

# IMPORT CONTROL SYSTEM (ICS) 2 – RELEASE 2

BRIEFING FOR SHIPPERS – STATUS UPDATE

Bonn, March 2023

**DHL Global Forwarding – Excellence. Simply Delivered.**



# Agenda

## 01 Disclaimer

## 02 ICS 2: What shippers need to know

## 03 Frequently Asked Questions

## 04 Useful Links | European Commission



## Disclaimer



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## ICS 2 Introduction (1/2)

ICS stands for '**Import Control System**'. This is the **electronic security screening system** for goods **destined to, or in transit through, the European Union (EU), Switzerland, Norway and Northern Ireland**(e.g. a shipment from a non-EU country, transiting EU/NO/CH, and then moving to another non-EU country).

The EU regulations on ICS are intended to **ensure security and safety of all people** living in the European Union (EU), Switzerland & Norway, and **elevate the mitigation of security related risks & possible terrorist threats**, such as explosives hidden in consignments.

ICS2 is the **enhanced EU security screening system** with **improved data-driven customs security processes** for goods destined to (or transiting via) the European Union, Switzerland, Norway and Northern Ireland.

<sup>1</sup> European Union (EU) countries: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden. It should be noted that Northern Ireland is considered an entry point to the European Union, therefore shipments to (or transiting via) Northern Ireland are also impacted, as well as shipments destined to (or transiting via) other EU territories (e.g. French Guyana, etc.)



## ICS 2 Introduction (2/2)

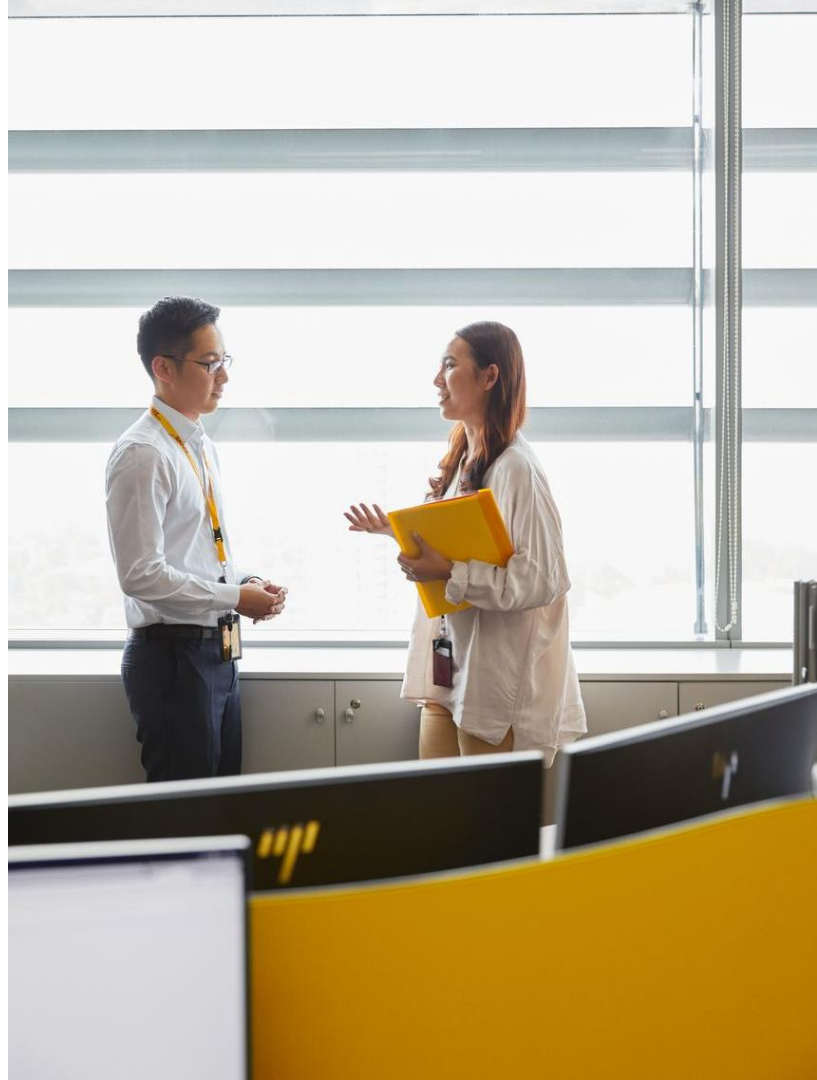
The Import Control System 2 (ICS2) **will be operational in three releases**. Each release affects different Economic Operators (EOs) and models of transport<sup>2</sup>.



The most significant change applicable with ICS2 - Release 2, is that **pre-arrival security filing messages must be submitted to European Country Customs Authorities in a much more granular level** e.g. without a detailed goods description per commodity (on line item level), and the respective Harmonized System (HS) code, the shipment security filing cannot be submitted on time.

DHL Global Forwarding | ICS 2 Briefing for Shippers | March 2023

<sup>2</sup> Figure is extracted from European Commission Taxation and Customs Union website: [Import Control System 2 \(ICS2\) \(europa.eu\)](https://ec.europa.eu/taxation-and-customs/ics2)



## What is the impact of ICS 2 for shippers?

Effective **March 1, 2023** all goods transported by air, require **pre-acceptance and pre-arrival security and safety clearance** by European Union Member States.

European Member State Authorities require to receive information for all goods being **shipped into or transiting through the EU, Norway, Switzerland and Northern Ireland by air freight.**

Among other data, the Authorities ask for:

1

### **Harmonized System (HS) Subheading code**

Six-digit Harmonized System (HS) code for each item in the shipment

2

### **Goods Description**

Accurate goods description for each item in the shipment

3

### **EORI Number**

Economic Operator Registration and Identification (EORI) number of the Consignee (UID for CH/LI or MVA for NO)



## Who is affected?

ICS 2 applies to **all cargo** with a **destination within – or transit via – the EU, Switzerland, Norway and Northern Ireland**

ICS 2 is not applicable to intra-European transport as long as it is a direct move not touching a non-EU country.

### Shipments with Destination in the EU, Norway, Switzerland or Northern Ireland

- Changes affect shippers from Rest of the World whose goods are destined to the EU, Norway or Switzerland
- For example: a shipment from USA to Germany.

### Shipments transiting through EU

- Changes affect shippers from Rest of the World whose shipments are physically transiting through the European Union, Switzerland, Norway or Northern Ireland
- For example : a shipment from China , which transits through Amsterdam, on the way to USA.

### Shipments to/via/from UK

- ICS2 rules are not applicable for imports to the UK directly (except Northern Ireland)
- For transits via UK ICS2 rules are only applicable if final destination is within EU
- UK exports will be treated as from any other non EU country

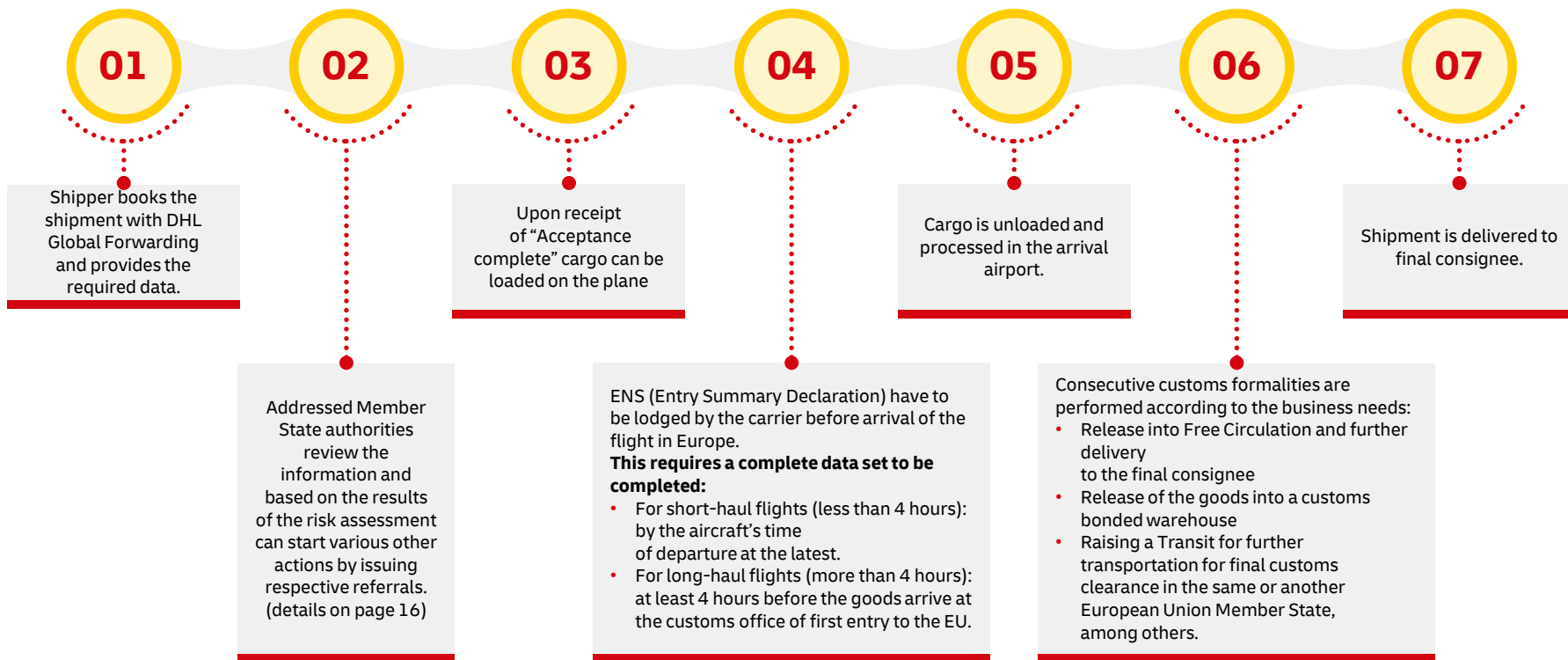
## What are the implications if shippers do not provide accurate data at the time of shipping?

- Shippers **should provide the necessary data** required to support a successful security filing during the shipment booking process.
- **Poor data quality** may result in **shipments being delayed or customs cleared at origin** as the legally required security filing cannot be done on time.
- **Inadequate security filing** with missing/wrong data may either be **rejected or subject to intervention** by the EU Country Customs Authorities





## Consignment Life Cycle



## Referrals that can be issued by the Authorities affecting the shipment



### DURING PRE-LOADING

- Request For Screening
- Request For Information
- Request For Amendment
- Do Not Load
- Acceptance Complete



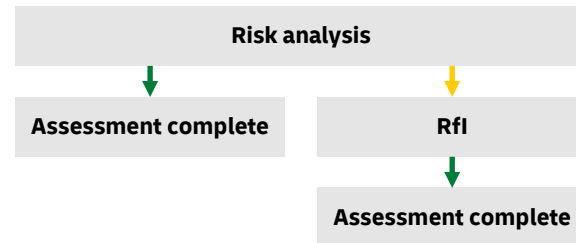
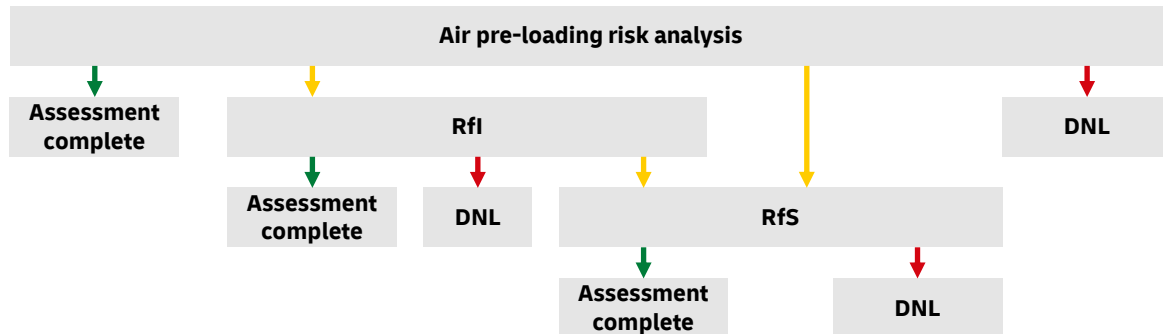
### DURING PRE-ARRIVAL

- Request For Information
- Request For Amendment
- Missing ENS Filing
- Acceptance Complete



### UPON ARRIVAL

- Arrival
- Control
- Incorrect HAWB State



## Is DHL Global Forwarding prepared?

- DHL Global Forwarding is **fully prepared for ICS2** implementation on March 1, 2023
- Our **processes and systems where adjusted** where needed in order to **ensure full compliance** and automatically transmit relevant customs data to carriers
- We count on **active participation and compliance of our customers** to ensure the successful introduction of the changes required by the ICS2 regulation

**We don't anticipate any service impact for customers, provided that all the necessary data is supplied by customers in time for customs clearance procedures.**



## External Links | European Commission



- For additional information, please consult **the European Commission websites** below:
- **Import Control System 2 (ICS2) - Overview**
  - [https://ec.europa.eu/taxation\\_customs/customs-4/customs-security/import-control-system-2-ics2-0\\_en](https://ec.europa.eu/taxation_customs/customs-4/customs-security/import-control-system-2-ics2-0_en)
- **Import Control System 2 (ICS2) – Release 2 - Technical Documents**
  - <https://circabc.europa.eu/ui/group/ea5f882b-9153-4fc1-9394-54ac8fe9149a>
- **Guidance on Acceptable and Unacceptable Goods Descriptions**
  - [https://ec.europa.eu/taxation\\_customs/system/files/2021-03/guidance\\_acceptable\\_goods\\_description\\_en.pdf](https://ec.europa.eu/taxation_customs/system/files/2021-03/guidance_acceptable_goods_description_en.pdf)

## Customer Communication Material

01

### Customer Advisory & Briefing



#### **DGF Service Announcements Page:**

<https://www.dhl.com/global-en/home/our-divisions/global-forwarding/customer-service/service-announcements.html>

02

### Social Media Assets



#### **DGF LinkedIn & Oktopost** *(Topic: DGF Updates/PRs)*

<https://www.linkedin.com/feed/update/urn:li:activity:7033699083412217856>

# THANK YOU



## Frequently Asked Questions (1/5)

### **As ICS is intended to ensure security and safety at transport, what sort of security and safety is targeted?**

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- The definition of risk is set out in article 5(7) of Regulation (EU) No 952/2013 of the European Parliament and of the Council. The EC DG TAXUD explains that:
  - Safety and Security risks concern threats with serious implications for the security, people's health and wellbeing, as well as the environment.
  - This category includes any goods, components and materials being mis declared, or transported under suspicious circumstances, or that could be used for illicit purposes, for example related to terrorist or organised criminal activity that must be tackled as soon as possible.
  - Some obvious examples are weapons, explosives, dual-use goods, biological, chemical and radiological nuclear cargo, contaminated goods, goods containing excess levels of carcinogens or other health threatening elements, such as narcotics, drug precursors, counterfeited medicines/ foodstuff/ beverages or other unsafe products for personal use.

### **Who is responsible to submit entry summary declaration?**

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- Main responsible is carrier. Notwithstanding the obligation of the carrier, other economic operators (e.g. importer, consignee, forwarder, etc.) is also able to submit some of the information.
- This submission is mostly based on the data that the shipper provides when preparing a shipment, therefore it is the responsibility of the shipper to provide complete and accurate data.

## Frequently Asked Questions (2/5)

### Once it is submitted what do customs authorities do?

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- Upon receipt of the security filing, the European Country Customs Authorities perform the security-related risk analysis, and decide if the shipment:
  - Is allowed or is refused to be carried
  - Requires additional information
  - Requires high-risk screening (e.g. X-ray, explosive detection dogs, explosive trace detection, etc.)

### What are the major key data elements?

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- The security filing to European Country Customs Authorities is based on a series of data elements. Among others, following data elements are important key data elements for a smooth security filing:
  - Shipper & Receiver Name, Identification Number: full name, including the first and last as minimum – and full contact details (phone number and e-mail address).
  - Shipper & Receiver Address: full address, including street, number, city, country, postal code.
  - Type of Person
  - Line Item Goods Description: itemized description of each commodity in the shipment using detailed, precise & plain language.
  - New per 01 Mar 2023: Line Item Commodity Code: at least the first 6 digits of the Harmonized System (HS) code, on line item for each of the different commodities
  - Weight & Quantity on line item level
  - For other requirements/additional information for Pre-arrival Data Filing Requirements, please see the European Commission website (including about mandatory data elements of a complete ENS)

ICS2 release 2 - Publications Office of the EU ([europa.eu](https://europea.eu))

## Frequently Asked Questions (3/5)

### Which shippers will be impacted?

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- This will affect:
  - Shipments destined to the European Union, Switzerland & Norway, for example: a shipment from China to Netherlands.
  - Shipments physically transiting through the European Union, Switzerland & Norway, for example: a shipment from USA, which transits through a DHL Air Hub in Belgium, and then goes to Dubai.
- In order to avoid delays, it is important that shippers provide complete and accurate data.

### What is important while providing line item goods description?

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- Please provide accurate commodities description, using detailed, precise & plain language, with sufficient details about the nature of goods.
- The detailed description per commodity should indicate what the goods are, for which purpose the goods are used and what they are made of – for example: “Women’s T-shirts made of 100% Cotton”
- Avoid generic goods descriptions such as “gifts”, “samples”, “spare parts”, “equipment”, “clothes”, “textiles”, etc.
- Please find additional examples of unacceptable descriptions in the EU Commission document:

[https://ec.europa.eu/taxation\\_customs/system/files/2021-03/guidance\\_acceptable\\_goods\\_description\\_en.pdf](https://ec.europa.eu/taxation_customs/system/files/2021-03/guidance_acceptable_goods_description_en.pdf)

## Frequently Asked Questions (4/5)

### **What is Harmonized System (HS) Code and should it be provided in line item?**

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- The Harmonized System (HS) Code is defined by the World Customs Organization (WCO), and the HS Nomenclature edition is publicly available on the WCO website:  
<http://www.wcoomd.org/en/topics/nomenclature/instrument-and-tools/hs-nomenclature-2022-edition.aspx>
- Please include the respective Harmonized System (HS) Code (at least the first 6 digits) on line item for each of the different commodities.
- Preferably, indicate the complete Import Tariff Code of each commodity being shipped.

### **Is it mandatory to provide all HS codes in a shipment, even if these are many, or can only a limited number, e.g. the three HS codes with the most quantity or value?**

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- The requirement is to provide all HS codes in the ENS. This means that every single HS code contained in the shipment has to be submitted.

### **What is EORI?**

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- EORI stands for Economic Operators' Registration and Identification number. EORI is an identification number that is valid throughout the European Union and is a prerequisite for customs clearance in the European Union.
- The EORI number of the consignee should be provided along with the other data during shipment booking.
- If the consignee does not have an EORI number (e.g. private person), the EORI number is not required. If consignee is in a Non-EU country, then third country unique trader identification number has to be provided, if assigned.

## Frequently Asked Questions (5/5)

### What means PLACI and why it is important?

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- PLACI stands for Pre-Loading Advance Cargo Information..
- PLACI is a set of data about the shipment that the Air carrier has to submit to the customs authorities in the country of destination via ICS. Some parts of this data have to be provided by the shipper during booking of the shipment. Carriers may refuse to accept the shipment if all PLACI is not supplied.

### When should the ENS (Entry Summary Declaration) be filed?

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- For flights with a duration of less than 4 hours, the ENS must be filed no later than the actual departure of the aircraft.
- For longer flights, the ENS must be filed at least 4 hours before arrival of the goods at the customs office of first entry into the EU.

### Are there any exceptions regarding the ICS2 – Release 2 security screening?

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- The exceptions from the obligation to file pre-loading and pre-arrival security filing for air shipments are the following:
  - Goods that pass through EU territorial airspace without a stop within the territory;
  - Diplomatic materials under the Vienna or New York Conventions;
  - Military items transported with NATO/EU Form 302, if transported on behalf of a military authority of an EU Member State;
  - Items of correspondence (e.g. letters, postcards)