



New Computerised Transit System

Presentation Agenda

- *Principles of the Union and Common Transit*
- *History*
- *Geographical scope*
- *Legal basis & Administration*
- *How NCTS works*
- *Future developments*
- *Information sources*

PRINCIPLES

Principles of the Union and Common Transit

- *Allow the movement of goods from one point to another*
 - **within the same customs territory (EU)**
 - **between the customs territories of different contracting parties (Common transit)**
- *Suspension of duties, charges and other commercial measures*

Principles of the Union and Common Transit

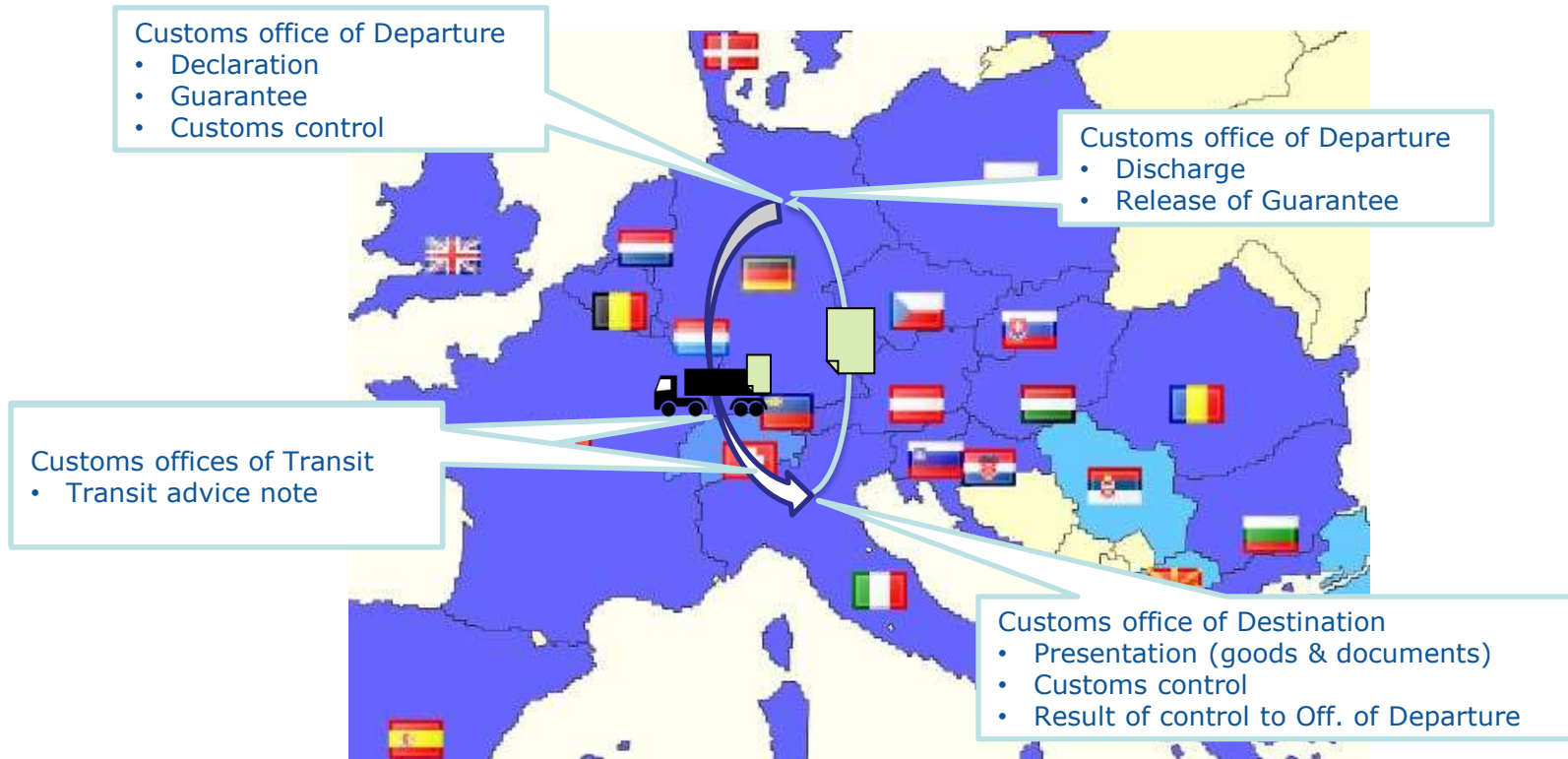
- *Main features*
 - **Electronic transit declaration**
 - **Clear description and identification of goods**
 - **Guarantee and Electronic guarantee management**
 - **Transport within prescribed time limit**
 - **Facilitations such as simplified procedures, modulation of guarantee, authorised consignor/consignee, etc.**
- *Balance between the economic interest of operators and the interest of customs*

Main transit regimes

- *Union transit*
Applies in the customs territory of the EU (28 MS) + Andorra & San Marino (Customs Unions)
- *Convention on a common transit procedure / SAD Convention*
Apply between the EU, Iceland, Norway, Switzerland, Liechtenstein, Turkey, the former Yugoslav Republic of Macedonia and Serbia
- *TIR Convention*
More than 55 countries using the procedure
(As of July 2015, the TIR Convention had 69 Contracting Parties including the European Union and its 28 Member States. However a TIR operation is possible only in the countries which have authorised guaranteeing associations (57 countries))

HISTORY

Paper-based transit procedure



Problems with paper-based procedure

- *Operational Problems*
 - **Handling of documents (20M SAD/Year)**
 - **Incorrect transit declarations**
 - **Slowness of manual procedure**
 - **Inefficient customs controls**
- *Fraud*
 - **Falsified guarantee certificates**
 - **Goods not presented at destination & falsified copies 5 (result of control) returned**
 - **Falsified stamps**
 - **Falsified declarations**

New Computerised Transit System (NCTS)

- *Processing of transit declarations electronically*
- *First fully operational EU system - mandatory for operators*
- *Extension to TIR within EU – NCTS-TIR mandatory for operators (1/1/2009)*
- *Optional inclusion of safety/security (1/7/2009)*

GEOGRAPHICAL SCOPE

Evolution of Transit movements

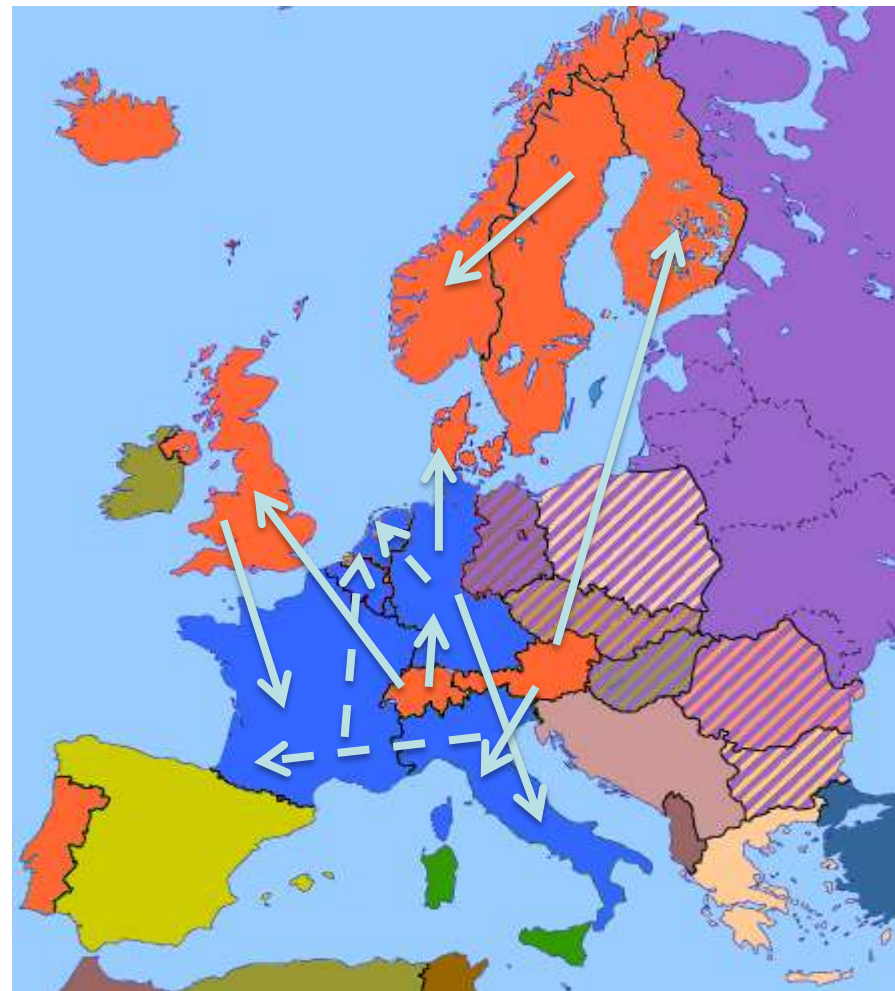
A Customs Union with a single customs territory but national fiscal territories required an internal facilitation : Community transit procedure

EU goods (free circulation) : - - - - ->
Non-EU goods: —————>



Evolution of Transit movements

Extension of Community transit to neighbouring countries: common transit procedure (starting 1972)

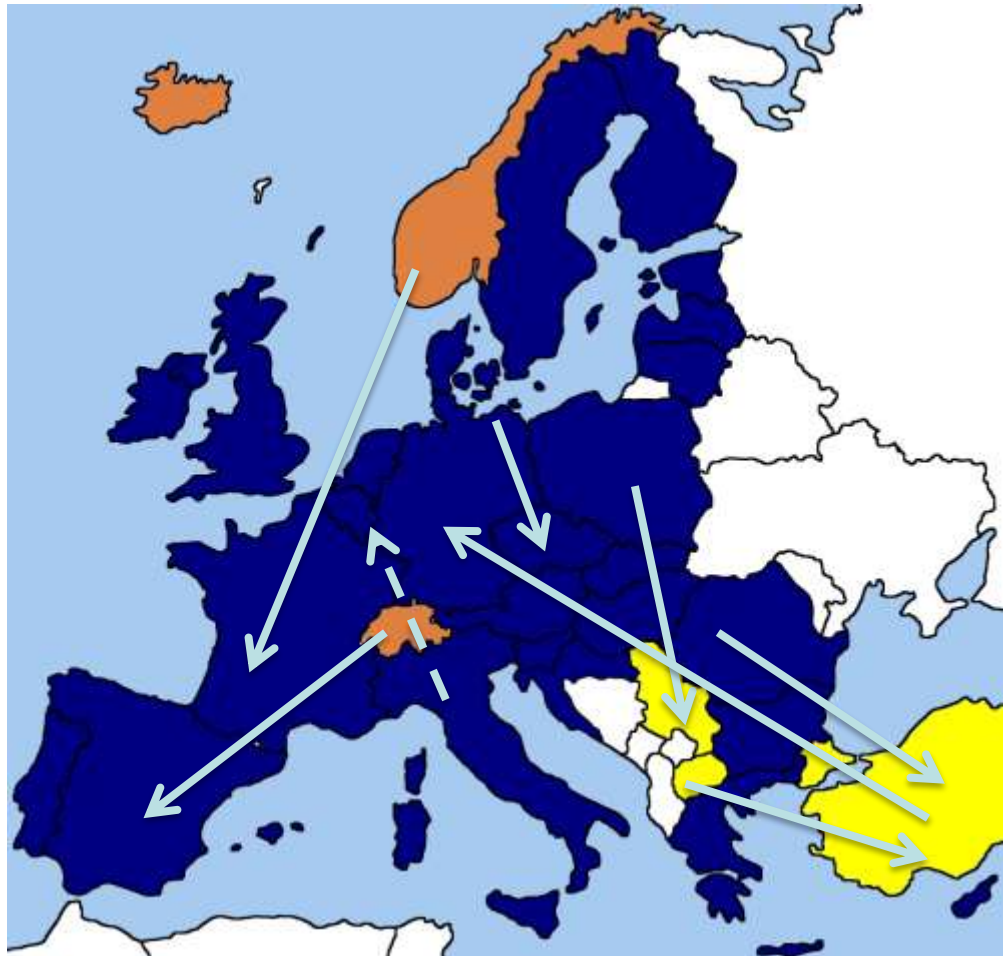


EU goods (free circulation) : - - - - ->

Non-EU goods: ———>

Evolution of Transit movements

EU Internal Market
(starting from 1993)

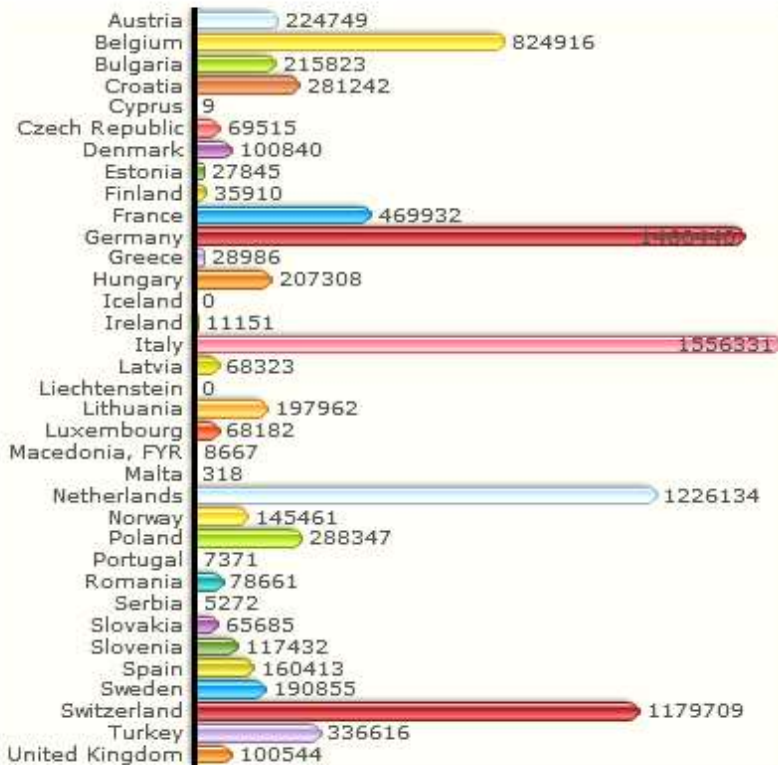


EU goods (free circulation) : - - - - ->

Non-EU goods: ———>



European Commission



- 35 Countries (EU 28)
- 10+ million movements per year*
- 30+ thousand movements per business day

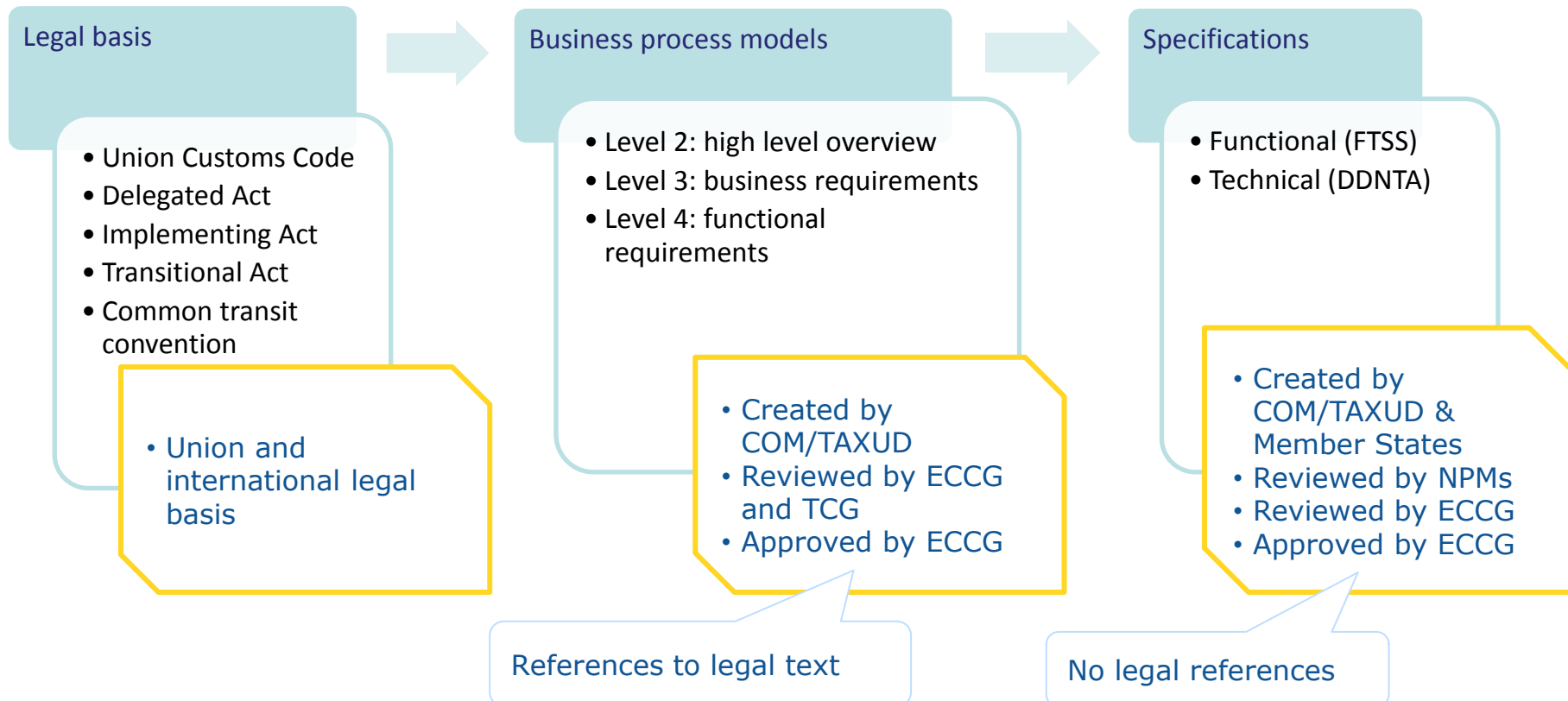
* Union + Common transit



LEGAL BASIS & ADMINISTRATION

Overview

FTSS: Functional Transit System Specifications
DDNTA: Design document for National Transit Application
ECCG: Electronic Customs Coordination Group
TCG: Trade Contact Group
NPM: National Project Manager



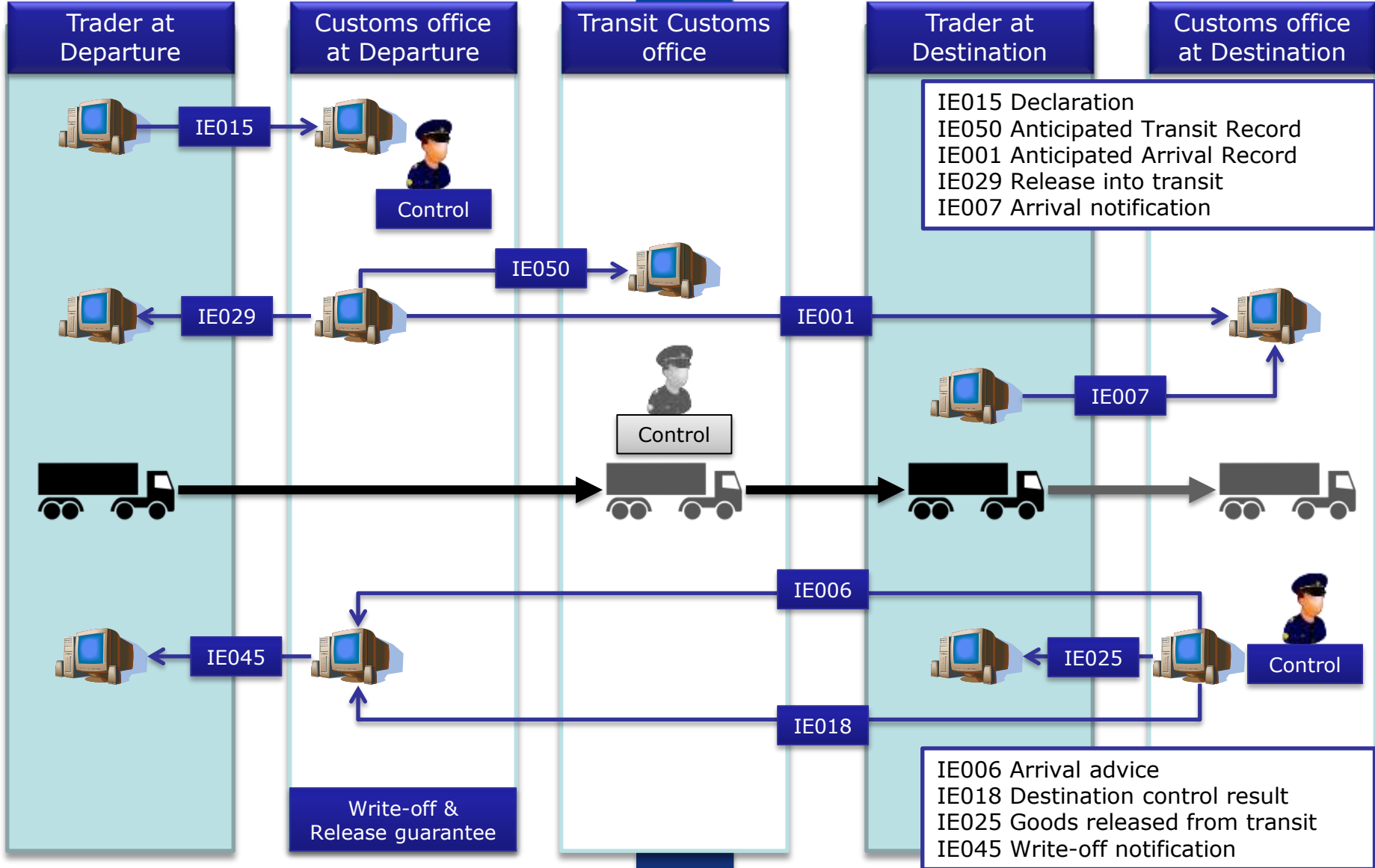
HOW NCTS WORKS

Financing of the NCTS

- *Common domain is financed by the Customs 2020 program*
- *External domain / Member State applications: financed by MS*
- *Non-EU members of the Transit Convention: annual contribution*



European Commission



Main advantages of NCTS

For the Trader

- *Direct electronic data exchange with customs*
- *Less administrative workload*
- *Early discharge at Office of departure (release of guarantee)*
- *Reduced costs*

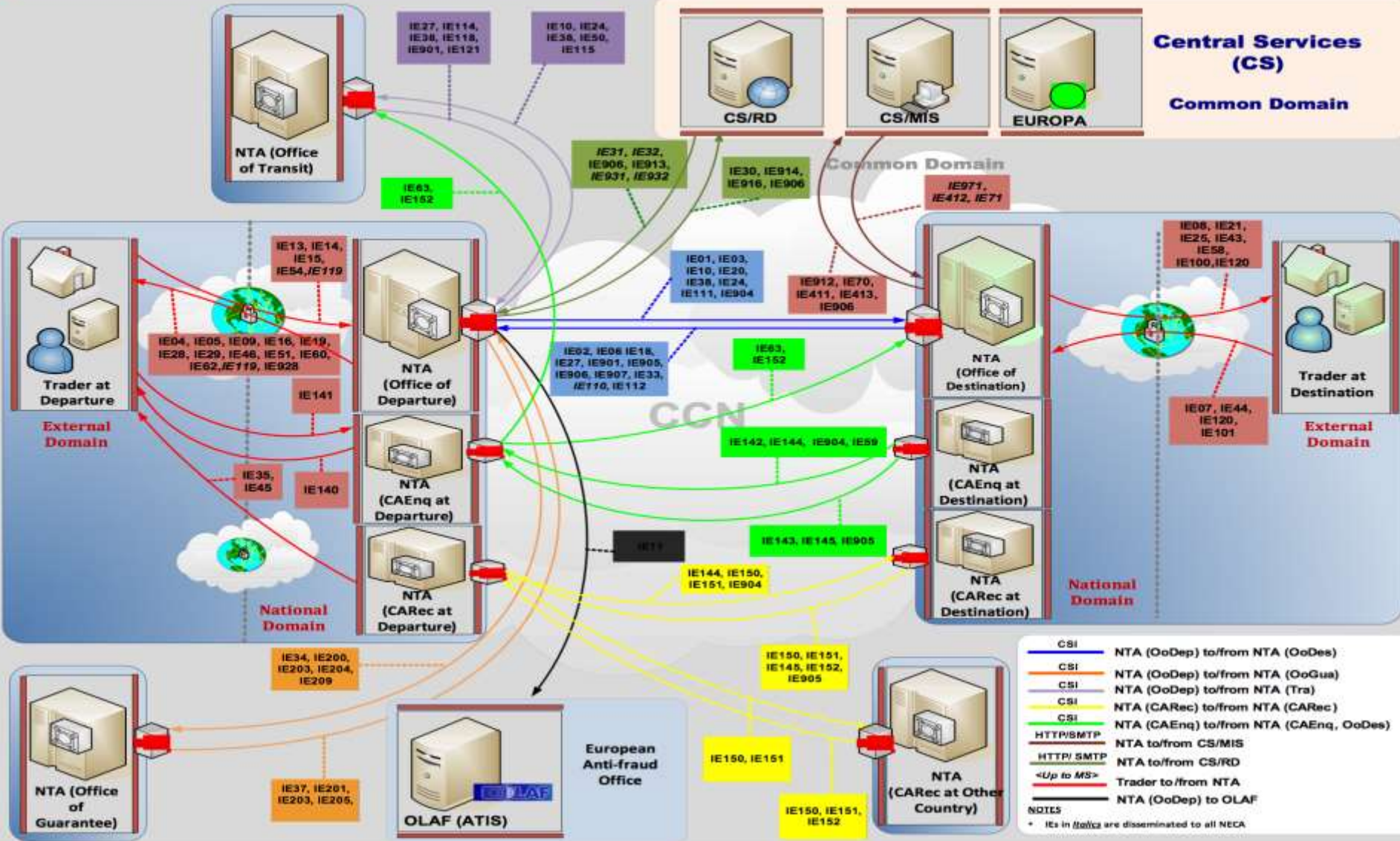
Main advantages of NCTS

For the customs administrations

- *Direct data exchange between administrations*
- *Better planning of human resources*
- *Elimination of fraudulent document manipulation*
- *Selective controls based on risk analysis*
- *Reduction in number of enquiry procedures*



Information Exchange Map of NCTS SEC & NEW ENQ





FUTURE DEVELOPMENTS

Future developments

- *Work continues to prepare interested countries to join (Georgia, Ukraine, Albania, Moldova, Montenegro, Bosnia & Herzegovina)*
- *Update of NCTS to align with the Union Customs Code*
- *On-going improvement of the system*

INFORMATION SOURCES

Information sources

- *Europa TAXUD website*

http://ec.europa.eu/taxation_customs/common/about/welcome/index_en.htm

- *EU Customs strategy:*

http://ec.europa.eu/taxation_customs/customs/policy_issues/customs_strategy/index_en.htm

- *Customs transit*

http://ec.europa.eu/taxation_customs/customs/procedural_aspects/transit/index_en.htm

- *Transit Movements Electronic Map*

http://ec.europa.eu/taxation_customs/dds2/tra/transit_emap.jsp

- *EC DG TAXUD youtube channel*

<https://www.youtube.com/channel/UChFPQ0GYmGjI2d251ITRTag>

Thank you for your kind attention

