

Protocol – dialogue meeting airway companies

Time and place: June 1 2023 10.00–11.00 via Adobe Connect

Participants: Alexander Bengtsson (Air France), Anton Grip (KLM), Annica Napoleoni (Air France), Giannina Laurenzo (Eurowings), Koray Akyol (Sunexpress), Mirjana Milesic (KLM), Philipp Weissengruber (United Airlines), Rika Torm (TUI), Thomas Rosengren (SAS), Tony Danerhag (Swedavia), Ulrika Karlsson (Emirates), Helena Sahlin (TUI), Deepak Bhasin, Dogan Ozdamar, Thomas Bergenheim

From Swedish Customs: Kenneth Persson, Anne Törnqvist, Helena Nordlund, Isabella Rongert, Mats Pettersson, Cecilia Olsson

Introduction

This meeting is arranged to get a possibility to discuss the changes concerning goods transported by air.

- The entry summary declaration and notification of arrival for the means of transport will be submitted in the new ICS2 phase 2 system, a central external interface and all affected actors should submit both the entry summary declaration and the notification of arrival using this central interface.
- Presentation notifications of goods transported by air directly to Sweden from a country outside the EU should be provided digitally, with reference to the entry summary declaration. This will bring a change in procedures and new information requirements for the aviation industry.

Meetings like these take place when Customs needs the opinion of the customers in a specific question, or when a group of customers wants to discuss a question. A dialogue meeting has a clear purpose and the dialogue concerns a certain question. The dialogue is characterised by transparency, in the internal communications as well as in the external. The protocols from the meetings are published on our website.

The EU legislation

The new customs legislation was adopted in 2016 with the ambition to digitize customs handling. Article 6 of the customs code states that the exchange of data must take place using "electronic data-processing technology" and this is a common challenge for the EU's customs authorities and for business. For the Swedish part, this means that we basically replace all old IT systems and develop new ones. The work includes standardized work processes and harmonized permit management. It is the EU's legislation and plans that govern the Electronic Customs program at the Swedish Customs Service and there is only a limited amount of room to make your own national solutions.

The plan for the IT systems can be found in MASP-C, Multi-Annual Strategic Plan for electronic Customs. MASP-C has a large number of projects to be implemented according to the agreed timetable. Then there is the work program which is a legal instrument, it's binding on the Member States. The Commission has determined how the customs code will be introduced, in a work program for the development and introduction of the electronic systems.

The MASP is broader: while the work program covers the customs legislation, several other parts are included in the MASP where the customs authorities need to cooperate with other authorities. An example is the cooperation we have in today's MSW (Maritime Single Window) and in the future EMSW (European Maritime Single Window). Another example of an area of cooperation is on the tax side. There are central IT systems, for example Import Control System, but several national systems must be developed, such as import, export, transit, presentation notification and temporary storage. The national plan reflects the MASP and the work program and is adjusted accordingly.

The reason for a new customs code is to have simple, fast and standardized working methods to facilitate trade and to fight fraud, through effective customs controls. The ambition is that, as far as possible, the same information should only be submitted once and that the controls should also be harmonised.

The Air carriers are responsible for submitting an Entry summary declaration in ICS2 release 2 by 30 June 2023 at the latest. An agent can manage the submission of information.

The Air carriers are also responsible for submitting a notification of arrival for the means of transport by 31 December 2023 at the latest. An agent can manage the submission of information, for example a handling company.

The presentation notification of goods must be provided for air shipments that arrive in Sweden directly from a country outside the EU. If goods from a country outside the EU are reloaded at an airport in another EU country before arrival in Sweden, the presentation notification of goods must not be submitted in Sweden. Goods that are under a transit procedure must be notified at arrival within the existing transit procedure, for example in NCTS. This also applies to goods where electronic transport documents constitute a transit declaration.

ICS2 – Entry summary declaration

ICS2 (Import control system 2) is the EU's IT system created to collect data about all goods entering the EU prior to their arrival through an Entry Summary Declaration (ENS). The purpose is to protect the EU from dangerous goods and to live up to the increased security requirements in world trade. Entry summary declarations (ENS) are required for all goods entering the EU customs territory. Data is risk assessed in two steps:

- before loading, to prevent dangerous/explosive goods being brought on board the means of transport (Air Cargo Security)
- prior to arrival, to prevent goods that may pose security and safety threats entering the Union.

All ENS are handled in an EU common system (Common Repository), which in turn communicates with the Member States concerned for each individual declaration. ICS2 is to be introduced in several stages, e.g. '*releases*', until 2025.

This year 2023 release 2 is introduced, which means that Economic Operators involved in handling, shipping and transporting cargo, express or postal consignments to or via the EU **by air**, have to comply with data reporting requirements noted below.

ENS have to be submitted in ICS2 release 2 no later than July 01, 2023.

Declaration before loading:

- containing minimum data set or
- complete entry summary declaration

Declaration before arrival (complete ENS) and notification of the arrival of means of transport and goods.

Please be advised to visit the Commissions own web page for more information:

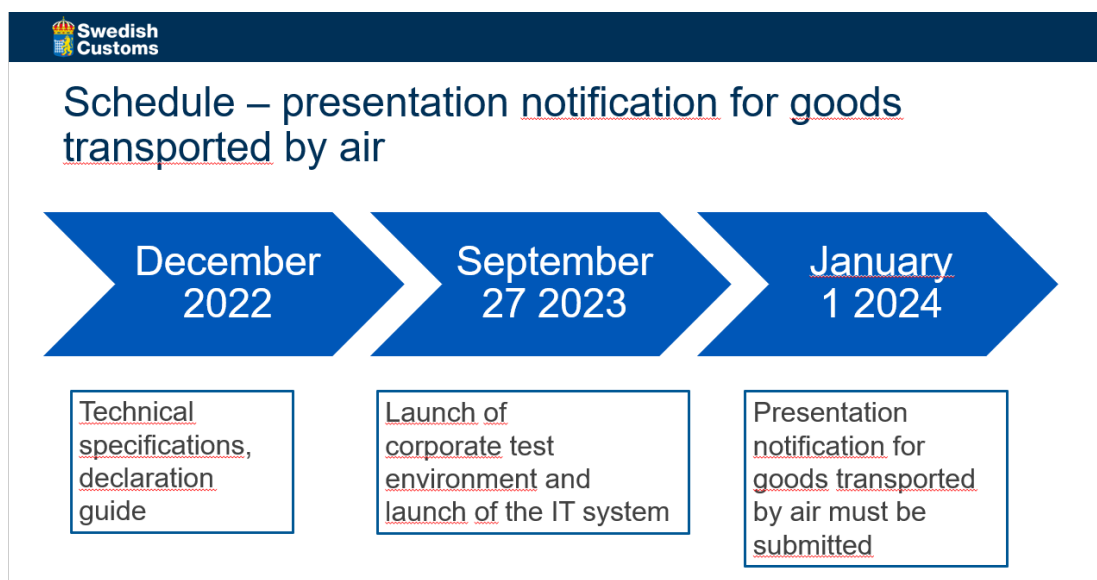
https://taxation-customs.ec.europa.eu/customs-4/customs-security/import-control-system-2-ics2-0/faq_en

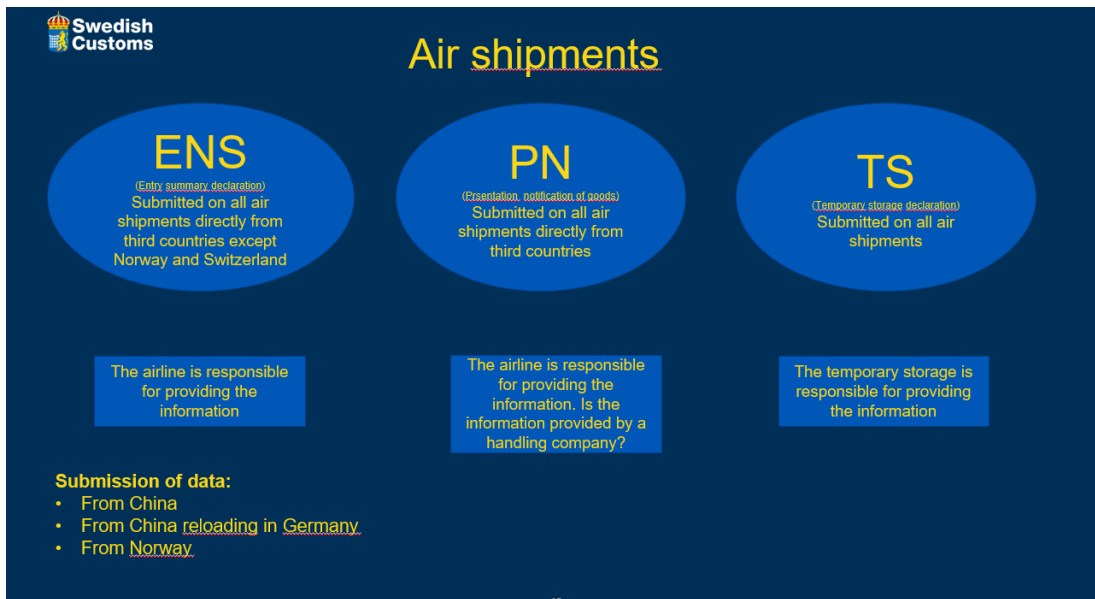
Presentation notification of goods and temporary storage declaration

The aim is to create opportunities for real-time monitoring and automated monitoring of how non-Union goods are handled in the customs territory of the Union through traceability in the entry procedure.

By receiving information when the goods arrive, together with the connection to ICS, controls of goods that are suspected of not meeting the requirements can take place already upon arrival.

The Air Carriers are also responsible for submitting a presentation notification for goods transported by air by 31 December 2023 at the latest. An agent can manage the submission of information, for example a handling company. Here are some important dates:





When entering air shipments from a third country, ENS must be submitted before the aircraft's departure from the third country. Norway and Switzerland are exempted from the requirement for ENS because they are part of the security zone. The airline is responsible for providing the information. The next step is that when the goods arrive in the EU, PN must be left in the first EU country. PN must be left for all air shipments, including those from Norway and Switzerland. Most likely, it will be the handling agent that handles the PN. Thereafter, TS must be provided for all air shipments from third countries regardless of whether they arrive via another EU country or directly from third countries. Most likely it will be the temporary storage that submits the temporary storage declaration. We have some examples of information that must be provided to Sweden in different cases:

- A direct flight from China to Sweden – ENS to the Common Repository, PN and TS are submitted to Sweden.
- A flight from China that stops in Germany and goods are reloaded onto a new aircraft that goes to Sweden - here only TS is left in Sweden because the previous information was left in Germany, except for ENS that also has to be submitted to the Common Repository
- A flight from Norway to Sweden - no ENS is submitted here, but a PN and a TS must be submitted.

A scenario was described – an import from the UK: ENS is submitted by the carrier to the Common Repository (CR), the EU's import control system, before the goods are loaded onto the flight in the UK. CR sends back a receipt in the form of an MRN that must follow the transport. At the same time, a message is sent to the Swedish Customs Administration. If everything looks ok, the airline receives a message from CR and the package can be loaded on board and the flight can take off.

The flight lands in Sweden and the goods are unloaded. The flight can only land at an international union airport where there are temporary storages located (such as Arlanda, Landvetter or Sturup). It is the temporary warehouse that receives the package. PN must

be submitted to Customs and in that notification the reference to the ENS-MRN is also submitted. At the same moment, the packet enters the temporary storage and the storage sends a temporary storage declaration. It is the airline that is responsible for submit the PN but can of course hire an agent such as their handling company and TS is provided by the temporary warehouse in this scenario.

Question: Can a handling agent be the cargo provider?

Answer: Yes, contact your handling company in Sweden and discuss this.

Question: Are cargo clearing and handling companies aware of the changes?

Answer: Yes, Swedish Customs has had several meetings with the handling companies this last year. They are aware of the changes.

Question: Has this also been addressed towards the shippers and exporters as they are the ones today providing the details?

Answer: The Commission have discussed with trade the changes that come with the EU legislation for a long time.

Question: If the carrier carries other airlines shipments which means carrier provide cargo capacity of flights for another carrier, who is responsible for submitting cargo information?

Answer: The air carrier who brings the goods to Sweden is responsible.

Question: Does this apply also for interna airline company mail/ company cargo from outside EU to Sweden?

Answer: PN should be submitted for goods arriving directly from a country outside EU. There are very few exceptions.

Next step

- Consider who will report the presentation notification of goods
- Discuss with your handling company at the airport
- Contact system supplier
- We will return at the end of June for follow-up, via e-mail
- Questions? projekt.ava.dtl@tullverket.se

The presentation and the protocol will be sent to the participants of the meeting.