e-PoC – project for the digitalization of proofs of origin
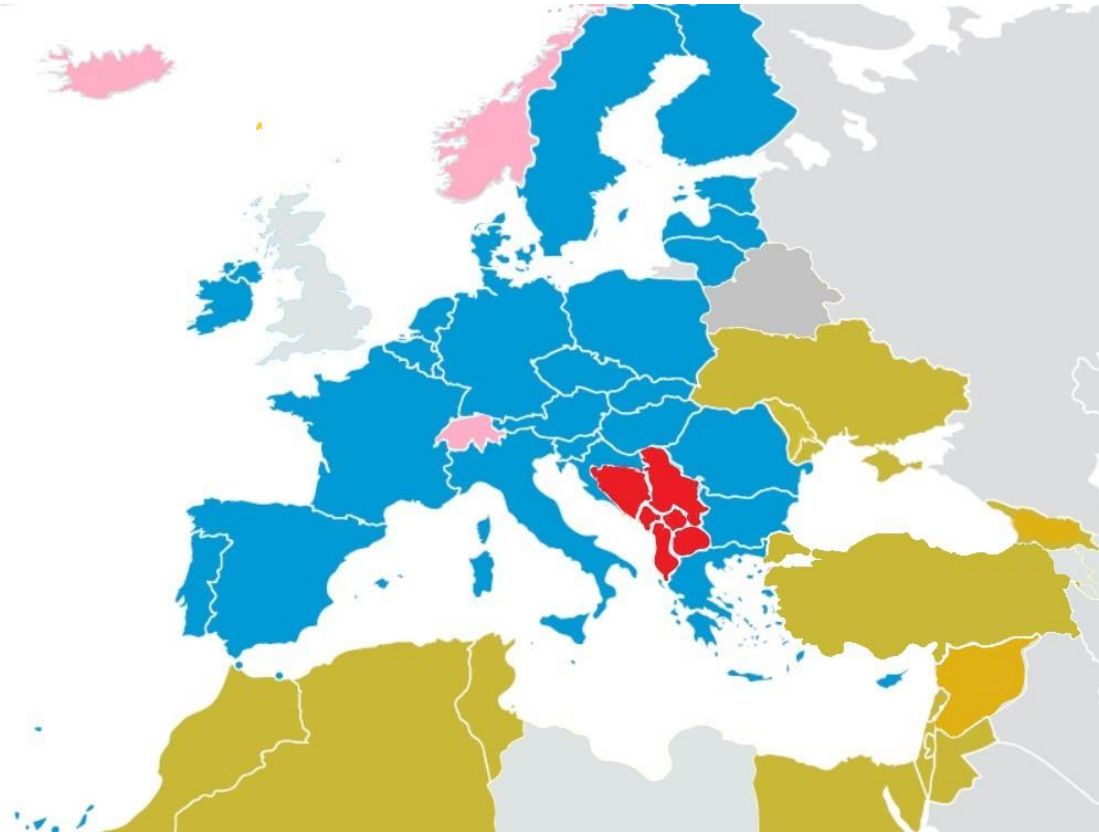
3 February 2025

WCO Global Forum on Origin Interconnectivity

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The geographical scope of the PEM Convention

The PanEuroMed zone: 25 partners

- EU
- EFTA States (CH, IS, LI, NO)
- Faroe Islands (FO)
- Western Balkans (AL, BA, MK, ME, RS, Kosovo*)
- Participants in the Barcelona Process (DZ, EG, IL, JO, LB, MA, PS, TN, TR, SY)
- Eastern partnership (MD, UA, GE)

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

European Commission

Problem Statement

- Certificates are issued on paper with ink stamps and hand written signatures of customs officials
- Risk of human mistakes in course of fulfilment of application or issuance of certificates
- EUR.1 certificates contain several boxes for free text
- Impossible to perform automated cross-checks with the data in the export/import customs declaration
- Paper-based country-to-country interaction for verification purposes
- COVID 19 challenges and new initiatives to digitalise EUR.1 from some of the PEM members
- If a certificate is electronically issued, its authenticity cannot be automatically cross-checked and some PEM members in the region are not ready to accept digitally issued certificates
- Need to establish the legal ground for the use of electronic certificates

European Commission

Legal base for electronic certificates in PEM region

- The Joint Committee of the PEM Convention issued decision 1/2024 on the use of electronic certificates (12 December 2024)

- It establishes the conditions for the use of movement certificates EUR.1. issued electronically

- Applicability: revised Convention as from 1 January 2025

- Based on the PEM JC Recommendation 1/2023 agreed among all the Contracting Parties

Future vision - PEM e-PoC digital environment for proofs of origin

EU e-PoC system

*PEM authorities responsible for issuance of proofs of origin within the local environment***

Support the automated verification by customs proofs of origin required for goods clearance

Allow customs competent authorities to properly monitor and control the quantities of goods imported with preferential origin certificates - quantity management

Serve as single communication channel for Economic Operators to fulfil the relevant application and submission of additional information required for proof of origin

Possibility to be used as a platform for administrative cooperation between customs authorities of PEM and EU MSs

Facilitation measures to support the G2G and B2G cooperation

*e.g. Norway, Türkiye, Morocco, Israel

European Commission

CURRENT SITUATION: Certificate on paper
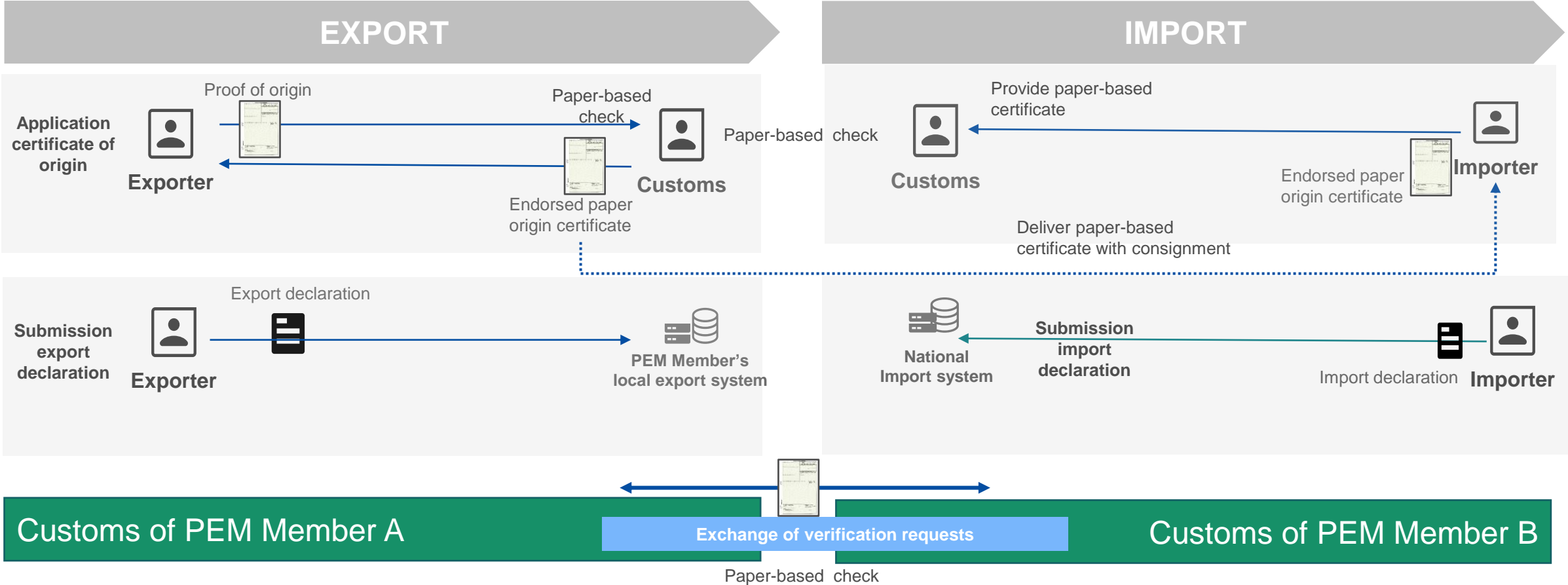
Issuance of the certificate in the exporting country (PEM member A) and consumption of the EUR.1 in the importing country (PEM member B (eg. EU))

TO-BE: EU e-PoC export from EU to PEM with local IT solution
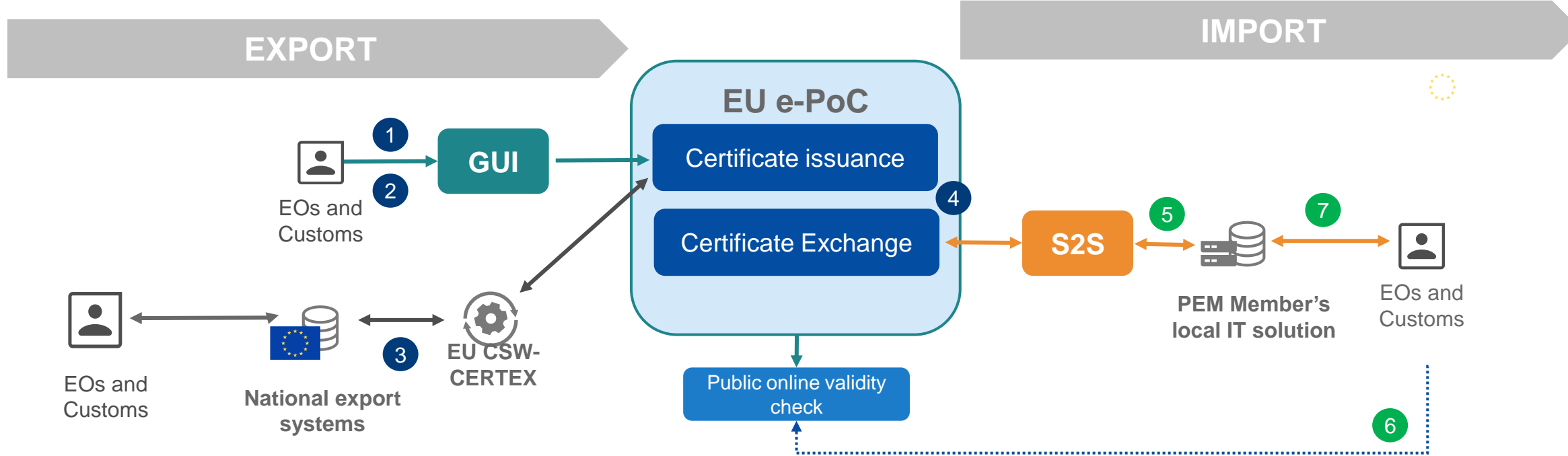
Legend:

1 EU EOs are applying for certificates in an e-PoC via web-based application
2 EU Customs control information and issue certificates in an e-PoC via web-based application
3 Prior to the enforcement of certificate the automatic control with export declaration to be performed
4 Once certificate is endorsed the automatic exchange of information with country of import/beneficiary country will be performed

5 Upload certificate to local IT module – machine-to-machine exchange
6 EO of importing country could check the validity of certificate received from partner via web-based portal of e-PoC prior to the submission of import declaration
7 Customs of importing country verify the authenticity of certificates in their own IT solution (they could also to use public online validity check engine) during the customs clearance

Future outlook and next steps

Process related building blocks

Business and technical analysis

Package:
Business Case
Feasibility Study
Business Process Models
Etc.

Commission is examining jointly with Member States and Trade representatives the business process flow related to the digitalisation via evolution of the process from paper to digital

Once the analysis is finished the package to be adopted by stakeholders

Legal act for establishing of e-PoC

Commission proposal for amending of UCC Implementing Regulation No 2015/2447

Comitology, Examination Procedure

Voting in CUSTOMS EXPERT GROUP ORIGIN section

New Regulation on data requirements
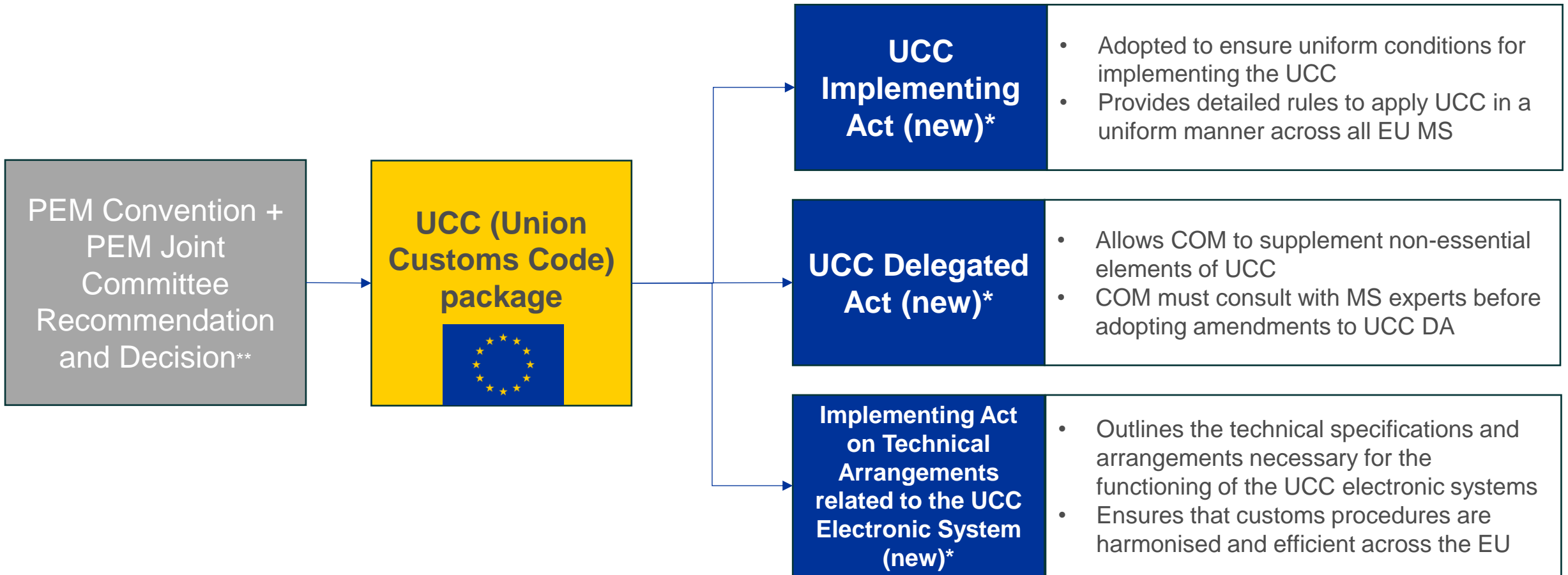
This is to ensure structural and automated way for data exchange and storage of information between customs authorities as well with PEM partners

Amendments of Annex

Voting in ORIGIN Committee

Outcome: in line with EU IT governance process the development of the system will start after the adoption of legal acts and approval of the package of documents by relevant bodies

EU Legal Package

PEM Convention + PEM Joint Committee Recommendation and Decision**

→ **UCC (Union Customs Code) package**

→ **UCC Implementing Act (new)***
- Adopted to ensure uniform conditions for implementing the UCC
- Provides detailed rules to apply UCC in a uniform manner across all EU MS

UCC Delegated Act (new)*
- Allows COM to supplement non-essential elements of UCC
- COM must consult with MS experts before adopting amendments to UCC DA

Implementing Act on Technical Arrangements related to the UCC Electronic System (new)*
- Outlines the technical specifications and arrangements necessary for the functioning of the UCC electronic systems
- Ensures that customs procedures are harmonised and efficient across the EU

*The process of drafting and adoption of legal acts is ongoing and the text is not yet approved
** Recommendation (adopted on 07 12 2023) and Decision of PEM Joint Committee related to the issuance of electronic certificates (tbd)

European Commission

Introduction of new act of UCC on data elements

General objective of UCC DA	• The UCC DA supplements the UCC by providing detailed rules and procedures to ensure effective implementation. • The Lisbon Treaty (Article 290 of the Treaty on the Functioning of the European Union) empowers COM to adopt DA efficiently by allowing for flexibility and timely updates to legislation without requiring a full legislative process.

Specific objective of new amendments to UCC DA and UCC IA	• **Electronic application**: Exporters will submit their application for the EUR.1 certificate electronically, along with supporting documents. • **Compliance with data requirements**: The application for the EUR.1 certificate must comply with the data requirements to be listed in new Annexes of the Act • **Implementation timeline**: From the deployment date, exporters are obliged to lodge their application through the EU e-PoC system.

European Commission

Thank you

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European Commission