

# European Import Control System (ICS) Implementation Status IATA Webinar



16 June 2011

# Agenda

- About ICS
- Grace Period for ICS
- Overview of ECS
- Status Update on ICS Implementation
- Quality Update on ICS Implementation
- Harmonized Codes & Goods Description
- Frequently Asked Questions

## About ICS

- Effective 1 January 2011, the Import Control System (ICS) became effective across the EU
- All goods brought into the EC, regardless of their final destination, shall be covered by an Entry Summary Declaration (ENS)
- The Carriers are responsible for the ENS filing
- Upon receipt of the ENS, the Customs office of first entry performs the security-related risk analysis

## Grace Period for ICS

- The EC has confirmed that the grace period, which has been already extended several times will end on June 30th 2011
- The Commission also confirmed that Member States are technically ready
- The Commission warned that the quality of the ENS has to be improved

## Overview of ECS

- The new EC Regulation requires that all goods brought out of the customs territory of the EC shall be subject to risk analysis and customs control before departure.
- All such goods must therefore be covered by an exit summary declaration (EXS)
- EU Commission confirmed the end of the Grace Period for ECS latest on December 31st 2011

# Status Update on ICS Implementation

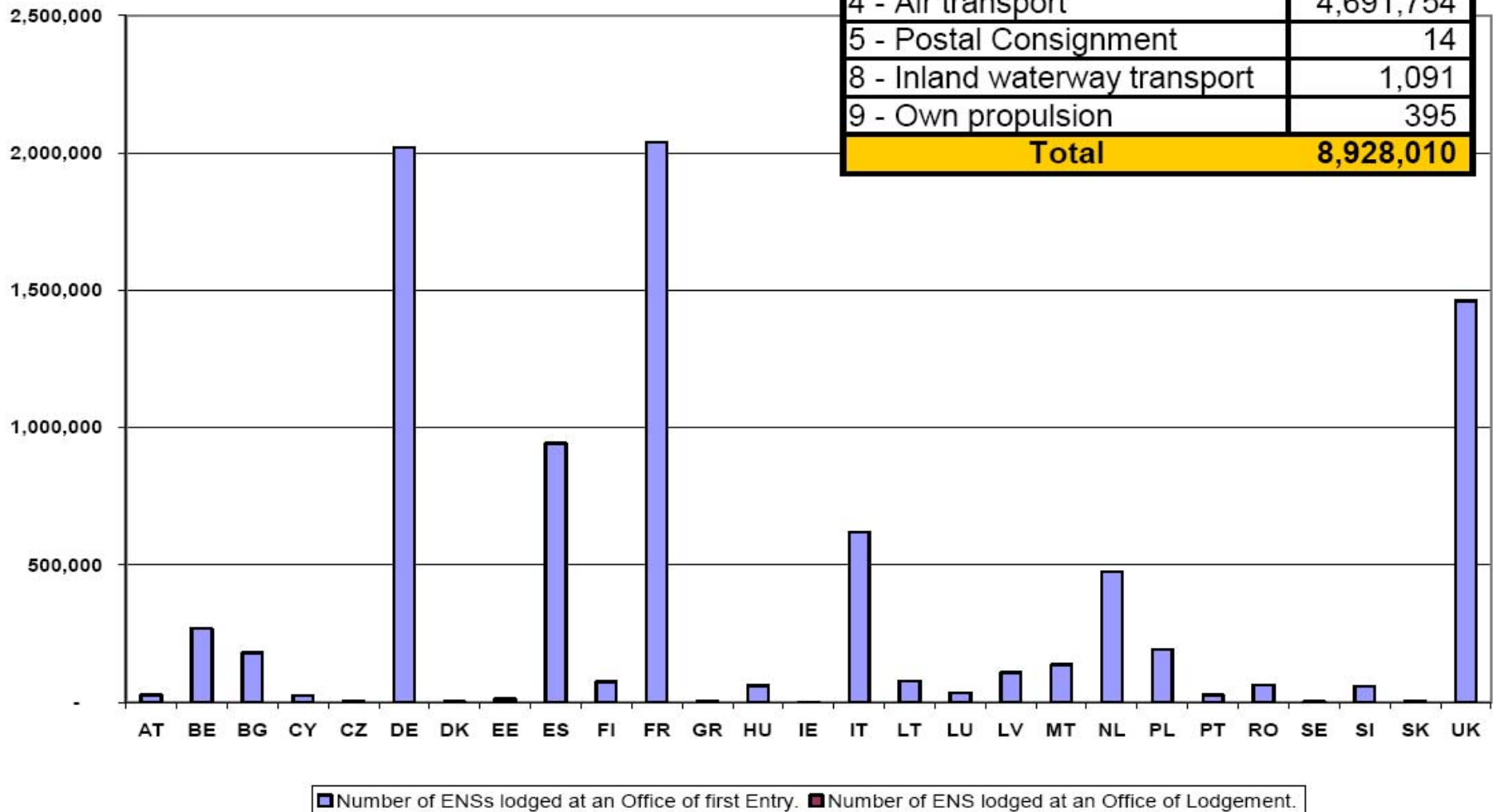
- IATA participated to the ECG meeting in Brussels on Wednesday, May 25
- During the meeting the Commission provided the Status of trans-European Systems on ICS
  - Statistics of the 27 Member States of EU
  - Air transport represents the 53% of the total number of ENS
  - Member States where the largest number of ENS are Germany, France, UK, and Spain



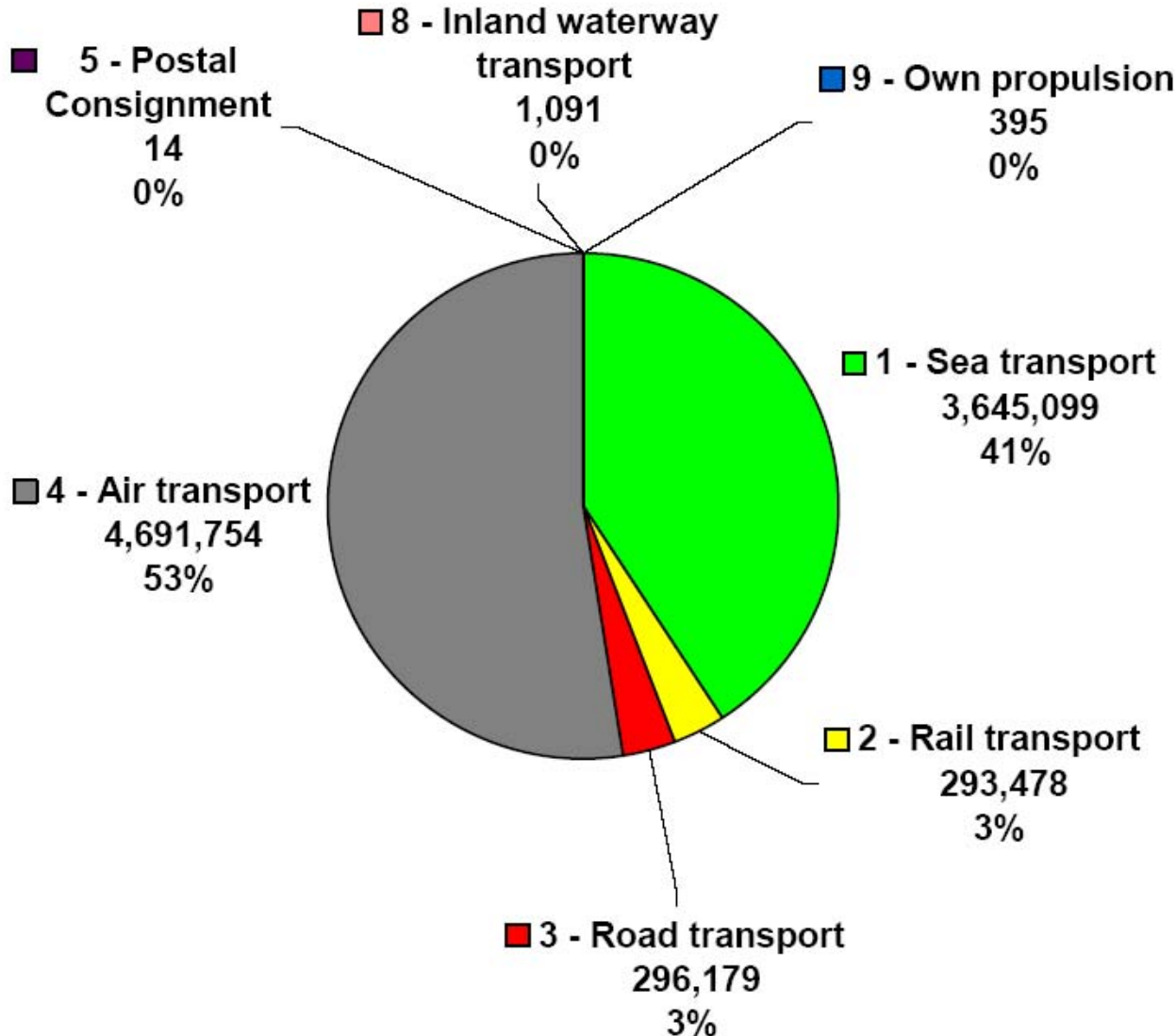
EC Presentation on  
ICS-ECS

# ICS – Number of ENS lodged between 01.01.2011 and 30.04.2011

| Number of ENS lodged:         |                  |
|-------------------------------|------------------|
| 1 - Sea transport             | 3,645,099        |
| 2 - Rail transport            | 293,478          |
| 3 - Road transport            | 296,179          |
| 4 - Air transport             | 4,691,754        |
| 5 - Postal Consignment        | 14               |
| 8 - Inland waterway transport | 1,091            |
| 9 - Own propulsion            | 395              |
| <b>Total</b>                  | <b>8,928,010</b> |

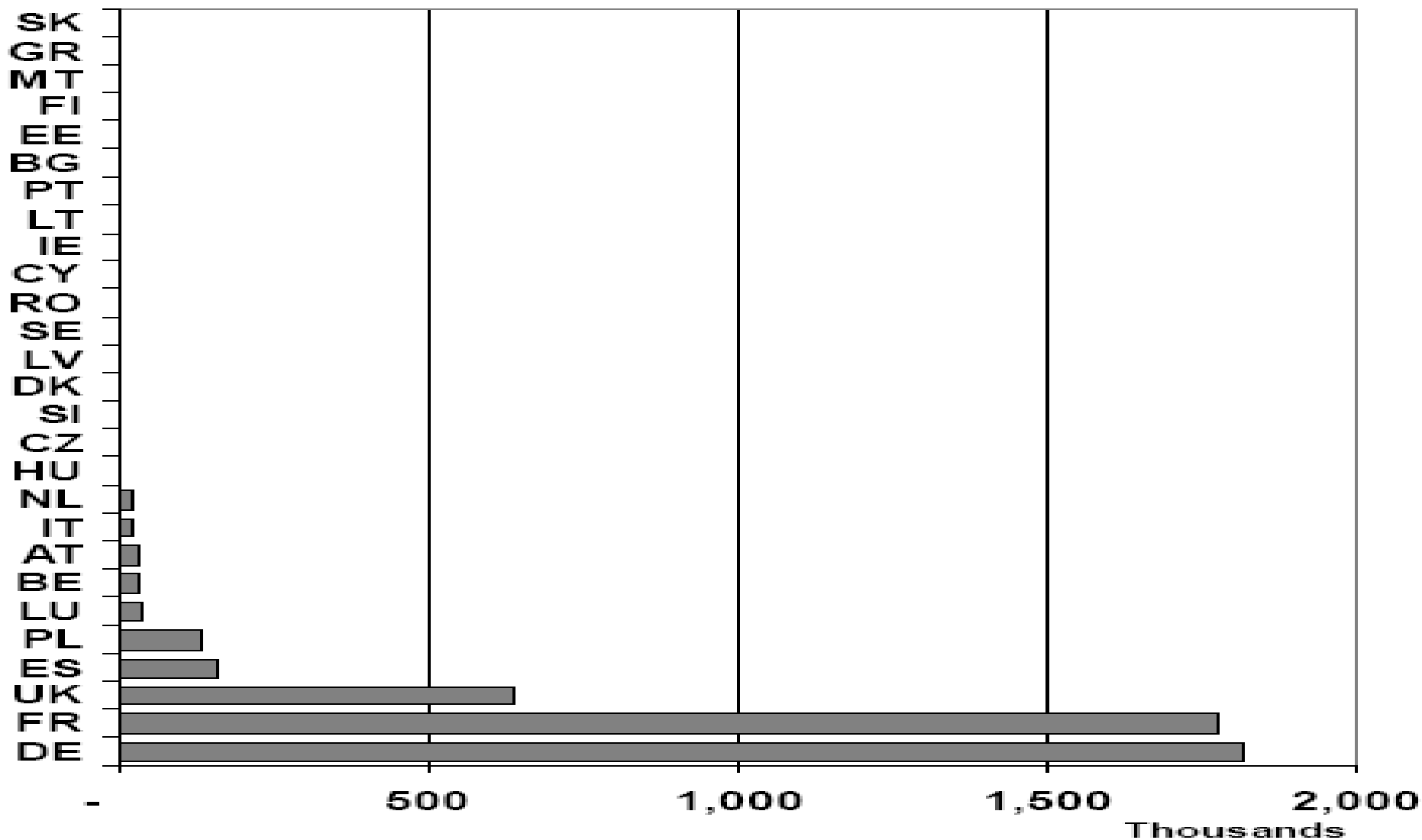


# ICS – Number of Entry summary declarations lodged per mode of transport between 01.01.2011 and 30.04.2011



# ICS – Number of Entry summary declarations lodged per mode of transport and per MS between 01.01.2011 and 30.04.2011

## Number of ENS (4-Air transport)



## Quality Update on ICS Implementation (1/2)

- Deadline set by the Commission is not being respected by traders
- Traders only provide the ENS at the time of the presentation of the goods
- Consignee and consignor data of poor quality (from FF to FF; appx. 65% of aviation)
- Harmonized Commodity Code is not provided in ENS
- Good description is very generic ( e.g. consolidation, general cargo etc)

## Quality Update on ICS Implementation (2/2)

- The Commission is of the opinion that this situation can be improved only by **changing the status of the Harmonized Commodity Code from “optional” to “mandatory”**

## Example: Description of goods ~ HS code – the current content of ENSs

### ■ Commodity code

- NL (May 2011):
  - Sea transport: presented in 58,36% (from this 51% for 4 positions, 40% 6 positions)
  - Air transport: presented in 0,02%
- IT (April 2011): presented in 62,25% (from this 77% for 4 positions, 23% 6 positions)
- BE (May 2011):

| Mode of transport | GIVES CC  | NUMBER OF EO | GOODS ITEMS | Pct   |
|-------------------|-----------|--------------|-------------|-------|
| 1                 | always    | 16           | 15241       | 10,3% |
| 1                 | never     | 29           | 1148        | 0,8%  |
| 1                 | sometimes | 16           | 131035      | 88,9% |
| 4                 | always    | 1            | 64          | 0,3%  |
| 4                 | never     | 9            | 19070       | 99,7% |
| 4                 | sometimes | 0            | 0           | 0,0%  |

# Harmonized Codes & Goods Description

## ➤ EC 1875/2006 Annex 30A

- " Goods description. Summary Declaration: it is a plain language description that is precise enough for Customs services to be able to identify the goods. General terms (i.e. "consolidated" or "parts") cannot be accepted. A list of such general terms will be published by the Commission. It is not necessary to provide this information where the commodity code is provided, the commodity code is not required where goods description is provided"

## ➤ The list of general goods description is herewith attached



Goods Description

- The list is not exhaustive
- Customs may deem a goods description unacceptable if new terms present themselves that do not allow their risk management experts to undertake their tasks

# Frequently Asked Questions

- Does the grace period uniformly apply to all EU Member States or can an individual Member State determine its own grace period?
- Can a single EORI number be used for all EU Member States?
- Should the airline send House data to EU customs in the case of 3rd party filing by forwarder/agent?
- Are EU Country Codes aligned with IATA country codes and ISO standards?
- Is the Harmonized Commodity Code mandatory in all Member States?
- Is the Harmonized Commodity Code mandatory in non EU European Countries (e.g.. Norway)?
- Are shippers' Postal/Zip Codes mandatory?



FAQ

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Thank you!