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Accompanying the

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

pursuant to Article 278a of the Union Customs Code, on progress in developing the electronic systems provided for under the Code

{COM(2020) 806 final}

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1. INTRODUCTION

The Union Customs Code (UCC) requires the European Commission and the Member States to upgrade some existing electronic systems and introduce a number of new systems for the completion of a modern and digital environment of customs formalities. In total, the UCC requires the upgrading or creation of fourteen trans-European systems and three national systems.

The UCC entered into force on 1 May 2016. The deadline for completion of the systems is set for the end of 2020, 2022 or 2025, depending on the system.

In view of the reporting requirement established by Article 278(a) of the Regulation (EU) 2019/632 amending Regulation (EU) 2013/952, the Commission[1] is committed to provide an annual report to the European Parliament and the Council on the progress in developing the electronic systems of the UCC. The report assesses the progress of the Commission and the Member States in developing each of the electronic systems, taking particular note of the following milestones:

(a) The date of publication of the technical specifications for the external communication[2] of the electronic systems;
(b) The period of conformance testing with economic operators;
(c) The expected and actual dates of deployment of the electronic systems.

The legal deadlines for finalising the technical specifications and for deploying the electronic systems are laid down in the UCC Work Programme (UCC WP)[3]. The detailed planning per project, containing additional milestones such as for the business case, business process modelling, vision document, conformance testing, etc. are defined in the Multi-Annual Strategic Plan for Customs (MASP-C).

The first UCC Annual Progress Report[4] was published on 13/12/2019.

In preparation for this year's **UCC Annual Progress Report 2020**, the Commission continued with the approach taken in 2019 and made use of the bi-annual national planning information provided by the Member States' customs authorities and the projects' state of play provided by the project managers in DG TAXUD. The annual report covers a reflection of the progress status achieved on 30 June 2020 including a view on the expected progress by December 2020 in order to have a full picture of the progress made in 2020. The progress information was provided against the baseline milestones indicated in the UCC WP and MASP-C 2019. In addition, the Commission oversaw the collection of the additional progress reporting information by means of an EU survey launched in May 2020. The information gathered from the survey to which both the Member States and key stakeholders/project managers in the Commission responded, consists of progress information, qualitative comments and quantitative measurements of the assessment of complexity and risk in relation to the seventeen projects listed in the UCC WP. Finally, also specific information was gathered from the more detailed project reporting and monitoring programmes in place since 2020 for the core decentralised trans-European systems in the area of transit and export.

As background information it is important to recall that the seventeen electronic systems listed in the UCC Work Programme were divided into three categories:

i) **eleven central trans-European systems** to be developed or upgraded by the Commission (often also requiring developments or upgrades by the Member States of their corresponding national systems);

[1] In the context of this report, 'The Commission' refers to the European Commission.
[2] External communication with the economic operators.
[3] Commission Implementing Decision (EU) 2019/2151 of 13 December 2019 establishing the Work Programme relating to the development and deployment of the electronic systems provided for in the Union Customs Code, OJ L 325, 16.12.2019, p. 168-182, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32019D2151.
[4] Report from the Commission to the European Parliament and the Council:
https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52019DC0629
Commission Staff Working Document:
https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1589134753023&uri=CELEX:52019SC0434

ii) **three decentralised trans-European systems** that have to be developed or upgraded by the Commission but have a major national component to be implemented by the Member States; and

iii) **three national systems** that have to be developed or upgraded exclusively by the Member States.

The progress information has been collected, analysed and reported in this accompanying Commission Staff Working Document, which presents the detailed overview of the progress of the various individual projects as follows:

- For the trans-European systems, the analysis and reporting refers to the Commission's activities only when central, while for the systems that involve national input, and even in some cases national components, the analysis refers to both the Commission's and Member States' activities. For the national systems, only Member States' activities are reported;
- For projects that have already been initiated or entirely completed, an overview of the project progress, a summary of the survey responses, as well as a visual illustration of progress against planned milestones is provided;
- For projects that have not yet been initiated, an overview of the planned project progress together with a summary of the responses from the survey is provided.

By means of the survey, the Member States were also requested to give an indication of:

- The degree of complexity of each project on a scale from 1 to 6, where: 1 and 2 refer to low complexity, 3 and 4 - medium complexity and 5 and 6 - high complexity.
- The risk of not deploying the IT systems by the dates set in the baselines of the UCC WP and MASP-C 2019 according to three levels: low, medium and high.

The consolidation of the survey results, including the abovementioned indicators of complexity and risk, as well as information regarding risks for delays and mitigating measures and any changes in planning in comparison with the planning provided in 2019, are the main outcomes of the progress reporting exercise for 2020 and are included in this **Commission Staff Working Document**. Reporting information that summarises the current project status, key risks and mitigating actions is found in the **Report from the Commission to the European Parliament and the Council** pursuant to Article 278a of the Union Customs Code, on progress in developing the electronic systems provided for under the Code.

In the sections below, there is first a representation of the completed projects, followed then by an overview of the ongoing projects.

2. COMPLETED PROJECTS

2.1 UCC REGISTERED EXPORTER SYSTEM (REX)

The UCC Registered Exporter System (REX) is a trans-European system that contains information both on Registered Exporters established in GSP countries[5] and on EU economic operators in partner countries Switzerland, Norway and Turkey exporting to GSP countries and certain other countries. The main purpose of the system is to replace the paper-based certification process by an IT-supported self-certification process. The system includes a central database that contains the registered exporters and provides the Member States with the opportunity to enhance their national systems with an automated verification of REX members.

There are currently three releases planned. REX1 is the only release covered in the scope of the UCC Work Programme. No risks were identified during the implementation of REX1[6] and the project was successfully concluded on 1 January 2017.

Some statistical information on the use of the REX system – situation on 15/06/2020:

- 44,524 active REX registrations in Member States and Partner Countries;
- 48,421 active REX registrations in the Beneficiary Countries (REX BC) module;
- 139 REX registrations added by OCTs;
- 549 T-REX system local users;
- 304 T-REX local administrators.

2.1.1 Overview of Project Progress

Table 1 compares the actual dates to those set in the UCC Work Programme (WP). Despite there being a slight delay in the finalisation of the Technical Specifications, REX was deployed on time.

Project Name	Technical Specifications			Conformance Testing		Deployment		
	Target date from WP	Actual End Date	2020 % of Completion	Actual End Date	2020 % of Completion	Target date from WP	Actual Date	2020 % of Completion
UCC Registered Exporter System (REX1)	31/03/2015	30/06/2015	100%	31/12/2016	100%	01/01/2017	01/01/2017	100%

Table 1: Comparison of Planned and Actual Dates – REX1

[5] Countries benefiting from the EU Generalised Scheme of Preferences (GSP) that provides preferential access to the EU market.

[6] For the scope of EU GSP, in parallel with the GSP scheme for of Switzerland, and Norway as partner countries.

2.2 UCC CUSTOMS DECISIONS

The UCC Customs Decisions System (CDS) is designed to achieve harmonisation of the processes relating to the application for a customs decision, the decision taking and the decision management. This harmonisation is put into practice via the standardisation and electronic management of the application and decision/authorisation data across the Union. The system covers all applications and decisions that may have an impact/are valid in more than one Member State. Member States also have the right to use the Customs Decisions System to manage their national customs decisions, if they so wish.

In regards to the submission of an application, economic operators need to possess an "Economic Operator Registration and Identification" (EORI) number and then connect to the EU Trader Portal on the Europa website by authenticating themselves via the Uniform User Management & Digital Signature (UUM&DS) (see project 2.3. hereafter).

The system is vital to ensure the Union-wide validity of applications and decisions and it simplifies the conduct of business for economic operators. It thus creates a level playing field among all economic operators irrespective of their size and ensures that all EU businesses can compete in the global market.

The project was fully deployed on 02/10/2017. The Commission published training modules, user guides and an e-Learning module in support of the deployment and the usage of the system. The e-Learning module is available on the Europa website, allowing economic operators to learn about the approach selected by each Member State (i.e. central, combined or hybrid).

The Commission has implemented mitigating measures to correct IT implementation errors compared to the baseline and to address issues regarding the User Interface (UI) design as identified by the Member States and to address differences between the baseline project documentation and the legislation. Further to the deployment of additional releases of CDS, some enhancements have been carried out to keep the Trader Portal on the Europa website efficient and up-to-date.

Some statistical information on the use of the CDS – since the deployment on 02/10/17 till June 2020:

- The number of applications grew to 1,300 by the end of 2017. The number of applications then increased to 15,300 by the end of 2018. Since mid-2019 there are on average 26 applications submitted per working day, totalling up to approximately 32,000 applications by mid 2020;
- 60% of all applications were submitted by an economic operator and 40% by representatives;
- Approximately 18,700 decisions have been taken, and more than 28,000 pre-existing authorisations were entered (in view of the UCC legal requirement to ensure the reassessment of authorisations by 01/05/2019).

2.2.1 Overview of Project Progress

Table 2 highlights that there were no divergences in the planning compared to the dates set in the Work Programme.

Project Name	Technical Specifications			Conformance Testing		Deployment		
	Target date from WP	Actual End Date	2020 % of Completion	Actual End Date	2020 % of Completion	Target date from WP	Actual Date	2020 % of Completion
UCC Customs Decisions	31/12/2015	31/12/2015	100%	30/09/2017	100%	02/10/2017	02/10/2017	100%

Table 2: Comparison of Planned and Actual Dates – UCC Customs Decision

2.3 UCC DIRECT TRADER ACCESS TO THE EUROPEAN INFORMATION SYSTEMS (UUM&DS)

The Direct Trader Access to the European Information Systems system comprises Uniform User Management and Digital Signature (UUM&DS) components. The system aims to provide a service for user-to-system interfaces targeted to the electronic customs systems provided for in the UCC. In essence, the UUM&DS system facilitates a direct and EU harmonised trader access to the customs systems as stipulated in the UCC.

Both components will be integrated into the portals of all pertinent systems on deployment of the latter, providing support for issues regarding identity, access and user management. In this way, the processes will be fully compliant with security policies.

The first deployment of the project was completed and implemented together with the UCC Customs Decisions system on 2/10/2017 as agreed in the context of the UCC Work Programme.

The system has also been incorporated into other electronic projects such as UCC Binding Tariff Information (BTI), the UCC Authorised Economic Operators (AEO) and the new Information Sheets (INF) system for special procedures. The project will further evolve to include system-to-system interfaces and digital signature. Their use will be particularly relevant to the Import Control System (ICS2) and the Proof of Union Status (PoUS) system.

All Member States have completed the connectivity configuration. The Commission has delivered operational documentation to the Member States and has created an economic operator's manual and Service Desk guidelines. In the survey, the Commission reports no risks pertaining to on-time delivery. The system is now in place, but the existence of multiple stakeholders, as well as the complex integration of this system with other UCC projects mentioned above, may carry some risks for future projects.

Some statistical information on the use of the UUM&DS – situation 24/09/2020:

- The number of UUM&DS calls for the CDS trader portal, since its operation on 1 October 2017 are 392.000.

2.3.1 Overview of Project Progress

Table 3 highlights that there are no divergences in the planning compared to the dates set in the Work Programme.

Project Name	Technical Specifications			Conformance Testing		Deployment		
	Target date from WP	Actual End Date	2020 % of Completion	Actual End Date	2020 % of Completion	Target date from WP	Actual Date	2020 % of Completion
UCC UUM&DS	31/12/2015	30/09/2015	100%	30/09/2017	100%	02/10/2017	02/10/2017	100%

Table 3: Comparison of Planned and Actual Dates – UUM&DS

2.4 UCC ECONOMIC OPERATOR REGISTRATION AND IDENTIFICATION SYSTEM UPGRADE (EORI2)

This system upgrade provided minor changes to the existing trans-European Economic Operator Registration and Identification system. These changes enabled the registration and identification of economic operators of the Union, as well as third-country operators and persons apart from economic operators. EORI2 has been in operation since 05/03/2018.

Some statistical information on the use of the EORI2 system – situation 20/07/2020:

- The total number of economic operators registered with a valid EORI as recorded in EORI2 is 7,310,365.

2.4.1 Overview of Project Progress

Table 4 highlights that there are no divergences in the planning compared to the dates set in the Work Programme.

Project Name	Technical Specifications			Conformance Testing		Deployment		
	Target date from WP	Actual End Date	2020 % of Completion	Actual End Date	2020 % of Completion	Target date from WP	Actual Date	2020 % of Completion
UCC EORI2	30/06/2016	31/07/2016	100%	28/02/2018	100%	05/03/2018	05/03/2018	100%

Table 4: Comparison of Planned and Actual Dates – EORI2

2.5 UCC SURVEILLANCE 3 (SURV3)

The SURV3 system introduces an upgrade to the standard exchange of information in the earlier Surveillance 2 (SURV2) system to align the system with UCC requirements. This database records and centralises all EU trade data (imports and exports) that national customs authorities provide on a daily basis. The upgrade implements electronic data-processing techniques and establishes adequate functionalities needed for processing and analysing the full surveillance dataset obtained from Member States. The new system will improve the customs risk analysis, the fight against fraud, market analysis, post-clearance controls and statistical analysis.

The system was successfully deployed on 01/10/2018. The data will be gathered via SURV-RECAPP in different formats until the moment that all the national systems are fully aligned to the UCC.

2.5.1 Overview of Project Progress

Table 5 highlights that there were no divergences in the planning compared to the dates set in the Work Programme.

Project Name	Technical Specifications			Conformance Testing		Deployment		
	Target date from WP	Actual End Date	2020 % of Completion	Actual End Date	2020 % of Completion	Target date from WP	Actual Date	2020 % of Completion
UCC SURV3	30/09/2016	30/09/2016	100%	30/09/2018	100%	01/10/2018	01/10/2018	100%

Table 5: Comparison of Planned and Actual Dates – SURV3

2.6 UCC BINDING TARIFF INFORMATION (BTI)

The project for a UCC Binding Tariff Information system aims to upgrade the existing trans-European (EBTI-3) database containing all binding tariff information that has been issued by customs authorities of Member States. The customs authorities concerned must then record their decisions in the BTI database. Economic operators apply for binding tariff decisions in order to have legal certainty that they are applying the correct classification to goods they are importing to or exporting from the EU.

The changes covered the following aspects:

(a) Alignment of the EBTI-3 system to the UCC requirements;
(b) Alignment of the system to the new Customs Decisions system;
(c) Addition of declaration data required for surveillance purposes;
(d) Monitoring of the usage by economic operators of BTI decisions, which is compulsory for Member States;
(e) Monitoring and management of the extended usage of BTI.

The BTI project was divided into two phases:

The first phase consists of two steps. Step 1 aims to allow Member States to input the datasets in customs declarations, as provided for under the UCC, until the deployment of the Automated Export System (AES) and the upgrade of the National Import Systems. Step 2 addresses the obligation of Member States to control the BTI usage based on the newly required declaration datasets and on the alignment of the BTI system to the customs decisions process.

The second phase implements the electronic means for economic operators to make BTI applications and receive decisions. Economic operators will thus benefit from an EU-harmonised and electronic trader interface for their applications and decisions.

Concerning the status of the project, by October 2017 both steps 1 and 2 of the first phase were successfully completed. The second phase faced a delay of two quarters during the elaboration phase (vision document, technical specifications and application specifications). Nevertheless, the overall planning still remained on target and the system entered into operation on 01/10/2019. The construction of the access for this system to the EU Customs Trader Portal was also completed on 01/10/2019.

Some statistical information on the use of the EBTI system – situation as of 01/10/2019:

- The Trader Portal (central EU or national) is used by all traders in all Member States;
- All BTI applications and decisions are sent electronically;
- Eight BTI core processes consisting of more than 20 sub-processes have been digitalised (related to the BTI application, the issuing and invalidation of the BTI decision and the Right To Be Heard procedure);
- More than 29,000 BTI applications (5,000 via the EU TP and 24,000 via the national TP) have been submitted by the traders and more than 33,000 BTI decisions (11,000 via the EU TP and 22,000 via the national TP) were issued to the traders;
- Other BTI related communications between traders and Decision Taking Customs Authorities (DTCA) were sent electronically via the EU TP (26,000 notifications, 10,000 BTI invalidations, etc.).

2.6.1 Overview of Project Progress

Table 6 highlights that there were no divergences in the planning compared to the dates set in the Work Programme.

Project Name	Technical Specifications			Conformance Testing		Deployment		
	Target date from WP	Actual End Date	2020 % of Completion	Actual End Date	2020 % of Completion	Target date from WP	Actual Date	2020 % of Completion
UCC BTI - Phase 1 - Step 1	30/06/2016	10/06/2016	100%	21/02/2017	100%	01/03/2017	01/03/2017	100%
UCC BTI - Phase 1 - Step 2	30/06/2016	02/09/2016	100%	25/02/2017	100%	02/10/2017	02/10/2017	100%
UCC BTI - Phase 2	30/06/2018	30/06/2018	100%	01/07/2019	100%	01/10/2019	01/10/2019	100%

Table 6: Comparison of Planned and Actual Dates – BTI

2.7 UCC AUTHORISED ECONOMIC OPERATORS (AEO) UPGRADE

Following the legal changes adopted in the UCC, the Authorised Economic Operators (AEO) upgrade aims to improve the system of applications and authorisations for AEO status. The project consists of two phases. Phase 1 implemented major enhancements to the existing AEO system, in light of the harmonisation of the decision-taking procedure for customs. Phase 2 implemented the electronic form with a view to provide a harmonised interface for economic operators to submit their AEO applications and to receive their AEO decisions electronically. The upgraded system was deployed in two releases: Part 1 for the submission of the AEO applications and the decision-taking process (Phase 2 Part 1) and Part 2 for the other processes (Phase 2 Part 2).

For the second phase, the Commission delivered a new version of documentation to the Member States at the end of March 2019. The Commission reported that implementation started on 25/01/2019, deployment preparation took place in June 2019 and conformance testing took place in July 2019. The first phase containing all features for the management of the Submitted Applications was delivered on 01/10/2019. The consultation of Economic Operator System (EOS) artefacts (EORI, AEO Applications and AEO authorisations) was also made possible via the eAEO-STP. The second phase, introducing the entire workflow between the traders and customs officers was completed on 16/12/2019.

Some statistical information on the use of the AEO system – situation on 27/05/2020:

- 350 applications have been submitted;
- 800 Economic Operators have accessed the EU eAEO Trader Portal;
- 60+ processes have been digitalised;
- 700+ documents have been exchanged;
- 24 Member States are leveraging the EU eAEO Trader Portal and the remaining Member States are utilising their own National Trader Portal;
- The Online User Manual for the eAEO Trader Portal and eAEO eLearning courses for the traders and Customs Officers are available.

2.7.1 Overview of Project Progress

Table 7 highlights that there are no divergences in the planning compared to the dates set in the Work Programme.

Project Name	Technical Specifications			Conformance Testing		Deployment		
	Target date from WP	Actual End Date	2020 % of Completion	Actual End Date	2020 % of Completion	Target date from WP	Actual Date	2020 % of Completion
UCC AEO Upgrade - Phase 1	31/03/2016	31/03/2016	100%	28/02/2018	100%	05/03/2018	05/03/2018	100%
UCC AEO Upgrade - Phase 2 - Part 1	31/12/2018	31/12/2018	100%	29/07/2019	100%	01/10/2019	01/10/2019	100%
UCC AEO Upgrade - Phase 2 - Part 2	31/12/2018	31/12/2018	100%	06/11/2019	100%	16/12/2019	16/12/2019	100%

Table 7: Comparison of Planned and Actual Dates – AEO Upgrade

2.8 UCC INFORMATION SHEETS (INF) FOR SPECIAL PROCEDURES

The aim of the UCC Information Sheets (INF) for Special Procedures project is to develop a new trans-European system to support and streamline the data management processes and the electronic handling of data in the domain of Special Procedures. This new system will harmonise the approach for the efficient management of inward and outward processing procedures and improve the monitoring and control amongst customs offices. Specifically, some of the expected benefits are as follows:

- Harmonised approach for the processing procedures and related information exchange across the EU;
- Simplification for the national Customs administrations and holders of authorisation as the complex paper-based procedures will no longer be necessary due to the electronic support of the INF system;
- Increased accuracy as the INF data will be processed electronically and validated against various databases;
- Improved application of customs policy measures and facilitation for the calculation of customs duties;
- Reduction in the risk of undetected fraud and irregularities associated to the current paper-based information exchange;
- Cost optimisation for the implementation and operation of the INF system;
- Assurance of information integrity as access will be granted based on specific roles and tasks of the competent authorities.

The technical specifications were completed on 30/06/2018. For this project, the Commission used an iterative delivery method and deployed a pilot version, including the deployment of the EU Customs Trader Portal, on 15/01/2019. Thanks to the iterative approach, requirements for improvements on the graphical user interface INF trader portal for economic operators could be collected up front and changes to the processes and further improvements could be implemented prior to full deployment.

To support the start of operations of the INF system several other actions were prepared, namely:

- a landing page on the Europa website[7];
- a business and end user guide (accessible via the landing page);
- an e-learning module;
- Frequently Asked Questions (FAQ's);
- communication material;

Notwithstanding the difficult and unforeseen working circumstances during the 2nd quarter of 2020 requiring – due to the COVID-19 pandemic - the cancellation of the planned physical meetings and training sessions with the stakeholders of the system, the INF central system was successfully deployed on 01/06/2020.

The INF Specific Trader Portal (INF STP) component was also successfully integrated into the EU customs trader portal (EU CTP) and deployed on 01/06/2020. The EU CTP is the single portal at Union level to provide traders unique access to a number of centralised trans-European systems (EBTI, AEO, INF).

Although most Member States were able to join the INF system, 2 Member States have reported a delay due to problems related to the preparation of training for their staff and the trade community, lack of time for testing and issues related to the COVID-19 crisis (FI and NL). However, they envisaged joining in the second half of 2020.

[7] https://ec.europa.eu/taxation_customs/inf-system-special-procedures_en

Close contacts between the Commission and the Member States are kept to provide the necessary support, assistance and supervision. A project group with Member States and trade associations is holding regular meetings to address possible remaining business issues.

Some statistical information on the use of the INF system:

- From the start of operations on 01/06/2020 until 15/09/2020, 3,690 requests were inserted by economic operators, for which 2,730 INFs were treated and processed by the customs authorities.
- In the month of September 2020, there was an average of 55 requests per day and 50 INFs created in 16 MS and the UK. The National Administrations handling most INFs have been Romania and Poland.

2.8.1 Overview of Project Progress

Table 8 highlights that there were no divergences in the planning compared to the dates set in the Work Programme.

Project Name	Technical Specifications			Conformance Testing		Deployment		
	Target date from WP	Actual End Date	2020 % of Completion	Actual End Date	2020 % of Completion	Target date from WP	Actual Date	2020 % of Completion
UCC Information Sheets (INF) for Special Procedures	30/06/2018	30/06/2018	100%	29/05/2020	100%	01/06/2020	01/06/2020	100%

Table 8: Comparison of Planned and Actual Dates – INF

3. ONGOING PROJECTS: DETAILED PLANNING AND PROGRESS INFORMATION

3.1 UCC NOTIFICATION OF ARRIVAL (NA), PRESENTATION NOTIFICATION (PN) AND TEMPORARY STORAGE (TS)

The goal of this project is to define the processes at the national level in respect to the notifications known as Notification of Arrival (NA), Presentation Notification (PN) and Declaration for Temporary Storage (TS), as described in the UCC. This project will ensure the customs formalities related to the entry of goods concerning safety and security exist and that customs supervision begins at the appropriate time and is duly performed. It also aims to support harmonisation across the Member States regarding the data exchange between trade and customs. Furthermore, the project covers the automation of processes at the national level.

The development activities are a national responsibility ('national development') and are planned to be operational before the end of 2022. The processes and data requirements for the external domain have been defined and agreed upon on at the EU-level. A work package of an expert team in Member States collaboration (ETCIT WP2 – Expert Team on new approaches to develop and operate Customs IT systems) financed by the Customs Programme has been put in place to define and agree upon the business process models and discuss the legal/business/functional requirements.

The project is closely interlinked with other projects/systems such as the national import systems and the Import Control System 2 (ICS2). This is often reported by Member States as the reason for assessing the project as medium to highly complex. The timely delivery of the required national systems by all Member States was already at risk in last year's report. Some additional delays in comparison with the UCC Annual Progress Report 2019 are noted, though several Member States reported that measures are taken to have the deployment still on time. Besides the complexity of the project, other reasons are given such as resource constraints, further adaptations to the UCC Annex B, impact and re-planning due to the e-Commerce file and Brexit, and also the specific working circumstances caused by the COVID-19 pandemic. Further intense collaboration work in the form of an Expert Team on new approaches to develop and operate Customs IT systems (ETCIT) is ongoing in order to share expertise and resources amongst interested Member States and to join forces in the development work. However, it should be noted that as this type of collaboration is relatively new, the Member States are still learning along the way how to improve their working methods and find ways for optimising resources/joint procurement/etc. and this in parallel to the challenges inherent to the project itself.

3.1.1 Summary of Responses

Notification of Arrival (NA)

AT finds the NA project to have a medium (3) complexity rating with a high risk level. AT explains that the high risk is caused by the extensive functional interaction and the tough timing between projects in parallel (ICS2, NA, Adjustment of existing import application and the eCommerce Programme). AT also mentions implications to the timeline caused by the COVID-19 pandemic, all milestones could be impacted. Despite this, AT is working on defining national user requirements, technical specifications, conformance and user test preparation and training.

BG rates the complexity level as high (5) but with a low risk level. Their national technical specifications should be approved by the end of 2020. BG will implement NA as part of ICS2 – Release 2, which will cover the implementation of the complete new Entry Summary Declaration (ENS) obligations and related business and risk management processes for all goods in air traffic.

CY denoted the project complexity as high (6) yet a low risk level. CY explained that the complexity is caused by insufficient resources, dependencies with other systems and the development of other

projects in parallel. CY participates in the working group and has moved the deployment date so that it does not coincide with other core projects.

CZ reports that the NA project as having a high (5) complexity and medium risk level. CZ also finds the application complex and has indicated that it requires a large amount of financial resources. CZ highlighted a risk that the national project plan may have to be updated due to the COVID-19 pandemic and delays it is causing. The changes will depend on the evolution of the situation.

DE did not provide a complexity assessment however indicated that the project had a low risk level. DE explained that this message will be updated in line with ICS2 – Release 2. The preparation activities for Release 10.1 of their national IT system, ATLAS, has not yet started. External milestones affecting economic operators will be considered for the ICS2 – Release 2.

ES rates the complexity level as medium (3) with a medium risk level. ES will not develop a national message but will use the NA integrated in Release 2 of ICS2. Therefore, their conformance tests will be integrated with the ICS2 – Release 2 planned for in 2022.

FI notes the project as having a medium (3) complexity rating and a medium risk level, commenting that their plans have not changed. However, they anticipate several risks and due to this, changes in planning will most likely be needed. It is anticipated that the volume of declarations will rise dramatically for Low Value Consignments (LVC). This will then require a considerable amount of upgrades to the platforms and supporting IT systems in addition to an adjustment to the internal processes in the Declaration Management System (DMS). Due to necessary changes, there has been a need to postpone the development of some functionalities in the national import system. This will also affect the planning and implementation of future UCC projects. The complete impact is not yet clear but risks concerning timetables and resources have increased. Lastly, FI mentions that the resources were already scarce from the beginning and that the additional effects of the COVID-19 pandemic are unclear. These comments apply to all UCC projects.

GR indicated a high complexity level (6) and a high risk level. GR indicated that the project is currently delayed compared to the planning in the 2019 report, however the overall delivery is still expected within the deployment deadline set in the UCC Work Programme. GR is facing procurement delays.

IE notes that the project is not applicable to the MS as arrival data are directly provided to their customs authorities by Airport and Maritime authorities and thus, carriers are not required to submit Notifications of Arrival.

IT indicated a low complexity rating (2) and a medium risk level. IT identifies a risk pertaining to the economic operators, underlining that requests for changes might arise later in the process due to their lack of readiness.

LV identifies the project as having a medium complexity rating (4) but with a low risk level. LV will be implementing NA as part of their national TS system. Necessary corrections will be performed in the context of the ICS2 implementation.

NL indicated this project as having a high complexity rating (6) and medium risk level. The complexity is caused by the large number of external stakeholders (e.g. carriers, freightforwarders and their software providers), and internal stakeholders (e.g. policy makers, risk analysts, control officers) with whom national requirements need to be defined. Furthermore, NL stressed that their process is vastly different from the process that is prescribed by the UCC. This complexity could cause an impact to all project milestones. NL will integrate NA into ICS2 – Release 2. NL also iterated that they use the Scaled Agile Framework[8] (SAFe) development methodology for all UCC projects. They use features, which are part of the IT solution, and do not rely on technical specifications. A bundle of

[8] SAFe: www.scaledagileframework.com/

features adds up to the epic solution[9]. Given their development methodology, technical specifications are not applicable.

PT rates the complexity as high (6) with a medium risk level. PT indicated that the project is currently delayed compared to the planning in the 2019 report, however the overall delivery is still expected within the deployment deadline set in the UCC Work Programme. The review of Annex B DA/IA-UCC[10] lead to uncertainty as to the correctness and applicability of the work already carried out and the time/cost associated with a reassessment of this work. The instability of Annex B data also contributes to the complexity of activities developed and those still to be developed. This situation, in addition to the lack of consolidation of the data elements to be required (which, how and when) and the subsequent rules and conditions to treat them in the 'global system' contribute to the delay. The risk level mainly stems from a lack of resources in addition to the complexity of the required updates. PT will use Agile development to reduce the implementation timeframe. PT plans to increase their internal resources and to continue to support the Commission's work related to the consolidation of the UCC-IA/DA Annex B.

SE identified the project as a medium risk rating (3) and a medium risk level, commenting on the unstable situation regarding processes, the European Union Customs Data Model (EUCDM) and Annex B. Currently their planning is not fully in line with the timelines set forth in the UCC Work Programme but since the project has not yet started they are unable to assess.

SK rated the project's complexity as low (2) with a low risk level. Currently their project is delayed in comparison to the planning in the 2019 report, but the overall delivery is still expected within the deployment deadline stated in the UCC Work Programme. They have identified risks related to a lack of human and financial resources. No mitigation actions have been considered at this moment in time.

Figure 3-1 provides an overall summary of the survey responses received from the Member States regarding the status of their project activities.

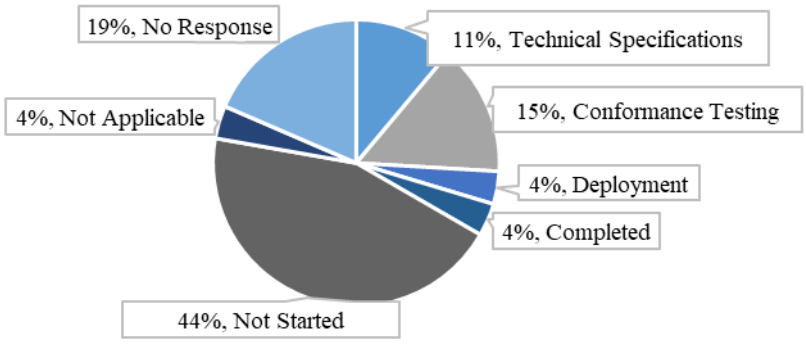

Figure 3-1: Project Status as per Survey – NA

Presentation Notification (PN)

AT, CY, CZ, GR, IT, LV, NL, PT and SK provided the same comments as for NA.

[9] Epic solution: container for a significant solution development initiative that captures the more substantial investments that occur within a portfolio - https://www.scaledagileframework.com/epic/

[10] European Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code (OJ L 343, 29.12.2015, p. 1).

BE finds that the project has a high project complexity (6) with a medium risk level. BE is taking the lead of the pilot project and has started with the technical specifications required for the messages to the traders. SE also commented that they were participating in this pilot. Due to the complexity of managing a large group and finding compromises, BE anticipates some months of delay in the development. BE also highlights the risk that the COVID-19 pandemic may also affect the timeline however they are currently still on target.

BG rates the project complexity level as high (5) yet with a low risk level. BG intends to implement PN as part of TS and their import declaration system.

DE did not provide a complexity assessment however indicated that the project had a low risk level. DE marked the project as delayed in comparison to the planning in the 2019 report, but the overall delivery date is still expected within the deployment deadline set in the UCC Work Programme. The business roadmap of the national IT-System ATLAS had to be replanned due to various unexpected factors, e.g. the implementation of the eCommerce initiative. The national import system will be implemented as part of the national IT-System ATLAS - Release 10.1. The expected date of deployment is in December 2022.

ES noted PN's complexity rating as high (5) with a high risk level mainly due to the integration with eCommerce by the beginning of 2021. ES plans to use an iterative development methodology. Development has not yet started. However, the technical specifications are complete and progress is being made on the design. ES also noted that they plan to only test the functionality for eCommerce and for ICS2 – Release 1 and that additional conformance testing will be needed for the deployment of TS and ICS2 – Release 2.

FI indicated that, in addition to the comments made for NA, the basic functionality already exists but that more features and intensive testing need to be performed.

FR assessed the PN project as moderately complex (3) with a low risk level. FR intends to use the application built on the Expert Teams on new approaches to develop and operate Customs IT systems (ETCIT), functional and technical specifications are ongoing. FR actively participates to the ETCIT working group.

IE rated the PN project's complexity as high (5) with a low risk level. Testing and refinement of functionality and business rules is ongoing. Work is also continuing on providing a platform to allow testing by economic operators and on change management functions including engagement with economic operators and customs officer training. IE mentioned that the project is currently delayed in comparison to the planning in the 2019 report, but the overall delivery is still expected within the deployment deadline. The delay has been caused by instability of Annex B, deployment of resources to Brexit-related work and restrictions imposed by the COVID-19 pandemic. IE underlines the fact that mitigating measures will be considered if the project is delayed beyond the planned deployment date.

RO indicated the project complexity as high (6) with a low risk level. RO explains that the PN project is included in their development of the national system of import and follows the implementation established for that system.

Figure 3-2 provides an overall summary of the survey responses received from the Member States regarding the status of their project activities.

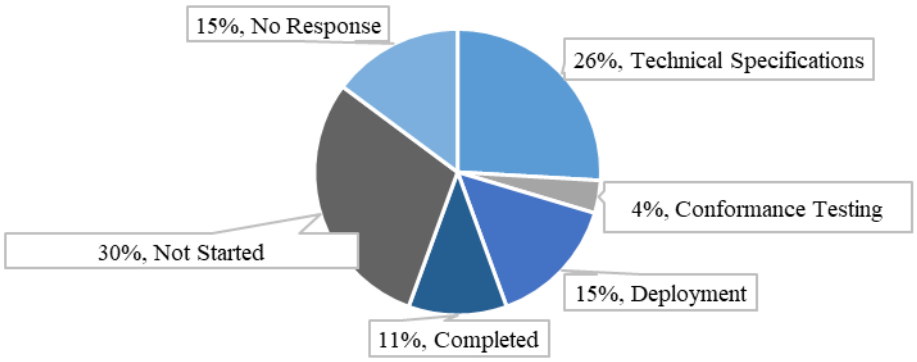

Figure 3-2: Project Status as per Survey – PN

Temporary Storage (TS)

AT, BE, BG, CY, CZ, DE, FR, GR, IE, IT, NL, PT, RO and SK provided the same comments as for PN.

ES identifies the TS project's complexity as high (6) with a medium risk level. ES mentioned that their project is currently delayed in comparison to the planning in the 2019 report, but the overall delivery is still expected within the deployment deadline. Technical specifications are not defined yet, but they still expect to have it operational before the end of 2022. Changes have been made to the conformance testing and deployment milestones.

FI noted the project complexity as high (6) with a high risk level. In addition to the risks mentioned for NA, FI explained that the whole system will be built from scratch and that it will contain numerous integrations. FI has not started with the deployment of the Temporary Storage Declaration (TSD).

LV rated the project complexity as high (5) but with a low risk level. As from 24/09/2017, their national TS system has been updated according to the UCC data elements. Additional functionality for movements between TS places (if located in LV) was added on 05/03/2018. LV also mentioned that further developments, such as EUCDM changes, will be implemented in the timeframe between 2021 and 2023.

SE considers the project to have a medium complexity rating (4) with a medium risk level. SE attributes the complexity of the project to the changes in the EU Customs Data Model (EU CDM) and the Annex B. SE further mentions that its system was ready for deployment in December 2018, but decided to wait for the stabilisation of the EU CDM and a formalisation of the decision regarding Annex B. SE is participating in the Expert Teams on new approaches to develop and operate Customs IT systems (ETCIT) lead by BE.

Figure 3-3 provides an overall summary of the survey responses received from the Member States regarding the status of their project activities.

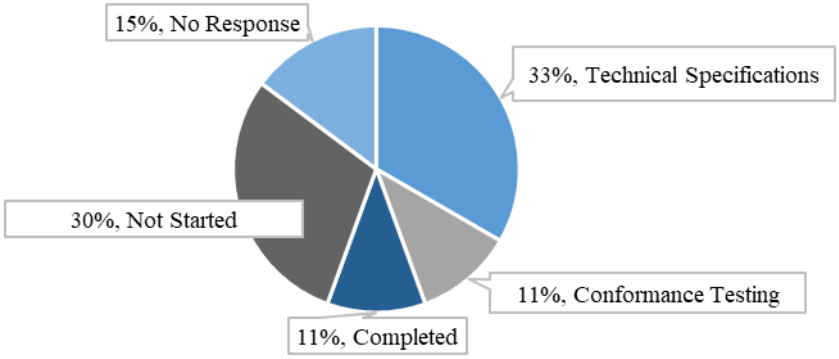

Figure 3-3: Project Status as per Survey – TS

3.1.2 Overview of Project Progress

Table 9, Table 10 and Table 11 highlight any known divergences in the planning compared to the dates set in the Work Programme.

As regards the implementation of the ***Notification of Arrival***, the following 9 Member States have a planned deployment date which is later than the deadline in the UCC Work Programme: BE, BG, DE, EE, ES, FI, FR, NL and RO. No planned date was provided by DK for the deployment of the NA.

More specifically, 4 Member States (BG, DE, ES and NL) have reported that they will use the NA integrated in ICS2 – Release 2 (planned deployment 01/03/2023) which will cause a delay limited to two months.

In comparison to the planned end dates provided in the 2019 report, the following Member States postponed their deployment date by more than one quarter: CZ, MT, RO and SK.

The specific dates can be found in Table 9. CZ indicated that their national project plan is not yet final.

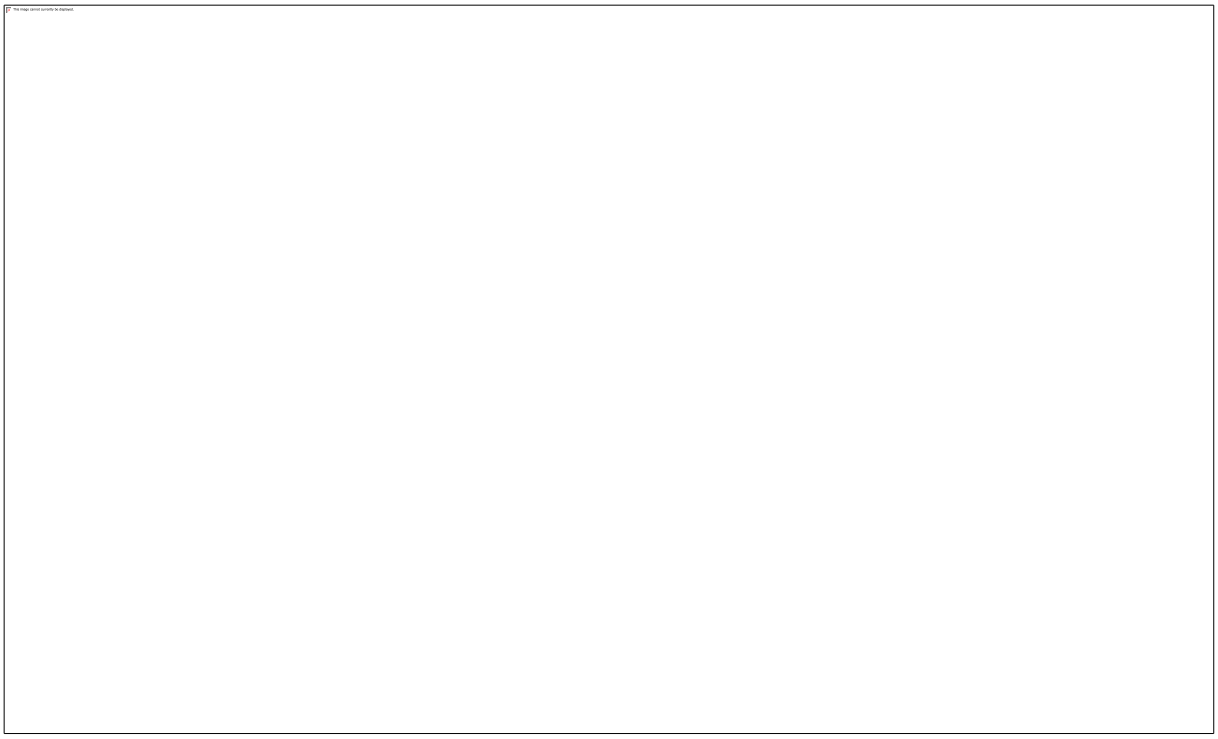

Table 9: Comparison of Planned and Actual Dates – NA

As regards the implementation of the ***Presentation Notification***, the following 3 Member States have indicated a planned deployment date for PN, which is later than the deadline in the Work Programme: BE, FR and NL.

More specifically, NL has reported to integrate PN into ICS2 – Release 2 (planned deployment 01/03/2023) which will cause a delay limited to two months.

No planned date was provided by DK for the deployment of the PN.

In comparison to the planned end dates provided in the 2019 report, the following Member States postponed their deployment date by more than one quarter: CZ, DE, MT, PL and SK. The specific dates can be found in Table 10 below. CZ indicated that their national project plan is not yet final. DE mentioned that the business roadmap of their national IT system, ATLAS had to be replanned due to various unforeseen factors, e.g. the implementation of the eCommerce initiative. However, as reported, none of these postponements are currently leading to a delay of the deployment dates as set by the UCC Work Programme.

ES advanced their planned deployment date one year earlier (31/01/2022 to 15/02/2021) due to the eCommerce project.

Project Name	Respondee	Technical Specifications			Conformance Testing		Deployment		
		Target date from WP	2020 Planned/ Actual End Date	2020 % of Completion	2020 Planned/ Actual End Date	2020 % of Completion	Target date from WP	2020 Planned/ Actual Date	2020 % of Completion
UCC Presentation Notification (PN)	AT	to be defined by MS and for Notification of Arrival in line with ICS2 planning	01/09/2020	100%	01/03/2021	50%	31/12/2022	15/03/2021	80%
	BE		04/01/2021	80%	01/02/2023	0%		01/03/2023	0%
	BG		28/02/2018	100%	01/12/2018	100%		07/01/2019	100%
	CY		05/10/2020	50%	02/06/2022	50%		03/06/2022	0%
	CZ		01/09/2021	0%	29/04/2022	0%		02/05/2022	0%
	DE		31/03/2022	50%	30/09/2023	0%		31/12/2022	0%
	DK		01/06/2021	Not Provided	Not Provided	Not Provided		Not Provided	Not Provided
	EE		31/12/2020	100%	31/12/2020	100%		31/03/2021	75%
	ES		15/03/2020	100%	14/02/2021	100%		15/02/2021	100%
	FI		31/03/2020	100%	N/A	N/A		31/03/2021	95%
	FR		30/09/2022	10%	Not Provided	0%		31/12/2023	0%
	GR		30/09/2021	0%	31/12/2022	N/A		31/12/2022	0%
	HR		01/09/2020	20%	01/07/2022	0%		01/12/2022	0%
	HU		30/06/2022	Not Provided	30/11/2022	Not Provided		31/12/2022	Not Provided
	IE		04/10/2019	100%	30/10/2020	100%		02/11/2020	100%
	IT		15/07/2020	0%	15/11/2021	0%		31/12/2021	0%
	LT		01/03/2021	0%	30/09/2022	0%		31/12/2022	0%
	LU		Not Provided	Not Provided	01/03/2021	Not Provided		02/03/2021	Not Provided
	LV		05/06/2017	100%	22/09/2017	100%		24/09/2017	100%
	MT		31/08/2021	Not Provided	31/07/2022	Not Provided		01/10/2022	Not Provided
	NL		Not Provided	0%	Not Provided	0%		01/03/2023	0%
	PL		01/04/2021	50%	30/06/2022	10%		01/10/2022	0%
	PT		15/01/2022	0%	15/11/2022	0%		31/12/2022	0%
	RO		30/09/2021	10%	31/12/2022	0%		31/12/2022	0%
	SE		Not Provided	0%	Not Provided	0%		01/05/2021	0%
	SI		01/10/2020	30%	01/02/2022	0%		01/04/2022	0%
	SK		01/01/2021	0%	31/12/2022	0%		31/12/2022	0%

Table 10: Comparison of Planned and Actual Dates – PN

As regards the implementation of the ***Temporary Storage***, the following 3 Member States have indicated a planned deployment date for TS, which is later than the deadline in the Work Programme : BE, FR and NL.

More specifically, NL has reported to integrate TS into ICS2 – Release 2 (planned deployment 01/03/2023) which will cause a delay limited to two months.

In comparison to the planned end dates provided in the 2019 report, the following Member States postponed their deployment date by more than one quarter: CZ, DE, MT, PL and SK. The specific dates can be found in Table 11 below. CZ indicated that their national project plan is not yet final. DE mentioned that the business roadmap of their national IT system, ATLAS had to be replanned due to various unforeseen factors, e.g. the implementation of the eCommerce initiative, etc.

Project Name	Respondee	Technical Specifications			Conformance Testing		Deployment		
		Target date from WP	2020 Planned/ Actual End Date	2020 % of Completion	2020 Planned/ Actual End Date	2020 % of Completion	Target date from WP	2020 Planned/ Actual Date	2020 % of Completion
UCC Temporary Storage (TS)	AT	to be defined by MS and for Notification of Arrival in line with ICS2 planning	01/02/2021	100%	01/06/2022	50%	31/12/2022	01/06/2022	80%
	BE		04/01/2021	75%	01/02/2023	0%		01/03/2023	0%
	BG		28/02/2018	100%	01/12/2018	100%		07/01/2019	100%
	CY		05/10/2020	50%	02/06/2022	50%		03/06/2022	0%
	CZ		01/09/2021	0%	29/04/2022	0%		02/05/2022	0%
	DE		31/03/2022	50%	30/09/2023	0%		31/12/2022	0%
	DK		26/10/2021	Not Provided	31/12/2022	Not Provided		10/10/2022	Not Provided
	EE		31/12/2020	100%	30/06/2021	0%		01/06/2021	0%
	ES		30/06/2020	50%	30/01/2022	0%		31/01/2022	0%
	FI		31/12/2020	100%	N/A	N/A		31/12/2021	30%
	FR		30/09/2022	10%	Not Provided	0%		31/12/2023	0%
	GR		30/09/2021	0%	31/12/2022	N/A		31/12/2022	0%
	HR		01/09/2020	20%	01/07/2022	0%		01/12/2022	0%
	HU		30/06/2022	Not Provided	30/11/2022	Not Provided		31/12/2022	Not Provided
	IE		04/10/2019	100%	30/10/2020	100%		02/11/2020	100%
	IT		15/07/2020	0%	15/11/2021	0%		31/12/2021	0%
	LT		01/03/2021	0%	30/09/2022	0%		31/12/2022	0%
	LU		Not Provided	Not Provided	01/03/2021	Not Provided		02/03/2021	Not Provided
	LV		05/06/2017	100%	22/09/2017	100%		24/09/2017	100%
	MT		31/08/2021	Not Provided	31/07/2022	Not Provided		01/10/2022	Not Provided
	NL		Not Provided	0%	Not Provided	0%		01/03/2023	0%
	PL		01/04/2021	90%	30/06/2022	70%		01/10/2022	0%
	PT		15/01/2022	0%	15/11/2022	0%		31/12/2022	0%
	RO		30/09/2021	10%	31/12/2022	0%		31/12/2022	0%
	SE		Not Provided	0%	Not Provided	0%		01/10/2021	0%
	SI		01/03/2020	30%	01/02/2022	0%		01/04/2022	0%
	SK		01/01/2021	0%	31/12/2022	0%		31/12/2022	0%

Table 11: Comparison of Planned and Actual Dates – TS

3.1.3 Analysis of Progress against Milestones

Figure 3-4, Figure 3-5 and Figure 3-6 summarise the status per milestone (technical specifications, conformance testing and deployment). The sum of each bar is 27 (responses from the 27 Member States).

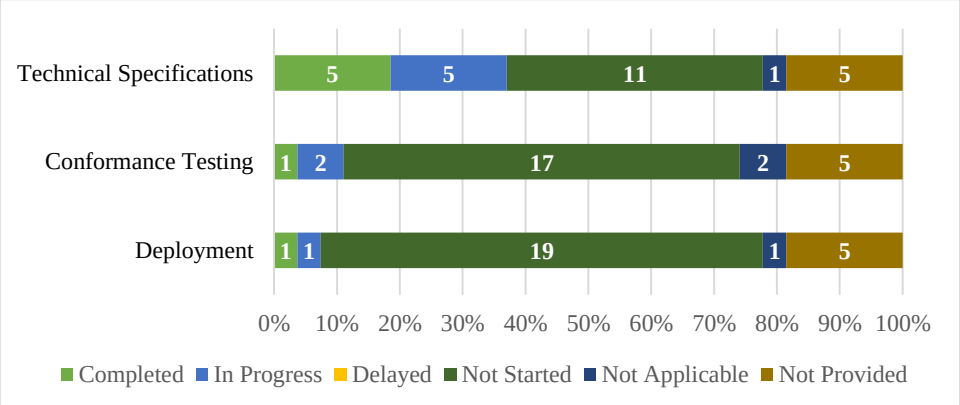

Figure 3-4: Summary of Responses per Milestone – NA

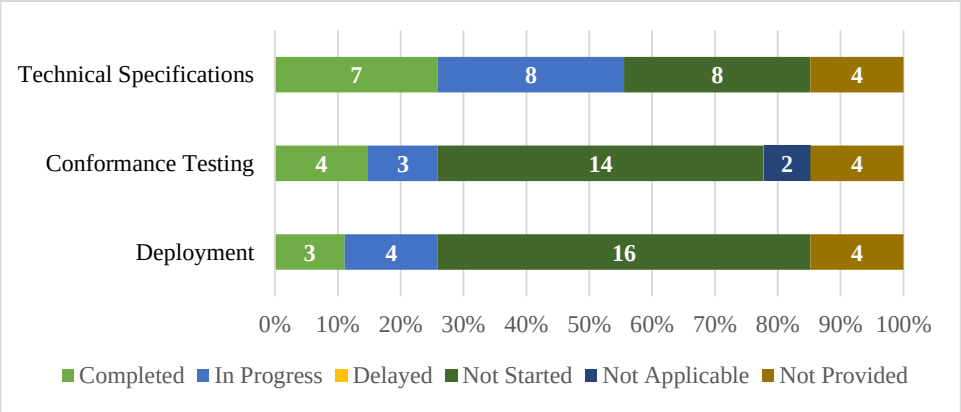

Figure 3-5: Summary of Responses per Milestone – PN

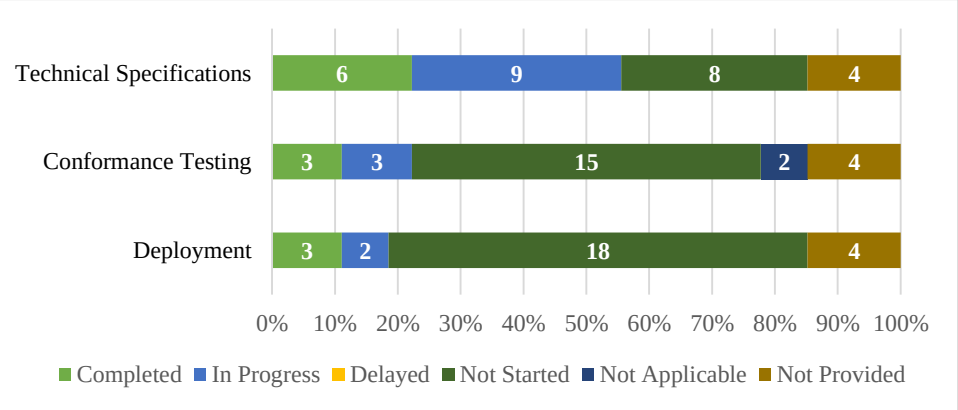

Figure 3-6: Summary of Responses per Milestone – TS

Additional details regarding the specific percentage of completion per milestone can be seen Figure 3-7, Figure 3-8 and Figure 3-9.

Regarding the **Notification of Arrival**, the following Member States have not yet started: CZ, DE, EE, FI, GR, IT, LT, NL, PL, PT, SE and SK. BE, DK, HU, LU and MT did not provide information. Lastly, IE marked Notification of Arrival as Not Applicable.

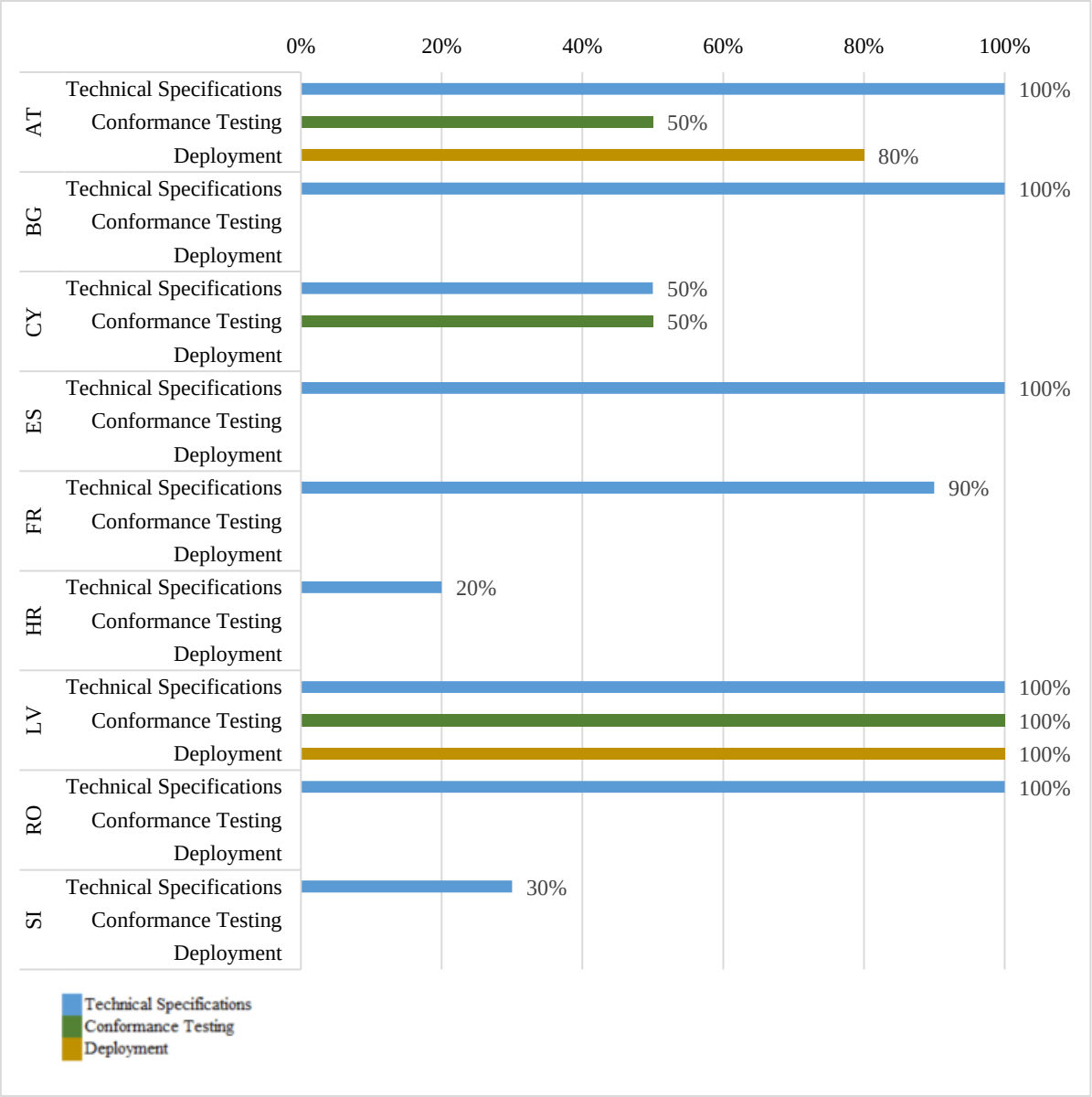

Figure 3-7: Percentage of Completion per Phase – NA

Regarding the **Presentation Notification**, the following Member States have not yet started: CZ, GR, IT, LT, NL, PT, SE and SK. DK, HU, LU and MT did not provide information.

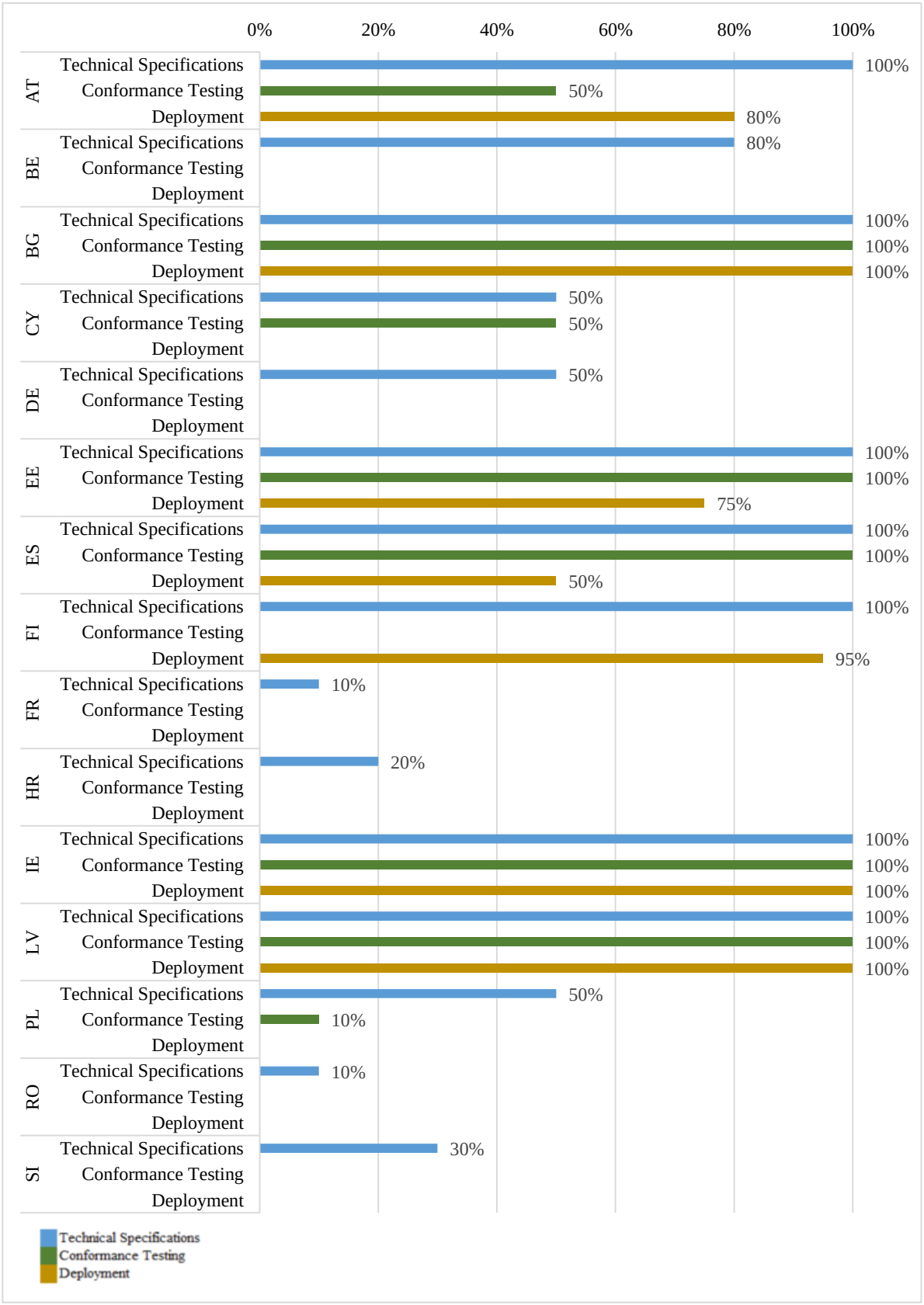

Figure 3-8: Percentage of Completion per Phase – PN

Regarding the **Temporary Storage**, the following Member States have not yet started: CZ, GR, IT, LT, NL, PT, SE and SK. DK, HU, LU and MT did not provide information.

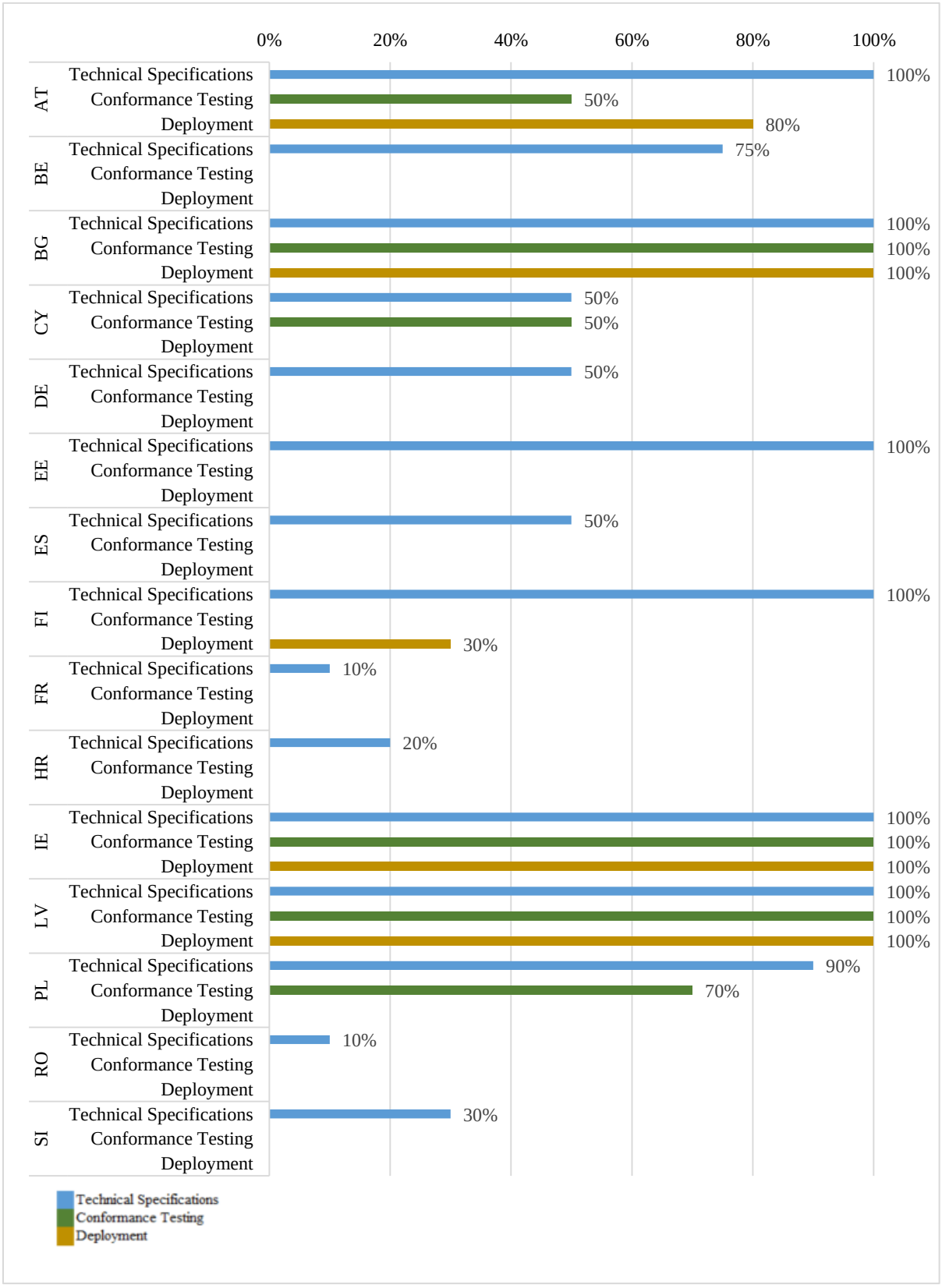

Figure 3-9: Percentage of Completion per Phase – TS

3.2 UCC NATIONAL IMPORT SYSTEMS UPGRADE

The project will implement all processes and data requirements deriving from the UCC, which relate to the import of goods into the Union. The existing national import systems must be upgraded in line with these new UCC requirements. The upgrade mainly relates to the changes for the "Release for free circulation" procedure (standard procedure and the simplifications) and changes in the related exchanges of information, but also covers the impact of changes in other electronic systems. This project covers the national customs declarations processing systems, as well as national accountancy and payment systems.

Some Member States planned this project as a priority and have already upgraded their national import system in line with the UCC. Due to this early deployment, these Member States will need to make an additional effort for a second upgrade in view of the changes to be adopted early 2021 as part of the revised Annex B of the UCC delegated and implementing regulation.

Other Member States have decided to concentrate first on other projects and wait for further progress in the specifications for the trans-European system related to import, being the Centralised Clearance at Import (CCI). In particular, those Member States that decided not to upgrade their existing national declaration system but to build a completely new one.

The availability of the technical specifications provided by the Commission for the Centralised Clearance at Import system and the harmonisation across entry/import-transit-export/exit (supported by the revision of the UCC annex B data requirements and the EU Customs Data Model) were crucial achievements in 2020 to push this project forward on a national level.

Although a few Member States have reported a small delay in the interim project milestones and progress is a bit doubtful for a number of Member States that didn't start yet with the technical specifications, no Member States reported at this stage a delay in the deployment of the national import systems planned by 31/12/2022. Careful project risk management by the Member States and supervision by the Commission, in its role of coordinator, is to be envisaged for the next two years.

3.2.1 Summary of Responses

AT rates the project complexity as high (5) with a medium risk level. The milestone most at risk is deployment. AT is developing a new customs declaration system and the transformation process and integration with their existing application is complex. The restrictions put in place during the COVID-19 pandemic have had an impact on the onboarding and project progress. AT is currently working on the technical specifications and requirements. Furthermore, the SAFe development methodology will now be used.

BE indicated that the project has a high complexity rating (6) however, a low risk level. BE explained that they will be rewriting their whole import declaration process while not having clarity on the impacts that other projects, like UCC Centralised Clearance for Import (CCI), will have on inter-system communication. BE is currently developing the system that will be used for eCommerce declarations, which will later be expanded to handle all import declarations. Afterwards, it will be adapted to handle the CCI declarations as well.

BG's system has been in production since 07/01/2019. Maintenance activities are ongoing and an upgrade to implement the review of Annex B (to be adopted early 2021), will be needed.

CY denoted the project complexity as high (6) yet a low risk level. CY explained that the complexity is caused by insufficient resources, dependencies with other systems, the development of other projects in parallel and the required migration from an existing system. CY will take a phased approach and has moved the deployment date so that it does not coincide with other core projects.

CZ rates the project complexity as high (5) with a medium risk level. CZ has indicated that the project requires a large amount of financial resources. In addition, there is a risk that the national project plan may have to be updated due to the COVID-19 pandemic and the delays it is causing. The required changes will depend on the development of the situation.

DE did not provide a complexity assessment however indicated that the project had a low risk level. DE marked the project as delayed in comparison to the planning in the 2019 report, but the overall delivery date is still expected within the deployment deadline set in the UCC Work Programme. The business roadmap of the national IT-System ATLAS had to be replanned due to various unforeseen factors, e.g. the implementation of the eCommerce initiative. The national import system will be implemented as part of the national IT-System ATLAS - Release 10.1. The expected date of deployment is in December 2022.

FI considers the project complexity as high (6) with a high risk level. Currently there is a risk that their deployment and integration testing will be impacted. A rescoping exercise is ongoing and some components have already been postponed to Q4 2021. This will also affect the planning and implementation of future UCC projects.

GR rates the complexity as high (5) with a medium risk level. GR explains that there is no contract in place yet and that a new technical data sheet is being studied and drafted.

HR indicated the project complexity as high (6) with a high risk level citing the many interdependencies among systems. Furthermore, HR explained that the project is very complex and human resources are limited as team members are involved in other MASP/national projects. The COVID-19 pandemic has also raised concerns regarding the implementation of phase 1 of the eCommerce project.

IE rated the project complexity as high (6) with a high risk level. Testing and refinement of functionality and business rules is ongoing. Work is also continuing on providing a platform to allow testing by economic operators and on change management functions including engagement with economic operators and customs officer training. IE mentioned that the project is currently delayed in comparison to the planning in the 2019 report, but the overall delivery is still expected within the UCC Work Programme deployment deadline. The delay has been caused by the instability of Annex B, new requirements for Low Value Consignments, the VAT directive, deployment of resources to Brexit-related work and restrictions imposed by the COVID-19 pandemic. IE underlines the fact that mitigating measures will be considered if the project is delayed beyond the planned deployment date.

LV informed that their national import system has been aligned with UCC DI/IA Annex B and EUCDM V2.0 as from 03/06/2018. Further developments such as EUCDM changes, eCommerce, integration with ECMS, are planned to be implemented in 2021-2023.

PT rates the project complexity as high (6) with a medium risk level. PT explains that the development of this system is not only related with the system itself, but also to the development of all national, central and other MS´s systems/modules. This increases the interdependencies and the complexity of the "global system". The review of Annex B DA/IA-UCC makes it difficult to determine whether their work completed continues to be correct and applicable. Consequently, additional costs are created by the need to reassess the aforementioned developments thus further adding to the complexity of the deliverables. The deadline for the end of the work related to the harmonisation / modification of Annex B - Columns H and I, was the end of 2019, however at the time of writing this report, the new version of Annex B is still not approved. PT also mentions that the creation of new obligations/deadlines for Member States, like reviewing the package related with column H7 to be implemented in 2021, also creates a constraint in updating their national import system because they have developed a new system to deal with the eCommerce package.

SI reports the project complexity as high (6) and a high risk level. SI was expecting the Commission to prepare the technical specifications for the import declaration, code list for the Automated Import System (AIS) in the Central Services Reference Data 2 (CSRD2), etc. SI explains that they have limited human resources and that their team members work on several projects simultaneously. Furthermore, there is a concern over financial resources as the COVID-19 pandemic unfolds. SI is

convinced that the customs environment will be ready on time however, they have doubts regarding the testing readiness of the external environment (economic operators).

SK's system has been in production since 30/06/2019. An upgrade to implement the review of Annex B (to be adopted early 2021), will be needed.

Figure 3-10 provides an overall summary of the survey responses received from the Member States regarding the status of their project activities.

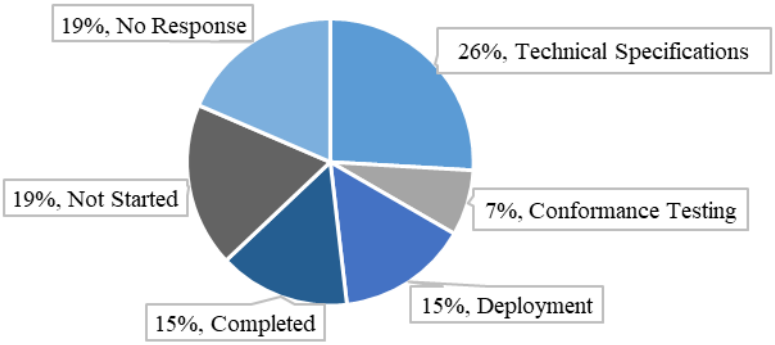

Figure 3-10: Summary of Survey Responses – National Import Systems Upgrade

3.2.2 Overview of Project Progress

Table 12 highlights any divergences in the planning compared to the dates set in the Work Programme.

In comparison to the planned end dates provided in the 2019 report, the following Member States postponed their deployment date by more than one quarter: DE, DK, MT and PL, however, for none of them a final delay in the date of deployment beyond the date set in the UCC Work Programme is marked.

The specific dates can be found in Table 12 below. DE mentioned that the business roadmap of their national IT system, ATLAS had to be replanned due to various unforeseen factors, e.g. the implementation of the eCommerce initiative.

Project Name	Respondee	Technical Specifications			Conformance Testing		Deployment		
		Target date from WP	2020 Planned/ Actual End Date	2020 % of Completion	2020 Planned/ Actual End Date	2020 % of Completion	Target date from WP	2020 Planned/ Actual Date	2020 % of Completion
UCC National Import Systems Upgrade	AT	To be defined by MS	01/02/2021	80%	01/06/2022	0%	31/12/2022	01/06/2022	0%
	BE		01/01/2021	90%	31/08/2022	0%		01/09/2022	0%
	BG		28/02/2018	100%	01/12/2018	100%		07/01/2019	100%
	CY		30/12/2020	80%	01/06/2022	0%		03/06/2022	0%
	CZ		01/09/2021	0%	29/04/2022	0%		02/05/2022	0%
	DE		31/03/2022	50%	30/09/2023	0%		31/12/2022	0%
	DK		01/06/2021	Not Provided	31/12/2022	Not Provided		01/10/2022	Not Provided
	EE		30/06/2020	100%	31/12/2020	100%		01/07/2021	50%
	ES		30/06/2020	100%	30/01/2022	0%		31/01/2022	0%
	FI		30/06/2019	100%	Not Provided	50%		31/12/2019	50%
	FR		01/03/2021	Not Provided	N/A	N/A		30/09/2022	Not Provided
	GR		30/09/2021	0%	N/A	N/A		31/12/2022	0%
	HR		01/01/2020	20%	01/06/2022	0%		31/12/2022	0%
	HU		30/06/2022	Not Provided	30/11/2022	Not Provided		31/12/2022	Not Provided
	IE		04/10/2019	100%	30/10/2020	100%		02/11/2020	100%
	IT		30/09/2019	100%	30/06/2021	100%		15/12/2020	85%
	LT		01/03/2021	0%	30/09/2022	0%		31/12/2022	0%
	LU		Not Provided	Not Provided	31/12/2022	Not Provided		02/01/2023	Not Provided
	LV		30/10/2017	100%	01/06/2018	100%		03/06/2018	100%
	MT		31/01/2022	Not Provided	30/06/2022	Not Provided		01/09/2022	Not Provided
	NL		01/01/2021	0%	31/12/2022	0%		01/04/2022	70%
	PL		01/04/2021	90%	30/06/2022	50%		01/10/2022	0%
	PT		01/06/2022	0%	01/08/2023	0%		31/12/2022	0%
	RO		30/09/2021	50%	31/12/2022	0%		31/12/2022	0%
	SE		Not Provided	0%	Not Provided	0%		01/10/2021	0%
	SI		01/07/2019	100%	31/12/2020	100%		03/01/2021	50%
	SK		Not Provided	100%	30/06/2019	100%		30/06/2019	100%

Table 12: Comparison of Planned and Actual Dates – National Import Systems Upgrade

3.2.3 Analysis of Progress against Milestones

Figure 3-11 summarises the status per milestone (technical specifications, conformance testing and deployment). The sum of each bar is 27 (responses from the 27 Member States).

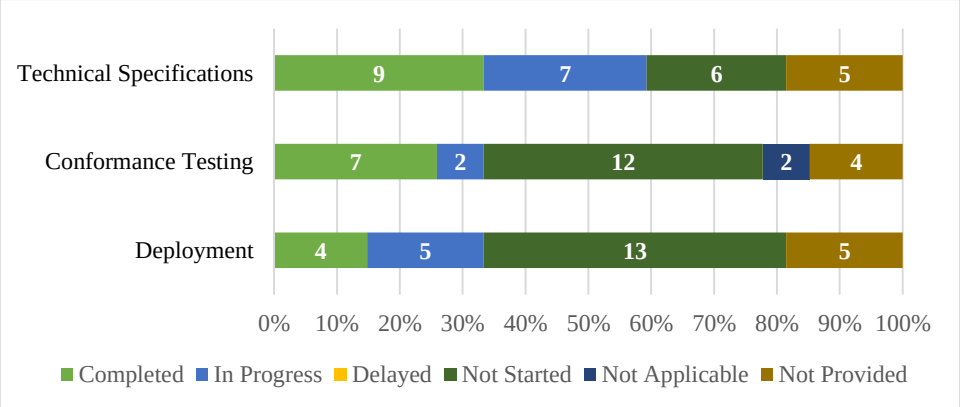

Figure 3-11: Summary of Responses per Milestone – National Import Systems Upgrade

Additional details regarding the specific percentage of completion per milestone can be seen in Figure 3-12. The following Member States have not yet started: CZ, GR, HU, LT, LU, MT, NL and PT.

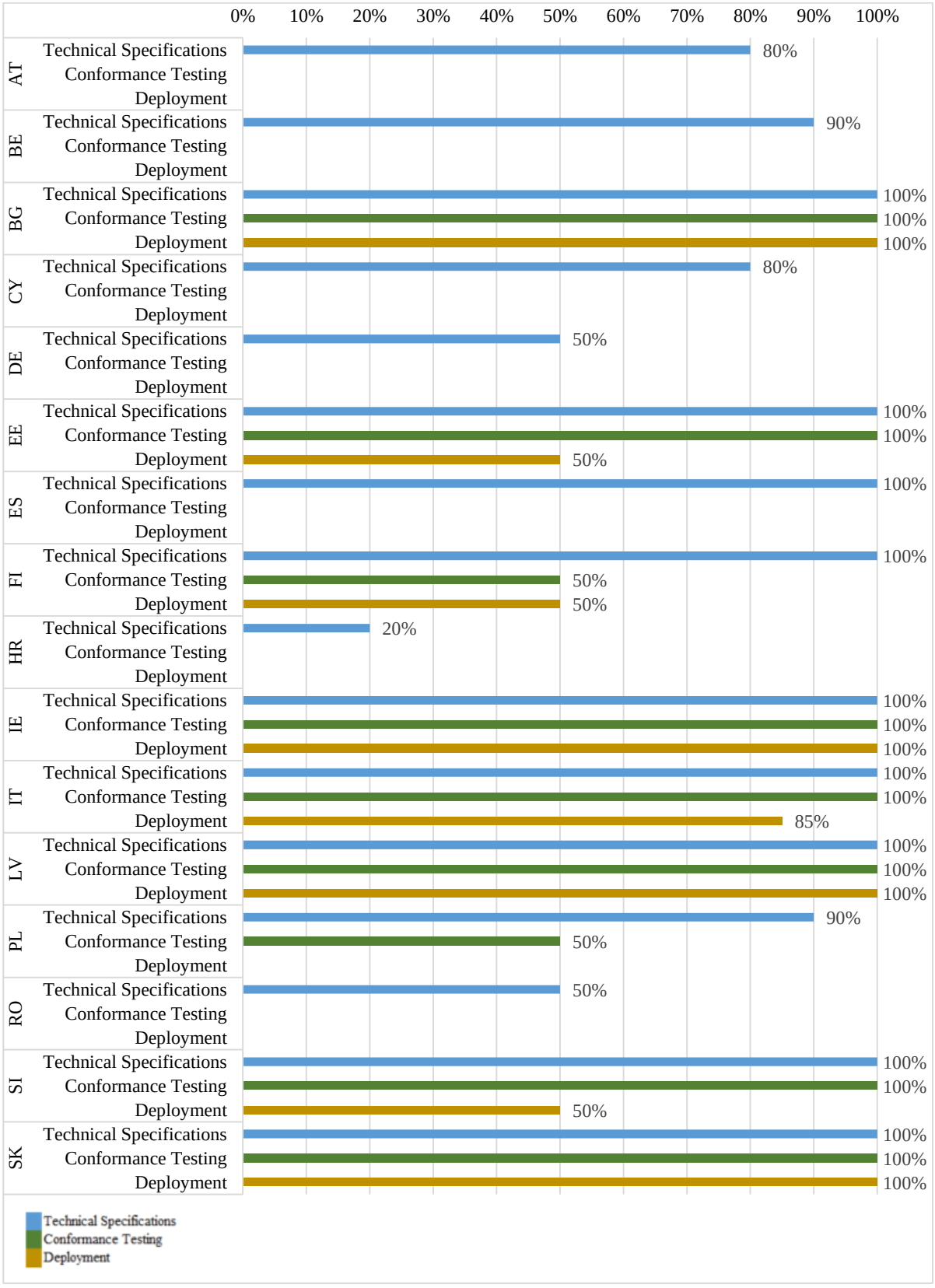

Figure 3-12: Percentage of Completion per Phase – National Import Systems Upgrade

3.3 UCC SPECIAL PROCEDURES

This national project aims to accelerate, facilitate and harmonise Special Procedures across the Union by means of providing common business process models. The national systems will implement all UCC changes required for all the special procedures (customs warehousing, end-use, temporary admission and inward/outward processing). It should be noted that, in many Member States, the implementation of this project occurs within the context of the upgrades of the national import and export systems.

In terms of planning, this project will be implemented in two parts. The first component is the "National Special Procedures EXP" (NSP EXP) with the view to providing the required national electronic solutions for the export-related special procedure activities. The second component is the "National Special Procedures IMP" (NSP IMP) with the view to providing the required national electronic solutions for the import-related special procedures activities.

3.3.1 Summary of Responses

Special Procedures EXP – Component 1

AT rates the project complexity as medium (4) with a medium risk level. The milestone most at risk is deployment. AT is developing a new customs declaration system and the transformation and the integration with their existing application are complex. The restrictions put in place during the COVID-19 pandemic have had an impact on the on boarding and project progress. AT is currently working on analysing and elaborating the technical specifications. An Agile development methodology (SAFe) will now be used.

BG, IE and RO rated the project complexity as high (5, 5 and 6 respectively) however, a low risk level. The Member States confirmed that they will implement this project as part of the UCC Automated Export System (AES) project.

CY denoted the project complexity as high (6) yet a low risk level. CY explained that the complexity is caused by insufficient resources, dependencies with other systems and the development of other projects in parallel. CY explained that a phased approach will be taken and that the deployment date was moved so that it does not coincide with other core projects.

CZ reports the project complexity as high (6) with a medium risk level stating that it requires a large amount of financial resources. CZ also highlighted a risk that the national project plan may have to be updated due to the COVID-19 pandemic and the delays it is causing. The changes will depend on the evolution of the situation. In line with their national project plan, they are preparing detailed national technical and functional specifications. No major changes were made to the planning and their national project plan is stable.

EE indicated the project complexity as high (6) yet the risk level is low. Currently the preparation for the call for tender is ongoing. EE considers the project delayed in comparison to the planning in the 2019 report, but the overall delivery is still expected within the deployment deadline set in the UCC Work Programme. The procurement process is delayed, however, mitigation actions are considered.

FI notes the project complexity as high (6) with a high risk level, commenting that their plans have not changed however, they anticipate several risks and due to this, changes in planning will most likely be needed. The project to deliver AES will be organised during 2020 and SP – Component 1 will be a part of it. The preliminary planning has already started.

GR indicated a high complexity level (6) and a medium risk level. GR indicated that the project is currently delayed compared to the planning in the 2019 report, however the overall delivery is still expected within the deployment deadline set in the UCC Work Programme. GR is facing procurement delays.

HR rated the project complexity as high (5) with a medium risk level citing the many interdependencies among systems. HR plans to complete the main components of the technical specifications and they have shortened the overall project duration by five months. HR plans to go into production on 01/01/2023.

LV noted that the project complexity as medium (3) with a high risk level mentioning that there is currently no budget allocated to support the development of AES. Once this is solved, LV will use an iterative development approach. The development scope and plan for AES, including the transition model and functionality, are under review.

NL reported the project complexity as medium (4) with a low risk level. NL comments that an agile development approach will be used. They are currently describing project features based on the Design Document for National Transit Application (DDNTA). The selection of the IT provider for development is in progress.

PL indicated the project complexity as high (5) with a medium risk level explaining that this project includes the creation of a new national IT system for managing and settlement of SP and integration with other IT national customs systems, which are currently being expanded. The complexity is particularly due to the integration with the national IMP and EXP systems in the field of online transfer of data from customs declarations.

SI noted the project complexity as medium (4) with a high risk level, citing the COVID-19 pandemic as a major risk. This situation could cause the postponement of the deployment date. Their external contractor is currently preparing the detailed technical specifications for AES.

SK rated the project complexity as low (2) with a low risk level. Currently, their project is delayed in comparison to the planning in the 2019 report, but the overall delivery is still expected within the deployment deadline stated in the UCC Work Programme. They have identified risks related to a lack of human and financial resources. No mitigation actions have been considered at this moment in time. The achievement of some milestones is dependent on the progress of other projects. System tests have recently been performed, without integration with other systems. Feedback submitted by testers is currently being analysed. The COVID-19 pandemic has had an impact on their training plan.

Figure 3-13 provides an overall summary of the responses received from the Member States regarding the status of their project activities.

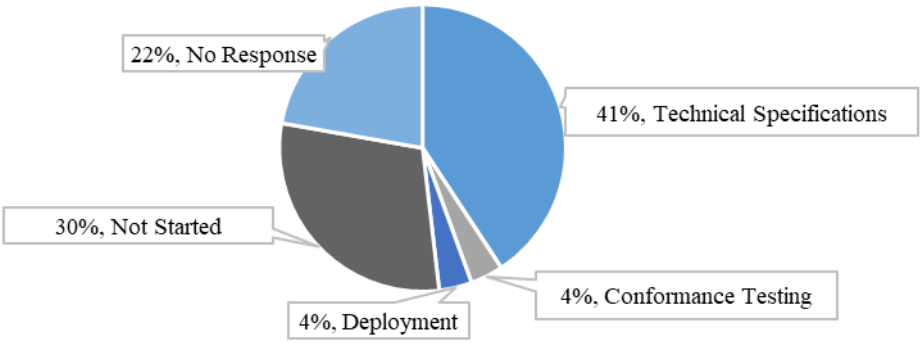

Figure 3-13: Project Status as per Survey – Component 1 National SP EXP

Special Procedures IMP – Component 2

AT, CY, GR, PL and SK provided the same comments as for Special Procedures - Component 1.

CZ has indicated the project complexity as high (5) with a medium risk level. CZ reported no progress on Component 2 and stated their national project plan is not yet finalised.

DE did not provide a complexity assessment however indicated that the project had a low risk level. DE explained that they will implement this component as part of the "National Import Systems upgrade", which will be covered by the national IT-System ATLAS - Release 10.1. The expected deployment date is in December 2022.

EE rated the SP – Component 2 project's complexity as high (6) with a medium risk level regarding limited resources. System development is currently ongoing, with a plan to be complete by the end of 2020.

FI noted the project complexity as high (6) with a high risk level. A re-scoping exercise is ongoing. Simplifications are postponed to Q4 2021. This will also affect the planning and implementation of future UCC projects.

IE indicated the project complexity as high (5) yet with a low risk level. Testing and refinement of the system functionality, business rules, etc. is ongoing. Work is also continuing on providing a platform to allow testing by traders and on change management functions including engagement with trade and customs officer training. IE mentioned that the project is currently delayed in comparison to the planning in the 2019 report, but the overall delivery is still expected within the deployment deadline. The delay has been caused by the instability of Annex B, new requirements for Low Value Consignments, the VAT directive, deployment of resources to Brexit-related work and restrictions imposed by the COVID-19 pandemic. IE underlines the fact that mitigating measures will be considered if the project is delayed beyond the planned deployment date.

LV's national import system has been aligned with UCC DA/IA Annex B and EUCDM V2.0 as of 03/06/2018,

PT made the same comments as in section 3.2 UCC National Import System Upgrade.

RO rated the project complexity as high (6) yet with low risk level as SP – Component 2 will be incorporated into their new national import system.

SE identified the project complexity as high (5) and with a medium risk level commenting on the unstable situation regarding processes, EU CDM and Annex B. There is a risk that the conformance testing and deployment milestones are impacted.

SI reports the project complexity as high (6) with a high risk level. SI was expecting the Commission to prepare the technical specifications for the import declaration, code list for the Automated Import System (AIS) in Central Services – Reference Data 2 (CSRD2), etc. SI explained that they have limited human resources and that their team members work on several projects simultaneously. Furthermore, there is a concern over financial resources as the COVID-19 pandemic unfolds. SI is convinced that the customs environment will be ready on time however has doubts regarding the testing readiness of the external environment (economic operators).

Figure 3-14 provides an overall summary of the responses received from the Member States regarding the status of their project activities.

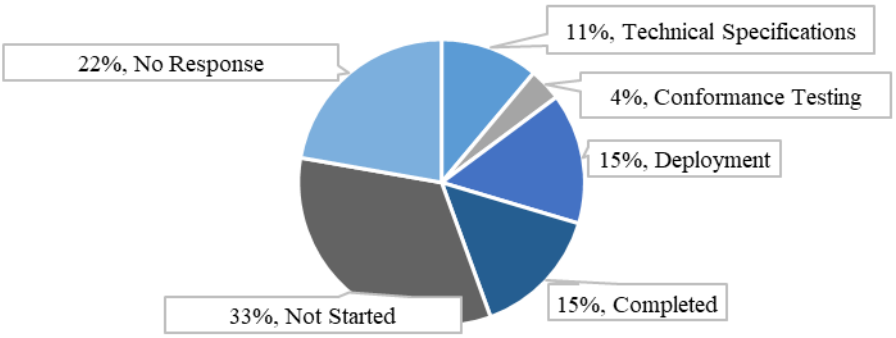

Figure 3-14: Project Status as per Survey – Component 2 National SP IMP

3.3.2 Overview of Project Progress

Table 13 highlights any known divergences in the planning of the **UCC Special Procedures EXP** compared to the dates set in the Work Programme[11].

In comparison to the planned end dates provided in the 2019 report, the following Member States postponed their deployment date by more than one quarter: LT, MT and SK.

BG moved their deployment date earlier by two months (01/08/2023 to 05/06/2023). HR and FR moved their planned deployment dates earlier by six months, and NL and SE by one year. The specific dates can be found in Table 13 below.

Project Name	Respondee	Technical Specifications			Conformance Testing		Deployment		
		Target date from WP	2020 Planned/ Actual End Date	2020 % of Completion	2020 Planned/ Actual End Date	2020 % of Completion	Target date from WP	2020 Planned/ Actual Date	2020 % of Completion
UCC Special Procedures (SP) - Component 1 – National SP EXP	AT	To be defined by MS	01/08/2021	25%	01/12/2022	0%	01/12/2023	01/12/2022	0%
	BE		04/07/2020	Not provided	31/07/2022	Not provided		01/04/2022	Not provided
	BG		10/06/2022	90%	31/05/2023	0%		05/06/2023	0%
	CY		10/01/2022	80%	01/02/2023	0%		02/02/2023	0%
	CZ		30/03/2021	80%	03/10/2022	0%		03/10/2022	0%
	DE		31/01/2020	75%	31/07/2022	75%		06/03/2021	90%
	DK		Not provided	Not provided	Not provided	Not provided		Not provided	Not provided
	EE		31/12/2020	0%	30/09/2022	0%		31/12/2022	0%
	ES		31/12/2019	100%	30/06/2021	0%		01/07/2021	0%
	FI		31/03/2022	0%	31/12/2022	0%		31/03/2023	0%
	FR		31/03/2021	Not provided	31/03/2023	Not provided		31/03/2023	Not provided
	GR		30/09/2021	10%	N/A	N/A		31/12/2022	0%
	HR		31/12/2021	30%	30/09/2022	0%		01/01/2023	0%
	HU		31/05/2023	Not provided	01/11/2023	Not provided		01/12/2023	Not provided
	IE		30/09/2021	0%	30/06/2023	0%		31/10/2023	0%
	IT		30/06/2020	10%	30/06/2022	0%		05/09/2022	0%
	LT		01/03/2022	0%	30/09/2023	0%		01/12/2023	0%
	LU		Not provided	Not provided	01/04/2023	Not provided		01/04/2023	Not provided
	LV		01/02/2022	10%	31/08/2023	0%		05/02/2023	4%
	MT		31/01/2021	Not provided	31/12/2021	Not provided		31/01/2022	Not provided
	NL		01/01/2021	0%	31/12/2022	0%		01/04/2022	0%
	PL		01/06/2021	100%	30/11/2020	100%		31/01/2021	80%
	PT		15/12/2022	0%	15/10/2023	0%		01/12/2023	0%
	RO		30/06/2020	10%	30/06/2023	0%		31/03/2023	0%
	SE		01/05/2021	0%	30/09/2023	0%		01/10/2022	0%
	SI		01/07/2020	90%	20/05/2022	0%		01/06/2022	0%
	SK		01/10/2021	0%	01/11/2023	0%		01/12/2023	0%

Table 13: Comparison of Planned and Actual Dates – SP – Component 1 Nat SP EXP

[11] Since the compilation of this data the following Member States have indicated in the context of the national project plans that they will bring forward their deployment dates for AES Component 1 which is linked to this project: AT, BE, BG, DK, FR, HR, LT, LU, MT, NL, PT and SK.

In comparison to the planned end dates provided in the 2019 report for the **UCC Special Procedures IMP**, the following Member States postponed their deployment date by more than one quarter: CZ, DE, EE, MT, SE and SK. CZ indicated that their national project plan is not yet final. DE explained that this component will be implemented as part of the "National Import Systems upgrade", which will be covered by their national IT-System ATLAS - Release 10.1.

Project Name	Respondee	Technical Specifications			Conformance Testing		Deployment		
		Target date from WP	2020 Planned/ Actual End Date	2020 % of Completion	2020 Planned/ Actual End Date	2020 % of Completion	Target date from WP	2020 Planned/ Actual Date	2020 % of Completion
UCC Special Procedures (SP) - Component 2 – National SP IMP	AT	To be defined by MS	01/02/2021	80%	01/06/2022	0%	31/12/2022	01/06/2022	0%
	BE		01/10/2019	Not provided	01/04/2020	Not provided		01/03/2020	Not provided
	BG		28/02/2018	100%	01/12/2018	100%		07/01/2019	100%
	CY		30/12/2020	80%	01/06/2022	0%		03/06/2022	0%
	CZ		01/09/2021	0%	29/04/2022	0%		02/05/2022	0%
	DE		31/03/2022	0%	30/09/2023	0%		31/12/2022	0%
	DK		01/06/2021	Not provided	01/10/2022	Not provided		01/10/2022	Not provided
	EE		30/06/2020	100%	31/12/2020	100%		01/07/2021	50%
	ES		31/12/2019	100%	30/06/2021	0%		01/07/2021	0%
	FI		30/06/2019	100%	N/A	N/A		31/12/2020	20%
	FR		01/03/2021	Not provided	N/A	N/A		30/09/2022	Not provided
	GR		30/09/2021	0%	N/A	N/A		31/12/2022	Not provided
	HR		01/08/2019	0%	01/06/2022	0%		31/12/2022	0%
	HU		30/06/2022	Not provided	30/11/2022	Not provided		31/12/2022	Not provided
	IE		04/10/2019	100%	30/10/2020	100%		02/11/2020	100%
	IT		30/09/2019	100%	15/06/2021	100%		15/12/2020	85%
	LT		01/03/2021	0%	30/09/2022	0%		31/12/2022	0%
	LU		Not provided	Not provided	30/12/2022	Not provided		02/01/2023	Not provided
	LV		30/10/2017	100%	01/06/2018	100%		03/06/2018	100%
	MT		31/01/2021	Not provided	31/12/2021	Not provided		31/01/2022	Not provided
	NL		01/01/2021	0%	31/12/2022	0%		01/04/2022	70%
	PL		01/06/2020	100%	30/11/2020	100%		31/01/2021	80%
	PT		15/01/2022	0%	15/11/2022	0%		31/12/2022	0%
	RO		30/09/2021	10%	31/12/2022	0%		31/12/2022	0%
	SE		Not provided	0%	Not provided	0%		01/10/2021	0%
	SI		01/07/2019	100%	20/09/2020	100%		01/10/2020	100%
	SK		01/10/2020	0%	01/11/2022	0%		01/12/2022	0%

Table 14: Comparison of Planned and Actual Dates – SP – Component 2 Nat SP IMP

3.3.3 Analysis of Progress against Milestones

Figure 3-15 and Figure 3-16 summarise the status per milestone (technical specifications, conformance testing and deployment). The sum of each bar is 27 (all Member States).

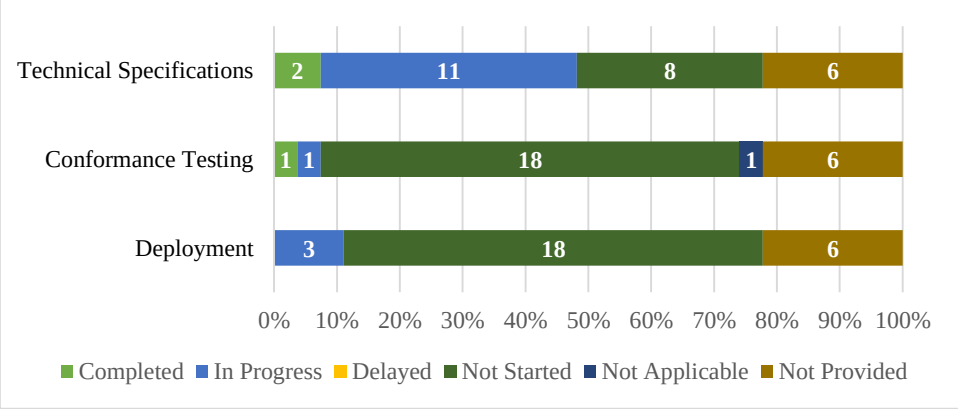

Figure 3-15: Summary of Responses per Milestone – SP – Component 1 Nat SP EXP

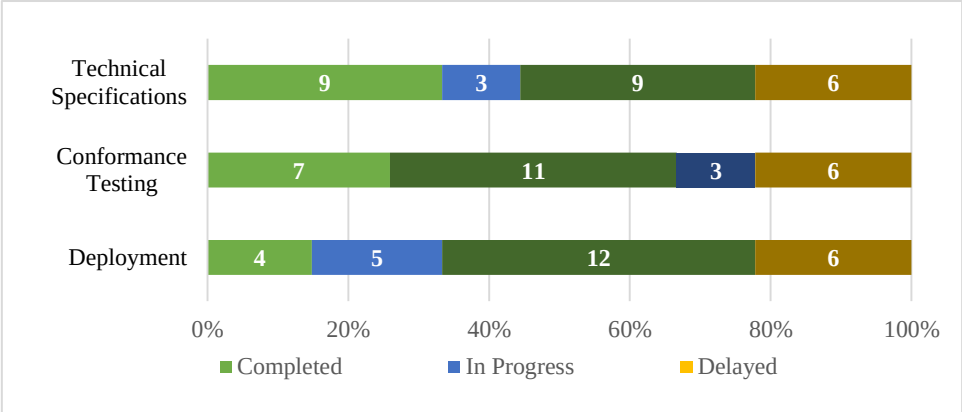

Figure 3-16: Summary of Responses per Milestone – SP – Component 2 Nat SP IMP

Additional details regarding the specific percentage of completion per milestone can be seen in the following figures. Regarding **Special Procedures EXP** - Component 1, the following Member States have not yet started: EE, FI, IE, LT, NL, PT, SE and SK. The following Member States did not provide information: BE, DK, FR, HU, LU and MT.

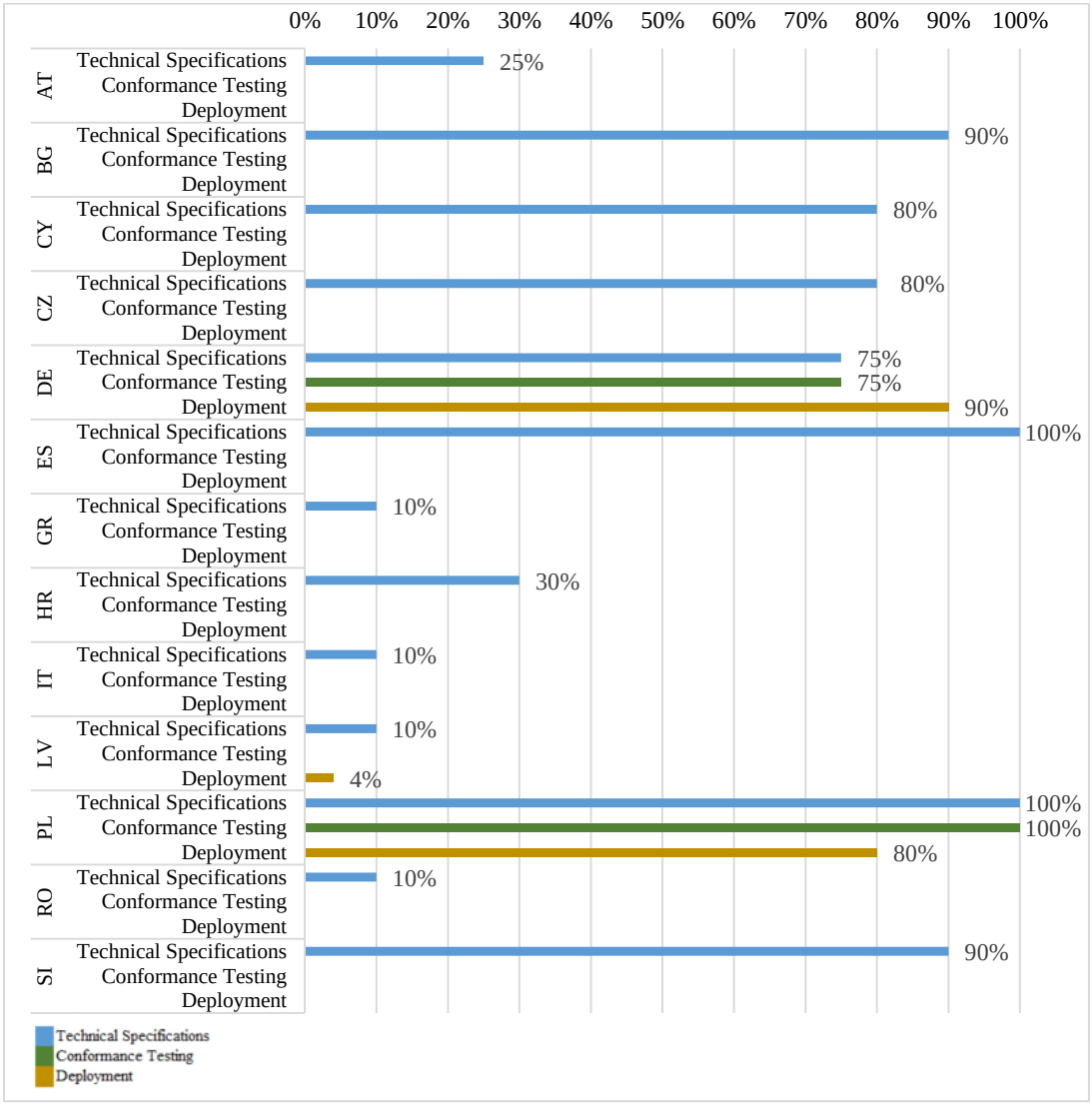

Figure 3-17: Percentage of Completion per Phase – SP – Component 1 Nat SP EXP

Regarding **Special Procedures IMP** - Component 2, the following Member States have not yet started: CZ, DE, GR, HR, LT, NL, PT, SE and SK. The following Member States did not provide information: BE, DK, FR, HU, LU, and MT.

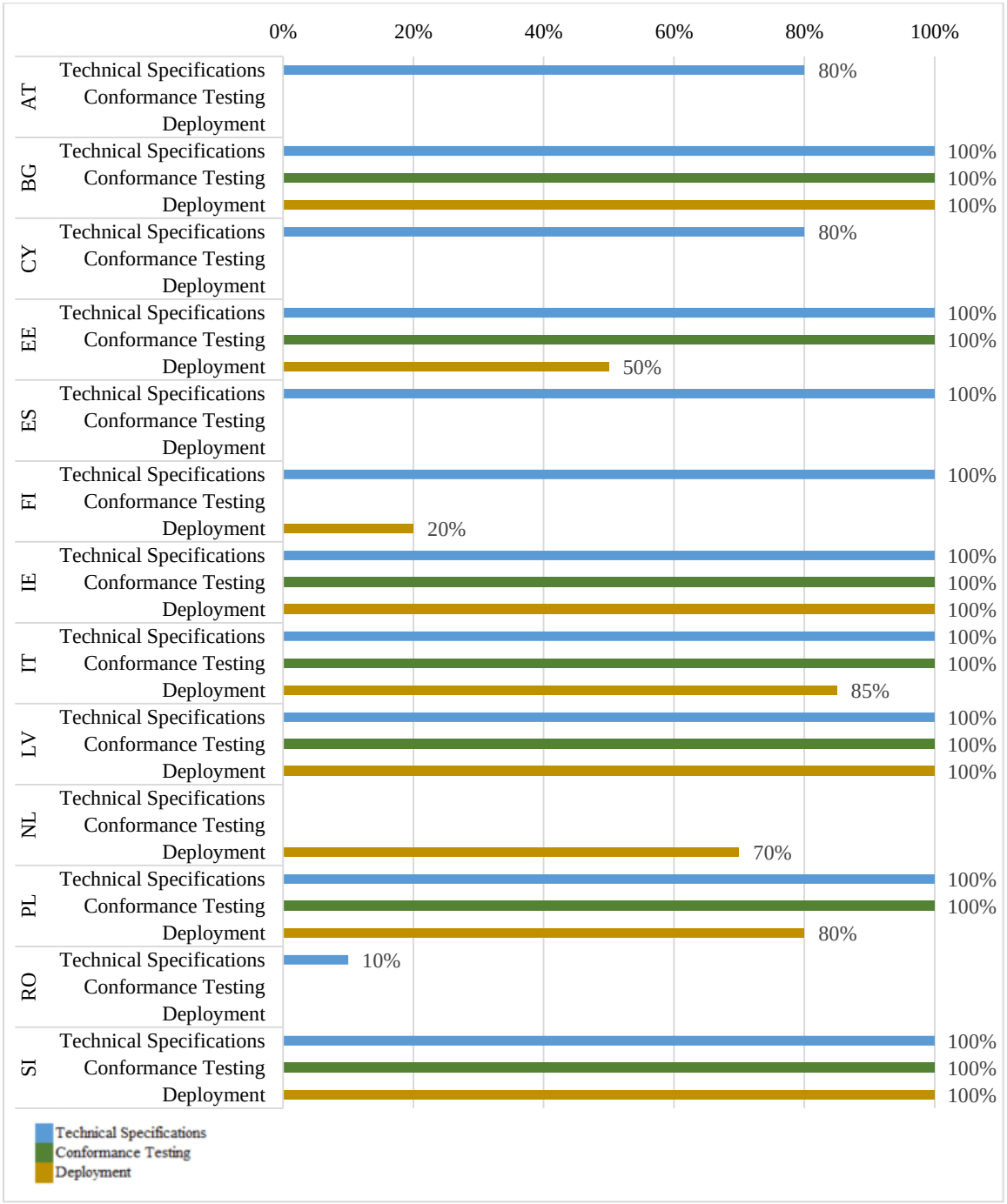

Figure 3-18: Percentage of Completion per Phase – SP – Component 2 Nat SP IMP

3.4 UCC GUARANTEE MANAGEMENT (GUM)

The UCC Guarantee Management (GUM) project aims to assure the effective and efficient management of the different types of guarantees. The main objective is to ensure that the data of guarantees, which are used in more than one MS, are made electronically accessible to the MS where a customs declaration is lodged and accepted when such guarantee is used. This will require new interfaces between GUM and national systems. One advantage of the solution is that the traders can provide one guarantee that can be used across the Union. Moreover, the improved processing speed, traceability and monitoring of guarantees electronically between customs offices is expected to lead to a faster identification of cases where guarantees are deemed invalid or insufficient to cover the incurred or potential debt.

The system is comprised of two components. The first component is "GUM". GUM is a trans-European system that will cover the management of the comprehensive guarantees that may be used in more than one Member State. Transit is an exception to the above and is handled as part of the NCTS project.

At the moment of drafting this UCC annual report, the project initiation phase is still ongoing and the exact scope and implementation approach is taking form in the context of the approval of the business case document. Alternative ways of re-using a part of an existing system (such as the Customs Decisions System) and maintaining more processes decentralised at national level (in the National Guarantee Management systems) are considered, mostly due to the uncertainty of the real interest from trade for such kind of comprehensive guarantees. A new survey was launched which contributed to a decision in favour of a light IT implementation option instead of building a new self-standing trans-European system.

This decision may then also affect the second component of the project, which is the "National Guarantee Management" system. In addition to GUM, the electronic systems existing at the national level, which manage the valid guarantees in one Member State, are to be upgraded.

3.4.1 Summary of Responses

This project is still in the early stages of development with a decision on the implementation option just finalised. Based on the decision, a legislative change and project re-scoping and re-planning may be needed. Even if the business case and scope discussions are putting some risks of delay for the project, it should be considered that going for the use of existing IT systems rather than developing a new one will most likely bring benefits in terms of development time and might not necessarily impact the planned start of deployment. The planning aspect will need to be carefully examined and addressed in the coming years by the Commission and the Member States to keep this project on track.

GUM – Component 1

The European Commission sent the revised business case for external review to the Member States and trade associations on 21 April 2020. Following this review the business case was approved on 25/09/2020. The chosen option to use the Customs Decisions System might require less effort in the IT implementation but will on the other hand require a legislative change. This could potentially be a risk so it will become necessary to identify and initiate the required changes as early as possible.

National GUM – Component 2

National GUM – Component 2 refers to the development of Member States' National Guarantee Management systems, which will potentially link to GUM – Component 1, again depending on the solution chosen. This work can mainly be done in parallel with GUM – Component 1. There is a

project interdependency on the National Import System of each Member State, where they have multi-Member States' guarantees involved.

AT and BG view the project complexity as medium (ratings of 3 and 4 respectively) however, with a low risk level since the National GUM – Component 2 project is dependent on the decisions taken at the level of the Commission. The countries are waiting for the technical specifications to be provided by the Commission. AT identified that they will be using the SAFe-Framework for development.

EE identifies the project complexity as high (6) with a medium risk level, identifying a lack of resources as their main concern.

ES confirms the completion of their national guarantee management system, which went live on 01/09/2016. Future modifications to ensure the link to GUM – Component 1 are foreseen.

FI considers the project complexity as high (5) with a high risk level, commenting that it requires a large number of integrations. FI further reiterates the comments made in section 3.1.

FR indicates the project complexity as medium (4) with a high risk level, which could potentially affect their ability of achieving their planned dates for the Technical Specifications and Conformance Testing. Reasons for this delay are due to dependencies on their legal department and new resources that are being recruited. FR also noted that an iterative development approach would most likely be used.

HR rates the project complexity as high (5) with a medium risk level, stating that there are limited dedicated human resources.

IE assesses the project complexity as high (5) but with a low risk level. Testing and refinement of the system functionality, business rules, etc. are ongoing. Work is also continuing on providing a platform to allow testing by traders and on change management functions including engagement with trade and customs officer training. Currently, they consider the project as delayed in comparison to the planning in the 2019 report, but the overall delivery is still expected within the deployment deadline. The causes of delay are due to the instability of the data in Annex B, new requirements for LVCs, the VAT directive, redeployment of resources to other projects and restrictions imposed by the COVID-19 pandemic. IE iterated that mitigation measures are considered if the project becomes delayed beyond the planned deployment date.

NL considers the project complexity as low (1) with a low level of risk. NL explains that an agile development approach will be used. This approach will start with describing a high-level design of the requirements (features) and IT solution, in the so-called 'Epic' format. The start date of the activity is still to be decided and is dependent on other priorities.

PT considers the project complexity as high (6) with a high level of risk, as this project is the implementation of a completely new national system. PT identifies a risk due to a lack of resources however confirms that an Agile development approach will be used in order to reduce the implementation timeframe.

SE determines the project complexity as medium (3) with a medium risk level. SE considers the project as delayed in comparison to the planning in the 2019 report, however, the overall delivery is still expected within the deployment deadline. There is an interface to the new national import declaration system and the deployment of this system is not yet stable. They are investigating the possibility to establish a temporary interface to their current import declaration system.

SI considers the project complexity as medium (4) with a high risk level. The main risk is due to the COVID-19 pandemic. The potential impact is unknown however, there could be an impact on the deployment date.

Figure 3-19 provides an overall summary of the survey responses received from the Member States regarding the status of GUM – Component 2.

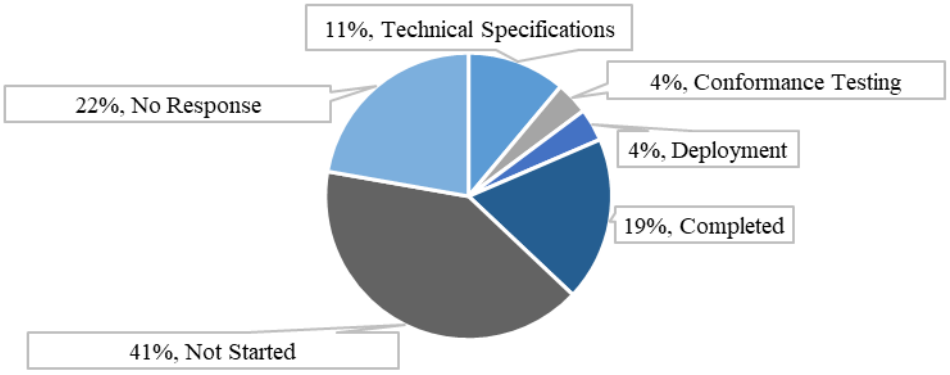

Figure 3-19: Summary of Survey Responses – GUM – Component 2

3.4.2 Overview of Project Progress

Table 15 and Table 16 highlight any known divergences in the planning compared to the dates set in the Work Programme.

Regarding **GUM** – Component 1, there is some delay in the initiation of the project due to the re-orientation and business case discussion, however, the overall delivery is still expected within the deployment deadline.

Project Name	Technical Specifications			Conformance Testing		Deployment		
	Target date from WP	Actual End Date	2020 % of Completion	Actual End Date	2020 % of Completion	Target date from WP	Actual Date	2020 % of Completion
UCC Guarantee Management (GUM) - Component 1	30/09/2022	01/08/2022	0%	29/05/2025	0%	02/06/2025	05/09/2023	0%

Table 15: Comparison of Planned and Actual Dates – GUM – Component 1

Regarding **National GUM** – Component 2, compared to last year's planning provided in their survey response, SE has postponed their deployment date by one quarter (01/10/2020 to 01/01/2021). The project is delayed in comparison to the planning in the 2019 report, but the overall delivery is still expected within the deployment deadline. There is an interface to the new national import declaration system and the deployment of this system is not yet stable. SE is investigating the possibility to establish a temporary interface to their current import declaration system.

Project Name	Respondee	Technical Specifications			Conformance Testing		Deployment		
		Target date from WP	2020 Planned/ Actual End Date	2020 % of Completion	2020 Planned/ Actual End Date	2020 % of Completion	Target date from WP	2020 Planned/ Actual Date	2020 % of Completion
UCC Guarantee Management (GUM) - Component 2	AT	30/09/2022	01/05/2023	0%	01/09/2024	0%	02/06/2025	01/09/2024	0%
	BE		Not Provided	Not Provided	Not Provided	Not Provided		Not Provided	Not Provided
	BG		28/02/2018	100%	01/12/2018	100%		07/01/2019	100%
	CY		01/02/2023	0%	01/09/2024	0%		02/10/2024	0%
	CZ		01/10/2022	Not Provided	31/05/2023	Not Provided		01/06/2023	Not Provided
	DE		Not Provided	0%	Not Provided	0%		Not Provided	0%
	DK		Not Provided	Not Provided	01/05/2025	Not Provided		01/05/2025	Not Provided
	EE		01/12/2020	100%	01/09/2021	0%		01/10/2021	0%
	ES		30/06/2016	100%	01/07/2016	100%		01/09/2016	100%
	FI		31/12/2021	0%	30/06/2025	0%		02/06/2025	0%
	FR		Not Provided	10%	Not Provided	0%		Not Provided	0%
	GR		31/12/2024	0%	Not Provided	0%		31/03/2025	0%
	HR		Not Provided	0%	Not Provided	0%		Not Provided	0%
	HU		30/11/2024	Not Provided	01/05/2025	Not Provided		01/06/2025	Not Provided
	IE		04/10/2019	100%	30/10/2020	100%		02/11/2020	100%
	IT		15/09/2019	5%	15/12/2020	0%		15/12/2020	0%
	LT		01/11/2020	50%	10/12/2020	0%		01/02/2021	0%
	LU		Not Provided	Not Provided	01/01/2025	Not Provided		01/01/2025	Not Provided
	LV		N/A	N/A	N/A	N/A		03/06/2018	100%
	MT		31/01/2022	Not Provided	15/12/2022	Not Provided		31/03/2023	Not Provided
	NL		Not Provided	0%	Not Provided	0%		Not Provided	0%
	PL		31/12/2021	0%	30/09/2025	0%		31/12/2023	0%
	PT		15/01/2022	0%	15/11/2022	0%		31/12/2022	0%
	RO		30/06/2024	0%	31/03/2025	0%		01/06/2025	0%
	SE		N/A	N/A	Not Provided	N/A		01/01/2021	0%
	SI		01/01/2022	0%	20/05/2025	0%		01/06/2025	0%
	SK		01/09/2023	0%	01/06/2025	0%		01/06/2025	0%

Table 16: Comparison of Planned and Actual Dates – GUM – Component 2

3.4.3 Analysis of Progress against Milestones

Figure 3-20 summarises the status per milestone (technical specifications, conformance testing and deployment) for the National GUM – Component 2. The sum of each bar is 27 (responses from the 27 Member States).

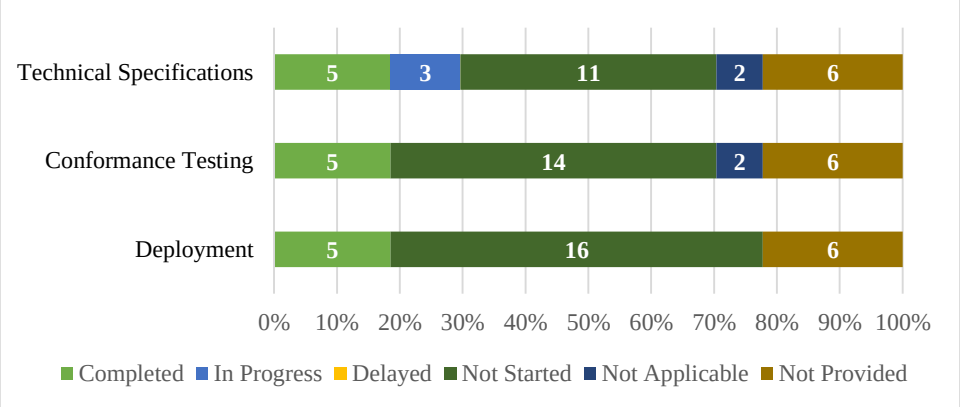

Figure 3-20: Summary of Responses per Milestone – GUM – Component 2

Regarding National GUM - Component 2, the following Member States have not yet started: AT, CY, DE, FI, GR, HR, NL, PT, RO, SI and SK.

The following Member States did not provide information: BE, CZ, DK, HU, LU and MT.

LV updated their National Guarantee System together with their National Import System on 03/06/2018[12]. Also BG, IE and ES have implemented a national GUM system.

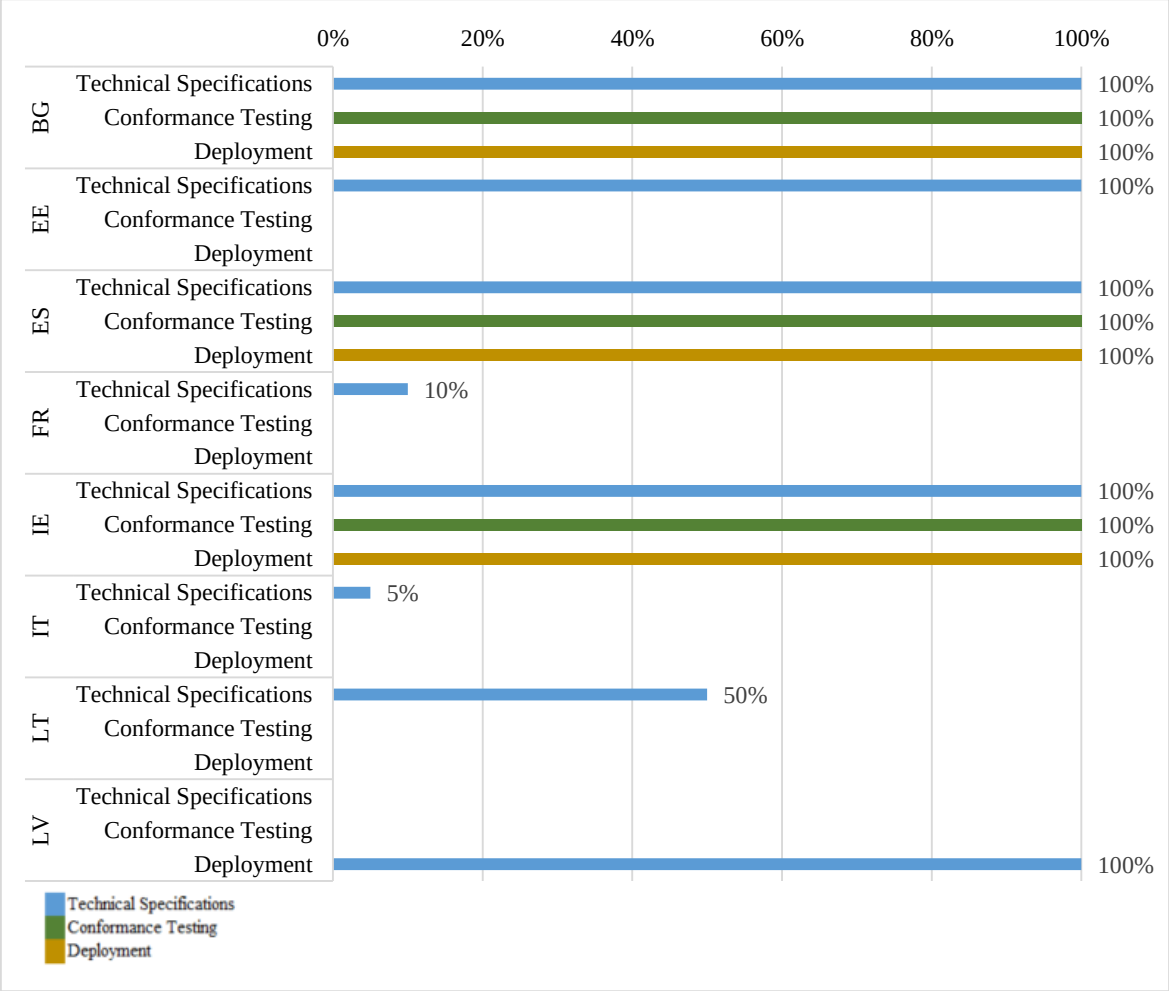

Figure 3-21: Percentage of Completion per Phase – GUM – Component 2

3.5 UCC IMPORT CONTROL SYSTEM 2 (ICS2)

The goal of the UCC Import Control System 2 (ICS2) programme is to strengthen the safety and security of the supply chain for goods moved via all modes of transport. The aim is to do so through better targeted risk based controls of EU customs authorities based on improved Entry Summary Declaration (ENS) data quality, data filing, data availability and data sharing and through real-time collaborative risk analysis and co-ordinated safety and security controls at the EU entry points. The main purpose of the system is to implement the new requirements resulting from the UCC and strategic objectives endorsed by the Member States in the Risk management strategy and action plan of 2014.

This multi-annual programme will lead to a complete new architecture of the existing ICS trans-European system. In terms of planning, the programme will be implemented in three releases. Release 1 will cover the obligation on the relevant economic operators (postal operators and express carriers in air transport) to provide the minimum data i.e. ENS pre-loading dataset. Release 2 will cover the

[12] LV marked the Technical Specification and Conformance Testing milestones as N/A. Therefore, they are not visible in Figure 3-21.

implementation of new ENS obligations and related business and risk management processes for all the goods in air traffic. Release 2 is planned to cover also Safety and Security analytics capabilities, subject to the policy endorsement by the Member States scheduled for December 2020. Release 3 will cover the same implementation as Release 2 but for all goods in maritime and inland waterways, road and rail traffic (this also includes goods in postal consignments transported in these means of transport).

3.5.1 Summary of Responses

The Commission centrally develops common components (Shared Trader Interface and Common Repository) and the common functional system and technical specifications. The baseline functional and technical specifications for all three releases were completed on 30/06/2018.

As regards implementation of the ICS2 programme, the Commission continued with ICS2 trans-European coordination activities throughout the year 2020. Work focused on ICS2 Release 1 implementation with a view of facilitating operational preparedness by Member States customs authorities, express carriers and EU postal operators as from 15 March 2021.

The Commission provided support to the national administrations and economic operators in their development activities via a set of activities which continued in the year 2020 and include:

- Creation of a dedicated forum and organisation of dedicated webinars, support via frequently asked questions and organisation of regular ICS2 trans-European coordination plenary meetings with participation of all Member States customs national ICS2 project management and risk management representatives, individual economic operators, trade associations and international organisations;
- Close and continuous monitoring, planning of national and trade project plans to ensure their alignment with the Commission's central planning across relevant IT delivery milestones (conformance testing campaigns, end-to-end testing, dry run testing). This consisted of continuous support to coordination of conformance test activities and stimulating national administrations and economic operaotrs to co-ordinate their individual projects;
- Preparation for the launch of communication campaigns, with different activities implemented in the year 2020 and throughout the ICS2 programme implementation, including creation of ICS2 programme specific content on DG TAXUD webpage;
- Preparation of the training material that will be based on the compendium of ICS2 Release 1 common operational guidance.

The Commission and the Member States categorise the complexity of ICS2 – Release 1 as high (6), mainly due to the very high required availability and real-time business and risk analysis processes that affects the infrastructure requirements. Furthermore, the Commission underlined the dependencies on other systems[13], as well as the fact that conformance testing with economic operators systems is required. A number of Member States reported to have some issues on the national implementation side, in particular in view of the tight conformance testing framework.

Taking into account that the Member States reported certain risks for timely implementation of ICS2 Release 1 of their national components, the Commission will continue to closely monitor overall progress of the project implementation on the side of the MS for release 1 based on the below results and tables and the additional info available on COM side. The Commission classifies the risk level as medium, reporting that on-time delivery is probable.

[13] UUM&DS, CCN2, TAPAS, CRS and TARIC3

ICS2 – Release 1

AT considers the project complexity as medium (3) highlighting the high level of risk regarding the functional interaction and tight timeline between relevant projects. In addition to this, concerns with the ongoing COVID-19 pandemic were highlighted. AT mentioned that there is a risk that all milestones could be impacted. Currently work is ongoing on the national user requirements, technical specifications, conformance testing, user tests, training and deployment preparation.

BG indicates the project complexity as high (5) however with a low risk level. BG explains that it is necessary to upgrade their national import system, national risk analysis system and the national part of CCN in conjunction. BG has decided to use an agile/iterative approach for development. They have chosen to apply an adapted and combined implementation of two methodology frameworks – Adaptive Development Methodology (ADM) and Rational Unified Process (RUP). ADM is for the implementation and maintenance of the overall architecture while RUP is used to manage the software lifecycle of the software solution. According to RUP, the inception phase was completed and they should be in the transition phase by the end of 2020.

CY notes the project complexity as high (6) yet with a low risk level. The reasons given for the high complexity rating being insufficient resources and the development of other projects in parallel. CY also indicates that the system will be ready by the end of June 2020 and that end-to-end testing is planned for Q4 2020.

CZ considers the project complexity as high (6) with a medium level of risk. The main risk to their planning is the COVID-19 pandemic. However, they are currently in the development phase as per their national project plan. They reported that their national system for ICS2 – Release 1 will be available in a national test environment no later than September 2020. From October 2020, they will conduct conformance testing with the European Commission.

ES identifies the project complexity as high (6) with a medium risk level. ES noted that the complexity is due to the integration of multiple nodes and the fact that not all components are fully defined, such as the risk analysis process. ES further explained that the dates of conformance testing may be impacted if not all components are ready on time (UUM&DS, CCN2, etc.). ES are using an Agile development methodology and they are currently preparing the message interface for conformance testing.

FI indicated the project complexity as high (6) with a high risk level for all ICS2 releases. FI noted that deployment, including the presentation of goods, is completed and that testing is about to start. FI further reiterates the comments made in section 3.1.

GR indicated a high complexity level (6) and a high risk level. GR indicated that the project is currently delayed compared to the planning in the 2019 report, however the overall delivery is still expected within the deployment deadline set in the UCC Work Programme. GR is facing procurement delays.

HR highlighted the project complexity as high (6) with a high risk level for all ICS2 releases. There are many interdependencies among supporting systems. The main risks are completing the tests on time, the COVID-19 pandemic and a limited number of human resources.

IT considers the project complexity as high (5) with a low risk level. IT explained that an iterative approach is used and periodical releases have been planned. IT highlights a risk that the COVID-19 pandemic could cause a delay in Release 1, which could then affect Releases 2 and 3.

LV noted the project complexity as high (6) yet with a low risk level. LV is employing an iterative development approach and will divide Release 1 into three phases. The first phase, which includes the new IT architecture, the general database, two mock-up web services and the starter GUI, was delivered. The second phase, which includes a functional GUI, underlying business processes and functional web services, is currently under development.

LT considers the project complexity as high (5) with a medium risk level. LT highlighted a risk regarding a tight conformance testing timeframe. LT is using an iterative development approach.

NL rated the ICS2 project complexity as high (5) with a medium risk level. The complexity is due to the transnational (common) specifications of ICS2 (e.g. message structures, process flows) being quite complex. Furthermore, each Member State is required to define their national requirements together with many user groups (e.g. policy makers, risk analysts, control officers) and outside of their organisation (e.g. the postal operator). NL foresees a risk to the conformance testing because almost all stakeholders, including several development teams, are simultaneously required to run the tests and solve the test findings. This will require extensive communication and collaboration. Lastly, this project has a fixed deadline of 15 March 2021 and solving the test findings may require more time. NL expects to be solving potential conformance testing findings by October 2020 and to be ready for the end-to-end testing in November 2020.

RO noted the project complexity as high (6) with a high risk level indicating that the deployment date is at risk to be delayed beyond the deadline in the UCC Work Programme. The reasons RO mentioned were due to the lack of personnel, their organisational structure and ongoing activities related to the procurement of a contractor. RO is taking actions to reduce the delay as much as possible. Furthermore, considering the COVID-19 pandemic, RO has requested the European Commission to consider delaying the deployment date.

SI rated the project complexity as high (6) with a high risk level. SI is facing delays with an external contractor in addition to constraints caused by the COVID-19 pandemic. Despite this, development and conformance testing are ongoing.

Figure 3-22 provides an overall summary of the survey responses received from the Member States and the Commission[14] regarding the status of each ICS2 release.

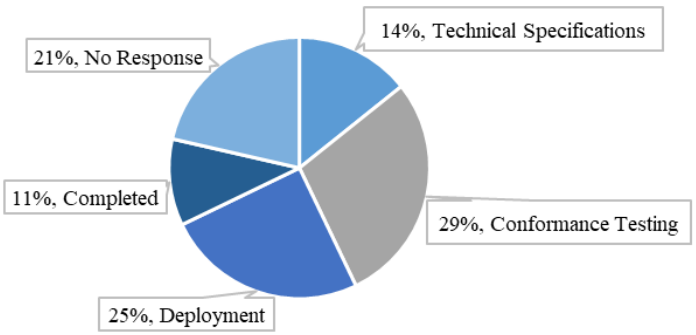

Figure 3-22: Summary of Survey Responses – ICS2 – Release 1

ICS2 – Release 2

AT considers the project complexity as medium (3) with a low risk level. AT has started working on the technical specifications.

BG rated the project complexity as medium (4) with a low risk level. BG is analysing the functional and technical specifications provided by the European Commission, which will be further enhanced with national requirements.

[14] The figure related to Conformance Testing includes the work from the Commission in regards to the preparation of the CT environment and coordination for Member States.

CY states the same reasons for the high project complexity rating (6) yet low risk level as for Release 1. CY also noted that a phased approach will be taken and the date of operations has been reassessed to ensure it will not coincide with other core projects.

CZ considers the project complexity as medium (4) with a medium risk level. CZ finds the application complex and has indicated that it requires a large amount of financial resources. CZ highlighted a risk that the national project plan may have to be updated due to the COVID-19 pandemic and delays it is causing. The changes will depend on the evolution of the situation. CZ is waiting for the European Commission to provide the technical and functional specifications.

DE did not provide a complexity assessment however indicated that the project had a low risk level. DE mentions that ICS2 – Release 2 will be implemented in the major release of their national IT-System ATLAS (Releases 10.1) for which the preparatory activities have not yet started. The expected deployment date is Q1 2023.

ES rated the project complexity as high (6) with a medium risk level. ES indicated that they believe Release 2 will be more complex than Release 1. ES plans to start Release 2 after Release 1 is in production on March 2021.

FI indicated the project complexity as high (6) with a high risk level. FI has not yet started work on Release 2 however explained that multi-filing will be demanding and that the size of the risk analysis request messages will increase drastically. This will be a challenge for the national risk analysis system. FI further reiterates the comments made in section 3.1.

HR noted the project complexity as high (6) with a high risk level as they do not currently have national planning dates for Releases 2 and 3.

LV considers the project complexity to be high (5) with a high risk level. LV explained that there is currently no budget allocated to support the development of ICS2 – Releases 2 & 3. LV did note though, that ICS2 – Release 2 would use the database and GUI that were already deployed in the conformance environment for ICS2 – Release 1.

LT considers the project complexity as high (5) with a low risk level. LT is using an iterative development approach and has started working on the technical specifications.

NL reiterates the same reasons for the high project complexity (6) and high risk ratings and explains that work has not yet started on Releases 2 & 3.

Figure 3-23 provides an overall summary of the survey responses received from the Member States and the Commission[15] regarding the status of each ICS2 release.

[15] The figure related to Conformance Testing includes the work from the Commission in regards to the preparation of the CT environment and coordination for Member States.

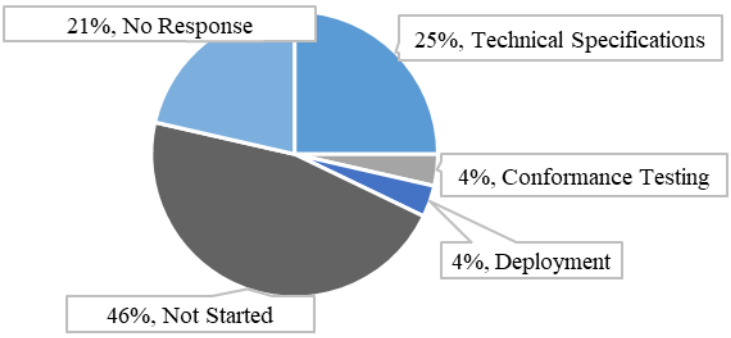

Figure 3-23: Summary of Survey Responses – ICS2 – Release 2

ICS2 – Release 3

The comments for the following Member States are the same as for ICS2 – Release 2: CY, CZ and HR.

DE did not provide a complexity assessment however indicated that the project had a low risk level. DE mentions that ICS2 – Release 2 will be implemented in the major release of their national IT-System ATLAS (Releases 10.2) for which the preparatory activities have not yet started.

LT considers the project complexity as high (5) with a low risk level. LT is using an iterative development approach and has started working on the functional requirements.

Figure 3-24 provides an overall summary of the survey responses received from the Member States and the Commission[16] regarding the status of each ICS2 release.

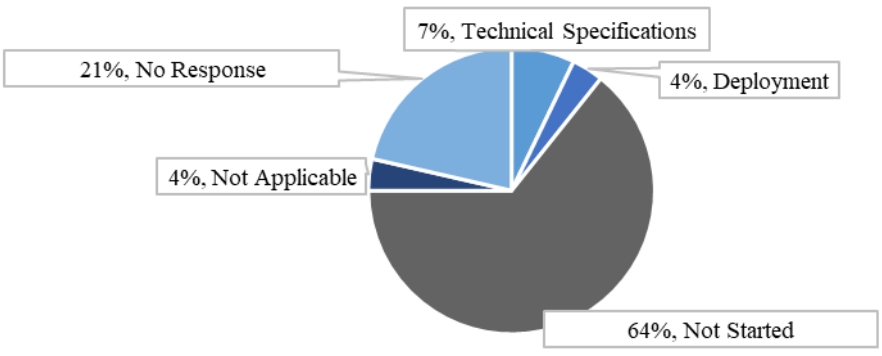

Figure 3-24: Summary of Survey Responses – ICS2 – Release 3

[16] The figure related to Conformance Testing includes the work from the Commission in regards to the preparation of the CT environment and coordination for Member States.

3.5.2 Overview of Project Progress

Table 17, Table 18 and Table 19 indicate the percentage of completion as of the end of 2020 in comparison to the target dates set forth in the UCC Work Programme.

The target date set for the technical specifications is in reference to the common technical specifications. Member States have reported the percentage of completion regarding their own national technical specifications, which are to be prepared incrementally for the three releases. The Commission will perform adjustments to the specifications for Releases 2 and 3 as per the MASP-C.

The planned completion dates for the Conformance Testing are included for Release 1 based on the national plans submitted by the Member States at the end of July 2020.

Project Name	Respondee	Technical Specifications		Conformance Testing		Deployment	
		Target date from WP	2020 % of Completion	2020 Planned/ Actual End Date	2020 % of Completion	Target date from WP	2020 % of Completion
UCC Import Control System 2 (ICS2) - Release 1	European Commission	30/06/2018	100%	01/06/2020	100%	15/03/2021	80%
	AT		100%	18/12/2020	50%		80%
	BE		Not Provided	22/10/2020	Not Provided		Not Provided
	BG		100%	04/12/2020	45%		10%
	CY		100%	30/07/2020	100%		100%
	CZ		100%	26/11/2020	70%		90%
	DE		75%	19/11/2020	100%		90%
	DK		Not Provided	31/03/2021	Not Provided		Not Provided
	EE		100%	09/10/2020	100%		75%
	ES		100%	04/09/2020	100%		75%
	FI		100%	04/12/2020	40%		95%
	FR		100%	27/08/2020	100%		100%
	GR		100%	28/01/2021	0%		0%
	HR		100%	29/10/2020	100%		90%
	HU		Not Provided	12/02/2021	Not Provided		Not Provided
	IE		Not Provided	24/09/2020	Not Provided		Not Provided
	IT		100%	15/01/2021	70%		100%
	LT		100%	14/01/2021	80%		80%
	LU		Not Provided	10/12/2020	Not Provided		Not Provided
	LV		100%	13/11/2020	50%		85%
	MT		Not Provided	26/02/2021	Not Provided		Not Provided
	NL		100%	16/10/2020	100%		0%
	PL		100%	30/10/2020	100%		0%
	PT		80%	21/01/2021	80%		50%
	RO		100%	28/01/2021	0%		0%
	SE		75%	20/11/2020	0%		0%
	SI		100%	21/01/2021	100%		0%
	SK		80%	19/02/2021	80%		80%

Table 17: Comparison of Planned and Actual Dates – ICS2 – Release 1

Project Name	Respondee	Technical Specifications		Conformance Testing		Deployment	
		Target date from WP	2020 % of Completion	Target date from WP	2020 % of Completion	Target date from WP	2020 % of Completion
UCC Import Control System 2 (ICS2) - Release 2	European Commission	30/06/2018	100%	N/A	0%	01/03/2023	0%
	AT		30%		0%		0%
	BE		Not Provided		Not Provided		Not Provided
	BG		0%		0%		0%
	CY		0%		0%		0%
	CZ		0%		0%		0%
	DE		0%		0%		0%
	DK		Not Provided		Not Provided		Not Provided
	EE		0%		0%		0%
	ES		100%		0%		0%
	FI		50%		0%		0%
	FR		50%		0%		0%
	GR		0%		0%		0%
	HR		0%		0%		0%
	HU		Not Provided		Not Provided		Not Provided
	IE		0%		0%		0%
	IT		0%		0%		0%
	LT		30%		0%		0%
	LU		Not Provided		Not Provided		Not Provided
	LV		50%		33%		33%
	MT		Not Provided		Not Provided		Not Provided
	NL		0%		0%		0%
	PL		0%		0%		0%
	PT		0%		0%		0%
	RO		50%		0%		0%
	SE		0%		0%		0%
	SI		50%		0%		0%
	SK		0%		0%		0%

Table 18: Comparison of Planned and Actual Dates – ICS2 – Release 2

Project Name	Respondee	Technical Specifications		Conformance Testing		Deployment	
		Target date from WP	2020 % of Completion	Target date from WP	2020 % of Completion	Target date from WP	2020 % of Completion
UCC Import Control System 2 (ICS2) - Release 3	European Commission	30/06/2018	100%	N/A	0%	01/03/2024	0%
	AT		N/A		N/A		N/A
	BE		Not Provided		Not Provided		Not Provided
	BG		0%		0%		0%
	CY		0%		0%		0%
	CZ		0%		0%		0%
	DE		0%		0%		0%
	DK		Not Provided		Not Provided		Not Provided
	EE		0%		0%		0%
	ES		0%		0%		0%
	FI		0%		0%		0%
	FR		Not Provided		Not Provided		Not Provided
	GR		0%		0%		0%
	HR		0%		0%		0%
	HU		Not Provided		Not Provided		Not Provided
	IE		0%		0%		0%
	IT		0%		0%		0%
	LT		10%		0%		0%
	LU		Not Provided		Not Provided		Not Provided
	LV		50%		33%		33%
	MT		Not Provided		Not Provided		Not Provided
	NL		0%		0%		0%
	PL		0%		0%		0%
	PT		0%		0%		0%
	RO		0%		0%		0%
	SE		0%		0%		0%
	SI		0%		0%		0%
	SK		0%		0%		0%

Table 19: Comparison of Planned and Actual Dates – ICS2 – Release 3

3.5.3 Analysis of Progress against Milestones

Figure 3-25, Figure 3-26 and Figure 3-27 summarise the status per milestone (technical specifications, conformance testing and deployment). The sum of each bar is 28 (responses from the 27 Member States plus the European Commission).

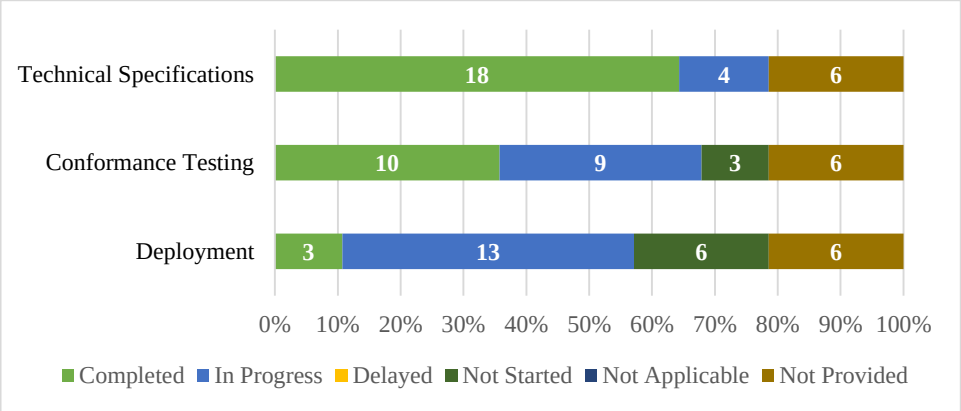

Figure 3-25: Summary of Responses per Milestone – ICS2 – Release 1

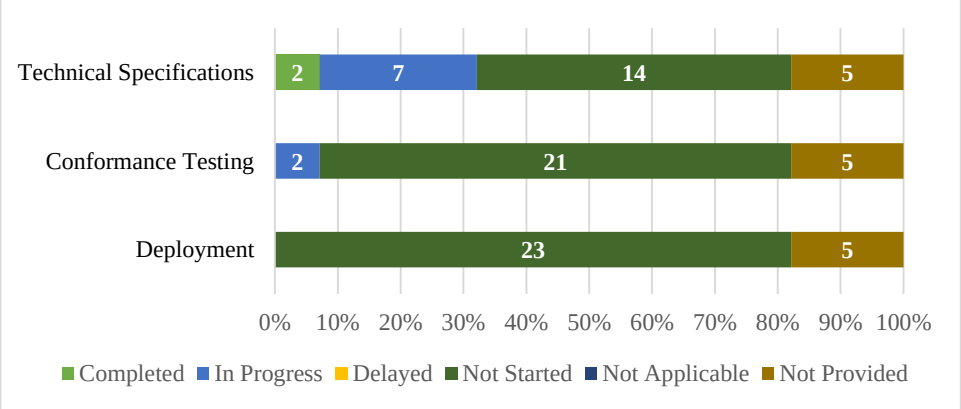

Figure 3-26: Summary of Responses per Milestone – ICS2 – Release 2

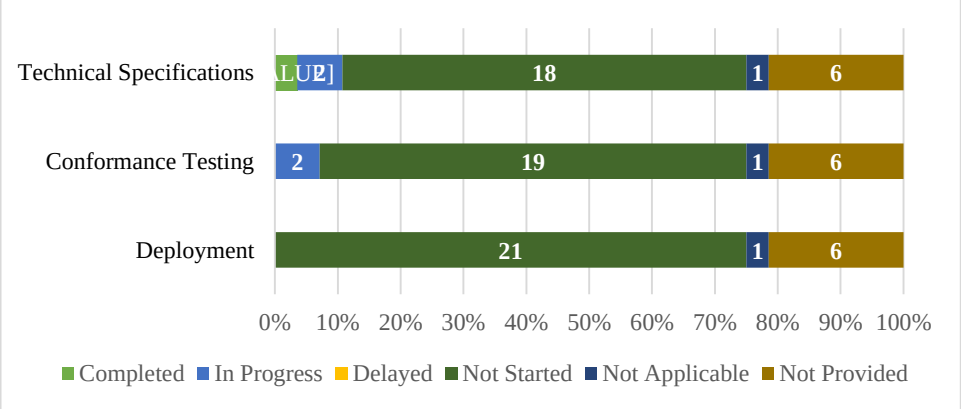

Figure 3-27: Summary of Responses per Milestone – ICS2 – Release 3

Regarding **ICS2 - Release 1**, all Member States have started their technical specifications. BE, DK, HU, IE, LU and MT did not provide information. See fig 3-28 below:

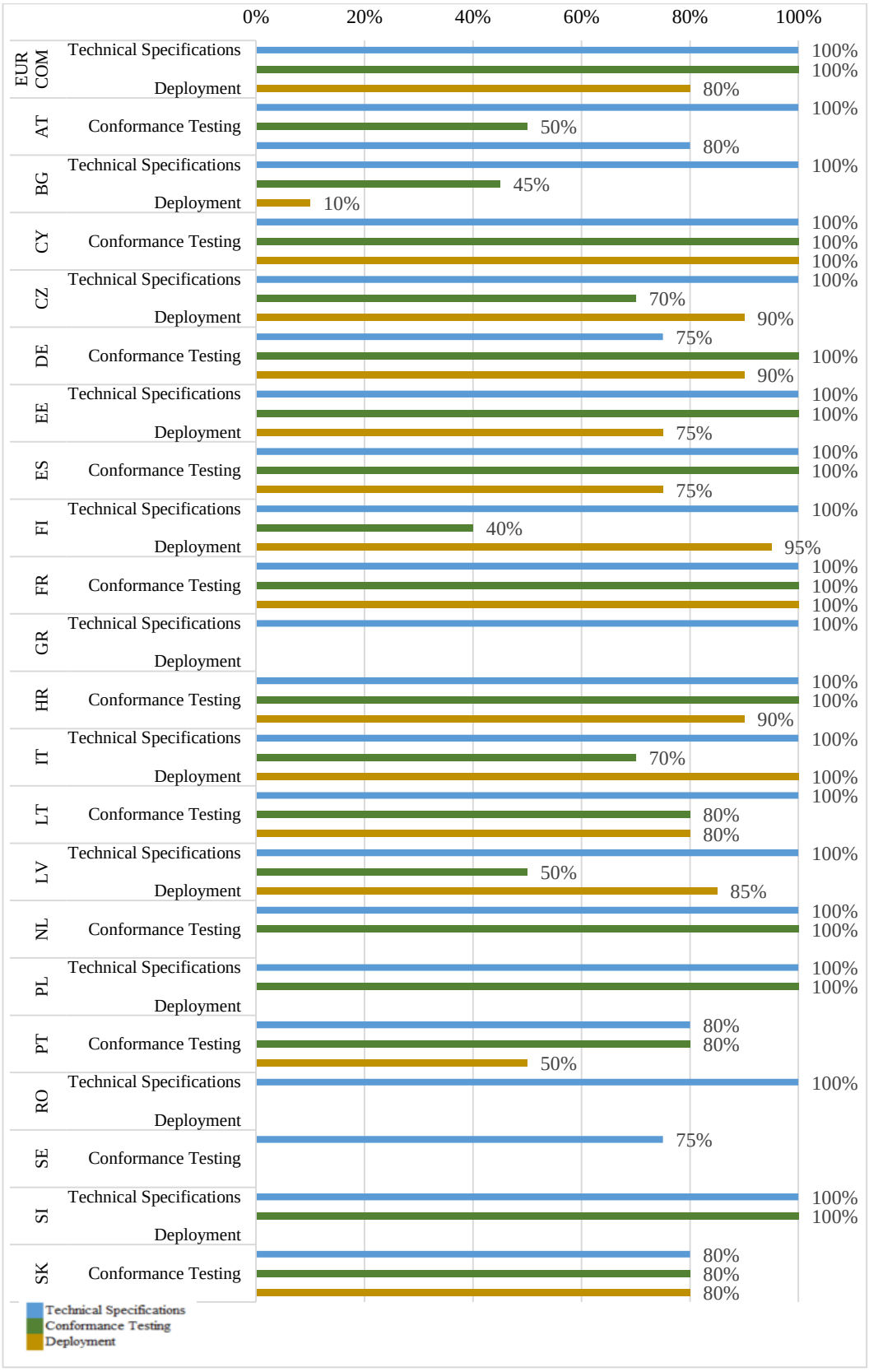

Figure 3-28: Percentage of Completion per Phase – ICS2 – Release 1

Regarding **ICS2 - Release 2**, the only Member States which have started their technical specifications are AT, ES, FI, FR, LT, LV, RO and SI. BE, DK, HU, LU, and MT did not provide information.

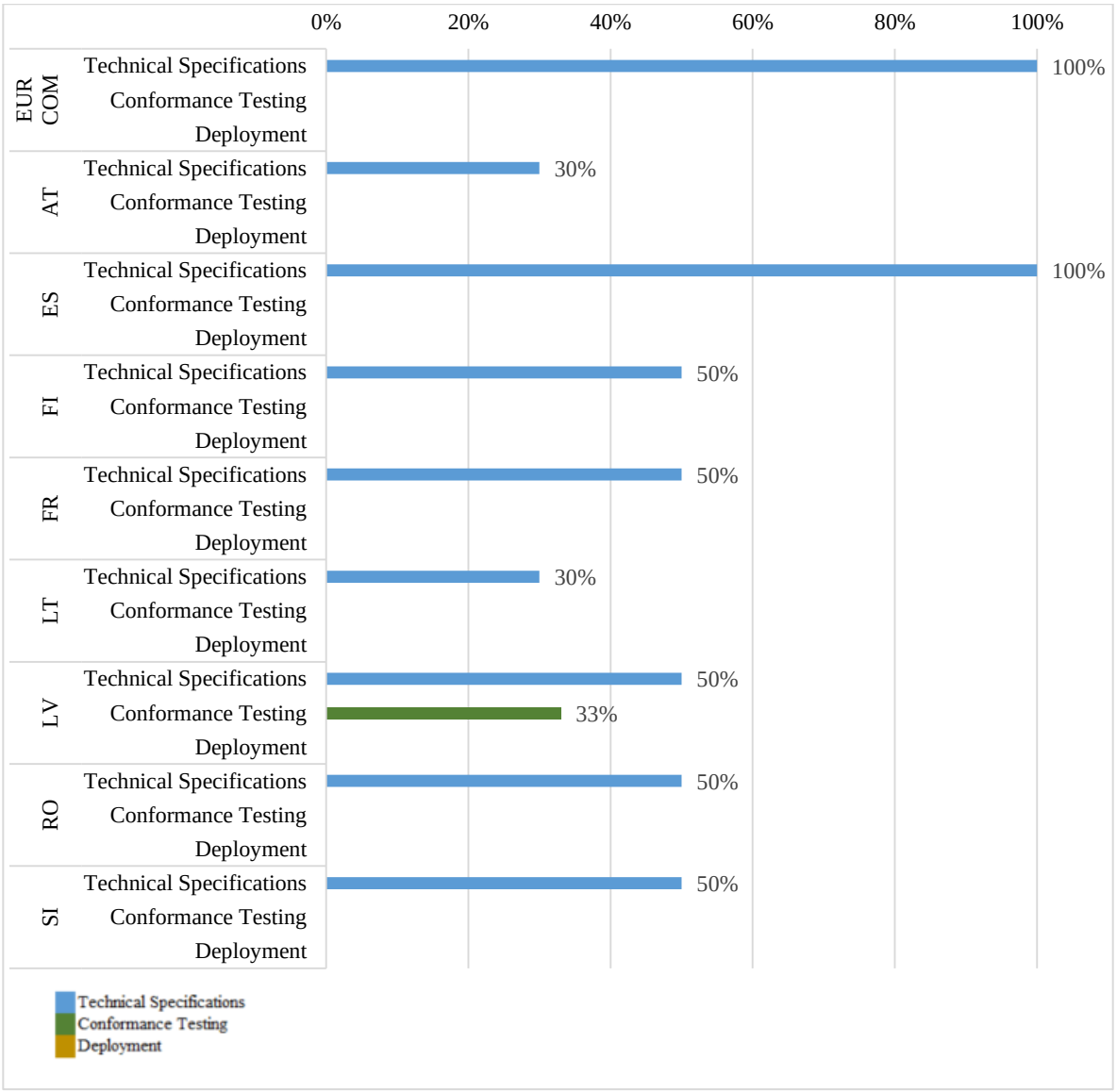

Figure 3-29: Percentage of Completion per Phase – ICS2 – Release 2

Regarding **ICS2 - Release 3**, the only Member States, which have started their technical specifications, are LT and LV. AT marked the release as N/A and BE, DK, FR, HU, LU and MT did not provide information.

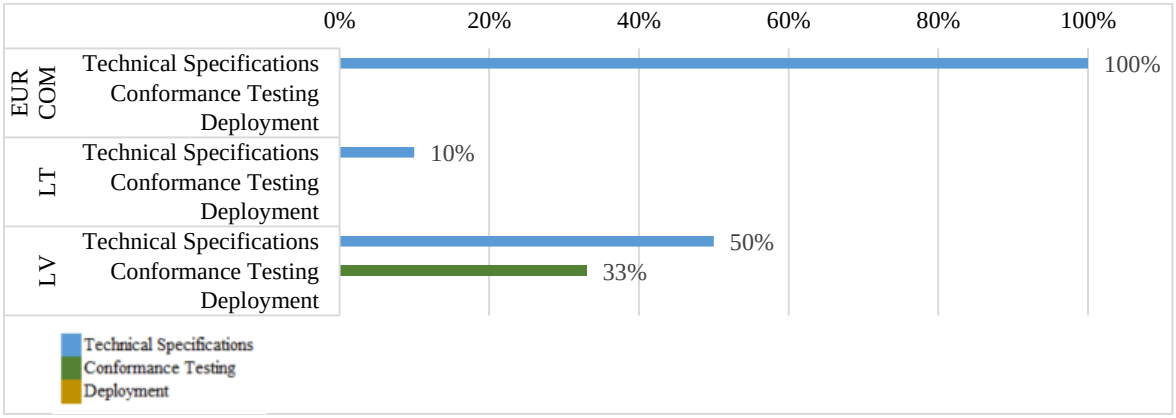

Figure 3-30: Percentage of Completion per Phase – ICS2 – Release 3

3.6 UCC PROOF OF UNION STATUS (POUS)

PoUS is a new trans-European system, which is designed to allow storage, management and retrieval of certain types of documents (e.g. T2L, T2L/F, customs goods manifest) that traders provide to prove the Union status of their goods. The system will improve the uniformity of the procedures across the European Union and contribute to the establishment of a more consistent, harmonised and thus simplified process related to customs clearance for Union goods.

A system will be created that will include a Central Repository for the storage and exchange between Customs Authorities across all Member States of data and documents dealing with proof of Union status.

The project is split into two phases:

- Implementing the electronic T2L (F) document with all the necessary functionalities (planned deployment 01/03/2024);
- Implementing the electronic Customs Goods Manifest (CGM), including the information exchange with the European Maritime Single Window environment (planned deployment 02/06/2025).

3.6.1 Summary of Responses

The Commission reported that the business process models and the package of functional specifications were approved by the Member States in quarter 1 of 2020. In addition, the vision document was completed in Q3 2020. An agile development approach is in place to be used for the project. The project is progressing according to the planning set by the UCC Work Programme.

Member States will have the option of using the central PoUS system or developing their own national application. From the 2019 survey results, several Member States conveyed their intention to use the system developed by the European Commission: BG, DE, EE, ES, FI, LT, LV, RO, SE and SI. DK expressed the view that Member States opting to use the Commission system will be subject to the delivery dates indicated in the Work Programme. In terms of the overall project status, PT thought it might be necessary to develop national technical specifications for the purpose of communications with economic operators.

Those Member States opting to develop national versions of PoUS identified risks for compliance with the timeline and the predicted milestones. The process of awarding the tender is still in progress for CY, while CZ reported that the business documentation was recently completed and the technical documentation is still being finalised. CY views the risk as low and the project complexity as high (6). CZ marks both project complexity (3) and the risk level as medium. During a follow-up communication, CZ, along with other Member States, indicated that they would follow the latest deadlines provided by the Work Programme, yet revealed that they had not yet appointed a National Project Manager. IE expressed the same willingness to readjust national planning deadlines to comply with the timeline. SK voiced a concern regarding the sufficiency and expertise of its human resources, identifying the project as medium risk with a medium complexity (3). It does not yet foresee any mitigating actions, as its impact analysis is still ongoing.

3.6.2 Overview of Project Progress

Taking into account the new developments during the second half of 2019 in regards to the implementation approach for the PoUS project, it is not possible to report any firm divergences in planning compared to the dates set in the Work Programme. In the final version of the UCC Work Programme, a two-phased approach was agreed in order to allow the customs goods manifest implementation to be linked to the European Maritime Single Window implementation. At the time of writing the report, National Planning information has not yet been collected per phase of the project.

3.7 UCC CENTRALISED CLEARANCE FOR IMPORT (CCI)

The UCC Centralised Clearance for Import (CCI) project aims to allow for goods to be placed under a customs procedure using centralised clearance, enabling economic operators to centralise their business from a customs point of view. The processing of the customs declaration and the physical release of the goods will be coordinated between the related customs offices.

The implementation of the concept of Centralised Clearance for Import (CCI) by a new trans-European System will strengthen the trade facilitation by enabling economic operators with the "centralisation" of their business related to import and the reduction of the interactions with customs by using the customs office of supervision as the main contact partner. In addition, the new CCI system will introduce harmonisation and standardisation of processes and electronic exchange of information across the Union for centralised clearance at import. It is also expected to reduce the administrative burden for the customs administration with automated processes and to allow tax authorities to have better supervision and control on the collection of import VAT.

In terms of the planning approach, as a trans-European system, the project contains components developed centrally and nationally. The project will be implemented in two phases.

Phase 1 will cover the combination of centralised clearance with standard customs declarations and with simplified customs declarations and related supplementary declarations (which regularise simplified customs declarations). In addition, this phase will cover the placing of goods under the following customs procedures: release for free circulation, customs warehousing, inward processing and end-use. In regards to the types of goods involved, this phase will cover all types of goods with the exception of excise goods and goods subject to common agricultural policy measures. The functional specifications for CCI Phase 1 were completed and approved in Q4 2018. The technical specifications were completed in Q3 and planned to be approved in Q4 2020. The project is progressing according to the planning set by the UCC Work Programme. So-called "forerunner" Member States have been identified to work closely with the Commission for the development activities and with a view to start operations at the start of the deployment window planned for the project in the UCC Work Programme.

Phase 2 will cover everything that is not covered by Phase 1, namely:

- The combination of centralised clearance with customs declarations through an entry in the declarant's records and related supplementary declarations;
- Supplementary declarations regularising more than one simplified customs declaration;
- The placing of goods under the temporary admission procedure and excise goods;
- Goods subject to common agricultural policy measures;
- Goods in the context of trade with special fiscal territories;
- The communication of supporting/additional documents between the related customs offices.

The Business Case document for Phase 2 was completed and approved during Q3 2019. The package of L4 BPMs and functional specifications was created and approved by Member States and Trade Contact Group in August 2020. The next steps on Phase 2 will be the activities related to the design of the IT system and the Technical System Specifications. The work for the elaboration of the Vision Document and Architecture Overview has been launched in view to be completed by Q4 2020.

3.7.1 Summary of Responses

The Commission finds both project phases low risk, however highly complex (6).

CCI is the first trans-European system using the new network architecture, CCN2ng. Other projects supporting conformance testing activities need to be aligned with the new architecture and approach. Currently, all Phase 1 activities are synchronised and managed between the various responsible project teams. At the time of writing this report the Technical System Specifications for CCI Phase 1 are in the final stage of external review and approval by the Member States and Trade Contact Group.

BE considers the project complexity to be medium (4) with a low risk level. BE indicates that the implementation period for Phase 1 of the project is tight considering the number of IT systems which need to be implemented in the same timeframe. It was also noted that the procedures to be implemented in Phase 2 are more complex than the ones in Phase 1.

BG noted the project complexity as high (6) with a low risk level. BG reports that Phase 1 has been implemented at the national level as part of its national import system, while for Phase 2 the planning has not yet started. Therefore, BG has assessed the complexity as high but the risk low.

CY identifies the project complexity as high (6) with a low risk level for both project phases. The high complexity is due to insufficient resources, dependencies with other systems and the development of other projects in parallel. Modifications have been made in the planning so that the date of operation does not coincide with other core projects. Additionally, a phased approach will be undertaken for both phases.

CZ judges the project complexity as medium (3) with a medium risk level. Regarding Phase 1, CZ finds it difficult to assess the complexity as the business documentation[17] was recently approved. CZ further reports that it participated in the Project Group (PG) for the preparation of the above documents, and is now waiting for next steps to be defined by the IT PG. This might lead to a delay in the deployment. Regarding Phase 2, CZ again faces difficulty in accurately assessing the complexity. Additional details will be received in future Customs Business Group (CBG) meetings. The risk CZ identifies for Phase 2 pertains to the business and IT documentation that is still not available and it states that this might interfere with their ability to meet the milestones.

DE did not provide a complexity assessment however indicated that the project had a low risk level. DE mentions that both phases will be implemented in the major release of their national IT-System ATLAS (Releases 10.2 and 10.3) for which the preparatory activities have not yet started. The expected deployment date is Q2 2024 for Phase 1 and Q2 2025 for Phase 2.

ES, FI, and HR identify the project as having a high complexity rating (6) and a high risk level as it pertains to a brand new trans-European system for import. FI further reiterates the comments made in section 3.1.

NL identifies the project complexity as high (5) with a medium risk level. It was mentioned that the development and testing could only be planned once the technical specifications are approved. Other Member States such as PT have indicated that they also use an Agile development approach to help reduce the implementation timeframe.

PT considers the project complexity as high (6) yet with a low risk level. PT finds that since this project will be developed and implemented within the National Import System, which is highly complex, the integration of CCI - Phase 2 will also be complex. The development of this system is linked to the development of all national, central and other Member States' systems, which increases the interdependencies and the complexity of the "global system".

SI noted the project complexity as high (6) with a medium risk level. The risks pertain to the COVID-19 pandemic and its impact to financial and human resources. In addition, SI mentioned that they are implementing a new import declaration system by the end of 2020 and that they would actively engage once completed.

SK rates the project complexity as medium (3) with a medium risk level and mentions that there may be delays caused by the lack of human and financial resources but these should not affect the key milestones. SK further mentions that an impact analysis is ongoing and therefore no mitigation measures are considered yet.

[17] CCI Phase 1 - Scope Document, UCC CCI for Import - Vision document and EU Customs Functional Requirements BPM Report for CCI

Figure 3-31 and Figure 3-32 provide an overall summary of the survey responses received from the Member States and the European Commission[18] regarding the status of their project activities.

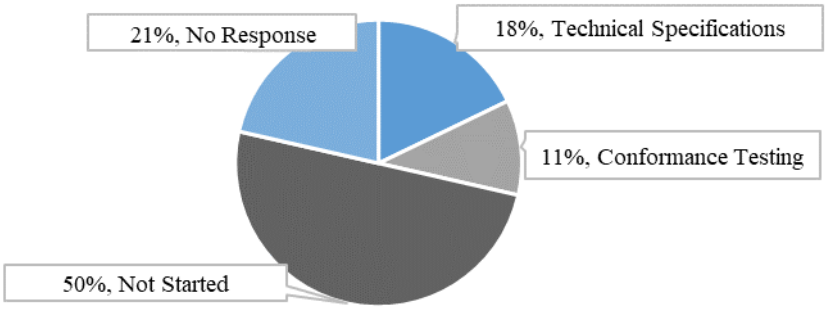

Figure 3-31: Summary of Survey Responses – CCI – Phase 1

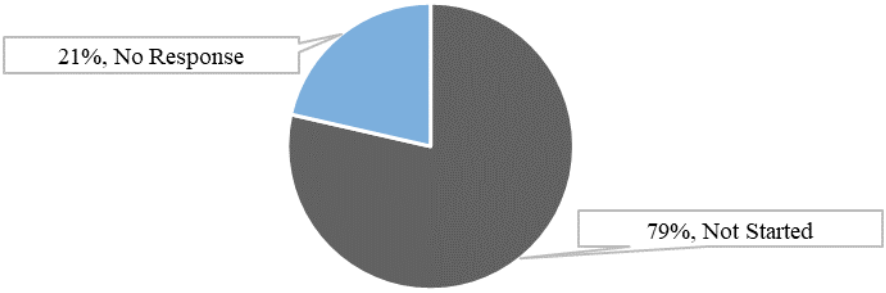

Figure 3-32: Summary of Survey Responses – CCI – Phase 2

3.7.2 Overview of Project Progress

Table 20 and Table 21 highlight any known divergences in the planning compared to the dates set in the Work Programme.

Regarding **CCI – Phase 1**, DE has a planned deployment date, which is later than the deadline in the UCC Work Programme. DE explained that this project will be implemented in the major release of their national IT-System ATLAS (Release 10.2), which has been postponed by one year. The preparatory activities have not yet started. The delay currently envisaged by DE is approximately 2 quarters.

In comparison to the planned end dates provided in the 2019 report, the following Member States postponed their deployment date by more than one quarter: DE, DK, FR and LV. However, except for DE, this planning adjustment does not entail an additional risk on the final deadline of deployment.

PL moved their deployment date earlier by more than one quarter.

[18] The figure related to Conformance Testing includes the work from the Commission in regards to the preparation of the CT environment and coordination for Member States.

The specific dates can be found in Table 20 below.

Project Name	Respondee	Technical Specifications			Conformance Testing		Deployment		
		Target date from WP	2020 Planned/ Actual End Date	2020 % of Completion	2020 Planned/ Actual End Date	2020 % of Completion	Target date from WP	2020 Planned/ Actual Date	2020 % of Completion
UCC Centralized Clearance for Import (CCI) - Phase 1	European Commission	30/09/2020	17/02/2020	100%	30/11/2023	0%	01/12/2023	01/03/2022	0%
	AT		01/02/2021	0%	01/06/2022	0%		01/06/2022	0%
	BE		01/01/2021	10%	31/08/2023	0%		09/01/2023	0%
	BG		15/12/2021	90%	29/09/2023	0%		27/11/2023	0%
	CY		01/10/2021	80%	01/06/2023	0%		01/09/2023	0%
	CZ		01/06/2022	0%	Not Provided	0%		01/06/2023	0%
	DE		30/06/2023	0%	31/03/2024	0%		30/06/2024	0%
	DK		01/01/2022	Not Provided	01/08/2023	Not Provided		01/08/2023	Not Provided
	EE		30/06/2022	0%	30/06/2024	0%		31/12/2022	0%
	ES		31/12/2020	100%	30/09/2022	0%		01/10/2022	0%
	FI		31/12/2022	0%	31/12/2022	0%		01/12/2023	0%
	FR		01/03/2021	Not Provided	Not Provided	Not Provided		30/09/2022	Not Provided
	GR		30/09/2021	0%	31/12/2022	0%		31/12/2022	0%
	HR		30/06/2022	0%	01/04/2023	0%		01/12/2023	0%
	HU		30/09/2020	Not Provided	01/11/2023	Not Provided		01/12/2023	Not Provided
	IE		30/09/2021	0%	30/10/2023	0%		31/10/2023	0%
	IT		01/10/2020	60%	30/09/2023	10%		01/03/2022	0%
	LT		31/12/2021	0%	30/09/2023	0%		01/12/2023	0%
	LU		Not Provided	Not Provided	01/04/2023	Not Provided		01/04/2023	Not Provided
	LV		01/10/2022	0%	08/09/2023	0%		10/09/2023	0%
	MT		01/01/2021	Not Provided	31/05/2022	Not Provided		01/08/2022	Not Provided
	NL		01/01/2021	0%	01/12/2023	0%		01/12/2023	0%
	PL		01/12/2021	Not Provided	01/07/2023	Not Provided		01/09/2023	Not Provided
	PT		15/12/2022	0%	15/10/2023	0%		01/12/2023	0%
	RO		30/06/2023	50%	31/12/2023	0%		01/12/2023	0%
	SE		Not Provided	0%	Not Provided	0%		01/10/2023	0%
	SI		01/03/2021	0%	20/11/2023	0%		01/12/2023	0%
	SK		01/09/2021	0%	01/12/2023	0%		01/12/2023	0%

Table 20: Comparison of Planned and Actual Dates – CCI – Phase 1

For the implementation of **CCI – Phase 2**, the following Member States have a planned deployment date, which is later than the deadline in the UCC Work Programme: DE. However, the delay for DE is limited to one month. DE explained that this project will be implemented in the major release of their national IT-System ATLAS (Release 10.3) for which the preparatory activities have not yet started.

In comparison to the planned end dates provided in the 2019 report, the following Member States postponed their deployment date for CCI – Phase 2 by more than one quarter: DE, DK, FI and LV. The specific dates can be found in Table 21 below. However, except for DE, this planning adjustment does not entail an additional risk on the final deadline of deployment.

Project Name	Respondee	Technical Specifications			Conformance Testing		Deployment		
		Target date from WP	2020 Planned/ Actual End Date	2020 % of Completion	2020 Planned/ Actual End Date	2020 % of Completion	Target date from WP	2020 Planned/ Actual Date	2020 % of Completion
UCC Centralized Clearance for Import (CCI) - Phase 2	European Commission	30/06/2022	30/06/2022	0%	15/07/2023	0%	02/06/2025	02/10/2023	0%
	AT		01/05/2023	0%	01/09/2024	0%		01/09/2024	0%
	BE		Not provided	0%	Not provided	0%		Not provided	0%
	BG		09/01/2023	0%	24/03/2025	0%		14/04/2025	0%
	CY		01/02/2023	0%	01/12/2024	0%		06/01/2025	0%
	CZ		01/06/2023	0%	Not provided	0%		01/02/2025	0%
	DE		30/06/2024	0%	31/03/2025	0%		30/06/2025	0%
	DK		01/02/2024	Not provided	01/01/2025	Not provided		01/01/2025	Not provided
	EE		30/06/2022	0%	30/06/2024	0%		31/12/2024	0%
	ES		30/09/2022	0%	30/09/2024	0%		01/10/2024	0%
	FI		31/12/2024	0%	31/12/2025	0%		02/06/2025	0%
	FR		Not provided	Not provided	Not provided	Not provided		Not provided	Not provided
	GR		31/12/2022	0%	31/12/2024	0%		31/03/2025	0%
	HR		30/06/2023	0%	01/02/2025	0%		01/03/2025	0%
	HU		30/06/2022	Not provided	01/05/2025	Not provided		01/06/2025	Not provided
	IE		30/09/2022	0%	30/10/2024	0%		31/10/2024	0%
	IT		01/01/2023	0%	31/12/2024	0%		01/03/2025	0%
	LT		01/10/2022	0%	02/05/2025	0%		01/06/2025	0%
	LU		Not provided	Not provided	01/01/2025	Not provided		01/01/2025	Not provided
	LV		01/04/2024	0%	20/02/2025	0%		23/03/2025	0%
	MT		01/01/2023	Not provided	31/05/2024	Not provided		01/08/2024	Not provided
	NL		Not provided	0%	Not provided	0%		Not provided	0%
	PL		30/09/2023	Not provided	01/01/2025	Not provided		01/06/2025	Not provided
	PT		01/06/2024	0%	15/04/2025	0%		01/06/2025	0%
	RO		30/06/2024	0%	30/06/2025	0%		01/06/2025	0%
	SE		Not provided	0%	Not provided	0%		01/10/2024	0%
	SI		01/10/2023	0%	20/05/2025	0%		01/06/2025	0%
	SK		01/06/2023	0%	01/06/2025	0%		01/06/2025	0%

Table 21: Comparison of Planned and Actual Dates – CCI – Phase 2

3.7.3 Analysis of Progress against Milestones

Figure 3-33 and Figure 3-34 summarise the status per milestone (technical specifications, conformance testing and deployment). The sum of each bar is 28 (responses from the 27 Member States plus the European Commission).

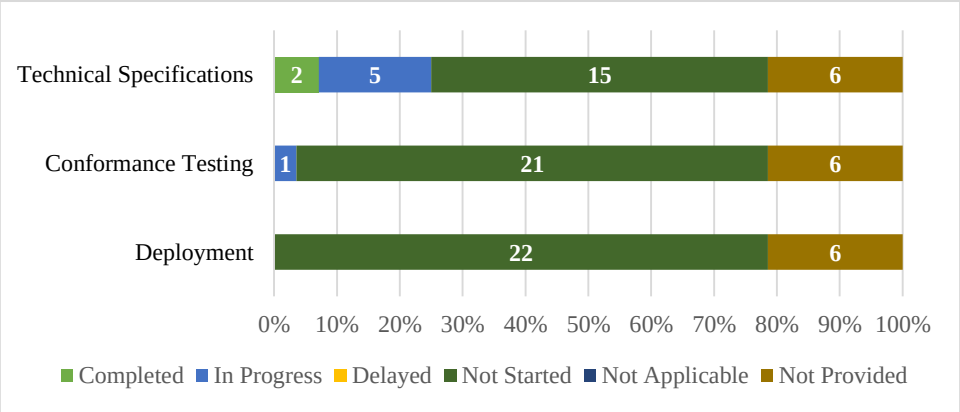

Figure 3-33: Summary of Responses per Milestone – CCI – Phase 1

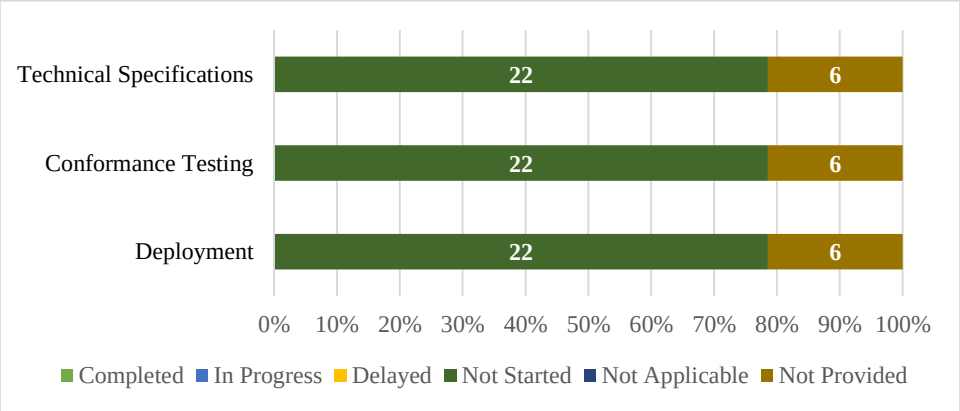

Figure 3-34: Summary of Responses per Milestone – CCI – Phase 2

Additional details regarding the specific percentage of completion per milestone can be seen in Figure 3-35.

Regarding Phase 1, the Commission has completed and provided the technical specifications to the Member States for the development of the national components. ES has completed their Technical Specifications and BE, BG, CY, IT, and RO have started.

CCI – Phase 2 has not yet started on the Member States' level as they are depending on and waiting for the technical specifications to be provided by the Commission.

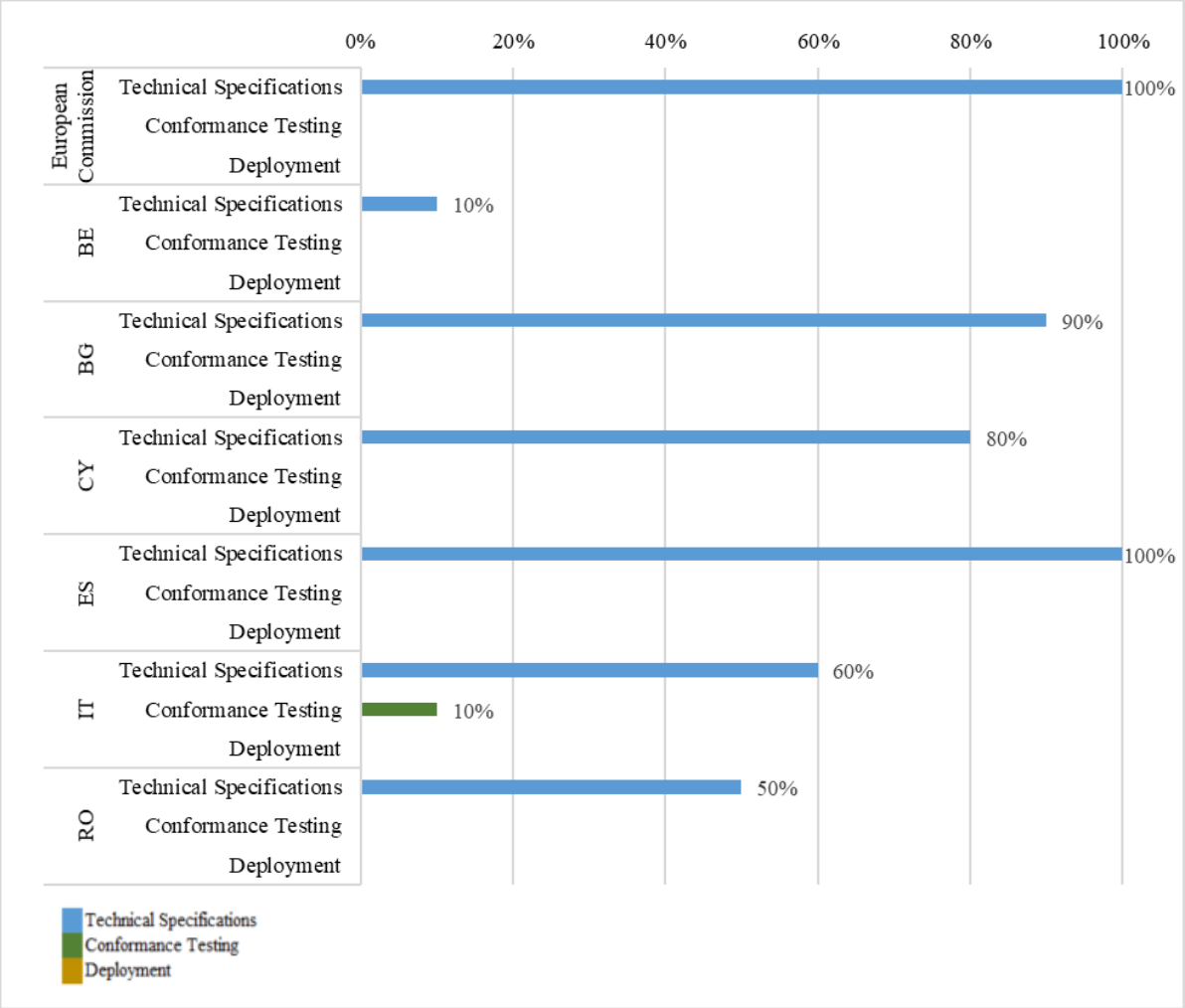

Figure 3-35: Percentage of Completion per Phase – CCI – Phase 1

3.8 UCC NEW COMPUTERISED TRANSIT SYSTEM (NCTS) UPGRADE

The aim of this project is to align the existing trans-European New Computerised Transit System (NCTS) to the UCC legal provisions. The scope of the project includes the alignment of information exchanges to UCC data requirements, the upgrade and development of interfaces with other systems such as AES in addition to new safety and security requirements.

In terms of the planning approach, the project is divided into two components. Component 1, the 'NCTS-Phase 5 (P5)' includes steps to upgrade and extend the current NCTS processes in alignment with UCC legal provisions, to introduce new processes such as the pre-lodgement of Customs declarations, to provide for the registration of 'en-route' events, align information exchanges to UCC data requirements and the upgrade and development of interfaces with other systems. The system includes some components to be developed centrally but the main components are to be developed at the national level.

NCTS – Component 1 will meet the following objectives[19]:

- Data harmonisation across customs domains (import, export, transit) - New Customs EU Data Model;
- Harmonisation in the external domain resulting in trade facilitation;
- Interoperability across customs and taxation/excise;
- Alignment to operational practices for export and transit;
- Business continuity and facilitation of the transition for national administrations and Trade;
- New IT architecture for customs trans-European systems for Member States and Common Transit Convention (CTC) countries.

Additionally, NCTS – Component 1 will improve the following processes:

- Transit guarantees monitoring;
- The enquiry process;
- Business statistics for transit: The current collection of business statistics will be optimised in order to ensure support of measurements of the Customs Union Performance system;
- Strengthen the safety and security for entry/exit.

Lastly, a number of new functionalities will be incorporated:

- Transit declaration pre-lodgement;
- Lodgement of transit declaration with reduced data-set;
- Management of 'en route' incidents;
- Export process followed-up by the transit TES and better monitoring of trade flows.

Component 2, the 'NCTS-Phase 6 (P6)', aims to include potential new requirements in the field of safety and security data elements in transit customs declarations. These requirements relate to goods brought into the customs territory of the Union and are also incorporated in the UCC Import Control System Upgrade 2 (ICS2). The scope and implementation solution will be agreed upon during the project initiation phase in Q4 2020. As the Phase 6 business case has not yet been finalised, some Member States have not yet provided dates or reported "N/A" (not applicable).

3.8.1 Summary of Responses

The Commission highlighted in its 'Overview of the Customs Information Systems' report[20] that the NCTS is already in operation, with multiple stakeholders and that the functioning of this existing system cannot be jeopardised.

[19] The same objectives will also be met by UCC Automated Export System (AES) – Component 1.

[20] DG TAXUD Customs Information Systems Overview of the Status of the MASP-C Projects Brussels, 22 August 2019

The Commission established the "National Administration coordination programme" in Q3 2019 to support Member States in the development and deployment of their national components for the trans-European systems. During its first six months of application, the following results can be reported for NCTS and AES:

- All national administrations have complied to the provisions of the Coordination Programme for NCTS-P5 and AES, having provided detailed National Project Plans using the proposed templates and reporting any deviations to their baseline plan;
- The overall Coordination Programme has been discussed with all national administrations in four virtual and physical meetings and has been accepted by the ECCG;
- Three bilateral missions took place and six bilateral webinars were held with national administrations;
- The Commission has reported, to the ECCG and CPG, the current report providing the KPIs overview of the aggregated national plans.

NCTS - Component 1

For NCTS-P5 the challenge has been to ensure business continuity and smooth Member State and trade transition while applying significant changes in the applicable Data and Process models. This challenge has been addressed very efficiently within the formally accepted NCTS-P5 TSS and Transition Implementation Plan. Despite this, no delays have materialised and the project is currently on track. For both NCTS-P5 and AES-P1 projects, the technical specifications enable seamless business continuity (processes and information exchanges) across national administrations and traders running the existing and new systems during the transitional period. The projects also triggered a significant alignment of the Customs data of the UCC (annex B) to the operational practices of the MSs, the NAs and traders, fostering trade facilitation and cost reductions. The technical specifications were approved by the national administrations in November 2019 with unanimous support of the trader associations. The functional specifications will be subject to further updates to be aligned with the approved technical specifications. Annex B for NCTS has been finalised and it was sent to the Member States for formal acceptance. The technical arrangements implementing act has been prepared and was finalised after review by the Member States.

From a technical point of view, the NCTS-P5 and AES-P1 projects pioneered a collaborative, iterative and agile working method that has been praised by all Member States and traders involved. It has been requested to have this method expanded to other projects of the UCC. The conformance testing started as planned in Q3 2020. Intermediate releases of the central converter of NCTS were also delivered.

A number of Member States have reacted positively to the call of the Commission to bring forward the deployment date, as also pointed out in the 'Overview of the Customs Information Systems'[17]. National project plans[21] are available, in which all national administrations have indicated to be ready within the deployment window in the UCC Work Programme, starting operations in Q1 2021 until Q4 2023, as illustrated in Figure 3-36. DE, PL and FR will comprise the first wave of Member States entering into operations in 2021. The risks at this stage are under control. The Commission has set-up a coordination programme to follow-up on the implementation plan of the Member States.

[21] Ref. Ares (2020) 1629698 – 18/03/2020

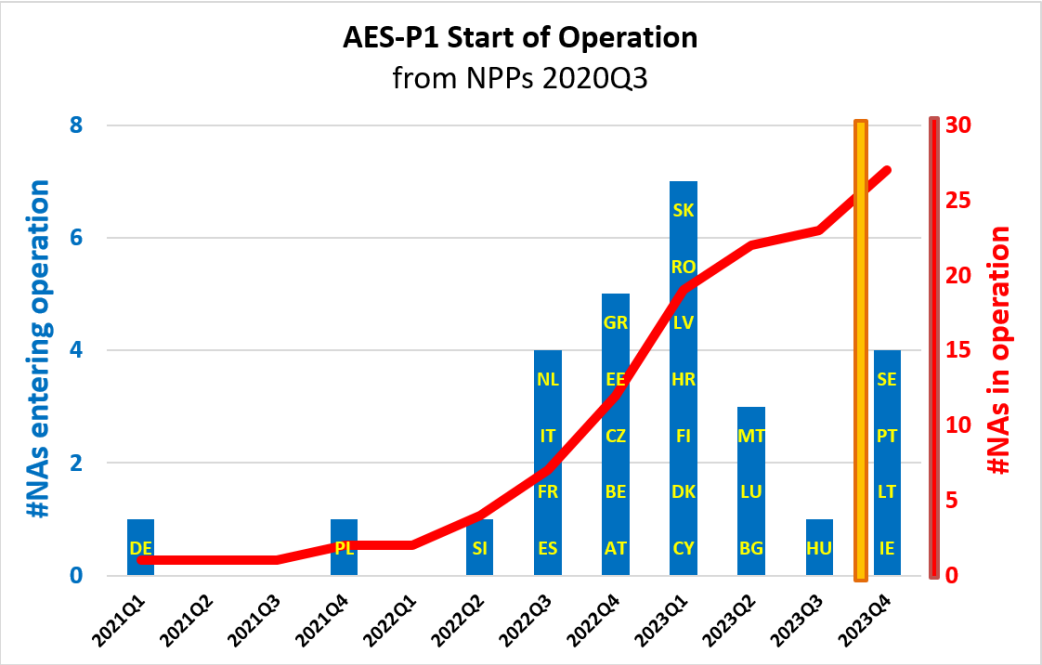

Figure 3-36: NCTS-P5 National Administrations entry into operations

The Member State's survey responses are summarised below.

AT considers the project complexity to be high (6) with a medium risk level. AT mentioned possible delays due to the COVID-19 pandemic. AT explained that they are working with their IT service provider to set-up an organisation to plan, specify and to implement requirements. This is a risk for all project milestones. Currently AT is working on the refinement of the technical analysis, preparing information for the traders, creating the development teams, planning product increments and defining features and user stories.

CY rates the project complexity as high (6) and the risk level as low. The complexity is caused by dependencies with other systems and the development of other projects in parallel. In addition, CY highlighted a risk of insufficient resources. CY plans to use a phased development approach and has consequently reassessed the date of operations so that it does not coincide with other core projects.

CZ notes project complexity as high (6) with a medium risk level. CZ indicated that there might be changes in their national project plans depending on the evolution of the COVID-19 pandemic. In line with their national planning, they are preparing detailed technical and functional specifications. CZ plans to have at least 80% of the national specifications prepared in 2020.

EE considers the project complexity to be high (6) with a low risk level. EE mentioned that the project is delayed in comparison to the planning in the 2019 report, but the overall delivery is still expected within the deployment deadline. This is mainly due to delays in the procurement process.

ES indicates that the project complexity is high (5) with a medium risk level. This project requires coordination between countries and a significant effort in transition management. ES will use an iterative development approach.

FI considers the project complexity to be high (6) with a high risk level. FI further reiterates the comments made in section 3.1.

FR and SE both marked the project complexity as medium (ratings of 3 and 4 respectively) with a medium risk level. The two Member States decided to start with an impact study to facilitate the writing of the technical specifications. For FR, the impact study has taken longer than foreseen, however, this should shorten the technical specifications elaboration phase. Their plan is to complete the project in two iterations, the second of which will be dedicated to the AES interface.

GR indicated a high complexity level (5) and a medium risk level. GR indicated that the project is currently delayed compared to the planning in the 2019 report, however the overall delivery is still expected within the deployment deadline set in the UCC Work Programme. GR is facing procurement delays.

HR considers the project complexity to be high (5) with a medium level of risk. HR foresees a risk that their technical specifications may be delayed as there are limited human resources currently dedicated to the project. Despite this, HR shortened the overall project duration by five months and plans to go into production on 01/01/2023.

IE indicates that the project complexity is high (5) with a low risk level. IE is finalising the timeline/milestones for national development with an external contractor and no major risks are expected.

IT remarks that the project complexity is medium (4) with a low level of risk explaining that this requires the development of a national convertor for both external and common domains in order to manage the migration from the current functional phase to new ones. The management of a large number of economic operators involved in the migration resulted in the decision to adopt a national strategy that envisages the migration of the external domain at a previous phase to the migration of the common domain. This decision was taken to reduce the risk for both economic operators and customs offices.

NL considers the project complexity as high (5) with a low risk level, commenting that an agile development approach will be used. They are currently describing project features based on the Design Document for National Transit Application (DDNTA). The selection of the IT provider for development is in progress.

SI identifies the project complexity as medium (4) with a medium level of risk, citing the COVID-19 pandemic as a major risk. This situation could cause the postponement of the deployment date. Their external contractor is currently preparing the detailed technical and functional specifications.

NCTS - Component 2

For the interconnection with ICS2, a feasibility study was launched to further evaluate the information exchange possibilities.

Figure 3-37 and Figure 3-38 provide an overall summary of the survey responses received from the Member States and the European Commission[22] regarding the status of their project activities.

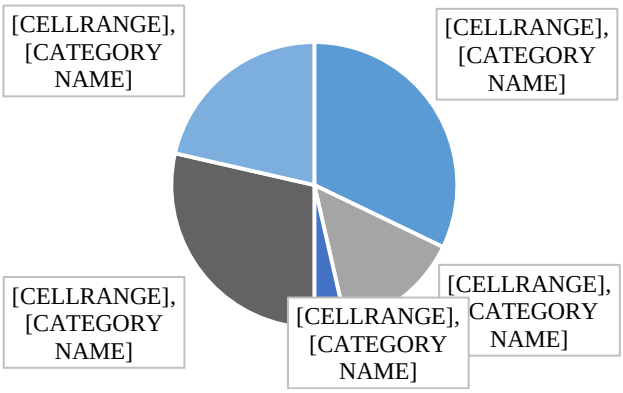

Figure 3-37: Project Status as per Survey – NCTS – Component 1 or Phase 5

[22] The figure related to Conformance Testing includes the work from the Commission in regards to the preparation of the CT environment and coordination for Member States.

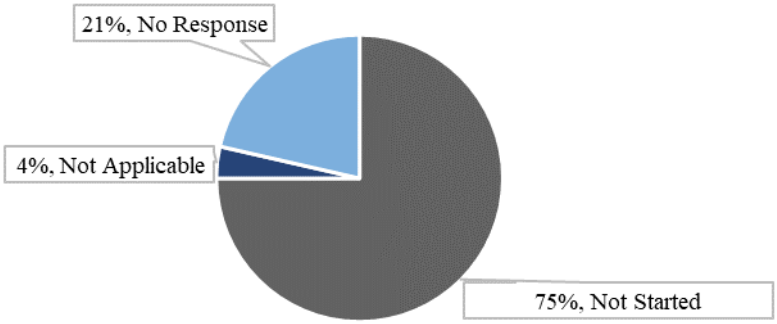

Figure 3-38: Project Status as per Survey – NCTS – Component 2 or Phase 6

3.8.2 Overview of Project Progress

Table 22 and Table 23 highlight any known divergences in the planning compared to the dates set in the Work Programme[23].

The planning information reported in last year's report demonstrated that Member States were still defining the most appropriate options for their national transition implementation strategy and related national planning for **NCTS Phase 5** or Component 1. From this perspective, the baseline planning from last year was not yet mature.

[23] The percentage of deployment refers to DG TAXUD preparation and the aggregated progress of National Administrations based on their National Project Plans.

In comparison to the planned end dates provided at the end of 2019, the majority of the MSs stay in accordance with their initial plans as they communicated last year (whilst the work was being finalised on the technical specifications). Only PL postponed their deployment date by one semester but is still envisaging starting deployment for AES and NCTS in 2021 as a forerunner Member State.

Table 22: Comparison of Planned and Actual Dates – NCTS – Component 1

In comparison to the planned end dates provided at the end of 2019, DK postponed their deployment date for **NCTS Phase 6** or Component 2 by more than one semester and HR moved their planned deployment earlier by more than one quarter, however, not going beyond the deployment date set in the UCC Work Programme.

Project Name	Respondee	Technical Specifications			Conformance Testing		Deployment		
		Target date from WP	2020 Planned/ Actual End Date	2020 % of Completion	2020 Planned/ Actual Start Date	2020 % of Completion	Target date from WP	2020 Planned/ Actual Date	2020 % of Completion
UCC New Computerized Transit System (NCTS) Upgrade - Component 2	European Commission	30/06/2022	13/06/2022	0%	03/07/2023	0%	02/06/2025	03/06/2024	0%
	AT		01/11/2023	0%	01/03/2025	0%		01/03/2025	0%
	BE		Not provided	0%	Not provided	0%		Not provided	0%
	BG		Not provided	0%	Not provided	0%		Not provided	0%
	CY		01/09/2022	0%	01/10/2024	0%		02/10/2024	0%
	CZ		01/01/2023	0%	30/09/2024	0%		01/10/2024	0%
	DE		N/A	N/A	N/A	N/A		N/A	N/A
	DK		01/09/2022	Not provided	01/04/2025	Not provided		01/04/2025	Not provided
	EE		30/06/2023	0%	31/12/2024	0%		31/12/2024	0%
	ES		30/09/2022	0%	30/09/2024	0%		01/10/2024	0%
	FI		30/06/2023	0%	30/06/2024	0%		30/06/2024	0%
	FR		31/12/2022	Not provided	Not provided	Not provided		Not provided	Not provided
	GR		30/09/2023	0%	31/12/2024	0%		31/03/2025	0%
	HR		31/12/2021	0%	30/09/2022	0%		01/01/2023	0%
	HU		30/09/2022	Not provided	01/05/2025	Not provided		01/06/2025	Not provided
	IE		30/09/2022	0%	30/10/2024	0%		31/10/2024	0%
	IT		01/05/2024	0%	30/04/2025	0%		01/06/2025	0%
	LT		01/10/2022	0%	02/05/2025	0%		01/06/2025	0%
	LU		Not provided	Not provided	01/12/2024	Not provided		02/12/2024	Not provided
	LV		02/10/2023	Not provided	28/02/2025	Not provided		23/03/2025	Not provided
	MT		31/12/2020	Not provided	15/05/2023	Not provided		31/03/2023	Not provided
	NL		Not provided	0%	Not provided	0%		Not provided	0%
	PL		Not provided	0%	Not provided	0%		Not provided	0%
	PT		01/06/2024	0%	15/04/2025	0%		01/06/2025	0%
	RO		31/12/2021	0%	30/06/2024	0%		31/12/2024	0%
	SE		Not provided	0%	Not provided	0%		01/06/2024	0%
	SI		01/04/2023	0%	20/05/2025	0%		01/06/2025	0%
	SK		01/02/2023	0%	01/06/2025	0%		01/06/2025	0%

Table 23: Comparison of Planned and Actual Dates – NCTS – Component 2

3.8.3 Analysis of Progress against Milestones

Figure 3-39 and Figure 3-40 summarise the status per milestone (technical specifications, conformance testing and deployment). The sum of each bar is 28 (responses from the 27 Member States plus the European Commission).

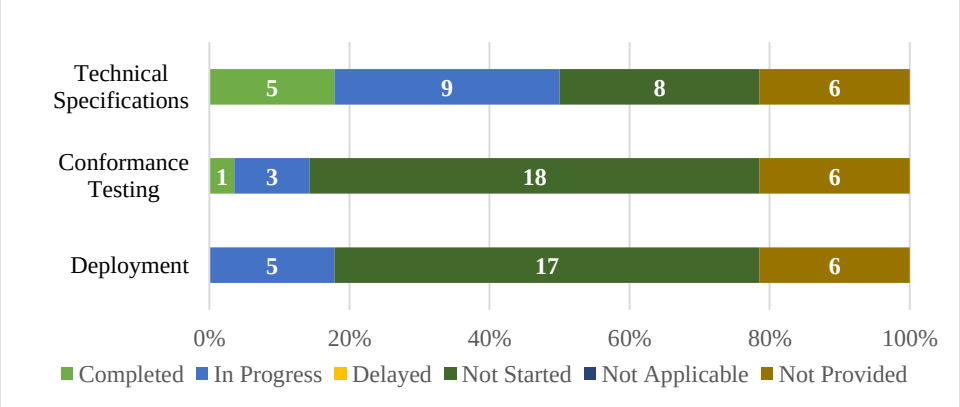

Figure 3-39: Summary of Responses per Milestone – NCTS – Component 1

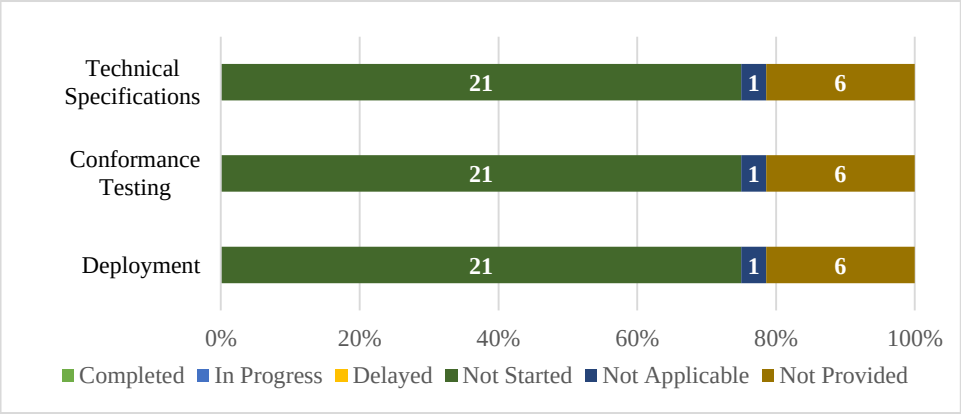

Figure 3-40: Summary of Responses per Milestone – NCTS – Component 2

Additional details regarding the specific percentage of completion per milestone can be seen in Figure 3-41.

Regarding **NCTS Phase 5** or Component 1, the following Member States have not yet started with the technical specifications: BG, EE, FI, GR, IE, LT, NL, SE, and SK.

DK, HU, LU, LV and MT did not provide information.

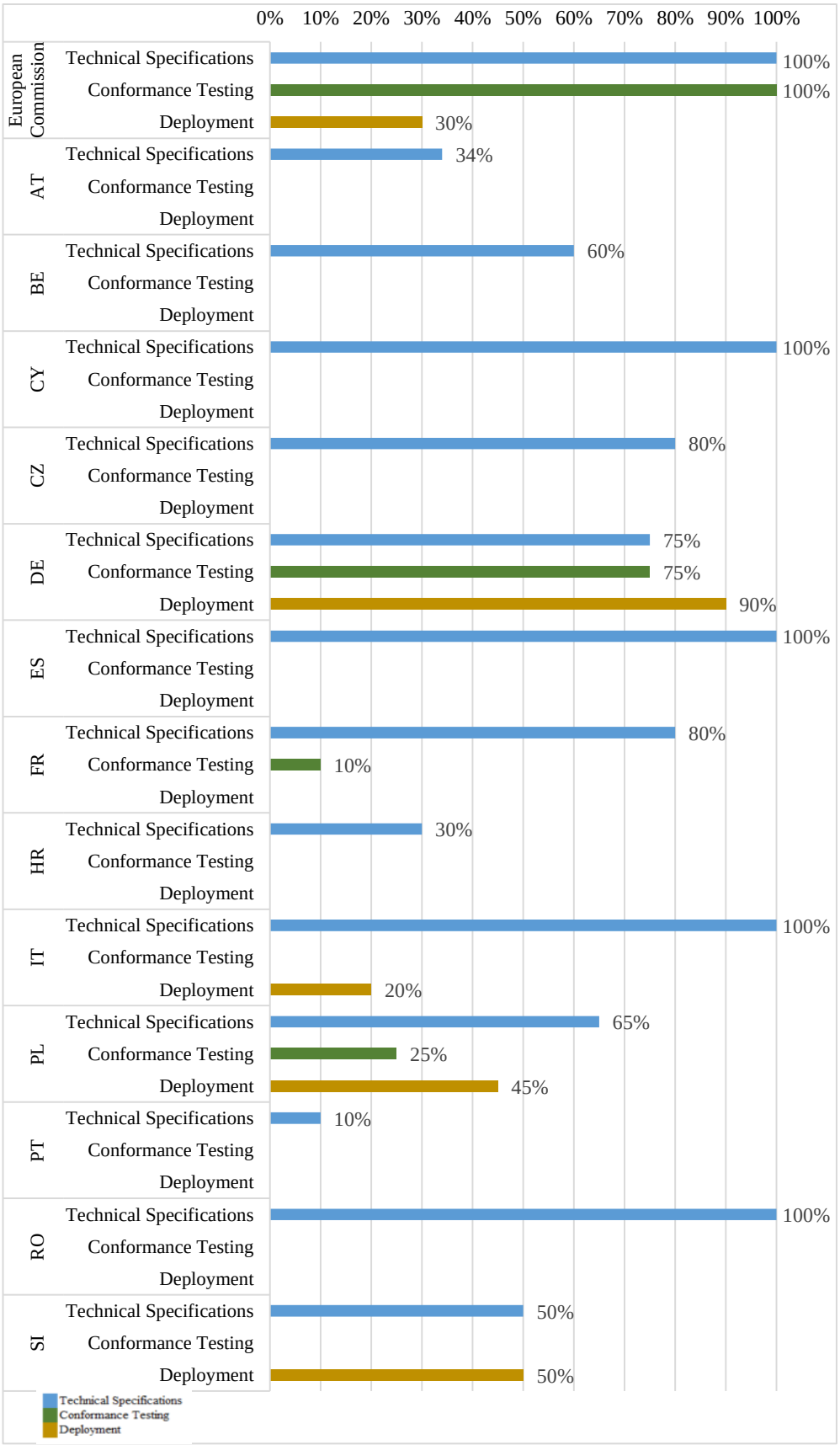

Figure 3-41: Percentage of Completion per Phase – NCTS – Component 1 or Phase 5

3.9 UCC AUTOMATED EXPORT SYSTEM (AES)

The AES project consists of an upgrade of both the existing trans-European Export Control System and the existing national export systems. It aims to implement the UCC requirements for export and exit of goods, including export and re-export declarations; EXS and centralised clearance for Export and interface with EMCS and NCTS. The project entails implementing the UCC simplifications offered to trade to facilitate export of goods for European companies, such as centralised clearance for Export, and the UCC obligations to better monitor what exits the EU customs territory to prevent fraud. The export declaration, and all linked message exchanges as well as the Arrival At Exit Notification and Exit Summary declaration are subject to considerable rework. The proposed message structures are fully convertible from/to "Legacy"/To Be" ones, guaranteeing a smooth transition and fostering business continuity from Q1 2021 until Q4 2023.

The following processes will be implemented:

- Export declaration pre-lodgement;
- Handling of simplified/supplementary declarations;
- Centralised clearance for export;
- Re-export notification;
- Export process followed-up by the transit TES and better monitoring of trade flows;
- Export handling of goods under excise duties suspension interoperability with EMCS;
- Facilitate legitimate trade & combat fraud;
- Strengthen the safety and security for exit.

In terms of planning, the system is comprised of two components. The first component relates to the "trans-European AES". The aim of the project is to further develop the existing trans-European Export Control System (ECS) in order to implement a full AES that would cover the business requirements for processes and data brought about by the UCC. These processes and data would include the coverage of simplified procedures and centralised clearance for export. It is also envisaged to cover the development of harmonised interfaces with the Excise Movement and Control System (EMCS) and NCTS. As such, AES will enable the full automation of export procedures and exit formalities. The system includes some parts to be developed centrally but the main components are to be developed at the national level.

The second component relates to the upgrade of the National Export Systems.

3.9.1 Summary of Responses

AES - Component 1

For UCC AES the challenge has been to ensure business continuity and smooth Member State and Trade transition while applying significant changes in the applicable data and process models. This challenge has been addressed very efficiently within the formally accepted AES Technical System Specifications (TSS) and Transition Implementation Plan. Despite the challenges related to the project, no delays have materialised so far and the project is currently on track. The technical specifications were completed in September 2019 in collaboration with 18 Member States and 7 major trade associations. Member States should complete the export component of their Special Procedures systems at the same time as the AES.

A number of Member States have reacted positively to the call of the Commission to bring forward the deployment date, as also pointed out in the 'Overview of the Customs Information Systems'[17]. National project plans[24] are available, in which all national administrations have indicated to be ready within the deployment window in the UCC Work Programme, starting operations in Q1 2021 until Q4 2023, as illustrated in Figure 3-43. DE and PL will comprise the first wave of forerunner Member

[24] Ref. Ares (2020) 1629698 – 18/03/2020

States entering into operations in 2021. The risks are at this stage under control. The Commission has set up a coordination programme to follow-up the implementation plan of the Member States.

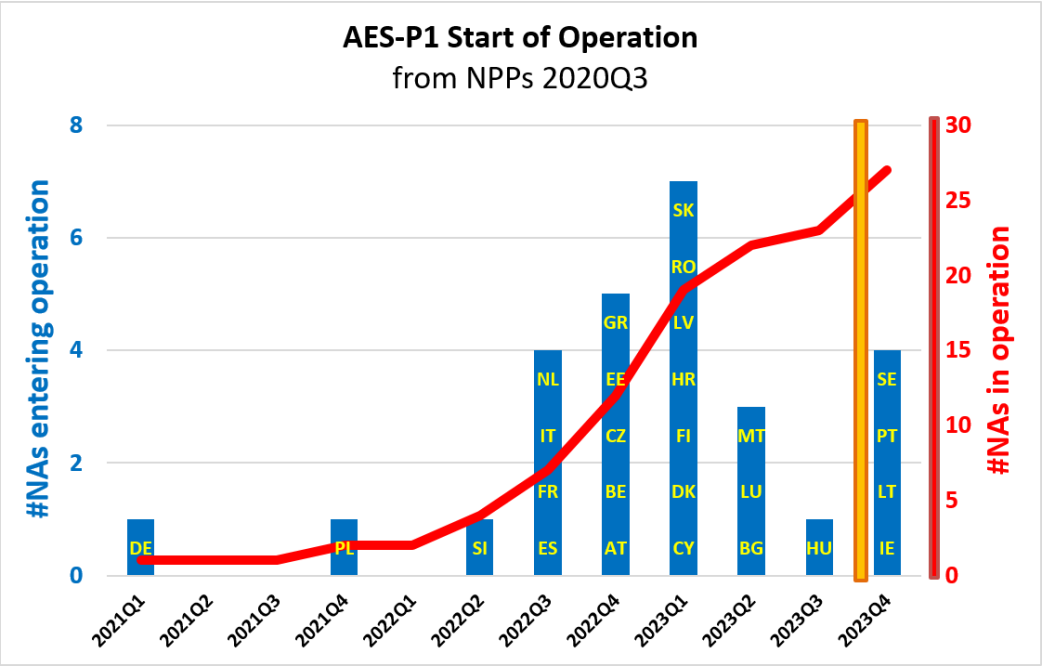

Figure 3-42: AES-P1 National Administrations entry into operations

The Member State's survey responses are summarised below.

The comments from CY, CZ, EE, ES, FI, HR, IE, IT, LV, NL and SI are the same as for NCTS – Component 1 (see section 3.8).

AT considers the project complexity as high (6) with a medium level of risk, mentioning possible delays due to the COVID-19 pandemic. They explained that they are working with their IT service provider to set-up an organisation to plan, specify and to implement requirements. This is a risk for all project milestones. Currently AT is working on finalising the business concept, refinement of the technical analysis, preparing information for the traders, establishing development teams and the ongoing planning of product increments.

ES indicates that the project complexity is high (5) with a medium risk level. This project requires coordination between countries and a significant effort in transition management. ES will use an iterative development approach.

GR indicated a high complexity level (6) and a medium risk level. GR indicated that the project is currently delayed compared to the planning in the 2019 report, however the overall delivery is still expected within the deployment deadline set in the UCC Work Programme. GR is facing procurement delays.

HR considers the project complexity as high (5) with a medium risk level, foreseeing a risk that the technical specifications may be delayed as there are limited human resources currently dedicated to the project. Despite this, HR shortened the overall project duration by five months and plans to go into production on 01/01/2023.

IE indicates that the project complexity is high (5) with a low risk level. IE is finalising the timeline/milestones for national development with an external contractor, no major risks expected.

IT remarks that the project complexity is medium (4) with a low risk level explaining that this project requires the development of a national convertor for both external and common domains in order to manage the migration from the current functional phase to new ones. The management of a large

number of economic operators involved in the migration resulted in the decision to adopt a national strategy that envisages the migration of the external domain at a previous phase to the migration of the common domain. This decision was taken to reduce the risk for both economic operators and customs offices.

LV considers the project complexity as medium (3) with a high risk level. LV commented that currently no budget is allocated to support the development of AES. The development scope and plan for AES and NCTS – Phase 5 which includes the transition model and all functionality, is under review.

NL noted the project complexity is medium (4) with a low level of risk. NL comments that an agile development approach will be used. They are currently describing project features based on the Design Document for National Transit Application (DDNXA). The selection of the IT provider for development is in progress.

PL rates the project complexity as high (6) with a high risk level. PL marked the project as delayed beyond the deployment deadline mainly due to delays in the procurement process. PL plans to mitigate these risks by continuing to participate in the work of the forerunners group (issuing opinions on changes, continuing pre-CT activities.

PT noted that the project complexity is high (6) with a high risk level due to the implementation of a new national AES system and to the lack of resources. An Agile development approach will be used to reduce the implementation timeframe.

RO considers the project complexity as high (6) with a low risk level. RO is progressing on the technical specifications and plans to initiate a call for tender by the beginning of 2021.

SI evaluates the project complexity to be medium (4) with a high level of risk, identifying the COVID-19 pandemic as a major risk. This situation could cause the postponement of the deployment date. Their external contractor is currently preparing the detailed technical specifications for Components 1 & 2.

AES – Component 2

The Commission has provided the Member States with technical and functional specifications, Annex B data and the required legal text. This was provided for the external domain with trade and for the national domain between the national applications and the common domain. Furthermore, the required interfaces and the proposed architecture were also provided.

The comments from AT, CY, CZ, EE, ES, FI, GR, HR, IE, IT, LV, NL, PL, PT, RO and SI are the same as for AES – Component 1.

BE comments that AES – Component 2 adds a limited set of functionalities to AES – Component 1. BE will perform ongoing analysis for this project however it will be a lower priority until AES – Component 1 is fully developed.

Figure 3-43 and Figure 3-44 provide an overall summary of the survey responses received from the Member States and the European Commission[25] regarding the status of their project activities.

[25] The figure related to Conformance Testing includes the work from the Commission in regards to the preparation of the CT environment and coordination for Member States.

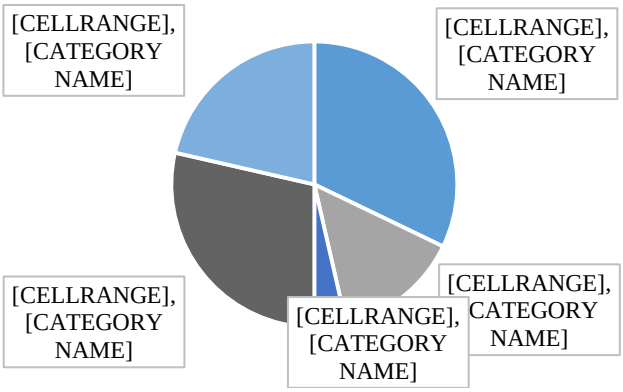

Figure 3-43: Project Status as per Survey – AES – Component 1

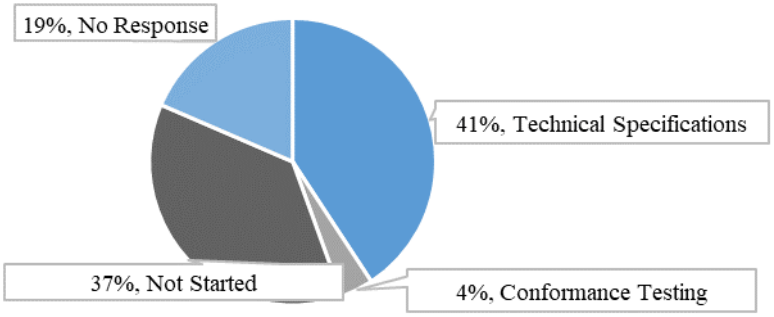

Figure 3-44: Project Status as per Survey – AES – Component 2

3.9.2 Overview of Project Progress

Table 24 and Table 25 highlight any known divergences in the planning compared to the dates set in the Work Programme.

The planning information reported in last year's report demonstrated that MSs were still defining the most appropriate options for their national transition implementation strategy and related national planning. From this perspective, the baseline planning from last year was not yet mature.

In comparison to the planned end dates provided in the 2019 report for the **trans-European AES** – Component 1, the majority of the Member States stay in accordance with their initial plans they communicated last year (whilst the work was being finalised on the technical specifications). Only for two Member States, a difference has been noted: FR moved their deployment earlier by more than three quarters; PL postponed their deployment date by one semester but is still envisaging starting deployment for AES and NCTS in 2021 as a forerunner Member State.

Project Name	Respondee	Technical Specifications			Conformance Testing		Deployment		
		Target date from WP	2020 Planned/ Actual End Date	2020 % of Completion	2020 Planned/ Actual Start Date	2020 % of Completion	Target date from WP	2020 Planned/ Actual Date	2020 % of Completion
UCC Automated Export System (AES) - Component 1	European Commission	31/12/2019	20/12/2019	100%	24/11/2020	100%	01/12/2023	01/03/2021	30%
	AT		01/08/2021	25%	01/08/2022	0%		01/12/2022	0%
	BE		01/02/2020	100%	01/01/2022	0%		01/11/2022	25%
	BG		10/06/2022	0%	06/02/2023	0%		05/06/2023	0%
	CY		10/01/2022	100%	03/10/2022	0%		01/03/2023	0%
	CZ		30/03/2021	80%	03/01/2022	0%		03/10/2022	0%
	DE		01/10/2020	75%	06/03/2021	75%		06/03/2021	90%
	DK		01/01/2022	Not Provided	01/06/2022	Not Provided		01/02/2023	Not Provided
	EE		31/12/2020	0%	01/01/2022	0%		01/10/2022	0%
	ES		01/03/2021	100%	01/03/2022	0%		01/09/2022	0%
	FI		01/03/2022	0%	01/09/2022	0%		01/03/2023	0%
	FR		31/01/2021	Not Provided	30/09/2022	Not Provided		30/09/2022	Not Provided
	GR		30/04/2021	10%	01/09/2022	0%		01/11/2022	0%
	HR		31/12/2021	30%	01/10/2022	0%		01/01/2023	0%
	HU		31/12/2019	Not Provided	01/11/2023	Not Provided		01/12/2023	Not Provided
	IE		30/09/2021	0%	02/05/2023	0%		31/10/2023	0%
	IT		15/07/2020	100%	01/07/2021	0%		12/09/2022	20%
	LT		01/10/2022	0%	30/09/2023	0%		02/11/2023	0%
	LU		Not Provided	Not Provided	Not Provided	Not Provided		01/04/2023	Not Provided
	LV		01/02/2022	10%	01/08/2022	0%		22/01/2023	4%
	MT		31/12/2020	Not Provided	31/01/2023	Not Provided		30/06/2023	Not Provided
	NL		01/01/2021	0%	01/12/2023	0%		01/04/2022	0%
	PL		15/12/2020	75%	15/11/2021	0%		15/12/2021	45%
	PT		01/06/2022	0%	15/03/2023	0%		01/12/2023	0%
	RO		28/02/2022	70%	30/06/2022	0%		15/02/2023	0%
	SE		01/05/2021	0%	30/09/2023	0%		01/10/2022	0%
	SI		01/07/2020	90%	20/05/2022	0%		01/06/2022	0%
	SK		30/04/2021	Not Provided	01/12/2021	Not Provided		30/03/2023	Not Provided

Table 24: Comparison of Planned and Actual Dates – AES – Component 1

In comparison to the planned end date provided in the 2019 report for the **National Export Systems** – Component 2, SK postponed their deployment date by more than one semester.

The following Member States moved their planned deployment earlier by more than one quarter: HR and SE.

Table 25: Comparison of Planned and Actual Dates – AES – Component 2

3.9.3 Analysis of Progress against Milestones

Figure 3-45 and Figure 3-46 summarise the status per milestone (technical specifications, conformance testing and deployment). The sum of each bar in Figure 3-46 is 28 (responses from the 27 Member States plus the European Commission). The sum of each bar in Figure 3-47 is 27 (responses from the 27 Member States).

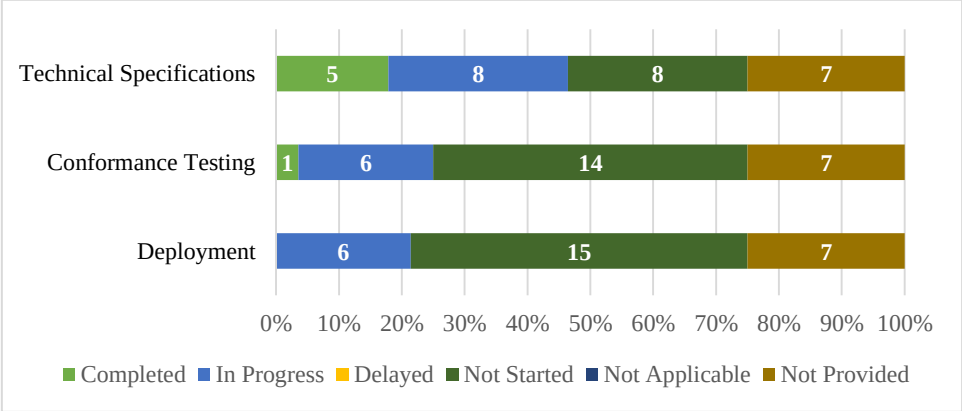

Figure 3-45: Summary of Responses per Milestone – AES – Component 1

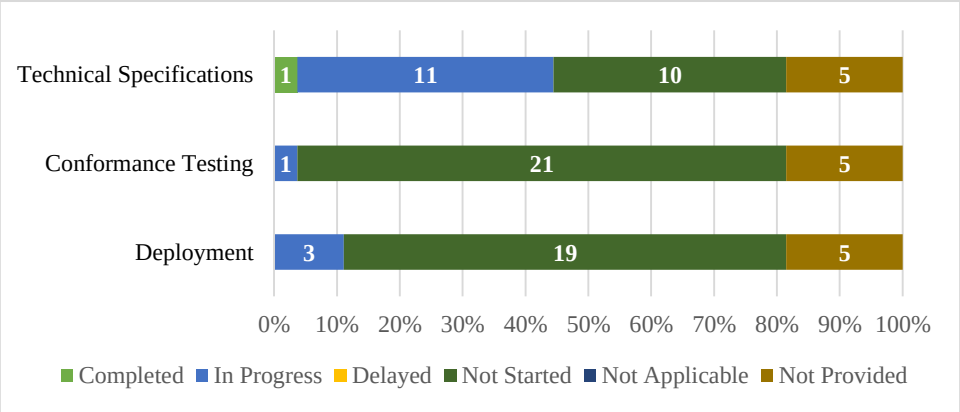

Figure 3-46: Summary of Responses per Milestone – AES – Component 2

Additional details regarding the specific percentage of completion per milestone can be seen in Figure 3-47 and Figure 3-48. Regarding the **trans-European AES** - Component 1, the following Member States have not yet started: BG, EE, FI, GR, IE, LT, NL and SE.

DK, FR, HU, LU, MT and SK did not provide information.

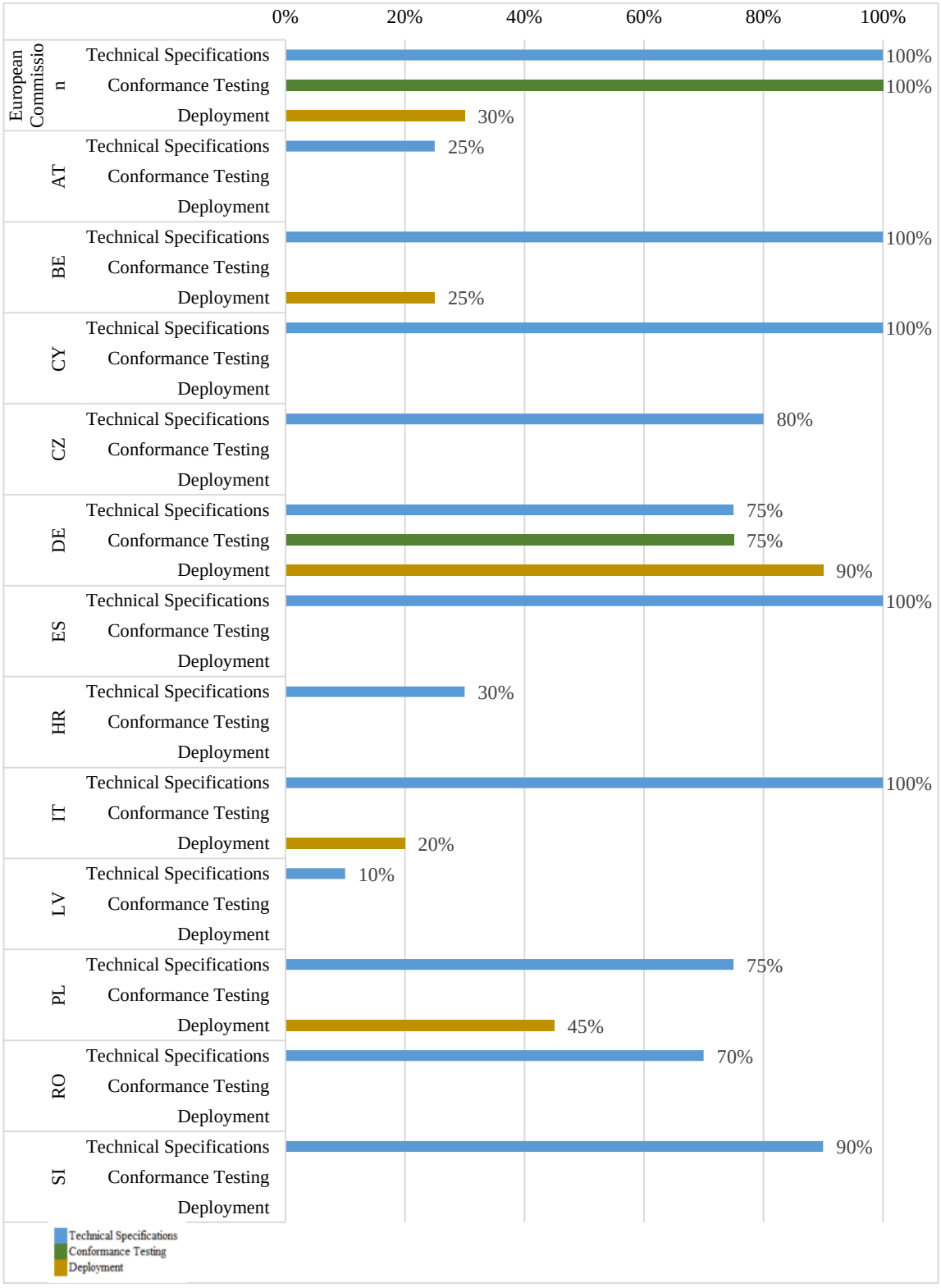

Figure 3-47: Percentage of Completion per Phase – AES – Component 1

Regarding the **National Export Systems** - Component 2, the following Member States have not yet started: BG, EE, FI, IE, IT, LT, NL, PT, SE and SK. DK, FR, HU, LU and MT did not provide information.

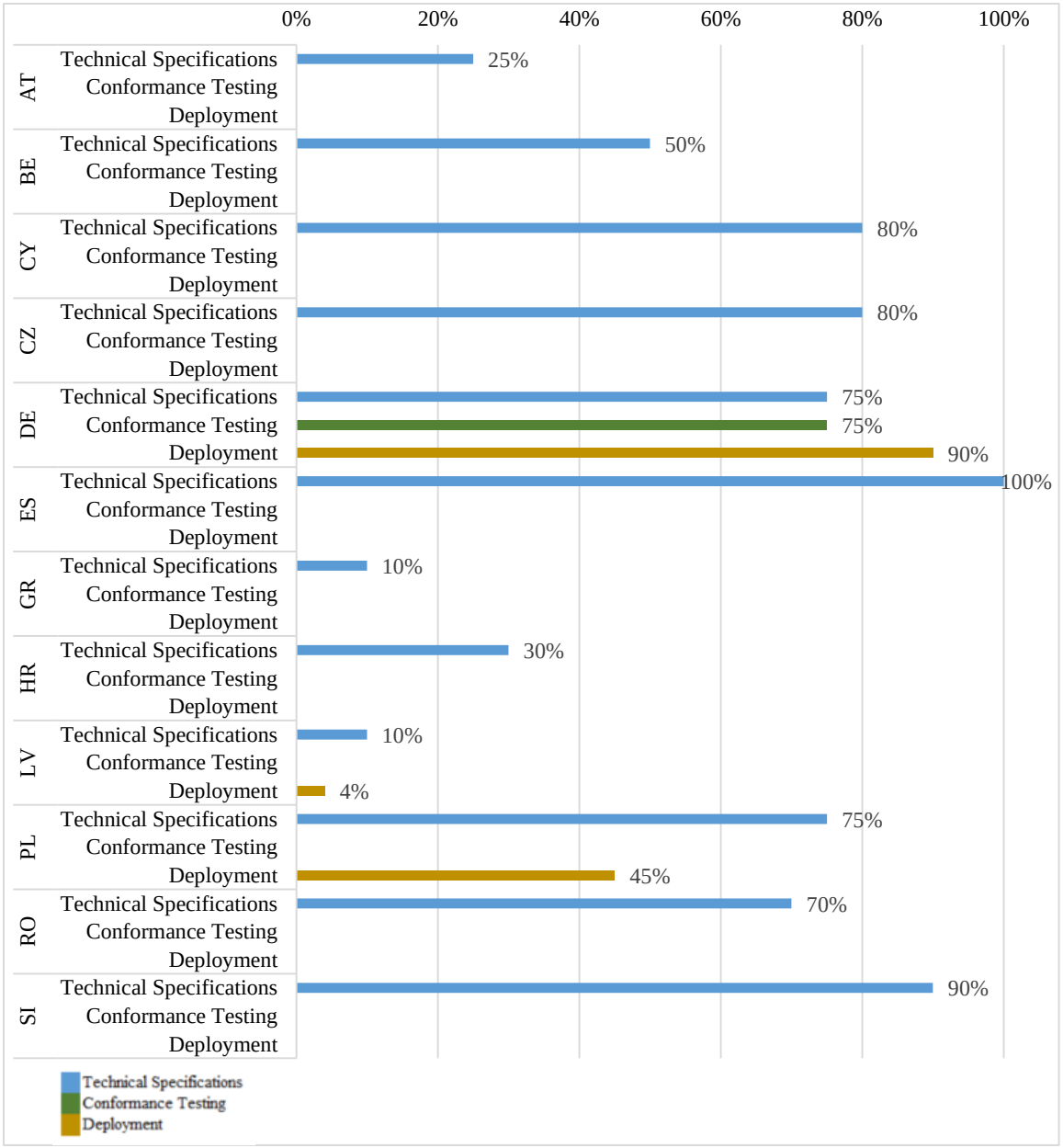

Figure 3-48: Percentage of Completion per Phase – AES – Component 2

4. ANNEX 1 – PLANNING OVERVIEW – UCC WORK PROGRAMME PROJECTS

Figure 4-1 provides a visual overview of the planning of the UCC Work Programme projects. There has been no change compared to Q4 2019. The overview provides the timeline of the development of the projects. The 'N' symbol identifies the national projects. The other projects are related to trans-European systems, which might have a central or decentralised architecture.

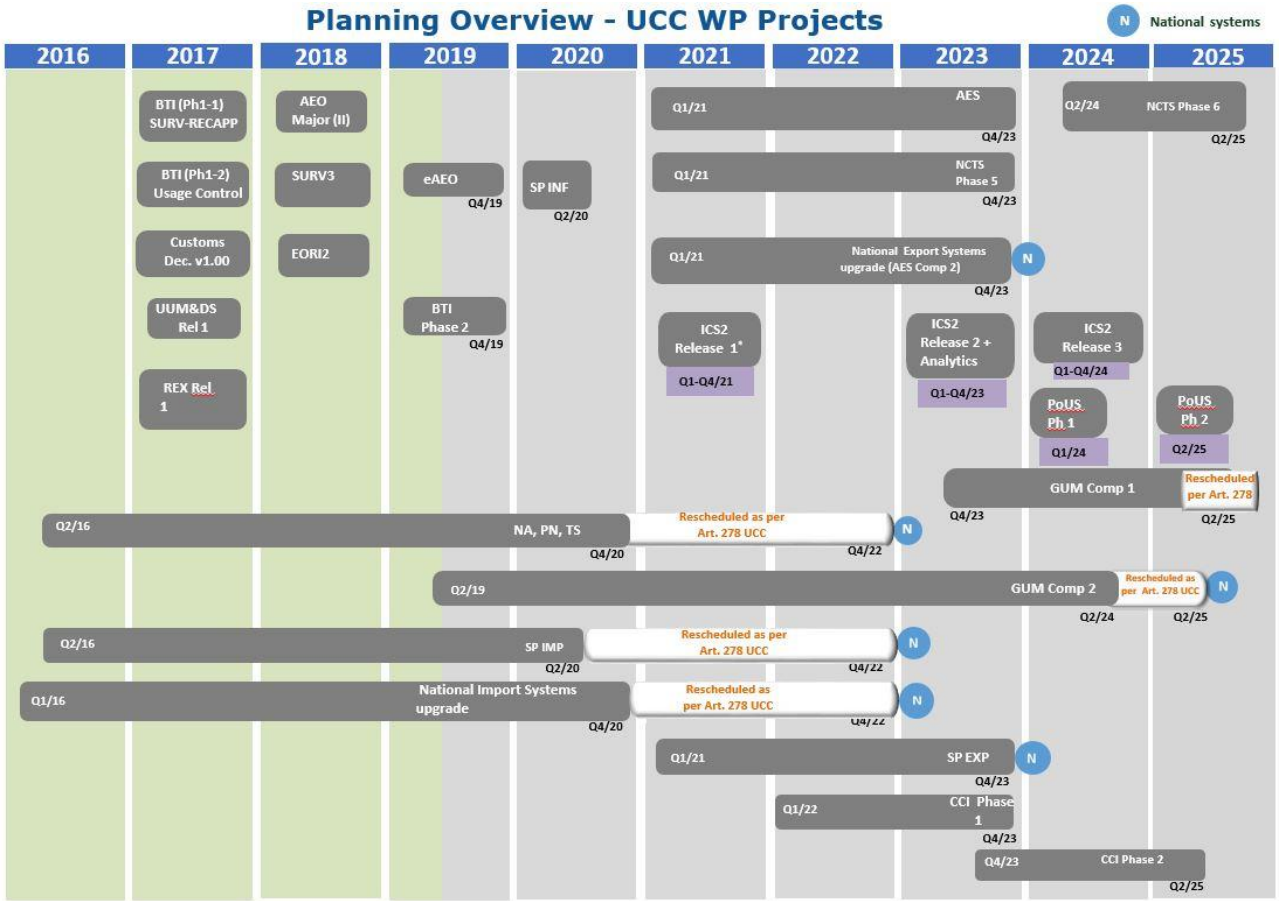

Figure 4-1: Planning Overview: UCC Work Programme Projects – Status Q4 2020

5. ANNEX 2 – ACRONYMS, ABBREVIATIONS & KEY TERMS

Acronym	Description
AEO	Authorised Economic Operator
ADM	Adaptive Development Methodology
AES	Automated Export System
AIS	Automated Import System
BPM	Business Process Model
BTI	Binding Tariff Information
CAP	Common Agricultural Policy
CBG	Customs Business Group
CCI	Centralised Clearance for Import
CCN; CCN2	Common Communication Network; Common Communication Network 2
CDC	Customs Duties Calculation
COM	European Commission
CPG	Customs Policy Group
CRS	Customer Reference Services
CS/RD; CS/RD2	Central Services – Reference Data; Central Services – Reference Data 2
CTC	Common Transit Convention
DA	Delegated Act
DDNXA	Design Document for National Transit Application
DG TAXUD	Directorate General for Taxation and Customs Union
DMS	Declaration Management System
DTCA	Decision Taking Customs Authority
EBTI	European Binding Tariff Information
ECCG	Electronic Customs Coordination Group
ECS	Export Control System
EIDR	Entry in the Declarant's Records
EMCS	Excise Movement and Control System
EMSW	European Maritime Single Window
ENS	Entry Summary Declaration
EORI	Economic Operators Registration and Identification
EOS	Economic Operator System
ETCIT	Expert Teams on new approaches to develop and operate Customs IT systems
EUCDM	European Union Customs Data Model
EU CTP	EU Customs Trader Portal
EXP	Export
EXS	Exit Summary Declaration
FTA	Free Trade Agreement
GSP	Generalised Scheme of Preferences
GUM	Guarantee Management
IA	Implementing Act
ICS; ICS2	Import Control System; Import Control System 2
IMP	Import
INF	Information Sheet
LVC	Low Value Consignments
MASP	Multi-Annual Strategic Plan
NCTS	New Computerised Transit System
MS	Member State
NES	National Export System
NSP	National Special Procedures
OCT	Overseas Countries and Territories
PG	Project Group

Acronym	Description
Q1/2/3/4	Quarter 1/2/3/4
REX	Registered Exporters System
RUP	Rational Unified Process
SAFe	Scaled Agile Framework
SP	Special Procedures
STI	Shared Trader Interface
TAPAS	TAXUD AS4 Profile
TARIC3	Integrated Tariff of the European Communities 3
TP	Trader Portal
TSD	Temporary Storage Declaration
UCC	Union Customs Code
UI	User Interface
UUM&DS	Uniform User Management & Digital Signature
VAT	Value Added Tax
WP	Work Programme

Table 26: Abbreviations and Acronyms