

IPCSA

**Richard Morton
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International Port Community Systems Association**

**Gothenburg, Sweden
9th October 2014**

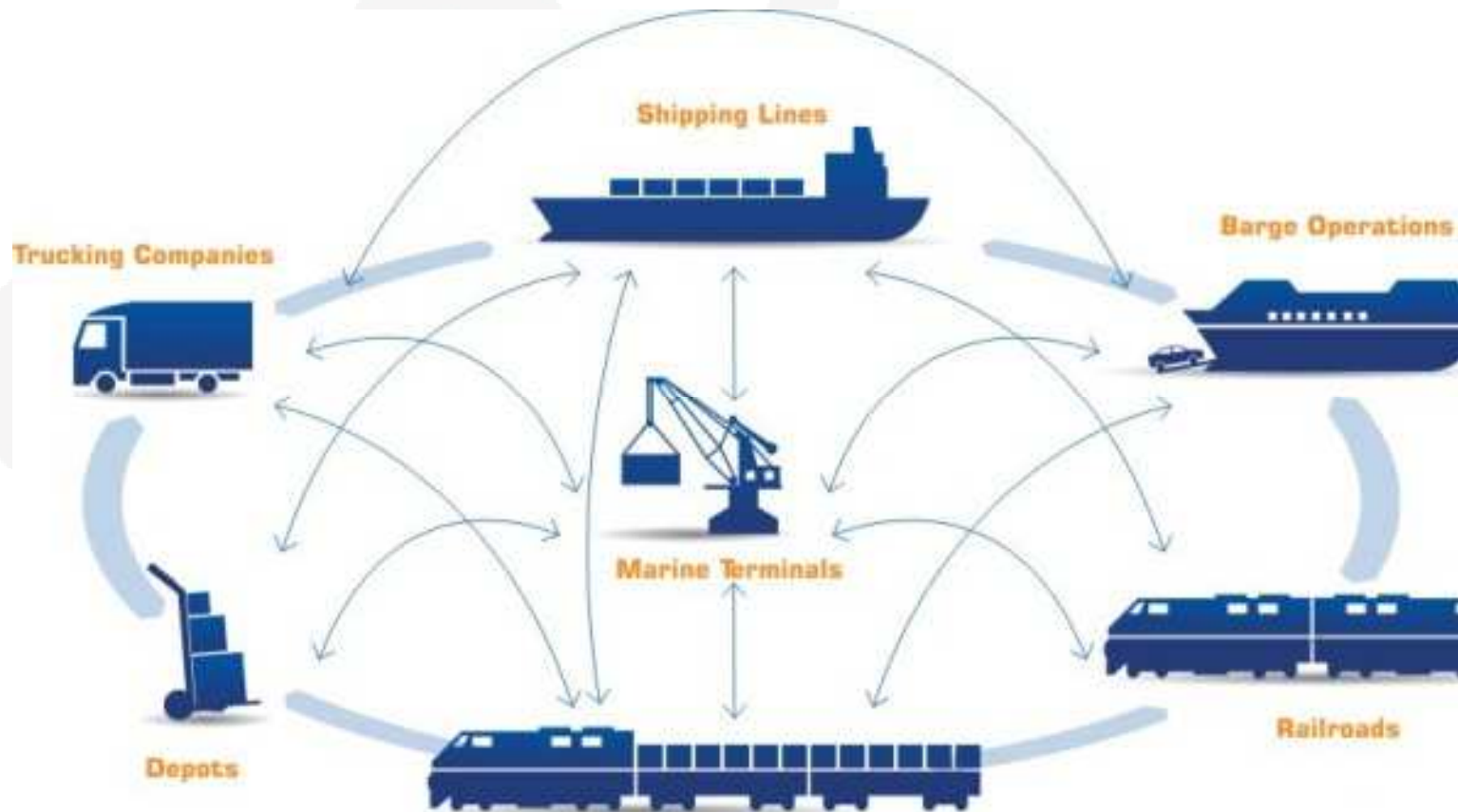


“Port Community Systems and other private / public collaborative systems are the way forward and need to be incorporated into future methods of border management.”

Dr Alan Bersins, Assistant Secretary, US Department for Homeland Security – INCU Inaugural Conference, Baku, Azerbaijan, May 2014.

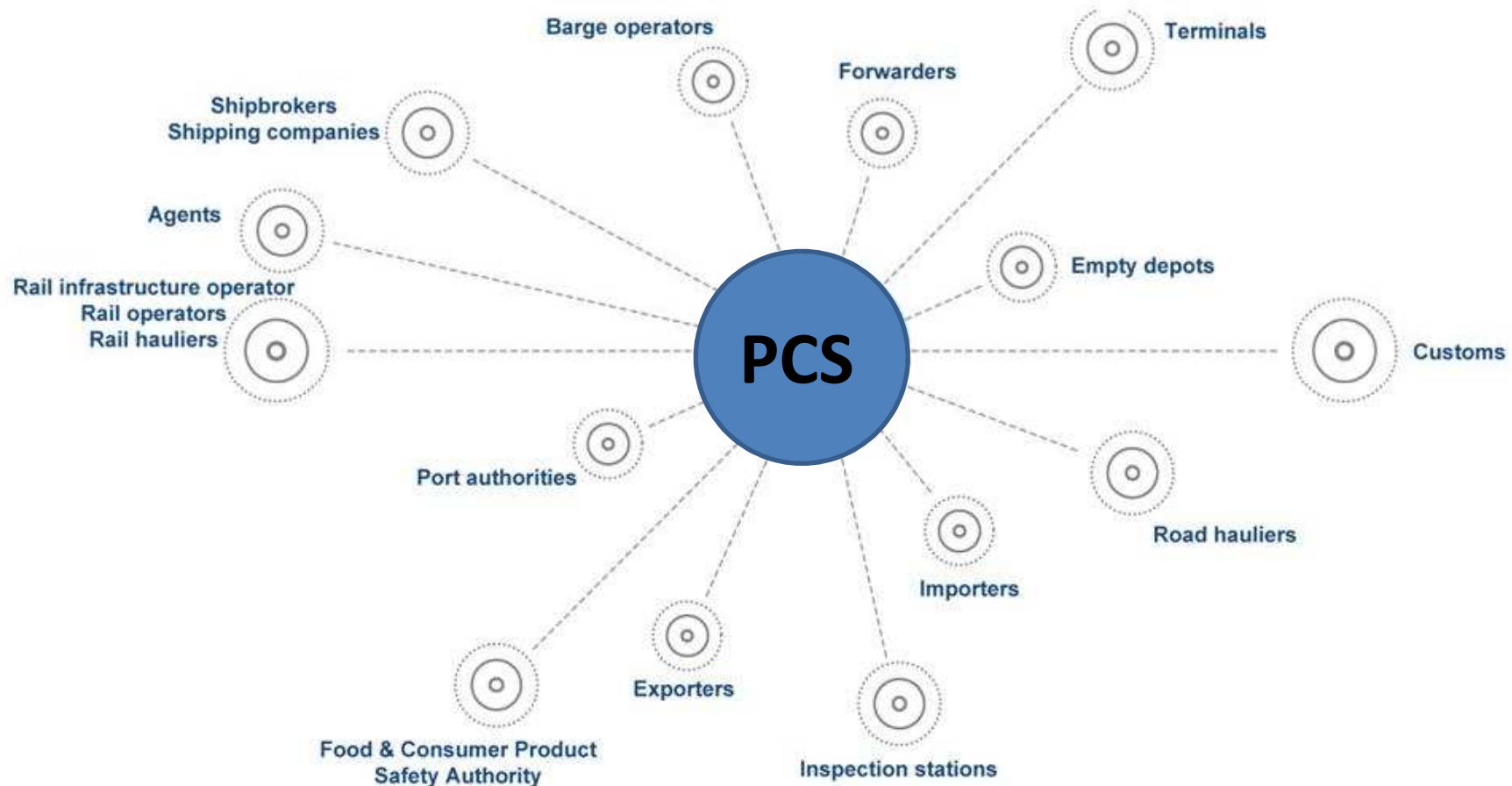


Traditional operational processes



Reporting to Customs, Maritime Authorities, Security and Safety and other administrative requirements

The Port Community System – a typical example



PCS link Administrative and Operational procedures electronically via the exchange of messages on an end to end basis (machine to machine) with all stakeholders.

A Port Community System is:

- neutral and open electronic platform enabling intelligent and secure exchange of information between public and private stakeholders in order to improve the competitive position of the sea and air ports' communities.
- optimises, manages and automates port and logistics efficient processes through a single submission of data and connecting transport and logistics chains.



Port Community System Operator

- is an organisation that is either public, private or public/private that operates and maintains a Port Community System and where the Port Community System represents the core of the organisations business.
- has a board, or some form of steering committee, made up of representatives from different internal and external groups within the Port and Logistics community.
- has “service level agreements” with PCS users to manage the electronic exchange of information between different parties on their behalf.



Before and After PCS implementation SEGUB, Benin, West Africa

Custom Revenue:

- 2011 – Euros 410 million
- 2012 – Euros 490 million

Dwell time:

- 2012 – 36 days
- 2014 – less than 8 days

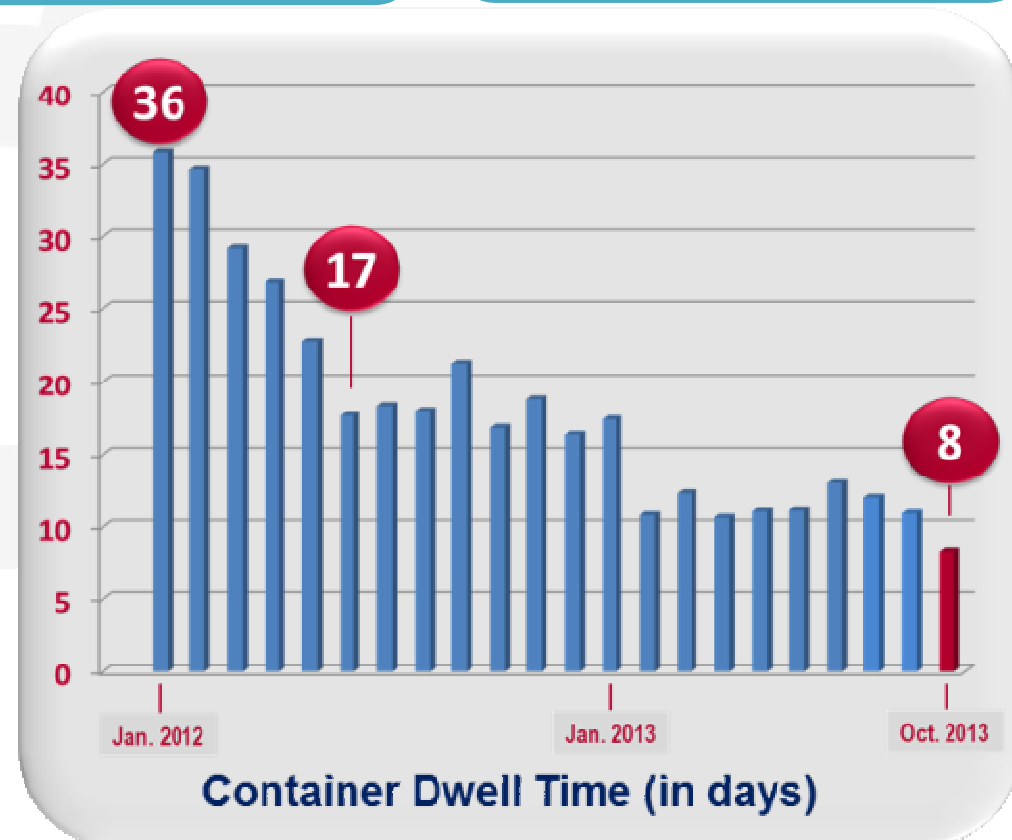
TEU (Twenty-foot Equivalent Unit):

- 2012 – 155 337
- 2013 – 251 053

GAIN OF MONEY, GAIN OF TIME
for private and public sectors:

- Gains of productivity
- Gains in efficiency
- Gains in autonomy / flexibility

Rapid information exchange,
coupled with accurate performance
indicators **has reduced dwell time**
from 5 weeks to less than 8 days as
shown below.



About IPCSA

- Formed in 2011 as the European Port Community Systems Association (EPCSA)
- Changed its name on 1st September 2014 to the International port Community Systems Association.
- Currently has 23 members operating in ports that handle in total in excess of 90m TEUs and 2.5 billion tonnes of cargo.
- IPCSA Members handle in well in excess of 10 million electronic messages every day.
- Membership is open to PCS Operators and Port Authorities
- Countries where EPCSA members operate:

United Kingdom

Israel

Germany

Mauritius

Latvia

Portugal

Ukraine

France

Equatorial Guinea

Netherlands

Benin

Australia

Belgium

Indonesia

Spain

Morocco

Italy



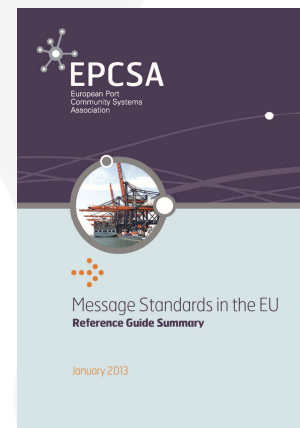
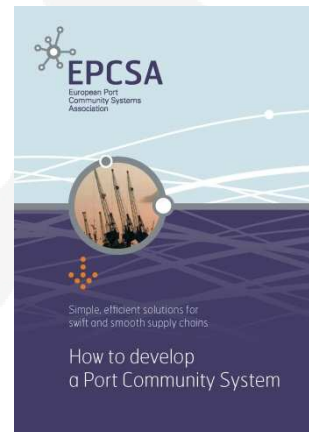
A member driven Association

Workshops

- Standards and Technologies (eManifest, Track and Trace etc.)
- Business Applications (2010/65, PoUSs etc.)
- Customs and Other Government Agencies (WCO, UN, IMO etc)
- Research Committee (PCS library and experts)
- European Port Community System Development (Development)

Events

- Workshops and Conferences



Current news - Customs

- **AEO + MRA – Mutual Recognition Agreement →**
 - » **Use of the MRA (or TCUI - Third Country Unique Identification) instead of the EORI number for:**
 - **Import Control System – Entry summary declaration**
 - Consignor, consignee, carrier – brought the goods into the customs territory, other party
 - **Export Control system – Exit summary declaration**
 - Consignor, consignee
 - **Transit – NCTS**
 - Consignor, consignee
 - **Import**
 - Consignor, exporter
 - » **Box - format = an..17; the same box as for the EORI number**

Credibility Check

- **Surveillance program →**
 - » **Special measurements and limits for monitoring of commodity information**
 - Reason: high percentage of "incorrect declaration" (in some MS nearly 20 %!); because of inaccurate automatic apportionments?!
 - Examination of declarations for plausible information
 - e.g. the weight of a cow – between 400 and 1200 kg
 - » **Some MS stop clearance if the limits are exceeded or undershot**

State of play - UCC

- **Union Customs Code →**

- » **End of July 2014** - **Reviewcycle 2 started**
- » **End of the year 2014** - **Conclusion of revision of the UCC + DA / IA incl. the Annexes**
- » **to be expected problem** - **no final agreement about the „Transition act“ !**

Customs debt

- **Customs debt - Extinguishment →**

- » **Article 124 UCC**

- (h) where the customs debt was incurred pursuant to Article 79 or 82 and where the following conditions are fulfilled:

- (i) the **failure** which led to the incurrance of a customs debt had no significant effect on the correct operation of the **customs procedure** concerned and did not constitute an attempt at deception;

- » **Need to be commented in general, because the “Temporary storage” is not a customs procedure**

PoUS + e Manifest

- **Proof of Union Status (PoUS System) – 02.10.2017 →**
 - » 4 month delay at current situation – from the view of the COM it's ok
 - » Replacement of T2L / T2LF
 - » Link between the declaration of “Temporary storage” and the PoUS was not planned →
 - After EPCSA remark in the BCG meeting on the 11th Juli the COM will implement an automatic check
 - » Registration of the applicant – Needs everyone now an EORI ?
- **eManifest + NSW →**
 - » Deleted from the currently valid MASP (2015)
 - » New negotiations on political level

Guarantee

- **Monitoring – Reference amount**
 - » **Obligation to provide a guarantee for all customs procedures (and also the „Temporary storage“)**
 - » **Guarantee shall cover the amount of import or shall export duty and the other charges**
 - » **Reference amount (comprehensive guarantee) =**
 - *Article IA-III-2-07 – “3. A part of the reference amount that is to cover customs debts which may be incurred, shall correspond to the amount of import or export duty which may become payable in the period between the placing of the goods under the relevant customs procedure and the moment where the procedure is discharged or **between the start and the end date of a temporary storage.**”*
 - » **Computerised (real time) monitoring → free circulation + transit**
 - » **Regular and appropriate audit → other procedures +**

Temporary storage

Business Continuity Plan

- **Regulations for the public sector**
- **No more paper fallback**
- **MS should give guarantees that systems are available again in a very short time window**
- **Consequence: high-availability of systems**
- **Start of analysis with the non-paper**
 - » Processes are to be classified based on their time-critical availability
 - » planned is a period for the replacement until 2020
 - » first step in assessing the non-paper by the economy was done

CVED

- **Common Veterinary Entry Document →**
 - » **First step in the EU Single Window (SW) Programme**
 - » **System: TRACES from DG SANCO - Directorate-General for Health and Consumers**
 - checks of validity of CVED submitted with customs declarations
 - » **First phase =**
 - automated validity check of the CVED
 - interconnection with DG SANCO's TRACES, service to retrieve the Customs relevant data of a veterinary certificate upon request of a National Customs application
 - » **Second phase =**
 - SW-CVED system will be able to provide data back to TRACES
 - » **MS – CY / CZ / IE / LT / NL / PL / SI / SE**
(latest until Q4 2015)

Origin + Product safety

- **Non-preferential Origin →**
 - » Verification: only for Import in the EU (if it requires the TARIC)
 - » Use of the “Certificate of origin”
 - » Not for the EU Exporters
- **Product safety →**
 - » Today: no proof of origin due to the product safety
 - » Proposal for a new directive 2013/0049 (COD) was approved by the Parliament and is now at the Council = 2015?
 - » **Biggest challenge: proof of origin based on the legal provisions of customs law (Art. 7 of the new directive)**

TTIP

- **Transatlantic Trade and Investment Partnership →**
 - » Free Trade Agreement with the US
- **What's going on now? →**
 - » Consultation group talks
 - » Also: currently no interest and movement on the part of the United States
 - » According to a statement from U.S. economic specialists (Bryce Blegen, CEO of Trusted Trade Alliance LLC) are currently other topics of much higher importance on the agenda → this means that no movement at all is observed

Single Window.....Europe

- **Maritime Single Window – 2010/65**
 - » Lack of clear direction – possible that every member state has a different single window with some similar Data Elements but not necessarily
 - » EU NSW not an official document of the EU....
- **DG TAXUD Single Window Project 2020**
 - » Evaluation of eCustoms directive of 2009
 - » High Level Seminar 14-15th October, Venice
 - » Consideration of a DG TAXUD Single Window or similar...

Single Window.....International

- **UNECE**
 - » Originators of Recommendation 33-35 related to single window
 - » Confusion over concept of Single Window – it is not an IT system it is an Environment
 - » UNECE developed IoS Collaborative Systems paper
 - Use existing IT systems, particularly in developed countries
 - Governments should understand what systems are in use within the Trade and also within administrations
 - Leave B2B to Business.

Single Window provides advantages to trade in simplifying bureaucracy but unless that simplification of administrative procedures is linked to operational procedures at points of entry/exit then the advantages and benefits of simplification can be lost.

IPCSA Initiative – Track and Trace

Query Services

- PORTCALLS_INFO: Track and trace data of a vessel.
 1. The PCS Client sends a request and submits the parameters (search criteria):
 1. Submit port call identifier
 2. or submit IMO vessel and ETA
 3. or submit vessel name and ETA
 2. The Server searches for the vessel that matches with the submitted parameters and returns back the track and trace data information:

❖ Port Call Identifier	❖ Vessel call sign
❖ Port UN Iocode	❖ Estimated Time of Arrival (ETA)
❖ IMO Vessel	❖ Real Time of Arrival (RTA)
❖ Vessel name	❖ Estimated Time of Departure (ETD)
❖ Carrier (SCAC code)	❖ Real Time of Departure (RTD)

IPCSA Future Meetings

- 13th November 2013 IPCSA Research Committee – “Future Challenges and opportunities for PCS”
- Building / How to develop a PCS Workshop
- Annual Conference, June 2015
- Regular meetings on specific issues
- Trace and Trace initiative



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