

PostEurop's position on the Union Customs Code legislation

Brussels, 23 June 2014

PostEurop represents 52 Universal Postal Service Providers across Europe and is a restricted (i.e. regional) Union of the Universal Postal Union (UPU). The postal sector is a major contributor to and facilitator of trade within the European Union and is one of the largest employers with over 2.1 million employees across Europe, reaching over 800 million customers and representing 1% of the GDP of the region.

Efficient and effective postal services are essential to the economic life of the European Union, and as a Service of General Economic Interest (SGEI), who also play an important social function, postal operators are there to provide a quality, accessible and affordable universal postal service to all, as defined, not only in the European Postal Services Directive, but also in the Universal Postal Union Treaty to which all countries, including EU Member States, are signatories.

PostEurop appreciates the opportunity to contribute to the development of the new Union Customs Code (UCC) implementing provisions, which are designed to implement new customs rules and technologies in a uniform way within the European Union, in order to strengthen customs processes whilst at the same time tackling the challenges of trade globalisation, including e-Commerce, and security.

PostEurop supports the general approach of the draft texts. However, it is concerned about the significant implications that the implementation of some of the proposed changes will have on the postal sector as a whole, as well as on consumers and businesses. We therefore call on the European Commission to establish an open dialogue with postal operators in order to allow a more in-depth discussion in consideration of the characteristics of the postal sector and the need for a balanced transition, given the magnitude of the change.

PostEurop intensively cooperates with the European Commission (DG TAXUD's Postal Experts Group on Advance Electronic Information) and the UPU in developing a global solution to the issues of customs clearance (security and fiscal), building on the specificities of the postal service model. This joint work has led to a significant amendment of article 9 of the Universal Postal Convention to allow the provision of advance electronic information on certain categories of postal items. While the most effective method to provide the required information on the said article is still under development, the current draft of the UCC implementing provisions does not reflect a number of the principles agreed in the Postal Expert Group, which specifically recognised the need to respond to the specificities of the different air cargo business models (viz general cargo, express, and goods moved under the UPU Treaty). It is on this base that PostEurop wishes to share with the European Commission its serious concerns as part of the current consultation on the UCC's related draft Delegated and Implementing Acts (DA and IA).

It is essential that a EU solution be aligned to the UPU framework and the postal service and supply chain models in order to facilitate the standard, global exchange of postal flows. PostEurop wishes to reiterate that definitions and procedures related to post in the DA and IA should also be in-line with the UPU Treaty.

Further, it should be noted that the requirement for advance electronic information for all import and export postal shipments will lead to significant costs for all stakeholders. It will involve considerable investment in IT, processes, product adaptation, training and substantial customer support throughout the whole postal supply chain, including across its dense national retail network, with a potential adverse impact on accessibility and affordability. Besides, at the national customs authorities' level, this presents a highly challenging task and requires substantial investment in IT and other resources in a very short timeframe.

PostEurop also recognises the desire within the UCC to enable simplifications for economic operators who have Authorised Economic Operator (AEO) accreditation. However this raises a concern for postal operators as the current AEO rules strongly limit postal operators' opportunity to achieve accreditation, specifically as they have a defined universal service obligation to provide a nationwide access channel that is open to all at multiple access points. Postal services link consumers and small and medium enterprises worldwide and are a recognised vehicle for the growth in e-commerce, underpinning the indispensable role postal operators collectively play in international trade. Postal operators are established entities with very robust procedures in place, and their access to AEO facilitation is justified and in the interest of EU citizens and economy. As the UCC clearly sets out the AEO status as a requirement for any facilitation under future EU customs legislation, it should be recognised that postal operators, as one of the major trade facilitators within the EU, are limited in their opportunity to achieve this status under the existing rules. PostEurop therefore requests that the AEO rules be reviewed and adapted to the postal service and supply chain models.

PostEurop urges the European Commission to engage in an open dialogue that would help devise regulations building on the strengths of the postal service model, the work already underway at the UPU and the postal supply chain features such as global tracking, messaging capabilities and robust operational/security standards. PostEurop also requests that the specific context in which they provide their services (such as the profile of their customer base, the international treaties governing their activities and the sheer volumes that are handled) be acknowledged and facilitated within the UCC. The dialogue should be conducted in consistency with the European Commission's roadmap for completing the single market for parcel delivery in order to boost e-commerce in the EU and to ensure that e-retailers and consumers have access to affordable and high-quality parcel delivery services. The postal operators are fully engaged in this initiative as it is completely in line with their strategic development perspectives. Regulation resulting from this dialogue will meet the legitimate needs of both government agencies and operators, offering the best framework for the development of safe and secure commerce and communication for the benefit of the EU public and enterprises.

PostEurop's postal operators request that the postal service model and the postal supply chain be recognized in their own right, and observe that the simple deletion of existing exemptions is not an appropriate solution. PostEurop recognises the necessity and the complexity of customs legislation and suggests that a specific review of the impact on the postal sector be undertaken, in close cooperation with all relevant departments within the European Commission, given the possible adverse impact such changes could have on the various stakeholders, citizens and commerce of the European Union.

PostEurop would like to draw all stakeholders' attention to those proposals of the DA and IA which are in conflict with the universal postal service obligations and would jeopardize the future position of the postal sector in the global economy. More detailed material is provided in the annex to this paper to describe issues and potential solutions.

PostEurop is willing to engage in an open and constructive dialogue with the European Commission and other concerned stakeholders, in continuation to the excellent cooperation in the Postal Experts Group.

This position paper is unanimously supported by the following Public Postal Operators of the 28 EU Countries:

Country	Public Postal Operators
Austria	Österreichische Post AG
Belgium	bpost
Bulgaria	Bulgarian Posts plc
Croatia	Hrvatska pošta d.d.
Cyprus	Cyprus Post
Czech Republic	Česká pošta
Denmark	Post Danmark A/S
Estonia	Omniva (Eesti Post)
Finland	Itella Oyj
France	Le Groupe La Poste
Germany	Deutsche Post AG
Greece	Hellenic Post - ELTA S.A.
Hungary	Magyar Posta
Ireland	An Post – General Post Office
Italy	Poste Italiane S.p.A.
Latvia	Latvijas Pasts
Lithuania	AB Lietuvos paštas
Luxembourg	Post Luxembourg
Malta	Malta Post plc
Netherlands	PostNL
Poland	Poczta Polska
Portugal	CTT - Correios de Portugal, S.A.
Romania	C.N. Posta Romana S.A.
Slovak Republic	Slovenská pošta, a. s.
Slovenia	Pošta Slovenije d.o.o
Spain	Correos y Telégrafos S.A.
Sweden	Posten AB
United Kingdom	Royal Mail International

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POSTEUROP is the association which represents European public postal operators. It unites its members and promotes greater cooperation. PostEurop is committed to supporting and developing a sustainable and continuously innovative European postal market accessible to all customers and ensuring a modern and affordable universal service. Our Members represent 2.1 million employees across Europe and serve up to 800 million customers daily through over 175,000 counters

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1. Definitions

Article IA-I-1-0, definition n° 17, items of correspondence

PostEurop supports the definition of "items of correspondence" as stated in the article referenced above.

PostEurop advocates a consistent use of "items of correspondence" throughout the IA and the DA when referring letter mail items moved under the rules of the UPU treaties. A number of provisions in the DA uses other expressions, not defined, such as "letters and postcards" and should be replaced with "items of correspondence" for consistency purposes.

2. Advance Electronic Information (AEI)

2.1 Postal items waived from the obligation to lodge an entry summary declaration

Article DA-IV-1-01 (410-03-DA [Article 410-07 MCCIP])

Waiver from the obligation to lodge an entry summary declaration

UCC implemented provision	UCC empowering provision	Current IP provision	Annex	Adoption procedure
Article 127 (2)(b)	Article 131 (1)	Article 181c	-	DA

Comments on the article

Art. DA-IV-1-01 defines waivers from the obligation to lodge an entry summary declaration. In the list, letters (c) [letters and postcards, moved under the rules of the acts of the Universal Postal Union] and (q) [consignments whose weight does not exceed 250 grams] are applicable to postal items. PostEurop is drawing the Commission's attention to a number of serious issues raised by the proposed waivers, and is requesting that a specific discussion be launched on this crucial issue. In line with the principles of risk-based security measures and the need for security measures to not hamper the supply chain, the introduction of a weight limit under which the additional layer of advance electronic information (AEI) is not required is a sound approach. Requiring advance information for items that are not deemed to cause severe damage to civil aviation, or for which the cost, efforts and disruption to the supply chain is considerable, would not be proportionate to the objectives and the marginal gain in security benefit. Any limit has to be relevant from an aviation security perspective and aligned to the weight standards that are meaningful to the concerned supply chains. Because postal operators are already using such weight and size standards for worldwide exchanges, PostEurop is requesting that those which have been laid down in the UPU Acts are used in the UCC IP. The operational and financial processes of postal operators are very much influenced by these standards and introducing different ones would cause enormous extra costs, which would unavoidably result in higher postal tariffs, at the expense of consumers and (e-commerce) traders.

In addition, Article 127 2.b) of the UCC states that the obligation to lodge an entry summary declaration is waived "... where required by international agreements." As article 9 of the Universal Postal Convention (UPC, a treaty signed by all EU MS), was modified by the UPU

Doha Congress in 2012, in close cooperation with the EC and the MS, to allow the provision of AEI when required, the resulting provisions must be recognised by the EU.

PostEurop, as regional Union of the UPU, is actively involved in the preparation of the art. 9 implementing provisions, based on the UPU format classification of letter post items described below.

The UPU adopted a system to classify letter post items based on their format. It very much facilitates the handling of postal receptacles (bags and trays) and is based on efficient operational models to feed sorting machines. Gains in efficiency are reflected in the remuneration between postal operators (terminal dues), to the benefit of customers.

The UPU Acts (art. 121 and 124 of the Letter Post Regulations, see annex 2) define 3 formats: P (petit) for small letters, G (grand) for large letters (also called flats) and E (encombrant) for bulky letters (typically associated to so-called "packets" or "petit paquet". PostEurop proposes to use the weight criterion of a maximum weight of 500 grams that postal operators already are familiar with for separating the P- and G-formats from the E-formats, to define the type of postal items that will be waived from the obligation to lodge an entry summary declaration (ENS).

It should however be noted that using the E-format weight criterion for AEI requirement on letter post items will still require significant adaptations of the postal product portfolio and related operational procedures. It will also require a major change in customer behaviour. Currently the E-format is unknown to customers and post office personnel. Product definition and features as well as acceptance procedures, which include significant retail outlets issues, need to be redesigned to ensure that CN 23 data is provided and collected for all items subject to AEI requirements (as well as items subject to Customs control though without AEI requirement). For these reasons, PostEurop is requesting an extended transition-period, before the concerned DA and IA provisions become fully applicable.

PostEurop is let to believe that the 250 gram waiver introduced by art. DA-IV-1-01 (q) was set to match the one in Commission regulation (EU) N° 185/2010 on aviation security, whose article 6.2.2 provides an exemption of screening for items below certain limits, published in a restricted decision.

Currently, the threshold for aviation security has little impact on postal operations, as screening is conducted at receptacle (bag or tray) level, not at item level. As most postal operators screen all outbound mail, all items in a receptacle are being screened, regardless of weight. The impact in respect of the ENS waiver and introduction of AEI would be of a totally different scale, because data capture and processing indeed would need to occur at item level. This would create a considerable strain on the postal service, due to the sheer volume of low weight items. The application of the threshold as currently stated in the draft DA, instead of the weight limit the postal operators already work with (500 g) could inflate by over 50 % the number of items for which data must be collected, processed and filed. It would confront both operators and authorities with an insurmountable challenge.

In summary, PostEurop recommends to amend clause DA-IV-1-01 (q) by changing the 250 grams limit to 500 grams. This solution is in line with the international treaty governing the international exchange of postal items, is justified by the characteristics of the postal sector, is straight forward to implement and enforce, and strikes the right balance between the customs and security interests and those of the postal sector and its hundreds of millions customers. Nevertheless PostEurop also requires that a transition period is agreed to allow for worldwide change management and capacity building.

2.2 Risk analysis

Article IA-IV-1-04 (410-04-IA)

Risk analysis

UCC implemented provision	UCC empowering provision	Current IP provision	Annex	Adoption procedure
Article 127 (3) and Article 128	Articles 132(c)	Articles 184d(1), 1st sentence, (2) & (3), 184e	-	IA

Comments on the article

This article introduces the principle of advance electronic information (AEI), for risk analysis prior to goods arrival. They are linked with the DA provisions regarding the time-limits for lodging the entry summary declaration (ENS), dependent of the mode of transport. Most of the post that enters or leaves the EU territory is transported by air. Therefore this comment concentrates on the effects of the DA and IA proposals for inbound or outbound mail flows by air.

Principles of EU aviation security rules are laid down in Commission regulation n° 300/2008 and measures are laid down in Commission regulation 185/2010 (both regulations have been amended since their initial publication). For the issue at stake, regulation 185/2010 defines a role of "regulated agent" (RA) which is the only entity authorised, under supervision of the national civil aviation authority, to apply the security controls before loading of the aircraft. The controls must be conducted with an authorised method that is appropriate to the nature of the consignment. Articles 6.1.2 and 6.7 of the said regulation, and a separate restricted Commission decision, provide that a consignment that shows signs of significant tampering or that originates from a country deemed as high risk is to be screened with a higher degree of scrutiny until the screener is satisfied that it contains no harmful item. In general terms, a second method of screening is required, and the screening is to be conducted at item level, not receptacle level.

To ensure that the AEI and aviation security processes are well articulated, the following issues need to be closely reviewed:

1. Paragraph 1 of article IA-IV-1-04 states that the risk analysis is to be carried out prior to goods arrival [...] "in cases where no risk is identified and no additional risk analysis needs to be carried out." This language is obscure and seems to raise a paradox: the risk analysis is to be conducted prior to goods arrival if the result of the analysis is negative! How may one know the result of the analysis if it has not yet been conducted? Is there an error in the language? Should it perhaps state "before loading" instead of "before arrival"? This clause and its objective need clarification.

In relation with the item just above, the High Risk Cargo and Mail (HRCM) controls described in para. 3 have to be carried out prior to loading. Which cannot be the case if the risk analysis happens before the arrival of the goods in the destination country as described in para. 1. Yet para. 3 doesn't state that the HRCM screening request is to be made prior to loading. This also needs to be clarified.

In addition it is important that the instruction to screen a specific item to High Risk Cargo and Mail (HRCM) standards is received as early as possible before the dispatch is closed, to allow flagging this item with an HRCM screening request (this would require IT developments). This would allow screening the item to HRCM standards right away, avoiding having to rescreen it. If the HRCM process as defined by aviation security regulations is kept as is, the consignment process may not be hindered.

2. The second paragraph of article IA-IV-1-04 provides that the "lodger" may be notified that the completion of the risk assessment requires further information on the particulars of the entry summary declaration. As the CN23 / ITMATT, if properly completed, already contain all information the postal operators have access to, it would be difficult to respond to such a request because of considerable operational and financial impact.
3. The third paragraph of article IA-IV-1-04 (see text below) defines how Customs may, as a result of their assessment of the consignment data, use HRCM screening procedures that exist in the aviation security regulations. This is one of 3 types of requests (referrals), the others being prohibiting the loading of the consignment (Do Not Load or DNL) and requesting additional information. The text follows:

In the case of air traffic where customs authorities identify a consignment as High Risk Cargo and Mail they shall notify the person who lodged the entry summary declaration and, where different, the carrier, provided that the carrier is connected to the customs system, that the shipment has to be treated as such before being loaded on board an aircraft bound to the customs territory of the Union, in accordance with Regulation (EC) No 300/2008, Regulation (EU) No 185/2010 and the measures adopted pursuant to those acts. This person shall confirm to the customs authorities that the consignment has been rescreened in accordance with High Risk Cargo and Mail requirements laid down in point 6.7 of the Annex to Regulation (EU) No 185/2010 before being loaded on board of an aircraft, or shall confirm that it had already been screened under High Risk Cargo and Mail requirements.

It is assumed that this procedure will be activated when the risk assessment does not obviously reveal an immediate risk to civil aviation leading to a DNL instruction, but rather a suspicion of such a risk that needs to be cleared up and only a physical screening or examination of the content of the consignment can achieve this. Going along with existing aviation security procedures is a smart way to resolve the issue.

4. Para. 3 states that the person who lodged the ENS is to confirm to Customs that the item was rescreened per HRCM standards. This raises 2 issues:
 - In the framework of reg. 185/2010, the regulated agent (RA) carries out the HRCM screening and reports the result of it in the security declaration by assigning an SHR (Secured High Risk) status (or doesn't assign a security status if the result is positive, which prevents loading). Reg. 185/2010 doesn't require any reporting, in case the result of the controls is negative. We recommend that para. 3 of article IA-IV-1-04 states that the confirmation is the assignment of SHR status as reflected on the security declaration when the result of HRCM screening is negative, and only positive results are reported. With any other form of confirmation the draft IA is going beyond reg. 185/2010 and the role and responsibilities of the RA are questioned.
 - With reg. 185/2010, security status is assigned by an RA. Article IA-IV-1-04 para. 3 states that the person who lodged the ENS is to confirm that HRCM control was carried out. Because the person who lodged the ENS is not necessarily a RA, roles and responsibilities need to be clarified.

5. The language in para. 4 of article IA-IV-1-04 dealing with loading prohibition (Do Not Load) is of a very broad nature. In the current wording, A DNL decision could be delivered if the risk analysis provides reasonable grounds to consider that the introduction of the goods into the Union would pose such a serious threat to the security and safety of the Union. This is much wider than the immediate risk to civil aviation that was retained as the only possible reason for DNL, and could generate numerous DNL which would be very disruptive to the supply chains.

The UPU has developed and endorsed a model for AEI that is described in annex 1.

2.2 Item number as unique identifier for item level information

Since the postal business and supply chain models are offering a unique UPU standardized (S10) item identifier to which the CN23 / ITMATT data is attached, and this identifier is referenced, either directly or through a receptacle identifier, throughout messages exchange, it is anticipated that this key feature be used by Customs authorities.

The Master Reference Number as defined in the EU draft implementing provisions (see Article IA-V-2-12 (524-02-IA) and other articles) is not a supply chain standard and its use would require additional cross reference developments for many stakeholders in the supply chain.

We therefore suggest that existing unique identifiers be recognized in the EU regulations. The UPU S10 unique identifier is compliant with the WCO SAFE Unique Consignment Reference. This would in addition facilitate exchanges with entities in third countries that would not be able to use an EU specific identifier.

2.3 Assessment complete status

The current version of the draft implementing provisions does not include that feedback is provided to the postal operator to confirm that the risk assessment was completed and no further action is required. Such positive confirmation is needed to provide assurance that the origin postal operator can proceed with the closing of the dispatch, the inclusion of the receptacles in a consignment and handing over of the consignment to the carrier.

We suggest that the provisions supporting the MRN be adapted to provide an "assessment complete" status instead, referenced against each unique item ID.

2.5 Data set

The required data set for risk assessment is not available with the current version of the draft implementing provisions. PostEurop was told that they should be published as annexes at a later stage.

All discussions between postal operators and the TAXUD unit B2 within the Postal Experts working group are based on the CN23 (the WCO-UPU standardised form containing customs-related information) data set, and its ITMATTT electronic transcription. This data set includes all 7+1 raw elements that WCO Technical Experts Group on Air Cargo Security and TAXUD and Customs authorities have confirmed was fit for risk assessment purposes on post. Until the annexes are agreed PostEurop needs to receive reassurance that the CN23 data set is indeed the one considered for inclusion in the annexes.

2.6 Dual filing

Article IA-IV-1-02 (410-02-IA (410-01(4) MCCIP))

Lodging of an entry summary declaration

UCC implemented provision	UCC empowering provision	Current IP provision	Annex	Adoption procedure
Article 127	Article 132(a)		Annex B	IA

The Draft Implementing Act provides for dual filing of the Entry Summary Declaration in its articles IA-IV-01-02 (para 1: The particulars of the entry summary declaration may be subject to two submissions) and IA-IV-01-03. The respective liabilities between the Carrier and the Postal Operator in case of dual filing will need further clarification. The time limits set forth in case of dual filing will need to be assessed and defined.

2.7 Phased approach

A phased approach has been agreed within the TAXUD unit B2 Postal Experts working group, starting with requirements on EMS and parcels once the Delegated and Implementing Acts come in force, in May 2016. Letter Post would follow later. The provisions of the Acts regulating transition and entering into force are not available yet. PostEurop operators need to receive reassurance of the phased approach, including an intended date for the inclusion of Letter Post. The approach obviously needs to be matched by the development and operationalization of IT by the Customs authorities of each MS. PostEurop is interested to learn about this aspect of the implementation of the UCC and its related Acts.

2.8 AEI on outbound flows

Title VIII / Chapter 1 of the Delegated and Implementing acts (formalities prior to the exit of goods) lay out the requirements on outbound flows. The scope of the requirements should mirror those of the inbound flow as the postal flows are also mirrored for inbound and outbound flows. Furthermore, we anticipate that the provisions of the Acts regulating transition and entering into force will define a date later than the entry into force of the UCC implementing provisions (May 2016). This date should also be later than the deadline for inbound AEI on Letter Post, to allow availability of resources and build on experience gained on inbound flows. Assurance on this should be obtained from the Commission.

3. Representation

Article 19 UCC Empowerment

The requirement of a power of attorney for each and every postal item before allowing the postal operator to proceed to customs formalities would go against the very nature of the postal service model, which is based on door to door integrated delivery of mostly low value items at an affordable cost. The cost and delay attached to obtaining a power of attorney

will be detrimental to European citizens, impede the flow of commerce and communication and will not be consistent with the EU initiative on e-commerce.

PostEurop requests that the requirement for a power of attorney is waived for (dutiable) items of correspondence and small consignments, for delivery at a home or business address. PostEurop proposes the following text:

Pursuant to the 2nd paragraph of article 19.2 of the UCC, the requirement for a proof of power of attorney is waived for parcel consignments under 30 kg of weight, when the nature of the service requested by the sender on behalf of the receiver is a door to door integrated service.

4. Office of destination / office of first entry

Article 127 UCC

Lodging of an entry summary declaration

The operational international postal operations are based on an origin to destination relationship, often described as the "postal pipeline". Messaging supporting the operations matches that pattern and only the offices of exchange of origin and destination share and manage information at item (letter or parcel) level. Any intermediate entity, whether carrier or "transit" postal operator, only receives information at postal consignment level, which most of the times include receptacle-level (bag or tray) information.

As it is in the best interest of all parties involved that the item-level information be made available as early as possible before the loading in the origin country, the routing to reach the destination office of exchange is not known at that time. The routing is only defined at the time when the postal consignment is finalised, shortly before it is handed over to the carrier. This is due to the time-constrained nature of postal operations and the flexibility needed to cope with numerous operational contingencies. Even once a routing has been assigned to a postal consignment, it is not infrequent that last minutes changes are made. Furthermore, after the consignment has been handed over to the carrier, the latter often also faces contingencies and routing is amended accordingly.

UCC art. 127.3 states that "The entry summary declaration shall be lodged at the customs office of first entry". It appears very difficult to meet this requirement in a pre-loading context, because, as explained above, the routing is not defined until shortly before handover or loading. It will be especially challenging when the routing implies an intermediate stop, either for transshipment by the carrier or for postal transit by another postal operator.

Art. 127.3 (2nd para.) goes on to provide a possibility for lodging the ENS at another office, under the condition that the latter is able to communicate information to the office of first entry.

PostEurop requests that the DA or IA include provisions on how such alternate lodging locations may operate or some other form of process that would not hamper the postal supply chain. It should be noted that the required flexibility is supported by robust postal supply chain features, under the "postal pipeline" concept, offering a secure environment of established entities, often under Customs supervision, and proven movement tracking capabilities.

5. Temporary Storage

Article DA-IV-2-06 (423-03-DA [from Article 710-15 MCCIP])

UCC implemented provision	UCC empowering provision	Current IP provision	Annex	Adoption procedure
Article 148(4)	Article 7(c)	Articles 516, 806 (c) (d) (f) (g)	-	DA

Article IA-IV-2-04 (425-01-IA)

UCC implemented provision	UCC empowering provision	Current IP provision	Annex	Adoption procedure
Article 145	Articles 152(a), 143	Article 186		IA

Art. 148 (4) UCC states that the holder of the authorisation shall keep appropriate records in a form approved by the customs authorities. PostEurop requests that the nature of the accepted records be clarified.

Considering that the ENS will likely be the preferred method to initiate temporary storage, and in connection with the agreed phased-in approach, PostEurop requests that postal flows not or not yet subject to ENS be accordingly exempted from the temporary storage procedure.

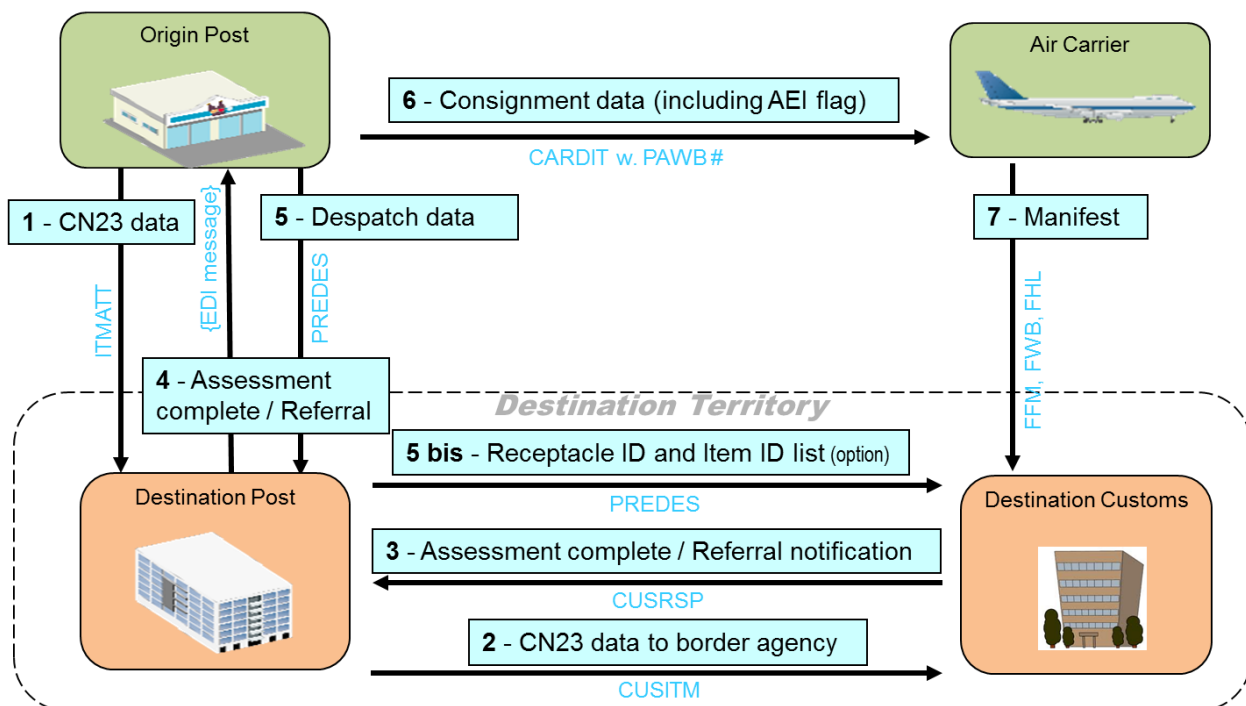
Annex 1

Global single model for Advance Electronic Information process for aviation security risk assessment purposes for postal flows

Comments related to AEI provisions in the draft IA and DA are provided in connection to the global single postal model endorsed by the UPU Postal Operations Council as described below:

1. The origin Post is responsible for electronic capture of the content of the Customs declaration (CN23) made by the sender, and passing the CN23 content to the destination Post via ITMATT (step 1 on the diagram below), as early as possible prior to handover to carrier, and to process the assessment complete or referral notification message received via CUSRSP (or another agreed standard method).
2. The destination Post is responsible to provide the CN23 data as received from the origin Post to the destination Customs authority (step 2), via CUSITM or a mutually-agreed method, and to pass on to the origin post the assessment complete confirmation or referral notification received from destination Customs by CUSRSP (or another agreed standard method) (steps 3 & 4).
3. The origin Post is responsible to ensure that any receptacle handed over to a carrier contains only items which :
 - are not subject to a requirement for advance information prior to departure, or
 - have been electronically advised as described at point 1 above for which an assessment complete confirmation was received
 - have been treated to any action required based on a referral from destination Customs.
4. The origin Post is responsible to retain any item for which it has received a Do Not Load request from destination Customs, or for which the remedial action was not brought to satisfactory conclusion.
5. The origin Post is responsible to assure the carrier with a clear statement that all receptacles handed over to the carrier contain only items which meet the requirements for advance information (point 3 above). This must be done through either a CARDIT message or a comparable paper-based declaration that the AEI requirements have been complied with (step 6). If required, the origin post is responsible to assign in CARDIT a Postal Air Waybill (PAWB) number.
6. The origin or destination Customs authority can access data associating items with specific receptacles, by contacting their respective Post, as this data is available following the scanning of items into receptacles during the despatch process. If required, the destination post may transmit a copy of the PREDES message to destination Customs (step 5bis).
7. In the case of a referral being received by the origin Post based on the advance information process :

- An agreed response protocol will be activated involving the Post, local authorities and the carrier (as applicable), whereby the item will be located using operational data and appropriate remedial action will be taken regarding the item in question at whatever point or location in the process the item is found;
 - A referral is an enforcement tip from a foreign authority that is to be diligently responded to by appropriately authorised parties and in accordance with national legislation. The referral may also be received and acted upon via a direct intervention between authorities of destination and origin per above;
 - Action in response to a referral may result in an item being deemed fit for onward conveyance in which case the item will be returned to the mail stream for onward forwarding and processing.
- The carrier shall not be liable for any aspect of item-level data as noted in points 1 and 2 above, since this data and its provision is outside carrier's responsibility.
 - The postal operator shall not be liable for any aspect of conveyance data as noted in points 10 and 11 below, since this data and its provision is outside postal operator's responsibility.
 - The carrier is responsible to confirm that, for all receptacles received from a postal operator, it has received a statement that all AEI requirements have been complied with (as per point 5 above), and to file carrier-related AEI elements as required by destination Customs (step 7).
 - If required, the carrier will use the Postal Air Waybill number and add the required details, which may include receptacle identifiers, to include postal consignments to the manifest provided to destination Customs.



Notes to the diagram:

1. The advance data flowchart comprises 7 steps shown in the explanatory dialog boxes. However, this is only a conceptual representation of the principles described above because several challenges remain to overcome (e.g. EDI messaging between posts and carriers is not available everywhere, and may need to be complemented by paper-based procedures).
2. DNL (“Do not load”) and HRCM (High risk cargo & mail) screening are considered to be the representative examples of a “Referral.”
3. If no “referral” is received and if an “assessment complete” has been received for an item, the origin Post can handover the items concerned to the carrier and the carrier can load them, so that the current worldwide mail flows will not be hampered.

Annex 2

Article 14 of the Universal Postal Convention Classification of letter-post items based on their formats

1 Within the classification systems referred to in article 13.3, letter-post items may also be classified on the basis of their format as small letters (P), large letters (G) or bulky letters (E). The size and weight limits are specified in the Letter Post Regulations.

Article RL 121 of the UPU Letter Post regulations Classification of letter-post items based on their formats

1 Designated operators in the target terminal dues system exchanging mail above a threshold shall apply the classification system based on the formats for their outward traffic, especially as far as making up of mails is concerned. The relevant conditions are specified in article RL 175.

2 In the classification system based on formats, the letter-post items provided for in article RL 120 may be further divided into:

- 2.1 small letters (P), as in article RL 124;
- 2.2 large letters (G), as in article RL 124;
- 2.3 bulky letters (E), i.e. items classified neither as small letters nor as large letters, with size limits as specified in article RL 123 and weight as specified in article 13 of the UPU Convention and in article RL 122.

Article RL 124 of the UPU Letter Post regulations Limits of size and weight for small letters (P) and large letters (G)

1. For the classification of items based on their format, the limits of size and weight of small letters (P) shall be as follows:

- 1.1 minimum dimensions: 90 x 140 mm;
- 1.2 maximum dimensions: 165 x 245 mm;
- 1.3 maximum weight: 100 g;
- 1.4 maximum thickness: 5 mm.

2. For the classification of items based on their format, for items that are not small letter (P) format items, the limits of size and weight of large letters (G) shall be as follows:

- 2.2 minimum dimensions: 90 x 140 mm;
- 2.2 maximum dimensions: 305 x 381 mm;
- 2.3 maximum weight: 500 g;
- 2.4 maximum thickness: 20 mm.

3. For operations, accounting and sampling purposes, the following rule shall apply:

- 3.1 If an item exceeds the limits of a format in one or more of the four criteria (length, width, thickness and weight), it shall be classified in the next largest format, provided that it fits within the dimensions of that format.