

INTEROPERABILITY IN EU CUSTOMS

Gheorghe Caraiani, Valeriu Potecea,
Georgiana Surdu*

Abstract

In order to facilitate legitimate trade and the fight against fraud requires simple, rapid and uniform customs procedures and processes. Customs procedures should be merged or aligned and their number should be reduced to those that are economically justified in order to increase competitiveness.

Using information and communication technologies established by the Decision European Parliament and Council on a paperless environment for customs and trade, is a key element in ensuring trade facility and the effectiveness of customs controls as well, thus reducing costs for businesses and risks that society faces.

Key words: customs system, European Union

JEL Classification: F40, G0

Legal considerations

The implementation of the customs territory of the Community ECS emanates the following community rules:

- *Regulation (EC) no. 648/2005;*
- *Regulation (EC) no. 1875/2006.*

As of 01/07/2009, became mandatory use of phase II of the ECS, which involves establishing a common level of protection in customs controls on goods leaving the customs territory of the Community, the distribution of risk analysis performed between customs authorities involved and managing the exit summary declarations - EXS.

EU legislation requires that all goods out of the customs territory of the Community, regardless of their final destination, be subject to risk analysis and

* Gheorghe Caraiani, Valeriu Potecea and Georgiana Surdu are at the Romanian American University in Bucharest.

customs controls. Therefore, it is necessary to establish a common level of protection and to ensure uniform application of customs controls by each Member State.

The customs authorities of the Member States are obliged to exchange information on the risks posed by exported goods. For this purpose it is necessary to establish a common secure allowing authorities the access to information transfer and exchange them in a convenient and efficient way.

In case of goods leaving the customs territory of the Community shall be covered by a customs declaration or an exit summary declaration, they must be submitted to the competent customs office in the following terms:

When shipping:

1. *For containerized cargo, other than those covered by (iii) or (iv) at least 24 hours before the goods are loaded onto the ship in which they must leave the customs territory of the Community;*

2. *For bulk/break, at least 4 hours before leaving the port in the customs territory of the Community;*

3. *For movement between the customs territory of the Community except French overseas departments, the Azores, Madeira and the Canary Islands and Greenland, the Faeroe Islands, Ceuta, Melilla, Norway, Iceland, ports on Baltic Sea, North Sea, Black Sea, Mediterranean or all ports of Morocco, at least 2 hours before leaving the port in the customs territory of the Community;*

4. *for movements performed in cases other than those covered in paragraph (iii) between the French overseas departments, the Azores, Madeira, Canary Islands and territories situated outside the customs territory of the Community, where the journey is less than twenty-four hours, at least 2 hours before leaving the port in the customs territory of the Community;*

In the case of air transport, at least 30 minutes prior to departure from an airport in the customs territory of the Community;

In the case of rail and inland course, at least 2 hours prior to departure from the customs office of exit;

In the case of road transport, at least 1 hour prior to departure from the customs office of exit;

If suppliers of spare parts, for incorporation in ships and aircrafts to repair and maintenance of their motor fuels, lubricants and gas which are necessary for the operation of machinery and equipment used on board for food products

for to be consumed on board, at least 15 minutes before departure of means of transport from the port or airport in the customs territory of the Community;

Another new set of Community customs legislation is the obligation to provide pre-departure information for all goods leaving the customs territory of the Community. This information must be available before the goods leave the customs territory of the Community.

There are established rules and deadlines vary depending on the type of product, mode of transport and type of businesses.

Exemptions from submitting exit declaration (EXS)

Community law provides for several types of goods/or traffic for which the EXS is not required. Among the most important means of carriage are:

- *Empty containers;*
- *Intra cargo movements;*
- *ROB cargo (cargo remaining on board - FROB), including cargo loaded in other EU ports.*

Also, are excluded from the exit summary declaration submission non-community goods temporarily stored or trans-shipped term.

The exit summary declaration (EXS) shall be lodged at the customs office of exit. For maritime traffic that is Community port where cargo is loaded on a vessel that will bring in the Community, even if the vessel makes stops in other EU ports before leaving the Community.

The exit summary declaration shall be lodged by the person who brings the goods from the customs territory of the Community or responsible for the transport of goods from the customs territory of the Community - the carrier or by any other person who has or may have the authority to present the goods to the customs.

Ics - import control system

As of 01/07/2009, the customs territory of the Community shall apply the Import Control System (ICS). ICS is the first phase of the Automated Import System (AIS).

The objective of AIS is that import operations started in one Member State can be completed in another Member State, without relaying the same information to the customs authority. This includes the electronic exchange of

messages between customs authorities and other public operators on the different stages of import operations. In Romania, was implemented starting with 1.10.2009.

Advantages of using ICS

For customs: fast receipt of entry summary declarations and evaluation on the goods to be brought into the customs territory of the Community, making a more effective customs control of goods and the reasonable use of the information necessary for control.

For operators: the possibility of filing the entry summary declaration at a customs office different from the first office of entry into the customs territory of the Community.

How is applied ICS?

ICS functionality consists of the following operations which are carried out between the operators or shippers and customs authorities of the Member States as follows:

1. *Operators transmit electronic entry summary declarations to the customs before entering the customs territory of the Community;*
2. *Computer application of the customs authority verifies the data contained in the entry summary declaration;*
3. *The customs entry summary declaration recorded by the computer program by allocating a number called MRN (Movement Reference Number) or reject its registration where it appears that it is not properly completed;*
4. *If the entry summary declaration is registered / accepted, the customs authority shall send its registration number (MRN) to the economic operator and carrier;*
5. *If the entry summary declaration is rejected, the customs authority shall notify the economic operator and carrier regarding this decision.*

The data to be entered in the entry summary declaration are mainly those relating to: goods description (description of goods, quantity, weight, number of items, etc.), consignor, consignee, carrier, and other details relating to the carriage. This information is different depending on the transport mode.

The entry summary declaration shall be lodged by the person who brings the goods into the customs territory of the Community or arranges their transport to the territory.

The entry summary declaration may be lodged by:

- *The person in whose name acts the person who brings the goods into the customs territory of the Community;*
- *Or any person who is able to show or determine the goods to the competent customs authority,*
- *A representative of the people mentioned above.*

Exemptions from filing the entry summary declaration

All goods brought into the customs territory of the Community must be covered by an entry summary declaration. However, an exception applies to commodities such as:

- *electricity;*
- *goods entering through a pipeline;*
- *letters, postcards and printed matter, including on electronic medium;*
- *goods under the rules of the Universal Postal Union;*
- *goods covered by customs declarations made by any other act in accordance with art. 230, 232 and 233 of Regulation (EEC) no. 2454/93 of the Commission, except pallets, containers and means of road, rail, air, sea and inland waterway transport in the transport contract;*
- *goods contained in the personal luggage of travelers;*
- *goods for which an oral declaration is permitted in accordance with art. 225 and 227, and art. 229 (1) of Regulation (EEC) no. 2454/93 of the Commission, except pallets, containers and means of road, rail, air, sea and inland waterway transport in the transport contract;*
- *goods covered by ATA and CPD;*
- *lots of goods whose intrinsic value does not exceed 22 euros, provided that the customs authorities accept, with the economic operator to carry out risk analysis using the information contained / provided by the system used by the economic operator.*

Conclusions

Developing these measures, starting from 2009, and implementing electronic procedures have led to greater flexibility of customs, and increased their efficiency. These electronic declarations help to establish even from statistical point of view, much easier, the level for certain categories of goods.

Implementing new electronic procedures facilitates the export, or import operations, the economic operators are not suffocated anymore by bureaucracy, they can fill entry declarations even in other customs office in another Member State, not just the entry one.

References

Belu, M.; Joldes, C.; Marinaş, L. (2003) – Sistemul vamal, Ed. Economică, Bucureşti.

Butterly, T. (2003) – Trade Facilitation in a Global Trade Environment, UNECE.

Caraiani, Gh. (1998b) – Expediția internațională de mărfuri, Trainfortrade România, UNCTAD, Geneva.

Caraiani, Gh. (2000a) – Manualul declarantului și expertului vamal, Ed. Lumina Lex, Bucureşti.

Caraiani, Gh. (coord. şt.) (2008b) – Tranzacții internaționale – e-business & tipuri de contracte, Ed. C.H. Beck, Bucureşti.

Caraiani, Gh. (2009) – Lexicon transporturi și vamă, Ed. Wolters Kluwer, Bucureşti.

Hints, J.; Mannisto, T.; Hameri, A.P.; Thibedeau, C.; Sahlstedt, J.; Tsikolenko, V.; Finger, M.; Granqvist, M. (2011) – Customs Risk Management (CRiM): A Survey of 24 WCO Member Administrations, WCO, www.wcoomd.org.

Giermansll, J. – Risk Management: What Can You Really Manage?, în WCO News, nr. 62/2010, www.wcoomd.org.

Gordhan, P. – Customs in the 21st Century, în World Customs Journal, vol. 1, nr. 1, 2007, pp. 49-54.

McMaster, J.; Nowak, J. (2006) – The Evolution of Electronic Trade Facilitation: Towards a Global Single Window Trade Portal, în The Electronic Journal of Information Systems in Developing Countries.