



# European Import & Export Control System – Industry Session Meeting Minutes 18<sup>th</sup> June, 2010 Geneva

The list of Participants is enclosed as Annex 1

## Introduction

IATA welcomed the participants and thanked the delegation of the European Union Commission DG TAXUD for coming to Geneva to share with the Industry their expertise on the Import and Export Control System.

IATA informed the participants that the meeting would be held in four parts, each of them the EC would make a presentation which would be followed by 37 questions, previously prepared by the group and ones from the floor.

## Part 1: Background – EU Multi-Annual Strategic Plan (MASP)

DG TAXUD made a presentation on the EU Multi-Annual Strategic Plan (MASP), which was followed by below questions and answers:

### 1. Will the MASP be affected by the budget cuts of this year and next year?

*DG TAXUD reply:*

- *It is difficult to comment, but the MASP may be affected by the Modernized Customs Code (MCC) and the IT scope of the MCC implementation.*
- *Once the IT scope is clear the MASP will be updated accordingly and published. It is expected to be ready by the end of 2010.*

### 2. What are the main differences included in the Automated Import System (AIS) & Automated Export System (AES) compared to Import Control System (ICS) & Export Control System (ECS)?

*DG TAXUD reply:*

- *ICS & ECS are the first steps to harmonize the system; it will then be expanded with additional functionalities to become AIS & AES at EU level.*
- *The final objective is to include centralized clearance, which then would consist of the complete AIS & AES.*

### 3. Is there any contingency plan in place in case the 2011/2013 deadlines are not met?

*DG TAXUD reply:*

- *Currently there is no contingency plan. It is expected that the Member States (MS) meet the deadline of 1<sup>st</sup> January 2011. DG TAXUD is presently looking at the progress of each MS.*
- *For 2013 it is too early to comment as the DG TAXUD is still drafting the legislation and is defining the Customs processes, which will then be followed by the user requirements. It is a phased approach.*

- 71 **Having currently the MASP version 10 (from August last year). Are you saying that version 10.1 will only be available at end 2010?**

*DG TAXUD reply:*

*It is expected that version 10.1 of the MAPS will be available at the end of the year.*

- 72 **Can DG TAXUD provide details about Risk Management?**

*DG TAXUD reply:*

- *DG TAXUD cannot provide detailed information but the fact is that MS are sharing risk information.*
- *This is an important part of the e-customs and work is being carried out.*

- 73 **When will you introduce business in the business process modeling?**

*DG TAXUD reply:*

- *DG TAXUD together with the experts from the MS started last month to work on the Business Process Modeling (BPM). The results were presented to the MS in ECG.*
- *DG TAXUD needs to elaborate the Customs processes with MS first and will then consult with the Trade.*

## **Part 2: Economic Operator Systems (EORI)**

DG TAXUD made a presentation on the Economic Operator Systems (EORI), which was followed by below questions and answers:

- 4. Can you clarify who should get an EORI number (consignee, exporter...)?**

*DG TAXUD reply:*

- *In principle it is the person who is lodging the declaration who should have an EORI number, thus for example the consignor or consignee EORI number is not needed depending on the declaration type lodged.*
- *For exit summary declaration (EXS) the one lodging the declaration will have to provide the EORI number. If the Carrier is lodging the declaration the Carrier will have to get an EORI number.*
- *For export declaration it is the exported and declarant who need the EORI number.*

- 5. Will the EORI be used in Risk analysis with regards to the shipment?**

*DG TAXUD reply:*

- *It is not used for risk assessment purposes (i.e. it is not because the EORI is missing that risks increase).*
- *There are Risk rules but DG TAXUD cannot provide further information as they are not the competent persons.*

⇒ **DG TAXUD proposed to provide further information in that respect (increase of risks if EORI of parties involved is not provided).**

- 6. In what circumstances a Carrier does not require an EORI number?**

*DG TAXUD reply:*

- *For Export, the Carrier information is not part of the export declaration or exit summary declaration, therefore, he does not need to provide EORI If carrier would*

*lodge the EXS he would be the Person lodging the EXS and would need to provide EORI.*

- *For Import, the one who lodges the entry summary declaration needs to be identified by the EORI number. Even if the carrier is not lodging the declaration his EORI number needs to be provided.*

**7. In what circumstances Carrier's station in different Member States must have an EORI number?**

*DG TAXUD reply:*

- *The term of Carrier's station is not clear for the DG TAXUD.*

**7.1 Many carriers who operate from different stations, for example the US carriers can have 10 different stations in different MS. Do they need 10 EORI numbers? Can you explain the difference between branch offices and regional offices?**

⇒ **DG TAXUD proposed to report back on this question related to stations/branch issues.**

**7.2 For Import do Shipper and Freight Forwarders outside the EU need an EORI number?**

*DG TAXUD reply:*

- *The basic principle is that the person who lodges the declaration and the Carrier (if different from the person who lodges the ENS) need to declare his/her EORI number.*
- *It is optional for the representative to be declared.*

**7.3 If the Carrier lodges the declaration should the Shipper and Freight Forwarders EORI number be inserted in the declaration?**

If the Carrier lodges the ENS then the following persons EORI numbers should be declared:

- Consignee (only if he/her has one)
- Consignor (only if he/her has one)
- Representative

**7.4 For Import, if the Consignee is known, should his EORI number be put in the declaration? Does the Carrier need their customers to give the number and if the Carrier has it, does he have to give it?**

*DG TAXUD reply:*

- *The EORI of the consignee is optional but if he/her has an EORI number it has to be declared.*
- *It is only in case the declarant wants to benefit from the reduce data set submission that the EORI of all Authorized Economic Operators (AEO) involved in the shipment (e.g. consignee, forwarders, carriers) need to be inserted.*

⇒ **DG TAXUD proposed to report back on this question.**

**COMMENT:** For example, the Carrier lodges an Export Summary Declaration from NY to Paris. He wants to become an AEO with the reduce data set, so he needs to be sure that the consignee has an EORI number. In that case, the Carrier needs from the Freight Forwarder to require the EORI number from the consignee. However, the Carrier has no influence on the consignee.

- 7 AEO has 3 layers, Customs, Security and Full (customs + security). Which of the three the AEO can benefit from the reduced data set

*DG TAXUD reply:*

- *To benefit from the reduced data set, it has to be AEO Security or AEO full.*

- 7 Is it possible to find the equivalents between the Regulated Agent (the status defined by ICAO, given to e.g. Freight Forwarders meeting the criteria on the airline side, and used in most EU countries) and AEO? Will the Regulated Agents have the facilitation to become AEO Security as per Regulation 1875?

*DG TAXUD reply:*

- *Economic operators wishing to become an AEO must apply for an authorization. No exceptions apply.*

- 7 EORI is mandatory as of the 1<sup>st</sup> July 2009 due to the fact that all MS have uploaded the EORI numbers or because they utilize the EORI numbers?

*DG TAXUD reply:*

- *It is the end of the flexibility period, all the numbers have been uploaded in the system.*
- *There is a waiver for Switzerland and Norway for the common transit procedure. They don't have to use EORI but their national TIN numbers because of international agreements in place.*

- 7 In the US there are 5000 Freight Forwarders and 2000 dealing with the EU. Most have not an own entity in Europe. How do they apply for EORI? Do they just pick a country?

*DG TAXUD reply:*

- *In the Country where they first lodge a declaration.*

- 7 How long does it take to become an EORI?

*DG TAXUD reply:*

- *DG TAXUD doesn't know the deadline as it is MS dependant.*
- *It is suggested to contact the country where the Carrier will have to first lodge the customs declaration in advance of the first lodgment.*

- 7 If a Carrier has a Customer shipping to the UK and to France, can he pick one?

*DG TAXUD reply:*

*Yes.*

- 7 At message level, the data group is required if it is different from the person lodging the declaration, does that mean it is always required?

*DG TAXUD reply:*

*No.*

COMMENT: Annex 30A states that if it is another declarant than the carrier that lodges the declaration, the carrier has to have the EORI whether lodging or not the declaration.

- 7 If the lodgment is done by the Carrier does the Freight Forwarders need to apply for an EORI, i.e. if Carrier is lodging then the Freight Forwarder's EORI is not needed?

*DG TAXUD reply:*

- *If a Carrier is lodging the declaration only the Carrier needs to give the EORI.*

⇒ **DG TAXUD will come back when ICS will be discussed**

71 **Should the Carriers report for themselves and Freight Forwarders for themselves?**

**DG TAXUD** reply:

- *If the trader and the Carrier are different, the Carrier needs to have an EORI.*
- *Even if the Freight Forwarder is lodging, he has to mention its EORI and in addition the Carrier EORI number needs to be mentioned for him to receive the MRNs (if connected).*

71 **The EORI is optional in certain fields, but is it valuable to indicate the EORI Number systematically in the optional fields for risk analysis?**

**DG TAXUD** reply:

- *EORI is an identifier of the economic operator thus it allows for better analysis and better control if the EORI is mentioned in these optional fields.*

71 **Having the EORI inserted will help EC but would it will Traders having the goods moving quicker?**

**DG TAXUD** reply:

- *EORI itself does not provide for faster process, but if the economic operator is an AEO the process will be faster.*

71 **If I am a Freight Forwarder and Carrier lodges, does the carrier require from the Freight Forwarder the EORI of the consignee?**

**DG TAXUD** reply:

- *The person lodging has to provide its EORI, and consignee EORI is optional.*
- *If the Carrier is different from person lodging, he will have to be declared with its EORI.*

71 **What about transshipment and Freight remaining on board (FROB)? E.g. NY to Turkey has an ENS with final consignee in Turkey. Is it necessary to include the EORI number of the Consignee though he is not in the EU, to facilitate movement of goods?**

**DG TAXUD** reply:

- *For FROB there is a need to lodge EXS but Consignee EORI is not needed as he has nothing to do with EU customs. Only Consignee located in the EU should be considered as he may have an EORI number.*

### **Part 3: Export Control System (ECS)**

DG TAXUD made a presentation on the Export Control System (ECS), which was followed by below questions and answers:

**8. Is there any legal obligation placed upon the carrier to lodge the Export Declaration and Exit Summary Declaration (EXS)?**

**DG TAXUD** reply:

- *Export declaration is made by the exporter not the Carrier.*
- *The Exit Summary Declaration is the responsibility of the Carrier or a third party with its knowledge and consent.*

**9. Is EC planning to standardize the export formalities (one declaration vs. different types of declaration, i.e. goods declaration and exit summary declaration)?**

*DG TAXUD reply:*

- *What exist today will remain.*
- *There are no changes.*
- *The two types of declarations remain.*

**10. Can you describe cases where exit summary declaration is mandatory and cases where it is not mandatory?**

*DG TAXUD reply:*

- *In general for goods exported from the EU there is no need of an Exit summary declaration as those goods will be covered by an export declaration including the safety and security data. Same for goods remaining in free zones less than 14 days, there is no need of an Exit summary declaration as they will be covered with the re-export notification.*
- *The goods which are not covered by an export declaration or re-export notification need the Exit summary declaration.*

**11. What is the definition of a Single Transport Contract (STC)?**

*DG TAXUD reply:*

- *It is a contract to transport the goods from a point in EU to a destination outside the EU.*
- *In principle, when goods are taken under STC, the export movement is closed.*

**12. What will happen after 2013 with the Single Transport Contract (STC)?**

*DG TAXUD reply:*

- *Currently it is not foreseen in the MCC implementing provisions. However, other options are being analysed with the MS and the trade.*
- *DG TAXUD recognizes the impact on the carrier if this facilitation does not remain..*

**13. Can you elaborate on the time limit set to 30 minutes for the air mode?**

*DG TAXUD reply:*

- *In case when export declaration will be lodged, these will usually be lodged more than 30 minutes before departure (e.g. an hour). Therefore the deadlines will be respected.*

**14. Looking at these 30 minutes can Customs provide Traders with release or rejection message prior to departure?**

*DG TAXUD reply:*

- *Normally Customs should provide the release or the non release prior to departure.*
- *The risk analysis will take seconds/minutes so it is expected to receive a response almost immediately after lodgment of the declaration.*
- *It will only take more time in case of system breaks down.*
- *Goods cannot be moved without release from Customs .*

**15. We have heard that in certain countries the stamp on paper document is required for Customs purposes? Shouldn't the MRN be sufficient?**

*DG TAXUD reply:*

- *DG TAXUD needs to verify with the MS who is requiring the stamp.*

COMMENT: In regards to the STC there is a need to prove that the export clearance was done, to prove it there is a need of a stamp on the manifest, house, etc.

⇒ **DG TAXUD will check what MS require a stamp on paper for STC.**

*DG TAXUD reply:*

- *On the STC there is the need of the MRN.*

COMMENT: Customs cannot judge on the basis of the MRN.

*DG TAXUD reply:*

- *The stamp should not be required from 1st January 2011. The situation should be removed.*

**16. Can you confirm that the MRN numbers are not needed for fiscal declaration purposes, as for fiscal declarations Customs are asking the MRN?**

*DG TAXUD reply:*

- *MRN in general is the reference number of the declaration for customs.*
- *In future, all electronic declarations will have an MRN as it is the unique identifier and the key to find information in the Customs system.*
- *In case where follow up procedure is started because the exit of the goods was not confirmed Customs might require the MRN from the Carrier that left with the goods to close the export procedure.*
- *MRNs will not be used in goods declaration for the purpose of taxes and duties calculation.*

**17. Can you let us know when the export guidelines & scenario will be available?**

*DG TAXUD reply:*

- *The finalized version will be made available before end of July.*

**18. Can you confirm that all Member States will be ready for the electronic Customs Declaration and the electronic Summary Declaration?**

*DG TAXUD reply:*

- *For Export declarations all MS are ready, for Exit summary declaration some MS are not yet ready.*
- *DGTAXUD will support MS to have them ready for the 1st January 2011.*

**19. Can you describe what information should be handed over under the "handover principles" described in article 796d of Regulation 2454 amended by Regulation 430?**

*DG TAXUD reply:*

- *UCR or transport document reference and number of packages and MRN is the key identifier*

- *In Ireland there is an exception, no MRN is issued and thus cannot trace back the shipment and as such Customs will need more information to close the export.*

71 **Can a MS require the MRN and nothing else?**

*DG TAXUD* reply:

- *It is possible; it depends on how the national systems are built.*

20. **Can you clarify when an export declaration is needed vs. an exit summary declaration?**

*DG TAXUD* reply:

- *Clarified under question 10.*

71 **ECS system is in place since 2009 is it only the EORI number that becomes mandatory?**

*DG TAXUD* reply:

- *1<sup>st</sup> January 2011 the lodgment of exit summary declaration will become mandatory.*
- *Usage of EORI becomes mandatory from July 1 2010.*

71 **What about Periodic declaration, no need for EXS for those cases?**

*DG TAXUD* reply:

- *Usually for ship and aircraft supply, the simplified declarations can be lodged and supplementary declarations can be lodged on a periodic basis.*

COMMENT: Some shippers are making monthly Customs declaration. Are they going to have to report for safety and security purposes each shipment with carrier knowledge and consent?

*DG TAXUD* reply:

- *Safety and security data has to be included in the simplified declaration.*

71 **What about direct movements?**

*DG TAXUD* reply:

- *ECS currently only covers indirect movements, however direct movements can also be processed under ECS;*
- *All the movements within one MS are not necessarily covered by ECS and thus will not have the MRN.*

71 **All countries are ready except France, which is not ready, is that correct?**

*DG TAXUD* reply:

- *For Summary Export Declaration France has not implemented it yet.*

21. **Will the EC have at some point one Customs Administration?**

*DG TAXUD* reply:

- *There will not be one Customs Administration and not one system. This is a distributed system and MS are interconnected and it will remain as such.*

22. **Is it a rule to provide MRN or one of the other information for the handover principle?**

*DG TAXUD* reply:

- *MRN is considered as part of the handover principle.*

↗ **The door is not closed for STC and thus DG TAXUD will find something to replace it, correct?**

**DG TAXUD** reply:

- Yes.
- *DG TAXUD is looking at possible options.*
- *DG TAXUD is keen to find facilitation for the Carrier.*

**COMMENT:** There is the mode specific group, which is aware of the UK proposal and supports it. A detailed submission was made, which looks like being ignored, however it seems that DG TAXUD is trying to find a replacement.

↗ **Some Countries are not ready yet for EXS but Airlines need to do amendments in their system and perform internal processing. Airlines expect the MS to be ready to carry out the testing, have you given deadline to the MS regarding test capabilities?**

**DG TAXUD** reply:

- *MS should have been ready for 1<sup>st</sup> July 2009 that is the reason why the transitional period was introduced.*
- *1st January 2011 is the deadline for economic operators to be ready so Customs need to be ready before.*
- *If MS are not ready, Traders will not be obliged to lodge EXS from that country.*

↗ **What if a MS is ready on 31<sup>st</sup> December 2010 and obliges traders to submit for 1<sup>st</sup> January 2011?**

**DG TAXUD** reply:

- *DG TAXUD will look at it but MS shouldn't be requesting it with such deadlines.*

↗ **Regarding the office of lodgment for exit process. What does it imply? We would need to export through those who are ready though export is from another country?**

**DG TAXUD** reply:

- *Countries that are ready for office of lodgment can handle it.*
- *For example the office of lodgment is in Belgium for goods leaving the EU from Germany. If Belgium and German Customs are not connected then an exit summary declaration need to be done in Germany and not in Belgium. If Belgium and Italy Customs are connected then an exit summary declaration can be lodged in Belgium and an exit notification in Italy.*

↗ **France is not able to perform EXS but is still green on the table however they are potentially not ready.**

**DG TAXUD** reply:

- *DG TAXUD launched a survey and when ready they will share the results.*

⇒ **DG TAXUD will share the result of the survey when available.**

**COMMENT:** This is an item on the agenda for the Trade Contract Group meeting on July 2<sup>nd</sup> 2010.

↗ **Are there controls to stop the declaration if a country cannot handle?**

**DG TAXUD** reply:

- *It is a case by case and handled bilaterally. There is no control.*

↗ **Is there any plan to publish a table of MS that are not ready?**

⇒ **DG TAXUD will make available on the Internet the information once the final results are known.**

↗ **Is the ICS as well for EFTA countries?**

*DG TAXUD reply:*

- *ICS is only for EU MS not for EFTA countries*
- *Some MS decided not to implement office of lodgment and thus are not available at the moment such as AT, DE, EL, ES, FI, FR, IE, PL, PT, SI and UK.*

↗ **Does the document stating availability office of lodgment per countries applies to ICS as well?**

*DG TAXUD reply:*

- *DG TAXUD is not sure but can provide the information again.*

⇒ **DG TAXUD will make it available on the Internet.**

↗ **Office of lodgment can be considered as a mailbox?**

*DG TAXUD reply:*

- *Office of lodgment accepts the EXS, issues the MRN and sends EXS to the office of exit.*
- *It can be used for all MS, as mail box. It accepts EXS and pushes it to another MS.*
- *Office of lodgment is only for EXS not for export declaration.*

#### **Part 4: Import Control System (ICS)**

DG TAXUD made a presentation on the Import Control System (ICS), which was followed by below questions and answers:

**23. In case of an emergency situation has the carrier to lodge an ENS before he lands? And how especially in case of an airline with no representative in the EU?**

*DG TAXUD reply:*

- *Yes, in case of emergency they are allowed not to lodge the ENS before arrival but have to do it as soon as possible.*
- *The format is as a normal entry summary in that case.*

**24. What happens if a Member State does not want to accept the entry key knowing that the arrival notification and presentation of goods are part of National Domain?**

*DG TAXUD reply:*

- *The situation can happen that the MS rejects the arrival and the presentation notification.*

↗ **Can the carrier provide with the arrival notification and presentation of goods the entry key, instead of the list of MRNs?**

*DG TAXUD reply:*

- *It is left to the MS to decide. They can refuse.*

↗ **It is important that the schedule date and time is the same as in the ENS otherwise the entry key does not work.**

**DG TAXUD** reply:

- See comment below

**COMMENTS:** Can DG TAXUD explain why and how the time would cause the entry key to fail?

- *The entry key is consist of the flight number and the expected date of arrival which is declared in the ENS however the actual date of arrival can be different but it does not have any significance if the trader always refers to the entry key in the notification of arrival or the presentation notification allowing the customs to identify the ENSs relating to the consignment carried by the airplane in question.*

↗ **The role of the EC is to harmonize what has been discussed at the TCG meeting, is that correct?**

**DG TAXUD** reply:

- *It is not possible to force MSs if they decide to do it their way they can if a particular question left for the MS to specify and implement.*

↗ **Can DG TAXUD let IATA know which MS is not accepting the entry key so that Carriers can lobby MS?**

**DG TAXUD** reply:

- *Yes, DG TAXUD can provide the list.*

⇒ **DG TAXUD will provide the list of MS not accepting the entry key.**

↗ **For office of lodgment do you have a table?**

**DG TAXUD** reply:

- *Yes, DG TAXUD can provide the table.*

⇒ **DG TAXUD will provide the table with the office of lodgment.**

↗ **Has any MS support office of lodgment?**

**DG TAXUD** reply:

- *Yes some MS can offer this functionality.*

↗ **In code share flight should the notification of arrival contain all flight numbers?**

**DG TAXUD** reply:

- *If the trader wants to use the "entry key" identification then two arrival notifications will have to be lodged because there are two airlines in this context, unless the MS could process the notification of arrival with two "entry keys".*

**25. Can you explain the situation with EFTA countries like Switzerland?**

**DG TAXUD** reply:

- *EU has an agreement with these countries. No Need to lodge ENS for goods coming from CH.*

**COMMENT:** Swiss World Cargo was told that Switzerland will be treated the same way as an EU country for shipment with first point of entry in Switzerland, which then continues to Frankfurt.

**DG TAXUD** reply:

- *ICS will not work. Switzerland has a system of risk analysis equal to the EU but it is not the ICS.*

⇒ **DG TAXUD proposed to report back on this question.**

Comment: The answer has been confirmed by the EC and additional information will be provided.

**26. Is there any need to provide Customs with MRN numbers for clearance purposes, i.e. fiscal aspect?**

*DG TAXUD reply:*

- *Yes. The Customs declaration for Customs purposes need to refer to the MRN from previously lodged ENS.*

↗ **I have an ENS with an MRN, if I go to another procedure I need to refer to the MRN. When I have goods in transit, I have Customs requirement to provide MRN together with the procedure?**

*DG TAXUD reply:*

- *Customs officer only need to know that goods comply with the S&S situation.*

↗ **How do I raise the procedure if I have not lodged an ENS?**

*DG TAXUD reply:*

- *It is not necessary to start the transit procedure but it is important that the S&S has been performed at the point of entry. E.g. Goods are sent from New York to Paris and from Paris they are loaded on a truck for Russia. The ENS is lodged from NY then the goods go through a transit procedure, there will be a new MRN for NCTS, and so there is no need to prove that Safety and Security complied with.*

**27. What are the countries that are ready to support ICS? It looks like the EC report that some countries are ready (green) but which is not the case on the ground?**

*DG TAXUD reply:*

- *MS will have the official deadline as of 1<sup>st</sup> January 2011. MS must be ready by that date.*

↗ **Are you relying on MS statement?**

*DG TAXUD reply:*

- *Technical conformity test are performed with MS so that DG TAXUD can see how far MS are.*

⇒ **DG TAXUD will provide the list of MS that are ready for ICS.**

↗ **Bulgaria has not provided the specifications for ICS. Is there a follow up of the timeline where MS announced dates for testing?**

*DG TAXUD reply:*

- *This is a technical question, need to follow up the action of the MS*

↗ **What is the expectation if one MS is not ready?**

*DG TAXUD reply:*

- *This is not possible otherwise the 26 other MS cannot start.*
- *This won't happen.*

COMMENT: This is an item that should be brought to the Trade Contract Group agenda. Traders should inform on MS saying that they are not ready.

COMMENTS: The MS being ready differs with the business of being ready. Not possible to perform tests in such case.

*DG TAXUD reply:*

- *DG TAXUD takes note.*

**28. What do I have to do if I land into these Member States and I cannot lodge an ENS?**

*DG TAXUD reply:*

- *This is a theoretical question this does not seem to be realistic.*

**↗ Is there fallback procedure in place in case a MS is not ready?**

*DG TAXUD reply:*

- *The Business Continuity plan was done last year. DG TAXUD will have to look at it again for ICS.*
- *DG TAXUD will come back on their survey when the results are available.*
- *DG TAXUD informed that the World Shipping Council did a survey where participants were asked to mention which MS was ready or not from the information they had.*

⇒ **DG TAXUD will report back to their management on MS not ready and that this issue might be raised at the TCG meeting.**

COMMENTS: It is not possible to have commercial distortions and loose business at our gateways if it is easier to go to one MS instead of another.

*DG TAXUD reply:*

- *DG TAXUD takes note of the concern.*

**29. What about situation with multiple stops in countries with different readiness status? Can they communicate the S&S information?**

COMMENTS: This question was already replied.

**30. In case of letter of credit the consignee may be a bank on the ENS, is it acceptable?**

*DG TAXUD reply:*

- *For S&S reason then the consignee is the bank*

COMMENT: Can DG TAXUD confirm this answer? In the example quoted the consignment was under a letter of credit. The bank is not the consignee in this case (i.e. the person to which the goods are ultimately to be delivered).

- *Since at the time of the lodgment of the ENS there is no other consignee than the bank therefore it is no realistic to require other consignee if it is not known that time. If after the lodgment of the ENS and before the arrival of the airplane the real consignee become known it is necessary to modify the ENS.*

**↗ Wouldn't Customs want to know ultimate consignee?**

⇒ **DG TAXUD will raise this question to the S&S people.**

See above.

**31. What is the official language in the declaration? Is English accepted in all countries?**

**DG TAXUD** reply:

- *The official language is the one the MS is accepting. The implementing provision of the MCC will deal with that question.*
- *Many MS are involved in the process therefore there is a need of an agreement on that aspect but presently traders need to lodge the ENS with the language accepted by the MS.*

↗ **If you are obliged as a declarant to declare in origin language, how do you resolve the language of the origin MS in ECS and NCTS? How is it read at destination?**

**DG TAXUD** reply:

- *All fields are coded except for the goods description and thus the usage of commodity codes (HS code) help though different languages are used. It is difficult if the HS code is not available.*

↗ **Is there a list of which MS accepts which language?**

**DG TAXUD** reply:

- *No*

**32. At what level should an ENS be created, flight level, master level or house level? In case of flight or master can we aggregate goods description in ENS line item?**

**DG TAXUD** reply:

- *It is up to the trader to declare either on the master or house level, as any level can be used.*
- *It is possible to aggregate the goods description but it has to be clear for Customs. There are some acceptable or not acceptable goods descriptions.*

↗ **Do you mean one description for the whole flight?**

**DG TAXUD** reply:

- *Yes, e.g. shoes*

↗ **Can a MS say that it has to be at the house level?**

**DG TAXUD** reply:

- *No, the requirement to declare at a certain level is not written anywhere.*

↗ **Does DG TAXUD have a recommendation which level would be better?**

**DG TAXUD** reply:

- *No, there are no recommendations only the need to have an acceptable goods description which enables the customs to carry out the S&S risk analysis.*

↗ **If it is at master level and certain goods are flags for inspection, is the whole flight stopped?**

**DG TAXUD** reply:

- *If on one ENS you cannot split, the whole consignment will be stopped.*

71 You leave that to national interpretation. If you declare Freight Forwarder to Freight Forwarder on the full consolidation, what value has it for S&S analysis?

*DG TAXUD reply:*

- *If it is acceptable for the MS, it is acceptable for DG TAXUD.*

33. What are the plans for the future regarding the HS code?

*DG TAXUD reply:*

- *It is planned to require the full HS code (6 digits) under the MCC as a mandatory element of the ENS. .*

71 Today it is either goods description or HS. Will that remain or will you push for the HS code as the only non coded text field?

*DG TAXUD reply:*

- *See above*

⇒ **DG TAXUD will verify and report back.**

34. For short shipment do we need to create a new ENS and an arrival notification? If I have a short shipment, 200 pieces, 2 pallets, 120 on one and 80 on other, the new ENS only the 2<sup>nd</sup> or originally the full shipment?

COMMENTS: For example a freight forwarder gives a shipment to the Carrier on 2 pallets. Those are moved from the US to the EU. The ENS is filed for the 2 pallets of goods with different commodities. At the time of loading you have more passengers thus have to offload one pallet, which was previously mentioned on the ENS.

71 Should I amend my first ENS mentioning the 2 pallets? But I don't know which goods are unloaded. If I send the pallet on the other flight, can I have the same ENS or should I have to do an ENS and do I have to declare the exact goods from pallet?

*DG TAXUD reply:*

- *ENS has to be amended and for the second one you have to lodge a new ENS, because of a new MRN.*

71 But as a Carrier don't know exactly the content?

*DG TAXUD reply:*

- *It is not possible, you have to know*

COMMENTS: As a Carrier I cannot know what is in each box. If you need to offload you don't know what box is on which pallet. For example if I have a shipment of shoes and T-shirts I do not know if I have all shoes on one and T-shirts on the other. It is better to lodge the ENS and lodge the same again. The inability to cancel the declaration is a major gap.

*DG TAXUD reply:*

- *This is the same situation as earlier. It is important to keep the accuracy of the ENS so the originally lodged ENS should be amended to align it with the real situation and there is a need to lodge a new ENS for the second airplane. It is also possible to lodge 2 new ENS and forget the first one if you still can keep the deadline.*

71 Leave the first as it is and lodge a second ENS based on the goods already reported because I cannot know what exactly is in the pallet.

**DG TAXUD** reply:

- *You have to have 2 ENS describing the content of each pallet.*

**COMMENT:** There have been multiple meetings with DG TAXUD on this subject. Presentations were given to the EC and to the MS on behalf of the airline addressing this issue a long time ago. Now the response is different from what Airline was told up to know.

**DG TAXUD** reply:

- *DG TAXUD takes note but it is not possible to have one ENS for 2 airplanes.*

⇒ **DG TAXUD will come back on this question.**

- *It is confirmed what was told during the meeting namely, no possible way to lodge only one ENS in this situation.*

### **35. For split shipment (planned or not to planned) do we need to create a new ENS and an arrival notification?**

**COMMENT:** a consignment is split in 2 different aircraft; the interpretation is that we would lodge an ENS for the first flight and a new one ENS for the second flight.

**DG TAXUD** reply:

- *YES and 2 arrival notifications for the two different airplanes.*

#### **↗ If carrier over declares, what happens?**

**DG TAXUD** reply:

- *When you have to present the goods it will turn out that you over declared. It is a risk analysis question.*

⇒ **DG TAXUD will come back on this question.**

- *If the ENS is not accurate it is the responsibility of the carrier and the MS may penalize this non-accuracy.*

#### **↗ When an ENS is lodged twice, lodge the same ENS for the 2 flights, what happens with the arrival notification?**

**DG TAXUD** reply:

- *It is not the intention to declare 2 times and if it's not correct then you can amend it.*
- *When you arrive in the EU you need to send the arrival notification, then another arrival notification to match the ENS for that means of transport.*

### **36. Do we need an Arrival Notification for FROB or only when the goods are unloaded?**

**DG TAXUD** reply:

- *Arrival notification is for the means of transport not for the goods, for which you refer to the ENSs, thus you notify the arrival for the means of transport and the notification of arrival contains references to the ENSs which are needed to identify the risk analysis results and to decide on security and safety controls to be performed.*

#### **↗ And in case of diversion?**

**DG TAXUD** reply:

- *On arrival, at the actual office of first entry.*

71 **What are the timelines?**

*DG TAXUD reply:*

- *On expected date of arrival, if later than it is ok (upon the arrival of the airplane).*

71 **When the plane arrives and goods are found as not declared, what happens?**

*DG TAXUD reply:*

- *You need to lodge the ENS with possible sanctions from the MS*

71 **And if it is not 4 hours before, what happens?**

*DG TAXUD reply:*

- *It is a national case; there should not be a problem with possible sanctions from the MS.*

71 **A full declaration is made, the plane arrives. The ENS was done but than found cargo is identified, it will be under the customs procedure. We will then need a new ENS but will it have a new MRN with the arrival notification? So found cargo will require a new arrival notification against this MRN?**

*DG TAXUD reply:*

- *No.*

**37. If carrier lodge declaration and FF lodge similar declaration, what happens in ICS and which one takes precedent if system can register both?**

*DG TAXUD reply:*

- *In that case when you lodge an ENS you have a local reference number, then you will receive the MRN. If you have the same entry key to the declaration it will be rejected or registered however both can be taken into account for safety and security risk analysis.*

71 **Second ENS will take precedent over the first one as it cannot be invalidated. So Carrier will receive different MRNs from the freight forwarder?**

*DG TAXUD reply:*

- *Freight forwarder lodges the ENS and Carrier lodges the ENS. Regarding the first ENS, the carrier will be informed of the MRN number as he is a different person from the one who is lodging, so he is aware of the first ENS.*

71 **The national system can accept only 1 ENS per consignment as mentioned in the regulation.**

⇒ **DG TAXUD will come back on this question.**

- *It is up to the MS how many valid ENS can be taken into account per consignment for S&S risk analysis but the carrier must have to conclude an agreement with the other party who lodge the ENS in behalf of the carrier therefore they have to agree who is doing what in the process to avoid the duplication of the ENS or other incorrect activities.*
- *As you know ENS should be lodged by the person who brings the goods into the customs territory but the legislation allows that ENS is lodged by other persons. If the ENS is lodged by other person this does not relieve the carrier of the responsibility. In the end it is the carrier that must ensure that the ENS is made and within the time limit. As you can find in the many times referred guidelines it regulates the "double filing" when the subsequent person who lodge the ENS is the carrier. In this situation it is normal that the carrier's ENS prevails since the carrier is the main responsible*

*person. However it is not the case when a new ENS is lodged by other person after the carrier's ENS. In this situation the MS has to check that the second ENS is lodged with the consent of the carrier otherwise, taking into account the role of the carrier, the second ENS should not overwrite the carrier's ENS.*

COMMENT: this situation is described in Question 3.5 of the Frequently Asked Questions.

↗ **Are there any penalties planned if the trader is not ready on 1<sup>st</sup> January 2011?**

*DG TAXUD reply:*

- *It is a national question; it is up to the MS.*
- *It is an obligation to process ENS from 1<sup>st</sup> January 2011*

↗ **One can go through the existing CCS, some can have more than one CCS in one country. Can the arrival notification or presentation of goods go to several CCS?**

*DG TAXUD reply:*

- *One country, one system. There are no recommendations; each has its own system.*

COMMENT: Regarding the short shipment issue. The TAXUD working document 2027 of July 2009 on Entry and Summary declarations, which was agreed by the Custom Code Committee, stated the example of split shipment. Thus, if there is no risk detected on the whole shipment declared, there shouldn't be any problem for the second shipment with the same ENS.

⇒ **DG TAXUD will come back on this question.**

- *It is not written in the document referred.*

↗ **If you submit your ENS for 20 pieces on flight 1 date 1, 10 are unloaded, can you amend the ENS?**

*DG TAXUD reply:*

- *It can be amended until the means of transport arrive.*

↗ **If a carrier does not agree a 3rd party to lodge what happens?**

*DG TAXUD reply:*

- *It is the obligation of the carrier to collect all the information but not legal obligation to provide it. It is based on the contract.*

↗ **In the ENS in the amendment declaration, there is declarant section. If I am the one who amends, should I put my name? For example a carrier has declared the ENS and allows a Service Provider as being the representative to amend. Whose name is included, the one who amend (the Service Provider) or the carrier? And if it is the Service Provider, how will the carrier know?**

COMMENT: There is a requirement that if you are the representative you declare as the representative

*DG TAXUD reply:*

- *If you are a representative and lodge the amendment, the system will identify and carrier will know.*

- 7 CHAMP will provide a single connection, as a Service provider. But has the same connection for Carrier and for the representative so how to identify the one who amends because the same connectivity is used?

*DG TAXUD reply:*

- *From the specifications, the person who was mentioned in the ENS cannot be changed. The person who lodges does not change.*

COMMENT: So Customs will not know who amended because using the same connection.

⇒ **DG TAXUD will ask the IT support and will back on this question.**

- *The customs will know who sent the amendment even if they are using the same connection because they will be authenticated electronically in the beginning of the connection process.*

- 7 In case of diversion, for example there is a shipment from NY to the EU and has to be diverted outside of the EU, is the whole ENS to be redone?

*DG TAXUD reply:*

- *It is not a diversion if the plane is not landing in the EU. You will enter EU from another port so you need to lodge a new ENS only if you modify the consignment which is covered by the ENS at that place otherwise no need to lodge a new ENS.*

COMMENT: so the initial origin and destination information is lost.

⇒ **DG TAXUD will come back on this question.**

- *If there is no loading or unloading at that airport then the ordinal ENS does not have to be modified.*

- 7 Regarding the fall back procedure, if in few month a MS has outage for more than 1 day, what is the procedure?

*DG TAXUD reply:*

- *In that case there is the possibility to lodge a paper based ENS with the restriction with office of subsequent*

- 7 What about new countries joining the EU? What if they are not ready for ICS & ECS?

*DG TAXUD reply:*

- *New MS will have to develop the systems before joining the EU.*

- 7 Are there system availability?

⇒ **DG TAXUD will ask the IT support for ICS and will back on this question.**

- 7 On the service level, we never see the availability of traders and customs rather connection with MS maybe

*DG TAXUD reply:*

- *MS are obliged to report hours of non availability but having it with each trader is difficult.*

- 7 The real issue is seen on NCTS where the availability reported by the EC from MS is higher than the availability to the trade. Need to monitor.

*DG TAXUD reply:*

- *Each trader will need an SLA, he has to go locally.*
- *DG TAXUD suggests pushing it with MS.*

↗ **If I don't want to lodge through Bulgaria for example and they accept that we can do it through France. After a period of time Bulgaria requires going through them, can a MS require it?**

*DG TAXUD reply:*

- *There is no legal obligation, it could be possible but this is an extreme case.*

↗ **We know that certain countries have implemented advanced customs filing for shipments to the EU, US and Mexico. 3 different risk analyses for one shipment. Could this process be streamlined between countries?**

⇒ **DG TAXUD will check with Risk analysis people but this can take a lot of time as it is a sensitive issue.**

↗ **Are there plans to have a global version of the EORI number?**

*DG TAXUD reply:*

- *DG TAXUD has negotiations going on for mutual recognition of the AEO and see that even the Trader ID is different. It is difficult to align with different countries.*

## **Part 5: Next Steps & Close of meeting**

IATA informed the participants that the IATA and EU TAXUD presentation will be made available to the group and that minutes will be prepared and shared first with the EU TAXUD before sending them out to the group.

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