**4.29. Chapter 29: Customs union**

Some progress was made on **customs legislation**. The 2012 customs tariff was adopted in line with the latest changes in the EU Combined Nomenclature. New implementing provisions were introduced on risk management, including electronic risk management and exchange of information, use of summary customs declarations, risk analysis, the procedure for issuing and revoking authorisations for the simplified customs procedure, and exchange of information between customs authorities using IT and computer networks. Preparations in this area are advanced.

Good progress was made **on administrative and operational capacity**. Cooperation with the business community intensified and exchange of information with the customs administrations of neighbouring countries continued. Professional standards and internal control measures were implemented systematically with the aim of preventing and fighting corruption among customs officers. Operational capacity for customs controls was further enhanced. Further progress was made with developing the risk management system at border crossings, in the form of more comprehensive application of risk analysis. However, sustainable financial resources for operation and maintenance of customs control equipment need to be secured. An Information and Communication Technology (ICT) development strategy and a public relations strategy were adopted for 2012-2014. The national plan for implementing the New Computerised Transit System (NCTS) was regularly updated. A new EN 65 EN transit application, fully compatible with the NCTS, was developed and the necessary implementing capacity was put in place. The single window system for issuing authorisations was further upgraded. The customs administration started developing a new Customs Declaration Processing System. Further development of staff’s project management and quality assurance capacity is necessary in order to minimise the risks associated with parallel implementation of a number of IT development projects and to improve project performance in general. Preparations in this area are on track.

*Conclusion*

 There was progress in the area of customs union, in particular on administrative and operational capacity. Inter-agency cooperation, the fight against corruption in the customs administration and the capacity to tackle cross-border crime continued to improve. Preparations in the area of customs union are well on track.