



CONFERENCE HIGHLIGHTS INTERNATIONAL APPEAL OF EPCSA

A broad-ranging programme of presentations, discussions and networking events covered all aspects of trade, Customs and transport facilitation at the first major European conference organised by the European Port Community Systems Association.

EPCSA members and colleagues headed to Sofia, Bulgaria, for the event, which attracted significant interest among European and national politicians, the ports and logistics sector and other stakeholders.

The conference was a milestone for EPCSA – not only for bringing together such a strong and influential audience, but also for marking an expansion of its influence geographically.

During the three-day programme, a consortium of Bulgarian interests from the ports, river shipping, ship agency and broking, forwarding and Customs sectors confirmed plans to establish the National Trade & Transport Council of Bulgaria and set up a national Port Community System, with support from EPCSA.

"It is confirmation of the respect EPCSA has already earned that the Bulgarian consortium has turned to

us for support for this development," said EPCSA chairman Pascal Ollivier (pictured right).

"They signed a memorandum of understanding to move forward with our help. That is interesting because EPCSA objective is firstly to lobby the EC and secondly to develop Port Community Systems around Europe. Now EPCSA is being seen by interested organisations as a lobbying group to help get their message across to their government and other authorities."

Among the signatories of the MoU were the Bulgarian Association of Shipbrokers and Agents (BASBA), Bulgarian Chamber of Commerce and Industry (BCCI), Bulgarian Union for Customs and Foreign Trade Services (BSMVO), Bulgarian National Forwarding Association (NSBS) and Bulgarian River Shipping (BDC), several of whom were represented during the official welcoming speeches for the conference.

Another key development was that the Ukrainian organisation PPL 33-35, set up as a direct result of talks with EPCSA, was formally accepted as an associate member.

The Sofia conference agenda featured discussions on global and European trends in trade, maritime



and Customs facilitation and took a close look at how government and business can collaborate through a Port Community System.

Pascal Ollivier was among the keynote speakers, together with Alan Long of MCP and EPCSA deputy chairman Evelyn Eggers of Dakosy.

Mario Apostolov, regional adviser for trade at the United Nations Economic Commission for Europe (UNECE), gave a detailed explanation of the UN standards for a Single Window and Data Harmonisation, covered in the UN Recommendations 33, 34 and 35.

He outlined the benefits from an effective Single Window for government agencies and for business. For the former, the benefits included good governance, efficient distribution of resources, better collection of duties and fees, more compliance by business and more security; for business, the benefits were more efficiency, lower costs because of saving time for document preparation, faster release of goods, predictable and efficient description and implementation of rules, and more transparency, he said.

YEAR IN REVIEW

It's just over a year since the inaugural conference and launch of the European Port Community Systems Association, so it seems right to pause and consider the remarkable achievements of EPCSA in the short time since then.

When six leading Port Community System Operators came together to form EPCSA, they made clear their intention

to provide an important source of expert opinion with regard to any new, relevant Directive being considered at European level. Think e-Customs, e-maritime, e-initiatives, in short, anything with an 'e' in front of it relating to trade!

Within months, the important role that PCs can play – and are already playing – in the move towards Single Windows was highlighted in discussions at the United Nation's Global Trade

Facilitation Conference held in Geneva.

EPCSA followed this up by creating and launching a unique 'Twelve Actions' Guide entitled 'How to Develop a Port Community System'. EPCSA members are now working with several international organisations to develop a policy paper taking the contents of this Guide to the next level.

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This will enable us to explain to European policymakers and transport ministers at national level what are the strategic objectives of a PCS and what they need to do to make it happen in their country.

This year we have welcomed a series of new members to EPCSA, including two from outside Europe – a remarkable breakthrough for so young an organisation. We are looking to 'sign up' several new members in the coming months, and expect to have a membership of over 25 very soon.

Our European regional conference in Sofia attracted an excellent and varied audience. Every day we are creating more interest among ports, maritime and logistics stakeholders in what a PCS does and how it can contribute hugely to trade facilitation and the wider economic interests of a country.

NEW MEMBERS EXPAND EPCSA BOUNDARIES

EPCSA has welcomed a series of new members in recent months. Formally launched little more than a year ago with six founding members, the organisation now has a membership of 14 – and more are expected to join during the rest of 2012 and early in 2013.

The current members are: the Antwerp Port Community System (APCS), Belgium; e-puertobilbao, Spain; Community Network Systems (CNS), UK; Hamburg Port Authority, Germany; Israeli Port Company; PPL 33-35, Ukraine; Portel, Spain; and the Port of Venice, Italy.

APCS was founded in 2011 by the Antwerp Port Authority and ALFAPORT, the federation of port companies and logistic service providers. It bundles resources from both private and public

sector to offer the best service to all port users.

The e-puertobilbao Port Community System is the Bilbao Port Authority's pledge to improve document interchange and communications with companies in the port community to give them the maximum competitive position when handling port business.

CNS, formed in 1986, connects shipping lines, ports, freight forwarders and hauliers with Customs, and also provides trade facilitation services for air logistics. CNS also operates dedicated inventory control systems for the port and air courier industries.

Hamburg Port Authority was established in October 2005 as part of the merger of the port-related competences of various Hamburg authorities.

Portel is a company that offers computer, telematic, communications and consulting services for activities in the transportation, logistics and distribution sectors. Serving the maritime and port community, it operates its own B2B platform, Portel-SCE, and has also signed cooperation agreements with Customs offices, port and airport authorities to implement a Single Window solution.

The new members from Israel and Ukraine represent EPCSA's first expansion beyond Europe.

"The membership of EPCSA continues to go from strength to strength," said secretary general Richard Morton.

"This demonstrates the growing awareness of EPCSA, its aims and its strong international position."

PPL 33-35 FOCUSES ON TRANSPORT OPPORTUNITIES THROUGH UKRAINE

The Ukrainian Port Community System PPL 33-35 – named after the UN resolutions on Single Windows – was founded in June 2012, after a meeting with EPCSA at the United Nations in the spring. The Odessa-based freight forwarding and logistics company Plaske is behind the new enterprise.

Ivan Liptuga, vice president of Plaske, general director of PPL 33-35 and vice president of FIATA for the CIS region, said: "For several years Plaske has been involved in pilot projects with the Customs authorities of Ukraine to develop a Single Window environment in the Port of Odessa and develop rail transportation opportunities in combination with a rail ferry in the Black Sea region."

Ukraine's ports of Odessa, Illichivsk and Yuzhny are ideally located for handling cargoes transported by rail between Europe and Asia via the Black Sea. However, a lot of cargo is being moved through neighbouring countries instead

of travelling through Ukraine to its destination, because Ukrainian Customs procedures are too complicated, he says.

"The current situation regarding Customs procedures in Ukraine isn't easy. We want to simplify transshipment through our ports."

In an important move forward, neighbouring countries' rail operators have worked with Ukraine to implement electronic single consignment notes covering both Europe and CIS, valid up to the Chinese border.

Mario Apostolov, regional adviser for trade at the United Nations Economic Commission for Europe (UNECE), initiated a meeting between the Ukrainian interests and EPCSA earlier this year.

"After meeting with EPCSA at the UN, we decided to set up a new company. We founded PPL 33-35 with other stakeholders from the ports," said Liptuga.

About 80% of cargo transported in the Ukraine goes by rail; the country benefits from a network of railways developed during Soviet times. "The roads are not

the best in our region but we have 22,000 kms of rail," he said. "So rail is our main activity and that is where a simplified Customs procedure would be a real advantage."

The Single Window concept was 'at theoretical discussion level' at the UN. "Now, through our membership of EPCSA, we have this important contact with other ports and authorities that already have best practice in place. So it is easier for us to tell our government and Customs authority that this is best practice, this is the future, and if we go in this direction it will bring benefit to the state."

Several successful pilot projects demonstrated the possibility of using electronic declarations on trains moving cargo to the EU, he added. "So when we started this company, we had already started the process. We have invested in the computer systems and software and made a start. I anticipate that during the coming months we will get more clients and will get the support of the government. As the company develops, we hope that all the

operators in our ports will move into this Single Window."

PPL 33-35 officially became an associate member of EPCSA on 18 July.



Mario Apostolov of UNECE, who initiated the meeting between the Ukrainian stakeholders and EPCSA

TAKING THE CHAIR

“The chair was empty and we are glad to have filled that empty chair,” said Pascal Ollivier, chairman of EPCSA, reflecting on the achievements of EPCSA so far.

“There was no collaboration by Port Community Systems at European level before EPCSA,” he said. “But from day one, we have worked hard to explain our position and create a real understanding at national and international level of the importance of PCSs. EPCSA now has a strong brand at the United Nations, with the World Bank and the World Customs Organization, and at the European Union, including with DG Move and DG Taxud.

“For the first time, there is a group which can really represent all the stakeholders without having a particular vested interest.”

In many ways the world is ‘just discovering’ what a PCS is, said Ollivier. “In ‘old’ Europe we have been there for years – but, for the

rest of the world, the PCS is not an established part of maritime logistics.”

There are, of course, a host of e-initiatives and e-aspirations at the European level – and he warned: “Lots of people think they need to re-invent the wheel, but the PCS has been there for years. There is now a lot of information at the EC on this and we have to continue to stand up and say – not only are we very good at what we do in European ports, but also the know-how of Europe is being exported.”

Major milestones for EPCSA this autumn include the Ports Policy Conference in September and the EU’s e-Maritime Conference in November, both in Brussels, with EPCSA speaking at both; and a meeting between EPCSA officers and the European Maritime Safety Agency (EMSA) in Lisbon in September.

The EU Directive 2010/65 on ships’ reporting formalities remains top of

the agenda for the EPCSA members. The Directive, setting a 2015 deadline for all EU member states to implement a Single Window, must be delivered in a harmonised and realistic way, said Ollivier.

“We know things are going the wrong way in many European countries and we need to highlight this. There are so many initiatives which appear to be starting from scratch – but both DG Move and the UN have recognised the central role PCSs can play in the move towards Single Window.

“Single Window is too often being sold as only a government to government application, but this is about efficiency in the whole supply chain.”

Meanwhile, EPCSA’s Standards Committee is compiling an inventory of all the standards used in Europe for Single Window/PCS operations. “In this way we can see how processes can be harmonised,” said Ollivier.



The biggest mistake would be if governments swept Port Community Systems to one side in favour of creating a new platform. “It is a very serious subject because at the end of the day we represent a lot of trade and it isn’t government’s place to deal with B2B,” he said. “We have thousands of man years of experience and 90% of the data that is needed to implement the Directive.”



BUILDING TRUST IS THE MAIN CHALLENGE

Building trust between stakeholders is a far greater challenge than building the technological platform – that’s the view of Shachar Argov, project manager of MAINSYS, the technological platform of the Israel Port Community System (IPCS).



The origins of the platform (full name Maritime Integration System) go back ten years, when Israel’s ports were all part of one national port authority.

Management of the ports has since been decentralised but IPCS, one of EPCSA’s newest members, continues to go from strength to strength.

“At the beginning, having one port authority gave us the base to start with few stakeholders,” said Argov. “We realised from the

beginning that technology was not the biggest challenge – the main challenge was getting people together and talking about the issues, recognising that a problem that was critical to one company might not be important to another. It was important to reach a level of trust in each other but because all the ports were together, that eased the problem.”

After port reform in 2005, the shipping and ports authority at Israel’s Ministry of Transport and the Customs administration at the Ministry of Finance handed responsibility for IPCS to the Israeli Port Company, which now manages the system on behalf of all users.

Importantly, ‘signing up’ to MAINSYS was always voluntary, said Argov. “Why? Because we

didn’t want to force people. We decided it wouldn’t work like that. Too many political influences could stop the development, and we wanted the process to be handled together in cooperation.

“It is still voluntary and we now have most of the ports’ processes, logistics, etc., computerised with no paper. But it isn’t just being used by the ports – we have strong interfaces with Customs, shipping agents, trucking companies, and so on. We have succeeded in building uniform interfaces and processes with all stakeholders without affecting their ability to compete with each other.”

About 600 companies are now connected to MAINSYS, transferring about eight million EDI messages per month. The system is still developing, he emphasised, as it enlarges to include the ‘second circle’ of port processes such as health authorities, and importers/exporters.

Significantly, IPCS is also looking to exchange and transfer

information with Port Community Systems in other countries, and this is what led to the company applying for EPCSA membership.

“We want to consider the possibility of connecting with partners at EPCSA. Up to now, a lot of paperwork is going by airmail; now we think people should change their minds on transferring this information by EDI instead.”

IPCS is a partner in an EU pilot project focusing on the paperless exchange of information between states.

“We are delighted to join EPCSA. First of all we wanted to be part of something which is not local, and to learn from others’ experiences,” said Argov. “EPCSA fits with our goals of working on projects together – and we will be happy to contribute our experience to EPCSA as well.”

Amiram Heidecker of Israel Port Company addressing the EPCSA conference in Bulgaria

GETTING THE MESSAGE ACROSS

EPCSA was formed to explain what a Port Community System does – and the association's Customs and OGA (Other Government Agencies) Committee has been busy getting the message across.

The focus is very much on e-Maritime, e-Customs and the European Commission 2010/65 Directive and an important task for the committee is 'talking to the right people' and ensuring

that, in the rush to implement Single Window requirements, they don't undermine what Port Community Systems are already doing.

In September, EPCSA members met with the European Maritime Safety Agency (EMSA) in Lisbon to re-emphasise that a large proportion of the EC's Single Window proposals are already being implemented within highly successful Port Community Systems.

The committee has also sent out questionnaires to all Port Community System providers in Europe to establish the different ways in which they interface with Customs and other agencies.

EPCSA secretary general Richard Morton said: "We want to see how other PCS providers operate; do they interface with Customs and, if they do, how is this achieved? Also, what are their specific Customs systems like?" The EPCSA Customs Committee is

regularly represented at EU Trade Contact Group and Electronic Customs Group discussions.

If Port Community Systems were ignored in the rush to Single Window, the ports using them would grind to a halt. "They would have to redesign a system and duplicate what PCSs are doing for them at the moment," said Richard Morton. "We are glad to say that policymakers do seem to be understanding this message."

MEMBERSHIP

The creation and activities of EPCSA have sparked interest across the ports and maritime sector, and the association expects to welcome a good number of new members during 2012. There are three membership categories: Founding Members, Members and Associate Members.

Founding Members

There are six Founding Members – these are the original Port Community System Operators that formed EPCSA and signed the agreement to form a European Economic Interest Group (EEIG). The Founding Members make up the Executive Committee, and are responsible for EPCSA's organisation and operation.

Associate Members

Associate Membership of EPCSA is open to Port Community System Operators and Port Authorities wishing to implement a PCS.

European or international associations interested in benefiting from membership should contact EPCSA secretary general Richard Morton to discuss eligibility.

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EPCSA: FACT FILE

EPCSA was formed by six of the leading European Port Community Systems Association Operators to represent the interests of the Port Community Systems Operators in Europe.

The Founding Members are SOGET, Le Havre, France; Maritime Cargo Processing (MCP), Felixstowe, UK; Portic, Barcelona, Spain; Portbase, Rotterdam and Amsterdam, Netherlands; dbh, Bremen, Germany; and DAKOSY, Hamburg, Germany.

EPCSA has four working committees:

- Standards and Technology, chaired by Portbase.
- Business Applications, with the focus on Single Window, chaired by DAKOSY.
- Customs and Other Government Agencies (OGAs), chaired by Maritime Cargo Processing.
- European Port Community System developments, chaired by Richard Morton.

Founding Members



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