



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
Customs Policy
Customs Processes and Project Management

Brussels, 25 March 2013

taxud.a.3(2013)365915

WORKING DOCUMENT TAXUD/365915/2013

ELECTRONIC CUSTOMS GROUP

Summary

of the **266th** meeting held in Brussels on **05 March 2013**

AGENDA

**266th Electronic Customs Group ('ECG') Informal Meeting on 05 March 2013
held with the participation of members of the Trade Contact Group ('TCG'), CCC Transit
and eMS group**

Address: Berlaymont building, 200 Rue de la Loi – Room SCHUMAN

- 1. Welcome and Introduction**
- 2. Adoption of agenda**
- 3. Summary reports of previous meetings**
 - 3.1. Outcome Blue Belt workshop The Hague (15-16/01)
 - 3.2. Feedback TCG and ECG meetings (28/01 and 4-5/02)
 - 3.3. Feedback CC Committee (30/01)
- 4. A future "Blue Belt environment"**
 - 4.1. (Re-)Definition of Business scenarios – Part I
 - RSS enhancements
 - Blue Vessels (EU goods and ports)
 - 4.2. Legal aspects related to Part I
 - 4.3. (Re-)Definition of Business scenarios – Part II
 - Blue Belt environment including visits to 3rd country ports including Process analysis and building blocks
 - 4.4. First legal considerations related to Part II
- 5. Plenary discussions on proposed "Blue Belt environment"**
- 6. Draft roadmap for implementation of Single Market Act II (key action 2) and beyond**
- 7. Towards a "harmonized electronic cargo manifest" – Collaboration with the trade community**
- 8. State of play on the Implementation of the "Reporting Formalities Directive" (2010/65/EU)**
- 9. Conclusions and next steps**

1 WELCOME AND INTRODUCTION

The European Commission ('COM') welcomed the delegates, recalling that the informal nature of the meeting entails that there is no interpretation foreseen.

2 ADOPTION OF AGENDA

COM introduced the items to be presented and discussed during the meeting.

One Member State ('MS') delegation (DE) asked further information from COM regarding the new initiative "Business to Motorways of the Sea" which deals with aspects also discussed at DG TAXUD ECGs. Their question was to know whether this kind of project has any influence on what is treated within the DG TAXUD meetings and whether it would not be useful to synchronise these initiatives into one streamline. As the project has been submitted in the current Call under the Trans-European Transport Network Multi Annual call, it is subject to evaluation and as such, cannot be commented upon at this stage. However, as with all TEN-T projects, it is important that when they are implemented they contribute to achieving transport policy objectives.

At the suggestion of a TCG delegation (World Shipping Council – "WSC") the order of discussion of Items 6 and 7 was reversed.

The agenda was approved as presented by COM, taking into account the two fore-mentioned requests.

3 A FUTURE "BLUE BELT ENVIRONMENT"

3.1. Outcome Blue Belt workshop The Hague (15-16/01)

The complete report regarding the workshop in The Hague has been published on 28/02/2013.

3.2. Feedback TCG and ECG meetings (28/01 and 4-5/02)

During the last TCG and ECG meetings, an item has been dedicated to the workshop in The Hague. Reactions from trade associations and MSs have been noted.

Several participants underlined the need to have a more detailed proposal and an update of the non paper in the past. COM has split the non-paper in two parts: one gives an overview on what has been discussed and the other describes the evolved proposal to be presented at the present meeting. The non-paper has now become a document, which means that, after internal discussions, DG TAXUD has collectively agreed on its content. This document has nevertheless still not a formal position of the Commission as there is no formal approval yet.

During the ECG, substantial support has been noted for the eManifest, which is seen as a tool for the implementation of Blue Belt. It was also highlighted that the indication of the status of goods on such a manifest is of high importance. In other words, the maritime sector is not interested to use NCTS. A last point made at the ECG is that, if a kind of facilitation is foreseen, it should be either granted to Authorised Consignors or to Authorised Economic Operators ('AEOs'), Authorised Consignor. Finally, COM had underlined that legally speaking it is not possible to combine a presumption of the EU status of goods and calling at third countries ports. A new way forward has thus been presented in order to meet all the objectives and provide something that is legally feasible.

3.3. Feedback CC Committee Transit Section (30/01)

As any legal proposal will have to be debated and approved in the CCC, the Blue Belt initiative has been presented in the Transit section of the Customs Code Committee (“CCC”) and delegates from this Committee have been invited to the present meeting.

COM reported on that the non-paper and the discussions from the workshop in The Hague have been presented at the meeting on 30/1. The Transit CCC members are keen on seeing more concrete proposals. One member has agreed on facilitating maritime transport but not on giving it an advantage. It was underlined that there should not be less control on non-EU goods, as a result. COM has replied that these goods might be differently controlled but would still appropriately controlled. Some MSs have expressed that Blue Belt could be very useful as Customs administrations could see through SafeSeaNet where the vessels have been but one MS delegation had concerns about the IT-related costs and another feared that there could be difficulties as who is responsible for providing the information. One MS commented that Regular Shipping Services (“RSS”) was still very little used, as trade finds it too complex. As invited to do so, 5 MSs have submitted comments in writing. One of them (PL) has indicated that they have no time for further enhancement of RSS but that they could support a new legal proposal providing it was clear who was responsible for the accuracy of the Blue Belt data. Another MS (LV) expressed that RSS is efficient and that there is no need to invent a new system. They still pointed out that the scenario 1 (enhancements of RSS) could be improved, notably through the use of SafeSeaNet data. Another MS (UK) supports the objective of reducing the administrative burden and the use of electronic manifest but underlined that any change to be made should include protection of the revenue and includes measures to prevent abuse. Another MS (PT), like the others, finds it of crucial importance to have information on the status of goods. They are open to improvements in RSS including shortening the consultation deadline and harmonising electronic manifest. Lastly, another MS (DE) has given support to reducing administrative burden and wondered whether it could be achieved through adapting the existing simplification. It prefers scenario 1; there are too many questions surrounding scenario 2. In conclusion, the delegations that have responded generally support the reduction of administrative burdens but views on the appropriate way to do that vary. A common theme through all the responses is that if further facilitation is granted for Union goods, the adequate Customs supervision of non-Union goods must be maintained.

COM opened the floor for reactions on the report made at the three pre-cited meetings.

One TCG delegation (WSC) has a couple of amendments they would like to submit regarding the report made on the workshop of The Hague. They asked a clarification regarding Item 4 of this meeting report, the reply that COM has given to explain the scope of Single Market Act II (“SMAII”) and the consequences in terms of deadlines. COM proposed that the formal adoption of the report takes place at the next ECG meeting (April 2013). Any comment is thus to be submitted by the end of March 2013. COM will then create an updated version by the next ECG meeting. Any difficult issue will be discussed at this moment. COM clarified that end of June 2013 is indeed the self-imposed deadline for submitting legal proposals for each action that deals with SMAII; Blue Belt being the second out of 12. Under Item 4, for the enhancement for RSS and a possible approach for the Blue Vessels (limited to the EU ports), a proposal has to be ready by the end of June 2013. For the second part (vessels calling at third ports and eManifest), progress has also to be made as it has a higher economic value but it is legally speaking outside the SMAII and is therefore not bound by this deadline. The common (DG MOVE and DG TAXUD) standpoint on this issue is that if a stable ground can be achieved by the end of June to make also a proposal on Blue Belt visiting third country ports could be done. If this is not possible, COM will treat it in the next phase of the project.

Another TCG delegation (European Community Shipowners’ Association - “ECSA”) raised a point concerning short sea shipping and third country ports. They reminded that this is not a novelty as it has been treated in 2001 in the white paper of COM and in 2009 in the context of the maritime transport space. As a matter of fact, they had 252 ships in the Blue Belt Pilot Project, some of which go to third country ports. Lastly, the point on third country ports was already in the legal gap analysis. As a conclusion, on the one hand they acknowledged the time constraint and the complexity

of the issue but on the other hand the fact that it is not new should make it possible to achieve an agreement by June 2013. COM agreed concerning the legal analysis but explained that a lot of work is still to be defined. Moreover, the quality is more important than speed in this matter. The commitment is generally to make quick progress in this area.

4 A FUTURE "BLUE BELT ENVIRONMENT"

4.1. (Re-)Definition of Business scenarios – Part I

- RSS enhancements

- Blue Vessels (EU goods and ports)

COM made a presentation explaining Part I in more detail. This part covers the enhancement to RSS and the new term of Blue Vessel which has not been discussed in The Hague. This presentation is available on [CIRCABC](#).

4.2. Legal aspects related to Part I

COM explained that the context is the Single Market Act, supporting the movement of Union goods by sea. In this respect, facilitation in relation of the presumption of the Customs status of Union goods is envisaged. RSS is already an instrument allowing the Union status to be presumed. If legal changes are to be made, they will concern aspects such as the deadline, the coverage of the authorisations and the consultation (all MSs instead of only the ones directly concerned) and they will affect the existing provisions in the Implementing Provision of the Customs Code ("CCIP"), namely Art. 313 i.e. the whole set of rules regarding RSS. Concerning the direct trader access, discussions on this kind of authorisation should not be disconnected from the general reflection on the direct trader access to any kind of decision that is ongoing in the context of the implementation of the Union Customs Code ('UCC') and the horizontal approach of Customs decisions. Besides Blue Vessels would create an additional case of presumption. Currently, for goods which should normally be treated as non-Union goods because they have lost their Union status, there is in Art. 313§3 two cases where such goods may nevertheless preserve their status and may be deemed to be Union goods. The first case concerns direct transport by air; the second is RSS. Blue Vessels would be a third case. In a nutshell, the changes here described are the ones that will be introduced in case of a legal proposal.

One MS delegation (PT) positively welcomed the proposal concerning the RSS as a good basis for starting discussions. As regards the extended transparency, there should not be any problem if anticipation is made on what is foreseen for the Modernised Customs Code ("MCC") about the possibility to publish the list of all the authorisations. Concerns were raised regarding the concept of Blue Vessel as from a Customs perspective, beside the crucial importance of the status there are other concerns such as the goods to/from specific fiscal territories that must be placed under the internal community transit procedure. This means that they cannot be transported in Blue Vessels or if they can be, the question is to know how they will be identified. Moreover, knowing that goods declared for export procedure remain under Customs supervision until they leave the Union territory, questions remain as how these goods will be identified, which will be the Office of Exit and of Export proposed as exit results. This delegation also wanted to know how Customs will be informed in real time of the status of the vessel, not only at the port of departure but at the one of destination. Last but not least, the concept of Blue Vessel seems to be a high level simplification and it is difficult to understand how Customs authorities can monitor it and prevent misuse or abuse. As an example, if a shipping company applies for RSS, Customs must evaluate whether infringements were committed, if there are appropriate records, etc. In case of problem, the authorisation can be suspended or revoked. In the Blue Belt concept, without authorisation but only with a registration, it does seem possible to avoid that some trader that has not correctly applied these principles still use this simplification.

Concerning the special fiscal territories, COM replied that necessary formalities must be accomplished and the question is how to identify the status of the goods. This requirement prevails over Blue Vessels. Besides, export with a segment in sea transport should be treated in that context as any export from any point of the Customs territory and going through different ports. The point of exit will though

have to be determined. Based on this point, export rules shall apply. Regarding monitoring and preventing abuses, this is precisely linked to the difference between RSS and Blue Vessels. Blue Vessels would be more comparable to what applies today under Art. 313§3a CCIP (air transport), which is a presumption by the law subject to conditions. One of the conditions is that the Blue Vessel should be identified as such. Then, it is guaranteed that its registration implies compliance with the obligation to transport only Union goods. Not respecting this obligation is misusing the Customs status, and could lead to a Customs debt. The idea here is not to enshrine Blue Vessel in a system of authorisation. It is not a simplification; it is a new case of presumption by the law.

A MS delegation (NL) had a few remarks on the presentation. In Slide 2, the second bullet should mention not only third country ports but also third country goods. Concerning the Blue Vessels, these just have to call and they will be added into the range of the RSS and regular transport by air between EU ports. Nevertheless, there is a big difference between intra-EU flights and intra-EU shipping lines: if comparable with intra-EU flights, it should not need to be a Blue ship but only a Blue voyage. If it is only allowed to transport Union goods, there is then no enhancement to what is possible now. The registration can only be when the Vessel sails between EU ports. During that voyage, it can be traced by SafeSeaNet. COM replied by taking good note of the first point (Slide 2). Concerning the intra-EU shipping, COM acknowledged that a very important point has been made. COM confirmed that they really mean Blue Vessel and not a Blue voyage. This concerns the second proposal which affects the more economic diversity. In case of the Blue voyage concept, if the ship goes outside the EU, there could be goods remaining on board, goods with different status and the management would become difficult. This point will have to be revisited when the Part II has been explained. If the concerns raised by this delegation are not covered, then a more complex approach could be envisaged for the Blue Vessels, taking into account the need for control highlighted in a previous intervention (PT) and the obligation for Customs to manage among others what has to be paid and what must be under surveillance.

A TCG delegation (ESC) pointed out that from a transport users' point of view, the Blue Vessels will come at a very high cost. As the carriers are limited in the use of their ship, the formalities that traders presently have to comply with are probably much cheaper than the use of these kind of ships. This situation might be favourable for COM that has the solution for the SMAII but the maritime transport users have in practice no simplification at all. Relating to the RSS stream, there is an increased used of formalities like having an AEO plus requirements that are formally stricter than what currently exists. In a nutshell, the situation after the proposal will be worse for transport users than it is now. For this reason, this delegation is keen that the situation should remain as it is in the legal gap analysis since the presentation made by NL is regarded as more interesting.

COM replied that they are aware that the concept of Blue Vessel would not apply to a majority of the ships. The Blue Vessels respond to what was seen as a political need to provide in the Single Market, the same facilitations for vessels that apply to other modes of transport, mainly trucks that move from one point in the EU to another, so that they are freed from undertaking all the administrative actions. It is up to maritime sector to state whether such kind of trade exists or not. Concerning the stricter requirements for RSS, COM does not recall having made such a declaration. The purpose is to have more MSs involved from the start and to speed up the procedure if the operator wants the ship to call at more ports. It is not needed to be an AEO to have an authorisation for RSS.

Another TCG delegation (WSC) underlined the first question at the workshop in The Hague was to know what the SMAII means and if it entails a limitation to intra-EU moves only. It had been confirmed at that time that there is no such limitation. Now COM has stated that the SMAII is about the contemplating facilitation of the presumption of EU status. In their opinion, the partition in Part I and Part II is not in accordance with the SMAII. Moreover, recalling a conclusion from The Hague stating that RSS vessels only transport 15% to 20 % of intra-EU goods, the concept of Blue Vessels is regarded as very restrictive.

Another TCG delegation (ECSA) supported the previous intervention and welcomed the addition in the proposal of the Level 2 (L2) simplification regarding the non-Union goods being placed under transit. As far as the action plan for the RSS enhancements is concerned, this delegation fostered the shortening of the deadlines. The purpose of these enhancements should be to allow a more extensive use of the existing status than today and certainly not to escape Customs supervision. The delegation agreed on the coverage of the whole EU. Besides, they took good note of the maintenance of the

geographical limitations and recalled that in the legal gap analysis, they did not speak in favour of an extension of the scope but recommended to undertake a study to check its feasibility, as this might be possible despite some obstacles.

COM replied to these two interventions and presented the proposal on the Blue Vessels as the response found to a request to have the possibility for vessels to move from one point in the EU to another without undergoing many Customs formalities. The only foreseen formality is the registration, which is different than for trucks since the latter remain in the EU whereas vessels navigate in international waters and it is not clear whether they have been to non-EU ports in the meantime. The registration is a way to identify the vessels concerned. The question now at stake is to know whether the idea of Blue Vessel is viable since it is clear from the outset that it will only concern a minority of the maritime transport; it is not a concept that has necessarily to be developed. In order to decide on that, it is useful to look at the Part II of the proposal.

One MS delegation (DE) indicated that the concerns expressed by PT merit to be considered. The proposal made for RSS is regarded as a good basis for discussion. In their opinion, the concept of Blue Vessel fully complies with the SMAII so that a solution should be found in this respect and subsequently non-Union goods and non-EU ports could also be covered by another proposal. Nevertheless, two points of concern were raised. Firstly, a business case should be identified, especially for trade, since it is not likely to find ships only carrying EU goods. Secondly, the delegation recalled the issue they have with SafeSeaNet. As it is a system run by a third party, the rules and responsibilities regarding the inserted data are not clearly defined, especially for what concerns the status of goods which should be monitored by Customs. The practical question is to know how Customs can make use of the SafeSeaNet. There should be another technical solution for Customs to monitor the status of goods.

4.3. (Re-)Definition of Business scenarios – Part II

- Blue Belt environment including visits to 3rd country ports including Process analysis and building blocks

COM provided the participants with the remaining part of the presentation on the Blue Belt environment, i.e. as from Slide 8. This section mainly focuses on the commercial reality, as it was expressed during the workshop in The Hague.

4.4. First legal considerations related to Part II

COM reminded what the current situation is: when EU goods temporarily leave the EU territory and call in a third country, they lose their EU goods status. The only way for the goods to keep their EU status is to provide a proof. The conditions to provide such proof of Union Status are described in Art. 314(1) b + c. The first question to solve is whether this solution would provide an additional way to acquire a proof of Union status or whether the existing situation could be legally and technically adjusted to make use of the eManifest. There is a need to assess if in legal terms, there is already a possibility to prove the status or if the legal text needs to be amended. The second question is the type of proof to use, possibly a more modern one being the electronic manifest. A list of the different possible types of proofs exists in Art. 314c(1). In the context of the UCC, the concept of electronic proof of Union status PoUS is introduced. The eManifest could be a way to prove the status of goods, especially in the context of self-endorsement by an Authorised Consignor. That eManifest may also be a type of proof of Union status. Simplifications also currently exist: Authorised Consignors Art. 324a to 324f, including electronic exchange of data Authorised Consignors. A choice should be made between issuing the eManifest in a normal way requiring endorsement by Customs, using e.g. T2L, and self-endorsement of the eManifest, for certain reliable operators. The question is to know if the Authorised Consignor status can be used on or if a new type of status should be invented to deal with the eManifest.

Considering the transport of EU goods between EU ports but calling at non-EU ports, the eManifest could be used to address the proof of Union status issue. Today, there may be situations where the status of Union goods has to be proved when having left temporarily the EU territory, not having

called a non-EU port but having made a direct trip between two EU ports without being in RSS. In that case, the development of an eManifest in the context of the proof of Union status and the part II could probably be used in the context of Part I also, as far as it is not a context with a benefit of presumption.

5 PLENARY DISCUSSIONS ON PROPOSED "BLUE BELT ENVIRONMENT"

One MS delegation (UK) pointed out the great number of questions and concerns. The eManifest is not going to be used only by Authorised Consignors. Depending on whether the eManifest will be filled in by an Authorised Consignor (i.e. a trusted trader) or not, it will be treated differently. The next question is to know what using an eManifest really means for a business case of proof of Union status. The concept of Blue Vessel will strip out a large number of declarations of proof of Union status; the use of an eManifest would do exactly the same. The knock-on effect of everything else should be examined. This delegation stated that rushing on this issue is likely to result in a bad piece of legislation or bad proposals. Debating will help providing some facilitation and simplification when moving forward. It might well be that the idea of Blue Vessels - which this delegation doubts many carriers are going to use - could be considered to fit in with the establishment of the true Single Market. In their opinion, this is a start of a conversation, which will be difficult to finish with a workable solution for the totality of this before the summer.

One TCG delegation (WSC) wanted to know which document should be used for the discussion (the PowerPoint presentation or the Word document) since they were not consistent. If there is a geographical limitation to the Baltic and Mediterranean seas, 40 or 50% of the ships calling in the EU will be left out because they do not come from any of these two regions.

COM apologised for having the two documents not 100% aligned, as this is still the stage of reflection and proposals. The main idea is still coming from the SMAII, to make something for the larger European maritime business, for vessels carrying EU goods that mainly go from EU port to other EU ports and sometimes call to a non-EU port. A vessel coming, for example, from the US is not excluded yet in the process but it is not the main focus. A solution needs first to be found for EU ports and then a reflection should be carried out to evaluate whether or not it can be applied to non-EU ports.

The same TCG delegation asked COM to clarify the situation, since it was said in The Hague that 15% to 20% of EU cargo were carried by RSS vessels. The rest are carried mainly by deep sea vessels, with the biggest tonnage, not limited to the Mediterranean or the Baltic seas. Not recognising this will not simplify the situation but will remove some facilitation currently available. The criteria to be an Authorised Consignor) mentions international shipping companies without geographical limitation. In Art. 317a CCIP for the use of the manifest, there are no geographical limitations. COM clarified that the first intention is to foresee something for short sea shipping, based on the existing problem in transporting goods within the EU. The aim is to create a level playing field with other modes of transport, especially road transport. Since the number of vessels carrying only EU goods is limited, a solution has to be found for vessels that call into 3rd country ports. Short sea vessels are the main target but COM does not want to exclude deep sea vessels.

One MS delegation (FI) explained that only small vessels come to FI. Many vessels coming from mainland Europe and going to FI continue their route to St Petersburg. Their goods are EU goods and only a part of them is exported to Russia. It would be interesting for these vessels to have the RSS status. Losing their EU status makes transportation more difficult because they have to use T1 procedures in FI. FI suggested extending the RSS status to these types of ships which have a regular route, what would make the short sea shipping more lucrative. These ships already provide the manifest, have the simplification process level 2 in transit and they could continue using this manifest until the eManifest replaces it. COM replied that there are no reasons or justification to change the principle that if an EU vessel calls in a third country the system of presumption cannot be applied. RSS for Union goods is a system of presumption and cannot therefore be extended to include third country ports. In the situation described by FI, there is a way to prove the status of the goods. The question is why the companies facing this situation cannot prove the status today. If there is an

obstacle, Part II might be worked on in order to facilitate the proof of Union status. COM confirmed from a legal point a presumption of status cannot be combined with visits to third country ports. The eManifest is therefore envisaged in order to have the indication of Union status for each relevant item. If the status is easily available, the presumption becomes a marginal affair.

One TCG delegation (ECSA) stated that from this discussion, there is clearly a business case for vessels going to third country ports. The quicker this business case will be tackled, the better it will be. It is important to see how to combine this confusion coming from the presumption of Union status with the proposed solution. In the opinion of this delegation, this confusion has been created by COM in the non-paper in The Hague. The legal gap analysis - produced by three MS and two business associations - first included the business cases here at stake and the presumption of non-Union status. It presented not only facilitation for the shipping industry; the existing Customs legislation was also taken into account. This delegation recommended putting that paper back on the table.

One MS delegation (NL) commented that their country is not considered as concerned by the short sea. There is no reason for the current proposal to facilitate short sea and not deep sea. Most of NL vessels are deep sea carriers with substantial cargo. The feeders are covering an area going from FI down to CY. Therefore it does not make sense to limit the area at stake to the Baltic and the Mediterranean seas. COM explained that the ports chosen in the presentation are only examples and that the solution will not be limited to short sea vessels. However the business case of deep sea vessels, coming e.g. from China, is different as all the goods would be non-EU ones and the vessel would not go from port to port to unload its cargo. NL stated that 55% of cargo transferred within Europe is export goods, which are loaded on that type of vessels. There is also a part of Union goods being transported on these vessels. There is no case where a deep sea vessel comes to a port, unloads everything and then goes back empty. COM replied that for export, either the eManifest or the traditional way could be used. However in this situation, there is no advantage of filling the eManifest as when the vessel leaves. The only case where it would be useful is in case of return of goods that could not be unloaded.

One TCG delegation (WSC) explained that deep sea vessels are the predominant vessels used to move intra-EU goods; vessels do not move empty. When COM visited Rotterdam, they saw 3000 containers being discharged, half of them being intra-EU containers; so it is clear that there is a business case. The solution should be based on the legal gap analysis, without confining the limits. COM responded that the size of the vessel does not matter in the proposal. However the situation is different if the ship comes from US or China. The only important thing is the EU trip from port to port. In COM's opinion, the proposal meets what has been asked for and some misunderstandings remain. This delegation emphasised that this is why it is important to know which (Word/PowerPoint) document prevails as the two documents are contradictory on these two points. COM indicated that they will make the document clearer.

One MS delegation (PL) asked how the eManifest will be exchanged (between Customs, in the port of departure and destination), via which system and in what message format. It is also very important to know who will be responsible for filling the information on the status of goods in the eManifest, taking into account that the latter will be endorsed by the Customs in the standard procedure. This delegation wanted to know who will be responsible for the accuracy of the data, since one eManifest could include many status and many goods. As regards Blue Vessels, they are interested in the criteria used in the registration of the vessels. One remark was made about the enhancement of RSS: the consulting procedure is now made only with the MS concerned by the service but could be made in the future with all MS having a sea border. This point could be connected with the shortening of the deadline of the consultation procedure as more MS will be involved.

COM admitted that many of the details have not been defined yet. The focus is first placed on an agreement on the principles. For the first question, there is an agreement for what concerns the content of the data elements and the format. However for the data electronic transfer, either a Customs system or the Single Window (SW) could be used. On this further research is needed. Both Customs and Maritime authorities will need to access it; the same is true for the registration of

vessels. The procedure as such is not available yet. For RSS, the idea is to have full coverage. This means that within the consultation procedure, more or all MS would be consulted and at the same time, this should be done within shorter delay. A trade-off will be needed between what is realistic and what is required by trade. On the status of the goods to be endorsed in the eManifest, the trusted traders will do a self-endorsement and Customs could make spot checks. For those without authorisation, the endorsement will need to be done by Customs. Whether it will be done by the Proof of Union status system or endorsed on the eManifest itself is still to be discussed. It will be the responsibility of the one lodging the eManifest to ensure the accuracy of data; it is not Customs' role to correct it. Rules on what to do when an eManifest is submitted by a trader with incorrect information needs to be clarified. All these questions will need to be addressed when progress is made. For RSS timeline, traders will be consulted to know what their expectations are. Customs will then check if this is possible and will consult the MSs.

One TCG delegation (ECSA) stated that anything below the current 45 days will be welcome. 15 working days in an electronic environment should be sufficient.

One MS delegation (PT) explained how their first reaction had been positive about the consultative process. Now they wonder what they could say if consulted for a shipping company applying for RSS in the Baltic Sea. The consultation process is maybe not needed. Concerning the Blue Vessels, it is not clear how Customs offices will be informed about the registration, in the port of departure or destination. Whatever will be the solution, it should be a stable one that could be stored and managed by the systems and not by e-mails. On the registration, when vessels are registered, the up-to-date list of registered vessels has to be online so that Customs can check it. It is not Customs' task to register all vessels. Concerning the third measure concerning the eManifest, this delegation raised concerns regarding resources that should be allocated in time. COM replied that for the eManifest, only a proposal (legal text and other documents) is needed by the end of 2013. Many practical questions will have to be solved before the implementation. On the issue of the consultation, it is the role of the Committee to elaborate. If one Customs administration reckons that a vessel could be given an authorisation, it will have all information to take that decision and the authorisation will be valid in all EU. All consultation would need to be done in parallel and not sequentially.

One MS delegation (PT) pointed out that for the moment, Union goods can be automatically released when they arrive in the port of this country. This is not compatible with a list on the internet. Such information needs to be integrated in the system; otherwise it would involve an additional burden and a delay. COM acknowledged this issue and noted that an automated system will be needed.

Another MS delegation (IE) supported the previous intervention. They expressed the need of an eManifest. They are currently developing their own eManifest for their system. To have a formalised document, the matter needs to be discussed in the CCC - Import/Export Formalities section, the DIH Committee and then at ECG, at which point it needs to become part of the MASP. If there are new projects, they have to be included in MASP which is seen as the planning tool. In this MS, the eManifest that is being developed is foreseen for all types of transport. This delegation raised the concern that if the eManifest is discussed in the maritime ECG, it will miss the opportunity to include the other types of transport. Moreover, even if there is a need for a harmonised eManifest, there are national regulations that will always require some type of customisation. COM acknowledged the value of the different points. What is already known on the side of the maritime activities will be included in the MSAP. COM also took note that all this needs to be discussed in the Customs ECG and in different sections of the CCC. Risk Management also wants to be consulted on the matter. COM added that US customs has also developed in the last two years an eManifest for different types of transport. The idea of having a broader scope for the eManifest is appealing but it will need to be considered in regards of the deadlines.

Another MS delegation (NL) underlined the point raised by PT about the need or not to keep the consultation time of 45 days. It could be done in fewer days. For what concern the Blue Vessels, they commented that in the legislation for road and air, there is no consultation or authorisation. They asked whether there should be an authorisation for RSS. For what concerns the call for simplification on maritime transport, they are concerned with the fact that what is simplified on the side of trade

becomes more elaborated on the other side. Some MS could impose a process on how to endorse the proof of Union status. COM acknowledged the issues. For what concerns the proof of Union status, the simplification for Union goods could allow a faster release of the goods in the ports. COM asked this delegation to clarify what extra burden or procedure they were referring to. In reply, the delegation mentioned the system of Proof of Union status being developed, in which some proofs are registered. With Authorised Consignors, it is a burden for some traders to make that kind of proof. COM confirmed that for each proof of the status registered, an electronic registration will be needed and that access to the system will be needed. COM added that this should not generate additional burden. The development of an electronic Proof of Union status should be an improvement to the current situation. The transition to electronic forms should not affect the status of the Authorised Consignors. The fact that trade will not need to be endorsed anymore by Customs should be an improvement. The MS delegation responded that the increase is due to the fact that currently only a small part of the process is about Proof of the status. When developing a single market and a single transport area, EU is going to elaborate the work to all shipments going via sea. Every container and shipment should be identified as either Union or non-Union. COM mentioned a possible misunderstanding: the fact of adding new possibilities will not prohibit the stakeholders from using what exists now. If MS want to continue to use paper manifests without indication of the status proof, it is still possible. Later, if some things are not used anymore, it will be evaluated if it has to be kept. If this is too much burden to use Blue Belt with electronic systems, MS can continue working as they are doing now.

COM clarified that there could be a possibility of direct access by the trader to the IT system but that would require investments and time. For the moment, this is unclear whether in terms of cost and benefits, it is worthwhile. The major benefit would be enlarging the number of countries involved and shortening the deadline. The idea of traders access to systems is not only for RSS but also for binding tariff, for Customs decisions, etc. There is a study going on this and it is very attractive as an idea but not easy to understand at European level.

The same MS delegation (BE) reminded that in the course of the present meeting, NL had proposed to change the wording of Blue Vessel into Blue Voyage. Having heard all the comments, in particular on slide 14, BE is convinced that the Blue Voyage should be the main concept of the Blue Belt package. This delegation is concerned with the evolution of the Blue Belt concept toward its implementation. They reminded that simplification does not mean rationalisation, which is the main objective of this project. Simplification is a way to reduce burden. Rationalisation is about what people on board have to achieve to reduce that task, so that they can properly sail or do what they are appointed to. The first measure should be amended in order not only to allow Blue Vessels in Blue Voyage to carry Union goods but maybe to be extended to what the third measure mentions, with the covering of vessels moving between EU and non-EU ports. Secondly the presumption of Union status should be granted, unless the eManifest could prove the opposite. Thirdly, the fear of the Customs regarding the registration of the vessel is well understood and it is surprising that, in view of the wide discussion carried out at The Hague on the SafeSeaNet, the potentiality of SafeSeaNet to simplify the tasks is not taken into account. Finally, the third measure seems to be closer to the legal gap analysis than the other proposals, if correctly amended. This delegation wants to be sure that COM does not want to go one step back from what was achieved in the Blue Belt pilot project.

COM replied that the problem of extending Maritime transport from only the EU ports to non-EU ports is that legally it does not fit with a presumption that goods have the Union status. In other words, this would contradict one of the bases of EU Customs law and this could create risks in term of Customs supervision and controls. This would also not be in line with the basics of the current Customs Code. The use of SafeSeaNet should be more emphasised. SafeSeaNet is mainly monitoring the vessels but has no means of providing information on the status of the goods. If there are Blue Vessels, there will be a proposal to monitor them through SafeSeaNet, in which there are ways to know if a Blue Vessel has called at a non-EU port.

One TCG delegation (ECSA) specified that concerning the legal gap analysis, their intention was to tackle the RSS and non-RSS. Both are covered by the documents.

One MS delegation (NL) asked for some clarification on the endorsement and certification of the proof of Union status (Slide 10): for an authorisation, even an AEO status will only be taken into account. In their opinion, when a company has an AEO status, it should automatically apply for the status of Authorised Consignor.

COM replied that in the current legislation, the AEO status is a sort of global status to confirm the reliability and capacity of the operator Authorised Consignor generally. When an AEO applies for a simplification (e.g. simplified declaration, RSS, authorised consignor) the access to the simplification will be easier because points already examined in the context of his AEO authorisation will not be re-examined. However, it is not the purpose to consider that an AEO by definition can have access to this kind of facilitations or can be automatically Authorised as Consignor for the proof of Union status. Regarding the point raised by BE and the clarification provided by ECSA (the legal gap analysis addressing RSS and non-RSS under the RSS, or Blue Vessel), there is no intention or possibility to extend a presumption about Union status involving non-EU ports. If non-EU ports were included, there would be no simple way of recognising EU goods.

One TCG delegation (WSC) reminded that in the initial legal gap analysis document, there was a presumption of non-EU status for non-RSS vessels. COM was in this respect more ambitious than the MSs and trade: MS did not ask for the presumption of EU status in the legal gap analysis. COM responded that at the beginning, non-EU ports were not involved. When non-EU ports were added, COM came back to the original idea.

The same MS delegation (NL) clarified that when drafting the legal gap analysis, it was clear that the document should go far beyond the Union goods. We were aiming at only non-Union goods to be transported within EU ports on a very sufficient and accessible way. If there is a possibility that Community goods could be placed on the eManifest, it should be done.

Another MS delegation (IT) firstly stated that when analysing the eManifest, the BPM already described and published should be taken into account. Secondly, when starting the eManifest process, it should be kept in mind that the manifest is also used in air transport. Twice the money and time should not be spent to build an air traffic eManifest in the future. All type of transport should be taken into account. In reply, COM explained that the eManifest will be developed in the near future. The decision to be taken is to know whether the maritime manifest is to be tackled in the short run or whether the dataset applicable to other mode of transport should be first discussed. Things are going into the direction of a common manifest and US Customs has already progressively implemented a manifest for the most common types of transports.

Another MS delegation (DE) asked for clarification on the scope of the eManifest regarding the situation where non-EU goods are transported between two EU ports. If the relevant goods are not indicated in the manifest, they will be treated as non-Union goods. In reply, COM explained that for RSS, external transit is mandatory and L2 simplifications and manifest can be used. In the manifest, the distinction is to be made between what is in transit and the rest, which is deemed to be Union goods. The second possibility is that non-EU goods are not in RSS. If the trader does not do anything, when the goods arrive at the point of entry, they are put in temporary storage and treated as non-Union goods. If the goods are Union goods, this should be proved by applying Art. 314(1) (a) CCIP and using the available forms of proof which may be T2L and which may be replaced by an electronic Proof of Union status system. If an eManifest is developed in purpose of the third measure (which involves non-EU ports) it could also be used to prove the status between EU ports. This MS delegation (DE) added that it is not sufficient to take a look on the ship but it is needed to have a detailed look on the cargo loaded on the ship. COM confirmed that if at the arrival, the responsible wants to take advantage of the status of the goods, all details have to be available.

One TCG delegation (ESC) raised a first point about transparency and having a kind of openness on the register of existing specific modes. As a transport user preparing documentation for a specific voyage or a Blue Vessel, it is of great importance to have an idea about the facilitation. If this is not known, documentation at the highest level will be prepared, for instance a T2L if the eManifest is not known. Moreover, for preparing the information for an eManifest, it has to be preferably done in an

electronic format which will also bring further facilitation to the whole chain. This delegation tends to disagree with COM's statement about opening up the system for not only the operators but also the carriers; they request to make it also available for transport users, such as shippers.

ESC raised a second point, specifying that the presentation is already a beginning of a clarification for service providers as well as for shippers. The point on VAT is of extreme importance to them because if things go wrong there, around 20 % of the goods value could be at stake whilst already a couple of meetings occurred on this issue for less money than the VAT point. A very strong clarification of the proposals was requested, especially as regards the port of exit and the VAT aspects, since these are key elements for their members and CLECAT's members, for the acceptance of the whole system. COM confirmed that this needs to be worked on in the frame of preparing more detailed proposals.

One MS delegation asked for more clarity about the involvement of third country administrations (Slide 12), taking into consideration that this MS faces some problems about the Turkish part of CY ships. COM confirmed that the presentation just handles third country ports, which are considered as the ports of countries with which there is no special agreement in this frame of work. COM envisages cooperation with some customs administrations such as NO with which work has already been carried out within the frame of Common Transit. Maybe these administrations can help with the confirmation of the status of goods but that would be subject to a specific agreement which would lay down the competences and the way the cooperation would work. This could help making the system more performant since some information could be accepted as certified by this country. If some of the EU goods are under a T2 for NO, the latter could certify.

Another MS delegation (PT) supported IE and IT on the fact that the manifest should be used not only for sea traffic but also for air cargo. The documents state that the manifest only applies for the non-RSS. This delegation assumes that the eManifest could also be used for RSS and that L2 simplification could be kept in the future UCC. Indeed, the main weakness at L2 simplification is the lack of communication between the office of departure and the one of destination. COM confirmed that the manifest is indeed a tool that can serve different purposes, with a wider use than in the third point of the presentation. If used in the context of a non-RSS (with or without a non EU-port involved), the eManifest would serve the purpose of proving the status of Union goods and would discriminate the rest of the cargo being non-Union while in a RSS it is the other way round. The eManifest would be mainly a simplified transit declaration from which the goods benefiting from the presumption are removed. The same document used in two ways may serve more or less the same purpose.

One TCG delegation (WSC) quoted COM's previous intervention stating that what exists today will not be taken away. They cautioned adding a third party as third country as it complicates things. This also concerns what has been asked in the legal gap analysis. This delegation advised COM against allowing transshipment. COM welcomed this word of caution.

One MS delegation (UK) asked clarification about the idea of carrying on with what exists and the possible changes to be brought to the CCIPs. Clarity was also requested concerning detailing the proposal in the MASP in order to bid for resources. This delegation wanted to know more about timeframes, the potential use of the T2L versus the proof of Union status, how all these ideas fit together and expressed concerns about how much benefit or use will be made of this in the near future. In reply, COM confirmed that the proposal will be inscribed in the MASP and admitted that there is a competition for resources. COM will discuss internally the priorities and then debate this with the MSs and trade to come to an agreement. Nevertheless, the purpose is first to have an idea of what it is about since it is very difficult to inscribe or debate about the importance of something that is not clearly defined. It is a topic that has great priority for COM's management.

COM presented some tentative conclusions on the different proposals. The first conclusion is that a lot of work is to be done to provide much more detail and develop the various aspects. MSs and COM will have to inform their respective management that this task is substantial and will cost resources and time.

The second conclusion is about the RSS enhancement included in Part I. COM took note of the good will to look into that. As regards a shorter consultation timeframe, nobody has contested the extra ambition of bringing it to 15 working days; COM will come up with a practical approach to reach that. The extension of RSS to non-EU ports is precluded by the basic law that cannot be changed; so this idea will no longer be pursued. RSS will mainly remain as it exists but in a much more flexible way in order to have all the maritime active MSs concerned and shorter deadlines. As suggested by some delegations, another option would be to abolish the consultation procedure: a MS could be allowed to provide an authorisation which would be valid for at least the MSs who have maritime activities.

One TCG delegation (ECSA) recalled the possibility to use the eManifest in the context of the L2 simplification.

COM added that further reflection should be carried out on the geographical scope of the authorisation for RSS. If an operator makes an application, it could be valid for all MS or a part of them. The operator could also be given the choice to limit its application to a limited number of MS. In view of the discussions held, COM pointed out that the Transit delegates present at the meeting should be prepared for this topic to be discussed in April at the meeting of the CCC Transit section.

The third conclusion is about the Blue Vessels. COM recognised the current lack of a business case. First of all, the Blue Vessels would only be based on a registration and not on an authorisation but the business case for it is unclear. If RSS is made much more flexible, rapid and covering a larger geographic territory then it remains unclear from this meeting whether the concept of Blue Vessels is really needed. Indeed Trade has explained that they have either vessels going in and out the EU or they want to make use of RSS so that it is not certain that many traders be interested in the concept of Blue Vessels at this stage.

COM invited the participants to send their views before the end of March 2013 so that COM can prepare itself for the ECG meeting. It is indeed important for them to know whether there is some interest in using the solution in order not to invest energy and time to make a legal proposal, BPMs and other papers for something that nobody would finally use.

COM clarified that the Blue Vessel question is of course not decided at the ECG but in the Transit Committee. They pointed out that no delegation reacted with special enthusiasm about this concept requiring a minimum of formalities. The Transit delegates and trade were invited to react in writing on the Blue Vessel concept as described in the proposal (only EU goods and EU ports).

The fourth conclusion concerns the third and most complex proposal. It is agreed that there is a business case for that and everyone is interested. Nevertheless, a lot of questions need to be addressed regarding the practical and legal aspects. COM will come back with a more elaborated proposal. The other solution to be studied is the one with on the one hand the Authorised Consignors able to certify the status of the goods and on the other hand those using the Proof of Union status system. Reactions from delegations are welcome on this subject too.

COM added two points made clear by some participants. The first one is that in view of the current development of the customs cargo eManifest in the frame of the sea transport, such development would be relevant or required at some stage for other modes of transport. The second point raised by several delegations is that, depending on the respective timing of the two actions, the development of an eManifest for the purpose tackled at this meeting should be consistent with the development of a customs cargo eManifest as a proof of Union status in the broader context of the implementation of the UCC.

6 DRAFT ROADMAP FOR IMPLEMENTATION OF SINGLE MARKET ACT II (KEY ACTION 2) AND BEYOND

COM presented the roadmap for the implementation of SMAII (key action 2). This presentation is available on [CIRCABC](#). In COM's opinion, after having discussed the Blue Belt and the eManifest, it is clear that they are going beyond the SMAII. The Commissioner set a deadline in June 2013 for proposing an implementation package. COM presented their proposal in three phases from November 2012 until the end of 2013. COM stressed the importance of agreeing on what will be implemented for the SMAII by the end of June 2013. Therefore, it is very important to receive input and feedback from the delegations. COM will prepare a legal and a non-legal proposal, which will serve as a working document.

One MS delegation (IE) raised a question concerning the concurrent changes of the CCIP and adoption of the UCC in 2013. There might be a contradiction between changes to CCIP and discussing new implementing provisions. COM clarified that they are making changes to the current IPs; at the same time they have to identify which elements can also be part of these IPs and which ones have to be synchronised with the UCC Implementing Act or Delegated Act. However, they have to first consider the content of these new elements (such as the customs cargo eManifest) before taking a position on this matter.

Another MS delegation (NL) inquired why the action on process specifications does not take place at an earlier stage, since the idea of the BPMs is to use them as basis for the legislation. Another question concerned the handling of the legislation and proposals in the Transit Committee. Although Union status is clearly the Transit Committee's field, other Committees are just as important and the eManifest and the entry or exit formalities is the domain of the Committee on Import and Export formalities.

COM responded that they have understood from the MSs (The Hague and ECG meeting) that it was too early to start working on the details of BPM but that there was still a request to know how it would work and what the business scenarios would be. Therefore the specific measures have been presented in the present meeting on a visual way. This will be translated into BPM, concurrent with the preparation of the proposal, and the Level 3 will be presented for review in June-July 2013. It will this way accompany the start of the discussion also in the Committees. Regarding the section of the CCC, COM explained the procedure i.e. that if there is a package of provisions concerning several sections of the CCC, the sections only make the preparatory work and the whole package is voted in the General section. If, at a first stage, the package consists of elements such as Customs status or Transit, this is for the Transit section. The data requirements for the eManifest concern the DIH section. As long as amending ECS or ICS is not needed, the Formality section should not be involved. Then the whole topic might be treated as one package (to be voted in the General section) or as separate elements (to be voted in each section); this has still to be determined.

One MS delegation (UK) expressed great concerns about the possibility of a vote in July 2013 without having seen the BPM before June-July 2013. They would surely welcome at the next ECG some further detailed plan (proposal of a work plan for the next 6 months) in respect of the MASP. In reply, COM confirmed that they intend to submit a legal text to the Committee by the end of June 2013, especially on the SMAII, but that here is no intention to vote in July 2013.

One TCG delegation (WSC) asked for clarification about the proposal that would be submitted at the end of 2013 for Part II and the "follow-up" that would be done. What is expected from trade side and probably from some MSs also is a proposal in December 2013 and a similar roadmap explaining how to do the Part II. Finally, they also wanted to know whether the eManifest was included in Part I or II to understand which deadline is aimed at for this particular point. COM responded that what they have committed to is to work as fast as possible. If things are mature and stable enough by the end of June 2013, all will be included in the proposal to be submitted in June 2013. It is unlikely that the part of the Blue Belt concerning the third country ports will be ready by then but rather by the end of 2013. One roadmap is foreseen (to be revised as one goes along) to include everything under an appropriate timing. If it is confirmed that a lot is already available for the eManifest, it could be part of the proposal in June 2013 but no commitment is made on this.

One MS delegation (NL) pointed out that the proposals as they are now do not reflect the amount of work that has been put in the legal gap analysis. This delegation invited COM to consider using the eManifest in the form of Art. 317a CCIP and indicated that they regard the current proposals for the

Blue Belt as not enough ambitious. Having explained their plans, COM encouraged this delegation to send an e-mail with practical comments on specific points that will be looked upon.

7 TOWARDS A "HARMONISED ELECTRONIC CUSTOMS CARGO MANIFEST" – COLLABORATION WITH THE TRADE COMMUNITY

COM informed that the presentation will be made available later in [CIRCABC](#). They explained that this point has been put in the agenda since it was clearly indicated as a necessary element for the Part III of the Blue Belt proposal. The electronic cargo manifest would be possibly a tool for certification and confirmation of status of goods for the Blue Belt environment. That idea was supported by the discussion during the seminar in The Hague. The trade volunteered to start on the eManifest document. The discussion was also held in the Customs subgroup on the Reporting Formalities Directive. A document has been uploaded for this meeting, to present the scope of the eManifest and practical examples of the use of such manifest. COM stressed the importance of agreeing on how to proceed in terms of development and reaching an agreement on how to harmonise the eManifest.

One TCG delegation (WSC) explained that they propose to build an eManifest around an amended Annex 30A, which sets different data elements for different modes. They have already accepted that different modes have different data elements in the ENS. The ENS at pre-loading and pre-arrival will remain as it is but by an amended Annex 30A with additional elements, data can be re-used to develop maritime eManifest in the various countries and ports. The eManifest will also apply to the RSS vessels, where it will serve different purposes. The advantage for trade is that they can re-use the data that they started compiling in their system when they have to launch the ENS. The advantage for MS would be that there will be a commonality of data to be used for different purposes, like arrival manifest and arrival notification for the basis to declare a temporary storage.

COM explained that they are dealing with the part of the manifest that relates to the cargo and the goods presented to the Customs. They clarified that they do not deal with the other parts of the documentation that has to be presented at arrival in ports. Concerning how to define the manifest, it has to be seen, like any other declaration and document to be presented to the authorities, as a tool with certain functions. The objective of the eManifest needs to be addressed carefully; there is a need to know what should serve the Customs purposes, the RSS or other purposes. Once it is known what the tool will be used for, the content of the tool what it should address can then be defined. Furthermore, what is already available in terms of manifest should be assessed so that it can be complemented with possible other needs. Only then, COM can propose a draft text. The objective of creating an eManifest is to facilitate life of trade and to maximise the efficiency of the way the information is provided to Customs; this should be totally harmonised. The purpose is to aim at one set of data with clear definition and format assembled with clear messages that can be used by everybody. This means that COM will not propose options to be defined in the manifest at national level. The idea is to use as much as possible the information that has been provided earlier in the chain. Re-using data does not mean giving another function to previous messages, like the ENS.

COM further explained that several groups need to be involved. If it comes to a vote, since there is a legal basis needed for the eManifest, the finalisation of the text related to data requirements will happen in the DIH section of the CCC. For other aspects of Blue Belt, other sections (in particular the Transit section) will be involved; for maritime matters, the eMS will be involved. If deemed necessary, a dedicated working group could be established, consisting of both customs and maritime authorities, and with representatives from industry present.

One MS delegation (NL) commented that some organisations in WCO have already established an electronic cargo manifest in their Customs system. As such, it should not take much time to look at the building blocks of the electronic cargo manifest. In the proposal from WSC, it is clear that a lot of information coming from the ENS can be re-used for the cargo manifest, in a simplified way. COM expressed their agreement on this intervention.

Another MS delegation (FI) supported the position of NL and welcomed the proposal. They consider the proposal from WSC and ECSA as a very useful tool for implementing the Blue Belt and reporting formalities policies.

COM stated that there is an agreement on the way to move forward.

COM informed delegates that, from the transit perspective, any transit document that is in line with the international conventions and regulations may be accepted. In the transit rules, there are different documents for different modes of transport (e.g. rail). What is important for COM is to see that the data elements necessary for transit procedure or proof of status are included, if data elements are defined.

One MS delegation (CY) informed about their difficulties with the development of their manifest regarding the consolidated cargo. For ENS, there is a specific provision in the legislation that states that consolidated cargo should be avoided. This issue is being faced also with the manifest, because first the latter is presented for consolidated cargo and then the consolidation is made. This issue should be considered also for the proof of status in case the eManifest is used for this purpose. COM confirmed that this is indeed a special case that needs further discussion.

Another MS delegation (UK) welcomed the proposal from WSC and ECSA. Regarding the discussion on Annex 30A, they drew COM's attention on the definition of the data requirements and what is supported by the legislation, like it was the case for the Mutual Recognition. They raised a question concerning the governance. COM informed that they commit to inscribe it in the MASP. In terms of governance, COM indicated that for the moment there will be only joint meetings. The ECG has the biggest audience but it does not mean that it will take the leadership. COM will come back at a later stage if there is need to clarify the governance. The preference is to cooperate instead of having the leadership. Once there will be internal agreement on their side, the text related to data can be finalized at the DIH Committee. However, there will be no formal vote before all the involved parties have been consulted.

One TCG delegation (WSC) informed that what attracts the trade is harmonising the manifests across the EU. The trade should know which the requirements are, independently of the port at which the goods arrive. Some MSs require additional documents (like FAL forms 1 and 2) on top of the manifest, even though the latter contains more information than the other forms. This will also simplified the life of Customs, since they will get only one instrument serving all the authorities.

COM informed that they support the principle and they will start with existing international agreements. It is clear that a harmonised approach is welcomed from all the parties. The practices needs still to be further studied.

8 STATE OF PLAY ON THE IMPLEMENTATION OF THE "REPORTING FORMALITIES DIRECTIVE" (2010/65/EU)

COM (DG MOVE) presented the state of play on the implementation of the Reporting Formalities Directives. This presentation is available on CIRCABC. Regarding Slide 2, it was specified that Part B is required by international legislation. These FAL forms 2, 3 and 4 are not requested by all MSs, but if a MS requests the information, the form has to be submitted under the electronic Single Window (SW).

One MS delegation (IE) expressed its concerns about the report from a Customs perspective. On the meeting of 06/11/2012, DG TAXUD and DG MOVE have agreed that they would produce a paper that would outline in simple terms what the purpose of the reporting is and what impact it has on Customs systems. This paper is still awaited. IE has concerns that discussions in relation to the ENS (which is entirely in the Customs sphere) is being discussed an eMS group because the governance is to the eMS. According to this delegation, the Directive is contradictory in relation to the ENS (preamble number 14 and Art. 6) and that an amendment to remove the ENS is required. If that is not going to happen, this delegation would request that DG TAXUD would give a commitment that nothing will happen in the eMS group that will affect the ICS where ENSs are collected and would put cost on the trade. Not having seen the minutes of the last meeting, this delegation has difficulties understanding, if

the Directive deals with FAL 2 and if some MSs do not require it, how the conclusion was made to use a harmonized electronic cargo manifest instead of using a FAL 2. This delegation has understood from reading the Directive that if a MS does not require the use of FAL 2, this part of the Directive does not apply to the MS. Having two groups discussing an eManifest without speaking to each other should be avoided. The set up of subgroups has been mentioned as well as invitations sent to the MSs in this respect. This means that two subgroups are going to discuss the same issue.

COM (DG MOVE) explained that the document announced on the 06/11/2012 is a document issued by EMSA with a technical solution on the ENS and this was uploaded on CIRCABC website of the ECG. A solution was proposed to help the MSs to comply with the requirements of the Directive. In relation to FAL 2, MSs do not have to apply it but they have to accept in the SW all the national requirements on cargo notification. They have the obligation to accept the cargo manifest. What needs to be discussed in the eMS group is how the harmonised application of the Directive can be facilitated, with the consideration of developing business rules for a harmonised cargo manifest. If MSs are not able to develop it because there are no decision on the electronic cargo manifest, MSs will have to accept the cargo notification the way they do it now but in an electronic way without harmonisation.

COM (DG MOVE) added that looking at the discussion of the last Customs subgroup where all MSs were invited, there was a clear recognition that a number of the documents under the Reporting Formalities Directive fall in the limit of Customs. Due to the organisation of the Commission, different documents fall under the responsibilities of multiple DGs. Everything has been done to ensure that the highest transparency is achieved in terms of what is being done and also in inviting MS experts to the relevant experts groups. As showed in the presentation, the meeting of 14/02/2013 recognises the fact that for some formalities, e.g. ENS, there is a system in place and the implementation of the Directive will not intervene on the way the ENS is provided. However at the same time, a number of MSs who have participated in the meeting decided that for the sake of the implementation of the Directive, they will open up an option to send the ENS either through the national SW or through the national SW as an additional feature. It would be helpful to have a better understanding how the possible exchange of information between the national SW and the e-Customs or the ICS could be developed. As for FAL 2 form, even if a number of MSs have not confirmed that they were not asking for a cargo declaration under FAL 2 form, they do require the information included in the internationally agreed document such as the FAL forms. In order to make sure that full recognition is taken of the complicated situations (some MSs have a non-harmonised cargo manifest, some MS accept a FAL 2 cargo declaration form) and in order to move forward to the implementation of the Directive but also taking into account the present discussion, the possibility is being discussed that if a harmonised electronic cargo is agreed upon MS, it can be the document that will fulfil the requirements of the Reporting Formalities Directive. The Directive does not determine that the entry point of the document is a maritime SW or a Customs SW, as long as all the relevant authorities can connect to the systems and retrieve all the information they need to.

COM ensured that ICS is not endangered and encouraged the national authorities to open their national SW where ENS can be lodged and to make it available to Customs, this not being in competition with ICS.

One MS delegation (EE) recalled their statement (made at the subgroup meeting held in February 2013) that their ministry of transport tries to implement the SW from 01/07/2013. They face a number of issues to submit the ENS through the SW. For example, for the Customs system it is enough to be identified by a registration whereas for other authorities using the data, other registration form is needed. During the pre-cited meeting, this delegation had explained that a deeper analysis is required as regards the necessity of requiring the submission of an ENS through the SW. It is now clear to them that it is up to the MSs to decide. They requested that COM sends a clear message to their Transport Ministry that Customs decides what is required and not the Ministry. COM (DG MOVE) acknowledged the request and also hopes that there is a good coordination within the MS to implement the Directive.

Another MS delegation (IE) clarified that they have closed off the February 2013 meeting with a strong reservation as to the process and have not agreed the conclusions of the Customs subgroup. The final report will be discussed in the eMS group in view of a final decision and therefore some MSs will

not have the opportunity to discuss it while it addresses very important issues. The reservation of this MS is due to their relation with their national Customs authorities and to give credit to what the different DGs are trying to do. Therefore this MS, especially from the transport side, clearly understands that anything to do with enhancement of cargo manifest sits with DG TAXUD. They expect that any decision or any proposal would be coming from DG TAXUD. A subgroup under the supervision of the eMS should not be telling DG TAXUD what they think is a good idea. The proposal mentioned the day before the February 2013 meeting of the subgroup was created during a meeting between DG TAXUD, DG MOVE and EMSA in Lisbon, which this delegation was not aware of. It is this proposal that put FAL on the side and replaced it by the enhanced cargo manifest proposal. It is in that context that IE did not agree. This is for DG TAXUD to deal with, under Blue Belt or under whatever considerations are under SMAII. COM (DG MOVE) recognised IE reservation and clarified that this presentation is a point of information on what was discussed during the last subgroup meeting and that the final decision will be taken by the eMS group.

Another MS delegation (DE) pointed out some confusion from the point of view of the maritime transport side which has to implement the national SW solution and to deal with the requirements of the Customs. The discussion regarding the electronic cargo manifest supports the position of the MSs in the eMS subgroup to postpone the inclusion of the Customs requirements into the national SW implementation. That means that the Directive is now not convertible in the field of Customs because the basis in the Directive 2010/65 regarding the Customs declaration is discussed in this group and in the eMS group. This MS strongly recommends removing the Customs declaration requirements from the scope of the Directive for the first stage of the implementation in the SW approach. COM (DG MOVE) responded that the recommendation will be passed on to the eMS subgroup.

Another MS delegation (BE) asked for some clarification on the ENS status within the context of the Directive. The ENS being under the part A of the Directive, it must necessarily be addressed by the SW. If there is an agreement between the MSs and COM to not allow the ENS through the maritime SW, the question is to know what would be the legal basis to do so, except if the Directive is amended. Considering the timeline and the effort made by the MSs to implement such a SW, this delegation would welcome that things would be done properly. In reply COM (DG MOVE) explained that they do not question the fact that ENS has to be provided. It needs to be recognised that not all MSs may be in position to give up the system already developed for receiving the ENS. COM (DG MOVE) will prepare a clearer legal interpretation for the meeting on 20/3/2013. Indeed it must be clarified whether having the ENS submitted through the ICS could be considered as fulfilling the requirements of the Directive. The ENS was not originally a proposal put forward by the Commission when the Directive was proposed. It found its way in the Directive within the legislative process. Since the very beginning, COM (DG MOVE) has acknowledged that it is a formality that intervenes with an existing system that has been developed to considerable cost by the MSs.

Another MS (UK) expressed their disappointment to be discussing the same topic over and over again without understanding what the idea of a SW for maritime system is and why the ENS needs to go through it. This is why this MS has asked four months before to have a full detailed list of scenarios that to define what to do with this information within a national SW. It has not been defined at that time whether it was just another channel to provide it or a mechanism for processing, holding and storing the data to exchange with other MSs or other agencies. This delegation asked again for this set of scenarios to add value to the discussion, as the scope of the SW is still being discussed. They requested a document which clearly states, if the ENS is an expectation, what they are expected to do with it and the other elements requested on 06/11/2012.

COM admitted that the objective of the present meeting was to provide a clear view on the state of play. However not everything has been clarified in the discussion which took place. In regard to IE's comment, ICS is going to continue to be used. There is no direct danger for investments that have been made. It will be clarified later whether additional things are mandatory or optional. Some MSs have provided the maritime SW and have accepted the ENS that is transmitted to Customs: this is in line with the Directive. Other MSs have technical or conceptual problems to do that and this is why it has to be further analysed. This is all we can do at this moment, within this framework. COM acknowledged that not everything has been clarified and that more information will be brought in the next meetings and in the competent forum of discussion.

COM (DG MOVE) added that for the eMS meeting of 20/03/2013, a number of documents will be circulated including amended proposal for the business rules concerning the cargo related document. The documents will be shared before the meeting and the MS are invited to provide their comments on the documents.

The same MS delegation (UK) asked if the documents that will be provided will include the scenarios describing what the SW is expected to do. On 06/11/2012, it was unclear if it would be a messaging hub to switch messages to various organisations. There were pages with references that suggested that it would be used to build a data repository and send information out. This delegation does not understand how the SW is adding value and how it will be operated. They want to use the lessons learned from the implementation of ECS and ICS and required some certainty that what will be put in place will create value for the MSs. COM (DG MOVE) replied that there is a document already agreed one year before which describes the concept for the SW. At the meeting on the data mapping and functionalities that has taken place 28/02/2013in week, there has been a first discussion on the functionalities of the SW, which will continue on 20/03/2013. The guideline for SW functionalities documents will be further developed based on the meeting of 28/02/2013.

9 CONCLUSIONS AND NEXT STEPS

COM reminded that any idea or comment on the Blue Belt and Blue Vessels should be sent before the end of March 2013. Any comment on the roadmap and meeting planned should be submitted before 21/03/2013.

COM thanked all the participants for their valuable contribution.