Mr Gerassimos Thomas Director-General DG TAXUD European Commission Rue Joseph II 79 1049 Brussels

Brussels, 16 March 2022

## Subject: Joint trade letter on the UCC Work Programme – 2021 Annual progress report

Dear Mr Thomas,

The members of the undersigned trade associations have serious concerns regarding the high number of electronic systems which need to be implemented/upgraded by the end of 2022, and at the same time, the lack of finalized technical specifications available for traders.

With less than 10 months before the end-of-year implementation deadline for Member States' entry and import systems, our findings suggest that traders have not been provided with technical specifications in approximately 60% of EU countries for the development of National Import Systems (NIS), Arrival Notifications (AN), Presentation Notification (PN) and Temporary Storage Declarations (TSD). The late availability of the final version of the specifications is placing a significant burden on traders who, unless action is taken by the European Commission, are left with limited time to properly develop, test and implement these systems through no fault of their own. Economic operators need a sufficient period of time to carry out the various systems implementations in an adequate manner to ensure full compliance and business continuity.

As we have communicated many times in the past, operators require at least 18 months from the availability of the final technical specifications to ensure a smooth implementation, in particular for complex systems such as for import. With the recent lessons learned from the implementation of the VAT e-commerce package, there is an urgent need to take action and avoid repeating the same mistakes.

The implementation timelines introduced by the UCC WP (Commission Implementing Decision (EU) 2019/2151 of 13 December 2019) do not take into account the impact of Brexit and the VAT e-commerce package implementation on both authorities and trade. In addition, the review of the common data requirements of Annex B to the UCC Delegated and Implementing Acts, as well as the challenges brought by the Covid-19 pandemic slowed down several authorities with finalizing their technical specifications. We therefore believe that an immediate review of the timelines is necessary.

## Recommendation

The undersigned trade associations are not in favor of any unnecessary delay to the implementation of the abovementioned systems.

- In Member States where the technical specifications are available today, the implementation of these systems should proceed as planned.
- For those Member States where the technical specifications are not available today, however, we propose to extend the deployment window for trade by 18 months from the day they become available in full.

For maritime transport, the situation is slightly different due to the implementation schedule of ICS2. We recommend that the new data requirements for Arrival Notifications, Presentation Notices and Temporary Storage

declarations do not become mandatory until the implementation of ICS2 release 3 in March 2024, due to the highly interdependent nature of the new data requirements.

Such measures, which may require legal amendments to the UCC deployment deadlines, would allow traders who are operational in the EU27 to roll-out the required systems in an appropriately sequenced way and avoid a rushed implementation across multiple countries in the final weeks and months of this year. 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.

To mitigate the risk due to delay in technical specification, we request immediate availability of high level but definitive information from member states on the intended system enhancements and new requirements as a part of National Import System upgrade, to be published on their website. In addition to this, trade requires an up to date and accurate national planning overview available on the DG TAXUD website with direct links to the available technical specifications in the Member States.

We are looking forward to discussing this topic at your earliest convenience.

Best regards,



Brendan Sullivan Director Cargo IATA





Godfried Smit Secretary General European Shippers' Council



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