

Getting ready for new EU advance information for inbound air cargo shipments

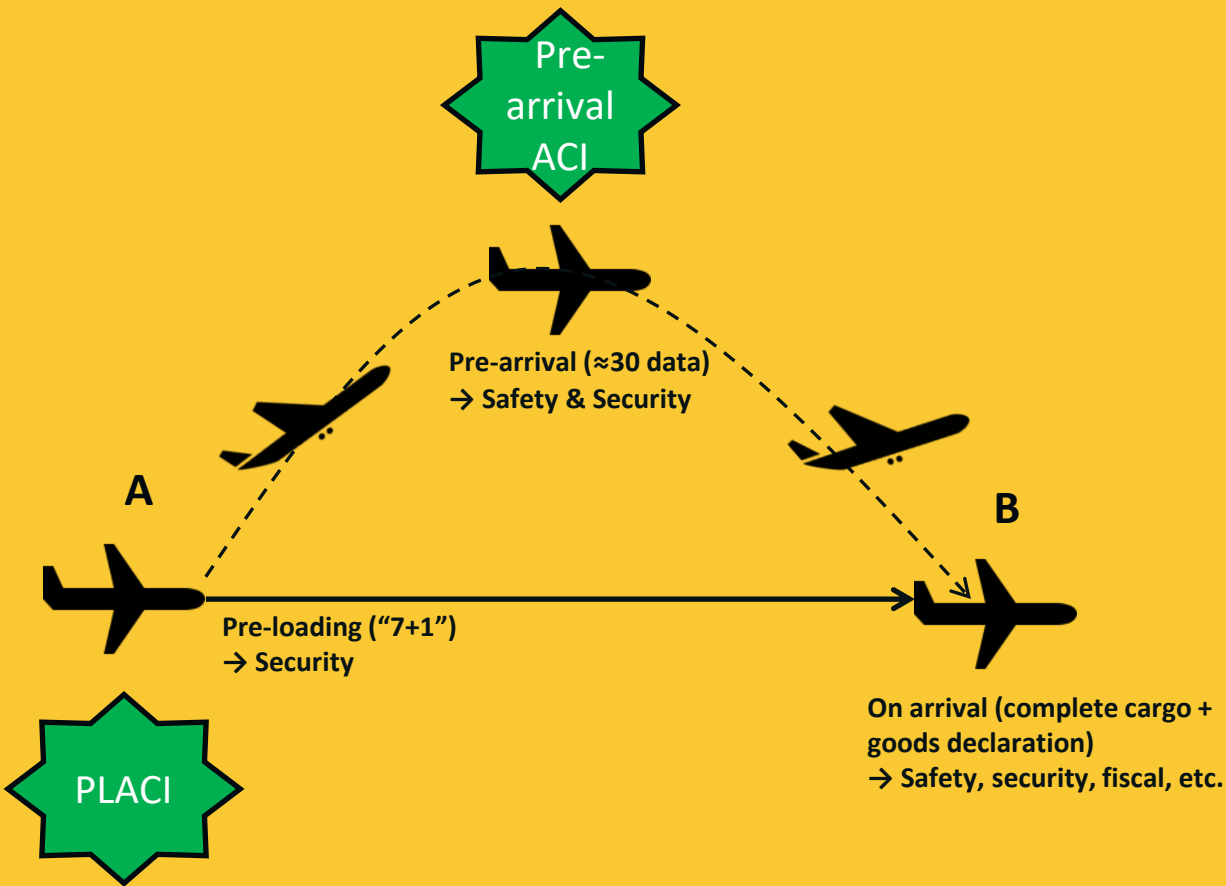
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New Security Regime & Air Cargo Security Risk



- Reacting to security threats and incidents, WCO and ICAO have jointly introduced an additional layer in the management of air cargo **security risk**.
- Customs and aviation authorities are increasingly enforcing new **security protocols** to identify and mitigate 'bomb in the box' from being loaded onto aircrafts.
- Airlines and freight forwarders must ensure **compliance** with these new security directives otherwise face **consequences**.

What is EU- Import Control System(ICS)2?

- EU is modernizing its customs legislation with a new fully electronic customs advance cargo information system that will facilitate trade flow through improved data-driven customs security processes.
- ICS2 will collect data about all goods entering the EU at the latest before the goods are loaded onto the aircraft which will bring them into the EU.
- The system will be used by EU customs authorities to ensure security and safety.



https://ec.europa.eu/taxation_customs/customs-4/customs-security/import-control-system-2-ics2-0_en#heading_1

Other Similar Initiatives



United States (US)

ACAS - Air Cargo Advance Screening



United Kingdom (UK)

PREDICT - Pre-Departure Information
for Cargo Targeting



Canada (CA)

PACT - Preload Air Cargo Targeting



United Arab Emirates (UAE)

NAI Center – National Advance
Information Center

Other governments are expected to follow similar initiatives

Legal basis

PLACI Air Cargo Security referrals:

- Commission Implementing Regulation (EU) 2015/2447
Economic Operators' obligations vis-à-vis EU customs authorities – RfI, RfS, DNL (Art 186)
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02015R2447-20210315>
- Annex to Commission Implementing Regulation 2015/1998
Obligations of entities vis-à-vis EU AVSEC authorities for PLACI implementation in point 6.8.7
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R0255&from=EN>

PLACI and full ENS data requirements:

- Union Customs Code
Obligation to lodge an Entry Summary Declaration (Art 127)
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02013R0952-20200101>
- Data elements: Commission Delegated & Implementing Regulations 2015/2446 & 2447/2015 (as amended)
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L:2021:063:TOC>

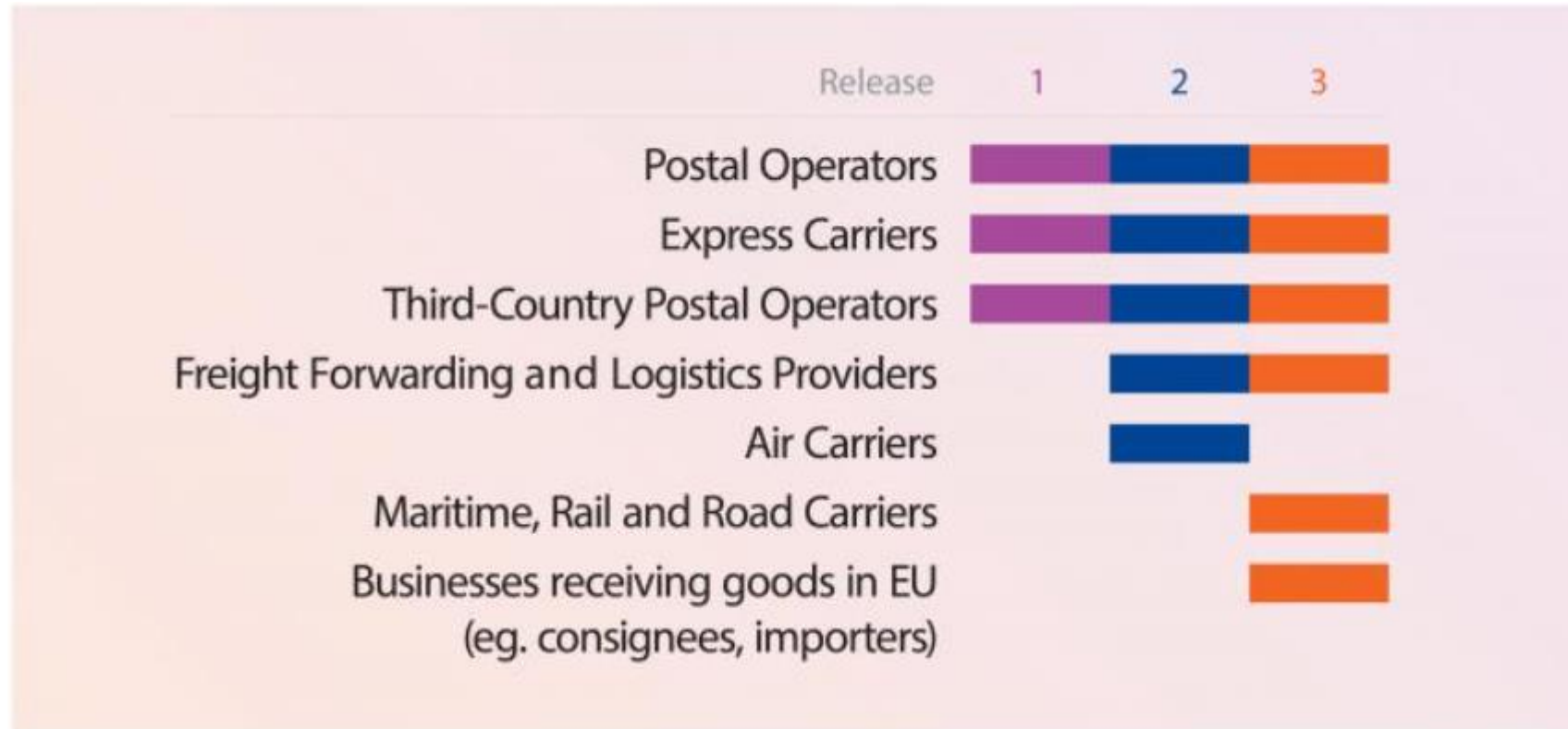
Non-Compliance

Non-compliance may have following impacts:

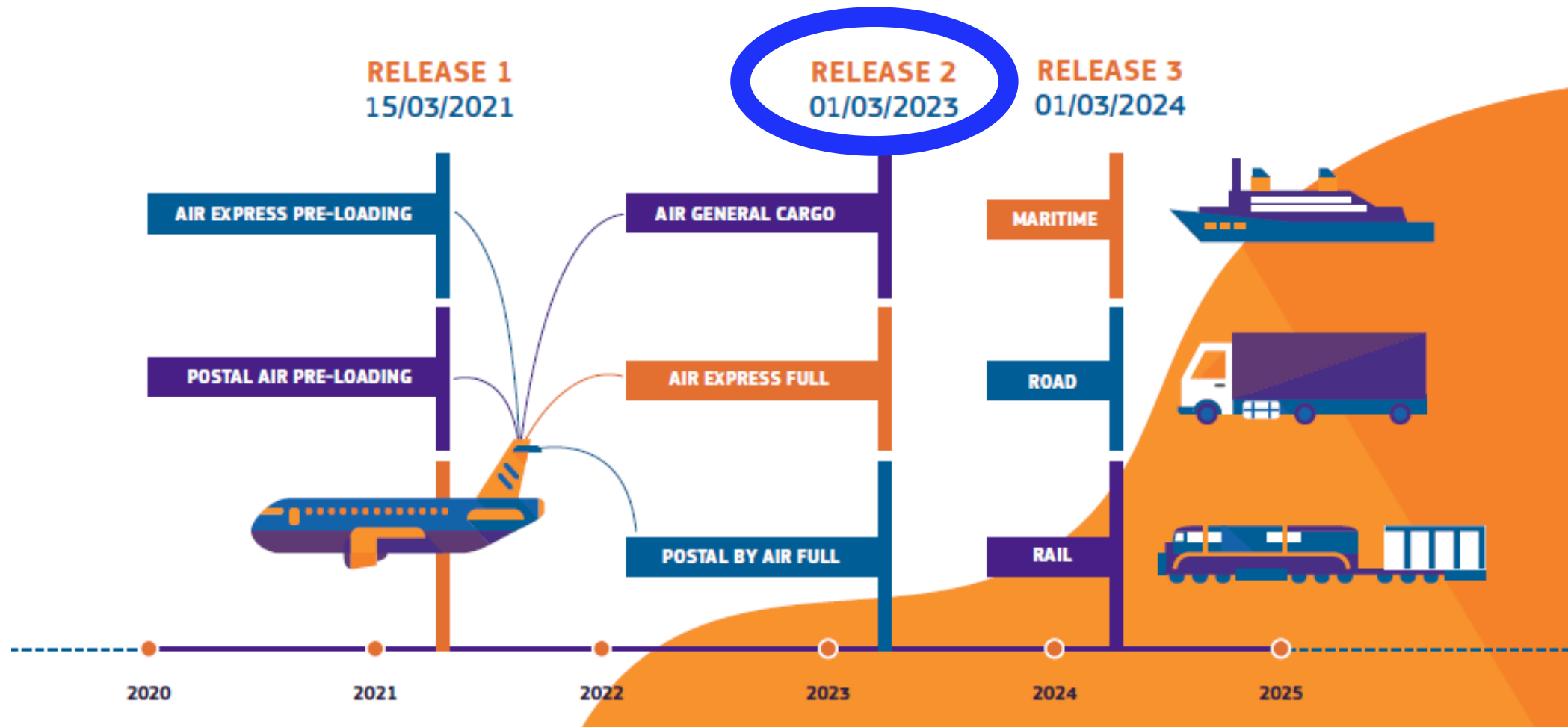
- **Sanctions** on carriers, **incl. financial penalties**
- Cargo will be **stopped** at the border
- **No customs** clearance of goods
- Unnecessary **interventions**
- **Rejection** of poor-quality declarations



Who is impacted?



When does ICS2 becomes operational?



What is required?

- Adapt new **set of procedures** e.g.
 - Get Customs OK TO LOAD prior to loading
 - Immediate action for DO NOT LOAD
 - Setup 24 x 7 contact
- Upgrade **IT systems** for exchange of information with customs
- Take steps to ensure **high-quality, precise data** is provided
- **Support desk & Training** to staff



Why EU-ICS2 is so impactful?

Must provide additional data for cargo shipments & advance data for Mail consignments therefore Cargo-XML standards are mandatory

C-IMP doesn't support EU-ICS2 data requirements

Mail Consignments are subject to pre-arrival filing requirements

HS Code mandatory
(minimum 6 digit)

Cargo-XML standard is mandatory

Postal Air Waybill# use is mandatory

Conversion Solution UPU to IATA Cargo-XML Messaging

FF can file house data, but Carrier is responsible
Carrier need to further cascade customs referral

FF House Waybill filing with or without Master Air Waybill#

Self filing FF must provide data & Customs response to Airline

Carrier may refile the already filed House Waybills by FF

Discrepancy between FF and Airline is going to be monitored

Co-Loaders must provide share House Waybills to airlines

Must get Member State OK prior acceptance/loading
Referral must be resolved prior loading

Shipment Risk Assessment status can change

Immediate Action Do Not Load

Visibility on latest risk outcome (entire network)

Interline partner must provide Customs OK

Must get Member State OK prior loading

New SOPs to resolve referrals

Components of EU-ICS2 Compliance

Cargo Operation SOPs (Hub & Outstations)

- Upgrade Warehouse acceptance, Manifestation & Loading SOPs based on risk assessment response from PLACI destination.

Business Processes

- Implement new business processes with freight forwarders, interline partners & ground handlers.

Cargo & Mail IT Systems

- Enhance Cargo Management/Transport Logistics System to support additional data & processes. Integrate Mail Systems.

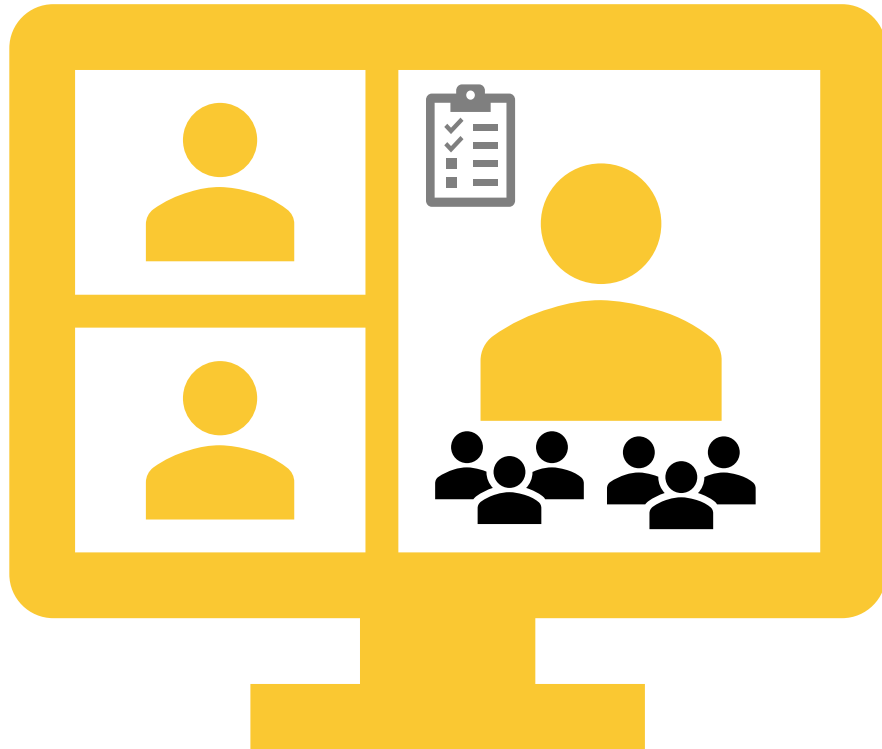
Cargo Messaging Standards

- Upgrade Cargo Messaging Standards to transmit the required data elements.

EU-ICS2 Filing Solution

- Implement EU-ICS2 filing solution in place i.e. transmit data, receive risk assessment responses, referrals etc.

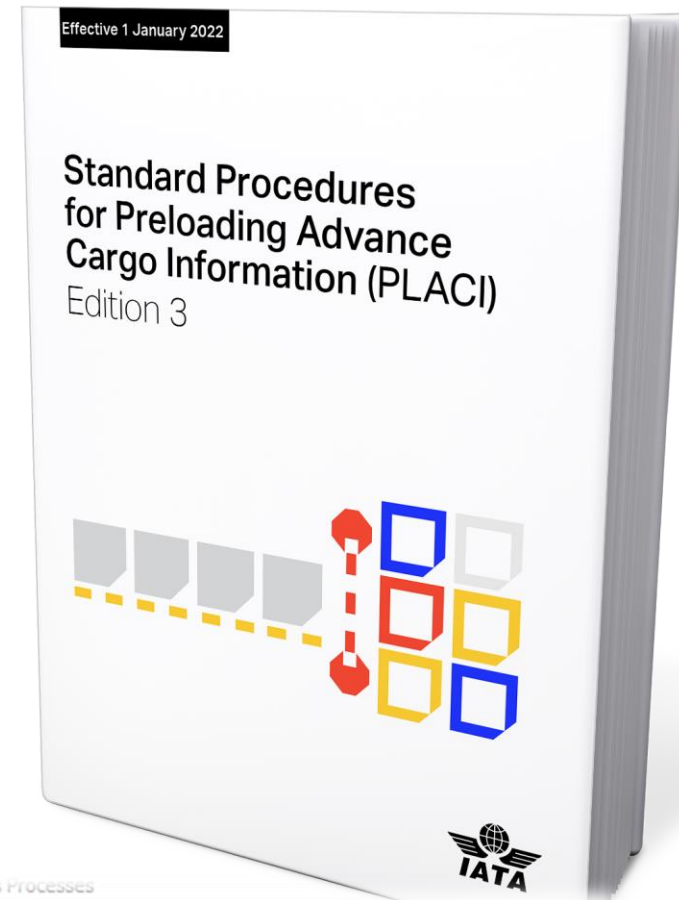
What is IATA doing on this currently?



- **Standards** through Board and Working Group
- Advocacy with governments
- Industry **Engagement & Communication**
- Implementation **support**
- **Publications**
- **Recommended Practice**
- Evaluating **Potential Solutions**

IATA PLACI Manual

- Purpose: To harmonize PLACI processes
- Contents:
 - Eligible Filers
 - 3rd Party Filers
 - Data Set
 - General Principles
 - Business Processes data filing
 - Guidance on:
 - Mail Advance Filing
 - Self filing Freight Forwarders
 - PLACI Case Study
- Website: <https://www.iata.org/placi>



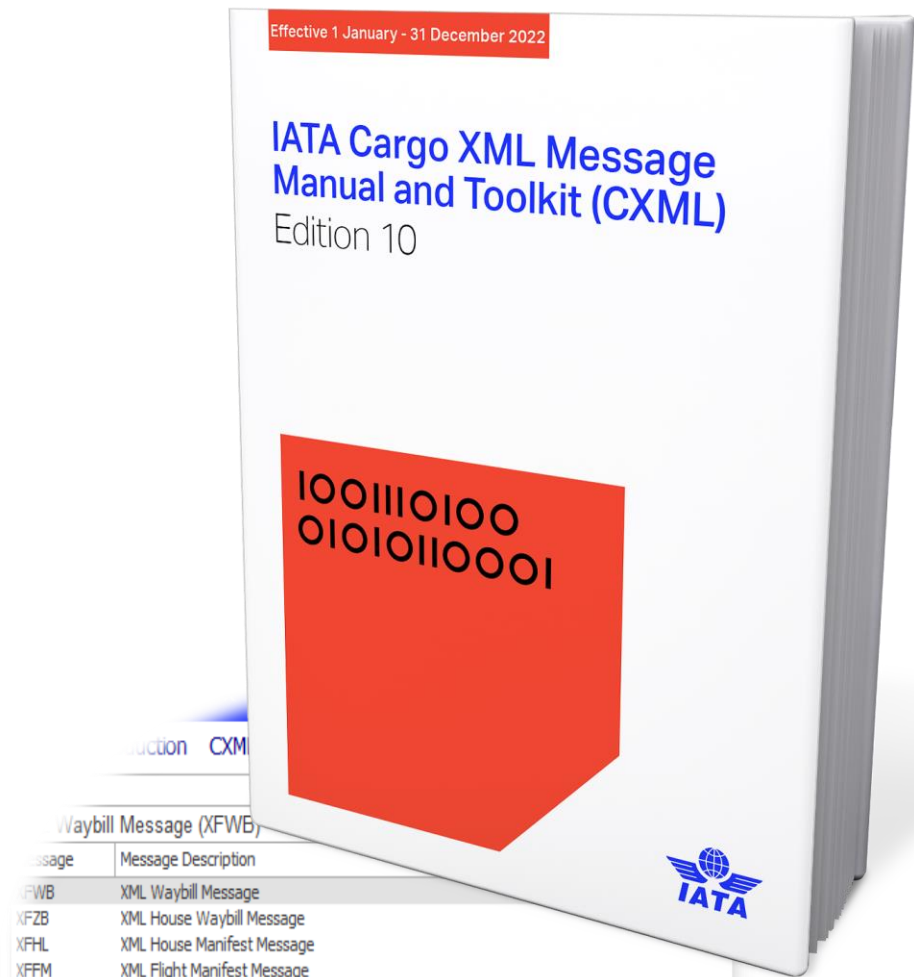
Business Processes

- 8.1 Freight Forwarder Filing Pre-Loading Data for Consolidation Shipment
- 8.2 Freight Forwarder Filing Pre-Loading Data for Non-Consolidation Shipments
- 8.3 Associate Master with Already Filed House Waybill
- 8.4 Airline Filing Pre-Loading Data for Consolidation Shipments
- 8.5 Airline Filing Preloading Data for Non-Consolidation Shipments
- 8.6 Airline Filing Prearrival Data (incl. Preloading Data) at Preloading
- 8.7 Customs Status Notification to Airline, Freight Forwarder and Notify Party



IATA Cargo-XML Manual and Toolkit

- Purpose: To disseminate Cargo-XML standards
- Contents:
 - Cargo-XML Messages
 - Specifications & Schema
 - Conversion Guidelines between C-IMP & XML
 - Implementation Guidelines
 - C-IMP Manual (pdf)
 - Sample Messages
 - Code List
 - OCI Composition Rule Table
 - Mail & Cargo Messaging Synchronization
- Website: <https://www.iata.org/en/publications/store/cargo-xml-toolkit/>



Message	Message Description
XFWB	XML Waybill Message
XFZB	XML House Waybill Message
XFHL	XML House Manifest Message
XFFM	XML Flight Manifest Message
XFBL	XML Freight Booked List Message
XFSU	XML Status Message
XCCD	XML Cargo Direct Data Message
XPHM	XML Response Message
XULM	XML ULD Manifest Message
XRM	XML Rate Information Message
XRCM	XML Registration for Cargo Partner Message
XMTM	XML Transport Movement Message
XMDR	XML ULD Control Receipt
XMR	XML Regulatory Control Status Message

