

ANNEX B - Customs Handling of Import and Export Freight (CHIEF)

Introduction

The Customs Handling of Import and Export Freight (CHIEF) system records the movement of goods by land, air and sea. It allows importers, exporters and freight forwarders to complete customs formalities electronically and automatically checks for entry errors.

CHIEF connects with five Community System Providers (CSP's) which are independent trade systems, that directly serve hundreds of carriers, transit sheds and freight forwarders to record and track the movement of goods within ports and airports, enabling them to operate more efficiently.

CHIEF is also part of HM Revenue & Customs (HMRC) risk assessment process and as such identifies which consignments or which goods within a consignment will need to be physically examined or their documentation examined. This gives legitimate goods and those deemed to be a low-level risk faster passage when they are directly imported from third countries or directly exported to them from the UK.

How the CHIEF system expedites imports and exports

CHIEF is the national computer system from HMRC.

CHIEF facilitates three key functions for HMRC:

- the collection of £17 billion of revenue each year
- the accurate collection of international trade and transport statistics
- the protection of society by controlling the import and export of restricted goods, and detecting the smuggling of prohibited goods

CHIEF Services

- direct trader access to electronic processing of imports and exports - including the calculation of duties, currency and quantity conversions - and the automatic clearance of consignments
- identification of goods which require documentary or physical examination making use of a highly sophisticated risk profiling system
- information for the production of the UK's external trade statistics
- a means of electronic communication between customs and business users
- validation of the accuracy of data input - CHIEF advises the users of any errors
- recording, monitoring and accounting for duties and taxes incurred by individual importers

How to Submit Import/Export Declarations

Traders can submit import/export/Transit or Pre Arrival declarations by a variety of methods:

- Community System Provider (CSP's) - Customs-approved third party service providers offering trader access to inventory controlled ports around the UK

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- Excise Movement Control System (EMCS) - the EMCS is aimed at all Excise businesses who are currently involved in the movement of goods in/under duty suspense
- Import Control System (ICS) - ICS is provided for the use of traders responsible for bringing goods into the EU that require Safety & Security checks
- New Community Transit System (NCTS) - a basic, free to use service, suitable for low volume NCTS users
- New Export system (NES) - for traders to submit (3rd country) Export Declarations to the CHIEF system. Please note that at the present time, NES XML traders must obtain a digital certificate from an approved supplier
- Customs do permit the submission of manually completed customs declarations. Completed hard copy declarations should be submitted to HM Revenue and Customs, National Clearance Hub in Salford

Technical Specifications for CHIEF

CHIEF runs on Fujitsu Services Super Nova platform using the proprietary VME open operating system. The database system, IDMSX, is hierarchical and so that the transaction processing system encompassing the business functionality can be easily enhanced in the future. Middleware architecture was developed which provides a high level interface between the application code and the machine environment.

CHIEF supports both Human Computer Interface (HCI) and interface EDI traffic, with dedicated high-speed communications links to the Community System Providers (CSPs) and customs offices throughout the UK.

Sophisticated system security and resilience features have been built into the CHIEF architecture to prevent sabotage or unauthorised access and to provide effective business continuity. CHIEF is future proofed. It is capable of accommodating changes in customs' requirements and in the trading environment, whether in terms of volumes or patterns in trade.

The CHIEF system is supported by detailed guides for trade users and the more technically minded which address technical questions you may have on CHIEF functionality. You can [find CHIEF trade user guides on the HMRC website](#).

If you connect to CHIEF via DTI, you can refer to the documentation that has been provided by either your software package supplier or the CSP in question. [Find a list of providers of commercial DTI links to CHIEF on the HMRC website](#).

Fallback options if CHIEF is unavailable

There may be occasions where the CHIEF computer and/or the local computerised inventory control systems are not available. The procedures which will be introduced in these circumstances are known as 'fallback'.

Fallback procedures may involve manual processing of declarations and/or other documents by HMRC.

There are two types of fallback procedures, short term (system not available for up to 24 hours), and a long term (system not available for over 24 hours). Short term procedures allow for the manual clearance of goods during fallback but require that the declaration

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information is later keyed into the computer system. Long term procedures do not require the declaration information to be keyed in.

When connectivity is unavailable for a short period, fallback measures will not necessarily be invoked. But traders may, when directed, use the following fallback procedure.

Once it is confirmed that some of the available routes into CHIEF have been down for at least half a working day and are expected to be unavailable for the foreseeable future, HMRC will invoke one of two fallback plans to enable entry procedures for users of the affected access route only.

You can [check the status of HMRC electronic systems on the service availability page on the HMRC website](#).

CSP system local fallback forms - CCS-UK

In the event of sustained CHIEF unavailability and as part of local customs fallback procedures at London Heathrow Airport, users should use one of the CCS-UK user fallback forms, which any CCS-UK CHIEF user can submit through the Heathrow Entry Processing Unit (EPU).

You can [find CCS-UK user fallback forms on the HMRC website](#).

You can find details of the fallback plans within Volume Three of the Integrated Tariff of the UK (the Tariff), or you can call the NES Helpline on Tel 029 2032 6371 or the HMRC Excise & Customs Helpline on Tel 0845 010 9000.

You need to complete three forms under fallback procedures, including:

- if you're not authorised for simplified procedures, you must complete all the required boxes on form C88/ESS (Export Security Single Administrative Document) as a full export declaration. However, if you're authorised for the Simplified Declaration Procedure or Local Control Procedures, you can submit partially completed C88/ESSs as Pre-Shipment Advices. This is initial data which must be followed by a full supplementary customs declaration up to two weeks after the goods have left the UK
- the C88/ESS must be supported with a form C1402 stating that you'll send the SAD declaration electronically once CHIEF is in operation again. [Find form C1402 on the HMRC website](#)
- finally, you must complete form C130EX for authentication by customs to indicate that the goods have permission to progress. [Find form C130EX on the HMRC website](#)

All these forms must be headed "Fallback" in red ink. You must keep copies of all forms that you fill in under the fallback procedures.

Using the Management Support System

The Management Support System (MSS) is an interfacing database with the CHIEF system. It contains archive data for all cleared customs declarations for import and export, offering importers and exporters opportunity to purchase a subscription or one-off report to keep accurate records of their consignments.

A purchased MSS subscription or report provides proof of sending the data to customs. This is useful for audits, and also cuts down on administration - for example, the system contains the total amount of duty paid against the value of goods entered for imports. You can [find frequently asked questions on MSS data to the trade on the HMRC website](#).

Reports available from MSS are:

- sample reports - a single sample of one month's recent import and export data will be made available to prospective customers to enable them to assess whether or not subscription to the scheme will be of benefit to them. This information can only be provided by means of a written request on business-headed paper from a responsible person of the business, for example sole proprietor, partner or director. You can [find frequently asked questions on MSS data to the trade on the HMRC website](#)
- standard reports - four standard reports are available covering import item, import entry, import tax lines and export item data. For a single standard report a charge of £180 per annum plus VAT for each type of report required
- customised reports - these cost £360 per report plus VAT and you can request additional data items or historical data. However, not all data items available on MSS are available for purchase in reports. HMRC reserves the right not to provide certain confidential information

MSS sends the information via email. The normal format for electronic delivery will be a downloadable Excel spreadsheet.

You can [fill in a sales agreement for MSS reports on the HMRC website](#).

For any enquiries about MSS, you should email the MSS team at frontiersmssteam@hmrc.gsi.gov.uk

Further information

[CSP contact details on the HMRC website](#)

[CHIEF trade user guides on the HMRC website](#)

[How fallback measures apply to your business on the HMRC website](#)

[NES information on the HMRC website](#)

[CHIEF information on the HMRC website](#)