# Trade facilitation and the EU agenda on digitalisation and single window

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# European Sea Ports Organisation (ESPO)

- **Background:**

- Founded in 1993
- Represents port authorities, port associations and port administrations of the seaports of the 23 maritime Member States of the EU and Norway
- Observer members: Israel and Iceland

- **Double role:**

1. First port of call for European Transport policy makers in Brussels
2. A knowledge network that drives ports to perform better

Since 2009: joint office with the European Federation of Inland Ports (EFIP)

# European Sea Ports Organisation (ESPO)



- **How ESPO works?**

- General Assembly+ Executive Committee
- Chairman + Vice-Chairmen
- Secretariat (Brussels)
- Technical expertise and advisory input comes from the technical committees and networks on topics as diverse as:

✓ port governance
✓ intermodal transport, logistics and industry
✓ sustainable development
✓ marine affairs
✓ trade facilitation, customs and security
✓ economic analysis and statistics
✓ cruise and ferry port issues
✓ labour and operations
✓ legal issues



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# Trade Facilitation, Customs and Security Committee

- **Created in 2014** in order to address those aspects that have an impact on trade in terms of efficiency and costs linked to ports, border crossing and agencies

- **Main topics:**

✓ Customs legislation and customs performance in EU ports (e.g. UCC)
✓ Security of port facilities and cargo (e.g. immigration)
✓ General trade facilitation  (e.g. Brexit)
✓ EU digital agenda for ports

# ESPO and the EU digital agenda for ports

# Digital Transport and Logistics Forum (DTLF)

- **What?**
- Set up by the Commission in April 2015

- Brings together stakeholders from different transport and logistics communities from both the public and private sector

- Identifies challenges and areas where common action in the EU is needed, provides recommendations, and supports the implementation of these recommendations where appropriate

- DTLF has two active subgroups, mandated to carry out targeted activities around two themes:

1.Fostering of the use of electronic transport documents
2.Developing interoperable digital information systems to optimise cargo flows along transport corridors

- **ESPO's role:**
- Representation in the forum, providing assistance where needed

# Cybersecurity in ports

**•What?**
- Relatively new threat
- Digitalisation of the logistics chain and port operations
- Increased use of ICT -> increased vulnerability to cyberattacks
- Cyberattacks by criminals, but also by foreign states services
- Stealing data, breaching into the systems of the port to locate cargo, cyberwarfare targeting ports, etc.

**•Directive 2016/1148/EC concerning measures for a high common level of security of network and information systems across the union**
- Requires operators of essential services, including ports to take appropriate security measures and report incidents to the national authorities

**•ESPO's role:**
- Monitoring EU initiatives on cybersecurity
- Raising awareness

# Revision of the Reporting Formalities Directive (RFD)

- **Main digitalisation file** within the ESPO Trade Facilitation, Customs and Security Committee

- **What is the Reporting Formalities Directive 2010/65?**
- The RFD has a primary objective of trade facilitation by simplifying and rationalising reporting formalities. It requires MSs to accept the fulfilment of reporting formalities by ships in electronic format and their collection via a single window.
- Entered into force in 2015

- **What does that mean in practice?**
- When ships call at EU ports they have to submit a number of formalities to authorities such as the port authority, customs, health, etc.

- Those formalities include:

➢ Formalities resulting from EU legislation
➢ FAL forms and formalities resulting from international legislation
➢ Formalities resulting from national and local requirements

| A. Reporting formalities resulting from legal acts of the Union | B. FAL forms and formalities resulting from international legal instruments | C. National/local data requirements |
|---|---|---|
| This category of reporting formalities includes the information which shall be provided in accordance with the following provisions:<br><br>1. Notification for ships arriving in and departing from ports of the Member States<br>2. Border checks on persons<br>3. Notification of dangerous or polluting goods carried on board<br>4. Notification of waste and residues<br>5. Notification of security information<br>6. Entry summary declaration | This category of reporting formalities includes the information which shall be provided in accordance with the FAL Convention and other relevant international legal instruments:<br><br>1. FAL form 1: General Declaration<br>2. FAL form 2: Cargo Declaration<br>3. FAL form 3: Ship's Stores Declaration<br>4. FAL form 4: Crew's Effects Declaration<br>5. FAL form 5: Crew List<br>6. FAL form 6: Passenger List<br>7. FAL form 7: Dangerous Goods<br>8. Maritime Declaration of Health | Member States may include in this category the information which shall be provided in accordance with their national legislation. |

# Revision of the Reporting Formalities Directive (RFD)

- Those formalities have to be submitted by shipowner/shipagent in **electronic format** through **National Single Windows** (NSW)

- In principle, the submission should be happening **only once** through the NSW enabling the received information to be shared between different authorities within a country and relevant information between EU Member States (via SafeSeaNet)

• **In sum:**

-> *The objective is that the captain of a ship, or his representative on-board or on shore, can send all reporting information same way on each port call within a EU country and only once.*

# Revision of the Reporting Formalities Directive (RFD)

- **Spring 2016: the Commission launches the REFIT evaluation of the RFD**
- The RFD is not achieving its main aim of reducing the administrative burden
- Consultations with relevant stakeholders and a study was ordered to identify the main shortcomings of the RFD

- **ESPO position on the RFD: Roadmap for Maritime Trade Facilitation (June 2016)**
- Agrees with Commission that RFD is not achieving its aim of reducing administrative burden
- Voices calling to establish a European Single Window, ESPO thinks a network of interconnected reporting systems (NSW's or Port Communitiy Systems) sharing the same functional specifications would be the best solution at European level
- Ships calling EU ports should report the same data elements in each EU port in the same format (common data requirements) and only when justified by local circumstances, additional data

# Revision of the Reporting Formalities Directive (RFD)

- **August 2017: Commission publishes REFIT evaluation study**

✓ Paper is still used to some extend to fullfill reporting obligations

✓ The reporting is fully harmonised only in some EU countries

✓ All NSW's implemented are different – no EU level harmonisation

✓ True single window submit only-once reporting is available only in some EU countries

✓ The information is seldom shared and re-used

✓ Nationally required data ('Part C' in the RFD) is excessive, non-harmonised and can be left outside of the single window

✓ The list of the EU legal acts or formalities currently included is not comprehensive: cargo reporting and custom formalities is needed

# Revision of the Reporting Formalities Directive (RFD)

**• Commission and shipping industry are pleading for the establishment of a European Maritime Single Window Environment, with the following requirements:**

- Fully harmonised interfaces for reporting at the EU level, two options:

  1. A European Maritime Single Window for all port calls while allowing the reporting also through NSWs or PCSs

**OR**

  2. By fully regulating the existing NSW interfaces in the EU

- Including all reporting obligations in order to ensure true single system reporting with one maximum data set

- Reporting once principle at EU level

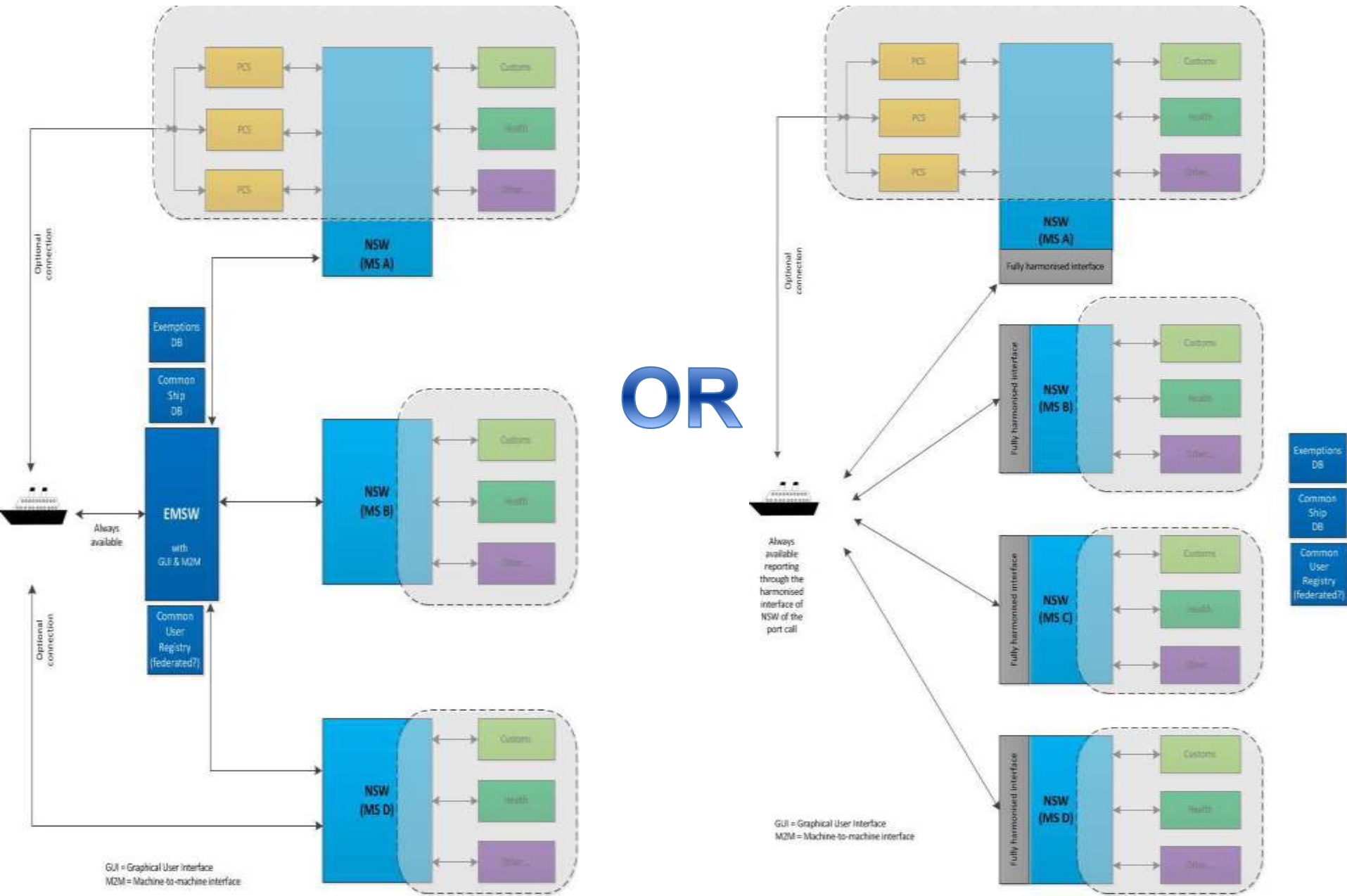# Revision of the Reporting Formalities Directive (RFD)

- **How would the reporting landscape then look like?**

**Currently:**
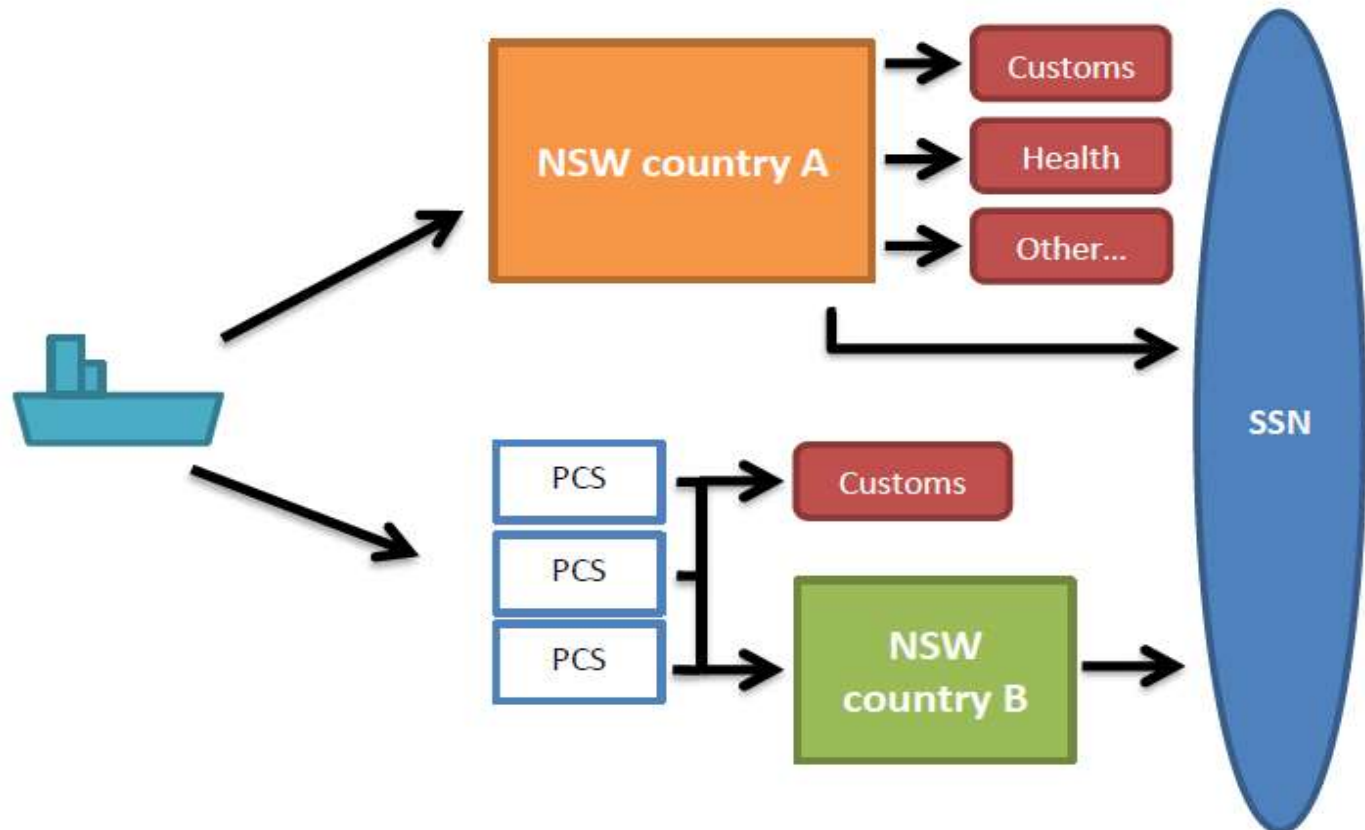
# Potential future reporting landscape: two options of the European Single Window Environement

# Revision of the Reporting Formalities Directive (RFD)

- **ESPO position:**

- ESPO believes that a single window environment can only be achieved in a successful way if the following considerations are taken into account:

1. Simplify administrative procedures and strengthen the efforts on harmonisation of the different reporting data formats

2. Reporting only once principle only has a very limited scope

3. Cooperation between maritime and custom authorities is needed

4. Reporting should be done through resilient and robust yet flexible systems that ensure the reliability of data

5. European Single Window should be more than a technical interface

# Revision of the Reporting Formalities Directive (RFD)

- **Way forward:**

- Commission is setting up working groups with the aim of harmonising the national data requirements and the spreadsheets

- The Commission will launch the impact assesment for the RFD in autumn

- A new proposal for the RFD is expected by Summer 2018

# Thank you!

Laurens Schautteet

ESPO