

ECASBA ADVISORY PANEL



BRUSSELS VISIT REPORT, 27th/29th MARCH 2023

PARTICIPANTS: ECASBA Chair Marco Tak, General Manager Jonathan C. Williams FICS.

PROGRAMME:

MONDAY 27th MARCH: ECSA

Due to conflicting schedules, it was not possible to hold a meeting with ECSA during this visit. Accordingly, ECASBA hosted Luisa Puccio (Director, Shipping & Trade Policy) and Katalin Dobranskzy (Senior Director, Innovation, Finance and Fiscal Affairs) to dinner. The main topics of conversation were the 2023 European Shipping Summit and ECASBA's engagement on environmental issues. (Previously, Puccio had advised that the next meeting of the Steering Group would be held on Tuesday 28th March but due to the already-confirmed Commission meeting schedule it was not possible for ECASBA to participate).

The expansion of the Conference themes to incorporate topics outside the inevitable Green Deal/Fit for 55/environmental axis of the main ESS Conference Day (Wednesday, 20th September) were discussed and we confirmed ECASBA's support for the move. The inclusion of "security" in its broadest sense was particularly noteworthy as it would allow organisations such as ECASBA, whose primary concerns are not related to direct vessel operations, to participate more actively. Our interest in co-hosting a workshop on Tuesday 19th September was also confirmed, as was our desire to collaborate with another Steering Group member (see the report of our meeting with CLIA below). ECSA noted our interest on both topics and confirmed they would be reported to the other SG members at the meeting 28th.

Regarding our engagement on environmental issues, the need to remain independent of the ongoing and often strident differences of opinion between shipowners/operators and shippers/forwarders was emphasised, as was our commitment to upholding the general principals of the FONASBA Sustainable Development Declaration. ECSA noted our position and confirmed they would contact us for support on future statements where ship agents have an interest.

Subsequent to the above meeting, the Steering Group met to discuss the draft "Concept Note" text prepared by ECSA. Some of the SG members expressed concerns about the direction of the Summit as implied by the paper and therefore it was agreed it would be held until after the next meeting, which is expected shortly. ECASBA has commented on the draft and will attend the meeting.

TUESDAY, 28th MARCH: DG-TAXUD

Two meetings were held whilst at Rue Joseph II, the first with Klemen Oven and his team of Renata Pauliukaityte and Yuliya Shevchenko. This was to follow up on the previous meeting (in June 2022) and obtain an update on developments relating to the introduction of ICS2 and in particular Release 3, covering maritime transport (and road and rail) and planned for 01.03.2024.

Oven acknowledged that the introduction of Release 2, for air cargo, continued to be subject to delays and is now expected to become operational in December 2023 instead of March 2023. He stated this was because of the significant changes that were required to national systems, resulting in a large number of derogations as Member States struggled to effect the changes in time. Given that R.3 will use the same systems and procedures as R.2, he was hopeful that any remaining issues would be resolved in sufficient time to ensure that R.3 enters service on schedule. That said, he agreed that there were concerns about the availability of sufficient IT specialists (a common theme running through our discussions with DG-TAXUD and MOVE) to ensure the national and company systems were fully tested and operational at the right time.

The implementation of Phase 6 of the New Computerised Transit System upgrade (introducing new requirements for safety and security elements in transit declarations) will be aligned with the introduction of ICS Release 3 across all transport modes during the period October 2024 to March 2025.

Oven also confirmed the earlier (FJ) advice that the multiple filing elements of the entry summary declaration (ENS) will be introduced after R.3 goes live. Carriers will be the first to have access to the multiple filing facility, with freight forwarders following thereafter.

As reported previously, TAXUD are providing a wide range of resources to assist in the implementation of the various ICS2 Releases, including factsheets and videos, and posts on social media including Twitter and LinkedIn. Information on those sources has subsequently been received and circulated to members. Further information can be found on PICS, which also offers the facility for trade to post questions, some of which may subsequently be added to the FAQs.

An invitation to the ECASBA seminar was extended to Oven to provide an update on ICS to members.

The second meeting was with Matthias Petschke, Director of Directorate A, Customs, and his colleague Tobias Röcker.

As this was the first formal meeting with Petschke, it opened with a presentation on ECASBA and the role of the ship agent in making customs entries, which was well-received. We had been advised previously that the meeting would not provide an opportunity to discuss the upcoming UCC reform package in any detail and therefore the topic was only referenced in very general terms.

Acknowledging that, we took the opportunity to highlight the issues being faced by trade in adapting to the new processes, both already planned and proposed, increasing cargo volumes and new restrictions on imports and exports. The lack of suitably qualified IT professionals to implement the new systems was also highlighted.

Petschke acknowledged these issues and advised that action was proposed to improve and expand the AEO and trusted trader programmes and provide more facilitations to approved companies, whilst at the same time enhancing and harmonising risk management techniques and improving investigation capabilities by national customs administrations. A centralised data hub was also planned to provide Member States with access to information on a pan-European basis, which should further enhance cooperation and risk analysis.

He also advised that TAXUD was aware of the concerns about the impact of the ongoing customs reform programme and the ability of national administrations and trade to keep pace. He also acknowledged the need for a period of stability before embarking on the next stage of the process.

He therefore indicated that whilst the reform process would continue, the current UCC would be fully rolled out and implemented before a start was made on any changes or enhancements identified by the reviews.

Whilst Frank J has known him for a number of years, this first formal meeting with Petschke was open, friendly and provided an excellent opportunity to introduce ECASBA and reinforce the role of the ship agent in customs procedures.

TUESDAY, 28th MARCH: DG-MOVE

The next meeting was with Annika Kroon, Head of Unit D1, Maritime Transport & Logistics and her colleagues Roberto Alongi and Martins Zieds, responsible for development and implementation of the European Maritime Single Window project. Unfortunately, Ms. Kroon was delayed by discussions in the European Parliament on the Fit for 55 proposals and so at her insistence the meeting started without her and she joined later.

With ECASBA's long engagement on the EMSWe project known and noted, the meeting moved straight to its practical implementation and in particular the current MOVE work programme. Much of the work on developing the datasets has now been moved over to EMSA and DG-DIGIT is leading on the technical aspects of implementation, allowing MOVE to concentrate on the governance aspects of the project. This includes allocating responsibility between MOVE, EMSA and Member States and setting timelines, which should provide welcome clarity for users.

The conversation also covered development of the datasets and the need for coordination between MOVE, TAXUD and Member States in relation to the provision of ENS data in reporting to the national single window and the need for clarity for trade. We confirmed that ECASBA continues to keep our members updated on all developments and reiterates the need for close and regular communication with national authorities.

One issue of particular interest was a request by MOVE for guidance on the likelihood of a ship agent based in one Member State operating across borders and making entries to the Single Window from their country of residence, not the country of the port call of the vessel. This would require certain modifications to means of accessing the national system via a GUI. Our view was that this was unlikely, although we did offer to carry out a survey of Members if felt necessary. Given FONASBA/ECASBA's support for the use of well-established and well-founded ship agents operating in a professional manner from a fixed location, we advised MOVE that this is not a facility we would encourage.

TUESDAY, 28th MARCH: NH BERLAYMONT HOTEL/PARKSIDE BRASSERIE (ECASBA SEMINAR)

Following the formal meetings with the Commission, the opportunity was taken to meet with Shabnam Farkjasteh, the Events Coordinator of the NH Berlaymont to discuss the practical arrangements for the ECASBA seminar. We also revisited the restaurant where we met with ECSA the previous evening (the Parkside Brasserie, which had also been suggested by WSC) to view their facilities for hosting the post-seminar dinner. Based on that visit, the venue has been booked.

WEDNESDAY 29th MARCH: MEETING WITH DG-HOME

This was a follow up to that in June last year with HOME Unit B.3, responsible for information systems relating to Borders, Migration and Security, but was given added importance with the recent announcement of a delay in implementation of the Entry Exit System (EES) to an unspecified date in 2024 due to ongoing technical issues. Present at the meeting were policy

officer Alexandra-Ioana Andronache, legal adviser Justine Piret and, attending virtually, policy officer Aurelie Belzunces. Fabien Lutz, who led the meeting last year, is currently on sabbatical.

Regarding the delay to EES, it is anticipated that further information on the revised implementation timetable will be given in April and if so, it will be passed to the Members upon receipt.

With no further developments in relation to signing exit stamps for long-stay seafarers, the current concerns for ECASBA members relate to the use of Seafarer Identification Documents or passports for incoming crew members and the arrangements for processing incoming cruise passengers. The information received previously on incoming seafarers was that they would require to use their passports once EES was operational and this is a concern given that elsewhere they can travel using their SID.

During the discussion, we were referred to the revised (October 2022) Practical Handbook for Border Guards and specifically section 5, "Special Rules for Checks on Certain Categories of Persons", which states (sections 5.3.1 and 5.3.2) that seafarers may be allowed to enter Schengen States if they are in possession of ILO Convention 108 (non-biometric) or Convention 185 (biometric) SID's. This applies to off-signing seafarers entering via the port and on-signing seafarers entering at an airport. Section 5.3.2 also states that seafarers requiring a Schengen visa, but not in possession of one on arrival, may be granted one for the purpose of travelling to the ship or to the airport for departure. The above arrangements are of course subject to individual decisions by border guards at the point of entry and should be checked with individual Member States.

Regarding the impact of EES on arrival and processing of cruise passengers, this issue is being led by CLIA, but it is also of importance to ship agents handling cruise vessels on behalf of the lines. The reporting obligations for cruise vessels are relatively straightforward and covered under Section IV, part 2 of the Handbook. It confirms that provided the vessel does not exit the Schengen region during its voyage, checks will only be necessary at the first port of entry. To a significant extent therefore, the issues require to be addressed by the cruise operators in consultation with national authorities and ports and were therefore discussed with CLIA during the subsequent meeting.

WEDNESDAY 29th MARCH: ECASBA ADVISORY PANEL AND SEMINAR PLANNING

With no appointments scheduled for the morning of Wednesday 29th, the opportunity was taken to discuss initial plans for the ECASBA Advisory Panel meeting and the seminar in June.

WEDNESDAY 29th MARCH: MEETING WITH CLIA EUROPE

The meeting with CLIA Europe was convened to discuss the impact of EES on arriving cruise passengers and also to follow up on the discussions at the Antwerp Annual Meeting with Marie-Caroline Laurent, CLIA Director General, on the possibility of closer cooperation between FONASBA/ECASBA and CLIA on matters of mutual interest. As she was overseas during our visit, we met with Martyn Griffiths, Director of Public Affairs & Media.

Regarding processing of passengers, Griffiths advised that CLIA was in contact with the main cruise ports and appropriate national authorities to reach agreement on the provision of adequate facilities for timely processing of incoming passengers, although this was proving difficult. He also advised that the lines have modified their schedules to ensure that vessels remain within the Schengen region for as long as possible to avoid the need for additional checks

during the voyage. He said CLIA members valued the relationships they had with local ship agents and were consulting actively with them on these, and other, issues. They are also consulting with airports in order to gain experience of best practice in passenger handling. Griffiths was also envious of our previous meeting with DG-HOME, advising that communication between HOME and CLIA had been limited.

CLIA is also open to further collaboration with FONASBA/ECASBA, and a joint workshop for the 2023 European Shipping Summit (CLIA is also a SG member) on the impact of EES is being considered as a suitable first topic. This therefore will be considered further in the coming months. It also was agreed to look at other options for future collaboration and to maintain regular contact in the future.

SUMMARY

Overall, this was a successful meeting with useful progress being made in a short timeframe. Some of the issues raised in the meetings will be taken forward to the ECASBA Advisory Panel meeting and seminar for discussion with members whilst others will be progressed in the intervening period.

MT Rotterdam/JCW London, April 2023