

DECISION OF THE JOINT COMMITTEE OF THE CENTRAL EUROPEAN FREE TRADE AGREEMENT 2006

No. 7/2024

on the Establishment of an Electronic System to Facilitate Risk-management for Trade in Goods

Adopted on 9 October 2024

Preamble

The Joint Committee

Having regard to Articles 40.4 and 41.5 of Annex 1 to the Agreement on Amendment of and Accession to the Central European Free Trade Agreement (hereinafter referred to as "CEFTA 2006"), done in Bucharest on 19 December 2006;

Having regard to the CEFTA Parties' commitments under the CEFTA 2006 and its Additional Protocols, in particular to exchange data by means of electronic instruments with the aim of a) strengthening and improving the quality of their risk analysis and the effectiveness of security-related controls; b) establishing a common framework for risk management, common risk criteria and common priority control areas for CEFTA at the regional level; and c) setting up an electronic system to implement risk-management among CEFTA Parties;

Taking into account the Ministerial Conclusions of 21 November 2014, which emphasise the importance of undertaking efforts aimed at deepening the implementation of the CEFTA Agreement and the CEFTA 2006;

Considering that the CEFTA Parties maintain an adequate level of professional secrecy and are mindful of the applicable provisions of data protection within the CEFTA Parties;

Considering the CEFTA Parties' desire to exchange relevant Customs Risk Profiles that are of common interest to the CEFTA Parties;

Taking into account that the World Customs Organization (WCO) recommends that a risk profile should contain a description of the risk area, an assessment of the risk, the counter-measures to be taken, an action date, the results, and an evaluation of the effectiveness of the action taken;

Considering that the exchange of data among the CEFTA Parties via the CEFTA Inspection Reports and the CEFTA Rapid Customs Alert Forms requires the establishment of interconnectivity between the existing Customs Risk Management Systems of the CEFTA Parties and their SEED nodes;

Acknowledging the importance of strengthening and improving the quality of Customs risk analysis by the CEFTA Parties;

Having regard to the *Decision of the Joint Committee No. 2/2021 on the provision of data by the CEFTA Parties to the CEFTA Secretariat*, adopted on 2 July 2021;

Acknowledging the importance of *Recommendation No. 1/2019 on a CEFTA Customs Risk Management Strategy*;

Has decided as follows:

Article 1

Definitions

For the purposes of this Decision, the following definitions shall apply:

- (a) **CEFTA Risk Profile (CRP)** means a risk profile of relevance to the Parties.
- (b) **Customs controls** means specific acts performed by the Parties to ensure compliance with Customs regulations and other regulations governing the entry, exit, transit, movement, and storage of goods.
- (c) **Data** means any information, whether or not processed or analysed, and documents, reports, and other communications in any format, including electronic certified or authenticated copies thereof.
- (d) **Economic operator** means an entity that is involved in activities covered by Customs regulations in the course of its business activities.
- (e) **Inspection Report** means a report on a Customs inspection that is linked to a CEFTA Risk Profile.
- (f) **Customs Action** means the specific implementation of a CEFTA Risk Profile.
- (g) **Parties** means the CEFTA Parties.
- (h) **CEFTA Rapid Customs Alert** means the provision of information about occurring risks of relevance.
- (i) **CEFTA Rapid Customs Alert Form** means an online form used for the prompt and simplified exchange of data about occurring relevant risks.
- (j) **Risk** means the likelihood and the degree of impact of an event occurring with regard to the entry, exit, transit, movement, or end-use of goods and to the presence within a Party, which would:
 - prevent the correct application of CEFTA or Parties' measures;
 - compromise the financial interests of CEFTA as a whole and/or of individual Parties; or
 - pose a threat to the security and safety of a Party and its residents, to human, animal, or plant health, to the environment, or to consumers.
- (k) **Risk Profile** means one or a combination of indicators aimed at selecting certain consignments or passengers that require increased Customs attention.
- (l) **Risk management** means the systematic identification of risk, including through random checks, and the implementation of measures necessary for limiting risk exposure.
- (m) **SEED** means the system and platform for the Systematic Exchange of Electronic Data (SEED) and the SEED+.
- (n) **SEED modules** mean the functional modules of the SEED software.
- (o) **SEED node** means an infrastructure composed of one or more servers that are hosting all SEED modules in a single Party.

Article 2

Establishment of an electronic system to facilitate risk-management

This Decision lays down the data and procedures for the exchange of risk management information with regard to CEFTA Risk Profiles, CEFTA Inspection Reports, and CEFTA Rapid Customs Alerts.

Article 3

CEFTA Risk Profiles

- (1) Parties may agree on CEFTA Risk Profiles (hereinafter “CRP”) of relevance to the Parties to strengthen and improve the quality of Customs risk analysis by the CEFTA Parties.
- (2) Once established, the CRP and other information and intelligence shall provide a basis for targeting, *inter alia*, potentially high-risk movements of consignments, means of transport, or passengers.
- (3) The dataset for the CRP shall be based on the template provided in Annex I to this Decision.
- (4) The CEFTA CRP module shall be an integrated part of the SEED system.
- (5) CRPs are to be distributed amongst SEED nodes.
- (6) The proposals for, objections to, and the agreed data of CRP shall be distributed among Parties’ SEED nodes.

Article 4

Exchange of data from Inspection Reports

- (1) Parties participating in a CRP shall exchange the data from the Inspection Reports resulting from Customs controls applied in response to the CRP.
- (2) CEFTA Inspection Reports shall comprise the data elements provided in Annex II to this Decision.
- (3) The data shall be distributed through the SEED system among the relevant Parties’ SEED nodes.

Article 5

CEFTA Rapid Customs Alerts

- (1) CEFTA Rapid Customs Alerts shall be issued on newly identified risks that may require immediate action by the Parties.
- (2) The CEFTA Rapid Customs Alert Form shall be used to promptly exchange data on newly identified risks that may require immediate action of the Parties.
- (3) The relevant data elements for the CEFTA Rapid Customs Alert Form shall be based on the template provided in Annex III to this Decision.
- (4) The data elements of the CEFTA Rapid Customs Alert Forms shall be an integral part of the SEED system.
- (5) The data shall be distributed through the SEED system among Parties’ SEED nodes.

Article 6
Exchange of risk data

- (1) For the exchange of data covered by this Decision, Parties shall establish interconnectivity between the SEED nodes and the relevant Customs Systems to process the data within the SEED system.
- (2) The Party providing the data distributed amongst SEED nodes specified in this Decision shall remain the owner of those data. Data provided by a Party shall be treated as confidential and used solely for the purposes laid out in this Decision.
- (3) In the context of the implementation of this Decision and of the exchange of data, the Parties shall rely on *Standard Operating Procedures*, as endorsed by the CEFTA Sub-committee on Customs and Rules of Origin, and revised as needed.

Article 7
Entry into force

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

Adopted in Belgrade, on 9 October 2024, in the presence of representatives of all CEFTA Parties.

ANNEX I
CEFTA Risk Profile

Data Field	Definition
<i>Mandatory Profile Information</i>	
Profile Defined by	<i>CEFTA / SEED Server where CRP is created</i>
Title	<i>Short title of the CRP (up to 50 characters)</i>
Reference Number	<i>Identification of the CRP from the Customs Risk Management System</i>
Application Date	<i>Automatically pre-filled with current date and time (can be amended)</i>
Start Date	<i>Beginning date of validity of the CRP (if no info, system timestamp when CRP is entered into the system)</i>
End Date	<i>The last date of validity of the CRP</i>
Response Deadline	<i>Choice 5, 10, 15, and 20 calendar days from the application date</i>
Risk Area	<i>Value from a pre-defined list of types of CEFTA common risk areas</i>
Risk Category	<i>Fiscal or non-fiscal risk</i>
Distinctive risk area(s)	<i>Selection from a list of distinctive risk areas, such as Revenue Collection; Public Health; Environmental Protection; Fight Against Terrorism; Prohibited Goods; etc.</i>
Type of Control	<i>Selection from a list of possible types of control, such as documentary control, physical control, other control</i>
Likelihood	<i>High (Probable, Medium (Possible), Low (Remote)</i>
Consequence / Impact	<i>High (Serious; Medium (Manageable); Low (Treatment within existing workflows)</i>
Percentage of Control	<i>Percentage of controls to be executed in case of the risk hit</i>
Description of Profile	<i>A detailed description of the profile</i>
Risk Indicators	<i>List of risk indicators with the parameters/values</i>
Optional information	
Section A	
CN Subheading (8 digits)	<i>Combined nomenclature - Tariff classification</i>
CN Subheading Description	<i>Combined nomenclature description (based on the CN Subheading choice)</i>

CN Subheading Supplementary Units	<i>Combined nomenclature Supplementary Units (based on the CN Subheading choice)</i>
Commercial Description	<i>Commercial description of the commodities (free text)</i>
Origin/Export	<i>Origin of the goods</i>
Commodities Risk Sub-Indicators	<i>Pre-defined list or risky (sub) indicators linked with the Commodities</i>
Name of the Economic Operator (if not a natural person)	<i>Name of the Economic Operator, address, additional information</i>
Type of Economic Operator	<i>Consignor / Consignee / Declarant / Transporter</i>
Economic Operator Risk Sub-Indicators	<i>Pre-defined list or risky (sub) indicators linked with the Economic Operator(s)</i>
Means of transport type	<i>Type of transport selection</i>
Means of transport Identity	<i>Means of transport registration</i>
Means of transport	<i>Means of transport party of registration</i>
Means of transport r Risk Sub-Indicators	<i>Pre-defined list or risky (sub) indicators linked with the Means of transport</i>
Section B	<i>Routing Indicators</i>
Means of Transport Route	<i>Route of the Means of transport (origin/export, transit, destination)</i>
Routing Sub-Indicators	<i>Value from a pre-defined list of risky (sub) indicators linked with routing</i>
Section C	<i>Valuation Indicators</i>
Customs value Sub-Indicators	<i>Value for list or risk (sub) indicators linked with the value of goods</i> <ul style="list-style-type: none"> - <i>Method of valuation</i> - <i>Additions to the Customs value</i> - <i>Deductions from the Customs value</i> - <i>Other indicators</i>
WTO Method of valuation	<i>Method 1 (Transaction value);</i> <i>Method 2 (Transaction value of identical goods, previously accepted by Customs for goods identical with those which are being valued);</i> <i>Method 3 (Transaction value of similar goods, previously accepted by Customs for goods similar to those which are being valued);</i>

	<p><i>Method 4 (Deductive method, which uses the price at which the imported goods, or identical or similar goods, are sold in the Party);</i></p> <p><i>Method 5 (Computed method, which is made up of the manufacturing costs relating to the production of the goods, plus an amount for profit and general expenses);</i></p> <p><i>Method 6 (Fall-back method, exceptionally, when the Customs Value of imported goods cannot be established by the direct application of one of the first five methods, then the value can be determined by using the so-called "fall back");</i></p>
Section D	Supplementary Information Linked with the Profile
Reasons for Selection	<i>Additional info explaining risk in greater detail</i>
Additional Information	<i>Additional info explaining risk in greater detail</i>
Section E	Contact Details of the Officer responsible for CRP
Name	<i>Name and surname of the responsible Customs Officer</i>
E-mail	<i>E-mail of the responsible Customs Officer</i>
Telephone Number	<i>Telephone number of the responsible Customs Officer</i>
Data Group	Profile Definition Page – SEED Alarm Conditions
Declaration Header	<i>SEED Alarm conditions at the level of declaration header</i>
Declaration Items	<i>SEED Alarm conditions at the level of declaration items</i>

RESPONSE / FEEDBACK

Data Field	Definition
Relevance	<i>Relevant – Not Relevant</i>
	If Relevant:
Number of controls	
Number of hits	
Number of detections	
Comments/Recommendations	

ANNEX II
Exchange of data from CEFTA Inspection Reports
related to CEFTA Risk Profiles

Data Field	Definition
Mandatory Information on Conducted Customs Control	
Party	
Date	<i>Inspection date</i>
Time	<i>Inspection time</i>
Location	<i>Location of inspection - CEFTA Party Customs Office code</i>
CEFTA Risk Profile (CRP)	<i>Code of the CRP that triggered the inspection</i>
Type of Control (coded)	<i>Multiple choice: Non-intrusive inspection equipment, K9, Scanner, Physical Examination, Laboratory, etc.</i>
Did the inspection uncover any irregularities?	<i>Yes / No</i>
Description of Result (txt)	<i>Modus Operandi - Description of control and results in local language</i>
Type of Result (coded)	<i>Compliance Issue, Security Issue, Revenue Issue, etc.</i>
Sub-Type of Result	<i>Coded</i>
Customs Procedure	<i>Type of Customs procedure (Transit, Import, Export,)</i>
Customs Office of Departure/Clearance	<i>Code of a Customs Office of Departure (Transit movements) or Code of Customs Office of Export/Import Clearance</i>
Customs Office of Destination	<i>Code of a Customs Office of Departure (Transit movements) or Code of a Customs Office of Exit (Export procedure)</i>
CN Subheading (8 digits) (6 digits transit if mandatory)	<i>Combined nomenclature - Tariff classification</i>
CN Subheading Description ¹	<i>Combined nomenclature description (based on the CN Subheading choice)</i>
CN Subheading Supplementary Units ²	<i>Combined nomenclature Supplementary Units (based on the CN Subheading choice)</i>
Commercial Description	<i>Commercial description of the commodities (free text)</i>
Goods Quantity	<i>Quantity of goods according to the Supplementary Units</i>
Origin/Export	<i>Preferential or non-preferential origin</i>

¹ Not applicable for transit.

² Not applicable for transit.

Optional Information	
Type of Economic Operator	<i>Consignor / Consignee / Declarant / Transporter</i>
Economic Operator Name (if not natural person)	<i>Name of the Economic Operator, address, additional information</i>
Means of transport Identity	<i>Means of transport registration</i>
Means of transport	<i>Means of transport party of registration</i>
Means of Transport Route	<i>Route of the Means of transport (origin/export, transit, destination)</i>
Concealments	<i>Special Made Concealments (yes/no)</i>
Concealments details	<i>Concealments details choice – mandatory if Concealments choice is yes</i>
Concealments pictures	<i>Special Made Concealments pictures (X-ray or Gamma-ray scanner pictures)</i>
IPR Infringement	<i>Is there suspicion of IPR violation? (yes/no)</i>
IPR Details	<i>If IPR Infringement, non-nominal details (e.g., brand name) should be provided</i>
Economic Operator TIN	<i>[if available]</i>
Economic Operator Address	<i>[if available]</i>
Means of Transport Description	<i>if available - Brand, Model, Colour, etc.</i>

ANNEX III
CEFTA Rapid Customs Alert Form

Data Field	Definition
Mandatory Information on Conducted Customs Control	
Party	
Date	<i>Creation date</i>
Time	<i>Creation time</i>
	<i>Location of Party Customs Office code</i>
Description of Risk	<i>(Free text)</i>
Risk indicators	<i>List of risk indicators</i>
Proposed type of control	<i>Multiple choice: Non-intrusive inspection equipment, K9, Scanner, Physical Examination, Laboratory, etc.</i>
Risk area	<i>List of risk areas</i>
Optional information	
Customs Office of Departure/Clearance	<i>Code of the Customs Office of Departure (Transit movements) or Code of the Customs Office of Export/Import Clearance</i>
Customs Office of Destination	<i>Code of the Customs Office of Departure (Transit movements) or Code of the Customs Office of Exit (Export procedure)</i>
CN Subheading (8 digits) import and export (6 digits for transit) ³	<i>Combined nomenclature - Tariff classification</i>
CN Subheading Description ⁴	<i>Combined nomenclature description (based on the CN Subheading choice)</i>
CN Subheading Supplementary Units ⁵	<i>Combined nomenclature Supplementary Units (based on the CN Subheading choice)</i>
Commercial Description	<i>Commercial description of the commodities (free text)</i>
Goods Quantity	<i>Quantity of goods according to the Supplementary Units</i>
Origin/Export	<i>Preferential or non-preferential origin</i>
Economic Operator Name (if not a natural person)	<i>Name of the Economic Operator, address, additional information</i>
Type of Economic Operator	<i>Consignor / Consignee / Declarant / Transporter</i>

³ Mandatory with the introduction of version V NCTS

⁴ Not applicable for transit

⁵ Not applicable for transit

Means of transport type	<i>Type of transport selection</i>
Means of transport Identity	<i>Means of transport registration</i>
Means of transport	<i>Means of transport party of registration</i>
Means of Transport Route	<i>Route of the Means of transport (origin/export, transit , destination) – to the extent that this information is known/available</i>
Concealments	<i>Special Made Concealments (yes/no)</i>
Concealments details	<i>Concealments details choice – mandatory if Concealments choice is yes</i>
Concealments pictures	<i>Special Made Concealments pictures (X-ray or Gamma-ray scanner pictures)</i>
IPR Infringement	<i>Is there suspicion of IPR violation? (yes/no)</i>
IPR Details	<i>If IPR Infringement, yes, (e.g., brand name) should be provided</i>
Economic Operator TIN	<i>[if available]</i>
Economic Operator Address	<i>[if available]</i>
Means of Transport Description	<i>if available - Brand, Model, Colour, etc.</i>

FEEDBACK

Data Field	Definition
Mandatory Information on Conducted Customs Measures	
Relevance	<i>Relevant – Not Relevant</i>
Action Taken	<i>Yes/No – if yes, define the type of measure</i>
Type of Measure	<i>List of the measures</i>
Result of Measure	<i>Short description of the results</i>
Attachments (documents, images)	