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**ELECTRONIC CUSTOMS GROUP**

Summary

of the **257<sup>th</sup>** meeting held in Brussels on **31 May 2013**

# AGENDA

**257<sup>th</sup> Electronic Customs Group ('ECG') Informal Meeting  
held jointly with the Trade Contact Group ('TCG'), CCC Transit and eMS group on 31 May  
2013**

**Address: Albert Borchette Conference Centre, 36 Rue Froissart – Room CCAB 0A**

- 1. Welcome and Introduction**
- 2. Adoption of agenda**
  - I. ECG, TCG, CCC-FOR: SASP subgroup for Centralised clearance**
- 3. Mid report from the Commission on the first 3 SASP studied within the SASP subgroup for Centralised clearance**
- 4. Debate with the ECG/TCG and CCC delegates on the recommendations provided for the future implementation of CC**
  - II. ECG, TCG, CCC-TRA, eMS: Maritime Issues**
- 5. Presentation of the draft Communication from the Commission – Blue Belt**
- 6. Legal Proposal on RSS enhancements [& Blue Vessels]: Scope and state of play**
- 7. Blue Belt (including 3rd country parts): Open questions**
  - **Consequences of integrating 3<sup>rd</sup> country ports**
  - **Consequences of using concept of "trusted" traders**
  - **Consequences of link/addition to safety and security process**
- 8. eManifest First discussion**
  - **Practical aspects of eManifest transmission  
B2C/other authorities and C2C**
  - **First exchange of views on eManifest data**
  - **Data requirements for customs and maritime authorities,**
  - **Introduction of data requirements into customs (current & future) legal provisions**
- 9. Conclusions and next steps**

## 1 ADOPTION OF AGENDA

The European Commission ('COM') welcomed the delegates, explained the interpretation facilities, clarified that interpretation is provided in FR, DE, EN, IT, ES, DK, GR and PL and introduced the items to be presented and discussed during the meeting.

**COM** reminded the MSs that the topics in the agenda items 6, 9, 11, 13, 14 were presented and discussed at the ECG Webinar of 15<sup>th</sup> of March 2013. The purpose for including these items in the agenda of the present meeting is to enable the delegates to raise any additional issues or questions that may have arisen from the ECG Webinar of 15<sup>th</sup> of March 2013. **COM** informed the participants that they have added a point under the Any Other Business (AOB) of the agenda for making an oral report on the visits by a Commission team to a number of EU ports.

**LU** asked to include in the agenda a point for request for information on the results of the last meeting on Safety and Security and more specifically on the changes in ICS due to changes on raw data being sent in two hours before the departure of a plane. **COM** agreed to add this point in the agenda under item AOB (Any Other Business).

**DE** made the remark that the agenda for the High Level Steering Group (HLSG) on the 25<sup>th</sup> of April 2013 includes an item for discussion and decision on IT governance and architecture, and asked the Commission to provide more information on this topic. **COM** confirmed that there is such a topic in the agenda for the HLSG of 25<sup>th</sup> of April 2013 that relates to IT governance and architecture, and agreed to add a point in the agenda of the present meeting for briefing the delegates on this topic. **COM** proposed to add this topic under either agenda item 7 or under agenda item AOB.

The European Commission ('COM') welcomed the participants to this informal electronic group which had the number 257. It was an informal ECG which means that the meeting was in English only. The Chairman started by stating that the meeting had an exceptional starting timing because there was a first phase in the meeting between 09:30 and 11:00 which was mainly dealing with the 3 SASP and from 11:00 onwards until the end of the day, the maritime files would be discussed. The **Chairman** presented an overview of the agenda to the participants by adding an extra point to it, the "Export procedure under Blue Belt" as point #7.4.

**CONFIAD** raised a concern that neither the agenda, nor any documents or links related to this meeting were received before the start, apart from one document related to SASP that was received via e-mail.

The **Chairman** thanked **CONFIAD** and stated that after migrating from CIRCA to CIRCABC few months ago a share drive was created in which files mainly for Customs are uploaded; files that are also visible for Trade. However, comparing to what was happening in the past a notification is no longer sent to Traders after a document is uploaded on this section. The comment was taken into account for the next meeting and a mail will be sent before it for having the trader group properly prepared.

**WSC (World Shipping Council)** confirmed that a similar issue was faced and thanked the Chairman for the insurances given for solving this problem. A question was raised regarding any other business and in specific **WSC** asked if some experiences and concerns can be raised that were noticed when ENS messages were sent to a national ICS system.

The **Chairman** thanked the participants for their comments and confirmed that **DIGIT** is working on the documentation issue but in most cases several months have to pass before the functionality becomes available on a new **CIRCABC** version. Regarding the second question, the Chairman proposed to discuss what it concerns and which country is involved during the break and if further discussion would be needed it could be taken up during the main session of the meeting.

**ESC** asked for an additional point to be discussed under any other business regarding the interface of a kind of single window required for the food and feed directive with the current single window and **DG MOVE** systems concerned.

The **Chairman** proposed this point to be also discussed during the break, in order to clarify which directive this concerns and who in the Commission could be informed about it. The **Chairman** asked to proceed with point #3 of the agenda.

## **2 ADOPTION OF AGENDA**

The Agenda was adopted with the addition of one point “Export procedure under Blue Belt” as point #7.4.

## **3 MID REPORT FROM THE COMMISSION ON THE FIRST 3 SASP STUDIED WITHIN THE SASP SUBGROUP FOR CENTRALISED CLEARANCE**

**COM** welcomed the participants and stated that the SASP groups were created for being the link and the bridge of the experience enquired and gathered by both companies and customs regarding SASP and for identifying in what respect this experience can serve in the context of the Union Customs Code.

**COM** proceeded with the presentation of point #3 which included:

- A background section regarding the kick-off meeting that took place on 12/02/2013 and the terms of reference of the subgroup (including work to be achieved and planning of reports to the CCC/ECG and TCG ) that were agreed.
- A reference on the 6 meetings done between March and May 2013 and the AMS involved.
- Another reference on the 3 remaining meeting
- A reporting section concerning reports that were and will be prepared for ECG/TCG and CCC meetings
- A short presentation of the 1<sup>st</sup> interim report which was drafted by the Commission (not the SASP subgroup) on 31/05/2013
- The main benefits of Centralised clearance, general assumptions and recommendations of the subgroup.
- Two tables -export and import related- for further discussion.

**COM** stated that what was presented was a summary of the three meetings and in the next meetings more elements will be available, taking into account some requests and some ideas. The tables in the end were an attempt to formalize how the process could be. The main commitment is that this process should be compliant with the legal basis for Centralised clearance which is now stabilized. The only pending action is a stable text to be revised on which a system should be built.

## **4 DEBATE WITH THE ECG/TCG AND CCC DELEGATES ON THE RECOMMENDATIONS PROVIDED FOR THE FUTURE IMPLEMENTATION OF CC**

The debate regarding the recommendation provided for the future implementation of CC started with a comment from the Trade.

**EEA** commented that the outcome of the report represents what SASP currently is and not what has to be done to make a genuine Centralised clearance reality. 37 comments on the document are to be raised and a question was raised to whom these comments should be addressed. In addition the terms of reference have been requested.

**COM** advised to send the comments to the e-mail addresses displayed on the presentation. Regarding the terms of reference it was noted that it has to be first checked whether they are confidential or not and then it can be provided.

**EEA** stated that if the terms of reference are confidential then the UCC and its references to consultation with the business community have little chances of succeeding.

**COM** suggested to first see the report and the outcome of the subgroup and then to discuss whether the proposal of the Commission fits or not with the trade’s activity.

**PT** raised a remark on slide #11 regarding the supervision customs office which will not confirm that the goods were presented at presentation office. **PT** confirmed that this is an option which may lead to

questions that could be discussed at later stages. PT also stated that regarding the text in red, it seems necessary for the presentation customs office to know the content of the declaration in order to decide on the proper procedure, temporary storage for example, as well as it seems necessary for the presentation office to be able to inform supervision customs office when the presentation customs office opposes to delivery. Regarding slide #12, PT asked further clarifications on the term “presentation of goods”.

COM replied regarding slide #11 that it doesn't state anything about confirmation or not of presentation for the reason of acceptance, because that was left open in the context of UCC and there is no decision on this yet. As far as it concerns the second point regarding release, COM noted that it is red lined, but it is a point to discuss. Concerning export and slide #12, COM stated that there is only one definition of presentation which applies for all cases and the distinction between the formal presentation and non-formal presentation is not understandable.

PT asked whether there will be a formal message to present the goods or not when mentioning that the goods should be presented to the presentation customs office.

COM replied that since the declaration is lodged at an office of export and the goods are present at another office, the office of export may have a need to contact the office of presentation to request the possible physical control. The difference is on the sequence, meaning that the presentation in terms of entry is not available before the declaration for export.

UK stated that the point is what happens next and it should be made clear how this process will actually work and what will happen when something goes wrong.

COM replied that the general legal framework for Centralised clearance is currently available and will be taken as a basis. The way to overcome the difficulties is becoming better identified, based on existing experience and on good ideas that come from the subgroups and MS. Regarding the real work on how to define processes and how to define implementing provisions, this would be part of the global process of preparation, consultation and drafting of the legal provision.

CLECAT put on the table the difference between SASP and Centralised clearance.

COM stated that in general the objective is to implement Centralised clearance and Centralised clearance is not SASP even since some common features exist between these two.

IE appreciated the work that has been undertaken by the subgroup and stated that there is real value in examining the real cases and getting the views of traders who are currently operating the SASP arrangements.

COM commented regarding the upgrade of the SASP under Centralised clearance, that the SASP should work differently, since a new way of working has been agreed, that will be adopted by the involved MS if they have a common way of exchanging messages. This would lead to working easier with lodgement of standard declaration on a transaction base in the scope of Centralised clearance.

EEA noted that with no terms of reference, no inclusion of European business association in Commission's work and limited feedback, the Commission should accept all the significant questions that Trade wants to raise and proposed a longer meeting to be arranged next time for discussing these points.

COM agreed that maybe next time the outcome of the 6 meetings in July could deserve more time to discuss on more precise elements and announced the closure of the 1<sup>st</sup> part of this meeting.

## **5 PRESENTATION OF THE DRAFT COMMUNICATION FROM THE COMMISSION – BLUE BELT**

COM made an introduction on the draft Communication from the Commission.

COM's Policy Officer confirmed that Blue Belt was identified as key action #2 in the list of key actions to stimulate growth in Europe. A Blue Belt package with legislative and non-legislative initiatives will be delivered by the Commission in June 2013. A policy framework for the future Blue Belt environment will be created by the Commission which will include two proposed legislative measures for implementation and an indicative timing will be given for that. The first one would be

enhancement of RSS with the proposal scheduled to be tabled by the end of June 2013 and the second one Blue Belt, where eManifest could be used to prove the status of the goods, with the proposal scheduled for the end of 2013 and with an ideal implementation date for eManifest to be applied in June 2015. Commission has decided Blue Vessels not to be included in the future Blue Belt environment since in practice there is no such business case. On the communication itself, it was confirmed that there will be 6 headings: an introductory one describing the problem, a 2nd one framing the Blue Belt initiative in a wider policy context, a 3rd one describing the concepts and its objectives, a 4th one describing the package giving an extensive description of RSS, a 5th one on the reporting and a final one on the conclusions.

**COM** proposed to leave the Blue Belt discussion on that point since there would be later in the day a more detailed discussion on the Blue Belt environment.

The **Chairman** repeated that this communication will be published by the end of June.

**WSC** commented that the project's success would lead to a facilitated maritime traffic and fully supported the Commission's activities.

The **Chairman** appreciated the cooperation and gave the floor to ECSA.

**ECSA** welcomed the initiative and supported the Commission's activities as well.

The **Chairman** stated that any expertise from the Trade side is most welcomed and that the Commission is happy to cooperate.

## **6 LEGAL PROPOSAL ON RSS ENHANCEMENTS [& BLUE VESSELS]: SCOPE AND STATE OF PLAY**

**COM** stated that the intention of the Commission is to further enhance current RSS procedures and the Blue Vessels concept is not included. Two elements are to be implemented. The first one is the consultation period to be reduced from 45 days to 15 and not to be totally removed. The second is the applicant to be able to choose when making his application to either specify only the MS which will be immediately concerned by the RSS or to be able to also specify the MS that might be concerned by RSS in the future. The consultation will be addressed to both the actual and potential concerned MS. Possible implementation date is the 1<sup>st</sup> of March, 2014.

**ECSA** fully supported the Commission's suggestions and proposals.

## **7 BLUE BELT (INCLUDING 3RD COUNTRY PARTS): OPEN QUESTIONS**

**COM** presented the CIRCABC links for the documentation to the colleagues of Trade. This lays under the Trade Contact Group → 2<sup>nd</sup> Page in CIRCABC in the following link:

<https://circabc.europa.eu/w/browse/0bb03b39-999f-44b1-87fd-16c0b49c4b07>

In this page the maritime related information and TCG meeting related information are published under Maritime Initiative and TCG Meetings – 2012 subfolders. The links were also provided by e-mail. The following points were discussed in regards to this point.

### **7.1 Consequences of integrating 3<sup>rd</sup> country ports**

The **Chairman** stated that the point 7.1 – consequences of integrating 3<sup>rd</sup> country ports needs further clarification and a presentation of stable starting points for discussion will be presented by **COM**.

**COM** made the presentation which included:

- A historical section
- The concept of the current Blue Belt/eManifest proposal
- The status of the approach discussed for the proof of the Union status under Blue Belt and the proposal of the Commission.

The outcome of this presentation was that the incorporation of third country administrations will be deferred for the moment, as this aspect is not required for the functioning of the approach envisaged; an idea that can be reactivated in the course of the further development of Blue Belt, if considered necessary.

**MT** asked if there are going to be any obligations for goods travelling from an EU state to another EU state through a 3<sup>rd</sup> country on the basis of the endorsed eManifest.

**UK** requested for a clarification on a non-authorized assignee module since it seems that customs entry and traders' records are not used during the transaction.

**COM** replied that this is a technical question rather than how the processes are organized and the point is the eManifest to be submitted with an indicative status that will offer the possibility to customs to rely on it, and work with this piece of information.

The **Chairman** stated that this combination is an administrative challenge, not simple in practice. Practical experience may be needed for this exchange of information.

**UK** stated that this is more a process problem than a technical problem since if an MS has to send a message to another MS this information won't be available in the local systems. In addition, the eManifest should **be explored to** determine if it could be used as the method of getting the information into the proof of union status.

The **Chairman** stated that as the meetings progress the information will be gradually built up and more details will be added, so more practical questions will come up that will have to be discussed in the future.

**PT** proposed that since currently it is already possible for community goods to move from one MS to another or through a 3<sup>rd</sup> country, the same approach could be used for the eManifest

**WSC** on behalf of **ECSA** too, expressed their appreciation for the conclusion of not including 3<sup>rd</sup> country ports in Blue Belt. **WSC** commented that according to Traders records every MS is provided with an eManifest and raised a question about slide #7 regarding the need for the endorsed eManifest to be sent from an EU MS to another one. **WSC** queried about the purpose of forwarding the eManifest from one MS to another for the case that an intermediate 3<sup>rd</sup> country is visited by the vessel in which loading and unloading may occur resulting in the change of the manifest. Additionally **WSC** queried about if in the first phase the eManifest should be limited to Goods that remained on board in the 3<sup>rd</sup> Country port as this would simplify the procedure and enable Trade not to keep two tracks in the system.

The **Chairman** confirmed that the intention of the Commission is to limit their proposal on the goods remaining on board and stated that the endorsed eManifest has to be sent from the first EU MS to the one acting as final destination because the ENS message sent from the intermediate 3<sup>rd</sup> country does not contain the status of the goods and no changes are foreseen to contain this status. The Chairman also stated that for the moment there is not an EOS scale system that foresees the transmission of eManifest from customs services of one MS to those of another MS. Ideas on that point will be further discussed and presented at point #8.1 of the presentation.

**UK** confirmed the existence of an entry record system for eManifest.

**WSC** made a plea to include the data elements in ENS using ENS as an indicator for the status of the goods.

**DE** revisited the statement made earlier during the presentation regarding the risk analysis improvement. In relation to the statement of the representative from the World Shipping Council regarding the reuse of ICS **DE** believes that ICS is not the correct system to transport custom status information because it might not be available at the Customs Office where the goods are going to be presented and in this case the customs status information will be missing. ICS will have to be improved in order to use the IE319 message in case a risk has been identified previously and provided to all Customs Offices that are in the itinerary as subsequent port of entries. If this is the case then this could be an option but the addition of the status information to the existing information is not considered sufficient to cover the needs identified. Additionally in the Cargo Manifest, containers are discharged

or added while the vessel is on sale so it has to be ensured that the information between ports is accurate.

The **Chairman** thanked DE and replied that this will be treated also under points #8.1 regarding the transmission and #8.2 regarding the data requirements.

## **7.2 Consequences of using concept of "trusted" traders**

**COM** continued with the presentation of #7.2 about the concept of "trusted" traders and the authorized consignors by presenting:

- The conditions of an authorized consignor for proof of status.
- The conditions to become an authorized consignor.
- The Trade statement as regards the current application procedure
- The improvement already agreed for the draft MCCIPs

Following this **COM** presenting a set of questions related to the further detailing of the conditions for granting authorization and the facilitation of the authorized consignor functionality. It was clarified that these question serve as ideas to trigger discussion and not COM implementation proposals.

The **Chairman** thanked COM about the detailed presentation and informed the NAs that this is a lot and complex information that needs to be processed and therefore some research is required. Therefore, they can review the presentation and the topics discussed and can come back either via e-mail or in another event that will be organized in one month with guidance, questions or suggestions or anything else that needs to be clarified. In summary, regarding the trusted traders, what is needed is to add a place in the legislation so that articles regarding the authorized consignor can be added. The goal is to amend the implementing provisions and not to amend the existing code, neither to wait for the UCC to enter operations. Another point is based on information coming from Trade and relates to the fact that currently what is established is functioning well but there is no harmonization regarding the authorization procedures between the MS. This means that the acquisition of an authorization in some MS is much easier in relation to others and what is intended is to have a system to harmonize the procedures. Thus, in this direction it is intended to add in the implementing provisions the conditions required to acquire these authorizations so that in the end there is a similar approach throughout EU. Following this the Chairman prompted about questions and the floor was handed to the World Shipping Council.

**WSC** stated that condensed information was provided to COM after the meeting held on 5<sup>th</sup> of March based on a Survey executed with the 29 member companies of the World Shipping Council containing their experiences. The major outcome was that it does work well in theory but not in practice. Only one of the 29 members has currently authorized consignor status and not in every MS. Additionally to this, even for the cases that the authorized consignor status is granted this has limitations. For example in one of the ports the company was recognized as an authorized consignor for Goods brought in and for Goods Loading. In another port it was given the status for goods brought in but not goods brought out and this is for the same company applying with the same information system. In other MS application for all ports of the MS would result in granting access in 5 ports but not in the remaining 8. More examples could be provided but the fact is that it does not work. MS add criteria at will with no basis in the legislation. The way forward as COM suggested is to harmonize this across EU. Starting point should be the harmonization of naming conventions. Consignor is someone who is consigning Goods. Carrier is not consigning goods and the authorized consignor for this purpose is confused with the authorized consignor for the transit procedure. It is strongly believed that there is confusion regarding Traders amongst Customs Administrations as well. In the MCCIP 100-3 Article 513-12 amended criteria exist that are better than the ones in the current CCIP. The problem in this case is that all of this is intended to be operational by June 2015 however the implementing provisions of the UCC will take effect after that date. Therefore there is a gap that needs to be bridged. Regarding RSS, it is suggested to make it clear that the Customs Office where the application is submitted should be responsible for making the decision across EU. The MS should have 15-30 days to strenuously object like it is the case for AEO application, but the MS imposing additional requirements beyond the legislation is not appropriate. So the provision should be changed to make it clear that the Customs Office the application is submitted unilaterally grants the status across EU unless objections exist. Finally,



regarding the discussion whether there could be another mechanism or category to be registered, there were some comments provided to DG TAXUD and DG MOVE suggesting a second category: Blue Belt Vessels. The difference between the authorized consignor and this Blue Belt Vessels category is that in Authorized Consignor there is the assumption that what is stated can be taken in face value. In the proposed category if the consignor is known to the port there is the option to quest or not and in case of quest there would not be a need for an endorsement but a confirmation from the Customs Office at the loading port. It is recommended to consider these ideas at least for the implementing provisions of the UCC.

The **Chairman** confirmed that the information provided by the World Shipping Council has been reviewed by DG TAXUD and that this was one of the reasons for the initiative regarding the harmonization of the Blue Belt procedures. However, it was clarified that EU wide valid conditions is not possible to be inserted in the implementing provisions since something like that would require changes in the code. Therefore, what is the intension for the current implementing provisions is that although the authorizations cannot be valid EU wide the obtainment of the authorization is at least based on similar criteria and conditions. Additionally it is under investigation in order to change the term Authorized Consignors in the legislation with a new more appropriate one, more specific for this kind of authorization. AEO certificate will fulfill some of the conditions and for these cases only a few additional ones will be required. The chairman then requested if COM had any additional information.

**COM** also confirmed the existence of differences between the MS and that the information provided were taken into account. It would be also useful if specific examples with specific MS could be provided in order for DG TAXUD to discuss this at bilateral level and try to improve either through the transit manual or the legislation. COM also agreed that the naming is inappropriate and discussion is in place in order to find a new one but the content is what really matters.

The **Chairman** summed up regarding this point that it is clear on how to move forward and that harmonization is needed through legislation. Thus, regarding the trusted traders of Blue Belt the part of the legislation this will be inserted has to be found and additionally the conditions of the authorization have to be identified so that this is harmonized at some level across EU but until UCC is in effect national deviations might exist. In the next meeting DG TAXUD will provide more concrete ideas on the way forward in respect with the requirements of the Trade in conjunction with what is laid down in the code. The floor was then passed to NA-PT.

**PT** obtained the impression that concept of Trusted Traders is a new one but following the presentation from COM this impression changed so that the concept now involved the improvement of the Authorized Consignors, however the situation has been clarified with the Chairman's last intervention.

**WSC** requested the floor in order to clarify on what was meant in the previous statement about EU wide authorizations. One member applied to the customs administration where the main accounts are held, listing the vessel schedules for all EU MS. Article 324 implies that this customs administration can grant authorized consignor status for all of these vessel schedules. When that customs administration consulted the rest of the MS included in the vessel schedule, each consulted MS replied that they have to grant the authorized consignor status as well for the cases in which they are included in the vessel schedule and it was at that point that national requirements were added. It is believed that this is in contradiction with Article 324 and it needs to be clarified that unless there is a strong objection from some of the consulted MS, that the status can be granted for all MS in the vessel schedule.

The **Chairman** noted that COM will take this into account and that it will be discussed in the appropriate customs code committee as it concerns the competence of national customs administration and the limitation of EU legislation. The chairman then gave the floor to COM in order to continue with the last part of the presentation concerning the way that Export should be treated under the framework of Blue Belt.

### **7.3 Consequences of link/addition to safety and security process**

**COM** presented the duties that correspond to the Commission's B2 unit and continued with the presentation regarding this point. A generic overview of Risk management framework in the area of safety and security trying to be linked with the eManifest and Blue Belt issue was included in the presentation. Additionally the following were presented

- Customs Risk Management policy
- Scope of the supply chain risk analysis management
- Current maritime requirements
- Commission's view for a way forward for future requirements to improve the common risk framework for risk supply chain.
- Risk frame and maritime trades.

WSC observed that in the presentation for Blue Belt only short sea shipping is mentioned, but all kind of ships should be mentioned instead. WSC raised a question regarding when the council conclusions are expected since the timeframe is very ambitious.

The **Chairman** replied to the comment that Blue Belt scheme will be mainly used for EU countries but there won't be any legal restrictions, consequently 3rd country ports could be anywhere in the world.

**COM** added that the text of the council conclusions was approved by the Customs Union working party last week and it is now anticipated these conclusions to be adopted. Commission is now called to prepare a strategy within the timeframe of 12 months.

The **Chairman** confirmed in terms of date that the council conclusions will be available before the end of June.

**DE** stated that two subjects are mixed up: improving the current ICS system and safety and security risk analysis and obtaining information about customs data in maritime traffic.

The **Chairman** stated that the subjects are not mixed up, but they are treated under the same title and confirmed that the url's will be made available after the 2<sup>nd</sup> break following Trade's request.

**UK** stated that for eManifest potential additional declarations or additional submission of data may be requested and the timeframe is limited and challenging.

The **Chairman** suggested putting focus on Blue Belt only, confirming at the same time that the timeframe is quite ambitious.

#### **7.4 Export procedure under Blue Belt**

**COM** stated that this issue is already discussed at workshops and working documents produced. Before proceeding to the presentation COM provided a clarification regarding a comment about the fact that the decision should be taken in the Transit in CCC as far as Transit is concerned. It was clarified that discussions are required in other committees and that gathering ideas and discussing on state of play in this committee will not lead to take decision on the update of CCC. The competent body will decide on the context and the incorporation in the legal text. COM presented:

- The current situation in Export
- The state of discussion (Not COM proposal but summary of what was discussed)
- Questions regarding the prolongation of Export procedure and the VAT refund
- Exception in case goods are sold during itinerary and re-enter EU
- Calling of third country ports

The **Chairman** thanked COM about the presentation and informed the NAs that in this case as well some research is required regarding the questions and matters presented. The Chairman complemented the presentation by presenting one additional point regarding Slide #21. In the case of Export as presented in slide #21 the confirmation of Exit is available at the Office the goods are exited which is different than the one the Goods were declared, as long as the movement is registered in ECS. In export it is possible that the Office of Export and the Office of Exit are located in the same MS. In this case the information and the movement are handled at national level and are not registered in ECS. In case this approach is followed in Blue Belt this would mean that for the cases that a movement is

Exited via a different port in a different MS all of these would have to be registered in ECS meaning increased load in ECS.

**FI** received the floor and stated that this initiative to register the export status in the manifest is received positively. NA-FI faces difficulties to prove that the risk analysis occurred for the cases that the Goods are transported from NA-FI to other ports with the prospect to be further transported to third countries. Having a way to distinguish the Goods for export could be a solution to this. Additionally for the shipments that arrive in NA-FI ports and need to be forwarded in RU for example, this indication would be also very useful to handle these goods under export status. Regarding the confirmation of Exit of Goods currently in NA-FI this occurs in the Finnish ports and we would like to keep this as it is although the Goods are marked in the manifest. The marking will serve only as an indication that the goods have been risk analyzed therefore no further risk analysis is required. Finally it is considered very important to reflect this in the implementing provisions.

**UK** commented that the Excise regulation regarding EMCS movements can be added in the additional considerations as it is related to Export and that the trader guarantees are very similar to the impact on this in order to avoid problems with Excise regulations.

The **Chairman** agreed and complemented that there is an operational working group set up in DG TAXUD and one with MS that deal with the link between Export and Excise and that the suggestion will be followed up.

**PT** stated that concerning the marking of the Export Goods in the manifest, they currently apply this in the regular shipping service and outside the scope of ECS. If the same approach could be followed then there would be no increased load in ECS. Additionally NA-PT remarked that the VAT refunds should not be linked to the place responsible for the Exit of Goods. There is no VAT refund but VAT exemption. VAT refund can be requested from the MS where the company is registered for VAT purposes and not from the place competent for the Exit of Goods. In case of invalid declaration there is no proof of Exit and therefore VAT refund cannot be claimed. This problem currently exists with single transport contact and will remain in the future with Authorized Consignors.

**ESC** requested for a clarification regarding the exportation cases where zero rates are applied by Tariff in the VAT. Legal certainty for the exporter is essential in the supply chain since after the export when the exemption is applied it is very important that the exporter is protected and there will be for example no risk for him since he will not be able to reclaim the VAT from his client. VAT legislation should be studied very carefully in order to check how this is treated and whether it needs to be updated. It will also be appreciated if we were invited in future discussions about this issue.

The **Chairman** commented that indeed this is a very sensitive area and changes in the taxation area require unanimity. This was added because if the movement is closed in the point of Exit and this is pushed further geographically or in time, this will also mean the delay of the exemption confirmation.

**WSC** addressed the question of the presentation about the exit confirmation by stating that in the current CCIP the handshake principle is followed in which the Carrier can only load if he receives the MRN for the export customs declaration. In the draft MCCIPs this handshake principle has been extended in the subsequent ports where the export movement will present. Therefore it is believed that the question is already addressed, every time a party hands over the goods to the next party the MRN must be handed over as well so that actual exit can be confirmed. Secondly for the case that goods enter a non EU port if there is an intention from an MS to continue the Export procedure even after the goods have been presented in a non EU port this should be the case for Goods that remained on board during the stay at the non EU port and not for goods that are transshipped or loaded.

**CLECAT** stated that the legal restrictions have to be addressed very thoroughly and it is very positive that there is a significant amount of time to process all of this. As an example of all of the matters that have to be investigated please consider the following example: Usually the Exporter only knows the Office the Goods are loaded by the Carrier and not the actual Office they are exited.

The **Chairman** informed that there will be a subsequent event organized in the end of June and after that it is intended to provide a set of documentation to be reviewed during July and August and on September another meeting will be organized in order to gradually set up a more complete and concrete proposal. By the end of the year, a proposal for updating the legislation can be established.

## 8 eMANIFEST FIRST DISCUSSION

Point #8 of the Agenda was visited which concerns e-manifest. It was proposed first to address point #8.1 about the e-manifest transmission and then points #8.2, #8.3 and #8.4 about the content of e-manifest.

### 8.1 Practical aspects of eManifest transmission B2C/other authorities and C2C

**COM** continued with the presentation of point #8.1. Three options have been presented in order to select the best one that will be elaborated for implementation.

- 1<sup>st</sup> Option: eManifest submitted to national single window
- 2<sup>nd</sup> Option: eManifest submitted to the Entry Point established between customs administrations and trade for the submission of the Entry Summary Declarations.
- 3<sup>rd</sup> Option: eManifest is submitted to an Entry Point as per decision by Member State and agreement with trade.

**COM** informed that there will be an additional workshop organized in order to discuss all of this information provided during the various presentations in order to address questions or any other topic during 24<sup>th</sup> and 25<sup>th</sup> of June.

The **Chairman** informed that the NAs can review the three options, analyze the possibilities and identify their respective advantages and disadvantages. A preferred option can be identified by the majority during the workshop.

**IT** welcomes option #2 since this is already implemented as we receive eManifest data through the ENS system.

The **Chairman** added that during the workshop more information can be provided by IT on the selection of this option and any identified advantages or disadvantages.

**COM** complemented that in options #1 and #2 the national single windows of the MS will be interconnected and that according to the legislation the NSW of the MS will have to exchange information.

**FI** stated that according to discussions occurred before the ECG FI agrees with IT that option #2 seems the most suitable solution. FI supports this option because it has invested in the system for the security amendment of the customs code and traders have also invested in this, so maximum use of this system is intended. Additionally eManifest has many uses. It can be used as document for temporary storage, it can be used as arrival notification and also as notification of presentation of the Goods at Customs and therefore is a very important document.

**UK** informed that on the current way the system operates none of the options seems appealing however if one should be selected then this would be a variation of option #3 but with opposite flow of information. Currently traders records (which is not the carriers records it's an intermediate the CSP) are used in entry. Communication is established with port community systems so that instead of having the data pushed, the information available within trade system is used in order to perform the necessary checks. Two elements need to be considered. The first one is about the status of the Goods and how this is identified. The second one is about trying to standardize the approach that the major ports use to adopt the data required for the processes. If these two are separated then the case becomes a little clearer and previous concerns regarding fragmentation and routine requirements for additional data with no apparent reason fades away. If this is the case and we are discussing about standardization then there is no requirement for sending this information to other MS. Information will be received for Goods that are scheduled to be unloaded in the ports and this does not need to be sent to other MS. If these two elements could be separated then a variation of option #3 could be used since it won't be needed to send this data to anyone else.

The **Chairman** clarified that the variation of option #3 proposed by UK involves for example that in slide #8 the Port Authorities provide information to Customs. A new option #4 or #3.b can be presented in the workshop taking into account the information provided by UK.

**EurTradeNet** stated that option #3 is contrary to harmonization since each MS decides how to organize and manage this. On the other hand option #2 can be a realistic solution as it is already established for ENS and enables Traders to connect faster as opposed to new ways of transmission.

The **Chairman** commented that option #3 can be fine-tuned since the goal is harmonization and not the opposite. Additionally option #2 will be further analyzed in the workshop since interventions showed that there is interest about this.

**UK** reacted that regarding option #3 this is not a distribution method to be decided and that this is currently in place. What is suggested wouldn't mean to change the process as it operates today it would mean that the dataset exchanged is standardized amongst the MS the WSC and any other Carriers.

**ECSA** stated that WSC is in favor of option #2 due to the reasons explained by FI and also agrees with the question marks and concerns raised by EurTradeNet.

**IE** welcomed the initiative of DG TAXUD for eManifest however IE feels that a document is required describing the business case for the eManifest. It needs to be described what will be the benefits of this initiative in Customs and Trade before going into the technical aspects.

The **Chairman** thanked IE for this indication on how to prepare for the workshop with a document at the level suggested.

**PT** stated that it has been already discussed that manifest is intended to be used in other means of transport as well although at first stage it will be only considered for maritime traffic therefore the solution should also regard as to cover future requirement in this aspect.

The **Chairman** took note that alternative means of transport will be considered. In the Customs side this is handled with the single window and it needs to be investigated how this combination can occur, however it is premature at the moment.

**DE** emphasized on the harmonization aspect. Every port has its own inventory system and every national Customs Administration has different ways to cover presentation notifications, summary declaration for temporary storage or related messages needed to identify the status of the Goods. DE believes that what is important is not if option #1 or option #2 will be selected, something which is already more or less the current case already, but if there can be an automatic process established with reference to eManifest data and consignment status to the system dataset required when Goods are presented. Same also applies for Export. The notification if Exit formalities have been already performed for the Goods is only relevant if the Goods after the Exit formalities is in EU, so the status is known even if then the Goods leave the Customs territory. Therefore we have to consider solutions that will automate the processes because we do not want to manually cross check the eManifest with the presentation notifications.

The **Chairman** agreed with DE that fully automated processes is the goal and the harmonization of eManifest throughout EU. In terms of information transmission since this will occur between MS it needs to be known how this information will be transferred and who will be in charge and what will be the channel used. Regarding the fact how information is received and treated at national level, as long as the harmonized eManifest is handled then the automation of processes is a matter of national competence and this is a possible approach especially since this will not impact the way Trade is doing business currently.

**ES** has a system in place similar to option #1 or option #3 and for this reason one of this options is preferable.

The **Chairman** stated that the MS should identify which is the preferred option and for what reason. Another question that needs to be addresses is the degree of harmonization in the processes that needs to be established so that all of this will be functional. If for example in ES everything is submitted to the NSW and then this interface is used by everyone that requires information, including Customs that can further send this information, then the only harmonization needed is that Customs know which channel is used for sending and receiving, so that communication can be established. Regarding the distribution at national level either it starts in the NSW or ENS level the minimum requirement would be in the end the process to be automated and content the harmonized.

**WSC** requested to consider for the workshop what will be the status of the specifications in case an MS chooses option #1 or option #3 and if these specifications are going to be mandatory. The example of ICS in which different interfaces were implemented for different MS regarding the submission of ENS needs to be avoided. Harmonization of data is one thing but also harmonization of specifications is required this is the reason WSC prefers to use option #2.

The **Chairman** explained that in one MS the information can be send to port authorities and in another MS at Customs or the NSW but the content and the specifications of sending the information must be harmonized. The only thing that should change per MS is the receiving end of the information. Then it would be a national matter to distribute this information nationally or to another MS.

## **8.2 First exchange of views on eManifest data**

**COM** stated that from a data point of view the computerization, the harmonization of the eManifest requires re-usage of any available information available either in customs or in traders systems as much as possible. This data has to be harmonized to the highest possible level. An analysis of the legal situation and of some technical aspects that derive from it was performed during the presentation of point #8.2.

## **8.3 Data requirements for customs and maritime authorities**

**COM** presented the data requirements for customs and maritime authorities, describing the following elements

- Directive 2010.65/EU.
- Actions taken for its implementation.
- The objectives of agreed data mapping and functionalities.
- The available international standards and works and what could be re-used from these projects.
- The time planning and the actions that have to be taken based on this planning.

**WSC** commented on **COM**'s presentation that an ambitious and realistic objective should be set up in order to harmonize fell forms 1 and 2 into one single submission and complemented on **COM**'s presentation that the data presented along with the traders' data will be the basis for a new discussion for the workshop of June.

**COM** invited **WSC** to provide the result of their study so as the two approaches to be combined in order to progress for the meeting of June and confirmed that for fell form 1 there are already some results provided by the general maritime subgroup and data mapping groups based on agreed international standards.

**WSC** commented on data mapping for fell form 1 that a capability of linking the fell form 1 (the arrival manifest) with the several cargo manifests covering fell form 2 should exist.

**UK** reminded the participants that the manifest is an international document not just a European document and asked whether there will be non-customs legislations to support non-customs requirements that could emerge for an eManifest at EU level or not.

The **Chairman** confirmed Commission's full agreement on **UK**'s first point and stated regarding the second one that this is an issue that is currently under study.

## **8.4 Introduction of data requirements into customs (current & future) legal provisions**

Point #8.4 has been combined with point #8.3.

## 9 AOB

WSC stated regarding any other business that an MS is not acting respecting the EU security amendments.

The **Chairman** replied that a direct communication will take place between the Commission and this MS for solving this issue.

WSC commented that this MS was approached 18 months ago and no solution has been found yet, a fact that affected member companies of WSC since either multiple workarounds were applied by them or a significant amount of money was spent due to this problem.

The **Chairman** invited the WSC to put this comment in the documentation and the Commission will informally try to solve the problem.

ESC stated that directive 882/2004 is currently under revision and there are some articles in this revision that are related with the TRASYS system. The formulation currently seems to be affecting the risk analysis in customs systems. It would be appreciated if colleagues in DG SANCO can be contacted in order to avoid issues at a later stage of this revision especially regarding risk analysis and single window aspects.

## 10 CONCLUSIONS AND NEXT STEPS

The **Chairman** informed the participants on the next steps and in specific that the next relevant meeting will be held on 24-25/06/2013, the documentation will be updated after this meeting and after the summer break a new meeting will be organized. The formal trade contact group will be arranged for 13/06/2013 and the normal ECG for 1-2/7/2013

### APPENDIX A – ACTION LIST

Nr	Action for	Description	Logged on	Status
1.	-	-	-	-
2.	-	-	-	-