

ICS2: Countdown to Compliance

Web Seminar - Questions & Answers

- **Question:** Is an EU 10-digit HS code required to allow validation?
 - Answer: No just 6 digits
- **Question:** How can we get the MRN number at the HAWB level for the PN / TS National project?
 - Answer: The MRN should be applicable to the Pre-Loading ENS not the PLACI filing. The MRN is returned in the notifications from the ICS2 System which carriers can optionally receive if they have not filed the pre-arrival HAWB data. Alternatively, or additionally, it may be agreed that forwarders should advise the MRN via, for example, CSN/XCSN copied to the carrier/GHA.
- **Question:** What systems do logistics companies need to prepare for ICS2 and to how link data with carriers?
 - Answer: Logistics companies need to ensure they can provide the data digitally whether this is from their back-office system or via a portal. Ideally, this would be via CXML but is dependent on the receiving carrier / system capabilities. The linking of House Filings to MAWB filings is done via the Master Transport ID (MAWB) and Carrier EORI.
- **Question:** If a freight forwarder already submitted PLACI/ICS2, will the carrier be able to see the status before submission?
 - Answer: The carrier can register to be notified to receive the Initial Acceptance and Assessment Complete Notifications. They will also receive any Do Not Loads. This is reliant on the carrier's EORI being correctly included in the PLACI filing.
- **Answer:** Is the UK implementing a regulation similar to ICS2?
 - Answer: Yes, it is called PREDICT expected to be mandatory from end of next year.
- **Question:** I have heard that ICS2 will be delayed even further than March 2023 to October 2023. Have you heard anything about this potential delay?
 - Answer: This is the deployment phase that was mentioned, for carriers currently they will be able to deploy from 1st March to 30th June and then House Filers will have between 1st July and 30th October; from end of October full compliance will be expected.
- **Question:** In cases where the carrier files a MAWB and the agent or freight forwarder submits a house filing, if the pre-arrival if data does not match (i.e., pieces and weight) would the carrier be responsible for mis-matched data? If so, how would such a situation be resolved?
 - Answer: The carrier would be responsible for ensuring they only carry goods for which there is an Assessment Complete for PLACI (so no outstanding RFI/RFS or Do Not Load), so to have more pieces at MAWB than HAWB should raise flags before loading.

It is possible the MAWB could be at the container/pallet level, but the HAWB are at the piece level, so a 1:1 balance may not always be possible.

If somehow the PLACI was OK but the Pre-Arrival MAWB filing has more pieces than the sum of the Pre-Arrival HAWB filings then it would be expected that an RFI would be issued possibly to the airline or the house filer who the airline would have identified as being responsible for the HAWB level filings in their MAWB filing but in the latter case it would be difficult to see what HAWB they would query.

- **Question:** In a similar scenario where the carrier files a MAWB and the agent or freight forwarder submits a house filing, should the house filer receive assessment complete, RFI, RFS or DNL and communicate this to the carrier. For EORI, if the end customer has an EORI but does not provide it to the agent or freight forwarder, would the EU send RFI to the agent or freight forwarder and not the carrier?
 - Answer: The Assessment complete can be communicated to the carrier if the carrier has not opted to receive it from the EU, this would be part of the bilateral agreement between forwarder and carrier. In the case of a house filer, it would be the house filer who receive the RFI for a missing EORI at HAWB level and they should be responsible for the data quality not the carrier. This is if the carrier correctly identifies which third-party is responsible for the HAWB filing by reference to that party's EORI as a subsequent declarant.

- **Question:** It is my understanding that Cargo XML is limited to 6 HS codes. Is this correct?
 - Answer: No, that may be true of Cargo IMP depending on what other data is declared but as far as the CXML specification indicates, one can have an infinite number of house items each with an infinite amount of HS codes.

- **Question:** Again, in the carrier MAWB and agent / freight forwarder house filer scenario, how would the carrier designate or declare a house filer?
 - Answer: There is a data element called Supplementary Declarant that should contain the EORI of the house filer.

- **Question:** It is my understanding that carriers should register one EORI number for both cargo and mail, and not use multiple EORI numbers, is this correct? Also are agent and freight forwarders required to use one EORI number across all their offices worldwide?
 - Answer: The official position is one legal entity should only have 1 EORI across the EU, however the reality is that in some cases organisations do have multiple EORIs for different reasons. Throughout the discussions with the EU, it is recommended that only one is used for filing.

- **Question:** I am a US-based freight forwarder. What impact, if any, will the ICS2 regulation have on shipments from the US to the EU? What does a US forwarder need to do, if anything in regard to ICS2?
 - Answer: You will be impacted by the additional data requirements being asked for, whether you decide to self-file or not. You will still need to provide HS codes and EORI numbers of EU

businesses as well as ensure that the names and addresses as well as the goods description are of a good quality. If you choose to self-file then you will need an EU EORI number and means to submit the PLACI and, if necessary, the Pre-Arrival data.

- **Question:** We know the carrier/owner of the aircraft are set to be the party to submit PLACI/ENS data. We also know that dual filing is possible. However, is this possible (with the right F-type message) if an aircraft is leased, for the lessee to submit the PLACI/ENS data?
 - Answer: The law does not define by type who can or has to be the house filer, it can be anyone with access to the necessary information required to make the filing.
- **Question:** Is there a future plan for STW to facilitate EXS/ENS requirements? We are aware that Ireland ECS is looking to do exactly that by re-using the same data.
 - Answer: EXS and ECS relates to exports but for ICS2 and Temporary Storage/Presentation, some countries (but not necessarily all) do plan to provide the option to refer to the ENS declaration by MRN and therefore avoid resubmitting the same data which is what a STW (Single Trade Window) aims to achieve. Whether any STW initiative will be able to avoid the need to submit such data and instead use data provided or pulled from elsewhere remains to be seen.
- **Question:** What about eCommerce? Shippers will not forward all the information/HS codes for their parcels, consolidate their cargo, and just send the information to the airline that is general cargo.
 - Answer: Then they will risk consignments not being accepted for carriage or being overwhelmed with RFIs, RFS and possibly controls/delays on arrival which will affect their delivery times. There are no relaxations or exemptions for eCommerce and indeed the movement the other way as can be seen with the extension of ICS2 to express and postal operators as well as EU fiscal controls on e-commerce such as IOSS and H7 declarations.
- **Question:** Has the EU/TAXUD indicated, if at all, how they plan to approach SUBHAWB data (sitting under a SUBMAWB) in a co-loaded consolidation scenario? This data won't be captured in the FWB/FHL data set (only the SUBMAWB will). Associated SUBHAWB commodities can be individually captured on the SUBMAWB (FHL level), however visibility of the individual shipper / consignee related to the SUBHAWBs would not be.
 - Answer: It is perhaps important to remember that the use of Air Cargo messaging is a means to an end of getting data into ICS2 however ICS2 is not built around the CXML or CIMP data sets or flows. ICS2 does allow for a House Filer to nominate another House Filer with a separate House Transport ID although they do need to know the Master Airwaybill.

So, for example, MAWB would be linked to a HAWB and a Supplementary Declarant, that HAWB could be the SUBMAWB and refers to another supplementary declarant who files linking their SUBHAWB to the MAWB. The SUBHAWB would also need to refer to the carrier EORI.

Whilst even CXML could not fully support this, the data could be submitted to ICS2 just possibly by not using CXML or CIMP but separately. Please email info@descartes.com if you would like to discuss this in more detail.