Customs warehousing is used by many organizations as a means to suspend/defer import duties and/or value-added tax (VAT) on goods entering the European Union. This is an effective and efficient means to enable importers to choose an optimum time to clear goods and pay duties; or re-export them outside of the European Union. While the advantages are significant in terms of cost savings and distribution optimization, storing goods in a customs warehouse can often involve highly complex internal control procedures before the goods can gain approval. The extent and types of processes involved can vary, depending on the nature of the goods, type of warehouse used, distribution plans and Member State custom requirements. In order to achieve compliance, as well as measure performance and financial impact, organizations need a fully integrated solution to manage their customs warehouse business and process requirements.

An integrated customs warehouse management (CWM) solution can play an integral role in simplifying procedures, while taking advantage of the maximum available benefits. The more automated and integrated the procedures, the greater the likelihood that those goods can be processed and transported effectively and efficiently. A CWM solution helps users comply with the rigorous requirements of the customs warehouse procedure. The right solution can also offer a secure and time-efficient way to manage imported goods regardless of the type of customs warehouse in use.

Descartes has developed the Customs Warehouse Management module as part of its Porthus.net Warehouse Management Framework. This on-demand solution is specifically designed to allow users to manage goods stored under the customs warehouse procedure, by keeping information on imported goods and accounts, tracking all movement and activity, and enabling accurate and timely electronic declaration processing.
features

descartes cwm leverages the power of the descartes global logistics network (gln), the industry’s largest federated network that enables organizations to electronically connect with shippers, carriers and regulatory authorities around the world.

owner of the goods registration – enables storage services with multiple customers to ensure the accuracy of goods being dispatched.

customs value calculation metrics – performs in-depth metrics on the value of inbound or outbound shipments, taking into account a wide range of increments and decrements, to help organizations determine the best methodology for calculating customs values.

preference management – enables users to keep track of all preference certificates to ensure proper import duty arrangements have been made.

validation engine and error alerts – allows for automated entry of all validations, as well as flags errors and warnings such as fluctuations in values that may affect customs compliance requirements.

inventory movement and status overview – provides an end-to-end audit trail with a direct link to inbound and outbound declarations for every transaction and/or movement within the customs warehouse.

duty optimization and preference management – includes features that allow organizations to leverage the best possible rates for goods within customs warehouse facilities through the following approaches:

- clearing on the shelf – allows users to create an import declaration and pay duty on goods stored in the warehouse in the event of an anticipated increase in duties

smart picking – automatically selects goods from the customs warehouse based on pre-configured prioritization measures to maximize efficiency and duty optimization

multiple customs warehouse type support – supports public a, b, f and private c, d, e customs warehouse types. seamless integration with descartes porthus.net cwm solution – can easily be integrated with import, export and transit management modules to enable end-to-end functionality that encompasses declaration processing, document generation (e.g. stock records), tracking and information sharing.

seamless data capture – offers multiple document upload options, including electronic messaging, manual capture (scanning/fax) or via other descartes applications; as well as leverages existing and developing standards for electronic business documents, and supports multiple data types, including cimp, xml, edi, pdf and tiff.

back-end integration – functions can be easily integrated with current back-end administration systems to reduce cost and complexity.

potential benefits

increased control and accountability – as customs authorities increase the requirements for audit, inspection and validation processes, descartes cwm provides a robust administrative system that stores all historical data to provide a detailed audit trail on demand.

improved compliance – greater accuracy and comprehensive record keeping reduces the risk of financial risk or compliance issues.

usability – the user-friendly web-based interface enables easy access to search, view and edit capabilities; as well as populates information into multiple documents automatically. built-in quality checks and alerts also notify users if documents or fields are missing or incomplete, while event-driven triggered actions ensure document sequencing meets requirements.

improved cycle time for shipments – automating customs filings improves cycle times, simplifies the movement of goods within an administrative environment and reduces the need for customs involvement and inspections.

reduced costs – built-in metrics and smart picking functionality enable organizations to reduce the amount of duty paid and maximize resources.

global access to trading partners – the descartes gln provides access to one of the largest networks of connected transportation and logistics services providers to improve the quality and timeliness of information exchange.

speed and efficiency – as a fully automated electronic solution, descartes cwm expedites warehousing management and clearance processes by ensuring consistency, eliminating duplication of effort, and improving filing accuracy.

improved document storage and retrieval – descartes cwm enables users and their trading partners to quickly and easily access documents with a single click of a button.

reduced cost, greater flexibility – as a web-based solution, descartes cwm requires minimal system changes and development costs, is fast and easy to implement, and eliminates the need to invest in internal infrastructure development.

paper-free communication – descartes cwm supports paperless processes by enabling the rapid exchange of information across the entire supply chain. companies can quickly and easily reduce their environmental footprint while improving speed and accuracy.