



**Position of the European Sea Ports Organisation  
regarding the Customs Reform Proposal (COM(2023) 258)**

European Sea Ports Organisation (ESPO) welcomes the European Commission's Proposal for an EU Regulation of the European Parliament and of the Council establishing the Union Customs Code and the European Union Customs Authority, and repealing Regulation (EU) No 952/2013.

ESPO appreciates that the customs reform proposed by the Commission aims at addressing the shortcomings of the existing customs legislation, by improving the efficiency of customs procedures in the EU, in particular, through the introduction of the European Customs Authority, the EU Customs Data Hub and the 'Trust and Check' trader status.

The European ports, as important actors of the EU maritime transport ecosystem, enabling 75% of Europe's external trade, have a strong interest in keeping the cargo flows in seaports seamless, while at the same time ensuring that customs controls are performed in the most efficient way, tackling illicit trade and protecting the European internal market and European consumers.

In the context of the ongoing discussions on the Customs Reform in the European Parliament, ESPO welcomes the Internal Market and Consumer Protection (IMCO) Committee's Draft Report on the EU Customs Code Regulation Proposal, tabled by the Rapporteur Deirdre Clune. ESPO supports in particular the proposals:

- addressing questions such as broadening the scope of the UCC Regulation Proposal by the inclusion of the Single Window for Customs,
- enhancing the concept of Trust and Check Trader,
- accelerating the entry into operation of the EU Customs Data Hub, and last but not least,
- responding to concerns raised by maritime industry on the duration of temporary storage and the need to clarify when goods brought to the EU Customs territory should be notified as arrived.

In view of the preparation of the compromises by the Rapporteur and Shadow Rapporteurs of the IMCO Committee's decision, ESPO would like to draw particular attention to the following aspects:

**1. ESPO asks the Parliament to vote in favour of keeping the temporary storage period at 90 days**

**In its proposal of 17 May 2023, the EU Commission has shortened the temporary storage period to 3 days (which currently is set out at 90 days). For Europe's ports such a short period of temporary storage is not acceptable nor workable. ESPO very much supports the amendments 345, 347 and 348 and hope that these are taken up in the compromises and be voted.**

Temporary storage is seen by maritime transport stakeholders as a useful mechanism, allowing for bringing non-EU goods into the EU territory and presenting them to customs before placing under a customs procedure, transshipping or re-exporting. This mechanism plays a crucial role in ensuring the fluidity of cargo flows handled through ports, in particular when other parties in the logistics chain do not provide in a timely manner the data required to place goods under the customs warehousing.

In addition, temporary storage is used in the context of transshipment, that is, the shipment of containers to an intermediate destination, where they are handled between two seagoing vessels and then shipped to another (final) destination, including non-EU ports. These goods are not subject to the EU customs and non-customs obligations as they will never be consumed within the internal market. In that respect, a too short time limit for temporary storage, as proposed in the initial Commission Proposal, could have a negative impact on the attractiveness of EU ports, that act as transshipment hubs for global cargo flows (e.g. for goods shipped from Asia to the US via the EU) and therefore depend on transshipment movements and further unlevel the playing field between EU transshipment ports and their competitors in the neighbouring countries. If ports in Europe are becoming less attractive for the handling of transshipment cargo, they will see their volumes and the frequency of maritime connections going down both importing and exporting cargo, resulting in higher prices and loss of competitiveness for European companies and consumers. Last but not least, along with the recent extension of the EU ETS to maritime sector, the shorter temporary storage period may lead to the relocation of the European transshipment business to non-EU ports resulting in a loss of income and jobs for many local communities.

For these reasons, ESPO strongly favours keeping the time limit for temporary storage at 90 days.

## **2. ESPO pleads in favour of creating synergies between the Single Window for Customs and the EU Maritime Single Window, including port community systems**

ESPO welcomes the Rapporteur's amendments to include the existing provisions on the Single Window for Customs into the proposed UCC Regulation, by repealing the Regulation 2022/2399, thus ensuring a single comprehensive customs framework (amendments: 21, 36 and 69). European ports are particularly in favour of seeking synergies between the Single Window for Customs and the EU Maritime Single Window. This should be reflected in the main body of the Regulation Proposal.

In this context, European ports continue to support the proposal to ensure interoperability between the EU Customs Data Hub and the EU Maritime Single Window for the submission of customs formalities set out in the Annex to the EMSWe Regulation (amendment 281).

In addition, ESPO would also like to stress the need to maintain the functionalities of the current port community systems in parallel to the EU Customs Data Hub. Ports have invested heavily in the development of these systems, which are now fully integrated into port processes to support and facilitate maritime supply chains and stakeholders like terminals, shipping lines and importers/freight forwarders. If the existing port community systems would remain non-interoperable with the EU Customs Data Hub, this could lead to extensive administrative burdens and costs for ports, further undermining their competitiveness. For this purpose, ESPO supports amendment 242 (this specific aspect could be also addressed in a separate amendment to Article 29).

## **3. Requirements on minimum customs data**

For Europe's ports, it is important that customs obligations imposed on maritime stakeholders (be it port authorities, shipping lines, terminal operators, shippers or ship agents) take into account existing data availability. The customs reform should therefore not hamper core operational processes agreed between commercial parties in the supply chain.

ESPO supports the idea of aligning the customs requirement to provide the minimum data necessary for the application of the provisions on storage of goods under temporary storage and customs warehousing with the launch of the EU Customs Data Hub (amendment 351). This should reduce the administrative and IT costs for terminal operators and avoid traffic congestion in ports, when other parties in the logistics chain do not provide the required data on time.

#### 4. Ensuring legal clarity in the context of the existing UCC implementation.

European ports share the view of other maritime transport stakeholders that it is necessary to ensure legal clarity and predictability in the application of the existing UCC secondary legislation, when developing the new customs legal framework. The transitional provision set out in the initial Commission's Proposal appears to be insufficient. Therefore, ESPO considers that the transitional provisions should be further strengthened, as foreseen in amendments: 337, 338, 342 and 343.

##### Further legislative steps

The European Sea Ports Organisation invites the Members of the European Parliament to carefully consider the above arguments, highlighting the main concerns of the European ports in the context of the EU customs reform proposal.

To this end, ESPO has joined forces with other maritime stakeholders, developing recommendations on specific amendments related to storage procedures, legal continuity, and cargo security. In the same spirit, European ports remain open to engage in a dialogue with the Council, in order to find workable solutions that contribute to facilitation of trade and to an effective and uniform application of the EU customs legal framework.



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*The European Sea Ports Organisation (ESPO) represents the port authorities, port associations and port administrations of the seaports of 22 Member States of the European Union and Norway at political level. ESPO has also observer members in Albania, Iceland, Israel, Montenegro, Ukraine and the United Kingdom. ESPO is the principal interface between the European seaport authorities and the European institutions. In addition to representing the interests of European ports, ESPO is a knowledge network which brings together professionals from the port sector and national port organisations. ESPO was created in 1993.*