European Parliament

European maritime single window
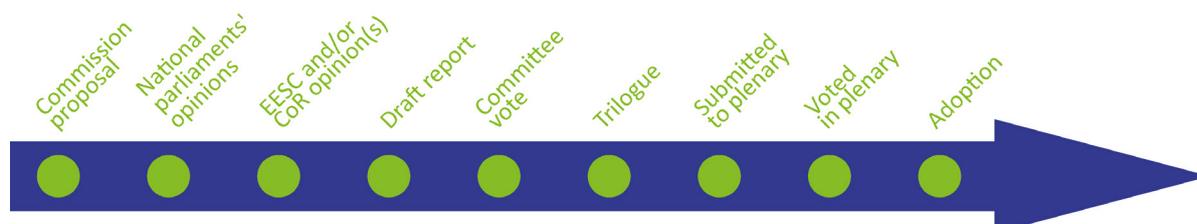## Harmonised digital reporting for ships

OVERVIEW

Every time a ship calls at a port, its maritime transport operator has to submit a set of pre-arrival information to a range of entities and agencies. Currently, the reporting process is not harmonised across EU ports. In addition, the information provided by ships is not efficiently shared among the actors concerned. The resulting multiple reporting places an excessive administrative burden on shipping operators, with negative impacts rippling down the logistics chain.

Within broader efforts to modernise EU transport, the European Commission is proposing to bring all the reporting linked to a port call together into one digital space – the 'European Maritime Single Window', to harmonise reporting procedures for shipping operators and to ensure data can be shared and reused efficiently.

Interinstitutional negotiations concluded on 7 February, the agreed text was adopted by the Parliament in plenary on 18 April and by Council on 13 June 2019. After publication in the Official Journal, the new regulation entered into force on 14 August 2019, while the measures within it will apply from 15 August 2025.

Proposal for a Regulation of the European Parliament and of the Council establishing a European Maritime Single Window environment and repealing Directive 2010/65/EU		
Committee responsible:	Transport and Tourism (TRAN)	COM(2018) 278
Rapporteur:	Deirdre Clune (EPP, Ireland)	17.5.2018
Shadow rapporteurs:	Knut Fleckenstein (S&D, Germany) Jacqueline Foster (ECR, United Kingdom) Gesine Meissner (ALDE, Germany) Marie-Pierre Vieu (GUE/NGL, France) Karima Delli (Greens/EFA, France)	2018/0139(COD)
		Ordinary legislative procedure (COD) (Parliament and Council on equal footing – formerly 'co-decision')
Procedure completed.	Regulation (EU) 2019/1239 OJ L 198, 25.7.2019, pp. 64-87	

Commission proposal · National parliaments' opinions · EESC and/or CoR opinion(s) · Draft report · Committee vote · Trilogue · Submitted to plenary · Voted in plenary · Adoption

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Introduction

Both on arrival in a port and on departure, ships are subject to a range of controls concerning the ship itself, as well as the goods, crew and passengers on board. Alongside the regulatory controls serving customs, immigration law enforcement and security purposes, there are also operational procedures to be followed, in relation to maritime safety and the port services needed by the ship. These controls and procedures mean that every time a ship calls at a port, its maritime transport operator has to supply information to a range of different entities and agencies. The extent of the information required varies depending on international, national and local rules.

Reporting takes time and energy. The European Commission estimates that for the more than two millions port calls made annually in the EU, shipping sector staff spend about 4.6 million hours reporting. EU legislation, intended to make the process more efficient, has brought only limited progress. Reporting procedures in EU ports are not harmonised, either within or between Member States. The data received from maritime transport operators is not shared among the data recipients and shipping operators still have to report the same information repeatedly.

Maritime transport operators have long called for harmonisation, pointing out that the heavy administration puts shipping at a disadvantage compared with other transport modes, in particular road transport. Council has joined the call for simplified, digitalised and harmonised reporting. The initiative is part of the Third mobility package designed to modernise EU mobility, and ties in with wider EU efforts to remain a strong world player in terms of digitalisation, innovation and decarbonisation, securing jobs and tackling climate change.

Context

To standardise **ship reporting worldwide**, the International Maritime Organization (IMO), a United Nations specialised agency responsible for regulating international shipping, established common rules with the 1965 Convention on Facilitation of International Maritime Traffic (the FAL Convention). Setting standards and recommended practices for the arrival, stay and departure of ships, persons and cargoes, it also includes provisions on stowaways, public health and quarantine.

To cut red tape, it introduced standardised certificates and reporting documents, called FAL forms.[1] In force since 1967, the Convention is binding on its contracting states, including all EU countries.

The Convention has been adapted to reflect new developments and technologies. A series of amendments entered into force in 2018, introducing new systems for the electronic exchange of information on ships, cargo, crew and passengers by April 2019. IMO is also developing a system to harmonise data reporting formats used by existing maritime data exchange platforms.

Many seaports – but also airports and inland ports – use electronic platforms to connect the systems operated by the various actors making up a seaport community. These **port community systems** (PCSs) facilitate the exchange of administrative and operational information on an end-to-end basis

EU customs procedures and shipping

For customs purposes, ships sailing beyond 12 nautical miles (22.2 km) from shore are considered as having left the EU and have to undergo the same complex customs formalities as ships arriving from overseas ports. To ease intra-EU shipping, a simplified customs procedure was introduced for ships scheduled in **regular shipping services** (RSS). Since 2014 the scheme has been open to ships calling regularly in EU ports and carrying mainly EU goods, subject to prior authorisation by customs authorities. However, as most ships delivering cargo between EU ports carry both EU and non-EU goods and stop both at EU and non-EU ports, only 10 to 15 % of maritime traffic can use the RSS (mainly ferries).

With the 2013 Blue Belt initiative, the European Commission proposed to make the RSS authorisation procedures shorter and more flexible, and to introduce a harmonised electronic cargo declaration (e-Manifest) that would enable the status of goods to be determined quickly (i.e. distinguishing EU goods from non-EU goods).

(machine-to-machine) with all stakeholders. Operated and maintained by public or private organisations, they are usually fee-based.

Data on **cargo**, required by customs and other authorities (see text box), is collected via a cargo declaration – 'cargo manifest' – provided by the cargo shipper. Following the introduction of the standardised international cargo declaration and recommendations from the World Customs Organization, a harmonised EU system for electronic cargo reporting is being developed.

The trend towards the digitalisation of trade and transport processes has brought the need for specific information exchange interfaces, giving rise to the setting up of multiple 'single window' platforms for trade, transport, veterinary control and customs data. The concept has been in use since 2004 as a means to facilitate **international trade**. The authority in this respect, the United Nations Economic Commission for Europe (UNECE), has issued guidelines on single window implementation and single window interoperability across borders. Its subsidiary, the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFATC), is an intergovernmental body focusing on trade facilitation recommendations and electronic business standards.

Existing situation

In 2002, to facilitate maritime transport in European waters, the EU introduced rules obliging ships calling at EU ports to provide the required information on the standardised IMO FAL forms.[2] These rules were later replaced by Reporting Formalities Directive 2010/65/EU (RFD). Without altering the substance, it changed the means by which information should be transmitted by industry and received by authorities. Before calling at an EU port, the ship master (or an authorised operator) has to provide the competent national authority with the required information[3] on IMO FAL forms. By 1 June 2015, Member States were to have established a **national single window** (NSW) allowing the reception of ship port call notifications in electronic form.

The NSW was meant to perform two functions: collect data (see textbox) from the shipping operators or agents (front-end providers) and distribute it to the various data recipients (back-end authorities). The driving idea was that shipping operators submit information **only once** and it would then be **shared** with the relevant administrations via the European monitoring and information system (SafeSeaNet, operated by the European Maritime Safety Agency, EMSA)[4].

However, the 'reporting once' principle has not been achieved. Shipping companies and agents affirm that on most port calls,

> ### Data stability and timing
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> Carriers or their agents provide several types of data. Information that does not change often (such as ship identification and tonnage) is considered as **permanent static data**, while information that does not usually change between the ports of departure and arrival (such as crew and passenger lists, or hazardous cargo information) is seen as **temporarily static data**. Information that changes regularly (waste on board, arrival time) is considered **dynamic**. Not all information is submitted on arrival to port: the cargo-related 'entry summary declaration' has to be provided to EU customs authorities 24 hours before the ship leaves the port of departure.

they still report the same data, static and dynamic, separately to several authorities. To them, the directive 'replaced costly and divergent paper based submission processes with costly and divergent electronic submission', causing huge IT costs and disruptions. Similarly critical, operators of port community systems[5] see the RFD as having resulted in 'substantial work for the industry to adapt to a non-standard standard set out by EMSA'.

Moreover, the RFD has not sufficiently addressed the possible reuse of static data from one port to another. This has only recently been tested in a pilot project, focusing on the automatic exchange of ship and crew certificates between port authorities. In 2018, EMSA ran another pilot project demonstrating how a harmonised e-Manifest including different cargo formalities could fulfil reporting requirements via a maritime single window environment at European level.

In 2015, the Commission set up the Digital Transport and Logistic Forum (DTLF) to support the use of e-documents in transport and harmonise data exchange in the logistics chain.

Parliament's starting position

In 2015, Parliament called for measures to facilitate formalities for ships operating between EU ports, which would allow the establishment of a real European maritime transport space without barriers (the 'Blue Belt'). It also wanted maritime and customs authorities to be better coordinated, so as to streamline information flows and limit red tape and customs formalities.

In 2017, the Parliament urged the Commission to propose a digital framework for electronic information exchange and transport management in multimodal transport (e-freight) to facilitate information flow between businesses, customers and authorities, building on existing services (such as SafeSeaNet, RFD and e-Manifest) and to ensure the harmonised application of e-transport documents.

Several months later, it recalled the key objective of establishing a single European transport area without barriers and asked Member States to introduce incentives to make transport modes more efficient and eliminate the existing barriers, including needless red tape.

Council starting position

In the 2017 priorities for EU maritime transport policy until 2020, EU transport ministers called for swift implementation of the Blue Belt, including through a harmonised e-Manifest. Stressing the need to make data available and accessible to all relevant parties, they asked the Commission to address the shortcomings identified in the RFD and introduce the e-Manifest through a harmonised European Maritime Single Window environment (Council conclusions, 8 June 2017).

Reiterating these demands half a year later, the Council also called on the Commission to apply the 'digital by default' and 'once only' principles when developing or evaluating legislation, to keep it fit for the digital age (Council conclusions, 5 December 2017).

Preparation of the proposal

As part of a regulatory fitness and performance (REFIT) check, the Commission evaluated the RFD along with the directive establishing the vessel traffic monitoring and information system. A 2017 evaluation study of 40 ports in 16 EU countries concluded that instead of easing the reporting process, the directive had made the process more complex and the burden on industry heavier. National harmonisation had happened only in 7 % of the observed ports.

The study identified three problems. First, as the RFD did not provide any binding specifications, the established NSWs have not been harmonised. Member States – and even different ports within one Member State – use different interfaces, data formats and reporting procedures. Second, the NSWs do not cover all reporting: national and local requirements are submitted via other channels and most customs formalities pass through separate customs IT systems. And third, the data provided is not shared efficiently by the national authorities.

Between 25 October 2017 and 18 January 2018, the Commission ran a public consultation on reporting formalities for ships that received 91 responses. In parallel, a more specific and targeted consultation of the main stakeholders collected 418 reactions. While stakeholders agreed that EU-level harmonisation was needed, their views on how to achieve it diverged. Shipping companies and agents wanted a centralised IT solution, whereas Member State authorities and ports preferred a solution using the existing NSWs that they had invested in. Most stakeholder groups would opt for integrated reporting (customs and transport data reported together). The Commission also carried out a wider fitness check of legislation dealing with maritime transport safety and efficiency, including another related public consultation. It singled out the simplification and harmonisation of reporting formalities as 'the number one priority for the years to come'.

The proposal is accompanied by an impact assessment (IA). As possible solutions, the Commission considered the harmonisation of the NSWs, either via binding technical specifications (with Member States responsible) or via a common IT module plugged to each NSW (both EU and Member States responsible). The next option considered was to introduce a central reporting interface, under EU responsibility. The option of mandatory reporting via port community systems has been discarded, as this could work for larger ports but would be impractical and costly for smaller ones.

The initial appraisal of the IA by the European Parliamentary Research Service finds that it is generally consistent and provides a thorough analysis of the current problems, but could have been more specific as to the monitoring of impacts. The Commission appears to have made efforts to take input from stakeholders on board, while choosing a policy option that was nobody's 'first choice'.

The changes the proposal would bring

The Commission is proposing to establish a European maritime single window environment (EMSWe), linking the existing NSWs together via a common IT solution: a **module** developed at EU level, introducing a harmonised interface in terms of data format and codes (see Figure 1).

The existing NSWs would serve as a router collecting the data from maritime transport operators and distributing data to recipients. The module would not process the data (beyond data format translations / transformation, initial data quality checks and similar procedures). All final processing would be done by the data recipients.

Each Member State would receive the same software package and have to make its NSW compatible with it. National competent authorities would also have to provide for proper connections with data recipients. These, in turn, would need to make their systems interoperable with the updated NSW. Port operators would have to adapt their systems and connections to handle EU data in the harmonised format. This holds also for the shipping operators, if they chose to report via the EMSWe. In addition, Member States would have to provide an online support website.

Figure 1 – Data flows in EMSWe

Source: European Commission, 2018.

Possibilities to use other reporting means – such as the (optional use of) port community systems and the electronic data processing techniques for the exchange of information between customs authorities and economic operators – remain open.

The proposal establishes a comprehensive **data set**, listing all information elements that may be requested by national authorities or port operators when a ship calls at a port. As reporting obligations vary from one state to another, each NSW should be ready to accept the entire EMSWe data set without modifications. Member States could disregard information irrelevant to them, but could not ask for additional data elements without prior notification to the Commission.

Member States would have to ensure that declarants are asked to provide information **only once per port call** and that the data is made available or reused. The Commission, however, recognises that it will not be possible to submit the customs entry summary declaration through the NSWs.

Assuring that the data collected would be stored in the NSWs only for the time necessary to comply with EU legal acts and deleted immediately afterwards, the Commission at the same time proposes
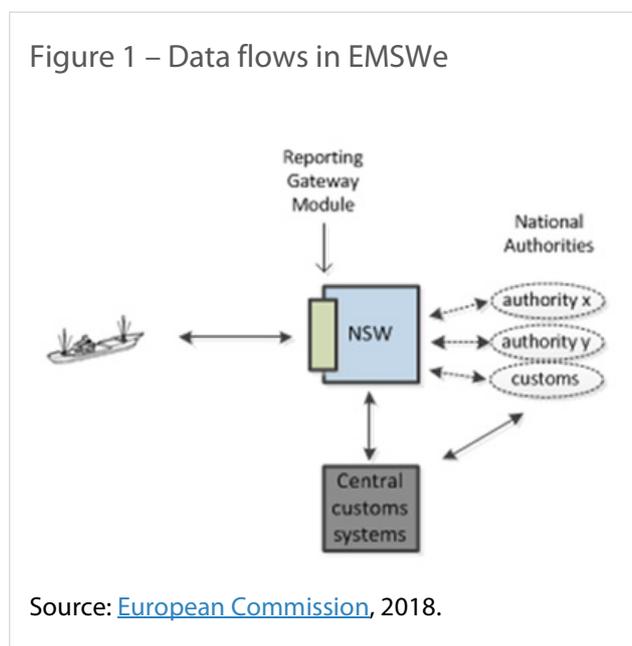
to set up **databases** to enable the reuse of the information provided (an EMSWe ship database, a common location database and a common hazardous material database). Member States would have to ensure the **confidentiality** of commercial and other sensitive information exchanged, while the Commission would establish a common user and access management system for all involved.

The Commission estimates the total **costs** at €29.4 million for the 2020 to 2030 period. Of this, €13.5 million would be borne by the Commission, to cover the IT services to develop and operate the IT module, and the rest by Member States, to cover the adaptations and operation. Expected **benefits** are quantified in hours saved on reporting (22 to 25 million staff hours from 2020 to 2030, worth €625 to 670 million) for shipping operators. Efficiently used and shared data would optimise cargo flows and serve the whole logistics chain, while increasing the competitiveness of maritime transport, which is also a precondition for reducing transport CO_2 emissions.

Advisory committees

The European Economic and Social Committee (EESC) in its opinion of 17 October 2018 (rapporteur Stefan Back, Group I – Employers, Sweden) stresses that adopting adequate standards and certification requirements via delegated or implementing acts will be crucial for the correct operation of EMSWe and draws attention to the ongoing work in UNECE, aimed at ensuring high and universal standards. Suspecting that the possibility to add specific national requirements could turn into an obstacle hindering the functioning of the internal market, the EESC expects the Commission to monitor its implementation closely.

The European Committee of the Regions has not prepared an opinion.

National parliaments

The proposal had not raised any objections from national parliaments on the grounds of subsidiarity by the deadline (3 September 2018).

Stakeholders' views[6]

Stakeholders generally appreciate the effort to harmonise the NSWs and to build on existing means.

The European Community Shipowners' Association (ECSA) and the World Shipping Council (WSC), representing **maritime carriers**, jointly welcome the initiative and suggest three improvements.

First, they ask the Commission to adopt a 'harmonised maximum list' of data reporting requirements. Fearing that adding data elements to the agreed data set would over time expand the list, they want data elements to be properly assessed, deleted if not essential, allowing additions only as exceptional and when duly justified. This mechanism should be included in the regulation.

Second, they want to see established a single, 'voluntary to use' EU interface for submitting data. While companies handling smaller data quantities can upload data manually (user-to-system connection, covered by the proposal), shipping companies handling large quantities of data have to use a machine-to-machine interface, that is costly to set up, test and maintain. Under the proposal, companies using such interfaces today would have to replace all the existing connections they have invested in with harmonised but separate national connections. Instead, they should have the option to use a single EU-level interface for data submission – alongside the existing interfaces – that would distribute data to all NSWs and transmit any feedback generated by the national systems.

Third, they call for implementation of – what they call – the right principles: 'reporting once', a single access point and data sharing. Also, any new systems have to be technologically neutral and future-proof.

European **ports**, represented by the European Sea Ports Organisation (ESPO) welcome the fact that the proposal allows for optional reporting via port community systems. To them, the main objective is to harmonise data definitions and data sets. Asking the Commission for further clarifications, they

support the development of the IMO independent data reference model (expected in April 2019) and want it adopted without delay. In their view, the possibility to require additional data – under exceptional circumstances – should be extended to individual competent authorities. They call on maritime and customs authorities to align their reporting requirements to allow for data reuse.

The ports call on the Commission to remain technology-neutral and to refrain from prescribing concrete technical solutions. Given that the NSW should collect and redistribute data, they believe it should have a governance mechanism with a proper legal basis. Moreover, NSWs should provide for two-way communication between shipowners and the relevant authorities, allowing the final data receiver to follow up with the data provider. Pointing out that most ship reporting formalities are 'dynamic', they believe that the number of overlapping requirements is very limited.

While in a joint position **industry** representatives[7] welcome the proposal, they also identify some discrepancies and ask for further explanations. In their view, the harmonised data set should include as much ship reporting data as possible, including national and local items. However, new elements should be added only when justified and customs formalities should stay in the customs environment. They point out that 'reporting only once per port call' can still mean double or multiple provision of the same data in different ports. Moreover, they perceive the liabilities and responsibilities for the reuse of commercial information as insufficiently defined. In addition to harmonisation of the interfaces between trade and different NSWs, harmonisation is also needed among the NSWs themselves and other national systems, based on technology-neutral provisions.

Legislative process

The Commission adopted its proposal on 17 May 2018.

In Parliament, the Committee on transport and tourism (TRAN) has taken the lead. The rapporteur (Deirdre Clune, EPP, Ireland) put forward her draft report on 15 October 2018. The TRAN committee adopted its report on 10 January 2019, stressing the need to achieve harmonisation while keeping pace with technology developments. In addition to a user-to-system way to submit data to the NSW, TRAN members also sought a common access point interface for system-to-system data.

On 3 December 2018, the Transport Council had agreed a general approach. That text introduces an exemption for landlocked EU countries with no seaports, and clarifies definitions and the responsibilities of the Commission and Member States as regards the set-up and operation of the harmonised data interface. While the Commission proposed to make ship arrival and departure times available in the EMSW, the Council would make it only optional. Further changes concern the Commission's power to adopt delegated and implementing acts.

Interinstitutional negotiations (trilogues) concluded on 7 February 2019. While the EU common access point interface, requested by the Parliament, has not been retained, the Commission should integrate a common service into its interface, which must be open to future technologies. To ensure efficient governance, Member States will designate a national authority to coordinate the national maritime single points of contact. Information on the departure and arrival of ships will be public, with the exception of ships carrying sensitive cargo. As requested by Parliament, EMSA's activities related to EMSWe implementation will be paid for from the EU budget. The regulation will start to apply from six years after its entry into force.

The agreed text was endorsed by the TRAN committee on 4 March 2019. Parliament adopted it in a first-reading legislative resolution on 18 April 2019, with 508 votes in favour, 24 votes against and 19 abstentions. The final act was formally signed on 20 June 2019. Published in the Official Journal, the new Regulation 2019/1239 entered into force on 14 August 2019. The measures adopted will start applying from 15 August 2025.

EP SUPPORTING ANALYSIS

Remac M., European Maritime Single Window, Implementation appraisal, EPRS, European Parliament, May 2018.

Remac M., European Maritime Single Window environment, Initial Appraisal of a European Commission Impact Assessment, EPRS, European Parliament, December 2018.

OTHER SOURCES

European maritime single window environment, Legislative Observatory, European Parliament, (OEIL).

Ex-post evaluation study on Reporting formalities directive (RFD) and Directive on vessel traffic monitoring and information systems (VTMIS), Panteia and PWC, European Commission, 2017.

ENDNOTES

[1] The FAL forms consist of a general declaration and declarations on cargo, ship's stores and crew's effects, crew and passenger lists, and dangerous goods. Two other documents may be required under the Universal Postal Convention and the International Health Regulations. Since 1 January 2018, three additional declarations have been added: security-related information, advance electronic cargo information for customs risk assessment and advance notification for waste delivery to port reception facilities.

[2] International Maritime Organisation's Convention on Facilitation of International Maritime Traffic of 1965, as amended.

[3] Ships of 300 gross tonnes and above have to notify their arrival and departure, border checks on persons on board, dangerous or polluting substances carried, as well as waste and cargo residues stored, provide security information as relevant and submit an entry summary declaration for customs purposes. Exceptions exist for warships, fishing vessels, traditional ships and recreational craft of less than 45 metres and bunker vessels under 1 000 tonnes. Ships operating between ports situated on EU customs territory are exempted.

[4] SafeSeaNet, set up under Directive 2002/59/EC, is an electronic reporting and information exchange system for vessel traffic, hosted and technically developed by EMSA. It includes information such as the identification, position and status of a ship, times of departure and arrival, incident reports and details on hazardous cargo.

[5] IPCSA, the International Port Community Systems Association, noted that while the RFD and EMSA use the XML format, the market has already standardised the use of EDIFACT formats.

[6] This section aims to provide a flavour of the debate and is not intended to be an exhaustive account of all different views on the proposal. Additional information can be found in related publications listed under 'EP supporting analysis'.

[7] Industry representatives participating: CLECAT representing freight forwarders and logistics companies; ECASBA – the European Community Association of Ship Brokers and Agents; EMPA – the European Maritime Pilot's Association; ESC – the European Shippers' Council; ESPO – the European Sea Ports Organisation; FEPORT – the Federation of European Private Port Companies and Terminals; and IPCSA – the International Port Community Systems Association.

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