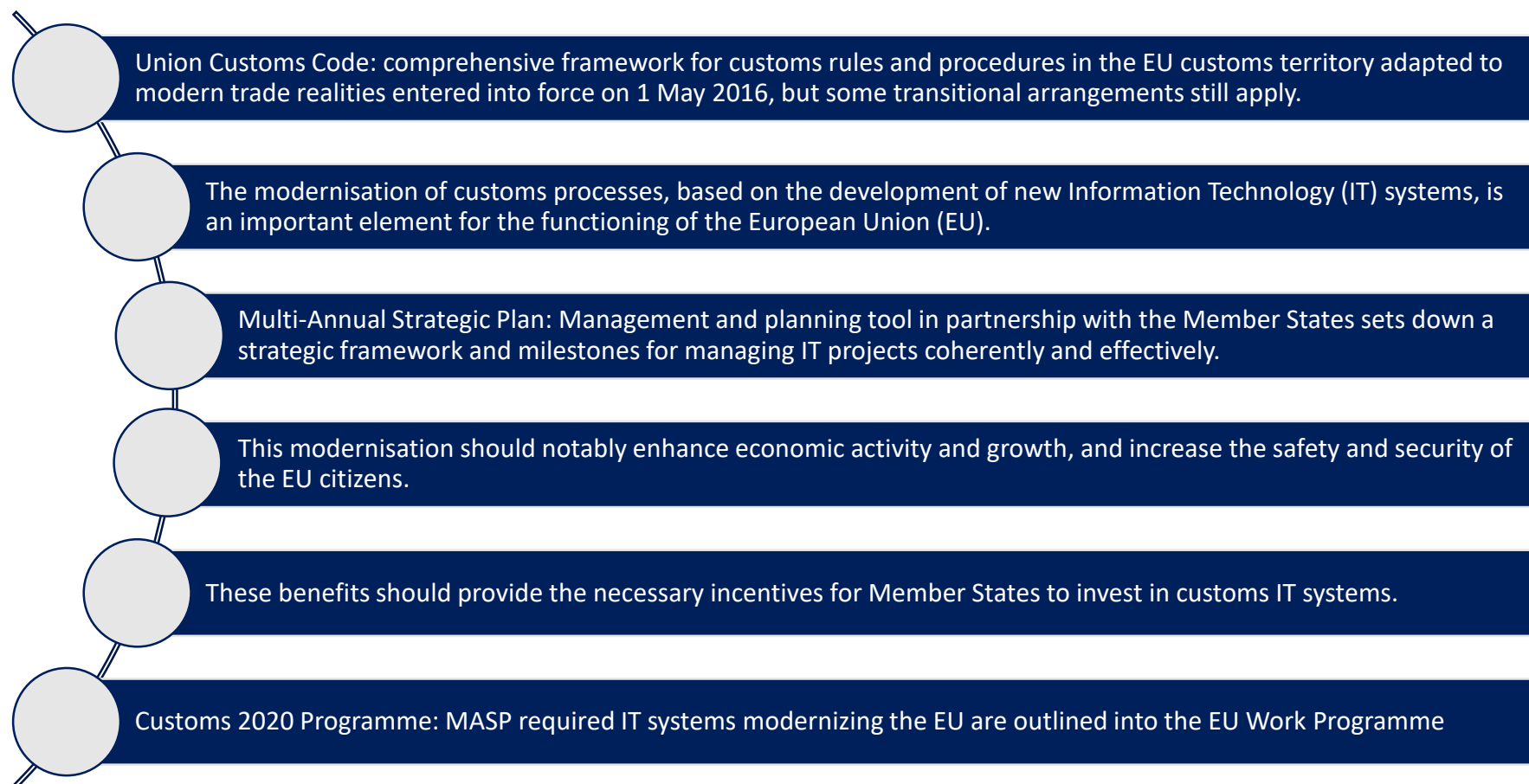


# AmCham EU: UCC IT Implementation

# The Customs Union is one of the pillars of the Single Market in the European Union

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## Vision that leads to the Multi Annual Strategic plan for IT



# UCC Work Programme Annual Progress Report

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## Follow up by Commission

In 2018 EU Commission and trade identified implementation delays, so that key systems were not available at the 2020 deadline set in the UCC.

In 2019 the EU Commission amended art. 278 UCC imposing deployments until 2025.

In 2021 trade again identified Member States having serious issues in keeping the deadlines, for 2022 planned national entry/import systems.

2022 EU Commission has allowed MS to move 2022 implementations to new deployment window ending 31 December 2023.

The delays are due to several factors:  
changing project scope, insufficient resources allocated by the EU and Member States, and a lengthy decision-making process

We also noted that the Commission did not report appropriately on delays.

# Traders need an efficient flow of goods into and out of the Customs Union

## What are the consequences for trade ?

- In 2023 numerous systems (such as ICS2 R2, NCTS P5, AES, upgrade of the national import system [NIS], entry related changes [AN-PN-TS]) will have to be fully implemented for 27 MS
- Several system implementations are currently foreseen for December 2023
- Considering testing, implementation and training, keeping the current legal deadlines would place unacceptable pressure on traders and on customs authorities, even more so if they coincide with peak volumes close to the holidays

Goals like more simplicity and uniformity in the application of customs rules and providing a fully electronic environment for the completion of customs formalities must be achieved under the UCC.

However, today we observe that the deployment of the electronic systems still faces major challenges.

The Commission has proposed to allow for a 9-month derogation for the national administrations.

The Commission has however not clarified how the derogations will result in additional time for the private sector,

leaving us with significant uncertainty and unrealistic deadlines for systems compliance. We would at least need 6-9 additional months to adjust systems and procedures

- We therefore believe that an **immediate review of the timelines remains necessary.**

# Derogation requests by Member States

Understanding this is a draft list as revision/implementing decision still pending

ICS2 Release 2	Arrival Notification	Presentation Notification	Temporary Storage
Austria	Austria	Austria	Austria
Denmark	Belgium	Belgium	Belgium
Estonia	Bulgaria	Bulgaria	Bulgaria
France	Croatia	Croatia	Croatia
Greece	Cyprus	Cyprus	Cyprus
Netherlands	Czechia	Czechia	Czechia
Romania	Denmark	Denmark	Denmark
Belgium	Estonia	Estonia	Estonia
Poland	France	France	France
Sweden	Greece	Greece	Greece
Malta	Hungary	Hungary	Hungary
Luxembourg	Luxembourg	Luxembourg	Lithuania
Croatia	Malta	Malta	Luxembourg
	Netherlands	Netherlands	Malta
	Poland	Poland	Netherlands
	Portugal	Portugal	Poland
	Romania	Romania	Portugal
	Slovakia	Slovakia	Romania
	Slovenia	Slovenia	Slovakia
	Spain	Spain	Slovenia
	Sweden	Sweden	Spain
			Sweden

Import systems
Austria
Denmark
Estonia
France
Greece
Netherlands
Romania

EU proposed derogation decisions for upgrade of the national import system, entry related changes [AN-PN-TS]and ICS2-R2

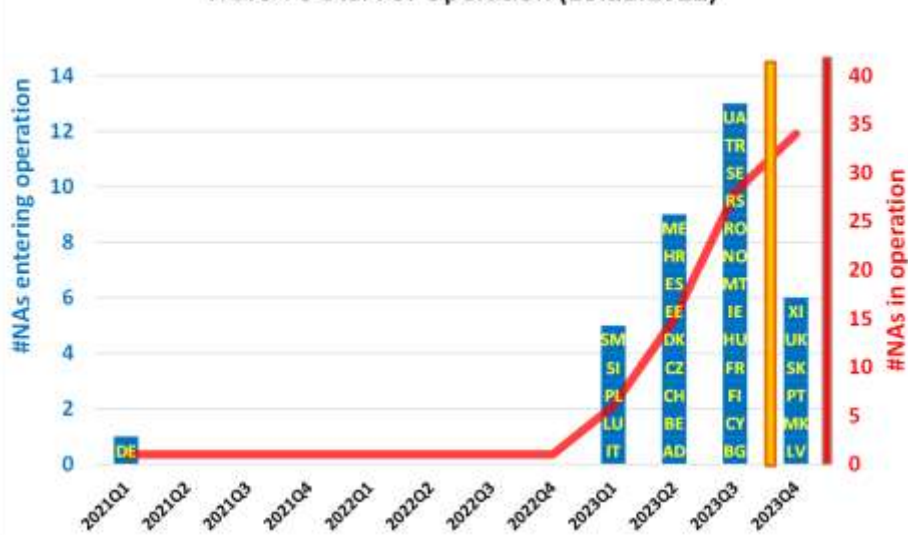
UCC Projects/ Systems	Legal deadline	Maximum proposed derogation deadline MS system readiness
<b>Arrival Notification</b>	31/12/2022	31/12/2023 (for air) 1/03/2024(for road–rail-maritime)
<b>Presentation Notification</b>	31/12/2022	31/12/2023 (for air) + condition 1/03/2024 (for road–rail-maritime)
<b>Temporary Storage</b>	31/12/2022	31/12/2023
<b>National Import Systems</b>	31/12/2022	31/12/2023
<b>ICS2 Release 2</b>	01/03/2023 -1/10/2023	30/06/2023 (for MS readiness)

Economic operators are advised to contact MS of presentation before 01.03.2023 to clarify presentation process as there could be changes in the process compared to ICS2 Release 1 or ICS.

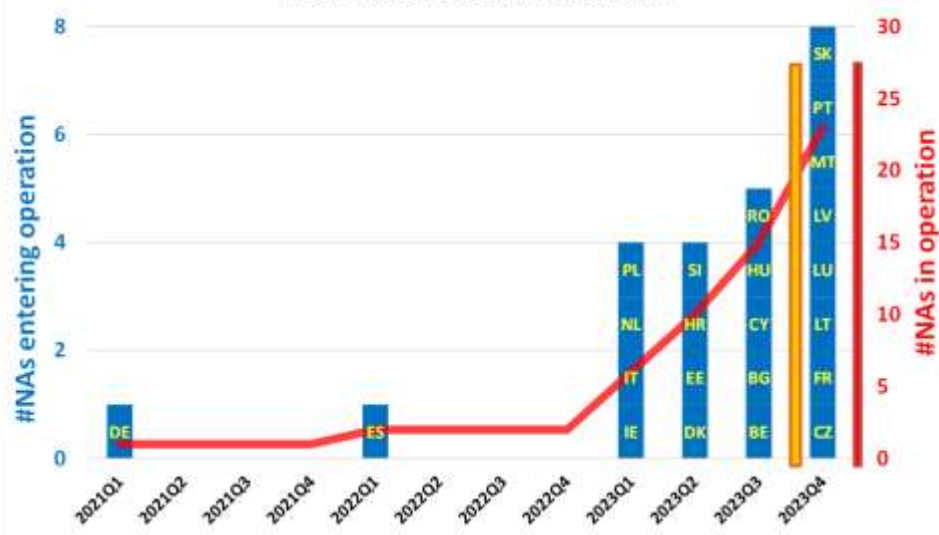
# Timelines AES-NCTS P5 National implementation plans

## Meeting ECCG/TCG: New Picture MS Progress and Plans

NCTS-P5 Start of Operation (13.11.2022)



AES-P1 Start of Operation (13.11.2022)



- 62% of 27 National Administrations have published trader specifications
- 32% National Administrations have trader test environment
- 15% NAs have their NPP under review 17% NAs are in inception or in procurement

The main problems raised by trade are about process, specifications, timeline (peak 2023), limited benefits of the UCC in the current economic climate, lack of resources.

Express carriers were also informed the European Commission and the Member States, that it is definitely not possible for us to “switch between priorities” and focus from one month to the others from import to export and transit related system implementation.

# What will the effects of not having an efficient IT environment in 2023?

Risk of a significant burden on trade

Customer  
experience

Country and Systems  
preparedness  
multiple deployment  
windows, differing  
implementation dates  
difficult to manage in 27  
Member States

The HS and EORI  
requirements add an  
additional layer of  
complexity for EO

Manual inefficient  
workaround, impacting  
the original objectives  
of the reform

Areas of impact:  
Process improvement  
Simplified procedures  
Electronic, fast and  
reliable environment to  
process customs  
procedures

Productivity

# Impacts of Customs system changes to an Express Integrator

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- What does a large-scale implementation entail?
  - Analysis of the scope per country
  - Analysis of the common scope (if multiple countries are affected)
  - Mapping of the customs and customs system requirements to the business processes
  - High level definition of the functional requirements
  - Identification of all affected systems and dependencies based on the high-level requirements
  - Budgeting and planning of Corporate IT resources
  - Budgeting and planning of regional and local IT resources
  - Analysis of operational impact and ensuring staffing bandwidth is given
  - Work sessions with IT teams to detail requirements, on all levels required (Corporate, regional and local)
  - Establishing new operating plans for operational business units
  - Definition of the non-functional requirements
  - Definition of a Business Continuity Plan
  - Alignment with Customs on local and country level to discuss changes and mutually agree on process changes
  - Alignment with Marketing for the required communication with customers
  - Communication with customers
  - Communication with impacted operational business units
  - Building and executing project plans with all stakeholders
  - Develop solutions (IT) and integration between IT components
  - Unit and End-to-End Testing, User Acceptance testing
  - User training



# Impacts of Customs system changes to an Express Integrator

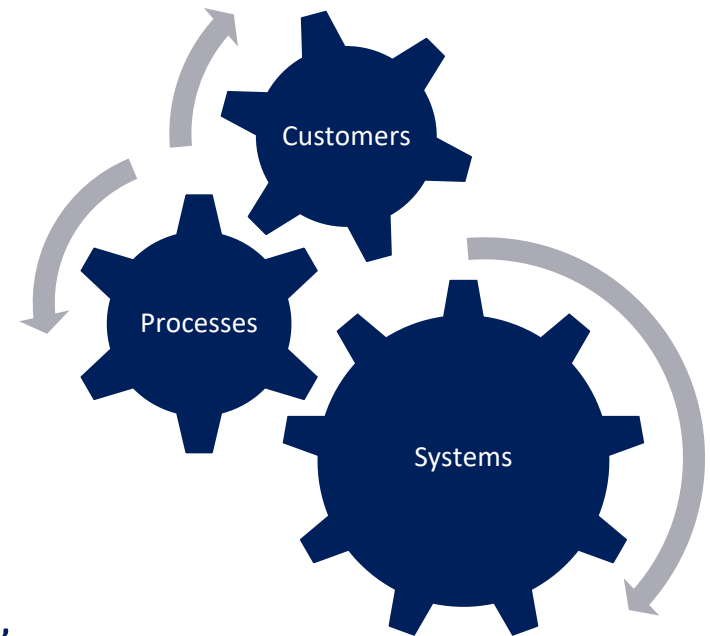
*What does a change of plan impact the efforts?*

## **Many moving parts**

- Multiple systems are involved and need to re-adjust and coordinate their approach.
- IT are shared resources. A project timeline or scope change impacts on other projects.
- Operational changes (staffing and staffing plans, processes).
- Customer changes (what data to provide by when, and how).

## **Customer communication**

Projects affecting our customers (data acquisition, example: HS Codes, EORI number) must be clear and reliable.



# Our recommendations

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AmCham EU recommends DG TAXUD to guarantee:

- Respect of agreed and committed lead times
- Transparency about delays
- Stable finalized requirements – timely published
  - ! Industry needs 18 months from finalized requirements until deployment
- Working and available test environments
- Guaranteed availability of help desks
- Collaborative agreement on working procedures
- Centralized end to end management
- MOU's reflecting a pragmatic approach to the control and sanctions of new requirements
- Transparent communication adapted to the audience
- Third country campaigns informing stakeholders about the new legislation