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ANNEX

ANNEX

to the

Proposal for a Council Decision

on the position to be taken on behalf of the European Union in the EU-CTC Joint Committee established by the Convention of 20 May 1987 on a common transit procedure as regards amendments to that Convention

DRAFT

DECISION No /2021of the EU-CTC Joint Committee established by the Convention of 20 May 1987 on a common transit procedure
of …..2021
amending the Appendices I and III of that Convention

THE EU-CTC JOINT COMMITTEE

Having regard to the Convention of 20 May 1987 on a common transit procedure, and in particular Article 15(3)(a) thereof,

Whereas:

(1) Pursuant to letter (a) of Article 15(3) of the Convention of 20 May 1987 on a common transit procedure[1] ("the Convention"), the Joint Committee established by that Convention is to adopt, by decision, amendments to the Appendices to the Convention.

(2) Article 311 of Commission Implementing Regulation (EU) 2015/2447[2], which lays down the request to transfer the recovery of the customs debt has been amended[3]. According to the new paragraphs (3) and (4) where the customs authority of a country involved in a transit operation obtains evidence that the events giving rise to the debt occurred in its territory, that authority should request the country of departure to transfer to it the responsibility to start the recovery. The country of departure should confirm within a certain period whether it transfers the competency to start the recovery to the requesting customs authority. Therefore, Article 50 of the Appendix I to the Convention, which mirrors the provisions of Article 311 of Commission Implementing Regulation (EU) 2015/2447, should be amended accordingly.

(3) Annex 72-04 of Commission Implementing Regulation (EU) 2015/2447, which describes the business continuity procedure for Union transit has been amended[4] and applies as of 30 June 2020. According to the amended point 19.3, Chapter III, the validity of the paper comprehensive guarantee certificates and guarantee waiver certificates provided for in Annex 72-04 to Implementing Regulation (EU) 2015/2447 has been prolonged in order to allow for more flexibility in the business continuity procedure in transit and to reduce the formalities and costs incurred by the customs authorities. Therefore, Article 79 of Appendix I to the Convention and Point 19.3., Chapter III, Annex II of Appendix I to the Convention, which mirrors point 19.3,

1 OJ L 226, 13.8.1987, p.2

2 Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code) (OJ L 343, 29.12.2015, p. 558)

3 Commission Implementing Regulation (EU) 2019/1394 of 10 September 2019 amending and correcting Implementing Regulation(EU) 2015/2447 as regards certain rules on surveillance for release for free circulation and exit from the customs territory of the Union (OJ L 234, 11.9.2019, p. 1)

4 Commission Implementing Regulation (EU) 2020/893 of 29 June 2020 amending Implementing Regulation (EU) 2015/2447 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code (OJ L 206, 30.06.2020, p. 8)

Chapter III, Part I, Annex 72-04 of the abovementioned Implementing Regulation, should be amended accordingly. This amendment should also apply as of 30 June 2020 to grant equal conditions to the guarantors under the Union customs legislation and the Convention.

(4) The forms for guarantor's undertakings are set out in Annexes C1, C2, C4, C5 and C6 of Appendix III of the Convention. Those forms list the Member States of the Union and the other Contracting Parties to the Convention. Decision No 2/2018[5] of the EU-CTC Joint Committee deletes the references to the United Kingdom as a Member State of the Union and inserts the reference to the United Kingdom as a common transit country from the date on which the accession of the United Kingdom as a separate Contracting Party becomes effective. However, in addition, as a consequence of the application of the Protocol on Ireland/Northern Ireland[6], for Union transit operations Northern Ireland should be listed in a way that indicates that any guarantee that is valid in the EU Member States must also be valid in Northern Ireland.

(5) As a consequence of the application of the Protocol on Ireland/Northern Ireland and in accordance with Article 5(2) of Regulation (EC) No 471/2009[7], a new code 'XI' was introduced[8] to distinguish United Kingdom in respect of Northern Ireland. The use of the country codes defined in Annex A2 and Annex B1 of Appendix III of the Convention should be amended accordingly.

(6) In order to ensure the correct application of the new code 'XI', all indications in the Convention relating to the use of country codes should refer to Annex A2 or Annex B1 of Appendix III of the Convention.

(7) Decision No 2/2018 of the EU-CTC Joint Committee enters into force on 1 January 2021 after Decision No 1/2019[9] of the EU-CTC Joint Committee entered into force on 4 December 2019. Decision No 1/2019 introduced the new name of 'the Republic of North Macedonia' on the forms for guarantor's undertakings set out in Annexes C1, C2, C4, C5 and C6 of Appendix III of the Convention, while the decision No 2/2018 reintroduced by error the old name 'the former Yugoslav Republic of Macedonia' in Annexes C1, C2 and C4. Therefore, the new name of 'the Republic of North Macedonia' should be reinstated on those forms.

The Convention should therefore be amended accordingly,

HAS ADOPTED THIS DECISION

Article 1

(1) Appendix I to the Convention is amended as set out in Annex A to this Decision.

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5 OJ L 317, 14.12.2018, p. 48

6 Protocol on Ireland/Northern Ireland to Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, OJ L 29, 31.1.2020, p. 102

7 Regulation (EC) No 471/2009 of the European Parliament and of the Council of 6 May 2009 on Community statistics relating to external trade with non-member countries and repealing Council Regulation (EC) No 1172/95, OJ L 152, 16.6.2009, p. 23

8 Commission Implementing Regulation (EU) 2020/1470 of 12 October 2020 on the nomenclature of countries and territories for the European statistics on international trade in goods and on the geographical breakdown for other business statistics (OJ L 334, 13.10.2020, p. 2)

9 OJ L 103, 3.4.2020, p. 47

(2) Appendix III to the Convention is amended as set out in Annex B to this Decision.

Article 2

This Decision shall enter into force on the day of its adoption.

The points 2 and 3 of Annex A shall apply from 30 June 2020.

The points 1 to 4 of Annex B shall apply from the day the United Kingdom accedes to the Convention as a Contracting Party.

Done at ……..

For the Joint Committee
The President

Annex A

Appendix I to the Convention is amended as follows:

(1) In Article 50, the following paragraphs 3 and 4 are added:

'3. Where the customs authority of a country involved in a common transit operation obtains evidence, before the time-limit referred to in Article 114(2)(a) expires, that the place where the events from which the debt arises occurred is in its territory, that authority shall immediately and in any event within that time-limit send a duly justified request to the customs authority of the country of departure to transfer the responsibility to start the recovery to the requesting customs authority.

4. The customs authority of the country of departure shall acknowledge the receipt of the request made in accordance with paragraph 3 and shall inform the requesting customs authority, within 28 days from the date on which the request was sent, whether it agrees to satisfy the request and to transfer to the requesting authority the responsibility to start the recovery.'

(2) In article 79:

(a) paragraph 2 is replaced by the following:

'2. The period of validity of a comprehensive guarantee certificate or a guarantee waiver certificate shall not exceed five years. However, that period may be extended by the customs office of guarantee for one further period not exceeding five years.'

(b) after paragraph (2) paragraphs (3) and (4) are added:

'3. Where during the period of validity of the certificate the customs office of guarantee is informed that the certificate, as a result of numerous changes, is not sufficiently legible and may be rejected by the customs office of departure, the customs office of guarantee shall invalidate the certificate and issue a new one, if appropriate.

4. Certificates with a period of validity of two years shall remain valid. Their period of validity may be extended by the customs office of guarantee for a second period not exceeding five years.'

(3) In Annex II, Chapter III, Point 19.3. is replaced by the following:

'19.3 The period of validity of a comprehensive guarantee certificate or a guarantee waiver certificate shall not exceed five years. However, that period may be extended by the customs office of guarantee for one further period not exceeding five years.

Where during the period of validity of the certificate the customs office of guarantee is informed that the certificate, as a result of numerous changes, is not sufficiently legible and may be rejected by the customs office of departure, the customs office of guarantee shall invalidate the certificate and issue a new one, if appropriate.

Certificates with a period of validity of two years shall remain valid. Their period of validity may be extended by the customs office of guarantee for a second period not exceeding five years.'

Annex B

Appendix III to the Convention is amended as follows:

(1) In Annex A1, Title II, Chapter II, point B on the Particulars on the data of the transit declaration, bullet point 'GUARANTEE REFERENCE', the text '(ISO alpha-2 country code)' in the Content of Field 2 is replaced with:

'(country code presented in Annex A2)'.

(2) In Annex A2, point 1, the following sentence is added :

'XI is used for Northern Ireland.'.

(3) In Annex A4, point 1, the text '(ISO alpha-2 country code)' in the Content of Field 2 is replaced with:

'(country code presented in Annex A2)'.

(4) In Annex B1, Box 51 is amended as follows:

(a) the text 'GB United Kingdom' is replaced with:

'GB United Kingdom (excluding Northern Ireland)';

(b) the following item is added in the list:

'XI Northern Ireland'.

(5) Annex C1, point 1 is amended as follows:

(a) the text 'the former Yugoslav Republic of Macedonia' is replaced by the text 'the Republic of North Macedonia';

(b) an endnote 3a is added to the text 'the United Kingdom of Great Britain and Northern Ireland[3']' before endnote 3 including the following text:

'Pursuant to the *Protocol on Ireland/Northern Ireland of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community*, Northern Ireland is to be considered as part of the European Union for the purposes of this guarantee. Therefore, a guarantor established in the customs territory of the European Union shall indicate an address for service or appoint an agent in Northern Ireland if the guarantee may be used therein. However, if a guarantee, in the context of common transit, is made valid in the European Union and in the United Kingdom, a single address for service or an appointed agent in the United Kingdom may cover all parts of the United Kingdom, including the Northern Ireland.'.

(6) Annex C2, point 1 is amended as follows:

(a) the text 'the former Yugoslav Republic of Macedonia' is replaced by the text 'the Republic of North Macedonia';

(b) an endnote 2a is added to the text 'the United Kingdom of Great Britain and Northern Ireland' including the following text:

'Pursuant to the *Protocol on Ireland/Northern Ireland of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community*, Northern Ireland is to be considered as part of the European Union for the purposes of this guarantee. Therefore, a guarantor established in the customs territory of the European Union shall indicate an address for service or appoint an agent in Northern Ireland if the guarantee may be used therein. However, if a guarantee, in the context of common transit, is made valid in the European Union and in the United Kingdom, a

single address for service or an appointed agent in the United Kingdom may cover all parts of the United Kingdom, including the Northern Ireland.'.

(7) Annex C4, point 1 is amended as follows:

(a) the text 'the former Yugoslav Republic of Macedonia' is replaced by the text 'the Republic of North Macedonia';

(b) an endnote 3a is added to the text 'the United Kingdom of Great Britain and Northern Ireland[3']' before endnote 3 including the following text:

'Pursuant to the *Protocol on Ireland/Northern Ireland of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community*, Northern Ireland is to be considered as part of the European Union for the purposes of this guarantee. Therefore, a guarantor established in the customs territory of the European Union shall indicate an address for service or appoint an agent in Northern Ireland if the guarantee may be used therein. However, if a guarantee, in the context of common transit, is made valid in the European Union and in the United Kingdom, a single address for service or an appointed agent in the United Kingdom may cover all parts of the United Kingdom, including the Northern Ireland.'.

(8) In Annex C5, row 7 is amended as follows:

(1) a footnote (**) is added to the text 'United Kingdom' including the following text:

(2) '(**) Pursuant to the Protocol on Ireland/Northern Ireland of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, Northern Ireland should be considered as part of the European Union for the purposes of this guarantee.'.

(9) In Annex C6, row 6 is amended as follows:

(1) a footnote (**) is added to the text 'United Kingdom' including the following text:

(2) '(**) Pursuant to the Protocol on Ireland/Northern Ireland of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, Northern Ireland should be considered as part of the European Union for the purposes of this guarantee. '.