BUSINESSEUROPE

POSITION PAPER

14 January 2011

BUSINESSEUROPE PRIORITIES ON THE 6TH DRAFT OF THE MODERNIZED COMMUNITY CUSTOMS CODE – IMPLEMENTING PROVISIONS (MCCC-IP)

This document lays down a number of priority issues where the current draft of the MCCC-IP should be improved. It is important to note that other issues not supported by BUSINESSEUROPE in the MCCC-IP, such as the approach of directly discussing questions of procedure in "explanations" or "guidelines", or the lack of clarity over the term "established", remain relevant although they are not addressed in this document. The aim of this position paper is to provide detailed comments on some specific MCCC-IP articles.

I. Authorized Economic Operator – AEO

The AEO concept foresees that an economic player which is examined and found reliable by customs authorities will receive number of customs facilitations. In the granting of this status and beyond, an AEO needs to ensure – within the monitoring – that all measures deemed necessary are taken to avoid that critical consignments are imported or exported without the necessary permits.

However, requirements to AEOs are very high and at present its advantages are disproportionate to these requirements. Therefore, the AEO needs to be given additional advantages; notably in the fields of:

1. prior entry summary declarations for imports;
2. prior departure summary declarations for exports;
3. customs declarations.

As a matter of principle, BUSINESSEUROPE is in favour of all necessary measures. However, additional simplifications should be granted to an AEO as a reliable economic operator. AEOs should have the possibility to waive prior summary declarations and customs declarations. Simultaneously, periodic global declarations and periodic summary declarations should be introduced.

Such an approach would also release extra resources at customs authorities, which could focus on really critical operators and procedures. Activities for provably reliable and safe operators might be limited to random checks on site. This approach would be certainly better targeted than 100% control which cannot be realized in practice, anyway.

Below are some proposals of how a waiver of prior summary declarations and customs declarations for AEOs could be implemented:

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a) Coverage under Article 525-2-01 (Self-Assessment)

i) Prior summary declaration

***Export**: Global declaration instead of individual prior departure summary declarations in the export sector*

Individual prior notifications should be replaced by one global declaration by the AEO which should only state the number of its authorization in an accompanying document. Based on this authorization number, the customs office of exit could see that the AEO does not need to submit individual notifications but only one global declaration.

AEOs, to which such simplifications were granted, would be named in a customs database which only the customs authority could access. Obviously, the AEO would commit itself to enable all controls at all times. Access to the systems of operators would not be necessary.

Is should be noted that this form of simplification in the export sector had already been mentioned in a "non-paper" from 2004, prepared by Michael Lux, Head of Unit, DG Taxud. On page 6 it states under time II Authorized Economic Operators (AEO): *"The possibility of waiver of the need to provide a customs summary declaration for certain AEO's that meet the very highest standards, is not excluded."*

***Import**: Global declaration instead of individual prior entry summary declarations in the import sector*

Similar to the proposals for the export sector, the possibility of one global declaration by the AEO – instead of individual notifications – should also be proposed for the import sector. The AEO would only state its authorization number, assigned to it within this simplification. The customs office of entry would check the relevant items of information by way of a database, where also the granted level of simplification – with reference to the authorization number and the company name – would be stored.

ii) Customs declarations

***Export**: Periodic summary declaration instead of individual notifications in the export sector*

On-line notification for each individual procedure would no longer be necessary as the operator would enter the data into its internally accounts. At the end of a given period (usually, at the end of the month) the operator would submit – to the competent customs authority and the statistical authority – a summary declaration which would include all procedures and relevant data for the period at stake.

***Import**: Periodic summary declaration instead of individual notifications in the import sector*

In the import sector, the above described approach in principle is already implemented, i.e. the entry in the accounts of the operator is regarded as release of the goods.

However, this practice must not be linked with the condition of online access to the operator's system. On a practical basis, online access – in various forms – of customs authorities to IT systems of operators is not possible. In any case, according to BUSINESSEUROPE's information such an online access was not desired by German customs authorities, either. Therefore, the term "access" should be understood as the possibility of inspection by customs authorities – and here, this should be interpreted solely as the possibility of physical access and control of data on site. Relevant rules could be laid down in the provisions of the local clearance procedure.

b) Coverage under Article 521-3-01 (local clearance procedure, import)

Note: This procedure could only be used for the import sector.

***Import**: Periodic summary declaration instead of individual notifications in the import sector*

The waiver of the customs declaration in the individual case – with simultaneous release with entry in the accounts – could be stated here. However, granting must not be linked with the condition of online access to the operator's system. In practice, online access – in various forms – of customs authorities to IT systems of operators is not possible. At least in the past, such online access was not desired by national customs authorities, either. Therefore, the term "access" needs to be understood as the possibility of inspection by customs authorities – and here, this needs to be interpreted solely as the possibility of physical access and control of data on site.

c) Coverage under Article 521-3-02 (local clearance procedure, export)

Note: This procedure can only be used for the export sector.

***Export**: Periodic summary declaration instead of individual notifications in the export sector*

Here, the waiver of the customs declaration in the individual case – with simultaneous release with entry in the accounts – could be stated, which is already embedded there.

d) Global declaration instead of individual prior departure summary declarations in the export sector

It should be clarified under what conditions the rules under Article 820-15 (2) letter (a) in conjunction with Article 810-03 could also be used for waiving prior departure summary declarations.

e) Global declaration instead of individual prior departure summary declarations in the import sector

With all the exemptions for the prior departure summary declarations in the import sector listed in Art. 410-05, an additional waiver for "Authorized Economic Operator" (AEO) should be added.

II. Customs valuation and first sale rule

Art. 230-02 Customs value; first sale rule

Contrary to the current regulation (Article 147 of the CCC-IP), the use of the “first sale rule” will not be possible anymore in the future regulation (Article 230-02 of the MCCC-IP). The cancellation of this provision will lead to a higher customs value of the good at the moment it is imported into the EU and, accordingly, to an increased duty base on which tariffs are applied. This change in policy will create a significant disadvantage for importers into the European Union. A change in this policy could even be considered by other countries and jurisdictions as a protectionist measure. In the current economic environment, protectionist measures are condemned by trading partners as most countries agree that such measures will ultimately delay the global recovery.

BUSINESSEUROPE assumes that the Commission is currently reviewing its policy on “first sale for export” due to the recent work of the World Customs Organization Technical Committee on Customs Valuation. There are serious concerns on the outcome of this study. It seems that the assessment of the first sale rules was based on incorrect assumptions and a lack of experience with the actual import practices of the trading community.

A similar policy change was attempted by the Customs Authorities in the United States but has since then been halted due to the very persuasive arguments and impact studies submitted to the Authorities by the importers. There is some vested hope that the US will shortly announce a revocation from its envisaged changes to the first sale rule. From that perspective BUSINESSEUROPE calls upon the Commission to reconsider the envisaged changes to this rule. As already described on several occasions, a repeal of the first sale rule would result in substantial disadvantages for business. A unilateral adherence to the envisaged revocation would damage the EU economy all the more. An estimated increase by 250 million Euros of the customs debt inside the entire EU would be a very considerable impact of the deletion of only this single rule. It must be noted that the first sale rule is only one part of a large number of other rules that all together put heavy financial obligations on companies.

BUSINESSEUROPE supports the Commission in its desire to ensure a uniform application of the regulation. However, international harmonization cannot be an end in itself. The point that some countries have introduced the "last sale rule" is not reason enough for other countries to follow this example without any binding legal basis. In this case, China is a particularly bad example. Therefore BUSINESSEUROPE requests to retain the current “first sale rule” which needs to be implemented consistently throughout the EU.

Art. 230-11 Royalties and Licence Fees

On the one hand, the waiving of the additional requirements for the addition of license fees to the customs value, as laid down in Art. 160 , and the extension of the scope of those cases where royalties are considered a condition of sale on the other, leads to a situation where license fees generally have to be added to the customs value.

Irrespective of the fact that considerable problems are bound to arise in practical implementation – if this is feasible at all – BUSINESSEUROPE is convinced that this stands in contradiction to the fundamental principle of customs law, namely the taxation of imports. The latest consolidated version of the MCCC-IP, dated 29 September 2010, does not provide yet an appropriate solution to this issue. BUSINESSEUROPE demands to maintain the status quo.

Art. 230-13 Customs Value – Transportation costs

The customs security initiatives have resulted in a substantial increase of transportation costs, e.g. through the introduction of security fees at airports and seaports, or the use of special container seals. The additional costs created by the obligations imposed by the customs authorities presently are additionally subject to the payment of duties since they are treated as additions. It cannot be seen just why the business community, which is anyway burdened with additional costs due to the security initiative, should bear these costs in the form of an addition, and thus absorb a double increase of the customs value. Therefore, we request an amendment of the customs value rules excluding this effect.

III. Entry in the Accounts and Centralised Clearance

The most recent information sent to the Electronic Customs Group in December 2010 indicates a delay in implementation of the provisions on Centralised Customs Clearance and single European authorisation. It seems that this delay is due to difficulties in managing VAT and the absence of interconnections between the information systems of the 27 Member States. BUSINESSEUROPE cannot accept this situation: these two elements constitute the main improvements for European companies in the modernised customs code. Moreover, they are completely in line with the EU's 2020 strategy. If they are abandoned, it would mean that the Modernised Customs Code will essentially entail tighter conditions for the grant of customs regimes without offsetting facilitation measures. BUSINESSEUROPE calls for a rapid re-examination of this issue, and for effective provisions on decentralised customs clearance from the first day that the Modernised Customs Code enters into force on 1 July 2013.

Entry in the Accounts at participant's accounting department is regarded as release

The provision related to the local clearance procedure contained in the present regulations under Article 266 para. 2 to the effect that the entry in the accounts in participant's accounting department is regarded as release, was still set forth under the general regulations concerning release (Art. 532-03 para. 3) in the previous versions. The most recent version of the MCCC-IP, dated 29 September 2010, includes this regulation both in Art. 521-3-01, and in the regulations concerning self-assessment (Art. 525-2-01 and 525-2-02). This regulation must be retained but without the necessity of an IT on-line-access.

BUSINESSEUROPE requests the following:
A simplification must be conceded, at least for trustworthy participants, in such a way that "the entry in the accounting records of the participant equals the release of the goods". This must be included within the framework of the local clearance procedure, or be regulated under self-assessment. It must not be linked with an on-line access to the systems of the participant. In practice the on-line connection of the customs authority to the diversely designed IT systems of the different participants is not possible and, as a consequence, was not desired in the past by national authorities. Therefore, one has to understand "ACCESS" as the opportunity of the customs authority to get insight only as a physical access to the participant and the opportunity to control data on site.

Reasons:
Based on this regulation a manufacturing business can presently dispose of the goods directly following the plant-level recording. A discontinuance of this regulation would mean that the Manufacturing operations and the supply of the components for assembly would have to be restructured in such a way that the goods may be released only after the customs clearance has been obtained.

Considering today's import processes this is not possible, or only with a substantial effort, in the case of large corporations. These processes are tailored to insure that the goods can be delivered "just in time" so that the supply capacities, peculiarities of the carriers and the utilization of the production capacities determine the economic efficiency. Delays based on a single clearance need would jeopardize the entire process and would create substantial disadvantages for the EU-business community.

Centralised clearance and Entry in the Records

European trade and industry in general and SASP-holders in particular consider the combination of Centralized Clearance (MCC Art. 106) and Entry in the Records (MCC Art. 107) a desired and advanced form of trade facilitation. It allows for the release of goods by an entry in the records containing a minimum number of data (summary declaration). In most cases there is no further requirement for active notification for the release of the goods and only at the request of the office of entry will there be additional safety and security checks. This ensures minimal interruption of the supply chain and provides opportunities for the importer to optimise the use of economic customs regimes and exemptions. Therefore it is necessary that this simplification will also exist in future.

A change has been proposed, taking the form that an Entry in the Records is done by sending a (simplified) declaration to the tax authorities (Office of Import) which then send this declaration on to the Office of Entry. The Office of Entry would consequently perform the deemed necessary safety and security checks (e.g. national restrictions and prohibitions) for release of the goods. This method has the following significant drawbacks:

- A trader has to deal with two individual customs offices that both perform their own safety and security checks (this contradicts the concept of Centralized Clearance);
- The active notification negates the essence of simplification Entry in the Records;

- Most SASP-holders use local clearance to release goods into free circulation. The proposed method would disadvantage SASP-holders, since the equivalent Entry in the Records would not be applicable to them.
- There are more data elements in the simplified declaration than a summary declaration. This means that combined with the obligation of active notification there is no real advantage above doing a full customs declaration.

The (financial) records of SASP-holders and AEO-certified companies must meet the high standards set by the EU. Furthermore, these records are the basis for all other taxes and internal and external audits. Traders that have proved they are reliable and highly transparent partners should be eligible for fewer checks and formalities.

BUSINESSEUROPE suggests that the combination of Centralized Clearance and Entry in the Records should be closely guarded in the Modernised Customs Code.

IV. Guarantee Management System

There are serious doubts in relation to the Guarantee Management System. It appears that the system of comprehensive guarantees and reference amounts that is currently in use for the transit procedure will be made the standard system for all procedures which require a comprehensive guarantee. This will make it possible to use the NCTS guarantee management system for all suspensive customs procedures. This might be an easy system to develop (copy from NCTS). However, BUSINESSEUROPE is of the strong opinion that this will constitute a disproportionate new burden to European trade and industry.

BUSINESSEUROPE is opposed to the proposed expanding of the guarantee management system to all customs procedures since this would mean that trade and industry can no longer rely on general guarantee and as a result would be faced with a new and unnecessary administrative burden.

V. Data requirements

BUSINESSEUROPE supports, as a matter of principle, the modernization and simplification both of the Customs Code and of the implementing regulation as well as the introduction of new rules which are necessary for risk-analysis. However, it is important to maintain the right balance between security on the one hand, and the smooth functioning of supply chains and free trade on the other. With this in mind, BUSINESSEUROPE would like to submit the following observations and requirements on Integration and Harmonisation Issues, relating hereby to the draft TAXUD/1605/2009 Rev. 6, dated 13 September 2010.

1. Consignee (full name/address), box 3/4

Where exports are carried out involving a sub-contractor, the sub-contractor is frequently not in a position to state the full name and address of the consignee in the export declaration. Therefore, a rule reflecting the statements under "Consignee

identification no.", box 3/4) should be incorporated in the explanations – with the following wording: "*In cases referred to in Article 820-1(3) (ex Article 789), this information shall be provided where available.*"

2. Consignee identification no. (EORI no.), box 3/5

This is an "obligatory box" for the export summary declaration. However, this is not workable in practice, as a consignee established in a third country usually does not have an EU EORI number. Consequently, this item of information should be deleted, both as regards summary declarations and export declarations (where, according to the current draft version, Member States can demand this piece of information).

3. Buyer/Seller (identification), boxes 3/10 and 3/11

BUSINESSEUROPE welcomes that providing this piece of information is only necessary in case it is known to the party that files the export/import summary declaration.

Indeed, this piece of information should not pose any problem in direct business. However, when it concerns indirect business the risk for importers/exporters to lose a business opportunity is given as sensitive data – which should not be disclosed – is passed on to business partners. In order to ensure the protection of confidential business information, this piece of information should be demanded only – if at all – in the absence of a representation.

4. Country of routing codes, box 5/17

It is planned to make this piece of information obligatory for the export summary declaration. Overall, this should not pose any problem for the carrier.
However, in the export sector the export summary declaration is made regularly by filing the export declaration. At least in large companies, this is usually done by the exporters themselves. Usually, exporters are not in the possession of relevant detailed data. Therefore, the existing rule should be again incorporated (footnote 47: ... "*to the extent known*" ...). At the very least, a footnote needs to be included to the effect "*The route, which will probably be used, must be stated.*" At the moment in time when filing the summary declaration, the exporter cannot know in each individual case the exact route (which is decided by the carrier/forwarder and can depend in road transport e.g. on the traffic volume).

5. Description of goods, box 6/4 and Commodity Code, boxes 6/11 to 6/15:

BUSINESSEUROPE calls for maintaining the status quo, meaning that in both the transit procedure and the summary declaration, the option should be kept up to choose between either submitting a description of the goods or stating the HS heading for

transit / HS-subheading for the summary declaration. As presently the case four digits should continue to be sufficient for risk-analysis requirements.

BUSINESSEUROPE understands the intention to make it easier to match and compare data through the use of commodity codes. However, additionally to the fact that those will not be sufficient for IT checks in many cases – especially where "collective codes" are used – all this invariably involves considerable extra work for all involved parties.

In some sectors of industry the goods-related risk of the product range is negligible (e.g. automobile parts). Here the numbers of data sets to be submitted would considerably increase workload and costs, obviously with an equal rise in volumes of declarations.

Regarding import and export declarations, the planned rules (both statement of commodity code and description of goods) reflect existing rules and are thus acceptable. However, in order to avoid unnecessary extra cost and workload, it must remain possible to enter a description of goods instead of the commodity code. The use of codes might be conceivable for an easier matching and comparing by IT (e.g. automobile parts for car bodies = code 1000). Today, such "collective codes" are also used for statistical purposes.

6. CUS Code, box 6-10-1

The introduction of CUS Codes creates a new requirement, which was not included in earlier drafts. TARIC measures – with reference to CUS Codes – have not been known, either. BUSINESSEUROPE would also like to raise the point that the ECICS database – on which CUS Codes are based - is not a complete inventory of chemical substances and does not comprise all thinkable mixtures, either. Moreover, availability of this database on the internet is frequently limited. Consequently, this database makes no useful basis for binding provisions under customs law.

Furthermore, BUSINESSEUROPE cannot accept a one-side extra burden on the chemical industry, which would be the only party impacted by this piece of information. It is also worth noting that economic operators' IT systems are not geared to systematic coverage of CUS Codes as this piece of information is not necessary for ordinary business practice. Therefore, introducing a requirement to obligatorily state the CUS Codes would put a considerable additional burden on chemical companies only which would also include costly modifications of IT systems. For these reasons the stating of CUS Codes should not be made obligatory.

General remarks on data submission in the event of summary declarations

Regarding imports, in many cases the required data is not yet available to the importer at the moment in time when making the declaration (e.g. with the terms of delivery CIF, CIP, DDU etc, where the importer does not initiate the transport). Solely and only the carrier/forwarder is in a position to obtain such data in all cases from its contract-giver (supplier or importer). Companies' experience and research show that in any case

most of the relevant data are usually available to the carrier/forwarder. Against this backdrop, BUSINESSEUROPE rejects any submission of data for the importer in the framework of the summary declaration.

The same applies to a prior submission of (incomplete) declaration data which – according to existing rules – needs to be submitted only in the framework of the import declaration (e.g. seller) and which is to be merged together into one data set by way of a joint reference number. This addition to existing data sets – across various processing levels – would cause unacceptable duplication of work and unnecessarily increase the risk of refusal of customs clearance.

Consequently BUSINESSEUROPE rejects such duplicate notification and calls for submission of data for summary declaration exclusively by the carrier/forwarder, within a uniform data set ("single filing").

VI. Oral customs declarations

BUSINESSEUROPE is very concerned about a further cancelling of procedural simplifications which hereby relates to prior summary declarations and customs declarations, both on the import and export side. According to the still applicable version of the CCIP (Articles 225/226) oral customs declarations are possible, as a matter of principle, also for goods of a commercial nature. Its use is conditional on the facts that a statistical threshold (dependant on the member states, e.g. 1000 Euros in Germany) is not exceeded, the goods are not part of a larger freight movement nor they are split consignments.

Given that no written/electronic customs declaration is required in such cases, this existing provision constitutes a simplification especially for samples or sporadic small packages. In addition, the problem of "sufficient" timing for prior declarations would not arise. Express delivery services can ensure very short transport times, also for cross-border services, which are sometimes shorter than the time limits set for prior summary declarations. Delays are thus avoided, mainly on the import side. As a consequence, samples for analysis etc, which are not explicitly ordered (and often need to be supplied at short notice), are not subject to delays in import procedures. Given the practical impossibility of planning ahead for such consignments, obligatory prior summary declarations would be counterproductive for them.

According to the latest draft of the MCCC-IP, however, this simplification has been or risks to be cancelled. BUSINESSEUROPE requests to retain this rule. According to the new rules in Article 522-4-02, the exemption from written/electronic customs declarations – both in imports and exports – continues to apply for goods of a commercial nature only if they are contained in travellers' baggage.

BUSINESSEUROPE is very concerned that existing exemptions from written declarations through the possibility of oral declaration or declaration through other forms of statement of intention (such as simple border crossing) – as both under Article 410-05 (e) for imports and under Article 820-15 (2) (a) in conjunction with Article 810-

03 (e) for exports – will be cancelled, because these exemptions are a condition of the possibility of exemptions from the submission of prior summary declarations. Thus, also these exemptions would be no longer given

This would mean a massive worsening of the situation as compared with the status quo, both for importing/exporting companies and for logistics service providers (especially courier/express services). This is due to the fact that even small packages (worth over 22 Euros) would basically fall under the prior summary declaration requirement. For example, where an approved exporter submits a simplified export declaration, the prior summary declaration would still need to be made by the carrier (= courier service) which would cause immense extra work.

On the import side, summary declarations have to be submitted by the carrier, as a matter of principle. Now this would be necessary for small packages, too. Moreover, in future work-intensive written/electronic customs declarations would be required also e.g. for consignments of samples. This would be out of proportion to the value of the goods. For "unexpected" consignments (e.g. samples for analysis), which are not ordered regularly, compliance with prior declaration periods would be almost impossible and cause substantial delays.

BUSINESSEUROPE would also like to underline that on the export side a cancellation of existing exemptions would lead to an increase by around 20% of procedures to be dealt with. This additional workload would have to be handled not only by companies but also by customs authorities. Furthermore, controls of usually non-critical consignments would be rather counter-productive to the goal of detecting critical consignments and preventing their import or export. Maintaining existing exemptions would enable a focus on really critical cases and not tie down resources and energy for dealing with generally non-critical consignments. Lastly, it should be noted that other important trading partners, such as the US, are having similar trade simplifications for small consignments.

For the above reasons, BUSINESSEUROPE is calling for workable and trade enhancing rules. Existing exemptions, such as oral declarations for consignments worth fewer than a specific threshold, samples or business documents, should remain applicable.

VII. Further comments

- **Non-preferential origin; Rules**

BUSINESSEUROPE rejects an expansion of the existing product-specific origin rules to additional, or even to all products. The arrangement in place to the effect that the last major step of transforming and processing is decisive for the non-preferential origin has in the past proved to be fully sufficient. In the area of non-preferential origin, the introduction of additional origin rules would result in administrative burden for the involved enterprises, which are almost impossible and would create unacceptable competitive disadvantages.

- **General Remarks regarding the arrival of goods**

Based on arrangements envisaged for the ocean shipment of containers, the carrier shall submit the prior entry summary declaration to the entry customs office in the European Union 24 hours prior to loading at the port of departure. Based on annex 30A, either a clear description, or the entry of the first four digits of the Combined Nomenclature (CN), are sufficient.

So far, it is planned that "with the exception of stating the MRN" no cross-checking of contents of the prior entry summary declaration with the customs declaration is made. This must not be changed by other rules in the MCCCIP.

Furthermore, we demand that a change to the prior entry declaration is possible at any time without any consequences in terms of customs debt and that rules applicable under the NCTS are applicable also in future (i.e. general description of goods is possible; no obligatory stating of commodity codes).

Art. 710-18 Settlement within the framework of inward processing and special use

In this case, a settlement for the special use (in the MCCC for final use) is in future demanded in principle based on the present settlement for inward processing and the processing prior to customs clearance except when the customs authorities do not deem this necessary.

This means an increased administrative effort for the procedure, making it inefficient (in the past it was only necessary to proof that the goods have been used accordingly but no formal settlement). BUSINESSEUROPE accordingly requests maintenance of the status quo.

General remarks concerning guaranties for inward processing and End Use

The present regulations in connection with the provision of guaranties in the area of inward processing and End Use provide for the possibility of waiving guaranties under these processes. Therefore, no guaranty is requested for these processes, as a rule. This must be ensured also in the future.

The provision of guaranties for these processes would constitute a substantial burden for the business participants with sustained negative implications.

General remarks concerning the deletion of the possibility to use a manifest etc as T1

At present, existing simplifications enable the use of a manifest, both as proof of Community status (T2L, Article 317a CCC-IP) and as transit declaration in the case of T1 goods (Article 445 CCC-IP).

It is planned to delete these possibilities for the future. This would mean more work and costs for service providers, which they are most likely to pass on in financial form.

VIII. Waiver of the submission of the preliminary notifications

- **Art. 410-05 Waiver of the submission of the preliminary import notification**

Further exemptions should be allowed, e.g. for nominal values or for particularly trustworthy individuals.

- **Art. 820-15 General waiver of the "Prior Exit Summary Declarations (**

In particular, trusted exporters should have the possibility to completely dispense with prior entry summary

IX. Innovative rules not implemented but of advantages for both sites, operators as well as customs authorities

- **Art. 123-04 (Identification of the customs authority to which the applications have to be sent)**

BUSINESSEUROPE calls for the possibility to use one global authorization for one company group. This would reflect better the global business environment, in which companies operate today, which is characterized by: global supply chains; the possibility that access to the companies' group's system can be given from everywhere; companies within one group use the same IT-system; companies within one group normally have identical organizations, structures and processes.

BUSINESSEUROPE does not understand a need to check the same information in different countries and from different customs authorities, as this will only result in higher costs and workload for all participants. Therefore BUSINESSEUROPE requests to introduce the possibility of a global authorization for a group.

- **Art. 722-25 Shipment Procedure – Alternative proof for the termination**

The proof of proper handling of the shipment procedure can presently be furnished through the following alternative forms of proof, among other things:

- a certificate accepted by the customs authorities of one member state of the customs authorities of the destination member state, which contains information on the identification of the goods concerned and which indicates that the goods have been presented to customs at the destination customs point, or to an authorized recipient.
- a customs document accepted by the customs authorities concerning the receipt of a clearance of the goods for customs law purposes in a third country, or a copy, or photo copy, of this customs paper which contains information on the identification of the goods concerned.

However, copies and photo copies of this document must be certified by the agency having provided the original with a customs endorsement, or by an authority of the third country concerned, or one of the member states. This is precisely the problem, as in practice such certifications cannot be obtained.

The provisions of the MCCC-IP (Art. 722-25 MCCC-IP) unfortunately do not provide for simpler forms of proof. Therefore, these provisions should be expanded by the alternative forms of proof listed within the framework of the retroactive clearance of export procedures (Art. 796ad MCCC-IP). Different electronic custom's import declarations which do not contain any stamps nor signatures should also be accepted as secondary proof.

Inter alia, the following should be included: Bill of Lading; Airway Bill; Proof of export from the forwarder (confirmation from the forwarder)

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