



WORLD CUSTOMS ORGANIZATION  
ORGANISATION MONDIALE DES DOUANES

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# Cargo Targeting System (CTS)

## Participant Guidelines



## Abbreviations

CED	Cargo Entry Declaration
CTS	Cargo Targeting System
CXD	Cargo Exit Declaration
FROB	Freight Remaining On Board
HS	Harmonized System Code
NVOCC	Non Vessel Operating Common Carrier
VOCC	Vessel Operating Common Carrier (Operator)
VSA	Vessel Sharing Agreement
WCO	World Customs Organisation

## Definitions

Carrier	Party which issues bills of lading for the contract of carriage. For the purpose of CTS participation, this may be the carrier which operates the vessel or any other carrier in a Vessel Sharing Agreement.
CTS Filer	A carrier or NVOCC that submits bill of lading information to the CTS of a Participating State.
FROB	“Freight Remaining On Board” – Freight aboard a vessel which arrives within the jurisdiction of one State, is not intended to be discharged within that State’s jurisdiction but rather the jurisdiction of another State.
NVOCC	The party which issues house bills of lading for the contract of carriage of goods. The NVOCC does not own or operate vessels. The NVOCC tenders shipments to a VOCC for the physical transportation.
Participating State	WCO Member State that implements the Cargo Targeting System.
Port	The seaport inclusive of container terminals where seagoing vessels make calls for the lading and unloading of cargo as well as for calls for bunkers, repairs and other operations.



Slot charter	An agreement by which one carrier leases space aboard a vessel from another carrier.
Third Party	An entity that deals directly with Customs, for and on behalf of, a carrier or NVOCC.
Transit	A Customs procedure under which goods are transferred from the place of discharge to another Customs office for further disposition.
Transshipment	A Customs procedure under which goods are transferred under Customs control from the importing means of transport to the exporting means of transport within the area of one Customs office.
Vessel Operating Carrier	The party responsible for the operation and movements of the vessel on which goods are loaded.
Vessel Sharing Agreement	An agreement between two or more carriers in which a number of container positions are reserved on the respective vessels of the participants.
VSA partner	The carrier in a VSA that is not the actual operator of the vessel.



## 1. Introduction

The Cargo Targeting System (CTS) aims to equip WCO Members with a tool to enable filing of advance electronic cargo manifest data, assessment of risks and targeting of high-risk consignments moving through the supply chain. The CTS will provide additional benefits to WCO Members and the international trade community by increasing supply chain visibility and security, promoting fair and effective revenue collection, reducing levels of illicit trade, allowing better allocation of resources, and increasing benefits for engaging in greater government-industry partnerships.

Implementation of the CTS will take place at the national level in accordance with national laws and policies. The WCO will promote the use of the CTS and provide advisory assistance to Participating States to identify and resolve legal and operational issues related to its use.

These guidelines aim to establish best practice protocols for the initial stages of CTS implementation. The WCO recommends that Participating States initially establish the CTS as a voluntary programme for CTS Filers until all parties have had an opportunity to utilize the technology and establish operational protocols. The WCO further recommends that all Participating States and CTS Filers follow these recommended guidelines to encourage common implementation practices and to achieve widespread voluntary participation.

The WCO intends to develop the CTS in phases with additional functionality for all parties evolving over time through structured versioning. As the technology develops, these guidelines and national operational protocols will also mature. The WCO will consult with Participating States and the CTS Filers to develop future CTS capabilities.

CTS Filers adopting these guidelines will benefit from streamlined coordination through the WCO and a standardised data specification and implementation methodology across all CTS Participating States.

In addition, once the CTS has been shown to function effectively, there will be an immediate opportunity for each Participating State to accept electronic manifest filing in lieu of any current paper manifest filing subject to their national laws and policies.

## 2. Shipments to be Reported

The following transactions are subject to reporting in the CTS:

Import Transactions – Cargo Entry Declaration (CED) - All containerized goods discharged for import, transit or transshipment

Export Transactions – Cargo Exit Declaration (CXD) - All containerized goods laden for export

Transshipment cargo reported in the CED need not be reported for a second time in the CXD.



Freight Remaining on Board (FROB) does not need to be reported in a Participating State where it is not intended to be discharged unless required under the national legislation of that Participating State.

The WCO is currently developing the CTS to allow reporting of empty containers. These Guidelines will be amended to reflect empty container reporting details once available.

CTS data submissions are not required for unscheduled emergency calls, bunker calls and any other vessel arrival that does not involve the lading or unloading of goods. If exigent circumstances result in the unloading or lading of goods, CTS Filers may submit the applicable data to the CTS as soon as practicable.

### 3. General Guidelines

- The WCO expects Participating States and the CTS Filers to adhere to these Guidelines.
- The WCO owns the CTS application and retains all rights to the code. Participating States acquire the CTS from the WCO and operate it as a standalone instance of the application within that Participating State.
- CTS data transmissions to a Participating State are received and stored on a database physically located within the Participating State. The WCO does not own or store the data for any Participating State.
- Each Participating State determines and grants user access to its own version of the application and data in accordance with its own laws and policies.
- CTS Filers are expected to transmit information that would be available to them in the course of ordinary commercial transactions. The WCO and Participating States recognize that the CTS Filers would thus submit data that had been previously provided to them and may not necessarily be able to verify the accuracy of that information.
- Participating States will request only those data elements specified in the data model accompanying this document or future WCO-approved versions for the purpose of CTS participation.
- It is expected that CTS Filers will provide data for all import, export and transshipment transactions for a Participating State. However, a phased approach may be required, beginning with one or a smaller number of ports and expanding to all ports over time
- The WCO affirms the timeframes for the advance filing of electronic cargo information as established in the WCO SAFE Framework of Standards. The timelines recommended in this document for the advance filing of information to the CTS are intended as an interim measure for Participating States that have not previously had the technology, legal measures or operational protocols to receive and process advance electronic cargo information.
- In the case of vessel sharing agreements, slot charters or similar contractual agreements among carriers, each carrier that issues bills of lading will file its own bill of lading records.



- CTS Filers must submit all information in English where possible. No additional translation of data is required beyond that already required by the laws and regulations of the Participating State.
- The CTS is expected to provide acceptable service levels to all Participating States and CTS Filers regardless of infrastructure variations.
- The WCO and Participating States will consult with CTS Filers and other affected parties on deployment plans for the CTS.

## 4. Interim Time Frames to Transmit Data

As previously stated, the WCO affirms the time frames for the advance electronic presentation of cargo information as noted in the SAFE Framework of Standards. However, the WCO recognizes that a phased approach is necessary to achieve that goal. To ensure consistent time frames among CTS Participating States, the WCO recommends the following time frames for CTS data submission. Any future changes to the following time frames will only be made in consultation with CTS Filers.

### **Cargo Entry Declaration (CED)**

CTS Filers will transmit bill of lading records to the CTS of the Participating State no later than 72 hours prior to arrival of the vessel at the port within the customs territory of the Participating State. If a vessel calls at more than one port within a Participating State, CTS Filers may make separate transmissions of records for all shipments intended for discharge at each port no later than 72 hours prior to arrival at the respective port. If the voyage duration is less than 72 hours from the last foreign port, CTS Filers will transmit the data no later than the time of departure from the last foreign port.

### **Cargo Exit Declarations (CXD)**

CTS Filers will transmit all export bill of lading records to the CTS of the Participating State according a filing deadline determined by each Participating State. It is recommended that the CXD filing deadline is no earlier than 24 hours prior to the departure of the vessel and no later than 24 hours after the departure of the vessel.

## 5. Participating Party

CTS allows dual filing of electronic cargo manifest data by carriers and NVOCCs. A CTS Filer may enlist the services of a Third Party to submit data on its behalf but remains responsible for compliance with these guidelines.

Data can be filed to the CTS from any location. It does not have to be filed through local offices or Third Parties within the Participating State. If a Participating State has national laws or policies requiring such, the WCO will work to enable remote filing as part of the advisory assistance provided to the Participating State.



## 6. Amendments, Diversions & Route Changes

The CTS will provide a basic data amendment capability which allows the entire declaration to be resubmitted including any amendments. For the CED this should be no later than vessel arrival. The WCO and Participating State will work together with Data Filers on any alternative amendment requirements they may have.

Until the CTS can support multiple amendments there may be discrepancies between the CED and other declarations made to Customs by the carrier. Participating States will be made fully aware of the CTS amendment limitation to ensure it does not result in inappropriate penalties or other sanctions.

## 7. CTS Response Messages to Filers

The CTS will notify the Data Filer if a declaration has been correctly loaded or if errors have occurred in a dedicated file on the server to which the data is submitted. CTS Filers are expected to correct and resend information in response to error messages, as soon as possible. At this time, the CTS does not support any other electronic messages to CTS Filers.

## 8. Contingencies

Participating States will establish means to notify affected filers when the CTS undergoes scheduled maintenance or is otherwise unavailable. Participating States will establish procedures for the submission of data once the CTS has returned to operation.

A CTS Filer will notify a Participating State when it is unable to transmit successfully to the CTS and explain the reason for the problem. Participating States will establish procedures for CTS Filers and vessels to proceed with operations until the issue can be resolved.

## 9. CTS Participation and Current Filing Requirements

The WCO encourages Participating States to refrain from requiring cargo information that is provided through the CTS in paper form. However, this recommendation remains subject to national laws and policies. Where necessary, the WCO will work to effect the transition from paper manifest filing to advance electronic manifest filing as part of the advisory assistance provided to the Participating State.

The WCO recognizes that some Participating States may have previously adopted electronic cargo manifest reporting systems and supporting legal requirements. As a result, early stages of CTS participation may result in more than one transmission of the same or similar electronic cargo manifest data. The WCO and Participating States will consider long-term technical and policy solutions to address and mitigate this issue.