

A FRUITFUL COMPROMISE ON NEW CUSTOMS CODE, ANYONE?

The issue of Customs representation is vital for smooth trading in the EU, but basic common rules are still missing in the Modernised Customs Code.

Brussels, June 12th 2007

CLECAT is the largest European level representation of logistics, freight forwarding and customs services. It covers the entire EU and beyond and its Members ensure smooth and efficient business operations for the vast majority of EU trade.

On June 8th CLECAT wrote an open letter to the President of the Commission, Mr Barroso, in which they identify in the elements the EU institutions have put together all that it takes to reach a win-win compromise solution, which would open the door to creating a pan-EU level playing field in the market of Customs representation.

Customs formalities are important and delicate activities, which are central in all external trade logistics. The vast majority of freight forwarders and logistics operators provide these services side by side with the traditional Customs representatives (or Customs agents). They all came to the conclusion that a simple and non-restrictive accreditation system at EU level would bring added value while only requiring very small investment.

In their letter CLECAT wrote that the EU has decided to review its Customs rules in a comprehensive manner and this occasion has been understood by EU traders – and our Members in particular – as a unique opportunity to create a harmonised single EU Customs area, mirroring the single EU internal market. Starting from noticeable and understandable differences, our national federations managed to come to a constructive common position. The hard work done in the approximation of the existing differences has remarkable value.

CLECAT also noted that much to [its] concern, the proposal of a pan-EU simple and robust accreditation system for the role of Customs representative was not embraced by the EU Commission in the early stages of the process. In the co-decision procedure however both the Parliament and the Council have proposed to significantly modify the original text in a way which we daresay contains now in principle the very concepts which we hoped to see adopted.

The elements are all there: the clear compromise solution which would provide for a “win-win” political settlement, in favour of EU trade without creating excessive bureaucracy, is before our eyes. We are sure an expert politician cannot fail to see the advantages of a historical step in the

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direction of EU cohesion and integration, which would be welcomed by 100% of the represented industry.

Mr Jean Claude Delen, CLECAT's President, said: "During our October conference [which was devoted to the issue of accreditation of Customs representatives], it was clear for me that this is a problem that needs an EU level solution. CLECAT managed to combine the interests of the largest multinationals with those of medium and small businesses all over Europe. Those who were not enthusiastic about our proposal did not really bring any argument in the sense that it would be contrary to any party in the Supply Chain. Within this scheme anyone could apply, if they show reasonable compliance and the market will be open to all reliable companies or individuals. My company is probably one of the largest in the world. In our scale of business we probably do not need this scheme, but see no problem in it and we do not see any additional bureaucracy, on the contrary we can see the advantage of working with trustworthy partners."

Marco Sorgetti, director of CLECAT, said "Member States argued that there is no money for this scheme – this is no real news in Brussels – but this scheme will cost a fraction of the investments which are necessary to introduce the Authorised Economic Operator concept for traders."

The full text of the letter and the attached political statement released by CLECAT can be downloaded at the following URL:

http://www.CLECAT.org/index.php?option=com_content&task=view&id=211&Itemid=44

For more information or additional documentation on the above issue please contact the CLECAT Secretariat at www.CLECAT.org - tel. +3225034705.

Thanks for the attention.