

19<sup>th</sup> October 2010

Dear Customer,

### **European 24 Hour Advanced Manifest Rule (2)**

Changes to the existing European Union Customs Code Regulation will become effective for any vessel which commences cargo operation at first port of loading after midnight on 31<sup>st</sup> December 2010 (actual starting vessels will be advised shortly). This is hereafter referred to as the European 24 Hour Advanced Manifest Rule, or EU24. As you may already be aware, for Import cargo moving from a non EU country to any EU member state, there will be a requirement for an Entry Summary Declaration (ENS) to be submitted to Customs at the first EU port of call latest 24 hours before the vessel commences loading at the non EU load port.

This ENS has to be sent electronically by EDI and "K" Line is now in the final stages of updating our Global Manifest System to accommodate this requirement. The original ENS plus any subsequent amendments and replies, such as the Movement Reference Number (MRN), from EU Customs will be managed by EDI through our manifest system. Our local offices will then contact customers as needed should any queries arise.

Information required from our customers for the ENS submission is almost identical to that required in the present Shipping Instruction (SI). The main differences are a need for greater accuracy in addresses, cargo descriptions and any code numbers provided. The following details are the additional information that is required.

1. HS codes (If available. Rule requires 4 digits, but 6 digits are preferred.)
2. EORI number of Consignee, Notify Party and Shipper (EORI number is not a requirement but we recommend you to provide it if available)

Concerning item 1, general vague cargo descriptions may be rejected by EU Customs in future. Examples of acceptable cargo descriptions are available in the "Useful Link" at the end of this message. If you have the HS code for your cargo, we highly recommend that you provide that code in addition to the cargo description. Rule requires 4 digits as minimum but we strongly recommend you to provide 6 digits code.

EORI number is explained by our previous circular dated 14<sup>th</sup> July 2010. There is a link to this circular in the "Useful Link". EORI number is required if available.

There are a few procedural changes which may affect our customers. Most importantly SI may need to be submitted earlier. This is needed to allow time for "K" Line offices to input data to our manifest systems and send the ENS declaration according to the regulation time limits. We will endeavour to submit all ENS declarations promptly to allow time to handle any queries that may be raised from EU Customs. Cut off times for submission of SI will be announced by our local offices at each load port nearer to the start date.

The EU Rules are clear and we must have the SI in order to submit the ENS. If we do not receive this information from our customers in time, we will not be able to declare ENS and not allowed to load their cargo.

For our NVOCC customers we have also considered the provision within the EU24 that allows them to file their own ENS declarations. According to the EU this must be subject to a contractual agreement between carrier and NVOCC which sets out the responsibilities of each party. Further details will be announced in due course.

The process of updating our systems to handle these requirements has necessitated some additional investment. The additional work that is involved, despite automation of the process, will also result in costs being incurred. We are currently considering applying an ENS Administration Fee. This will be kept to a minimum but we believe it is fair and reasonable to ask for a contribution to this expense.

Further information will be circulated to all of our customers shortly, and if there are any changes or additional information we will keep you advised.

Useful Link;

Cargo Description (European Commission website: please refer to p3 and p4);

[http://ec.europa.eu/taxation\\_customs/resources/documents/customs/policy\\_issues/customs\\_security/acceptable\\_goods\\_description\\_guidelines\\_en.pdf](http://ec.europa.eu/taxation_customs/resources/documents/customs/policy_issues/customs_security/acceptable_goods_description_guidelines_en.pdf)

HS Codes (European Commission);

[http://ec.europa.eu/taxation\\_customs/dds2/taric/taric\\_consultation.jsp?Lang=en&Screen=1&redirectionDate=20101014](http://ec.europa.eu/taxation_customs/dds2/taric/taric_consultation.jsp?Lang=en&Screen=1&redirectionDate=20101014)

EORI number (Kline website);

[http://www.klineurope.com/attachments\\_view.asp?tp=pub&id=88](http://www.klineurope.com/attachments_view.asp?tp=pub&id=88)