

Subject: Call for evidence on the revision of Union Customs Code

Finnwatch welcomes the planned reform of the UCC and this opportunity to provide feedback. As an NGO that investigates human rights abuses in global supply chains and facilitates redress and remedies for victims, we need access to supply chain information. Whereas some pioneering companies are forthcoming with this information, many companies are not. These companies' supply chains remain shrouded in secrecy – meaning no accountability for possible human rights and environmental harm therein.

Of particular concern currently is the increase of imports from Xinjiang to the EU (up nearly 28 percent year-on-year in January-November 2021 as reported by Xinhua News Agency) despite allegations of widespread state sanctioned, discriminatory forced labour in the region. However, it is currently impossible for NGOs and other stakeholders to monitor where in the EU these imports end up. Another topical issue is the import and export restrictions that the EU has imposed on Russia. Without publicly available data on importers and exporters, NGOs and other stakeholders cannot analyse trade patterns of individual companies, and expose possible attempts to try to circumvent EU restrictions by e.g. routing goods through a transit country.

This is why transparency and public access to certain customs' data needs to be improved. Despite numerous calls by the civil society and the EP resolution (2016/2301(INI)), such improvements have not yet been instituted.

Furthermore, the “Call for evidence for an impact assessment” document recognises that without UCC reform, enforcement of new policy instruments such as forced labour instrument is likely to be challenging. In other jurisdictions, notably the U.S, customs' data is already subject to Freedom of Information requests, and an important tool in ensuring e.g. that goods made by forced labour, are not entering the market.

Within the EU, competent authorities tasked with enforcement of already existing rules on due diligence (timber regulation, conflict minerals regulation) rely in part on substantiated concerns 3rd parties to strengthen their supervision and checks on business operators' compliance. New EU instruments (revised battery regulation, corporate sustainability due diligence directive, forced labour instrument) are likely to include similar provisions on substantiated concerns. Improving the quality and public access to customs' data would better enable 3rd parties to perform their monitoring role. It would also enable them to provide more detailed information to the authorities for their risk-based assessments, investigations etc. In other words, it would address in part the enforcement challenges identified in the above mentioned document.

To promote the necessary transparency of customs' data, the UCC needs to be revised and the UCC Article 12 needs to be amended to clarify that customs' data on trade parties is not confidential and that such data can be disclosed to the public.

Expanding the range of customs data collected by the customs to include the name and address of manufacturer, and promoting its public access, would be another important improvement. This requires changes to the UCC Delegated Act.

As supply chains do not end at EU borders, it should also be made mandatory for customs to collect and make publicly available such data on internal trade that would allow tracking where and by whom goods are imported after they have been released for free circulation in the first point of entry to the EU single market.

Customs' role in identifying and/or preventing entry into the market of counterfeit consumer goods and goods produced in e.g. illegal settlements could also be strengthened. At present customs' role is, at least in some MSs, limited to identifying counterfeits that pose a risk to consumers' health or property only and does not cover misleading consumer claims, such as calling a t-shirt organic when it is not.

Submitted through the European Commission's [Have your say platform](#).

See also [Finnwatch's response](#) to the European Commission's public consultation on the same topic.