

Response to consultation with Business Account customers on provision of electronic pre-advice data

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Background

We (Royal Mail International) consulted with our Business Account customers between August and October 2017 to raise awareness of a new requirement to provide electronic pre-advice data on goods posted overseas.

What electronic data will we need to collect in future?

For Customs

- Sender details (name, address, telephone number and email);
- Recipient details (name, address - including destination country);
- Item details (description, quantity, weight, value of contents, postage and insurance cost);
- Trade Tariff (Harmonised System or HS) Code and country of origin of contents.

For enhanced product features

- Recipient mobile number and / or email address

Why?

1. Several countries including the US, China Russia and Brazil have begun to request electronic pre-advice data and in some cases are applying penalties for not providing it or prioritising processing of items with pre-advice data. The US reserve the right to refuse entry to these items.
2. The deadline for implementation of the (European) Union Customs Code, which includes legislation requiring electronic pre-advice data is at the end of 2020.
3. The opportunity to provide your overseas B2C customers with a smooth first time delivery experience is dependent on us having their contact details as many countries do not have the same quality of addressing that we have in the UK.
4. Future enhancements including free automatic customer notifications, choice of delivery address and delivery duty paid can only be possible with recipient contact details.

You can see the full reasoning behind the [consultation here](#).

Consultation – what did we propose?

To ensure our e-retailers continue to meet the requirements of destination countries and benefit from the next raft of customer friendly features, we proposed to:

- Require that the data as set out above is provided in electronic format to Royal Mail Group to accompany any items or consignments that are to be posted to the US, China, Russia or Brazil from 1st April 2018.
- Require that the data as set out above is provided in electronic format to Royal Mail Group to accompany any items or consignments that are to be posted to all other overseas destinations (both EU and non EU) from 1st April 2019.

Our considerations when making a decision on this consultation:

We are aware that countries are introducing requirements for electronic pre-advice data on all Customs eligible goods. The reasons for this are set out in our [consultation document](#). We are also aware that the UK Government has committed to leaving the Customs Union when the UK leaves the EU. This could potentially mean that we would need to start providing Customs data to countries within the EU as well as those non-EU countries to whom we currently provide it.

Our consultation set out a proposal to require electronic data for all items sent to Russia, China, Brazil and the US by 01st April 2018. This is because those countries have already introduced measures to directly or indirectly penalise those items requiring Customs clearance that do not have electronic pre-advice.

We also proposed to require electronic pre-advice data on all items to all countries by 01st April 2019.

Having reviewed the responses to the consultation and investigated the issues facing customers, we have decided that we must allow more time for customers to either prepare their own shipping systems for the change or to migrate onto a platform that will be ready such as Click & Drop.

Therefore we have decided not to insist on electronic pre-advice for Russia, China, the US and Brazil by April 2018; instead we do continue to strongly recommend preparing to provide it for all countries in order to avoid penalties, delays and potential refusal of parcels to these countries.

Because of the direction of travel in terms of data as a technology enabler, the EU legislation, potential exit from the EU's Customs Union and individual country Customs requirements, we would like to ask customers to provide us with this data by 01st January 2019.

This will ensure that they are Customs compliant, avoid delays and penalty charges, can take advantage of enhanced features and continue posting overseas without restriction.

Although we would like customers to be ready to provide this data by 01st January 2019 and will provide support, advice and incentives to do so, we strongly encourage our customers to start preparing now to provide electronic pre-advice as soon as possible to avoid delays and penalties when sending items overseas.

Consultation decision

- Due to customer feedback highlighting the difficulties of providing this data, **we decided not to make provision of this data mandatory by 01st April 2018 as we had proposed but to provide advice, to support and incentives to ensure that you are able to provide it by 01st January 2019.**
- We **strongly recommend** you prepare to start sending this data as soon as possible as some countries (the US, Brazil, Russia and China) already require this information and others are following suit.
- We would like to be able to provide all Customs data as set out above to all destination countries from 01st January 2019 and will provide help, support, advice and incentives to help you be ready by this date.
- This additional time reflects the difficulties raised by some customers in obtaining or transmitting the required electronic data.
- We will confirm any new requirement in good time via our quarterly Terms & Conditions communications.

Timetable for provision of electronic pre-advice data:

Posting to:	Customs Data	Recipient contact details
The US, Brazil, Russia and China	Required already by these countries Recommended to send as soon as possible. We will provide advice, support and incentives so as to help you be in a position to provide this data by 01st January 2019.	Not required for Customs but recommended to provide for enhanced product features such as automatic delivery notifications, choice of delivery address and delivery duty paid for overseas customers which will be available in future.
EU countries	Expected legislative requirement from EU 2020 Recommended to prepare to send as soon as possible. We will provide advice, support and incentives so as to help you be in a position to provide this data by 01st January 2019.	We will provide advice, support and incentives so as to help you be in a position to provide this data by 01st January 2019 .
The rest of the world	Requirements on a country by country basis Recommended to prepare to send asap We will provide advice, support and incentives so as to help you be in a position to provide this data by 01st January 2019.	

To help you to make the transition, we will provide a suite of information and advice, both on and off line as well as provide the assistance of our Sales Account Managers and Customer Solutions teams.

We will make this information available on our web page www.royalmail.com/international-data

Appendix

Overview of customer responses

We had a total of 233 responses via our website which included over 340 specific comments and questions. The broad categories which these comments and questions fell into are as follows:

Amazon / eBay sellers: no access to recipient contact details	19.8%
Positive or no issues	16.7%
Information required on data specifications	14.4%
Extra cost / time	9.1%
Trade Tariff (HS) Code queries	8.2%
Shipping platforms including 3rd parties	7.9%
OBA / Manual Data Entry / PPI	6.5%
No comment but request call back	9.1%
Security / data protection	4.5%
Other	<4%

Customer issues with providing data

Below, we have given the specific issues raised some more detailed consideration.

Issue: Provision of recipient contact details

Impact of not providing this information: - the recipient will not receive SMS or email notifications from the destination post where available and the recipient cannot be contacted via phone/SMS/email to inform them of issues with the item (for example if the item is held in Customs in the receiving country or to alert them of fees to be paid). There will be no opportunity to take advantage of the opportunities to provide your B2C customers with a seamless first time delivery experience with enhancements that are in the pipeline such as free automatic delivery notifications, choice of delivery address and delivery duty paid.

Response

- **Amazon and eBay**

There is a clear issue for eBay and Amazon sellers who cannot provide recipient contact details as they do not have access to them.

We will continue to work through the recipient contact details issue with Amazon and eBay and agree a way forward on this.

- **Data protection**

Some customers are concerned about supplying recipient contact details for data protection reasons. We manage all customer data according to the Royal Mail General Terms and Conditions, our [Privacy Policy](#) and the relevant legislation. All recipient contact details are protected by these measures including a recipient's mobile number and email address where supplied. The information that we share with foreign Posts in order to deliver your items and notify recipients is also protected under legislation and/or by means of a Data Sharing Agreement that we have with foreign Posts and a further agreement between us and the

International Postal Corporation (IPC). No data can be shared with foreign Posts or the IPC without these arrangements in place so there is effectively no difference in the level of protection of data when sharing electronic pre-advice data with countries overseas.

- **Other customers who may not have these contact channels**

If a mobile phone number or an email address is supplied at point of purchase, the customer has the option to add a mobile number or email address of a friend or family member.

Without these details, your customer will not receive notifications on their item, choice of delivery address or other customer friendly enhancements that are coming in the future.

You will not be prevented from posting items if you don't have these details; however your customer will however receive a much more enhanced service if they have been provided.

Issue: Inability to provide correct Trade Tariff (HS) Code

Impact of not providing this information: - provision of the Trade Tariff Code is strongly advised for commercial items to aid customs clearance. This is because the Trade Tariff Code lets the receiving Post know electronically what is in the parcel, enabling accurate Customs charging and simplified Customs clearance. If the Trade Tariff Code is not completed or completed incorrectly then the wrong charges could be applied automatically, or in some cases, Customs authorities may stop the parcel and examine it.

Response

Although it may seem complex; in fact the Trade Tariff Code is easy to find either via a lookup tool in some shipping systems, or via the HMRC website on www.gov.uk/trade-tariff. If you use Royal Mail's Click & Drop, the system will build a product catalogue as you use it, including the HS Code, so if you are shipping the same goods multiple times, you need only enter the details once.

Issue: Inability to provide electronic data due to fields not being available in shipping system

Impact of not providing this information: - depending on which fields are not available, the impacts are described in the sections above.

Response

There are a number of different shipping platforms and 3rd party technology providers who enable customers to post overseas and therefore need to make the required fields available for customers to complete electronically.

Royal Mail Shipping systems: Click & Drop, Net Despatch and Despatch Manager Online (DMO)

Click & Drop and Net Despatch will be fully enabled in 2018 to provide all of the required electronic data, and encode it into the correct 1D S10 barcode that is required for International posting.

Although Despatch Manager Online (DMO) has been updated to collect the required electronic data, we recommend customers switch to using Click & Drop as we will be withdrawing support for the DMO platform in 2018.

If you would like to switch from another system to Click & Drop then please contact your Account Manager who will help you with this.

Royal Mail Shipping APIs

Shipping API updates will be made in the usual way with the additional requirements to be added in 2018.

Intersoft iShipper

As iShipper was added to Royal Mail's portfolio more recently, timeframes for its update to include Customs and recipient information will be confirmed. As stated above, Royal Mail customers will still be able to post using any of our platforms while we help customers transition.

3rd party shipping systems

3rd party shipping systems such as Metapack and Linnworks have been issued with specifications to update their systems to meet the new requirements. Each company will have a different approach and timeline to introduce the changes therefore if you have any queries you need to raise them with your provider. Each provider does have a link to our Customer Solutions team who are actively supporting them as required to make these and other changes. As these companies enable the collection of this data, we will update our website to reflect this.

Customers' Own Shipping Solutions (COSS)

COSS customers have also been issued with the required specification updates and the Royal Mail Customer Solutions team is on hand to help companies make these changes.

Issue: Inability to provide any electronic data – currently use a manual process

Impact: - if only manual data is provided then this means that the electronic Customs data will not be sent which could result in the item being customs cleared manually, opened and examined and therefore delayed, requiring manual data entry in the receiving country incurring fees for the recipient or in the worst case scenario not being allowed into the destination country.

Recommendation:

We recommend that you use our electronic shipping system, Click & Drop, to capture and transmit all the required data. It also intuitively builds a catalogue of products that you have sent, enabling you to easily complete the information for future shipments. This electronic process is simple to set up, user friendly and by producing all required labels, saves time in manually writing out labels and commercial invoices. We have a dedicated Customer Solutions team to help you transition to the new system if you wish to do so.

Issue: Labelling / Customs documentation

There have been queries relating to difficulties in fitting all of the Customs documentation on the labels.

Our recommendation:

Royal Mail shipping system Click & Drop will be updated to capture the required Customs and shipping information and create labels to put on your parcels so the recommendation is, if possible, to switch to this system. If you have a number of items requiring Customs information, then it may be necessary to complete a CN23 Customs form rather than a CN22 as there is more space on this form.

If you are using Customers Own Shipping Solution (COSS) or a Shipping API then the Customer Solutions team will be able to assist you with this.

Issue: Inability for monthly invoiced customers to provide postage and insurance costs when producing customs documentation

Impact: - if correct postage and insurance costs are not provided then this can lead to incorrect customs charging in the destination countries.

Recommendation:

Our understanding is that the required postage and insurance costs are the costs that the sender has charged the customer at the point of sale, not the monthly billed amount from Royal Mail; therefore this information should be available to the sender.