

# Global Security Filings— Where Are We Headed?

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**Mr. Paul Lam & Raymond Law**  
**Senior Project Manager**  
**IES, Ltd.**



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## Who is IES?

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- IES Ltd. **Founded in 1989** for the purpose of creating business solutions for International Trade
- One of the largest enterprise software and messaging solutions serving the international trade industry
- IES is a leading authorized service bureau to US Customs to support direct air shipments through the Air AMS
- Operated in over 70 countries with thousands of users and millions of daily transaction

### IES was the first:

- To offer an **ELECTRONIC IN-BOND** on the Web minimizing 7512 processing.
- Authorized service bureau to CBP to support NVOCC OCEAN AMS
- Approved to file AES directly with CBP
- US Truck ACE authorized Service Bureau
- Authorized 10+2 Secure filing service with US Customs



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# IES Worldwide Support



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# The Trend: Increased Security



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## Countdown to the EU ICS (Import Control System)

### *Details for Europe Shipments*

- The scheduled date for full compliance is **January 1, 2011**
- All goods entering any of the **27 member countries** must make a security filing
- **FROB** (Freight Remaining on Board) and **Transshipments** are included
- Currently, the import aspect of the new EU Security Requirements is known as the **ICS (Import Control System)**
- In turn, ICS is part of the overall EU **AIS (Automated Import System)**

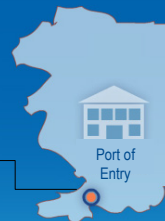


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## Countdown to the EU ICS (Import Control System)

*(Cont'd)*

... Unlike the US AMS  
24-hour rules, the  
data elements must  
be sent to the EU  
country where **first  
port of entry** occurs.



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# Review: Required Data Elements

## ANNEX 30A Data Elements

1. Seller/Consignor (EORI #)
2. Buyer/Consignee (EORI #)
3. House BL Number
4. Master BL Number
5. Carrier
6. Person Entering the Filing
7. Notify Party (EORI #)
8. Country of origin
9. At a minimum First 4 digits HTSUS Number (Commodity Harmonized Tariff Schedule of the EU)
10. Place of Loading Location
11. First Port of Entry in EU
12. Description of Goods (NOT required if 4 or 6 digit HS is provided)
13. Packaging Type Code
14. Number of Packages
15. Shipment Marks and Numbers
16. Container Number
17. Container Seal Number
18. Gross Weight in Kilos
19. UN Dangerous Goods Code
20. Transportation Method of Payment Code
21. Date of Arrival First Port EU
22. Declaration Date



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## EU Member States

	Austria	1995
	Belgium	1957 - Founder
	Bulgaria	2007
	Cyprus	2004
	Czech Republic	2004
	Denmark	1973
	Estonia	2004
	Finland	1995
	France	1957 - Founder
	Germany	1957 - Founder
	Greece	1981
	Hungary	2004
	Ireland	1973
	Italy	1957 - Founder

	Latvia	2004
	Lithuania	2004
	Luxembourg	1957 - Founder
	Malta	2004
	Netherlands	1957 - Founder
	Poland	2004
	Portugal	1986
	Romania	2007
	Slovakia	2004
	Slovenia	2004
	Spain	1986
	Sweden	1995
	UK	1973

Candidate Countries: Croatia, Former Yugoslav Republic of Macedonia, Iceland and Turkey



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## Time limits for the lodging of an ENS

Containerised maritime cargo (except short sea containerised shipping)	At least <b>24 hours</b> before commencement of loading in each foreign load port
Bulk/ break bulk maritime cargo (except short sea bulk/ break bulk shipping)	At least <b>4 hours</b> before arrival at the first port in the Community
Short sea shipping:	At least <b>2 hours</b> before arrival at the first port in the Community
Short haul flights (less than 4 hours duration)	At least by the <b>time of the actual take off</b> of the aircraft
Long haul flights (more than 4 hours duration)	At least <b>4 hours</b> before arrival at the first airport in the Community
Rail and inland waterways	At least <b>2 hours</b> before arrival at the customs office of entry in the Community
Road traffic	At least <b>1 hour</b> before arrival at the customs office of entry in the Community



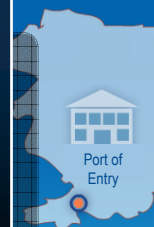
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## Countdown to the EU ICS (Import Control System)

*Member States Responsibilities include the need to:*

- Accept or Reject the Filing
- Issue MRN (Movement Reference Number)
- Issue response messages to the carrier(s) or Nominated Filers
- Apply Risk Analysis to **all transactions** regardless of ultimate destination (including FROB)

- Assign Risk type such as risk a, b, c, Clear, Do Not Load.
- Do Not Load - inspection in custom of 1st entry port or port of discharge
- Clearance for loading is up to each individual Member State to prescribe



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## ENS lodged by other persons?

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- ENS can be filed at **MBL level (carrier)** or **HBL level (Freight forwarder)**
- Only With the “**knowledge and consent of the ocean Carrier**”, however both **MBL# and HBL#** must be included
- **Declarant** is responsible to the filing content



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## Countdown to the EU ICS (Import Control System)




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- The EU expects details about each shipment at the **MASTER BL level** from the Carrier and at the **HBL Level** from **NVOCC after consent from the carrier.**
- Declarant is only obliged to provide the **information known** to it at the time of lodgment of the ENS.
- Carrier is only required to provide the **information "known"** relying on the information in **MBL** to file the ENS
- **Freight Forwarders** can be identified as both **Consignor** and the **consignee**
- "To Order" shipment, **no consignee is required** but with special code - **10600-**



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# IES Latest Progress on EU ICS

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## Update on US ISF (Importer Security Filing)

**Failure to file:** When there is a complete failure to file an ISF, CBP may choose one of the following: issue a Do Not Load (DNL) message to the carrier at the foreign port of lading; withhold permission for the carrier to unload the subject goods at the first U.S. port of arrival; delay permission to unload at the first U.S. port of arrival; issue a seizure notification; withhold Customs release of the goods for movement to General Order (G.O.); or issue a claim for liquidated damages.

**Late submission.** A claim for liquidated damages will be issued in the amount of \$5,000. As CBP expected, the phase-in period has demonstrated several commercial challenges in obtaining all of the information required in a timely manner. CBP indicates they will be fair in evaluating the timeliness of the filing and will continue to work with those parties who have participated in the process to date.

**Inaccurate submission:** A claim for liquidated damages will be issued in the amount of \$5,000. CBP acknowledges some data is beyond the control of the importer, such as rolled bookings and vessel diversions, and will take these factors into account.

When there are **successive filings of the ISF data**, CBP will consider only the latest filing within the allowed filing timeframe (typically the last ISF filed) for a liquidated damages claim for inaccurate submission.



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## What Customs Compliance systems are we dealing with?

### United States:

- Ocean/Air AMS & AES
- Rail AMS
- Truck ACE
- ISF (10+2)
- Customs House Broker (CHB/ABI)
- Electronic In-Bond
- Denied Party Screening

### Canada:

- Ocean/Air ACI
- Air ACI
- Truck ACI (Phase III) Testing October 2010

### Mexico:

- Ocean AMS



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## Why use IES for Customs Compliance?

- Experienced in developing Customs Compliance systems
- Excellent Reputation in performing Training & Support
- Ask NVOs for reference



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## IES Customers



*And Thousands More...*



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## Contact Information

IES, Ltd.  
445 Godwin Avenue  
Midland Park, NJ 07432

Tel: 201-639-5000  
Fax: 201-639-5005  
[kgavin@iesltd.com](mailto:kgavin@iesltd.com)

IES Asia, Ltd.  
10 Metropolis Drive  
22-F Metropolis Tower  
Hung Hom, Kowloon

Tel: 852-2366-3801  
Fax: 852-2366-9337  
[paullam@iesltd.com](mailto:paullam@iesltd.com)  
[raymondlaw@iesltd.com](mailto:raymondlaw@iesltd.com)



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