

eLearning module

ICS2 Process and Data: Maritime and Inland Waterways

Course takeaways

This eLearning module will guide you through the EU's advance cargo information system “**Import Control System 2 (ICS2)**” that supports the implementation of the EU customs **safety** and **security** regulatory regime, aiming to better protect the EU single market and EU citizens. It provides an overall overview of ICS2 **maritime and inland waterways** business process from the **economic operator** perspective.

This is a quick and handy summary of the most relevant course information:

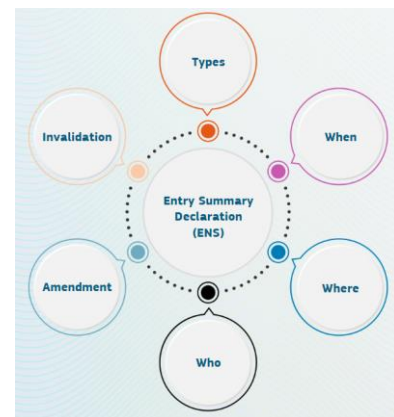
1 Did you Know?

The **European Union** has implemented a customs pre-arrival security and safety programme, underpinned by a large-scale **advance cargo information system** – the **Import Control System 2**. Norway, Switzerland and Northern Ireland have also joined this security and safety programme and implemented ICS2. The programme is one of the main contributors towards establishing an integrated EU approach to reinforce customs risk management under the **common risk management framework**.

2 Legal Background

Goods **entering, transiting or transhipping** the customs territory of the Union must be covered by an **Entry Summary Declaration** before the means of transport enter the Union, regardless of their final destination.

The Entry Summary Declaration contains **all the data elements necessary** for the cargo risk assessment for **security and safety** purposes and allows customs authorities to perform **risk analysis** and ensure that goods constituting a security or safety risk are **controlled** when entering the customs territory of the Union.



2.1 Entry Summary Declaration (ENS)

The **ENS** is **electronically** lodged in the **Import Control System 2 (ICS2)**, and it applies to **all goods entering, transiting or transhipped** in the customs territory of the Union.

2.2 Types of ENS filings

There are two types of ENS:

- ENS contains **all the particulars** (Columns F10, F11)
- ENS contains **partial particulars** (Columns F12, F13, F14, F15, F16)

Full ENS filing

The **full ENS** contains **all** the particulars: **master level consignment** information, the **house level consignment** information and **goods shipment** information. Full ENS is filed by one party.

- **Master level consignment information:** It contains information about a consignment from a **master level transport contract** issued by a carrier to its direct contracting party.
- **House level consignment information:** It contains information about a consignment from a **house level transport contract** issued by a freight forwarder, non-vessel operating common carrier or agent to its direct contracting party (customer).
- **Goods shipment level information:** It is composed of the **lowest level of buyer/seller** information per house consignment.

Partial ENS filing:

It contains **ONLY some particulars**, such as the **master level consignment information** OR the **house level consignment** information and/or the **goods shipment level information**.

The **complete ENS** is composed of **multiple partial ENS filings** that have been submitted by **different actors** in the supply chain with the respective data particulars that they hold.

2.3 Who can lodge an ENS

The ENS shall be lodged by the **carrier**.

The **person filing** should be identified with an **Economic Operator Registration and Identification (EORI)** number that must be included in the ENS.

2.4 Where is an ENS lodged

The ENS shall be lodged at the **customs office of first entry (COFE)** within a specific time-limit, before the goods are brought into the customs territory of the Union.

2.5 When is an ENS lodged

The ENS shall be lodged at the customs office of first entry **within a specific time-limit**, before the goods are brought into the customs territory of the Union.

Where the goods are brought into the customs territory of the Union **by sea**, the ENS shall be lodged:

- a) for containerised cargo: at the latest **24 hours before the goods are loaded** onto the vessel on which they are to be brought into the customs territory of the Union;
- b) for bulk or break bulk cargo: at the latest **four hours before the arrival** of the vessel at the first port of entry into the customs territory of the Union;
- c) goods coming from Greenland, the Faeroe Islands, Iceland, Morocco, ports on the Baltic Sea, the North Sea, the Black Sea and the Mediterranean Sea: at the latest **two hours before arrival** of the vessel at the first port of entry into the customs territory of the Union;
- d) for movement between a territory outside the customs territory of the Union and the French overseas departments, the Azores, Madeira or the Canary Islands, and where the duration of the voyage is less than 24 hours: at the latest **two hours before arrival** at the first port of entry into the customs territory of the Union.

Where the goods are brought into the customs territory of the Union by **inland waterways**, the entry summary declaration shall be lodged at the latest **two hours** before arrival of the goods at the place for which the customs office of first entry is competent.

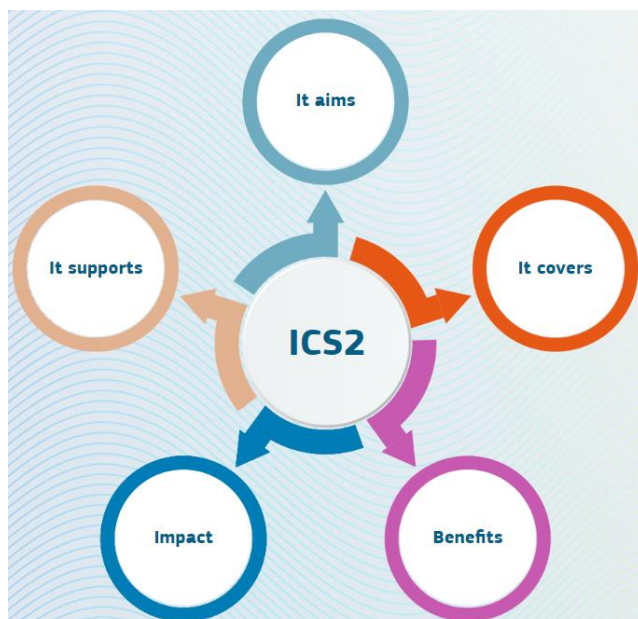
3 Arrival and Presentation of Goods

The operator of a vessel entering the customs territory of the Union shall **notify the arrival** to the customs office of first entry via the **Shared Trader Interface (STI)** or the **National Arrival System (NAS)**.

Goods brought into the customs territory of the Union shall be **presented to customs** when the goods or containers are **unloaded** from the means of transport, immediately upon their arrival at the designated customs office or any other place designated or approved by the customs authorities or in the free zone. Freight remaining on board (FROB) can be requested to be unloaded for customs controls at customs office of first entry in case of **high risk** identified.

4 The ICS2 System

4.1 What is ICS2



The **Import Control System 2** is a customs advance cargo information system. Economic operators have to declare **safety and security data** to ICS2, through the ENS, about all goods destined to enter or to transit via the EU. ICS2 gathers these data on all goods before they reach the EU's external borders. Advance cargo information and risk analysis enable **early identification of threats** and help customs authorities to **intervene at the most appropriate point** in the supply chain.

The aim of ICS2

Customs action at the external EU border plays an **essential role** in protecting citizens and the internal market against **safety and security threats**. **Advance cargo information and risk analysis** enable **early identification of threats** and help customs to **intervene at the most appropriate place** in the supply chain.

What ICS2 supports

ICS2 is a **large-scale EU information system** supporting the following processes:

- **lodging** of the ENS (advance cargo information) to customs;
- **security and safety risk analysis** by customs;
- **arrival of means of transport**;
- **presentation of goods** to customs authorities; and
- **control** of goods performed by the customs authorities, wherever necessary.

ICS2 is **not an import system** and it is **not used to process** the customs declarations for release into free circulation.

What ICS2 covers - How it fits into the customs domain

The **ICS2 business process** covers the following **three steps** related to the **entry of the goods** into the customs territory of the Union:

- **Lodging** of the ENS;
- Notification of the **arrival of the means of transport**;
- **Presentation of the goods**, to a limited extent, because the presentation notification is lodged directly at the **national presentation system** of the Member State where the goods are presented.

Who is affected by ICS2

ICS2 has a **direct impact** on **all economic operators** involved in the dispatch, transport and handling of international freight, express or postal consignments.

4.2 Get Ready

If you are shipping goods to or through the **European Union, Switzerland, Norway and Northern Ireland**, make sure you know how to comply with the rules under **ICS2**.

I suggest you gain understanding of the **requirements**, start preparing to **update your IT system** and adapt your business processes. As a first step you should obtain an **EORI number** if you do not have it yet.

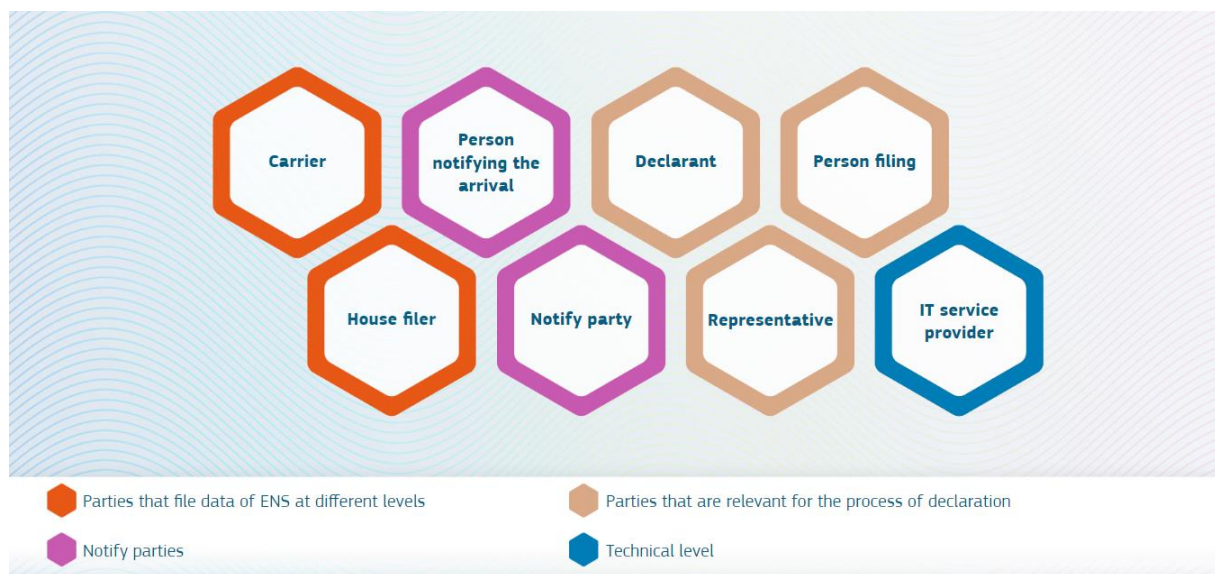
You will have to provide data in the format of the **electronic ENS**.

Make sure you provide **training support** to your staff. Accurate and complete data is very important to be declared in the ENS.

5 The Business Process

5.1 Economic Operators' Roles and Responsibilities

The obligation to lodge the ENS lies in general with the **carrier** being responsible for the transport of the goods into the **EU customs territory**. The declaration can be also lodged by the **importer** or **consignee** of the goods **or by any person** who is able to present or has presented the goods to customs. When **not all particulars** required for an ENS can be obtained from the carrier, **other persons** holding those particulars may be required to provide them to customs.



Carrier

The carrier is the **person who brings the goods**, or who assumes **responsibility** for the carriage of the goods, into the customs **territory of the Union**.

House filer

The house filer is an entity **handling house consignments (HC)** and/or person(s) having at their disposal all the **necessary data** elements to **lodge ENS** filings. The house filer could be the freight forwarder, ground handling agent, the importer.

Person notifying the arrival

A person notifying the arrival is a **carrier** that operates the means of transportation and submits the **arrival notification**.

Notify party

A notify party is an entity who has an **agreement** with and **represents an air carrier** or person presenting the goods, e.g., freight forwarder, ground handling agent etc. The notify party tag field is indicated in the **arrival notification** and is part of the arrival notification process.

Declarant

The declarant in this context is the **person lodging an ENS** or particular ENS filings in their own name or the person in whose name an **ENS or particular ENS filing** is lodged.

Representative

Any person can **appoint** a representative to **create and lodge the ENS** or particular ENS filings in the name and on behalf of the declarant (**direct representation**) or in the representative's name but on behalf of the declarant (**indirect representation**).

Person filing

The person who has **created and lodged an ENS** filing. It's either the **declarant** or, in case of representation, the **representative**.

IT service provider

The IT service provider is the person operating an **access point to ICS2** who technically submits and receives **electronic messages** for declarants and representatives.

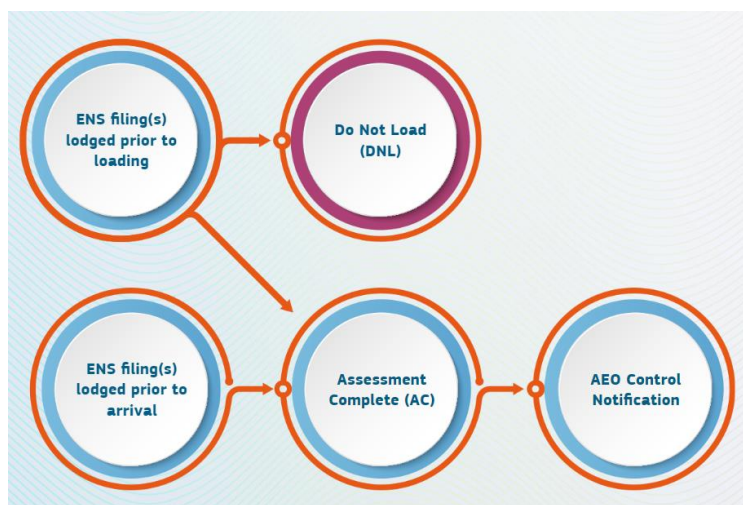
5.2 Overview



There are **three main phases** of the ICS2 processes for maritime and inland waterways operations:

1. the **lodgement of ENS** prior to the arrival of the cargo or prior to loading for the case of deep-sea containerised cargo within the legal timeline. Customs assess these data and carry out safety and security risk analysis. Referrals might be sent to request additional information or request for amendment; or in case of containers for the deep sea maritime traffic Do Not Load request might be issued as a result of the risk analysis;
2. the **arrival of mean of transport**, in which the arrival notification is lodged to the customs office of first entry;
3. the **presentation of goods**, in which the person presenting the goods needs to lodge a presentation notification in the national presentation system of the country where the goods are presented.

4.3 Advance cargo information



The **carrier** has the obligation to lodge the **ENS** at the Customs Office of First Entry **before** the goods are to be brought into the customs territory of the Union. The ENS can be lodged either in a form of a **single (full) ENS filing** or by **more than one partial ENS filings**.

For **deep-sea containerised cargo** the ENS filing should be lodged **before the goods are loaded** onto the vessel on which they are to be brought into the customs territory of the Union.

In all other cases, for bulk or break

bulk cargo and short-sea shipping, including consignments from Greenland and Morocco, the ENS filing should be lodged **before the arrival of the vessel** at the first port of entry into the customs territory of the Union.

After complete ENS is composed, **safety and security risk analysis** is performed.

The **Assessment complete** notification is sent after safety and security assessment is complete and no further action is required.

When there are significant **unresolved concerns** that relate to **deep-sea containerised cargo** and a **Do Not Load (DNL)** request is sent by the customs authority to the filing economic operator, the containers **should not be loaded** onto the vessel.

Customs authorities of the Responsible Member State (RMS) can decide to notify in advance the economic operator in case they decide to perform **controls**.

4.4 Amendment

An ENS filing can be amended at any time until the **presentation of goods** to customs or until a **notification** from customs that the goods will be **controlled** is received. An amendment can be done upon **initiative of the declarant** or upon **request from the customs** authority. The latter happens when ENS data is of **inadequate** or unacceptable **quality** for risk analysis. After the ENS filing is amended, the **risk analysis process** restarts.

4.4 Invalidation

An ENS filing can be **invalidated** at any time until the goods or part of them are presented to customs or until **notification** from customs that the goods will be **controlled** is received. An ENS filing can be invalidated:

- upon **invalidation request** from the economic operator, or
- **after 200 days** from the registration date of the ENS filing in case the goods have not arrived and/or have not been presented to customs.

6 ENS Filing Types

These are ENS filing types used for postal consignments transported by maritime and inland waterways.



6.1 Single ENS filing:

The **single ENS filing** (full ENS) contains all the required data particulars: the **master level consignment** information, the **house level consignment** information and the **goods shipment level** information. The single ENS filing **type** depends on the type of the transport contract: **straight bill of lading** or **consolidated cargo**.

The declarant can choose to file **F10** for straight bill of lading or **F11** for consolidated cargo.

6.2 Multiple ENS filings:

Multiple ENS filings are used when the carrier does not have all required particulars to lodge one full ENS filing and has a contractual arrangement with the other actors in the supply chain that **each party** lodge their **respective partial ENS filing(s)**. The choice of the filings for each actor depends on the data available to that party – master or house and/or goods shipment information. The partial ENS filings can be lodged in **any sequence** and will be **linked to the ENS**.

ENS data are **complete**, once the partial ENS filings are **successfully linked**.

6.3 Multiple ENS filings for postal consignments

The transported **postal consignments** via maritime and inland waterways have their own ENS filing types. The ENS data for postal consignments transported under UPU rules are **always** filed using **multiple filings**. The postal operator lodges **F43** and **F44** filings, which then are complemented by **F45** filing lodged by the carrier.

7 Risk Analysis results and Referrals

The person(s) filing the ENS may receive risk mitigating **referrals** if risk is identified and risk analyst needs to take risk mitigating actions.

EU customs authorities can trigger the following **risk mitigation referrals**:

- **Request for information** (Rfi): when the risk assessment needs more information to be provided.
- **Request for amendment** (Rfi type AMD) can be issued when data is of inadequate or unacceptable quality for risk analysis and it needs to be amended, and the declarant is requested to amend it.

When the risk analysis is completed, the person(s) filing may receive one of the following notifications:

- **Assessment complete** (AC): when the pre-loading risk analysis is successfully completed and no further action is requested.
- **Do Not Load** (DNL): it is a request by the customs authority to the person filing (and the carrier under certain conditions) **not to load** the containers for **deep-sea containerised cargo**.

8 Split Consignment and Re-Entry

8.1 Split Consignment

In the case in which the goods, for which one ENS was lodged, **cannot be all loaded** on the same vessel as **initially planned**, the consignment is split. The remaining part of the goods will be loaded onto another vessel (e.g., the same day or during one of the next days).

In case of **single filing**, the originally submitted ENS **should not** be amended. When the remaining part of the consignments is ready to be shipped, a **new ENS** has to be lodged and the party submitting the master level ENS filing must indicate that the **new ENS** concerns **split consignment**.

In case of **multiple filing**, it is not needed for the house filers to lodge again their partial house level ENS filings.

8.2 Re-Entry

In case in which a vessel arrives to the EU, leaves and then **re-enters** the EU, an ENS has to be lodged for all the goods on board of the vessel for each entry. Since only one ENS can be lodged with the same master bill of lading reference, for the second and all subsequent ENS it has to indicate that this is a **re-entry**. Upon re-entry to the EU, if the goods are transported under a new master bill of lading, then a new ENS with the actual information at master and house level needs to be filed.

Remember, this is a quick and handy summary of the most relevant course information. Only the European Union legislation published in the Official Journal of the European Union is deemed authentic. The Commission accepts no responsibility or liability whatsoever with regard to the training.

