

Transshipment port Cuxport automates customs process with edbic

CUSTOMER SUCCESS STORY



How the consolidation of data from port and shipping companies enables digital customs processing



Since its establishment in 1997, the main business of the cargo port Cuxport has been the transshipment of goods and commodities within the EU and throughout Europe. When Brexit came into force on 1 January 2021, it fundamentally changed all port processes: Where-

as originally just under 10 percent of goods had to undergo a customs process, with Brexit, customs clearance suddenly applied to about 90 percent of the cargo. It was immediately clear to those responsible that this could no longer be processed manually as before. Managing Director Hans-Peter Zint and Head of IT Dominic Küchler thus explored alternative concepts in collaboration with HPC Hamburg Port Consulting.

Time pressure was a key driver in the search. Even though Cuxport had first looked at implementing an automated customs clearance process as early as 2016, everything got very tight at the end. The reason: Originally, the port had aimed to integrate the customs processes into the existing freight handling software. Therefore, a project had been launched to make the necessary adjustments. During this project, however, it gradually became apparent that this approach would not be successful. The search for an alternative solution thus became all the more urgent – a situation exacerbated by the repeated postponement of the de facto Brexit and the emerging coronavirus pandemic.



As HPC and compacer already had successfully mastered various projects together, HPC Cuxport's consultants recommended compacer's expertise in data integration. At the back of their minds was the idea of integrating edbic into the port's existing IT structure as the central data hub of a digital customs process. As Managing Director Hans-Peter Zint explains: "We had to act quickly and in a results-oriented manner, because regardless of the looming Brexit, our team also had to overcome pandemic-related challenges at the time. We were all the happier when, after initial discussions with compacer, it became apparent that edbic could be a good way out of the conundrum."

A pragmatic approach

Seeing that the existing systems were not well suited to further automation and that the available data were very heterogeneous, it was clear that we needed an integrating central solution to process all these data. In a second step, the data should then be forwarded to the certified customs software DAKOSY for further processing. "So, we fed the existing interfaces from



Company profile of Cuxport GmbH

Thanks to its prime location and multimodal connections, the modern Cuxport deep-water terminal offers first-class conditions for fast and smooth cargo handling. The multifunctional terminal can handle all goods and commodities from "A" as in automobile to "W" as in wind turbines. 24/7 and 365 days a year, Cuxport provides six berths at two facilities with over 348,000 m² of paved area for cargo handling. Cuxport went operational in 1997 and has since played an important role in European trade thanks to its modern seaport terminal and the extensive logistics expertise of its employees.

Cuxport's freight system and the shipping companies' booking system into edbic", recalls Cuxport's Head of IT Dominic K uchler. Once that was done, we set up a data storage and status management system in parallel to the operational system, exclusively for customs clearance. With the new set-up, the variety of data formats used was relatively easy to get to grips with.

"The cooperation with compacer's team was outstanding. In addition to their valuable experience and know-how, they just know how best to tackle problems. They were also highly responsive and supportive at all times."

Hans-Peter Zint,
Managing Director Cuxport

One challenge, however, was mapping the process logic. In this regard, it is important to know that the reconciliation of data between shipowners and the port for the daily running cargo ferries is in most cases highly individual, short-term and interactive. If you know that we not only exchange information about the value and type of freight when handling the goods, but also various numbers, accounting data and so on, you can imagine how complex a single process is – let alone an entire working day.

"In retrospect and in perspective, the investment in edbic has been extremely worthwhile. Our idea of establishing compacer as a central element of our system landscape to drive the automation and digitalisation of our processes has worked out."

Hans-Peter Zint,
Managing Director Cuxport

"Cuxport is a transshipment port for European short-haul traffic. The shipping company DFDS is our main customer and organises the ferry service between Cuxport and the destination port Immingham in the UK. Since we offer a matching daily scheduled freight service between Cuxhaven and Immingham, handling about 30,000 containers, 30,000 road trailers, 300,000 cars and 300,000 tons of general cargo annually,

you can well imagine the scale of the data involved", explains Zint.

Finetuning after go-live

Although the project team had succeeded in digitalising the customs process in time, that is, by the end of 2020, it was clear to everyone involved that the last inconsistencies would not be resolved until after go-live. "We were incredibly relieved that the politicians at least agreed on a soft Brexit. The so-called 'soft Brexit' came without any volume limits for freight traffic, with a transitional phase of several months and also with various procedural facilitations in the UK", recalls Zint. A hard Brexit with even stricter requirements and no transition period would have been even more difficult to manage.

"The technical challenge was to implement an automated customs process with our time-limited capabilities. The heterogeneous nature of the data was another obstacle: from the freight system to the shipowners' booking data, everything ultimately had to be transferred to the customs software."

Dominic K uchler,
Head of IT Cuxport

The bottom line is: Cuxport managed to start into post-Brexit times from 1 January 2021 with a brand-new customs process. We found that we had successfully digitalised roughly 90 percent of all processes and tasks involved in advance. However, it also became apparent that a few processes were still unclear or contained incomplete information on the customer side, or that they were special cases that could not yet be handled automatically. Since these were only individual cases, we could handle them manually without any problems for the time being. "Within the first six weeks, we were able to identify the remaining 10 percent, so that we were already very well positioned in February 2021. By the end of March, we had developed a solid routine", says K uchler.

Breaking new ground

By digitalising the customs process, Cuxport has not only optimally overcome the challenges posed by Brexit, but also braced itself for any future challenges. Thanks to the central data platform edbic, all data and processes related to the customs process are now transparent. This brings advantages for shipown-



The challenge

Cuxport seaport terminal, which focuses on business with the UK, has been facing the new, Brexit-driven challenge to carry out customs administration tasks for 90 percent of the goods handled within a very narrow timeframe.



The solution

The central data hub edbic brings together all data relevant to the customs process from existing systems (freight, shipping company, customs) and prepares them in such a way as to map one continuous process.



The result

The customs process, which in the past was carried out manually due to low declarable volumes, now runs automatically and Cuxport is able to provide information about the customs process at any time. This transparency not only benefits the port and the customs authority, but also the shipowners, who can now track the status of their cargo at any time.

ers in particular: They now have a much better overview of the loading and customs clearance process. In addition, Cuxport itself can evaluate much better which transshipments are pending and what has been shipped and cleared in the past.

“The move towards automating the customs process was a means to an end. If we hadn’t done that, we wouldn’t be able to meet the customs requirements that come with Brexit now.”

Dominic K uchler,
Head of IT Cuxport

These positive effects can be very well envisioned in other areas of the port, where Cuxport could be better informed and also provide more information. “edbic was an incredibly important advancement for us in many ways – we would never have been able to handle the customs processes for these volumes manually”, says Managing Director Zint. Mr K uchler adds: “Now we can think about where a similar approach would have an equally positive impact on our business. Our colleagues at compacer have already given us very good hints in this regard, and I’m sure we’re only at the beginning.”