

EN

ANNEX

**on the financing of the Instrument for financial support for customs control equipment,  
as part of the Integrated Border Management Fund, and the adoption of the  
multiannual work programme for 2021 and 2022**

**1. Introduction**

This is the first work programme adopted under the newly established Instrument for financial support for the customs control equipment, as part of the Integrated Border Management Fund, comprising also the instrument for financial support for border management and visas. The programme presents the framework for objectives, policy priorities, award criteria, actions, and expected results for 2021-2022.

With a view to the long-term aim of harmonised application of customs controls by the Member States, the Instrument for financial support for the customs control equipment 'the Instrument' (as per Article 3 of Regulation (EU) 2021/1077), has the general objective to support the customs union and customs authorities to protect the financial and economic interests of the Union and its Member States, to ensure security and safety within the Union and to protect it from illegal trade while facilitating legitimate business activity. The availability of such equipment at the external borders is of paramount importance for facilitating the customs union to face these challenges. By supporting the modernisation of the customs control equipment at Union level, the Instrument pursues policy priorities oriented towards a Stronger and better equipped customs union, enhanced Union added value, and improved Innovation and Sustainability of the Union action.

The Instrument has been designed to address existing imbalances in terms of availability of adequate and modern customs control equipment in the Member States, taking into account the specificities of different border crossing points, in particular, their geographical location, size, traffic characteristics, risk analyses, and threats they are exposed to.

With more than 2000 customs offices (customs laboratories and border crossing points, with border crossing points understood under this Work Programme to be any customs office that deals with the import, transit or export of goods, having the tasks of performing customs controls) across the Union that need to be equipped to implement the common customs legislation, customs control equipment funding has been a long-standing political issue within the customs union. It is the first funding instrument dedicated entirely to strengthening Member States' capacities to perform customs controls. The new programme comes as a response to the calls by the Member States for a structured solution to provide national customs administrations with adequate and effective technical equipment for controlling goods entering and leaving the Union.

Purchasing of equipment for customs controls has so far been possible to a limited extent under different strands of other Union funding programmes, such as the Hercule Programme and the European Structural and Investment Funds (ESIF). However, this support has proven insufficient to address the expanding needs of the customs union for improved customs controls where challenges are developing quickly and disproportionately and are often dependent on external factors of volatile character. Risks and threats to the security of the

Union and its financial and economic interests have progressively increased and new ones have emerged during the recent years. These developments have further fostered the necessity for the Union to provide for a specific funding programme to support strengthening the Member States' technical capacities to carry out, as a long-term aim, customs controls in a harmonised manner.

In implementing Regulation (EU) 2021/1077, the Commission takes into account the priority actions identified in the Customs Action Plan<sup>1</sup>, in particular the heading 'Customs authorities acting as one'. The Action Plan notes that there is a need for more operational cooperation among customs authorities to guarantee that the Union acts as one on customs matters. The Communication points out the need to address imbalances between Member States in customs controls, in particular by ensuring that all Member States have modern and reliable customs control equipment as well as sufficient, trained personnel to operate it.

The Action Plan recognises the role of the Instrument in tackling the weak points of entry/exit of goods into the territory of the customs union. It acknowledges the increasing interest among the Member States in enhanced operational cooperation on a geographical or thematic basis in the form of cooperation tools (such as expert teams, task forces or project groups), envisaged by the Customs programme<sup>2</sup>, which should support the implementation of the Instrument and its objectives as a whole. Customs Eastern and South-Eastern Land Border Expert Team (CELBET) and Customs Laboratories Expert Team/Network are the expert teams most relevant to the Instrument. The experience of the CELBET Equipment Team has played an important role in the preparatory work for the design of Regulation (EU) 2021/1077 and could offer support to all Member States with its expertise on issues such as market research, technical specifications, pre-purchase test protocols, and recommendations for field validation tests.

## **2. Implementation**

Based on the objectives provided for in Regulation (EU) 2021/1077, this work programme contains the actions to be financed and the budget breakdown for the years 2021-2022 to be implemented in direct management in accordance with the Financial Regulation.

It will provide funding exclusively by means of grants to be awarded and managed in accordance with Title VIII of the Financial Regulation.

Direct management means that the Commission, which bears the main responsibility for its sound implementation, manages the Instrument. Therefore, the Member States should commit to contributing to prudent spending of the support provided under the Instrument and abiding by applicable EU and national rules and regulations.

The Instrument will be implemented in two stages. The first one, will correspond to a short-term approach dedicated to filling in existing performance gaps. There needs to be a clearly identified need for equipment that has to be related to the improvement in the performance of customs controls in line with the policy priorities of the work programme. The process of identifying these gaps and their subsequent filling is thus contributing to adequate customs controls while demonstrating a clear Union added value of the Instrument. The second one,

---

<sup>1</sup> COM(2020) 581 final of 28 September 2020

<sup>2</sup> Regulation (EU) 2021/444 of the European Parliament and of the Council establishing the Customs programme for cooperation in the field of customs and repealing Regulation (EU) No 1294/2013 (OJ L 87, 15.3.2021, p. 1.)

will provide for a long-term vision aiming to achieve the specific objective of contributing to equivalent levels of results of customs controls.

The first programming period, covering 2021-2022, will be devoted to the priorities of the short-term approach and focused on the “adequacy”<sup>3</sup> component of the Instrument’s objectives. It will aim to fill in the performance gaps in the availability of equipment and to ensure that the border crossing points (‘BCPs’) and customs laboratories do not lack important equipment or have unmet control needs, preventing them from performing adequate and effective controls.

The equipment adequacy component will focus on the purchase of the appropriate and necessary equipment for both customs laboratories and BCPs, taking into account the particular geographical location, size, traffic characteristics, risk analysis, and threats. It will address all types of borders. In their applications, Member States will have the opportunity to identify the most suitable equipment pertinent to the specificities of their BCPs and laboratories and to justify their requests based on the related policy priorities.

The national customs administrations will be invited to present concrete projects and make the case where specific BCPs and customs laboratories lack the necessary equipment or need to replace equipment to maintain performance standards, or to face new challenges or threats that require increased capacities. The investment projects should all have a clear performance (Union added value) component and should detail the expected improvements in terms of customs controls results.

Furthermore, the first programming period will pursue the specific objective of improving the knowledge and the information at Union level on the equipment available at the BCPs and customs laboratories with regard to the context (traffic, risks, threats, control policy) in which they operate. Achieving this objective will allow the Commission to have a complete picture of the situation in all BCPs at a specific point of time, which will serve as starting point for the performance baseline to establish.

Based on that baseline and the information provided by Members States in accordance with Article 11(3) of Regulation (EU) 2021/1077, the Commission will prepare the second phase to be implemented in the subsequent work programmes. Moreover, it will analyse the equipment, along with the state of play of its use, as existing at the starting point and assess it against the changes incurred over the first implementation period in the volumes, traffic, risks and threats.

### **3. Policy priorities for the first Work Programme (2021-2022)**

Building upon the general objectives of the Instrument, it has the specific objective of contributing to adequate and equivalent levels of results of customs controls through the transparent purchase, maintenance, and upgrade of relevant, state-of-the-art, and reliable customs control equipment that should also be secure, safe, and environmentally friendly. It would thus reinforce the efforts and capacities of the customs authorities acting as one to protect the single market and help take the customs union to the next level.

With a view to achieving that objective, the first work programme (2021-2022) is aligned with three major policy priorities that the Commission will assess as guiding principles in the Member States’ applications for funding.

---

<sup>3</sup> The adequacy and equivalence components refer to the specific objective of the programme as set out in Article 3(2) of Regulation (EU) 2021/1077.

### **3.1. Priority 1 – Stronger and better equipped customs union**

The specific character of the customs union bringing together a significant number of BCPs and customs laboratories with their own distinctive characteristics and particular needs explains the necessity for a tailor-made approach towards each one of them with the ultimate common objective of improving the functioning of the customs union. The support that the Instrument provides will target particular shortages in the equipment of individual BCPs and customs laboratories in a way that it guarantees their proper functioning. Acquiring the equipment necessary for the BCPs and customs laboratories to deal with their own threats and risks corresponding to their specific context, geographical location, size and traffic will enable them to ensure that the customs union acts as one, despite its diverse comprising elements. This will be an important aspect of contributing to a Stronger and better equipped customs union.

### **3.2. Priority 2 - Union added value**

The Union added value is the main driving force of the implementation of the Instrument throughout its entire duration. This means that all the equipment items that the Member States will purchase with its support will aim to contribute to improved customs controls at Union level. The purchase of the equipment under the Instrument will ensure that it has a distinctively identified Union added value and clear contribution to the performance of the customs union. Justifying the purchase of an equipment item should necessarily be linked to improving performance at Union level.

The Union added value consists of five building blocks aligned with the Instrument's general objective, which could be pinpointed as priorities and are considered indispensable for accomplishing the desired results. Those building blocks are the following:

- (a) Customs union acting as one;
- (b) Union safety and security;
- (c) Protection of the Union's financial interests;
- (d) Protecting the Union from unfair and illegal trade;
- (e) Facilitation of the legitimate business activity.

### **3.3. Priority 3 – Innovation and sustainability**

The current technological developments are progressing rapidly and there is a need to ensure that Member State customs authorities can cope with those developments.

The equipment purchased under the Instrument should be innovative and sustainable, i.e. it should comply with the latest market trends and optimal functionalities. The Member States should illustrate their ability to use it continuously in the long-term, maintaining its potential to respond to the present and future customs control needs and changing threats and risks.

In this regard, it would be necessary for the Member States to collect relevant data on the conditions and outcomes of the controls, as to allow evaluating the efficiency of the measures and feeding the analysis for risk management and security at the borders.

## **4. Implementation framework**

A key factor for achieving the policy objectives of the Instrument, as provided for by Regulation (EU) 2021/1077 is the availability of a clear up-to-date picture of the **baseline** across BCPs and customs laboratories, and a targeted harmonised blueprint for achieving the ultimate goal of contributing to adequate and equivalent results of customs controls. National customs administrations will play an active role in jointly achieving those policy objectives.

Member States will have to provide a clear baseline or description of the state of play thereby allowing the Commission to have adequate information and exert the required competencies for the direct management of the programme.

To ensure their commitment to that process, Member States have to:

- (a) build upon the initial needs assessment, provide a comprehensive description of the available equipment at their BCPs and customs laboratories using as much as possible detailed information and concrete figures;
- (b) provide a description and information on the manner in which BCP and customs laboratories operate: describe the customs control policy and its objectives, the role expected from the specific BCP and custom laboratory, as well as specific data on the traffic volume, threats, and risks;
- (c) describe the improvement in the performance of the BCP and custom laboratory by providing the existing situation and the expected targets pursued following the investment in customs control equipment.

That information will be a required step to allow the Commission to evaluate properly the applications from the Member States and will be requested as part of the invitation to submit their proposals.

Indicative timetable for the implementation of the Instrument under the first work programme

Invitation to submit proposals under both Instrument call categories addressed to the customs authorities of the 27 Member States	1 month following the adoption of the work programme (month X 2021)
Deadline for submission of proposals	X + 3 months
Evaluation of proposals by the European Commission	X + 6 months
Indicative end date for informing applicants of the outcome of the evaluation of applications	X + 8 months
Signature of grant agreements	X + 9 months
First pre-financing	Maximum 30 days following the signature of the grant agreements
A second invitation to submit proposals may be launched if sufficient budget is available.	

## Legal basis

Articles 3, 5 and 6 of Regulation (EU) 2021/1077.

## Budget line

[11 03 01 – Instrument for financial support for Customs Control Equipment]

## Objectives pursued

In accordance with Article 3(1) of Regulation (EU) 2021/1077, the general objective of the programme is to support the customs union and customs authorities to protect the financial and economic interests of the Union and its Member States, to ensure security and safety within the Union and to protect the Union from illegal trade while facilitating legitimate business activity.

Compliant to Article 3(2) of Regulation (EU) 2021/1077, the specific objective aims at contributing to adequate and equivalent results of customs controls through the transparent purchase, maintenance and upgrade of relevant, state-of-the-art, such as secure, safe and environmental-friendly, and reliable customs control equipment.

As regards the specific objectives of the present work programme, it aims to fill the performance gaps in the availability of equipment and to ensure that the border crossing points (BCPs) and customs laboratories do not lack important equipment preventing them from performing adequate and effective controls.

It also aims to contribute to the improvement of the customs performance, in line with the policy priority of Union added value and its building blocks.

The actions financed by this multi-annual work programme will support the national customs authorities to execute the transparent purchase, maintenance, and upgrade of relevant, state-of-the-art, and reliable customs control equipment that should also be secure, safe, and environmental-friendly.

Each action should match all the policy priorities of the work programme and correspond to identified gaps that the Member States are facing while carrying out customs controls where such shortages compromise the proper or effective functioning of the customs union.

Within the priority on the Union added value, Member States should commit to performance targets linked to at least two of its building blocks taking into account the specific characteristic of their BCPs and customs laboratories, as specified at page 11 of the present work programme.

The equipment purchased with the Instrument should improve the technical capacities of the Member States to perform effectively customs controls that should also exert equivalent results across the borders. It should address the specific risks and threats presented at particular border crossing points or customs laboratories, taking into consideration the context (e.g. traffic, trade) in which they operate.

The context and the risks or threats should be identified in the project applications.

By focusing their project applications on actions aiming to fill in the identified performance

gaps in the equipment at BCPs and customs laboratories, Member States will strive to tackle their vulnerabilities with a view to contributing to a stronger and better equipped customs union and to boosting its performance thus contributing to an enhanced Union added value.

## Expected results

The implementation of the activities funded with the Instrument is expected to contribute to achieving adequate and equivalent results of customs controls. The Instrument will support the Member States in addressing the need to ensure that the customs authorities act as one in protecting the interests of the Union.

### **Performance targets**

A performance reporting system, consisting of periodic reports, will be set up to ensure that data for monitoring the implementation and the results of the instrument are collected efficiently, effectively, and in a timely manner.

To ensure that they commit to achieving certain performance targets by employing the equipment purchased, Member States will have to demonstrate the expected results from the actions financed with the Instrument, in line with their own customs performance targets and the customs performance targets set in the context of the building blocks of the policy priority on Union added value. Member States should highlight how the use of the equipment purchased contributes to reaching those targets.

The results achieved should contribute to the added value of the instrument in improving the performance of the customs union.

### **Reporting requirements**

As laid down by Article 12 of Regulation (EU) 2021/1077, the indicators to report on the progress of the instrument towards the achievement of the general and specific objectives are set out in the Performance Measurement Framework of the Instrument.

An annual communication will report the following information where the cost of a piece of customs control equipment exceeds EUR 10 000 exclusive of taxes:

- (a) a detailed list of the customs control equipment financed under the Instrument;
- (b) information on the use of the customs control equipment and the related results, supported with the relevant statistics where appropriate.

## **5. Grants**

### **5.1 Financial support to the purchase, upgrade or maintenance of equipment for customs controls**

The global budgetary envelope reserved for grants under this work programme is EUR 271 514 000. The yearly budgetary implementation of the financing decision is subject to the availability of budget appropriations for the respective financial years after the adoption of the Commission annual budgets.

Eligibility/ Type of applicants targeted by the invitation to submit a proposal

The bodies eligible to receive funding under the programme referred to as eligible entities in accordance with Article 7 of Regulation (EU) 2021/1077, are the customs authorities of the EU Member States where they provide the information necessary for the assessments of needs as set out in Article 11(3) of Regulation (EU) 2021/1077.

Description of the activities to be funded by the grant(s) awarded without an open call for proposals based on Article 195 of the Financial Regulation

This programme will support the purchase, maintenance, and upgrade of customs control equipment for BCPs and customs laboratories and related items. The final list of eligible cost items will be indicated in the invitation to submit a proposal.

In accordance with Article 6(1), point (b), of Regulation (EU) 2021/1077, the items of equipment to be financed with the Instrument shall have one or more of the following customs control purposes:

- (a) non-intrusive inspection;
- (b) indication of hidden objects on humans;
- (c) radiation detection and nuclide identification;
- (d) analysis of samples in laboratories;
- (e) sampling and field analysis of samples;
- (f) handheld search.

The financed activities will be divided into two categories each benefitting from a pre-allocated share of the budget:

#### **5.1.1 Customs control equipment for border crossing points**

This category will receive 80 % of the overall dedicated amount for 2021-2022 under the Instrument.

Following an invitation to submit proposals, each national customs authority may submit one application for funding comprising a maximum of 20 work packages. In this category, one work package expresses the needs at a single BCP. It is not possible to submit more than one work package per BCP. One work package may include multiple equipment needs at that specific BCP including equipment that is mainly assigned to this BCP but that could be shared with other BCPs (mobile equipment in particular) or other border authorities. Each package should have a measurable impact that can be objectively evaluated against the award criteria so that the most pressing performance gaps across the customs union are filled in by the most appropriate mix of equipment expected to have the most effective and efficient performance in accordance with the policy priorities identified in this work programme.

#### **5.1.2. Customs control equipment for customs laboratories**

This category will receive 20 % of the overall dedicated amount for 2021-2022 under the Instrument.

Following an invitation to submit applications, each national customs authority may submit one application for funding comprising a maximum of five work packages. In this category, one work package expresses the needs of one customs laboratory and may include multiple equipment needs at that specific laboratory. It is not possible to submit more than one work

package per customs laboratory.

## Co-financing, double funding and other information

### **Co-financing rate**

The maximum possible rate of Union co-financing, in accordance with Article 8(1) of Regulation (EU) 2021/1077, is set at 80 % of the eligible costs [where VAT related costs are considered non-eligible].

### **Maximum and minimum amounts**

The maximum aggregated amount that a Member State could apply is set at [15 %] of the total budget available in the each category for the entire reference period (2021-2022).

### **Duration of the project**

The duration of the project presented in every work package shall not exceed 36 months following the project starting date. The action (purchase and upgrade of equipment) would be considered complete, when the entirety of the equipment, for which the grant has been awarded, is purchased, delivered and put into use by the customs authorities.

### **Double funding**

According to the Financial Regulations, grants are subject to the principle of non-cumulative award and no double financing. This principle is reflected in the rule that prohibits the award of more than one grant funded from the Union budget to the same beneficiary for the same action, unless it is otherwise authorised in the relevant basic act.

Member States will have to indicate in their proposal the sources and amounts of Union funding received or applied for in respect of the same action as well as any other funding received or applied for in respect of the same action.

According to Article 10(3) of Regulation (EU) 2021/1077, as a derogation from the Financial Regulation, funding of an action by several Union programmes or instruments should be possible in order to allow and support, where appropriate, cooperation and interoperability across domains.

However, in such cases, the contributions may not cover the same costs in accordance with the principle of prohibition of double funding established by the Financial Regulation.

The invitation to submit proposals will contain specific indications of the above-mentioned requirements.

### **Eligible/non eligible actions/costs**

Eligible actions/costs must comply with the requirements listed on Articles 6 and 9 of Regulation (EU) 2021/1077. As the Regulation does not list all costs and their regime (eligible/ineligible), the final list of eligible costs will be indicated in the invitation to submit a proposal.

### **Other information**

To allow the implementation of the Instrument to start from the beginning of the multiannual financial framework 2021-2022 and in the interest of the efficient and effective operation of the customs union, exceptionally cost incurred as from 1 January 2021 are eligible for proposals under this action, and may be declared even if the related activities have been implemented prior to the proposal's submission.

## Admissibility, selection, and award criteria

### **Admissibility criteria**

The admissibility criteria will be based on compliance with the submission modalities:

- submission of applications via the Funding & tender opportunities (the Single Electronic Data Interchange Area) portal of the European Commission;
- respect of deadlines for submission;

### **Selection criteria**

In accordance with Article 198(5) of the Financial Regulation, the verification of the financial and operational capacity will not apply to public bodies.

However, as the majority of the customs control equipment eligible for financing with the Instrument requires specialised skills and competences as well as specialised infrastructure, it is necessary that Member States demonstrate their capacity (as well as future strengthening of this capacity) to operate the equipment. This should be done by providing a description (included in the relevant section of the proposal) of the infrastructure available allowing the effective use of the equipment as well as the project team (staff and experts) that will be responsible for implementing the project actions and including references to their competence to procure and use the equipment.

It has to be noted that training costs are in general not eligible for financing under the Instrument, unless they are included in the purchase contract.

Interoperability should be demonstrated for those equipment items that require the use of dedicated software to ensure that the relevant equipment items purchased under the Instrument can 'communicate' to each other/share information with one another within the Member State and across the entire customs union.

### **Award criteria**

In accordance with Article 199 of the Financial Regulation, once applications have been examined on the basis of the eligibility, admissibility and selection criteria, the proposed actions will be assessed on the basis of four award criteria:

- (a) relevance;
- (b) added value;
- (c) sustainability;
- (d) innovation.

The policy priorities identified in the work programme need to be clearly stated in the applications for funding that the Member States submit, as part of the justifications provided

under the evaluation criteria, as described further in this section. During the evaluation stage, the Commission will ensure that each project proposal contribute to implementing these priorities.

Each award criterion will be applied with a different weighing factor with the Union added value being the most important criterion.

**Added value**

This criterion will play a key role in ensuring that the purchase of the equipment concerned brings about a clear Union added value.

This priority consists of the following five building blocks each one comprising activities that are listed below as examples and should not be considered as exhaustive:

Customs union acting as one could be demonstrated by the following actions that should be described in the application document:

- (a) co-sharing of equipment (in line with Article 6 of Regulation (EU) 2021/1077, as the possibility that the equipment concerned be used not only by its owner, but also by other entities, e.g. by several BCPs/ laboratories in one Member State, among Member States, or with other border authorities, reflects the overall objective to ensure the most effective and efficient spending of Union funds);
- (b) synergies in the use of the equipment (e.g. joint controls or mobile equipment shared among BCPs/laboratories or across Member States);
- (c) inter-agency cooperation with other authorities represented at the border;
- (d) commitment to share information from the use of the equipment and the resulting controls with other Member States;
- (e) joint procurement and testing of customs control equipment on behalf of several Member States will also be encouraged.

Union safety and security could be addressed by using the equipment purchased to detect relevant risks and threats including seizure of narcotics or drug precursors, illicit trafficking of radioactive or nuclear materials, weapons and money laundering (cash control).

Protecting the Union's financial interests could be demonstrated by listing actions linked to the reduction of the customs gap through improved identification of the customs duties due and improved collection of the duties, the detection of customs and tax fraud, the improvement of revenue collection, or the correct and uniform application of the Customs Tariff.

Protecting the Union from unfair and illegal trade could be approached by detecting counterfeited goods, by protecting the single market against the import of non-compliant and unsafe products or prohibited/restricted items, by detecting illicit trafficking of waste, of hazardous or toxic materials, or of endangered species prohibited under CITES convention; the protection of the environment/ climate targets may also feature this building block.

Facilitation of the legitimate business activity can be linked to actions towards reduced waiting times, increased capacity to control (as % of the traffic volume), better targeted controls with state of the art equipment (% increased hit rates). Actions and results related to e-commerce should be described as well and are mandatory priority for all postal BCPs projects.

Addressing the building blocks on customs union acting as one and Trade facilitation is considered a mandatory requirement applying to all projects and their work packages.

The remaining three building blocks is a project specific requirement depending on description of the BCP used to justify the need for an equipment. The commitment to results in these specific policy areas should depend on the specificities of each BCP in terms of traffic, volume, geographical location, risks, threats, etc. These should be measured against the state of play provided for in the baseline of each BCP and laboratory and will be linked to the particular context of that BCP and laboratory. The Member States will thus need to set their performance targets in this respect.

Value for money is pertinent under this criterion, including any multiplier effects following the use of the equipment.

### **Relevance**

This criterion will assess the justification provided by Member States on the equipment needs expressed in the applications. Addressing the identified needs should correspond to implementing the policy priority of a Stronger and better equipped customs union by filling in clearly identified customs performance gaps. Such gaps could be linked to, but not necessarily limited to, an unmet control need, missing adequate equipment, need to replace equipment to maintain or raise performance standards, or to more effectively face new challenges or threats that require increased capacities.

The overall quality of the project will also be assessed under this criterion.

### **Sustainability**

This criterion is linked to the policy priority on Sustainability and Innovation. It will assess to which extent the equipment concerned will be put into use as soon as possible following its acquisition and will be used continuously in the long-term maintaining its potential to respond to the present and future customs control needs of the BCP and customs laboratory where it will be used. Sustainability will also assess to which extent the equipment purchased is considered as reliable, secure, safe and environmental-friendly (including the environmental friendly disposal of replaced and/or upgraded equipment).

The Member States are strongly encouraged to include in the procurement contracts for purchasing the equipment a provision dedicated to its long-term optimal use (including maximum warranty and maintenance contracts).

### **Innovation**

This criterion is linked to the policy priority on Sustainability and Innovation. It will assess to which extent the equipment financed under the Instrument is considered as 'state-of-art' and will equip the customs authorities to face new challenges in the most efficient way thanks to innovative approaches.

The applications for equipment corresponding to the latest market trends and optimal functionalities, demonstrating the potential to respond to present and future customs control needs as well as to changing threats and risks will be assessed positively.

## Reporting requirements

As part of the monitoring and implementation process, Member States will be required to report on the implementation of their projects in line with the monitoring and evaluation framework under the instrument. The reporting requirements will include information on the equipment effectively purchased under the Instrument as well as specific information related to the use of the equipment and the expected results as already detailed under the added-value criterion.

In line with the Union policy priority of Union added value, Member States should report on the performance targets as identified within the context of this priority.

Unjustified non-fulfilment of expected results may lead to partial or total recovery of the related funds.

In addition, Member States should report on their commitment to have adequately trained staff with appropriate knowledge to use the equipment purchased.

## 6. Other service contracts and other expenditures

Amount

EUR 2 000 000

Description of the contracts envisaged

As set out by Article 4(2) of the Regulation (EU) 2021/1077, the allocated budget can also cover expenses for preparation, monitoring, control, audit, evaluation as well as other activities for managing the Instrument and evaluating the achievement of its objectives.

The Commission intends to undertake activities by means of contracts notably:

- (a) Programme management and implementation support:
  - i. programme management tools, including IT tools;
  - ii. studies;
  - iii. other support services and material.
- (b) Communication and information support, including translations;
- (c) External experts assisting the evaluation committee.

Implementation

Directly by DG TAXUD

Additional information required by the basic act for the work programme

N/A