

**Voluntary Report** – Voluntary - Public Distribution

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## **Report Name:** Egypt Postpones Launch of the Advanced Cargo Information System to Oct 1

**Country:** Egypt

**Post:** Cairo

**Report Category:** Agricultural Situation, Agricultural Trade Office Activities, Agriculture in the Economy, National Plan, Policy and Program Announcements, Agriculture in the News, Exporter Guide, Food Processing Ingredients, Food Service - Hotel Restaurant Institutional, Retail Foods, Competitor, Export Promotion Programs, Honey, Market Development Reports, Market Promotion/Competition, Product Brief, Promotion Opportunities, Sales Mission Evaluation, Snack Foods, Trade Show Announcement, Trade Show Closing, Trade Show Evaluation, SP1 - Expand International Marketing Opportunities, SP2 - Prevent or Resolve Barriers to Trade that Hinder U.S. Food and Agricultural Exports, SP3 - Build Demand in Developing Countries through Trade Capacity Building, Country/Regional FTA's, Trade Policy Incident Report, Trade Policy Monitoring, WTO Notifications, Country Strategy Statement, FAIRS Subject Report

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### **Report Highlights:**

On June 15th, Egypt postponed its launch of the Advanced Clearance Information system (ACI). The Minister of Finance pushed the 1st of July deadline of full implementation of the new system to October 1st, 2021 citing the delay had been requested by several companies and diplomatic missions. The newly developed customs systems were launched in a trial mode on April 1, 2021 and now will continue being tested until the official launch in October. The delay will provide stakeholders more time to prepare and register within the designated platforms (CargoX for exporters and ACI for importers). The Egyptian government will no longer require Egyptian embassy authentication on certificates of origin as noted by

the general manager of Misr Technology Services (MTS). Successful implementation of the new customs systems will reduce the average clearance time from the current 28 days to one day only as indicated by Minister of Finance

## **BACKGROUND**

Egypt's Ministry of Finance issued Decree 38/2021 on pre-shipment registration under a new single window system that seeks to modernize and automate customs administration, simplify procedures, and reduce clearance times. The decree requires that consignment documents for Egyptian agencies at ports of entry be submitted through the single window system 48 hours prior to shipment arrival.

The Advance Cargo Information (ACI) pre-registration system operates under World Customs Organization (WCO) protocol which provides real-time information on shipments of incoming goods to shipping lines, port operators and governments. To comply with the new system, the importer needs to register on the Finance Ministry's digital customs system called Nafeza ( <https://www.nafeza.gov.eg/en>) and obtain an e-signature token at least 48 hours before goods are shipped. The importer is required to file the paperwork in order to be given a unique ID known as an ACID. The importer submits the ACID along with other documentation such as invoices and foreign exporter and shipment data to Nafeza at least 24 hours before the shipment departs the port or airport (See GAIN Report Number: EG2021-0003 - Egypt Launches Single Window Pre-Clearance System). Annex 1 describes the information required for the registration on the portal for each shipping stage.

According to MTS, the system runs on blockchain technology, provided by CargoX, which is the sole blockchain document transfer gateway service provider for the ACI process. Through this blockchain, the system safeguards digital and financial data. This platform ensures that data is not forged or counterfeited, since only certain people will have "editing access" to sensitive data points.

## **ACI IMPLEMENTATION WORLDWIDE**

The single-window system is a trade facilitation concept which allows an international trader to provide information required by various official agencies via one regulatory body. Such documents are typically customs declarations, applications for import/export permits, certificates of origin and trading invoices. According to the World Customs Organization (WCO), the earliest electronic implementations of Advanced Cargo Information Systems (ACIS) were in the African states of Burundi, Kenya, Uganda, Rwanda, Tanzania, and Zambia under a donation

from the European Union in 1995. This was before WCO Council adopted the SAFE Framework of Standards in June 2005 to Secure and Facilitate Global Trade. In January 2017, the U.S. Customs and Border Protection (CBP) agency's Single Window Initiative was fully implemented. The initiative, officially known as the International Trade Data System (ITDS), was in the pipeline for more than two decades, and is now poised to streamline the border clearance process in the U.S. by providing a single venue through which all shipment data and documentation will be entered and managed.

Today, ACI data is used in shipping worldwide. The most recent implementation is the United States' STOP Act, which requires overseas mailers using the USPS system to provide advance electronic data on the sender, recipient, and contents of the mail, to better detect potentially illegal packages.

Another recent development is the European Union's ICS2 scheme, which will require all express parcel carriers to provide an electronic Entry Summary Declaration (ENS) for all goods consignments they are responsible for bringing into the EU, while the existing Import Control System (ICS) will be phased-out by 2024.

### **FAS – MTS WEBINAR ON ACI**

The Office of Agricultural Affairs along with Misr Technology Services (MTS) the implementers of Egypt's new customs system NAFEZA and Advanced Cargo Information (ACI) organized a webinar on Tuesday July 06, 2021. The webinar was hosted by FAS Cairo and attended by close to 100 U.S. exporters from different sectors. In the Webinar, the General Manager from MTS presented the NAFEZA and ACI new customs systems then answered questions from the U.S. exporters on these systems and the process by which they need to follow to successfully enroll in the CargoX system.

The general manager of MTS highlighted that the authentication of shipment documents will only be required by these new systems. He added that the Egyptian government will no longer require legalization of the certificate of origin from Egyptian embassies (FAS Cairo will make available official documentation from the Egyptian government on this point as soon as they are obtained). This news was positively perceived by U.S. exporters as the process was time consuming and costly. The elimination of this step would expedite the export process and save costs as they explained. Please see attached presentation made by the General Manger of MTS to U.S. Agricultural Exporters on July 6, 2021.

## Annex 1

### Required information for ACID

## **Before shipping**

1. Name of the foreign exporter and its type (distributor – representative – branch – factory)
2. Exporter registration number – chain type
3. Phone – address – Origin – Email of exporter
4. Name of the person responsible for the shipment – Id number – email

## **Invoice information**

1. Purchase order number and date
2. Invoice number – Date – Type
3. Country of origin – Port of discharge – port of arrival
4. Product type – product description
5. HS code
6. Part number – GSI
7. Inco terms
8. Invoice amount
9. Invoice currency
10. Tariff clause – tariff clause description – net weight – gross weight – weighing unit – Quantity – product price – number of packages

## **Important Information**

- Identification ACID number and the exporter and importer identification numbers must be proofed on all the shipment documents.
- Exporter sends the documents through the CARGOX network with a maximum of 48 hours after shipping and not after that.
- Product type is described in the Bill of lading and in the manifest.
- ACID number is issued for each shipment individually.
- Shipment can't be waived. Exporter or importer names can't be changed.

\*In case the ACID number isn't verified in the documents virtually and in hard copy the shipment gets re-exported.

**Attachments:**

[MTS FAS Webinar Presentation Introduction to NAFEZA & ACI - English.pdf](#)