Trade Facilitation – Driven by Global Data Standards

Cross border procedures in the Physical Internet

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Jaco Voorspuij, Sr. manager Transport & Logistics, GS1
9 July 2019, International Physical Internet Conference
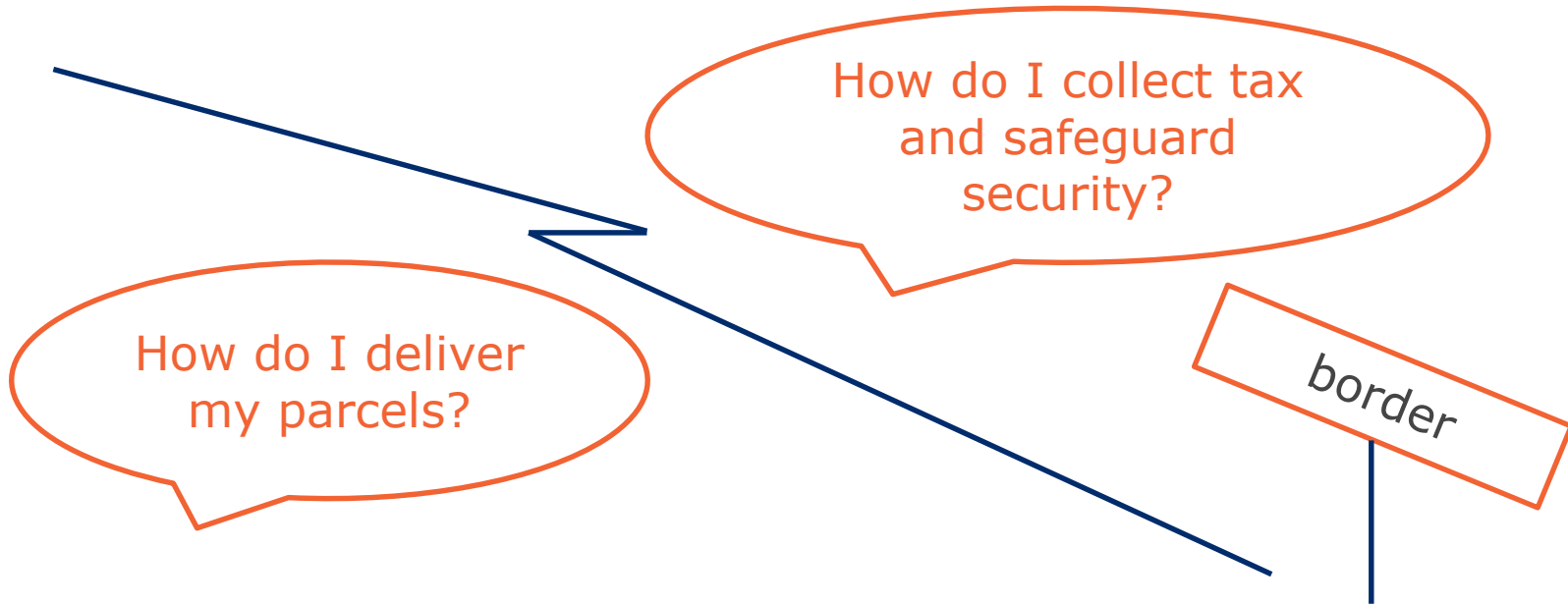
What will I talk about?

- Trade flows encounter ever increasing regulation for cross border flows
- These regulations come with a risk of delays at border crossing
- Physical Internet assumes reliable / predictable flow of Cargo and Data
- Global Data Standards are here to achieve this

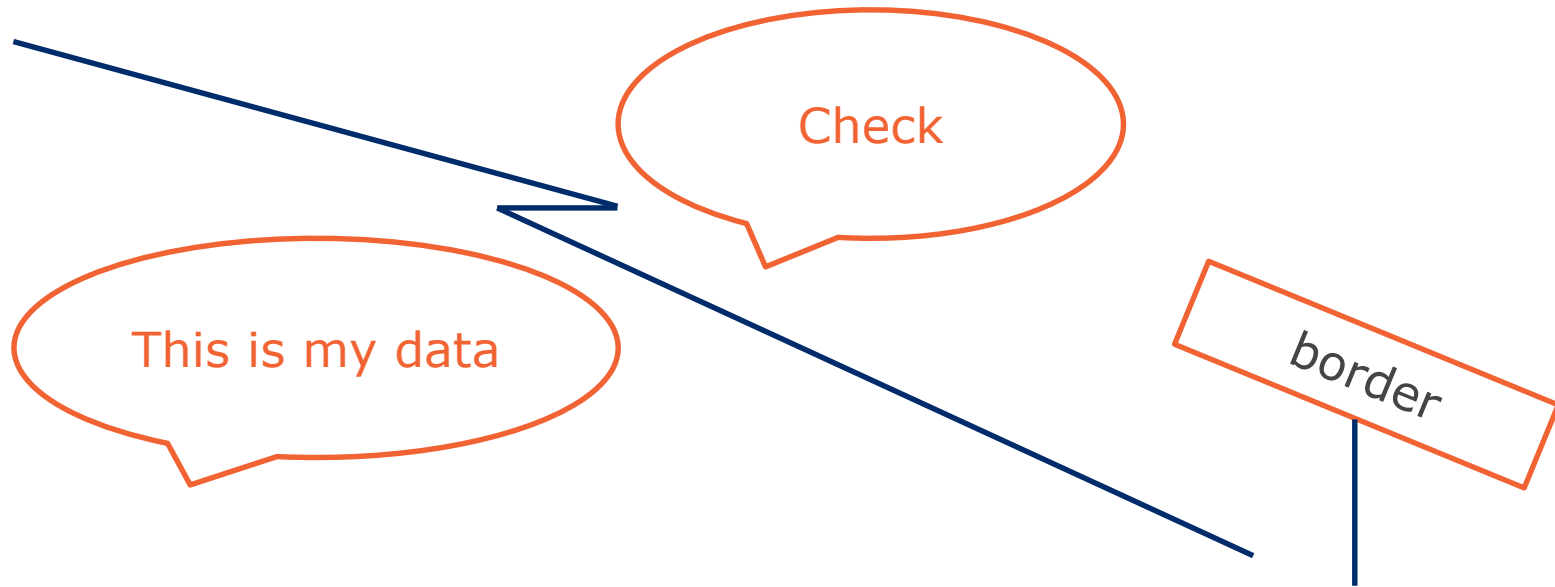# Why May, Trump and Tusk look at Global Data Standards

I want the best deal: On my own terms and with borders still open

I need to control those Chinese Imports

I want VAT on low value consignments to protect my economy

Solve new challenges in cross border logistics

Global trade

How do I collect tax and safeguard security?

How do I deliver my parcels?

border

Global data standards

Check

This is my data

border

The UPU/WCO provides standards for some

Check

This is my data

UPU
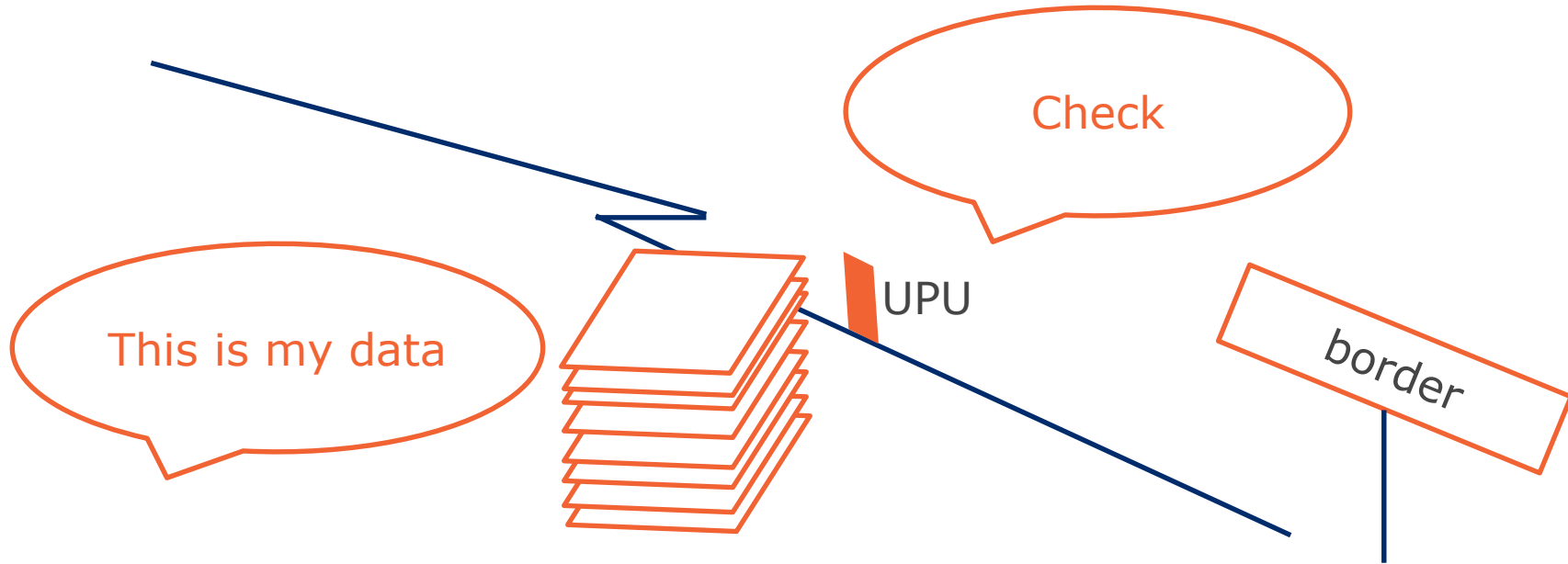
border

We need Global Data Standards for **ALL**
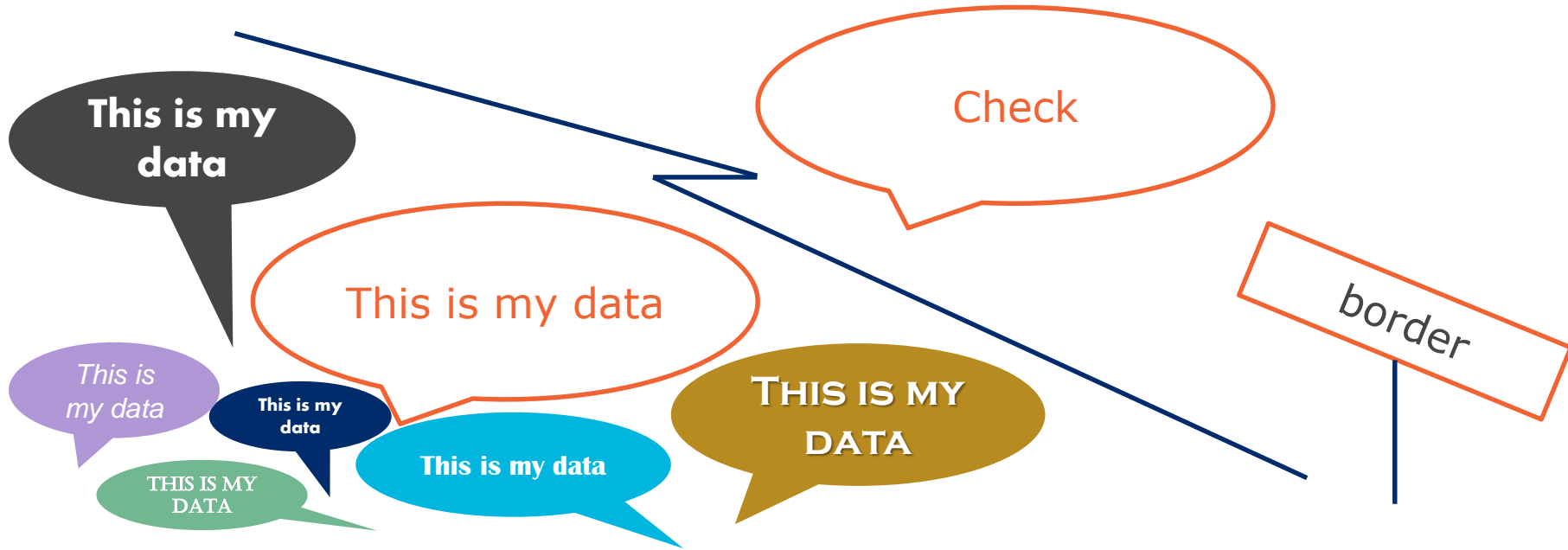
EU parcel standardisation –
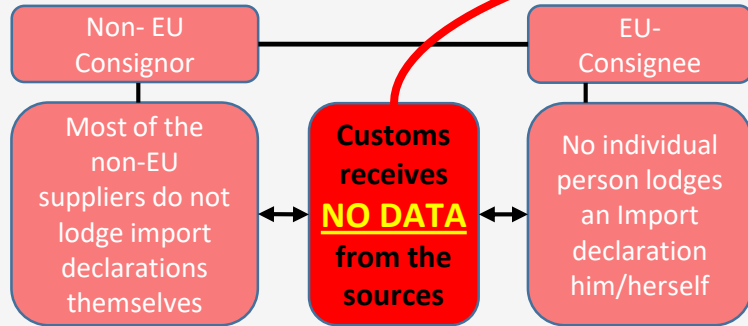# including cross-border VAT collection

Challenge - Matching Item ID & Content

Based on ONE unique item identifier, customs, transport and inland revenue aim at *electronic advanced data* to know what is in the shipment, its value and related lifecycle management

Status Quo

| Non- EU Consignor		EU- Consignee
Most of the non-EU suppliers do not lodge import declarations themselves	**Customs receives NO DATA from the sources**	No individual person lodges an Import declaration him/herself

Declarations shall be lodged by representatives

- Guarantee paid to Customs to cover taxes (incl. VAT)
- Taxes are paid in advance on the import declaration
- Consignee pays taxes to representative after the import

The Vision: Harmonised label Used by ALL end-to-end

Created and attached by SHIPPER at origin
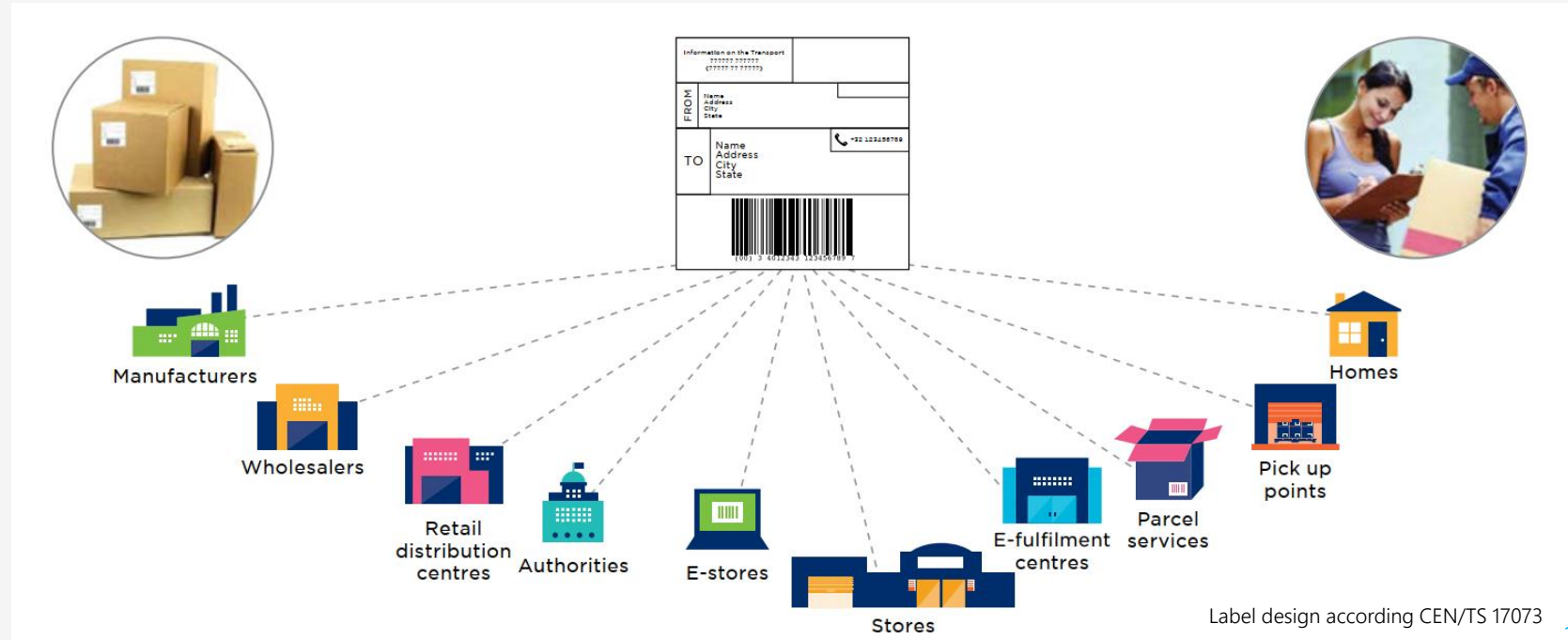
Label design according CEN/TS 17073

Process Overview – Export/Import
Stakeholders and Information Exchanges

2. Shipment handover

9. Cross Border Transport Instruction

Origin Carrier

Cross Border Transport Service Provider

Web Shop

3. Shipping Notification I

6. Customs Confirmation II

7. Despatch Information I

10. Consignment Information

8. Despatch Information II

5. Customs Confirmation I

4. Shipping Notification II

Destination Carrier

Destination Customs / Tax

1. Order & Invoice Information

Periodic Tax Declaration and Payment

Payment Clearance directed to tax authorities
In some MS linked to periodic tax declaration

IOSS intermediary

Customs / Taxes for IOSS

Global Data Standards: The Source – ISO 15459

▶ ISO/IEC 15459-1:2014 specifies a unique string of characters for the identification of individual transport units.
The character string is intended to be represented in a bar code label or other AIDC media attached to the entity to meet management needs.

<p style="text-align:center">https://www.iso.org/standard/54779.html</p>

▶ ISO/IEC 15459-6:2014 specifies a unique string of characters for the identification of groupings of products, product packages, transport units and items.
The character string is intended to be represented in a linear bar code symbol and two-dimensional symbol or other automatic identification and data capture (AIDC) media attached to the entity to meet management needs and/or regulatory needs (e.g. customs clearance).

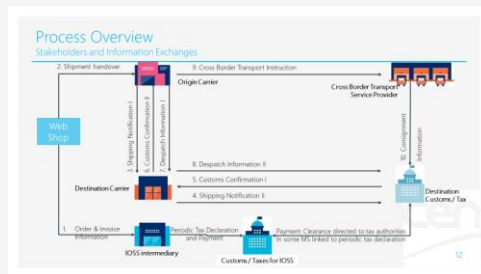<p style="text-align:center">https://www.iso.org/standard/54786.html</p>

Linking Sales ID with Goods Identification

Sales Order		GSIN-123456		Seller ID	Buyer ID
Quantity ordered	Goods	Price	Tax Type / Tariff	Tax Amount	Total
1	GTIN-123	5.00	VAT-High	1.00	6.00
1	GTIN-321	6.00	VAT-Low	0.60	6.60
3	GTIN-213	10.00	VAT-High	2.00	36.00
1	GTIN 312	8.00	VAT-High	1.60	9.60
Delivery Option - XYZ		Transport & Shipping			15.00
		TOTAL ORDER CHARGE			73.20

Linking Transport Units to Goods and Sales ID

Sales Order / Transport Grouping	GSIN-123456		Ship From	Deliver To
Transport Unit (ISO 15459-1)		Goods Item		
SSCC-1		GTIN-123		
SSCC-1		GTIN-321		
SSCC-2		GTIN-213		
SSCC-1		GTIN 312		

Process Overview
Stakeholders and Information Exchanges

Preparing for Export/Import – information provided

Seller to IOSS / Declaration to Export Authorities

Sales Order		GSIN-123456		Seller ID	Buyer ID
Quantity ordered	Goods	Price	Tax Type / Tariff	Tax Amount	Total
1	GTIN-123	5.00	VAT-High	1.00	6.00
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SSCC-1	GTIN-123		
SSCC-1	GTIN-321		
SSCC-2	GTIN-213		
SSCC-1	GTIN 312		

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IOSS number Webshop

Carrier Info to Destination

Sales Order / Transport Grouping	GSIN-123456	Ship From	Deliver To
Transport Unit (ISO 15459-1)	Goods Item		
SSCC-1	GTIN-123		
SSCC-1	GTIN-321		
SSCC-2	GTIN-213		
SSCC-1	GTIN 312		

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Transport Grouping	GSIN-123456	Carrier Transport ID	CARRIER-0192387456
Transport Unit - SHIPPER		CARRIER Transport Unit	
SSCC-1		S10-5432	
SSCC-2		S10-1023	

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IOSS number Webshop

Summary

▶ All stakeholders may use Seller/Shipper assigned unambiguous Identification Keys based on open Global Data Standards

▶ Clear links are established among all these numbers

▶ Information on Goods Content for each Transport Unit may be accessed using the unambiguous ID Keys provided in the Electronic Advance Data Exchanges

Data-Element	ID-Key	Comment
2/3 Unique Item Identifier*	ISO 15459-1	SELLER assigned Transport Unit ID
2/4 COMMERCIAL reference number	ISO 15459-6	SELLER assigned Transaction ID
3/40 Additional Fiscal IDs	IOSS ID	Uniquely identifies SELLER

*There must be a unique identifier throughout all necessary declarations

Conclusion

- Physical Internet builds on top of Transport Units that are identified and routed individually
- Cross border processes thrive on individually identified Transport Units

**Physical Internet is
perfect solution for Cross Border Challenges**.

Questions & Discussions

In case you would like to know more

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