UNION CUSTOMS CODE (UCC)

Unifying and Streamlining Customs Procedures in the EU

With over 278 million declarations per year,[1]

handled by more than 2000 EU Customs offices, managing Customs-related information is complex and costly. As a result, the UCC was introduced to help:

Standardise processes
Increase cooperation
Ensure duty payment
Reduce duplication
Streamline procedures

IMPORTS: 1.679 TRILLION KGS.

€3.5

Trillion in trade with non-EU countries[2] with a world trade volume of

16%[3]

EXPORTS: 653.2 BILLION KGS.[4]

(1,2) http://ec.europa.eu/taxation_customs/customs/policy_issues/facts_and_figures/eu_customs_union_unique_en.htm
(3) http://ec.europa.eu/trade/policy/eu-position-in-world-trade/
(4) http://madb.europa.eu/madb/statistical_form.htm

Simplifications for "Trustworthy" EU companies

ENTRY IN DECLARANTS RECORDS (EIDR)

AEOs will be able to register information in their own systems without a full Customs declaration.

SELF-ASSESSMENT

AEOs will be permitted to calculate duties and taxes themselves (checked by periodic Customs audits).

CENTRALISED CLEARANCE

AEOs will be able to handle different Customs procedures for EU Member States through a single Customs office.

The Growing Importance of the Authorised Economic Operator (AEO)

Businesses who meet stringent criteria, including the ability to keep accurate records, transmit data electronically and more, may attain AEO status[5]. Companies with AEO accreditation can realize certain near- and long-term benefits.

(5) Types of AEO status vary, and may be grandfathered in for some cases.

The UCC Timeline & Overview

Changes will be implemented in stages[6]. Select highlights include[7]:

Nearly all businesses involved in the import and/or export of goods into and within the EU will be affected.

START

1 May 2016 Delegated and Implementing Acts come into force.

10 Feb. 2017 Direct trader access to European Information Systems begins.

3 Jan. 2018 UCC Authorised Economic Operator updates to begin.

3 Jan. 2019 The UCC Automated Export System (AES) to begin.

10 Feb. 2020 UCC Guarantee management to start.

2016 2017 2018 2019 2020 BEYOND >

Preparation, development and optimisation occur during this timeframe and continue throughout.

UCC Customs Status, Proof of Union Status and Binding Tariff Information (BTI) System updates (Phase 1) also begin during this time. **Jan.-Feb. 2017**

UCC Surveillance and New Computerised Transit System (NCTS) functionality to start during this timeframe. **Jan.-Feb. 2018**

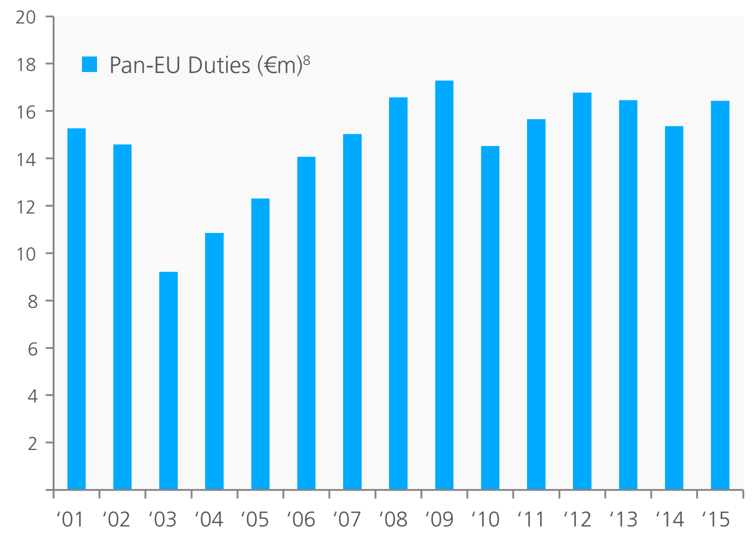
UCC Information Sheets (INF) for Special Procedures and Special Procedures (SPs) are scheduled to start. **Jan.-Feb. 2019**

ICS2 including UCC Notification of Arrival, Centralised Clearance and more. **Jan. 2020+**

(6) http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32014D0255
(7) Dates and deadlines are subject to change.

Implementing Changes to Guarantees

Total Customs Duties Across Member States



(8) http://ec.europa.eu/budget/figures/interactive/index_en.cfm
(9) http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2015.343.01.0558.01.ENG&toc=OJ:L:2015:343:TOC

"In order to safeguard the recovery of the Customs debt, mutual assistance between the Customs authorities should be ensured in the cases where a Customs debt is incurred in a Member State other than the Member State which accepted the guarantee.[9]"

What does this mean?

In order to ensure the receipt of duties and taxes, a guarantee or **insurance of duty payment** is now required across all Member States.

Using Technology

Traders can not only comply and keep pace with the UCC, but can also achieve added benefits using the right technology.

As a leader in regulatory compliance, Descartes offers companies the tools, they need to succeed in today's competitive marketplace including:

Recordkeeping

A comprehensive oversight functionality helps businesses demonstrate that they can meet or exceed the standards to become an AEO and to maintain certification.

Denied Party Screening (DPS)

Our solution provides easy-to-use options to screen against a comprehensive database of international restricted and denied party lists.

Compliance

With Descartes, traders can transition to Union Customs Code processes as these procedures are implemented and further refined.

USING THE RIGHT SOLUTION, TRADERS ARE BETTER PREPARED TO MEET UCC CHANGES.

Efficiency

Template-driven declarations, client-specific data and the ability to duplicate previous declarations provide added benefits and further productivity.

Flexibility

A flexible choice of functions and modules for import, export and duty management adapt to the needs of companies as they expand in the global marketplace.

Connectivity

Our solution helps businesses connect to Customs. In addition, companies can better communicate with customers using a number of messaging options.

DESCARTES

info@descartes.com | www.descartes.com