

# ICS2 - TRANS-EUROPEAN COORDINATION MEETING

2 JUNE 2022



# ABOUT CLECAT

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Brussels based association, representing the interests of 19.000 companies in Freight Forwarding, Logistics and Customs Services.

Multinational, medium and small freight forwarders and Customs agents are all within its membership.

European Freight Forwarders:

- ✓ Clear around 80% of all goods in Europe
- ✓ Handle the majority of cargo transport by road, rail, air, and maritime transport .



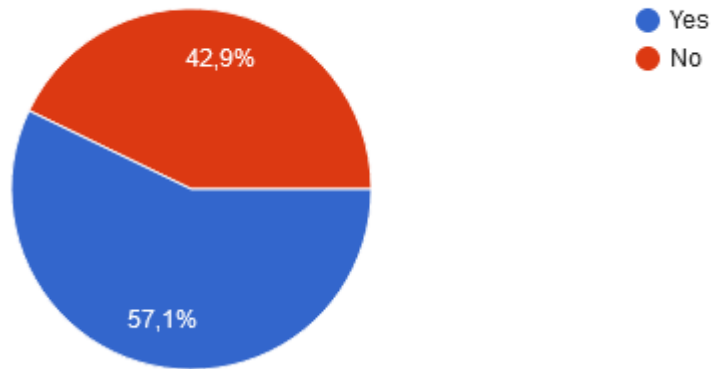
# WHAT IS THE ROLE OF CLECAT?

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- Cooperation and information exchange with DG TAXUD
- Representation in meeting and workshops organised by DG TAXUD
- Participation in relevant expert groups
- Regular discussions and information sharing with members
- Support and consult members on readiness (members survey on preparedness for Release 2)
- Establish cooperation with the private sector



Do you receive information from sources other than CLECAT?



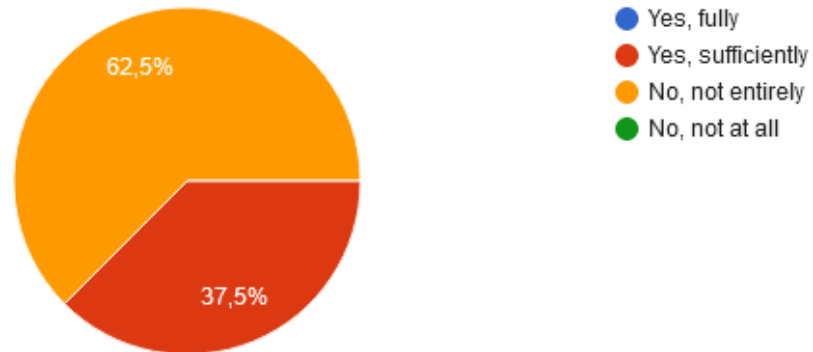
## Access to information

- Information from CLECAT, but limited information/ communication from NAs, which is a big concern

## Usefulness

- Information from DG TAXUD is useful, but sometimes too technical and difficult to understand for some EOs (especially SMEs)
- Complementary high-level, easy to understand information is necessary to increase awareness

Do you believe you are sufficiently informed on ICS2?



## Conclusion

- Members still not fully aware of operational processes
  - Private sector implications regarding referrals
  - Multiple- and full filing arrangements with carriers
  - Impact on other Customs procedures (AN, PN, TS...)
  - Clear roadmap at national level is often missing

→ Need to increase efforts to secure practical preparedness - companies need to be contacted directly, e.g. national information campaigns

## CLECAT highlights the need to boost information campaign at international level

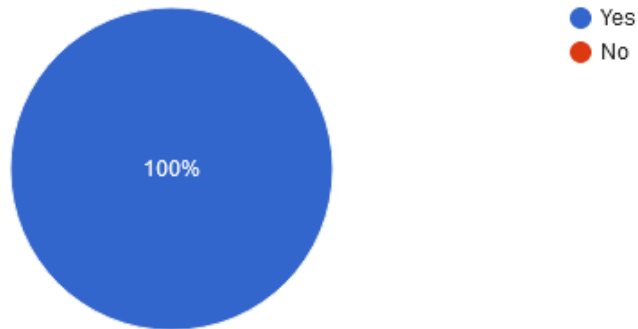
- Increased communication through international associations, NGOs and GOs
- Regional workshops with EOs in the EU
- Easy-to-understand high-level information on ICS2 and its impact
- Increased involvement within WCO and international trade associations to launch and promote information campaign
- Direct communication from DG TAXUD and NAs towards associations and EOs to forward to customers, especially on **accuracy of the data and HS codes**



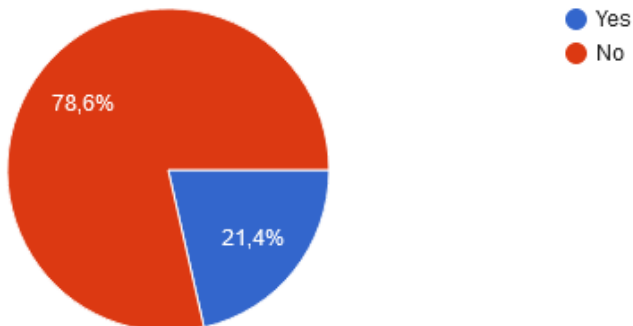


# STATE OF PREPARATIONS

Have you started preparations (Associations)?



Do you believe you are fully prepared (FFs)?



- Multinational companies have started preparations on their own preparations
  - Due to available capacities and resources
  - Direct support by DG TAXUD information, shared by CLECAT
- However, SME forwarders are facing issues due to limited resources and insufficient guidance at national level
  - Need to further build knowledge and capacity

→ Role for Member States to play

## **Preparations include:**

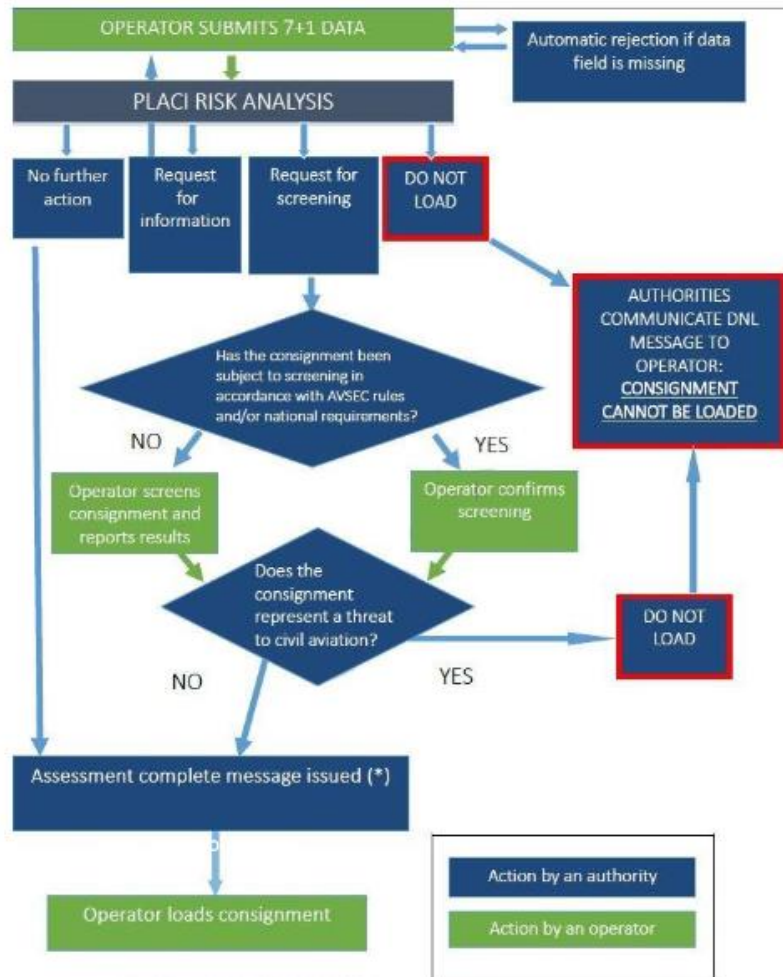
- Analysis of documentation and submission of open issues and questions to CLECAT
- Assessment of changes to be implemented and adjustments of processes and systems
- Investments in IT, human resources and training

## **Issues encountered:**

- Technical and operational issues relating to:
  - Unclear specifications from airlines
  - Procedural constraints & operational feasibility of certain processes
  - Electronic exchange of data between the parties involved (NAs, carriers and ground handling agents)
  - National development and planning



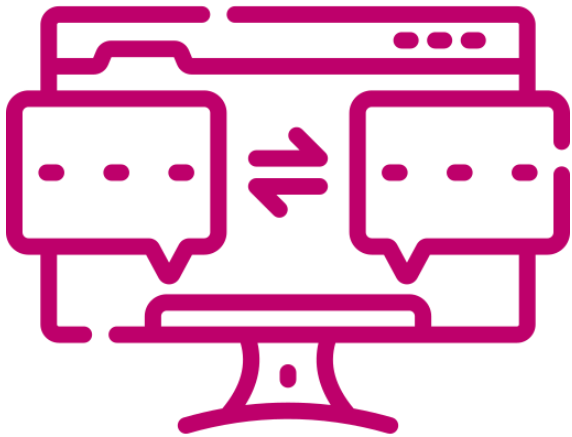




## Relevant Process Aspects

- **Multiple filing** - real-time updates for all EOs involved are needed
  - How to ensure that the parties have all available information?
  - How to introduce status updates following referrals?
- **Security status of the goods** – secured or unsecured?
- **Type of security regime** – secure supply chain regime or 100% screening?
- Freight Forwarder's security status – **Regulated Agent** or not?

## Information Exchange



- **Fully digital**
- **Two-way** messaging
- Based on **data sovereignty** and **need-to-know** principle
- Security information at **HAWB-level**
- Utilisation of **Unique-ID** allowing the linking of submitted information down to **piece-level**
- **Global standard** for code composition (e.g. RFI, RFS, DNL)

# SCREENING OPTIONS FOR FFs

Screening options	Conditions
1. The freight forwarder <b>screens the cargo himself</b>	These situations presuppose the <b>existence of a Secure Supply Chain Regime</b> , and the freight forwarder's Regulated Agent status
2. The freight forwarder <b>sub-contracts the screening</b> of the cargo	
3. The freight forwarder <b>tenders</b> the cargo to the airline <b>unscreened</b>	<ol style="list-style-type: none"><li>1. The <b>country</b> in which the cargo is secured does not have a secure supply chain regime, but instead <b>requires 100% screening</b> of the cargo to be carried out by a governmental body, the airline, or a groundhandling agent. In these countries, the freight forwarder does not have the legal competence to screen cargo and assign a security status.</li><li>2. The country in which the cargo is secured does have a secure supply chain regime, but the <b>freight forwarder is not a regulated agent</b></li><li>3. The country in which the cargo is secured does have a secure supply chain regime, the freight forwarder is a regulated agent, but <b>does not have the capacity</b> to do so (technical/physical/practical impossibility)</li><li>4. The country in which the cargo is secured does have a secure supply chain regime, the freight forwarder is a regulated agent, but <b>prefers for whatever reason to tender the cargo unscreened</b> to the airline</li></ol>

# QUESTIONS?

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*BACKUP SLIDES*

2 JUNE 2022





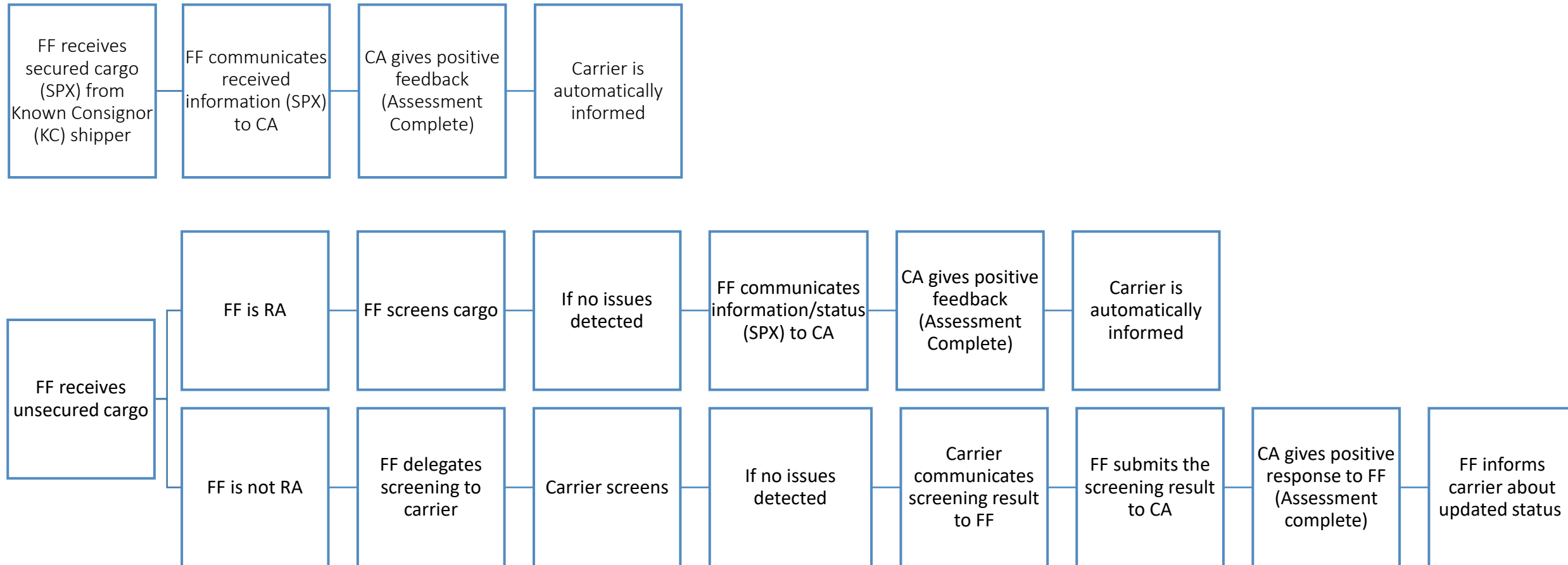
# SCENARIO 1: MAIN ASPECTS

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- Freight forwarder, making use of **multiple filing**, receives **secured cargo**, communicates the security status via PLACI, and receives a **positive response** from the Customs Authority
- Possible issues:
  - FF receives **unsecured cargo** and is not a RA or cannot screen & secure the cargo for another reason (e.g. no secure SC regime, no capacity, etc.)
- Required process:
  - **Status update** to inform the carrier about the FF's filing and possibility to request screening by carrier



# SCENARIO 1: PROCESS VISUALISATION

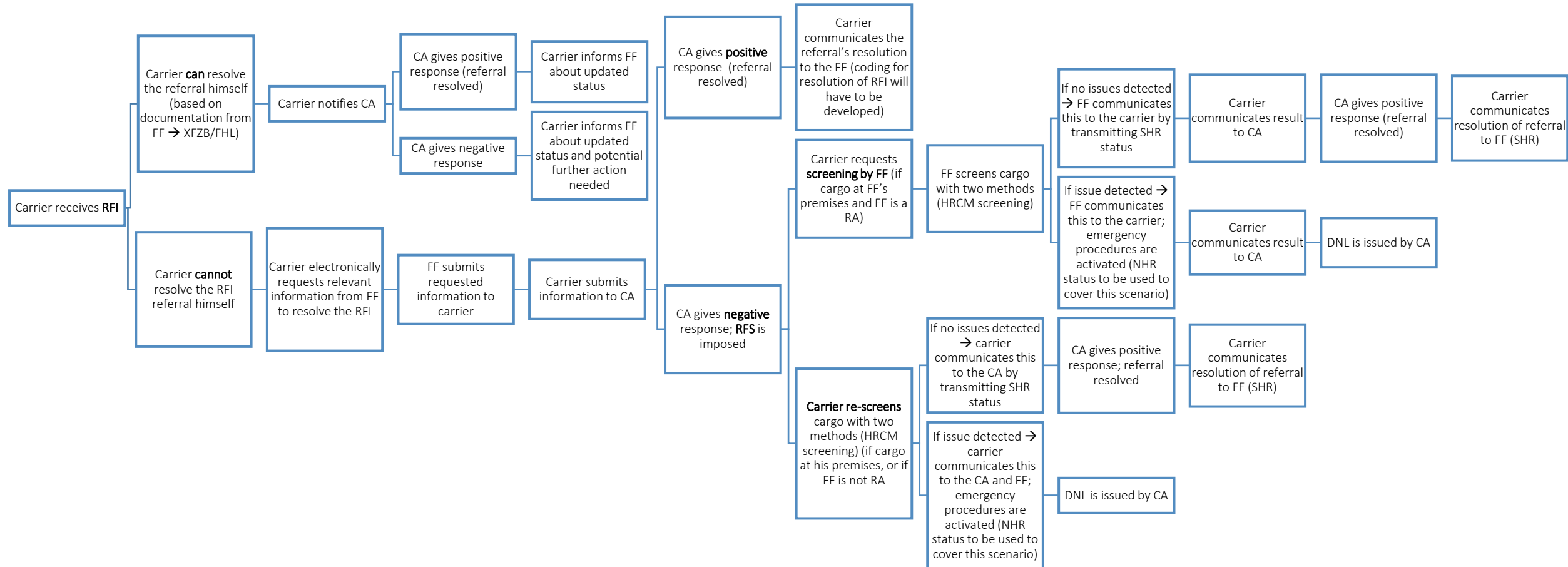


## SCENARIO 2: MAIN ASPECTS

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- Carrier receives a **RFI referral** when filing PLACI information and cannot resolve the issue himself
- Possible solutions
  - Carrier to **request necessary information** from FF to resolve referral
- Required Process
  - Carrier to submit a **detailed request for the necessary information** to the freight forwarder → strictly limited to the information requested by the Customs Authority that is necessary to resolve the referral and respecting the **need-to-know principle**
  - Electronic exchange of information, with possibility of linking at **piece-level**
  - Notification about updated status between the FF and carrier

# SCENARIO 2: PROCESS VISUALISATION

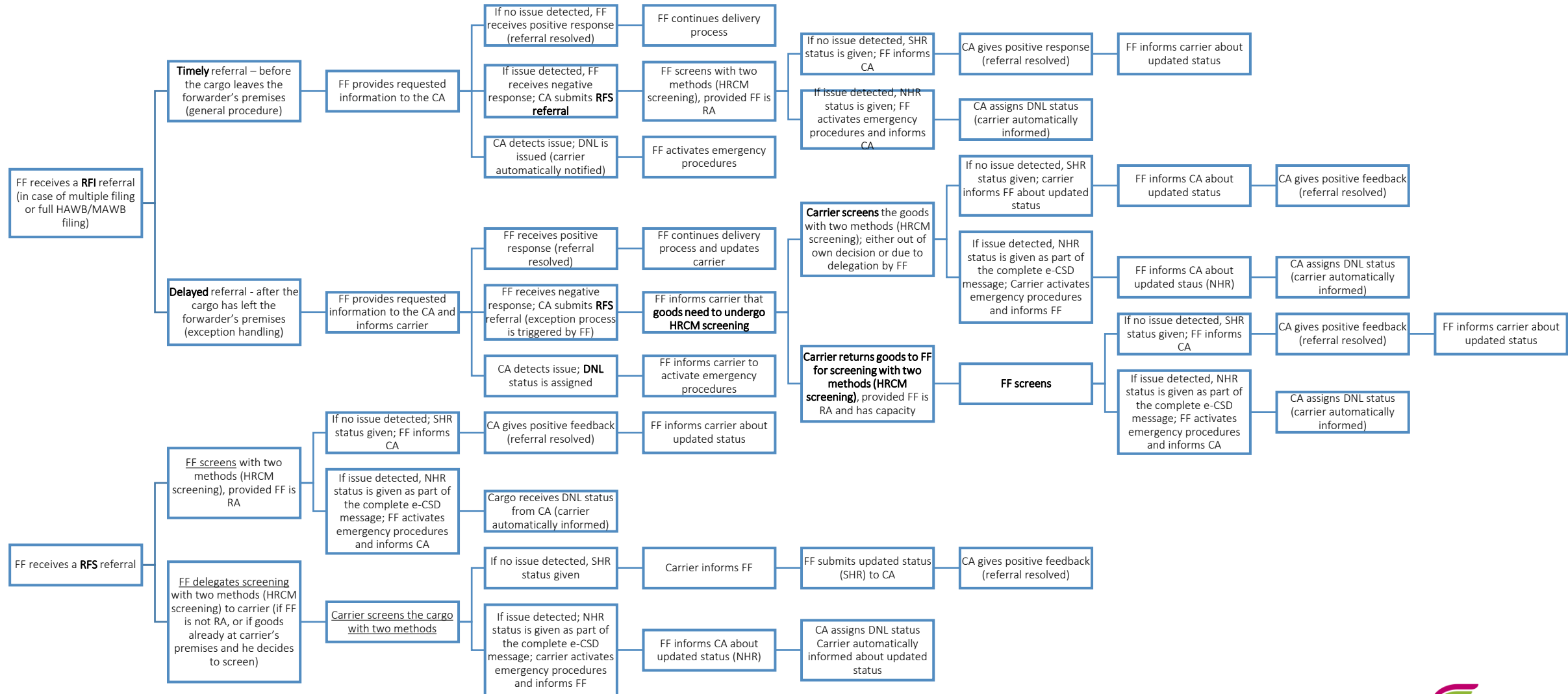


## SCENARIO 3: MAIN ASPECTS

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- FF making use of multiple filing receives a **RFI or RFS referral**
- Possible issues:
  - Referral might be **delayed**, i.e. after the cargo has left the FF's premises
  - FF might **not be able or allowed** to screen & secure cargo
- Required process
  - Electronic exchange between FF and carrier, with possibility of **linking at piece-level**
  - **Notification about updated status** between the FF and carrier
  - Introduction of **emergency response process** for DNL

# SCENARIO 3: PROCESS VISUALISATION



# SCENARIO 4: MAIN ASPECTS

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- FF making use of **multiple filing** receives a RFS and needs to delegate the screening to the carrier
- Possible issues
  - FF might **not be able to screen & secure** the cargo due to the absence of a secure supply chain regime, the FF is not a RA, or another impossibility (e.g. physical, capacity-related)
- Required process
  - Cargo is tendered **unscreened** to the carrier
  - Electronic exchange between FF and carrier, with possibility of **linking at piece-level**
  - Notification about updated status between the FF and carrier



# SCENARIO 4: PROCESS VISUALISATION

