

Standard Summary Project Fiche – IPA decentralised National programmes

1. Basic information

- 1.1 CRIS Number** : TR2010/0329.01 (under 2010/022-565)
1.2 Title : Modernisation of the Turkish Customs Administration VII
1.3 ELARG Statistical code: Customs Union 29
1.4 Location : Turkish Customs Administration (TCA) Ankara/Turkey

Implementing arrangements:

1.5 Contracting Authority (EC):

European Union represented by the European Commission's Directorate-General for Enlargement for and on behalf of Turkey.

1.6 Implementing Agency:

The implementation responsibility will be cross-subdelegated to the European Commission's Directorate-General for Taxation and Customs (DG TAXUD). DG TAXUD will be responsible for all procedural aspects of the tendering process, contracting matters and financial management (including payments) of the project activities. The Programme Authorizing Officer (PAO) will be Mr. Theodoros Vassiliadis, Head of Unit TAXUD.R5.

1.7 Beneficiary (including details of SPO): Turkish Customs Administration

Project Leader

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Financing:

- 1.8 Overall cost (VAT excluded)¹** : 505000 EURO
1.9 EU contribution : 505000 EURO
1.10 Final date for contracting Agreement : 2 years after the signature of the Financing Agreement
1.11 Final date for execution of contracts: 2 years following the end date for contracting

¹ The total cost of the project should be net of VAT and/or other taxes. Should this not be the case, the amount of VAT and the reasons why it should be considered eligible should be clearly indicated (see Section 7.6)

1.12 Final date for disbursements: 1 year following the end date for execution of contracts

2. Overall Objective and Project Purpose

2.1 Overall Objective:

Implementation of CCN/CSI System in TCA to facilitate New Computerized Transit System (NCTS) and Integrated Tariff Management System (ITMS) among EU Member States Customs Administration.

2.2 Project purpose:

The main strategy documents including BCMP-Business Change Management Plan, NAP-National Action Plan have been endorsed at the political level in December 2006.

This project is devoted to one of the supporting issue required by the most important objectives of the BCMP and NAP to ensure that EU's IT system is in place on the way to the full membership.

In order to comply with these objectives, TCA requires, CCN/CSI installed and fully operational at the end of the project and in line with the EU requirements in terms of interconnectivity and interoperability.

2.3 Link with AP/NPAA / EP/ SAA

Accession partnership with the Republic of Turkey (The Council Decisions of 19th March 2003) underlines the necessity to ensure the interconnectivity of Turkey's information technology (IT) systems with the Community IT systems (installation of CCN/CSI, developments required for NCTS, integrated tariff management system).

Similarly, National Programme of 24th July 2003, specifies the further improvement of customs administration for alignment of its computer systems and TARIC.

In the 2005 Regular Reports on Turkey's progress towards accession, it is stated that Undersecretariat of Customs does not only need to undertake these modernisation activities of IT infrastructure, but also needs to attach particular importance to strengthening its administrative structures, aligning its business procedures and improving the training quality of Customs officials.

Accession partnership of 23rd January 2006 states the aligning of internal procedures with the EU standards and necessary preparations for the exchange of electronic data with the EU and its Member States, beginning with transit and tariff areas.

2.4 Link with MIPD

As stated in The MIPD, Turkey currently participates in the majority of Community Programmes and Agencies, and it is expected that this trend will continue in the next programming period. This project will help Turkey cooperate with EU governmental agencies.

2.5 Link with National Development Plan (where applicable)

As stated in 9th Development Plan, customs modernization and anti-smuggling plays active role in development criteria. Also development of e-governent projects in which TCA is one of the leading project, requires interconnection with EU members to facilliate modern approache.

2.6 Link with national/ sectoral investment plans(where applicable)

3. Description of project

3.1 Background and justification:

Integrated Strategy Documents (BCMP, NAP, Strategy Paper)

The strategic framework, Business Change Management Plan, National Plan and IT Strategy have been finalised in the twinning working groups and they are attached to this project. The endorsed documents will be submitted to the EU Delegation and other related institutions after approval at the highest level.

3.1.1 Component 1; Customs IT Systems

Turkey is a party to TIR Convention and uses TIR carnet for transit operations. Turkey will incorporate the provisions of the EC Customs Code and Implementing Regulations with regard to Community transit into its Customs Law and regulations, therefore its transit applications have be aligned with Community transit procedures after the amendments in Turkish Customs Law. For common transit, TCA issued a Common Transit Regulation in July 2003 to establish national common transit implementation. The Regulation was amended as of May 2006 to adopt the Common Transit Legislation.

The implementation of the Common Transit Convention (CTC) and New Computerized Transit System (NCTS) require common transit implementation that enables the exchange of messages between the EU Commission and the contracting parties. CCN/CSI is the communication platform that ensures this network among the parties. Turkey lacks the network to exchange data between contracting parties and the EU Commission. As a result it does not comply with CTC, NCTS and other EU requirements. The central national servers would be connected to the central EU databases through the CCN/CSI interfaces. Currently, BILGE is in stage of modification to include an NCTS compatible transit module allowing transit operations in accordance to the Common Transit Convention (CTC).

The installation of CCN/CSI communication platforms will not only help to establish NCTS applications in TCA but also result in the development of the Integrated Tariff Management System (ITMS).

The EU Commission requires the implementation of a common IT platform; Common Communication Network/Common System Interface (CCN/CSI) by all candidate countries before becoming a Member State. Access to CCN/CSI will be awarded to each candidate country having signed relevant contract with the EU. Development of national segment of CCN/CSI will be initiated in the framework of the Pre-accession Financial Assistance for Turkey.

TCA's intention is to integrate the abovementioned EU systems (CCN/CSI, ITMS, NCTS) into BILGE with maintaining the current advantages of the national applications to form an

integrated, common environment. With the establishment of these systems, the Turkish customs officials registers the goods crossing the border of EU Member Turkey into NCTS system, the data then reaches the central national NCTS database through data transmission of BILGE and are forwarded to the EU database through CCN/CSI gateway. If the goods are customs cleared for Turkey than the customs officer in Turkey cancels the entry from the NCTS system and put the item into the customs business application. The local server for the customs clearance will refer to the daily updated TARIC database for the calculation and collection of payable EU customs duty and related fees.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable)

3.2.1 Catalytic effect

Overall the project will aid and assist the TCA to strengthen and develop its operational activities and help prepare it to meet the expectations of the EU Customs Blueprint and the EU IT system interoperability requirements.

3.2.2 Sustainability

CCN/CSI and related systems functioning will benefit from the Commission's support and maintenance.

It is necessary to note here that the equipments and software to be procured will be in harmony with the already established IT infrastructure of TCA.

3.3 Results and measurable indicators:

CCN/CSI gateways have been installed and configured

3.4 Activities:

3.4.1 Installation and configuration of the CCN/CSI gateways

- The dates provided below and in subsequent chapters are established on the assumption that the IPA funds are made available to DG Taxation and Customs Union at the beginning of Q2 2011. Any delay in the availability of these funds shall be added to dates announced hereinafter.
- Pre-study will be conducted by contracted experts to evaluate the current IT system in 2011 (2nd quarter)
- DG Taxation and Customs Union will use its current specific contracts (or will set up dedicated specific contracts) under its framework contracts to acquire the CCN/CSI telecommunication lines and the related support and maintenance services.
- Physical evaluation for the installation of the technical infrastructure (location, cabling .etc) will be done in 2011 (3rd quarter)
- Access to Helpdesk will be established in 2011 (4th quarter)
- The technical infrastructure to extend CCN/CSI to TCA will be installed with the help of physical installation support in 2011 (4th quarter) or 2012 (1st quarter).
- Assistance for the operational support of the gateway will be received after installation

- Access to all EU IT sub-systems will be (such as TARIC, NCTS, EBTI, Ceilings etc.) ensured in 2011 (4th quarter) or 2012 (1st quarter).
- Sufficient staff will be trained in 2011 (4th quarter)
- Service will be given in yearly base (ends at 2014 4th quarter or 2015 first quarter)

3.5 Conditionality and sequencing:

The activity requires a close collaboration and coordination between the national CCN site representatives, DG TAXUD and its contractors. TCA will be responsible to:

- appoint a dedicated CCN team (i.e. a CCN Project Manager and a CCN Technical Manager);
- identify the technical and administrative point of contact who will coordinate the activities;
- define the technical and organisational framework and set up the appropriate housing condition of the CCN infrastructure.

4. Indicative Budget (amounts in EUR)

			SOURCES OF FUNDING										
			TOTAL EXP.RE	TOTAL PUBLIC EXP.RE	IPA COMMUNITY CONTRIBUTION		NATIONAL PUBLIC CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(e)	EUR (b)=(c)+(d)	EUR (c)	% (2)	Total EUR (d)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (e)	% (3)
Activity 1													
contract 1.1	X	–	505.000	505.000	505.000	100	0	0	0	0	0	0	0
TOTAL IB													
TOTAL INV													
TOTAL PROJECT			505.000	505.000	505.000	100	0	0	0	0	0	0	0

NOTE: DO NOT MIX IB AND INV IN THE SAME ACTIVITY ROW. USE SEPARATE ROW

Amounts net of VAT

(1) In the Activity row use "X" to identify whether IB or INV

(2) Expressed in % of the **Public** Expenditure (column (b))

(3) Expressed in % of the **Total** Expenditure (column (a))

5. Indicative Implementation Schedule (periods broken down per quarter)

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1.1	Q1/2011	Q2/2011	Q4/2014 or Q1/2015

All projects should in principle be ready for tendering in the 1ST Quarter following the signature of the FA

6. Cross cutting issues (where applicable)

6.1 Equal Opportunity

6.2 Environment

6.3 Minorities

ANNEXES

- 1- Log frame in Standard Format
- 2- Amounts contracted and Disbursed per Quarter over the full duration of Programme

Annex 1: Logical Framework Matrix In Standart Format

LOGFRAME PLANNING MATRIX FOR “MODERNISATION OF TURKISH CUSTOMS ADMINISTRATION III”		Programme name and number:	
		Contracting period expires: 2 years after the signature of the Financing Agreement	Disbursement period expires: 1 year following the end date for contracting
Project Number		Total Budget: 505.000 EURO	IPA Budget: 505.000 EURO
Overall Objective:	Objectively Verifiable Indicators:	Sources of Verification:	
Proper EU compatible Customs IT systems (including CCN/CSI, ITMS and NCTS applications) installed and fully operational at the end of the project and in line with the EU requirements in terms of interconnectivity and interoperability;	System (CCN/CSI) is operational and functional by the end of Q4 of 2011 or Q1 2012	1, 2, 3 EC progress Report. EC strategy paper. TCA annual report Field studies Official statistics of TCA	
Project Purposes:	Objectively Verifiable Indicators:	Sources of Verification:	Assumptions:
EU compatible Customs IT systems (including CCN/CSI, ITMS and NCTS applications) installed and fully operational at the end of the project and in line with the EU requirements in terms of interconnectivity and interoperability;	System (CCN/CSI) is operational and functional by the end of Q4 of 2011 or Q1 2012.	1, 2, 3 TCA website and reports TCA annual report EC progress report Official statistics from TCA Interim and final evaluation	1,2,3 Adequate financial resources available. 1,2,3 Senior management of Undersecretariat for Customs remain

		reports	committed to the project.
Results:	Objectively Verifiable Indicators:	Sources of Verification:	Assumptions:
CCN/CSI gateways have been installed, configured	<p>CCN/CSI gateways have been installed and configured</p> <ul style="list-style-type: none"> • CCN/CSI gateways and other communication and support equipments installed at TCA headquarters at the end of Q4 of 2011 or Q1 2012 • A coherent method of access used by the Commission and member states under CCN/CSI ensured at the end of Q4 of 2011 or Q1 2012 • Accession to all other EU IT sub-systems (such as TARIC, EBTI, Quotas, Ceilings etc.) ensured at the end of Q4 of 2011 or Q1 2012 • Sufficient number of TCA staff trained to operate CCN/CSI gateways at the end of Q4 of 2011 		<p>1,2,3 That adequate resources will be timely available.</p> <p>2. Project Management Group has adequate expert staff.</p> <p>2. Senior management of TCA will give appropriate priority to the establishment of operational systems and specialized units.</p>
Activities:	Means:	Costs:	Assumptions:
<p>Customs IT systems Installation and configuration of the CCN/CSI gateways</p> <ul style="list-style-type: none"> • Pre-study will be conducted by contracted experts to evaluate the current IT system in Q2 of 2011 • DG Taxation and Customs Union will use 	Service contract for CCN/CSI	505 000 EUR	

<p>its current specific contracts (or will set up dedicated specific contracts) under its framework contracts to acquire the CCN/CSI telecommunication lines and the relevant services (installation, configuration, tests, operation, helpdesk, maintenance) in Q3 of 2011.</p> <ul style="list-style-type: none"> • Physical evaluation for the installation of the technical infrastructure (location, cabling .etc) will be done in Q3 of 2011 • Access to Helpdesk will be established in Q4 of 2011 • The technical infrastructure to extend CCN/CSI to TCA will be installed with the help of physical installation support in Q4 of 2011 or Q1 2012. • Assistance for the operational support of the gateway will be received after installation • Access to all EU IT sub-systems will be (such as TARIC, NCTS, EBTI, Ceiling etc.) ensured in Q4 of 2011 or Q1 of 2012 • Sufficient staff will be trained in Q4 of 2011. • Necessary maintenance activities performed up to Q4 of 2014 or Q1 of 2015 			
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Annex II: amounts (in €) Contracted and disbursed by quarter for the project (IPA contribution only)

Contracted	Q2/2011				
Contract 1.1	505000	0	0	0	
Cumulated	505000	0	0	0	
Disbursed	Q2/2011	Q4/2012	Q4/2013	Q4 2014/Q1 2015	
Contract 1.1	175.000	110.000	110.000	110.000	
Cumulated	175.000	285.000	395.000	505.000	