
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
24	24 04	Anti-Fraud information system (AFIS)	0,12		0,12	100,00%	0,00	0,12	0,00
Total Title 24			0,12		0,12	100,00%	0,00	0,12	0,00

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2019 (in Mio €) for DG TAXUD									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2018	Total of commitments to be settled at end of financial year 2019	Total of commitments to be settled at end of financial year 2018
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
34	34 02	Climate action at Union and international level	0,35	0,00	0,35	100,00%	0,08	0,43	0,23
Total Title 34			0,35	0,00	0,35	100,00%	0,08	0,43	0,23

Total for DG TAXUD			119,87	30,37	89,49	74,66 %	58,68	148,18	149,83
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Breakdown of Commitments Remaining to be Settled (in Mio EUR) at 31/12/2019 for DG TAXUD

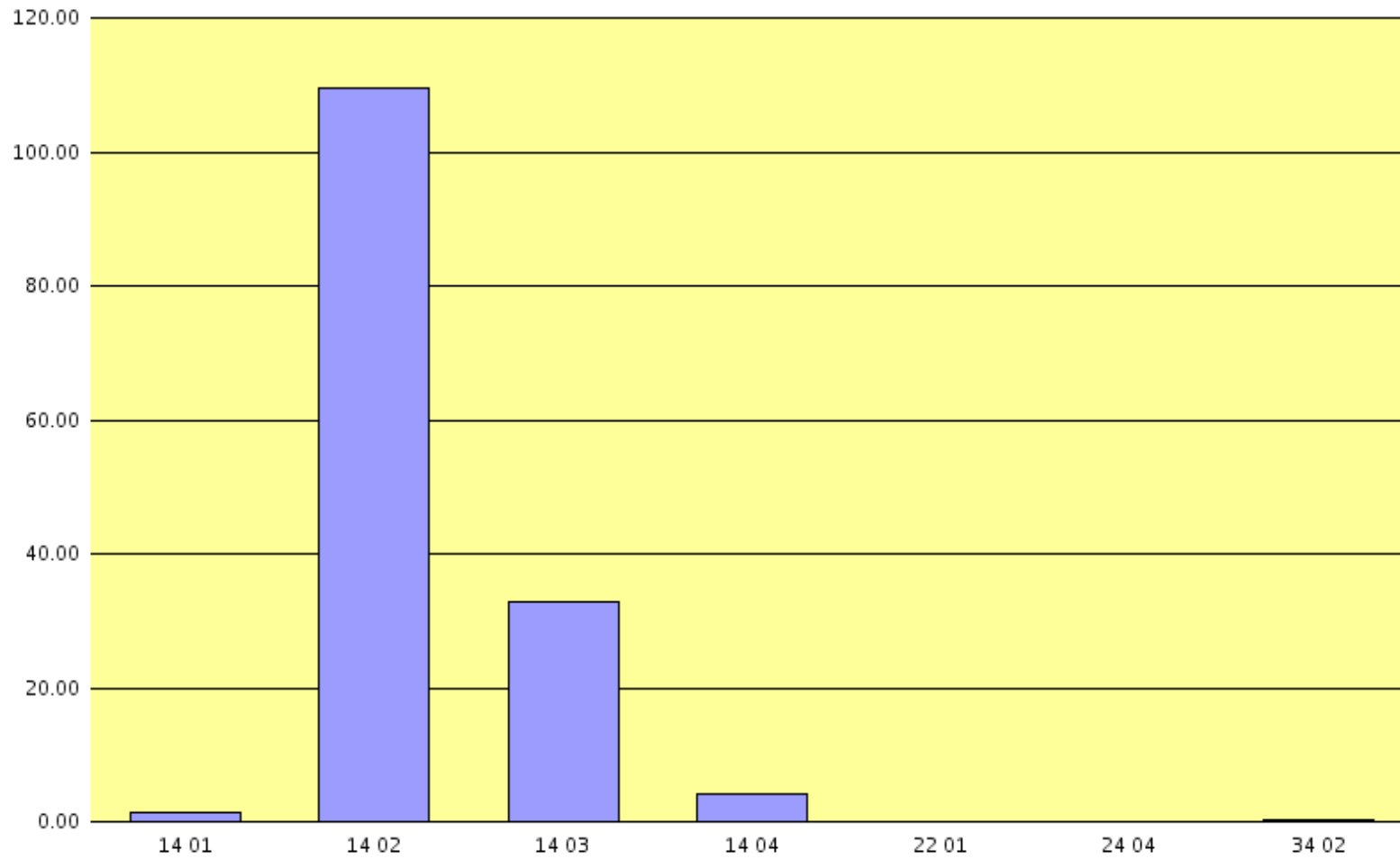


TABLE 4 : BALANCE SHEET for DG TAXUD

BALANCE SHEET	2019	2018
A.I. NON CURRENT ASSETS	46.408.849,80	35.635.529,97
A.I.1. Intangible Assets	41.177.074,69	31.804.782,23
A.I.2. Property, Plant and Equipment	5.231.775,11	3.830.747,74
A.II. CURRENT ASSETS	14.736.743,95	12.765.109,41
A.II.2. Current Pre-Financing	14.660.289,50	12.702.415,25
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	76.454,45	62.694,16
ASSETS	61.145.593,75	48.400.639,38
P.II. CURRENT LIABILITIES	- 791.103,18	- 18.503,40
P.II.4. Current Payables	- 791.103,18	- 18.503,40
P.II.5. Current Accrued Charges & Defrd Income	-	-
LIABILITIES	- 791.103,18	- 18.503,40
NET ASSETS (ASSETS less LIABILITIES)	60.354.490,57	48.382.135,98
P.III.2. Accumulated Surplus/Deficit	502.036.017,87	404.341.167,35
Non-allocated central (surplus)/deficit*	-562.390.508,44	- 452.723.303,33
TOTAL DG TAXUD	0,00	0,00

It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG TAXUD

STATEMENT OF FINANCIAL PERFORMANCE	2019	2018
II.1 REVENUES	-3852612,69	-1659265,77
II.1.1. NON-EXCHANGE REVENUES	-3002214,96	-2609383,9
II.1.1.5. RECOVERY OF EXPENSES	-26.244,65	-7.136,36
II.1.1.6. OTHER NON-EXCHANGE REVENUES	-2.975.970,31	-2.602.247,54
II.1.2. EXCHANGE REVENUES	-850397,73	950118,13
II.1.2.2. OTHER EXCHANGE REVENUE	-850.397,73	950.118,13
II.2. EXPENSES	104788921,6	99354116,29
II.2. EXPENSES	104788921,6	99354116,29
II.2.10. OTHER EXPENSES	89.800.738,99	83.015.495,96
II.2.2. EXP IMLEM BY COMMISS&EX.AGENC. (DM)	16.369.962,61	17.451.579,27
II.2.6. STAFF AND PENSION COSTS	-1.381.780,00	-1.113.385,00
II.2.8. FINANCE COSTS		426,06
STATEMENT OF FINANCIAL PERFORMANCE	100.936.308,91	97.694.850,52



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Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 5bis : OFF BALANCE SHEET for DG TAXUD

OFF BALANCE	2019	2018
OB.1. Contingent Assets	0	0
GR for pre-financing	0,00	0,00
OB.4. Balancing Accounts	0	0
OB.4. Balancing Accounts	0,00	0,00
OFF BALANCE	0,00	0,00



It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 6: AVERAGE PAYMENT TIMES in 2019 for TAXUD

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
30	909	897	98,68 %	15,13	12	1,32 %	39,08
45	13	13	100,00 %	14,54			
60	6	6	100,00 %	21,83			
90	48	47	97,92 %	49,53	1	2,08 %	93

Total Number of Payments	976	963	98,67 %		13	1,33 %	
Average Net Payment Time	17,20			16,85			43,23
Average Gross Payment Time	19,71			19,31			49,00

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	32	77	7,89 %	976	7.065.873,09	6,13 %	115.256.108,60

DG	GL Account	Description	Amount (Eur)

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2019 for DG TAXUD

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	481,77	0,00	481,77	481,77	0,00	481,77	0,00
60	CONTRIBUTIONS TO UNION PROGRAMMES	2.573.047,22	0,00	2.573.047,22	2.573.047,22	0,00	2.573.047,22	0,00
66	OTHER CONTRIBUTIONS AND REFUNDS	1.023.449,18	62.260,16	1.085.709,34	946.994,73	62.260,16	1.009.254,89	76.454,45
90	MISCELLANEOUS REVENUE	1.586.343,31	434,00	1.586.777,31	1.586.343,31	434,00	1.586.777,31	0,00
Total DG TAXUD		5.183.321,48	62.694,16	5.246.015,64	5.106.867,03	62.694,16	5.169.561,19	76.454,45

**TABLE 8 : RECOVERY OF PAYMENTS in 2019 for DG TAXUD
(Number of Recovery Contexts and corresponding Transaction Amount)**

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2019 Year of Origin (commitment)	Irregularity		Total undue payments recovered		Total transactions in recovery context(incl. non- qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2014	6	6.408,43	6	6.408,43	6	6.408,43	100,00%	100,00%
2015	7	6.508,29	7	6.508,29	7	6.508,29	100,00%	100,00%
2016	9	10.465,77	9	10.465,77	33	330.225,75	27,27%	3,17%
2017	3	2.862,16	3	2.862,16	15	160.879,97	20,00%	1,78%
2018	1	481,77	1	481,77	37	530.664,45	2,70%	0,09%
No Link					5	1.278.047,22		
Sub-Total	26	26.726,42	26	26.726,42	103	2.312.734,11	25,24%	1,16%

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES	7	779.171,82			7	779.171,82	22	1.516.255,31	31,82%	51,39%
NON ELIGIBLE IN COST CLAIMS							1	8.828,00		
CREDIT NOTES	70	5.286.902,97			70	5.286.902,97	75	5.408.144,46	93,33%	97,76%
Sub-Total	77	6.066.074,79			77	6.066.074,79	98	6.933.227,77	78,57%	87,49%

GRAND TOTAL	103	6.092.801,21			103	6.092.801,21	201	9.245.961,88	51,24%	65,90%
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TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2019 for DG TAXUD

	Number at 01/01/2019	Number at 31/12/2019	Evolution	Open Amount (Eur) at 01/01/2019	Open Amount (Eur) at 31/12/2019	Evolution
2018	6		-100,00 %	62.694,16		-100,00 %
2019		3			76.454,45	
	6	3	-50,00 %	62.694,16	76.454,45	21,95 %

TABLE 10 :Recovery Order Waivers >= 60 000 € in 2019 for DG TAXUD

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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Total DG TAXUD	
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Number of RO waivers	
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TABLE 11 :Negociated Procedures in 2019 for DG TAXUD

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Total		

TABLE 13 : BUILDING CONTRACTS in 2019 for DG TAXUD

Legal Base	Procedure subject	LC/FW?	Contract/FW Number	Contractor Name	Contract/FW Subject	Amount (€)

TABLE 14 : CONTRACTS DECLARED SECRET in 2019 for DG TAXUD

Legal Base	Procedure subject	LC/FW?	LC Contract/Grant type or FW type	LC Date	Contract/FW Number	Contractor Name	Contract/FW Subject	Amount (€)

TABLE 15 : FPA duration exceeds 4 years - DG TAXUD

None of your FPA (if any) exceeds 4 years

ANNEX 4: Materiality criteria

As from 2019⁴, a 'de minimis' threshold for financial reservations is introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed.

As outlined in section 2, a distinction is made between procurement and grants.

1. Procurement

DG TAXUD's control strategy for procurement entirely relies on comprehensive ex-ante verifications for all transactions at multiple levels. Because of these extensive and complete ex-ante verifications, there are no errors left at the moment of payment. The error rate could therefore be 0. However, to estimate the error rate, DG TAXUD took a most conservative approach and estimated the error rate for procurement to be 0,5% at most.

2. Grants

The control strategy for the two grant agreements (under the programmes Customs 2020 and Fiscalis 2020) differs from the control strategy used for procurement

- First of all, there is the obligatory use of the ART2 IT system, where all actions are planned, approved and reported (including the financial report). This system embeds several important controls and checks.
- After the final financial report is submitted by the countries, a quick and high-level ex-ante check (desk review) takes place before the payments or recoveries are made.
- Ex-post on-the-spot audits, are done in a selection of countries, typically risk-based selected.

To be able to calculate the error rate and amount at risk, DG TAXUD calculates an average weighted error rate using the results of the on-the-spot audits for the audited countries on the one hand, and, for the rest of the community (the non-audited countries), the average error rate of the audited countries.

3. Conclusion

The overall error rate (procurement and grants combined) demonstrate that the error rate is below the materiality threshold of 2% (*see also table X in section 2.1*).

⁴ Agreement of the Corporate Management Board of 30/4/2019.

ANNEX 5: Relevant Control System(s) for budget implementation (RCSs)

5.1 Procurement

Stage 1: Procurement procedures

Planning, Needs assessment, Selection of the offer & evaluation

Main control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
<p>The needs are not well defined (operationally and economically) and that the decision to procure was inappropriate to meet the operational objectives.</p> <p>Discontinuation of the services provided due to a late contracting (poor planning and organisation of the procurement process)</p>	Publication of intended procurement	<p>100% of planned procurement procedures are defined in the appropriate financing decision.</p> <p>100% of planned procurement procedures are published on the TAXUD Europa website</p>	<p>Costs : staff involved</p> <p>Benefits : amount of unjustified procurement procedures</p>	<p>Effectiveness : number of planned procurement procedures cancelled</p> <p>Efficiency : cost of a tendering procedure</p>
	AOS justifies launching a procurement process	100% of planned procurement procedures justified – by note – by the concerned AOS		
	Decision are taken at management level	100% of procurement procedures are defined in the financing decision established following internal horizontal and hierarchical validation; inter-service consultation		

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
		and finally adoption by the Commission		

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
Public procurement documents are leaked prior to publication and that the related procurement procedure needs to be cancelled	Use of SECEM for mail communication on tendering procedures. Tendering specifications remain password protected until publication time. Paper versions are destroyed with shredders. Use of PPMT and eSubmission for the preparation and first stages of the procurement procedures	100% of tendering documents secured until publication time	Costs : staff involved Benefits : limit the risk of litigation and cancelation	Effectiveness : Number of times a procedures needs to be retendered due to leakages. Efficiency : cost of a tendering procedure

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
<p>The best offer(s) are not submitted due to the poor definition of the tender specifications</p> <p>Due to the complexity of some procurement procedures, inconsistencies between tendering documents may occur</p>	AOS approves the specifications	100% of the procurement specifications are scrutinised and validated by the AOS	<p>Costs : staff involved</p> <p>Benefits: limit litigation risk. Limit cancellation risk.</p> <p>Amount of procedures that could not be validated</p>	<p>Effectiveness: number of procedures with no offers. number of tendering procedures not accepted by financial unit</p> <p>Efficiency : average cost of a tendering procedure</p>
	Additional supervisory verification	100% of the procurement specifications are scrutinised by the financial unit (public procurement team) prior to publication		
	Detailed cross-review of all tendering documents	100% of all tendering documents scrutinised by the operational unit and cross-reviewed and validated by the financial unit (public procurement team)		

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
<p>The most economically advantageous offer not being selected, due to a biased, inaccurate of 'unfair' evaluation process</p>	Formal evaluation process : opening and evaluation committee	100% of procurement procedures have a formally nominated opening and evaluation committee	<p>Costs : cost involved</p> <p>Benefits : compliance with FR</p>	<p>Effectiveness: number of 'valid' complaints from unsuccessful tenderers. Number of CMP rejected procedures.</p> <p>Efficiency : average cost of a tendering procedure</p>
	Opening and evaluation committee declare absence of conflict of interest	100% of members sign a formal declaration of conflict of interest and of confidentiality		

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
	Opinion by consultative committee (DG TAXUD Public Procurement Committee- CMP)	100% of the procurement procedures are validated by the CMP: (1) by written procedure if the procedure's value is equal or less than 10 million Euro and (2) during a formal meeting for all other procedures	Costs : cost involved Benefits: amount of procedures that CMP rejects	
	Exclusion criteria documented	100% of procurement procedures have exclusion criteria checked by the AOS and validated by the financial unit (public procurement team)	Costs : cost involved Benefits : avoid contracting with excluded economic operators	
	Standstill period, opportunity for unsuccessful tenderers to put forward their concerns on the decision	100% respected	Costs : cost involved Benefits : amount of procedures successfully challenged during the standstill	

Stage 2: Financial transactions – ex-ante controls (contracts, commitments, payments)

Main control objectives: Ensuring that the implementation of the contract is in compliance with the signed contract

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
<p>The products/services/works foreseen are not, totally or partially, provided in accordance with the technical description and requirements foreseen in the contract and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.</p> <p>Business discontinues because contractor fails to deliver</p>	<p>Operational and financial checks in accordance with the financial circuits.</p> <p>Operation authorisation by the AOS (commitments)</p>	<ul style="list-style-type: none"> - 100% of the contracts are controlled 	<p>Costs: estimation of cost of staff involved.</p> <p>Benefits: Total budget contracted in accordance with the applicable contractual and regulatory provisions</p>	<p>Effectiveness: Number/amount of credit note received</p> <p>Efficiency:</p> <ul style="list-style-type: none"> - Average cost per contract prepared. - % of costs dedicated to preparation and control of contracts over the total contracted amount
	<p>Operational and financial checks in accordance with the financial circuits.</p> <p>Authorisation by the AOS (payments)</p>	<ul style="list-style-type: none"> - 100% of the payments are verified ex-ante following the controls embedded in the financial circuits - Extra ex-ante verification of about 10,92% of the number of payments and 42,79% of the total amount paid⁵; (frequency: minimum one payment per week; based on risk and potential impact on the DG) 	<p>Costs: estimation of cost of staff involved.</p> <p>Benefits: Amount of irregularities, errors and overpayments prevented by the controls</p>	<ul style="list-style-type: none"> - Average cost per payment processed. - % of costs dedicated to preparation and control of payments over the total paid amount

⁵ The extra ex-ante verification includes also payments paid for the grant agreements.

Stage 3: Supervisory measures

Main control objectives: ensuring that any weakness in the tendering procedures is detected and corrected

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
Knowledge/experience of past procurement procedures is not retained and/or not taken into account when preparing/evaluating new procurement procedures	Systematic "lessons learned" exercise after each procurement procedure	50% of the procurement processes (risk-based selection) is scrutinised during a lessons learned exercise	Costs : cost involved Benefits : limit litigation risk, limit retendering risk	Effectiveness: number reoccurrences of past detected procurement weaknesses. Efficiency : average cost of a tendering procedure



5.2 Grants

Joint Actions in the Customs 2020 and Fiscalis 2020 Programmes – Multi-beneficiary grant agreements

The grants awarded by DG TAXUD have certain specificities. More concretely, the beneficiaries of the grants are Member States customs and tax administrations and (potentially) candidate countries' customs and tax administrations and as beneficiaries they are designed directly by the legal bases (relevant programmes' Decisions). Therefore certain typical stages such as selection, evaluation and awarding and linked indicators are not applicable in DG TAXUD's context.

Stage 1: Programming

Programming

Main control objectives: Ensuring that the grants contribute the most towards the achievement of the policy or programme objectives (effectiveness); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
The annual work programmes and the subsequent grants do not adequately reflect the policy objectives and priorities.	<ul style="list-style-type: none"> - Horizontal and hierarchical validation within DG - Inter-service consultation, including all relevant DGs - Adoption via the Comitology procedure - Adoption by the Commission 	Coverage/Frequency: 100%	<p>Costs:</p> <p>Estimation of cost of staff involved in the preparation and validation of the annual work programme</p> <p>Benefits:</p> <p>Not quantifiable (resulting from the legal base)</p>	<p>Effectiveness:</p> <p>Total budget of the grant agreements</p> <p>Efficiency:</p> <p>% of total cost of the FTE involved in the process/ total budget of the grant agreements</p>

Selecting and awarding:

The beneficiaries of the grants in the scope of Customs 2020 and Fiscalis 2020 programmes (i.e. the Member States) are defined in the legal basis of both programmes. Therefore, the selecting and awarding step is not applicable in DG TAXUD's particular context.

Stage 2: Contracting:

Main control objectives: Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
<p>The description of the action in the grant agreement includes tasks which do not contribute to the achievement of the programme objectives and/or that the budget foreseen overestimates the costs necessary to carry out the action.</p> <p>Procedures do not comply with regulatory framework.</p>	<ul style="list-style-type: none"> - Validation via financial and contractual circuits within DG - Signature of the grant agreement by the AOS 	<p>Coverage: 100%</p>	<p>Costs: estimation of cost of staff involved in the contracting process.</p> <p>Benefits: Not quantifiable (resulting from the legal base)</p>	<p>Effectiveness: Total budget of the work program concerned</p> <p>Efficiency: % of total cost FTE involved in the process / total value of the work program concerned</p>

Stage 3: Monitoring the execution and desk reviews

Monitoring the execution

Main control objectives: ensuring that the operational results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness & efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality & regularity); prevention of fraud (anti-fraud strategy); ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
<p>The actions foreseen are not, totally or partially, carried out in accordance with the technical description and requirements foreseen in the grant agreement and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.</p>	<p>- ART 2 IT system (comprising authorization and monitoring)</p>	<p>- 100% of the project proposals are authorised by EC ex-ante via IT system to be in-line with the legal bases, work programs, and grant agreements</p> <p>(project proposals are usually multi-annual and comprise several specific actions organised during relevant years)</p> <p>- 100% of the actual actions (linked to the proposals) are authorised via IT system considering the detail aspects of</p>	<p>Costs: estimation of cost of staff involved in the process</p> <p>Benefits:</p> <p>Amount of pre-financing paid in line with the grant agreements.</p> <p>Partly not quantifiable (reduces the possibility of errors for the ex-post control stage)</p>	<p>Effectiveness:</p> <p>Number of rejected individual project proposals. Number of approved individual project proposals.</p> <p>Efficiency Indicators:</p> <p>% of total ex-ante controls/ total value of operational payments made</p>

Main risks It may happen (again) that...	Mitigating controls that...	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
	<ul style="list-style-type: none"> - Operational and financial checks in accordance with the financial circuits. 	<p>the actions (including relevant thresholds)</p> <p>(Actions are specific unique events organised in order to achieve the objectives set up for the project proposals)</p> <ul style="list-style-type: none"> - 100% verified via the controls embedded in line the financial circuits - Extra ex-ante verification of randomly selected pre-financing; 		

Desk reviews

Main control objectives: Ensuring through the desk reviews that the declared expenditures comply with regulatory and contractual provisions (legality & regularity); prevention of fraud (anti-fraud strategy); ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information); ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
Declared expenditures do not comply with regulatory framework.	Carry out a quick desk review of the financial reports from the Member States Administrations.	100% coverage of financial reports.	<p>Costs:</p> <ul style="list-style-type: none"> - estimation of cost of staff involved in the desk reviews. <p>Benefits:</p> <ul style="list-style-type: none"> - budget value of the errors detected by desk reviews. 	<p>Effectiveness: Total amount of detected errors/irregularities</p> <p>Efficiency: % of total cost for desk reviews/ total value of operational payments made</p> <p>% of detected errors / total value of operational payments made</p>



Stage 4: Ex-Post controls

Reviews, audits and monitoring

Main control objectives: Measuring the effectiveness of ex-ante controls by ex-post controls; detect and correct any error or fraud remaining undetected after the implementation ex-ante controls (legality & regularity; anti-fraud strategy); addressing systemic weaknesses in the ex-ante controls, based on the analysis of the findings (sound financial management); Ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	How to estimate the costs and benefits of controls	Cost-Effectiveness indicators (three E's)
<p>The ex-ante controls (as such) fail to prevent, detect and correct erroneous payments or attempted fraud.</p> <p>Declared expenditures do not comply with regulatory framework.</p>	<p>Ex-post control strategy:</p> <p>Based on the desk review, risk analysis and operational assessment, carry out on-the-spot audits performed by auditors from the financial unit</p>	<p>The intention is to cover every Member State Administration at least once per MFF.</p>	<p>Costs:</p> <ul style="list-style-type: none"> - cost of the on-the-spot audits <p>Benefits:</p> <ul style="list-style-type: none"> - budget value of the errors detected by the audits. 	<p>Effectiveness: Total amount of detected errors/irregularities</p> <p>Efficiency: % of total cost for audits/ total value of operational payments made</p> <p>% of detected errors / total value of operational payments made</p>

ANNEX 9: Evaluations and other studies finalised or cancelled during the year

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
7795	Co-operation with the JRC on the Customs Union Performance project	General study	" DG TAXUD intends to develop a co-operation with JRC concerning the Customs Union Performance project (CUP), mainly as regards using big data and data analytics for the purposes of the evidence based custom policy making. During the first quarter of 2018, a technical meeting will be organised to specify which support JRC can provide in terms of data analysis, business intelligence tools and databases, drafting analytical reports, used of various sources of information, etc. "	L	Abandoned
7796	Blockchain technology for DG TAXUD e-Customs projects	General study	The study will assess the potential business use of the Blockchain technology to tackle DG TAXUD e-Customs projects, so as to evaluate the possibilities to put in place different approaches for business specifications and business architectures for DG TAXUD e-Customs projects. The study should define the SWOT aspects as well as recommend options for business prototyping of the use of the Blockchain technology for a few MASP projects. The study will assess the costs and benefits of such technology in a trans-European environment. The study fits into the modernization of customs and orientations preparation for the next Customs programme. This study will be run in conjunction with a study on Blockchain use for Taxation projects.	O	Ongoing

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
7797	Provision of scientific and technical assistance in the field of scientific customs - Revision and translation of chemical names in European Customs Inventory of Chemical Substances database (ECICS)	General study	"- Revision of chemical names in ECICS according to the updates of the IUPAC nomenclatures. - Creation of IUPAC identifiers for ECICS products. - Establishment of the translation rules and the glossary for the translation of IUPAC names in all the EU languages and in the language of candidate or neighbouring countries from English. - Translation of other types of chemical names like INN and ISO names."	O	Ongoing
7798	Provision of scientific and technical assistance in the field of scientific customs - Improvement of sampling procedures.	General study	Improvement of sampling procedures.	O	Ongoing
7802	Provision of scientific and technical assistance in the field of scientific customs - Expertise in pharmaceutical science and botany	General study	To provide scientific and technical assistance in the field of scientific customs, in particular expertise in pharmaceutical science and botany.	O	Abandoned

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
7805	Provision of scientific and technical assistance in the field of scientific customs - Update and enrichment of ECICS database	General study	<p>"- update of the HS and CN codes in ECICS according to the yearly changes</p> <p>- correction of mistakes found during the updated or indicated by the economic operators</p> <p>- analysis of EU legislation, international conventions, trade agreements, catalogues and databases of chemicals (INN, ISO, CI...) and update of the ECICS database accordingly</p> <p>- addition of new/missing chemicals in the database with the correct custom classification</p> <p>- enrichment with various data useful for customs</p> <p>- translation of chemical names according to the rules set up by another contractor</p> <p>- test of ECICS database and all its modules particularly during new developments and upgrades"</p>	O	Abandoned
7806	Provision of scientific, technical and secretarial assistance in the field of scientific customs – coordination of European Customs Laboratories.	General study	The objective of the work is 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.	O	Abandoned

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
7807	Provision of scientific and technical support by the Institute for Health and Consumer Protection (IHCP) of the Joint Research Centre (JRC) to DG TAXUD and the Customs Laboratories European Network (CLEN) for fast recognition of New Psychoactive Substances (NPS) and identification of unknown chemicals.	General study	"The objective is to provide scientific and technical support to DG TAXUD for establishing a more efficient control by the European Customs Laboratories on the products entering the Community market in agreement with Regulation (EC) No 765/2008, in particular for identification of chemicals and among them NPS (not necessarily controlled under international laws)."	O	Ongoing
7809	Consultation of the FIZ-CAS database	General study	Consultation of the FIZ-CAS databases via the STN on the web platform. The scope is to obtain validation data for the ECICS products (identity cards of the chemicals).	O	Abandoned
7810	Technical modalities of information exchange following the revision of the Cash Control Regulation.	General study	Regulation 1889/2005 is currently undergoing a revision. The Commission proposal (COM(2016) 825 final) establishes a framework for information exchange, however it does not express itself on the mechanism or the tool to be used, which shall be determined keeping in mind legal constraints, existing tools and technological factors. The study will consider the need to avoid duplication of systems and to re-use/adapt, to the extent possible, existing systems. Specifically, regarding the technical tools that could be employed and a comprehensive evaluation of existing tools insufficient in-house expertise is available.	CWP	Abandoned

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
7811	Training sessions for EU customs officers at the JRC European Nuclear Security training centre (EUSECTRA).	General study	EU customs play an important role when it comes to radiation and nuclear detection at our external border and elsewhere. This competence requires specific knowledge and skills. In 2015 and 2016 TAXUD organised pilot trainings for customs officials of Member States at the JRC EUSECTRA center. Feedback was very positive and a number of follow up activities were identified further enhancing the functions of the customs union and reinforcing the skills and competences of the EU customs officials. This includes amongst others continue organising nuclear radiation and detection trainings and develop an eLearning module.	MFF	Abandoned
7812	Contraffric-RISK- pilot project	General study	<p>"Action 6.2 of the EU Strategy and Action Plan for customs risk management has the following deliverable: ""CSM collected and exploited for risk management purposes"".</p> <p>CSM refers to the ""container status messages"" which are routinely exchanged between the commercial partners. The risk management purposes refers primarily to the operational pre-arrival risk analysis carried out on Entry Summary Declarations under the Community Customs Code. While Action 6.2 is the primary strategic deliverable, the project also contributes under other elements of the strategy and action plan (notably, 4.2.2 (capacities); 4.2.2.1 (identify ways to enhance pro-active co-operation); and 2.3.1.1 (ensure traceability incl for transshipment/feeder ports &</p>	L	Completed

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
			final destinations)"		
7813	Interoperability security and border management systems with customs systems	General study	The study covers the technical, operational and legal aspects of interoperability of the security and border management systems with customs systems. The need for this study arises from the report of the High level Expert Group on interoperability of information systems in the area of border management and security. It responds to the European Agenda on Security and the EU Strategy and Action Plan for customs risk management.	O	Suspended

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
7816	Economic evaluation of the costs and benefits of the development of a One Stop Shop for excise goods, including Wholesale to Retail transactions	Evaluation	There are harmonised arrangements for the cross border distance selling of excise goods in the European Union. Furthermore cross border B2B sales of excise goods currently requires both the buyer and seller to complete excise formalities (registration, use of EMCS) which may deter retailers from sourcing goods from wholesalers based in other Member States. This market distortion may be a significant factor to growth in this sector.	O	Ongoing
7817	Evaluation soft law Tax Competition	Evaluation	The aim is to evaluate the developments in the last 15 years in tax competition between Member States in the area of corporate taxation. Of particular interest is to analyse whether agreed soft law measures have had an effect on tax competition. Such effects could be to reduce tax competition or to push Member States to use new strategies. Potential remaining effects of old regimes should be identified and described. Possible new strategies adopted by Member States should be identified and described and an analysis should be made of why they are not caught by the existing soft law measures. Such strategies to be investigated would include increased competition on nominal rates and changes to general features of tax systems rather than using preferential regimes.	O	Ongoing

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
7818	Evaluation of Administrative Cooperation in Direct Taxation	Evaluation	Administrative cooperation in direct taxation, including exchange of information on request, mandatory automatic exchange of information, spontaneous exchange of information, and other forms of administrative cooperation in taxation such as presence in administrative offices and participation in administrative enquiries, simultaneous controls and requests for a notification.	L	Completed
7819	2018 Provision of effective tax rates	General study	Access to a database of comparable forward-looking indicators relating to effective levels of company taxation based on the Devereux-Griffith methodology	O	Completed
7820	2018 IBFD database access	General study	IBFD database access	O	Completed
7823	2018 Visiting Programme/Data analytics	General study	The aim of the programme is to strengthen in-house research potential of DG TAXUD by improving connections with the economic research community. The leading economists from academia and research institutions are invited for a short-term visit to work on data analysis.	O	Abandoned
7824	2018 - Financing of EUROMOD tool	General study	EUROMOD is a tax-benefit microstimulations model for the EU that enables policy analysis to measure, in a comparable manner, the effects of taxes and benefits on household incomes and work incentives for the population for each EU MS. EUROMOD gives access to a unique set of data which are of particular importance both to analyse the effects tax systems and future reforms. The data are updated on a regular basis and may be used through the year whenever there is a need to better understand announced/planned tax	O	Ongoing

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
			reforms.		
7826	2018 - Effective tax rates - on-demand study	General study	Economic analysis related to the development of effective tax burdens and the running of specific scenarios related to corporate taxation in a computer-based model for computation and comparison of the tax burdens of corporation located in diffover time and the impact of specific corporate tax reforms in the EU using specific computer based model.	O	Abandoned
7827	2018 - EU/OECD project 'Labour Tax Wedges'	General study	EMPL/ECFIN/TAXUD grant to the OECD to compute differences between the costs for the employer and the net salary received by the worker, taking into account all taxes, social security contributions and benefits received. The wedges are calculated for various family situations and decomposed into the various components.	O	Ongoing
7828	Acquisition of databases on detailed accounts of companies - ORBIS database	General study	To acquire a commercial database containing financial data on companies to constitute a source of basic information as well as data input for Commission studies.	O	Completed

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
7830	Study in the context of the European Semester	General study	This study will look at taxation topics that have relevance for the European Semester, which include inter alia digital taxation, taxation of labour, tax shifts, design of tax systems, the debt-bias in corporate and personal income taxation, the impact of taxation on investment, tax compliance, tax fraud.	O	Ongoing
7832	Investigating the opportunity and needs of developing and using large data sets in taxation and customs	General study	Investigating the opportunity and needs of developing and using large data sets in taxation and customs	O	Abandoned
7833	Evaluation of dissemination tools	Evaluation	In order to frame the results of DG TAXUD'S analytical support and make them relevant for the target audience, the TAXUD.D.4 uses a number of different dissemination tools which are presented in more detail in the Annex to these Terms of Reference. DG TAXUD intends to evaluate if and to what extent these dissemination tools are fit for purpose and have delivered, at minimum cost, the desired impacts. The evaluation findings will help the DG to decide whether the process of dissemination and/or the scope of the information shared should be further improved.	O	Ongoing
8182	Taxation and Customs Union: Customs 2007 Final Evaluation	Evaluation	Taxation and Customs Union: Customs 2007 Final Evaluation - Evaluation date: 22/05/2008 - ARES reference: Ares(2014)1442507 on 05/05/2014 - Evaluations assess the performance of an EU action; this could be a law, policy or programme. A fitness check is an evaluation of several related actions.	EVALUATION-TAXUD-2008-136033	Completed

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
8545	Study in support of the evaluation of Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity	Evaluation	The study should contribute to the evaluation of the Directive 2003/96/EC. The study should demonstrate to what extent the minimum levels of taxation of the Energy Tax Directive (ETD) in relation to the different provisions have actually achieved the expected effects, in particular to ensure the proper functioning of the internal market, and how these levels affected economic operators. The study should identify potential problems of the ETD in relation to the minimum levels of taxation, the level and importance of market distortions resulting from differences in the national levels of taxation (and the role of EU minimum rates), completeness of the legal framework as regards the taxation of energy use in light of the proper functioning of the internal market, the scope for simplification of the rules and for reducing regulatory burdens and red-tape, possibilities for synergies of energy taxation with other policy tools or potential collisions with other policies, calculate regulatory benefits and savings, etc.		Abandoned
9325	Co-operation with JRC on the Customs Union Performance project (CUP)	General study	DG TAXUD intends to continue developing co-operation with JRC concerning the Customs Union Performance project (CUP), mainly as regards using big data and data analytics for the purposes of the evidence based custom policy making. There is a need for analytical support to the CUP project, mainly as regards using big data and data analytics for the purposes of the custom policy making.		Ongoing

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
9326	JRC support for data analytics in the area of security and safety; and financial domain.	General study	<p>In this study, JRC will provide support for the implementation of data analysis capacities in the field of security and safety (Block 2 of the upgraded ICS) and for the data analytics in the field of financial risks. TAXUD seeks more particularly:</p> <ul style="list-style-type: none"> - expertise and prototyping of practical implementation models to assist the analysis, design and implementation work carried out by the TAXUD ICS2 project team - expertise for possible future EU level data analytics capability for the use by the customs authorities in the area of security and safety, in particular complementary approaches. 		Ongoing
9327	Foresight Customs	General study	<p>TAXUD will engage the JRC foresight team to prepare a foresight study and consultation. Foresight concerns the longterm future view on Customs taking into account for instance the evolution of information technology. This will follow up on the 2018 pilot "foresight" exercise with further work aiming to build a shared view on emerging issues and trends in the environment in which customs delivers value for people and enterprise across the EU ("horizon scanning"), and to consider their possible implications for the development of customs policy. This will involve horizon scanning and scenario building, and will encompass structured consultation with Member States customs stakeholders, and other external stakeholders including industry representatives where appropriate.</p>		Ongoing

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
9328	Study assessing the implementation of the EU Customs Risk Management Strategy.	General study	<p>Through this study TAXUD will collect important data in order to :</p> <ul style="list-style-type: none"> - assess the implementation of the EU strategy and Action Plan for customs risk management in the Member States - assist the Commission with the further development of the system monitoring the implementation of this strategy 		Planned
9329	Provision of scientific and technical assistance in the field of scientific customs - Expertise in pharmaceutical science and botany (2019)	General study	<p>Scientific literature, databases, regulations, on plants, parts or extracts of plants, other natural compounds, vitamins, minerals, traditional medicine, pharmaceuticals, etc. have to be analysed to support the work of DG TAXUD and the Customs Code Committee. Difficulties, inconsistencies and anomalies in the classification or the naming of these products have to be pointed out. Specific analytical methods, trainings and reference databases have to be proposed or developed to facilitate the clear identification of these products.</p>		Ongoing

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
9330	Update and enrichment of ECICS database	General study	The European Customs Inventory of Chemical Substances (ECICS) is a customs tool for the identification, the customs classification and the designation of chemicals and the translation of their names into the EU languages. It is of the utmost importance for the easy and correct customs declaration and customs control of these products. The database must be kept up to date and enriched in particular in view of the entry into force of the UCC as the customs declaration of chemicals will contain the ECICS identifier.		Ongoing
9331	Provision of scientific, technical and secretarial assistance in the field of scientific customs – coordination of European Customs Laboratories	General study	The objective of the work is 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.		Ongoing
9332	Consultation of STN on the web FIZ-CAS	General study	Consultation of the FIZ-CAS databases via the STN on the web platform. The scope is to obtain validation data for the ECICS products (identity cards of the chemicals)		Ongoing
9333	Abonnement to the Harmonised System (HS) commodity database	General study	Online access to the Harmonised System Commodity database for taking decisions and resolving divergent views between Member States' administrations on customs classification of goods.		Ongoing

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
9334	Interoperability security and border management systems with customs systems.	General study	The study covers the technical, operational and legal aspects of interoperability of the security and border management systems with customs systems. The need for this study arises from the report of the High level Expert Group on interoperability of information systems in the area of border management and security. It responds to the European Agenda on Security and the EU Strategy and Action Plan for customs risk management.		Suspended
9335	Review of VAT rules for financial and insurance services in the context of the existing regulatory and other indirect taxation rules	General study	The study will focus on the functioning of the VAT rules for financial and insurance services with a special emphasis on their cross-border dimension. The study should analyse the functioning of the provisions of the VAT Directive across the EU, their advantages and flaws and the main elements and options to consider for a future review of the relevant provisions of the VAT Directive.		Ongoing
9336	Study on the VAT Gap in the EU-28 Member States	General study	The VAT Gap is an indicator of the effectiveness of VAT enforcement and compliance measures, as it provides an estimate of revenue loss due to fraud and evasion, tax avoidance, bankruptcies, financial insolvencies as well as miscalculations. The aim of the study is to quantify the VAT Gap and to better understand the trends in the EU in the field of VAT collection.		Completed

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
9337	Study examining transposition of EU legislation	General study	This study will examine the transposition of EU legislation, in particular the Anti Tax Avoidance Directive (ATAD) (2016/1164) by providing amongst others assistance in developing a transposition questionnaire and identification of transposition measures (correlation of ATAD provisions and implementing measures of 28 Member States).		Abandoned
9338	2019 Provision of effective tax rates	General study	Access to a database of comparable forward-looking indicators relating to effective levels of company taxation based on the Devereux-Griffith methodology		Ongoing
9339	2019 IBFD database access	General study	Access to the IBFD database		Ongoing
9340	2019 Acquisition of databases on detailed accounts of companies (ORBIS)	General study	To acquire for 2019-2020 access to a commercial database containing financial data on companies to constitute a source of basic information as well as data input for Commission studies.		Ongoing
9341	Study on the future of taxation and sustainability of public finance	General study	Ongoing and emerging trends in terms of technological development, demographics, forms of work etc. are likely to impact on tax revenues, tax design policy and tax administration in the future, and thereby on the sustainability of public finances. The objective of the study would to enhance our understanding of the tax implications of these changes, including through some forecasting or quantification of future tax revenues/evolution of tax base and tax collection.		Abandoned

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
9342	Review of the Performance Measurement Framework of Customs 2020 and Fiscalis 2020.	General study	The study will support the review of the Performance Measurement Framework (PMF) that is currently applied for monitoring and reporting on TAXUD's Customs 2020 and Fiscalis 2020 programmes. The aim of the review is to get a revised PMF to be applied in the post-2020 scenario for the future programmes Customs, Fiscalis and the Customs Control Equipment Instrument (CCEI).		Ongoing
9343	The implementation of the Agreement between the European Community and the Government of the People's Republic of China on Cooperation and Mutual Administrative Assistance in Customs Matters (CMAA)	General study	The EU-China Strategic Framework for Customs Cooperation 2018 - 2020 foresees the possibility of reviewing the CCMAA. The first necessary step before deciding on the possible review is to evaluate the functioning of the Agreement in its current form. The study is intended to provide evidence as to how the implementation of the CCMAA has been working in practice, and to what extent it has been useful in helping EU customs achieve their mission.		Ongoing

Study project ID	Title of the study	Study reason	Study overview	Study internal ID	Study status
9344	Tax regimes in some outermost regions	General study	<p>This study will assess whether the fiscal advantages granted by some outermost regions (Canary Islands in Spain, Madeira and Azores in Portugal and the Outermost Regions in France (the DROM)) are still effective, efficient, relevant and coherent with the EU policies and legislation.</p> <p>Furthermore, this study will examine the impact of the measures taken under the Decisions No 376/2014/EU, No 377/2014/EU and No 940/2014/EU in the different outermost regions and the alternative measures according to the Article 349 of the Treaty on the Functioning of the European Union.</p> <p>In addition, the study will assess if there is a case for Spain, Portugal and France to continue the application of this fiscal benefits or similar ones for a period post 2020.</p>		Ongoing
9382	Study the evaluation of the invoicing rules of Directive 2006/112/EC	Evaluation	<p>This evaluation deals with the invoicing rules included in the Directive 2006/112/EC[1] (the 'VAT Directive'), and in particular with those affected by the Second Invoicing Directive (Council Directive 2010/45/EU). This evaluation analyses the impact of invoicing rules applicable from 1 January 2013 with particular focus on e-invoicing rules. The evaluation assesses whether the applicable invoicing rules have led to a decrease of administrative burden for businesses and whether changes to invoicing rules are necessary.</p>		Completed

**ANNEX 10:
Management"**

Specific annexes related to "Financial

Table Y - Overview of the estimated cost of controls at Commission (EC) level:

Title of the Relevant Control System (RCS)	Ex ante controls			Ex post controls			Total**	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	EC total costs (in EUR)	funds managed (in EUR) ⁶	Ratio (%)* (a)/(b)	EC total costs (in EUR)	total value verified and/or audited (in EUR)	Ratio (%) (d)/(e)	EC total estimated cost of controls (in EUR) (a)+(d)	Ratio (%)* (g)/(b)
Procurement	1.247.640,00	103.692.726,95	1,20%	0	0	N/A	1.247.640,00	1,20%
Grants	257.654,55	12.999.696,53	1,98%	68.338,70	3.240.781,07	2,11%	325.993,25	2,51%
OVERALL total estimated cost of control at EC level	1.505.294,55	116.692.423,48	1,29%	68.338,70	3.240.781,07	2,11%	1.573.633,25	1,35%

* ratio possibly "Not Applicable (N/A)" if a RCS specifically covers an Internal Control Objective such as safeguarding sensitive information, reliable accounting/reporting, etc

** any 'holistic' control elements (e.g. with 'combined' ex-ante & ex-post characteristics) can be mentioned in the total column (without being in either one of the ex-ante or ex-post columns), provided that a footnote clarifies this (their nature + their cost). *Example: MS system audits in shared management.*

⁶ Funds managed = payments made, revenues and/or other significant non-spending items such as e.g. assets, liabilities, etc.

ANNEX 12: Performance tables

General objective 1: A DEEPER AND FAIRER INTERNAL MARKET WITH A STRENGTHENED INDUSTRIAL BASE (COMMISSION GENERAL OBJECTIVE 4)		
Impact indicator: Intra-EU trade in goods and services (% of GDP)		
Description: The taxation and customs policy will ultimately contribute to a better functioning Internal Market with taxation related actions influencing in particular the inside dimension of the Internal Market whereas customs policy impacts in particular conditions at the external border of the Internal Market. Both tax and customs policy are working towards creating a smoother environment for taxpayers and traders to operate with the intra-EU trade in goods and services as exponents of these improved conditions.		
Source of the data: Eurostat		
Baseline 2014	Target 2020	Latest known results 2018
20.4% (goods) 6.3% (services)	Increase Increase	21.7% (goods) 7.4% (services)
Specific objective 1.1: To reduce tax fraud, tax evasion, harmful tax practise and aggressive tax planning within the EU		Related to spending programme(s) Fiscalis 2020
Result indicator 1: Tax action plans Implementation Indicator (KPI-1)		
Description: This indicator monitors the policy work carried out by the DG, measuring if and when DG TAXUD delivers on key actions, giving a percentage of the actions implemented over time. Information on DG TAXUD actions are gathered from policy documents such as communications and action plans. For proposals (directive, regulations, decisions and recommendations), the indicator of effective implementation is adoption by the Commission; for studies, acceptance by the Commission of the final report; for the remaining actions, delivery of reports on results achieved.		
Limitation: Progress of this indicator may be influenced by unexpected events, like sudden crises, non-delivery by external partners, and delays in political negotiations in Council.		
Source of data: TAXUD		
Baseline 2016⁷	Target 2019	Latest known results on 31/12/2019
34 actions from the different actions plans	Targets are laid down in the action plans	4 actions closed 4 actions ongoing
Specific objective 1.2: To realise an EU tax framework that is fit for purpose focusing in particular on simplification for business		Related to spending programme(s) Fiscalis 2020 Customs 2020
Result indicator 2: Member States' compliance with EU Tax and Customs Law		

⁷ The actions that were pending from 2014-2015 were overtaken by the series of 2016 political tax initiatives. As a result the baseline of this indicator was updated with the activities included in the different related actions plans.

<p>Description: Measurement of the work carried out in relation to the compliance of EU tax and customs law in the Member States</p> <p>Limitation: The number of cases cannot be foreseen and fluctuates following external factors</p> <p>Source of data: TAXUD</p>			
Baseline 2016	Interim Milestone	Target 2020	Latest known results 2019
	2016 2017 2018 2019		
<ul style="list-style-type: none"> • Number of infringement cases closed in NIF • Number of EU PILOT cases closed • Number of newly opened cases (in both EU PILOT and NIF) 	NA	<ul style="list-style-type: none"> • Attaining compliance with EU law by Member States in NIF • Attaining compliance with EU law by Member States at the stage of the EU PILOT • Keep the number of pending non-communication cases to a minimum. 	<p><i>71 NIF cases closed</i></p> <p><i>21 EU Pilot closed</i></p> <p><i>65 NIF opened</i></p> <p><i>18 EU Pilot opened</i></p>

Main outputs in 2019:		
Delivery on legislative proposals pending with the legislator		
Output	Indicator	Target <i>Latest Known Results</i>
Digital service tax	Adoption by Council	May 2019 <i>Delayed, further action depends on the outcome of OECD works on the global reform of the international business taxation to be agreed in 2020.</i>
Common Consolidated Corporate Tax Base (CCCTB) and Common Corporate Tax Base (CCTB)	Adoption by Council	May 2019 <i>Delayed. Further action depends on the outcome of OECD works on the global reform of the international business taxation to be agreed in 2020</i>
VAT SME Package	Adoption by Council	May 2019 <i>Delayed. General agreement reached at ECOFIN of 8 November 2019</i>
VAT Definitive System	Adoption by Council	May 2019 <i>Delayed. No new target established yet.</i>
VAT Reduced Rates	Adoption by Council	May 2019 <i>Delayed. No new target established yet.</i>
Proposal for a Council Directive amending Council Directive 2006/112/EC of 28 November 2006 as regards certain value added tax provisions relating to e-commerce. (PLAN/2018/3206)	Adoption by Council	Q4 2019 <i>Adopted on 21 November 2019 Directive (EU) 2019/1995</i>
Proposal for a Council Implementing Regulation laying down implementing measures for Directive 2006/112/EC on the common system of value added tax amendment (EU) No 282/2011. (PLAN/2017/2272)	Adoption by Council	Q4 2019 <i>Adopted on 21 November 2019 Regulation (EU) 2019/2026</i>
Proposal on the exchange of VAT-relevant payment data (PLAN/2017/2023)	Adoption by Council	Q3 2019 <i>General approach in Council and EP report in December 2019 Adoption by Council in February 2020</i>
VAT and excise aspects of the	Adoption by Council	May 2019

inclusion of the Italian municipality of Campione d'Italia and the Italian waters of Lake Lugano in the customs territory of the Union		<i>Adopted on 18 February 2019 Directive (EU) 2019/475</i>
Recast of the general arrangements for excise duties	Adoption by Council	Q4 2019 <i>Provisional agreement reached at ECOFIN on 8 November 2019</i>
Recast of computerising the movement and surveillance of excise goods	Adoption by the co-legislators	Q4 2019 <i>Provisional agreement reached at ECOFIN on 8 November 2019</i>
Administrative cooperation in the field of excise duties	Adoption by Council	Q4 2019 <i>Provisional agreement reached at ECOFIN on 8 November 2019</i>
Revision of the harmonisation of the structures of excise duties on alcohol and alcoholic beverages	Adoption by Council	Q1 2019 <i>Delayed.</i> <i>New target Q1 2020</i>
Proposal for dock dues tax French outermost regions (PLAN/2018/4021)	Adoption by Council	Target: Q1 2019 <i>Adopted on 15 April 2019 Decision (EU) 2019/664</i>
Enhanced cooperation in the area of financial transaction tax	Adoption by Council	Q1 2019 <i>Delayed.</i> <i>New target Q2 2020</i>
All new initiatives / significant evaluations from the Commission Work Programme		
Output	Indicator	Target Latest Known Result
Commission Implementing Regulation laying down detailed rules for special schemes for taxable persons supplying services to non-taxable persons or making distance sales of goods. (PLAN/2018/3927)	Adoption by College	Q3 2019 <i>Delayed.</i> <i>Postponed until February 2020, since the proposal for a Council Directive amending Council Directive 2006/112/EC of 28 November 2006 as regards certain value added tax provisions relating to e-commerce was only adopted in November 2019 (PLAN/2018/3206)</i>
Proposal for VAT and excise treatment of supplies linked to common EU defence efforts (PLAN/2018/2962)	Adoption by College	Target Q1 2019 <i>Adopted on 24 April 2019 COM(2019) 192 and on 16 December 2019 Council Directive (EU) 2019/2235</i>
Important items from work programmes/financing decisions/operational programmes		
Output	Indicator	Target Latest Known Result
Transaction Network Analysis Tool	Entry into operation	Target Q1/Q2 2019 <i>Entered into operation on 15</i>

		<i>May 2019</i>
Commission Implementing Regulation on the exchange of customs information, vehicle registration data and the identification of Eurofisc officials accessing the information (VAT administrative cooperation)	Adoption by College	Target Q1/Q2 2019 <i>Adopted on 2 July 2019 C(2019)4900</i>
Commission Implementing Regulation on Eurofisc procedural arrangements and statistics (VAT administrative cooperation)	Adoption by College	Q2 2020 <i>Timing reviewed in 2019</i>
Expert teams for the collaborative development by Member States of <ul style="list-style-type: none"> • Transaction Network Analysis (TNA) • Mobile Application for EMCS Controls Development • Excise Duties Calculator 	Submission of <ul style="list-style-type: none"> • Final Report • Interim Reports 	Q4 2019 <i>On track</i> <i>Regarding TNA:</i> <ul style="list-style-type: none"> • <i>Interim report sent to TAXUD (Ares(2019)5447440).</i> • <i>Expert team duration extended to 31/03/2020 (Ares(2019)4715009).</i>
Activities organised under Fiscalis 2020 programme to support fight against fraud, tax evasion and aggressive tax planning and to support administrative cooperation	Number of activities	Remain stable or grow <i>On track</i> <i>305 events</i>
Activities organised under Fiscalis 2020 programme to enhance the administrative capacity of participating countries and to support the implementation of Union law and legislation	Number of activities	Remain stable or grow <i>On track</i> <i>153 events</i>
Other important outputs		
Output	Indicator	Target <i>Latest Known Result</i>
Evaluation of VAT Invoicing Rules (PLAN/2018/1293)	Delivery by contractor	Target Q1 2019 <i>Published on website on 8 February 2019</i>
Evaluation of the Energy Tax Directive (PLAN/2017/1028)	Publication	Target Q1 2019 <i>Published September 2019</i>
Evaluation of the excise duty rates applied to manufactured tobacco (PLAN/2017/1855)	Adoption by College	Target Q3 2019 <i>Rescheduled to Q1 2020.</i>
DOM RUM Evaluation (PLAN/2018/3201)	Adoption by College	Q4 2019 <i>Rescheduled to Q3 2020.</i>
Evaluation of the functioning of the Directive on administrative cooperation (DAC) (PLAN/2017/2103)	Adoption by College	Q1 2019 <i>Published September 2019.</i>

VAT Gap study 2019	Publication	Q3 2019 <i>Published September 2019.</i>
Council Decisions on Joint Committee Decisions for the implementation of the EU-Norway Agreement on VAT cooperation	Adoption by Council	Target Q2 2019 <i>Adopted COUNCIL DECISION (EU) 2019/425 of 12 March 2019</i>

Specific objective 1.3: Managing a well-functioning and modern Customs Union.

Related to spending programme(s) Customs 2020

Result indicator 3: Modernisation and simplification of the Union Customs legislation (KPI-2)

Description: Traders and Customs Administrations in all the Member States must apply the Union Customs Code (UCC) and its supplementing and implementing rules (Delegated Act, Implementing Act and Transitional Delegated Act) from 1 May 2016. The UCC completes the shift to a paperless and fully electronic customs environment; guarantees interoperability of national customs IT systems; simplifies, modernises and streamlines legislation and procedures; creates greater legal certainty, predictability and uniformity for business; increases clarity for customs throughout EU, enhances uniform interpretation/implementation and level playing field; reinforces AEO status/benefits; enhances cooperation between customs authorities and with other governmental agencies and the business community.

For the correct and uniform application these new rules, clear guidance and a system to monitor Member States national legislation and IT systems are necessary. The developments of the IT applications with regard to the EU Trader portal for AEO ("eAEO") became operational on 1 October 2019 in accordance with the UCC and UCC IA and the IT Work programme. A work programme has been adopted and is reviewed at set intervals. The monitoring of the Commission's performance will happen on the basis of this work programme.

Source of data: TAXUD

Baseline 2016	Interim Milestone			Target 2020 shifted to Target 2025 <i>(laid down in the Union Customs Code - amended art 278)</i>	Latest known results 2019
	2017	2018	2019		
2016 UCC Work programme, tasks attributed to the	Deployment of REX; BTI; Customs Decisions according	Deployments AEO Phase 1, EORI2 and	Deployments AEO Phase 2 and EBTI Phase 2 together	UCC work programme implemented	See dashboard Key Performance Indicator (KPI) 2

Commission	to the milestones	Surveillance 3 according to the milestones	with the EU Customs Trader Portal according to the milestones		
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Result indicator 4: Efficient management of the Common Customs Tariff (CCT)

Description: The CCT applies to the import of goods across the external borders of the EU and is common to all EU Member States. It is an obligation under the WTO rules that the CCT is implemented uniformly.

The CCT rates depend on the economic importance of products and are set through international trade negotiations. It is DG TAXUD's role to ensure that the CCT is applied in a uniform manner across the EU and to adopt the Combined Nomenclature every year. The Commission together with Member States have undertaken to streamline existing processes in order to prevent and eliminate as soon as possible existing inconsistencies with regard to the uniform application of the CCT. The "Future of BTI" project established additional actions in this respect.

All CCT measures are encoded in the TARIC database – the integrated Tariff of the European Union – an essential tool for the uniform application by all Member States. This database provides at the same time all economic operators a clear view of all measures to be undertaken when importing into the EU or exporting goods from the EU.

The indicator measures, if all tasks related to the efficient management the CCT are performed. It is expressed as legal measures adopted, success in streamlining existing processes, systematic release of daily updates of TARIC and tariff quota allocations. This is combined with the uninterrupted availability of the TARIC and Quota databases and their use by Member States (connectivity), as well as monitoring of the application of tariff and tariff measures by various means.

Limitations: It is impossible to forecast the number of cases requiring legal measures, TARIC measures and descriptions, quota drawing requests, Surveillance and EBTI3 data records. Moreover, the Commission cannot control to limit or increase these figures and therefore these figures they can only be used as an illustration or context indicator.

Source of data: TAXUD

Baseline 2016	Interim Milestone	Target 2020	Latest known results 2019
	2016 2017 2018 2019		
Annual tasks that are to be performed to ensure efficient management of the CCT	On an annual basis 100% of tasks fulfilled	100% of the tasks fulfilled	100% uninterrupted response given to the tasks, such daily updates of TARIC in working days, tariff quota

			allocations, daily verification and regular issuing of reports via the Surveillance database and ensuring uniformity in tariff classification by issuing 41 measures and another 46 resolved by consensus agreements.
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Main outputs in 2019:		
Delivery on legislative proposals pending with the legislator		
Output	Indicator	Target <i>Latest Known Result</i>
Amendment to the Union Customs Code extending from 2020 to 2025 the deadline for use of pre-existing IT and paper systems for the completion of some customs formalities, pending full completion of the UCC IT systems	Adoption by co-legislators	Target: May 2019 <i>Adopted 17 april 2019 Reg 632/2019</i>
The inclusion of the Italian municipality of Campione d'Italia and the Italian waters of Lake Lugano in the customs territory of the Union	Adoption by co-legislators	Target: May 2019 <i>Adopted 19 March 2019 Reg 474/2019</i>
All new initiatives / significant evaluations from the Commission Work Programme		
Output	Indicator	Target <i>Latest Known Result</i>
Preparatory work for a proposal for EU Single Window environment for Customs (PLAN/2017/1149)	Adoption by College	Q2 2020 <i>On track</i>

Important items from work programmes/financing decisions/operational programmes		
Output	Indicator	Target Latest Known Result
UCC Work Programme Amendment (PLAN/2018/4357)	Adoption by College	Target Q2 2019 <i>Adopted Q4 2019 Commission Implementing Decision (EU)2019/2151</i>
2019 UCC Delegated Act (PLAN/2018/4290)	Adoption by College	Q1 2020 <i>Target updated On track</i>
2019 UCC Implementing Act (PLAN/2018/4292)	Adoption by College	Q2 2020 <i>Target Updated On track</i>
Expert team pooling expertise to resolve complex cases of divergent tariff classification (BTI II)	<ul style="list-style-type: none"> Expert team operational Number of classification cases resolved 	<ul style="list-style-type: none"> Target Q2 2019 <i>Operational Q4/2019-Grant agreement signed.</i> Stable
Expert teams to pool and share specific analytical expertise of Customs Laboratories at EU level (Customs Laboratories expert teams – CLET I and CLET II)	<ul style="list-style-type: none"> Submission of final report CLET I CLET II operational number of analysis 	<ul style="list-style-type: none"> Target Q2 2019 <i>Submitted on 23 July 2019</i> Target Q2 2019 <i>CLET II operational since 29 April 2019</i> <i>576 requests received so far well in advance of target: 600 until 28 April 2021</i>
Activities under the Customs 2020 programme supporting a modern and well-functioning Customs Union	Number of activities	Remain stable or grow <i>On track 78 activities</i>
Other important outputs		
Output	Indicator	Target Latest Known Result
Annual update and publication of the Combined Nomenclature including all tariff related international agreements (PLAN/2018/4293)	Timely publication	31 October 2019 <i>C(2019) 7383 Adopted on 22 October 2019</i>
Measures adopted to ensure uniform classification within the EU	Number of measures	Throughout 2019 41 measures adopted and another 46 cases resolved by consensus agreements

Update TARIC database	Daily update on working days	Throughout 2019 <i>Executed</i>
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Specific objective 1.4: Efficient implementation of the Fiscalis 2020 and Customs 2020 programme to support the achievement of the tax and customs policy objectives

Related to spending programme(s)
Fiscalis 2020
Customs 2020

Result indicator 5: Programme performance Indicator

Description:

It consists of three components:

- Availability of European Information Systems and of the Common Communication Network (KPI-3)
- Collaboration Robustness Indicator (KPI-4)
- F&C2020 Learning Index

Source of data: TAXUD

Baseline 2014	Interim Milestone			Target 2020	Latest known results 2019
	2015	2017	2018		
Availability of CCN/CSI overall ⁸ : 99.89% of time	99.97%	99.98%	99.98%	99.9%	99.47%
VIES on the web: 99,92%	99.9%	99.93%	99.99%	95%	99.94%
EMCS: 99,12%.	99.56%.	99.61%.	99.56%	97%	99.62%
Availability of centralised IT customs applications ⁹ 99.11%	98.95%	98.70%	99.43%	97%	96.27%
Availability of NCTS, ECS, ICS - 99%	99%	99.3%	99.26%	99%	99.41%
Availability of SPEED - 99.50%	99.86%	98.46%	99.24%	99.5%	99.51%

⁸ Indicator also included in the Customs 2020 Programme Statements as it is one of the core indicators of the programme, linked to the programme's operational objective "To develop, improve, operate and support the European Information Systems".

⁹ Footnote on availability of CCN/CSI also applies for availability of centralised IT customs applications.

Extent to which the target audience is aware of the programme (awareness rate, 2011): Customs 66% Fiscalis 66%	Customs 51% Fiscalis 54%	Customs 55% Fiscalis 59%	Customs 57% Fiscalis 48%	75%	Customs 48% Fiscalis 45%
Degree of networking generated by the programme activities ¹⁰ a) Network opportunity: Customs 97% Fiscalis 95% b) Lasting networking effect (at least one contact after the end of the programme activity): Customs 72% Fiscalis 68%	Customs 96% Fiscalis 97% Customs 74% Fiscalis 70%	Customs 92% Fiscalis 90% Customs 84% Fiscalis 84%	Customs 93% Fiscalis 91% Customs 85% Fiscalis 76%	90% 80%	a) Customs 96% Fiscalis 96% b) Customs 70% Fiscalis 67%
Networking and cooperation ¹¹ : a) Number of face to face meetings: Customs 265 Fiscalis 247 b) Number of online groups: Customs 117 Fiscalis 109	a) Customs 547 Fiscalis 632 b) Customs 124 Fiscalis 126	a) Customs 448 Fiscalis 563 b) Customs 147 Fiscalis 152	a) Customs 473 Fiscalis 556 b) Customs 183 Fiscalis 177	a) Increase the level of 2013 Fiscalis 295 Customs 380 b) Grow	a) Customs 570 Fiscalis 590 b) Customs 237 Fiscalis 227
Combined number of eLearning	Customs 183 Fiscalis 62	Customs 271 Fiscalis 123	Customs 279 Fiscalis 165	Stable or grow	Customs 316 Fiscalis 181

¹⁰ This indicator is also included in the Customs 2020 / Fiscalis 2020 Programmes Statements as it is one of the core indicators of the programmes (cross-cutting indicator, linked to all operational objectives of the programmes).

¹¹ Previous footnote on degree of networking also applies for networking and cooperation.

modules used in each participating country: Customs 174 Fiscalis 60					
Average training quality score by officials ¹² : Customs 73.3 Fiscalis 73	Customs 70.3 Fiscalis 67	Customs 73.1 Fiscalis 75.1	Customs 72.9 Fiscalis 77.3	Stable or grow	Customs 75 Fiscalis 73
Number of officials trained by using EU common training material ¹³ : Customs 4 776 Fiscalis 4 171	Customs 3 092 Fiscalis 2 700	Customs 34 214 Fiscalis 32 908	Customs 17 547 Fiscalis 15 739	Stable or grow	Customs 37 796 Fiscalis 53 845

Main outputs in 2019:

Delivery on legislative proposals pending with the legislator

Output	Indicator	Target <i>Latest Known Result</i>
Post-2020 Fiscalis programme	Adoption by co-legislators	Q4 2019 <i>Delayed, pending overall agreement on MFF. New target Q2 2020</i>
Post-2020 Customs programme	Adoption by co-legislators	Q4 2019 <i>Delayed, pending overall agreement on MFF New target Q2 2020</i>
Customs Control Equipment Instrument	Adoption by co-legislators	Q4 2019 <i>Delayed, pending overall agreement on MFF New target Q2 2020</i>

Important items from work programmes/financing decisions/operational programmes

Output	Indicator	Target <i>Latest Known Result</i>
European Information systems in	Number of European	<i>On track</i>

¹² Quality score according to the Kirkpatrick Learning model (with score '50 - 75 = good' and 75 - 100 = very good).

¹³ This indicator is also included in the Customs 2020 Programme Statements as it one of the core indicators of the programme, linked to the programme's operational objective "Reinforce the skills and competences of customs officials".

operation for taxation	Information systems in operation for taxation, as per Annex 1 of Fiscalis 2020 regulation	
European Information systems in operation for customs	Number of European Information Systems in operation, as per Annex 1 of Customs 2020 Regulation	<i>On track</i>
Expert Teams on Managed IT Collaboration in taxation (MANITC III and MANITC IV)	<ul style="list-style-type: none"> • Submission of final report MANITC III • MANITC IV operational 	<ul style="list-style-type: none"> • Q4 2019 <i>Final report submitted December 2019</i> • Q4 2019 <i>Grant agreement signed in December 2019</i>
Expert Teams on new approaches to develop and operate Customs IT systems (ETCIT I and ETCIT II)	<ul style="list-style-type: none"> • Submission of final report ETCIT I • ETCIT II operational 	<ul style="list-style-type: none"> • Q4 2019 <i>Final report submitted December 2019</i> • Q4 2019 <i>Signature of grant agreement October 2019</i>
Other important outputs		
Output	Indicator	Target <i>Latest Known Result</i>
Customs 2019 and Fiscalis 2019 Annual Work Programmes (PLAN/2017/1540)	Adopted by College	Q1 2019 <i>Adopted on 01/02/2019 C(2019)648</i>
Customs 2020 final evaluation	Final report	Q2 2021 <i>On track</i>
Fiscalis 2020 final evaluation	Final report	Q2 2021 <i>On track</i>

GENERAL OBJECTIVE 2: A NEW BOOST FOR JOBS, GROWTH AND INVESTMENT (COMMISSION GENERAL OBJECTIVE 1)

The activities developed under this general objective in general aim to create better conditions for traders to operate. These improvements allow traders to be more competitive worldwide which contributes to growth and creating jobs within the EU. These activities therefore contribute indirectly to realisation of the impact indicators for this general objective. The direct impact of customs on the trading position is measured through the Logistics Performance Indicator, customs subsection (Source: Worldbank).

Two of the most pressing demands of European citizens right now are economic stability and social justice. These two objectives are inter-twined. Taxation has a critical role to play in delivering on these twin objectives. Focussing on these objectives, DG TAXUD will continue its analysis of tax policies of EU member states.

Specific objective 2.1: Taxation enhancing EU competitiveness

Related to spending programme:
Fiscalis 2020

Result indicator 1: Tax action plans Implementation Indicator (KPI-1)

See under 1.1

Main outputs in 2019:

Important items from work programmes/financing decisions/operational programmes

Output	Indicator	Target Latest Known Result
Activities under the Fiscalis 2020 programme supporting the implementation of Union law by enhancing administrative capacity of participating countries with a view to assisting in reducing administrative burden of tax authorities and compliance cost for taxpayers.	Number of activities	See under 1.1.

Specific objective 2.2: Ensuring efficient customs fostering EU competitiveness

Related to spending programme:
Customs 2020

Result indicator 6: Level of alignment of non-Customs legislation with the principles, procedures and requirements laid down in Union customs legislation

Description: EU non-customs legislation for the protection of the health and safety of residents or the environment may assign control tasks to customs. It is essential to ensure that such controls are consistent with the principles, procedures and requirements laid down in the Union customs legislation. A lack of consistency and alignment prevents customs from fully enforcing such legislation. The target is that all new Commission proposals for legislation assigning control tasks to customs for the protection of the health and safety of residents or the environment contain control procedures that are consistent with the principles, procedures and requirements laid down in the Union customs legislation and are thus enforceable by customs.

Source of data: TAXUD		
Baseline 2016	2016 Milestone	Target 2020
New Commission proposals for legislation that assign control functions to customs are screened for consistency with the principles, procedures and requirements laid down in the Union customs legislation.	Around 40 Commission proposals on prohibitions and restrictions legislations were screened.	All further new Commission proposals for legislation (from 2016 onwards) assigning control tasks to customs are consistent with the principles, procedures and requirements laid down in the Union customs legislation and are thus enforceable by customs.

Result indicator 7: Level of implementation of the EU Customs Action Plan to combat IPR infringements

Description: The Action Plan ¹⁴identifies 21 sets of actions for the period 2013-2017 under its four strategic objectives, i.e. effectively implementing and monitoring the new EU legislation on customs enforcement of IPR; tackling major trends in trade of IPR infringing goods; tackling trade of IPR infringing goods throughout the international supply chain; and strengthening cooperation with the European Observatory and law enforcement authorities on infringements of IPR. The Commission is listed as a responsible actor for 20 of the 21 sets of action. The target is to complete by end 2017 the actions contained in the Action Plan that are under Commission responsibility.

Source of data: TAXUD

2013 Baseline 2019 Baseline	2018 Milestone	2019 Result
<p>2013: The list of actions identified by the EU Customs Action Plan to combat IPR infringements(2013/2017)</p> <p>2019: the list of Actions identified in the EU Customs Action Plan to combat IPR infringements for the years 2018/2022</p>	<p>The Commission adopted on 22 February 2018 a Report from the Commission to the Council and the European Parliament on the implementation of the Action Plan 2013/2017 which indicates that coordination of customs activities thanks to the Action Plan has shown its added value to reinforce results.</p> <p>In January 2019 Council conclusions were adopted for a new EU Customs Action Pan to combat IPR infringements for the years 2018 to 2022.</p>	<p><i>In 2019, efforts focused on:</i></p> <ul style="list-style-type: none"> • <i>starting up support visits to Member States to engage in a dialogue with the customs authorities implementing the customs enforcement of IPR;</i> • <i>continuing the operational activities with China and Hong Kong, China;</i> • <i>setting up a working group to analyse the logistics of goods transported by train on the Belt and road Initiative.</i> • <i>pursuing a multi-layered cooperation with the European Observatory on IPR infringements</i>

¹⁴ [Council Resolution](#) 2013/80/01 of 19 March 2013, page 4-7

Result indicator 8: Level of implementation of non-security-related actions/deliverables of the 2014 EU Strategy and Action Plan for customs risk management

Description: The 2014 EU Strategy and Action Plan¹⁵ for customs risk management identify 22 sets of action under seven objectives to improve customs risk management in the EU. The Action Plan provides an indicative timing for the implementation of the various actions, ranging from 2014 to 2020.

This result indicator aims at measuring the level of completion/implementation of the non-security related measures/actions in the Action Plan. The target is to complete actions contained in the Action Plan, in accordance with the indicative timing provided in this Action Plan.

Limitation: Budgetary limitations on both EU and Member State level may impact the timely implementation of the sets of action.

Source of data: TAXUD

2014 Baseline	2016 Milestone	2020 Target <i>Latest Known Results</i>
The list of non-security-related sets of action for the period 2014-2020 identified by the EU Strategy and Action Plan for customs risk management	<p>The appropriate legal framework of the Union Customs Code, and the detailed rules of the delegated and implementing acts entered into force on 1 May 2016.</p> <p>Of the 54 sub-actions identified by the Strategy and Action Plan, only 2 have not started yet, whilst 41 are ongoing and 11 are completed.</p> <p>For instance, a CRMF evaluation cycle model has been developed with all Member States and the eAEO direct trader access will enable traders to submit their AEO application and receive AEO decisions electronically from 1 October 2019.</p>	<p>Completion of the (non-security related) sets of actions identified by the EU Strategy and Action Plan for customs risk management.</p> <p><i>Completion of the IT systems (ICS 2) has been postponed.</i></p>

Result indicator 9: Efficient management of the autonomous tariff suspension and quota scheme

Description: The autonomous suspensions scheme is a service provided to the business community. It provides EU manufacturing businesses with an opportunity to import raw materials, semi-finished goods or components, that are not available or available in insufficient volumes within the EU, at zero or reduced duty rates. The cost savings from this are expected to stimulate economic activity within the EU, to improve the competitive capacity of these businesses and, in particular, to enable them to maintain or create employment, modernise

¹⁵ [Annex](#) to the Communication, COM(2014)527 of 21 August 2014

their structures, etc.

The scheme is managed on the basis of Communication from the Commission (2011/C 363/02) which sets out the guiding principles and administrative arrangements. As the scheme enables domestic producers to compete fairly and equally on the Internal Market with manufacturers exporting from third countries, it is of major importance that an administrative response to the EU industry's requests for suspensions/quotas is ensured.

Moreover, as there is a risk that domestic producers suffer injury if suspensions are opened unwarranted, the scheme should be administered on the basis of close and extensive cooperation between the Member States and the Commission so that the latter can ensure that all Union interests are taken into consideration.

Limitation: The volume of applications can fluctuate depending on a number of events at EU level, such as changes in the Generalised Scheme for Preferences (GSP), new FTAs, international agreements (e.g. Information Technology Agreement). Also, since the implementation acts are Council Regulations, the regulatory work can be delayed in case of change requests tabled in the Council. Regarding the cost savings for the EU industry they are significant as the annual uncollected duties due to these autonomous measures exceed 1.6 billion EUR.

Source of data: TAXUD

Baseline	2019 Milestone	Annual Target
Ensure uninterrupted response to the requests of the EU industry.	The response to the Union industry requests was ensured with the assistance of the ETQG. 130 new requests were treated for the round 7/2019 and 118 for the round 1/2020.,	Target foreseen in Communication (2011/C 363/02)

Main outputs in 2019:

Important items from work programmes/financing decisions/operational programmes

Output	Indicator	Target <i>Latest Known Result</i>
Activities under the Customs 2020 programme supporting an efficient customs fostering EU competitiveness and addressing the challenges presented by e-commerce, in particular in regard to low-value consignments	Number of activities	Stable or grow <i>305 events</i>

Other important outputs

Output	Indicator	Target <i>Latest Known Result</i>
Council Regulations granting autonomous tariff suspensions and opening of autonomous tariff quotas	Ensure administrative response to suspension and quota requests and timely publication of Regulations	30 June 2019 <i>COM(2019)210 & 219 adopted by the Council on 14/6/2019 & 31 December 2019</i>

Reassessment of AEO authorisations	Reassessment completed	1 May 2019 <i>Under finalisation</i>
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GENERAL OBJECTIVE 3: AN AREA OF JUSTICE AND FUNDAMENTAL RIGHTS BASED ON MUTUAL TRUST (Commission general objective 7)

The activities developed by DG TAXUD under this general objective contribute to safeguarding of internal security within the European Union by strengthening the external border. These activities contribute indirectly to realisation of the impact indicators for this general objective by focusing on the creation of part of the necessary conditions for ensuring internal security.

Specific objective 3.1 Strengthening security and contributing to tackling terrorism and serious crime

Related to spending programme:
Customs 2020

Result indicator 10: Level of implementation of security-related actions/deliverables of the 2014 EU Strategy and Action Plan for customs risk management

Description: The 2014 EU Strategy and Action Plan for customs risk management identify 22 sets of action under seven objectives to improve customs risk management in the EU. The Action Plan provides an indicative timing for the implementation of the various actions, ranging from 2014 to 2020.

This result indicator measures the level of completion/implementation of the security related measures/actions in the Action Plan. The target is to complete actions contained in the Action Plan, in accordance with the indicative timing provided in this Action Plan.

Limitation: Budgetary limitations on both EU and Member State level may impact the timely implementation of the sets of action.

Source of data: TAXUD

2014 Baseline	2016 Milestone	2020 Target
The list of security-related sets of actions for the period 2014-2020 identified by the EU Strategy and Action Plan for customs risk management.	Commission Implementing Decision C(2016) 2422 of 27 April 2016 on the establishment of common risk criteria for security and safety risk analysis entered into application on 1.5.2016.	Completion of the (security related) sets of action identified by the EU Strategy and Action Plan for customs risk management.

Main outputs in 2019:

Delivery on legislative proposals pending with the legislator

Output	Indicator	Target Latest Known Result
Import of cultural goods	Adoption by co-legislator	Target May 2019 <i>Adopted on 17 April 2019 Regulation (EU) No 2019/880 of the European Parliament and of the Council on the introduction and the import of cultural goods (OJ L 151,</i>

		7.6.2019, p.1)
Important items from work programmes/financing decisions/operational programmes		
Output	Indicator	Target Latest Known Result
Cooperation with other law enforcement agencies	Number of activities with Europol and Frontex	Throughout 2019 <i>On track</i>
Customs Eastern and South-Eastern land border expert team (CELBET II) pooling expertise to deal with the Union's Eastern and South-Eastern land border management issues and jointly perform operational tasks.	Submission Interim Report	Q3/Q4 2019 <i>Interim report delivered in July 2019.</i>
Activities under the Customs 2020 programme supporting a secure Europe	Number of activities	Stable or grow <i>On track 129 events</i>
Other important outputs		
Output	Indicator	Target Latest Known Result
Report on the functioning and implementation of the EU drug precursor legislation	Adoption by College	Q2 2020 <i>Target reviewed in 2019</i>
Mechanism to monitor the EU Strategy for Risk Management.	Adoption mechanism by the RIMSCO working group	Q4 2020 <i>The mechanism to monitor the EU strategy will be proposed within the third report on the implementation of the strategy and adopted by the RIMSCO.</i>
Report on the export of cultural goods PLAN/2017/2152	Adoption by College	Q4 2019 <i>COM (2019) 429] published on 26 September 2019</i>

GENERAL OBJECTIVE 4: A STRONGER GLOBAL ACTOR (Commission general objective 9)

The activities developed by DG TAXUD under this general objective contribute to positioning the European Union as a stronger actor on the global scene. These activities contribute indirectly to realisation of the impact indicators for this general objective by focusing on the creation of part of the necessary conditions for acting stronger internationally.

Specific objective 4.1 Developing international customs cooperation

Related to spending programme:
Customs 2020

Result indicator 11: Degree of (i) progress in negotiations and implementation of international agreements and arrangements; (ii) reflection of EU policy/positions in international bodies; and (iii) alignment of partner countries' legislation and practices with the EU acquis.

Description: The Commission promotes good EU practice worldwide through the negotiation

and proper implementation of bilateral agreements/arrangements, and by influencing the standard-setting and rule-making work of international bodies, in particular the WCO and WTO. With neighbouring countries (Eastern Partnership, Western Balkans) the Commission seeks to align legislation and practices with the EU customs acquis.

The degree of implementation of agreements/arrangements and alignment of legislation is measured, e.g. through the reporting of the joint customs committees set up by the bilateral agreements, through the Commission's monitoring of the implementation of preferential arrangements, through the peer review performed within WTO (the WTO Trade Policy Review Mechanism), through the 'screening' process of candidate countries. The future review of international instruments, e.g. the WCO SAFE Framework of Standards in 2018, provides an opportunity to measure the EU's ability to influence the work in international bodies, through the level of uptake of EU positions in the setting of international standards.

Limitation: External factors play an important role in reaching success in international customs cooperation, such as the willingness of partner countries to engage in negotiations or cooperation, the progress made by other Commission services in negotiating other (non-customs related) parts of trade agreements, etc.

Source of data: TAXUD

2015 Baseline	2019 Milestone	2020 Target
<p>Inventory of:</p> <ul style="list-style-type: none"> - agreements and arrangements in place; - applicable international standards; - 2014 Action Plan for monitoring the functioning of preferential trade arrangements, including the annual monitoring reports and plans; - Screening reports of candidate countries. 	<ul style="list-style-type: none"> - CCMAA with New Zealand; - Monitoring RoO visits were carried out in Sri Lanka, Armenia and Laos. Questionnaires for RoO monitoring activities have been send to Bolivia, Nigeria, Nepal, Zambia, Angola, Ethiopia, Malawi and Tanzania. Monitoring RoO visits to identify best practices on implementation FTAs have been carried out in Spain and Portugal. - Finalising of negotiations on RoO and CTF chapters in FTAs with Mexico and Ivory Coast. - Finalisation of negotiations on technical amendments to Protocol 1 on rules of origin with Eastern and Southern African (ESA) States 	<p>Progress in:</p> <ul style="list-style-type: none"> (i) negotiations and the degree of implementation of agreements/arrangements; (ii) the degree of reflection of EU policy/positions in international bodies; and (iii) the degree of alignment of partner countries' legislation and practices with the EU acquis.

Main outputs in 2019:		
All new initiatives / significant evaluations from the Commission Work Programme		
Output	Indicator	Target Latest Known Result
Evaluation of the Customs Cooperation and Mutual Administrative Assistance Agreement with China (PLAN/2018/3975)	Adoption by College	Q3 2020 <i>Timing reviewed</i>
Other important outputs		
Output	Indicator	Target Latest Known Result
Agreement between the EU and Morocco amending Protocols 1 and 4 of the EU-Morocco Association Agreement	Adoption by Council	Target Q1 2019 <i>Completed by Council Decision 2019/217 of 28.01.2019 concluding the Agreement in the form of Exchange of Letters between the EU and the Kingdom of Morocco</i>
Negotiations of Customs provisions in Association Agreements or Customs and Tax chapters to Comprehensive Cooperation Agreements	Agreement on major concepts with Andorra, Monaco, San Marino, Kyrgyzstan, Uzbekistan and Azerbaijan	Q1 2019 <ul style="list-style-type: none"> • Kyrgyzstan and Azerbaijan: <i>Completed</i> • Andorra, Monaco, San Marino: <i>ongoing</i> • Uzbekistan: <i>on track</i>
Adoption of Mutual Recognition 'Authorised Economic Operator' with Canada	Adoption by EU-Canada Joint Customs Cooperation Committee	Q3 2019 <i>Timing reviewed following long review process on Canadian side. New target Q3 2020</i>
Revision and Update of Rules of Origin in Pan-Euro-Mediterranean (PEM) Convention	Adoption by Council	Q3 2019 <i>Adopted COUNCIL DECISION (EU) 2019/2198 of 25 November 2019</i>
Agreement between the EU and the Ivory Coast on Protocol 1 on rules of origin to the EU-Ivory Coast stepping stone EPA	Adoption by Council Adoption by EU-Ivory Coast EPA Committee	Q3 2019 <i>Adopted COUNCIL DECISION (EU) 2019/1355 of 15 July 2019 Adopted EPA Committee Decision 02/2019 of 2 December 2019</i>
Agreement between the EU and Ghana on Protocol 1 on rules of origin to the EU-Ghana stepping stone EPA	Adoption by Council	Q4 2019 <i>Adopted COUNCIL DECISION (EU) 2019/2205 of 9 December 2019</i>
Agreement between the EU and the Eastern and Southern African	Adoption by Council	Q2 2019 <i>Adopted</i>

countries amending Protocol 1 on rules of origin to the EU-ESA interim EPA		<i>COUNCIL DECISION (EU) 2019/1319 of 25 June 2019</i>
Agreement between the EU and the Pacific States amending Protocol II on rules of origin to the EU-Pacific interim EPA	Agreement by the Special Committee on Customs Cooperation and Rules of Origin	Q4 2019
Negotiation on chapter of Rules of Origin and/or of Customs and Trade Facilitation in Free Trade Agreements (FTAs)	Agreements on major concepts with Indonesia, New Zealand, Australia, Chile and Tunisia.	Q4 2019 Indonesia: <i>RoO on track, good progress, CTF almost completed</i> New Zealand: <i>RoO on track, CTF almost completed</i> Australia: <i>RoO, CTF on track</i> Chile: <i>RoO on track, CTF almost completed</i>
Explanatory meeting on tax and customs acquis for Albania and North Macedonia. Montenegro: tax and customs monitoring mission	Explanatory meeting	Q4 2019 <i>Done</i> <ul style="list-style-type: none"> • Q2 (<i>taxation : Albania and North Macedonia</i>) • Q3 (<i>customs: Albania and North Macedonia</i>) • <i>Postponed to Q2 2020</i>
Amendment of agreements on customs security measures with Norway and Switzerland - launch of the process and coordination of legal and procedural developments	Harmonised approach for amendments agreed (scope, legal approach, key principles and timetable)	Q3 – Q4 2019 <i>Approval of amended agreements foreseen in Q4 2020</i>
Capacity Building on the Registered Exporter's (REX) System with Countries under the General System of Preferences (GSP)	Attendance to one of four yearly seminars by targeted countries	Throughout 2019 <i>On track</i>
Capacity Building on rules of origin to Pacific EPA States under the EU-Pacific interim EPA to improve capacity to implement Protocol II to the iEPA	Training around 30 officials Training around 20 private sector representatives Training on origin rules of Protocol II Training on origin procedures of Protocol II	<i>All executed in Q3 2019</i>

Monitoring of the implementation of preferential rules of origin	Monitoring actions undertaken	<i>Two-week monitoring visit carried out to Mozambique and one-week monitoring meeting held with Pakistan's authorities. Follow-up of previous monitoring actions ensured throughout 2019.</i>
Identification of additional products to be covered by legally binding non-preferential rules of origin	Products identified to be covered by legally binding non-preferential rules of origin.	<i>No product identified in 2019. Discussions ongoing concerning certain products, e.g. ebikes.</i>
Adoption of the 2020-2021 ASEM Customs Action Plan	Identification of actions and corresponding action coordinators, adoption of the Action Plan by directors-general	<i>Action Plan adopted at the 13th Meeting of the ASEM Customs Directors General and Commissioners.</i>