

Minutes of the JCCC Duty Liability Sub-Group meeting

Date of Meeting: Wednesday 11 October 2017

Location: Room 15/18-19 Alexander House Southend on Sea.

Attendees:

Lorenzo Rossetti (LR)
Gavin Roberts (GR)
Walter Anzer (WA)
Corinne Nabavi (CN)
Barbara Scott (BS)
Pawell Jarza (PJ)
Gordon Tutt (GT)
Ian Worth (IW)
Emma Ormond (EO)

Valerie Smith (VS) (*Chair*)
Lisa Cureton-Burgess (LCB) (*Minutes*)
John Mitchell (JM)
Steve Lamprell (SL)
Beth Earwicker (BE)
David Knight (DK)
David Harris (DH)

Apologies:

Apologies were received in advance from,

Keith Aldred
Michael Alexander
Mark Emerson
Sarah Bell
Howard Levene

Previous minutes – Action points

The minutes of the previous meeting of June 17 were agreed.

Action Points:

AP no.	Action Raised	Action Taken	Owner	Status
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Origin	Update on India and Vietnam	Members updated	SL	Discharged
Origin	to update slide pack to add Vietnam agreement	Slide pack updated	SL	Discharged
Origin	To provide ADD administration issue update for JCCC DL meeting going forward.	ADD has now been included in meetings	SL	Discharged

The action points from the last meeting were discharged

VS queried if members had had sight of the Customs White Paper that was published recently. Most confirmed that they had read the paper.

Valuation

JM gave members an update on his last Brussels Customs Expert Group (Valuation) meeting held on 6 October. He said that there were 3 main items that were of interest - binding Valuation Information (BVI), the Valuation Compendium, and the developing EU guidance.

JM started with the BVI saying that the Commission have set up a working group similar to the BTI group. It will look at the possible introduction of BVI including operating guidelines etc. This is simply a concept at this time. **VS** said that the UK was not in favour of BVI but asked members for their views. BS and some other group members indicated their support for BVI. They considered that it would be beneficial to the trade. BS said that BVI could help ensure clients are compliant for audit purposes.

GT asked how BVI would work electronically from the trader to the Commission and when would it be ready? **JM** said it was early days and little concrete information available at the moment.

GR stated that traders would be more compliant if there was a BVI look up facility like EBTI. That would be very useful!

SL spoke about the position for Binding Origin Information (BOI). He said that there is no BOI database as the numbers of BOI decisions is small and each decision unique. Group members indicated that they would like a look up facility for BOI.

AP SL to provide feedback about a BOI database to the Commission.

JM advised that there a was a BVI questionnaire on the Commission public website

AP JM to send link to members- discharged.

VS encouraged members to complete the questionnaire.

JM will circulate the latest version of the Compendium of Customs Valuation text to members but to be aware that some text is missing. He understands that another version will be published which will be more complete, JM welcomed any comment from members and to send them by the end of Oct to LCB

JM spoke about the developing EU guidance. He said that it was pleasing to see the comments and questions from BS and others reflected in the draft. To date no new draft has been published.

AP JM to recirculate the list of UK questions to members. The finalised list to be submitted to the Commission for consideration.

Origin

SL gave an update on the last Origin Customs Expert Group meeting which took place 28-29 Sept. It had included an item on REX where the Commission had notified the Member States that guidance on REX was now available on the Europa website. He advised the group that India has applied for an extension to June 2018 on its REX implementation.

On wider origin issues, SL confirmed that Sri Lanka had been reinstated to GSP+ status wef 19 May 17. He referred the group to the latest handout that had been issued to members prior to the meeting updating them on ongoing discussions and Commission negotiations. He highlighted that discussions were taking place with a view for Ukraine to join PEM.

Western Sahara - the Commission has issued guidance to the member states to cover imports made following the CJEU ruling in December 16. The situation remains the same in that, since the CJEU ruling goods originating from Western Sahara are not entitled to preferential tariff treatment and must be imported at full duty using country code 'EH'.

Importers should be aware of their responsibility to declare their goods correctly as they remain liable to post clearance demands up to 3 years after the date of acceptance for misdeclaration.

CETA

SL said that CETA was introduced on the 21 Sept, later that planned.

SL said that if any problems arise from REX, members are advised to read the guidance that is on the GOV.UK website.

CN raised a question on the Art 2.5 Clause for drawback, **AP SL** to look into this and report back.

ADD

SL spoke about the new EU Council Regulation 1570/2017 which replaced the requirement for undertakings covering imports of solar cells and modules (solar panels) with a new system of Minimum Import Prices. The full details of this change have been published in notice AD 2233. SL informed the group that CHIEF is unable to perform the duty calculation automatically, meaning that the any anti-dumping and countervailing duties would have to be calculated and entered manually by the declarant. Work is being undertaken to create a method to calculate the charges and a change to CHIEF is being investigated. Fortunately, due to changes in the market, the number of imports affected by this change is very small.

AP SL will circulate the AD notice to members.

<https://www.gov.uk/government/publications/imports-of-crystalline-silicon-photovoltaic-modules-and-cells-anti-dumping-duty-2233>

VS said that she will invite a representative in from DIT Trade Remedies Group to attend a future sub group meeting. In the meantime we will keep ADD updates on the agenda.

Tariff

DK said that HMRC is planning for dual running with CHIEF and CDS but hopes that the full cutover will be in Jan 19.

GT said that he has been involved in good discussions with the CDS team and they have made good progress with the development. He reported that they have encountered technical issues but felt confident that everything will meet trade needs.

VS said that the CDS Stakeholder Engagement team provide regular progress updates to anyone that wishes to be informed.

VS informed the group that the printed tariff contract had been renewed for 2018.

Classification

Cameras

BE said that no BTI's can be issued by Member States if the matter has been suspended by the Commission. This is to allow time for the Customs Export Group to agree their classification - this may take between 10-15 months.

Educational toys

GR said that the email advice he received from Classification was to apply for a BTI when dealing with educational toys. **BE** said that she will make sure that classifiers provide an indicative commodity code but this advice could change depending on the outcome of discussion at the CEG.

Regarding educational toys, **BE** asked for examples of toys group members believe would be classified within the new heading as the Commission is currently looking for examples to clarify which type of toys are covered and where.

New BTI e-form

BE advised that from the 1 October the new BTI application form entered into force. She said the UK has a high volume of applicants that are agents or consultants. Under the new system if the form is completed incorrectly they could become the holders so take care!. Also, to obtain a BTI you now need an EORI number.

The EBTI 3 central database is being updated. The system changes have produced a number of unexpected defects which are being addressed. As a result, BTIs and revoked decisions are not being published. This is a temporary delay and we expect fixes to be implemented and the problems resolved in a matter of weeks. **BE** went on to talk about recent issues with the analytical test re the starch in pet food. The Commission believe they have found a solution by amending the percentage back to 0.5%. At the next Brussels meeting the Commission will put forward a draft paper to recommend that reversion back to either 0% or 0.5%. **BE** is unable to anticipate the outcome but is optimistic that the matter will be resolved

GR expressed his thanks to Beth for helping out the UK pet food industry in bringing this to the attention of the Commission and member states.

AP GR to send email of thanks to Beth

AOB

None

Meeting closed 14:20

Next Meeting:

Reference	Action Point(s)	Owner
Valuation	to circulate the list of questions that were presented to the Commission to members again.	JM
Origin	Art 2.5 Claus for drawback, to be looked into and report back.	SL
ADD	To circulate ADD 2233 notice	SL
Classification	GR to send email of thanks to Beth	GR