



HM Revenue  
& Customs

## Joint Customs Consultative Committee

### Review of JCCC Activities 2019

JCCC: An HMRC-sponsored forum which was established in 1969 to exchange views on and discuss proposed changes to customs procedures and documentation relating to the entry and clearance of goods.

In July 2019 we celebrated 50 years of the JCCC and recommitted to continue with a vibrant Customs-Trade Partnership in future.

Since its inception in 1969, the JCCC has been the primary Customs consultative group between government and trade. Our work together, and the partnership we have created is highly regarded in the global customs and trade communities and affects some 283,000 registered UK importers and exporters. Our July event was a wonderful opportunity to celebrate the 50<sup>th</sup> anniversary of the Committee, the significance of its achievements in the Customs arena, and the unique and enduring nature of the collaboration between HMRC and trade.

At the end of 2018 we shared a desire to look beyond EU Exit and take a strategic long-term view on how the UK would operate Customs and its borders.

We agreed to bring forward ongoing discussions around:

- The Customs Declaration Service
- HMRC and Business readiness for EU exit
- E-commerce
- Customer Service
- Customs Future Vision

### Summary of activity in 2019

#### Customs Declaration Service CDS

HMRC continues to implement the new Customs Declaration Service (CDS), which is being phased in alongside the existing declaration system, CHIEF. The majority of import and export functionality is in place, with all the required import and export functionality in the trade test environment for SWDs/CSPs to be able to test their software.

As HMRC has built and released functionality, there is a dependency on delivery partners completing their own testing and system development, to enable the migration of their customers to CDS. HMRC has set a target date to complete migration to CDS by September 2020 and is working very closely with these delivery partners to support their migration to CDS to meet this target timeline. Delivery partners have acknowledged that this is a challenging timeline. HMRC is proactively working with these partners to remedy any issues and confirm their migration plans.

CDS representatives provided regular updates throughout 2019, and our trade members reported that there have been good discussions with CHIEF and CDS teams, especially by way of the technical readiness events. More of these events have been requested by trade as the year has progressed.

Since 2015, CDS have held 650 events and completed 25,000 CDS tests. CDS are also holding meetings with 27 CFPS and a CDS panel has been set up to share information.

### **Preparing for EU exit**

While EU Exit negotiations continued to constrain some discussions, HMRC's desire to consult and engage with business wherever possible, continued with regular dialogue and updates. These updates included:

- HMRC introduced Day One easements to address industry concerns about RoRo locations, trade flows, liability of intermediaries, and the relaxation of guarantees.
- EU Exit communications, including Gov.UK, webinars, quick videos and the partnership pack.
- The announcement that HMG would be making a further investment of £16m to support customs agents to train new staff or invest in better IT so businesses can get the support they need to complete customs declarations.
- Changes to speed up access to Customs Comprehensive Guarantees (CCG).
- Review of CTC guidance in response to Industry feedback.
- Increased engagement on new legislation in response to Trade concerns.
- Temporary Tariffs published in preparation for D1ND and onto Gov.UK.

Face to face meetings have been held every 4 to 6 weeks with intervening conference calls to provide further updates. During the year, HMRC wrote to authorised consignees/consignors suggesting they increase capacity, and encouraging the top 750 high volume traders to become authorised consignees/consignors. HMRC ran webinar sessions providing information on imports and exports, TSP and Transit. This had over 10,000 attendees between 28 August and 3 October.

Trade voiced their concerns throughout the year that many of EU-exit related discussions had to be conducted under the NDA regime which inhibited communications with members, but understand that this was government rather than departmental policy

Consultation with trade, and trade input into developing legislation has been an issue raised throughout 2019. It was always HMRC's intention to consult with trade wherever possible.

However, the laying of Statutory Instruments was guided by Parliamentary timescales and often there was insufficient time to approach and engage with trade. HMRC has since worked closely with stakeholders to test the intention of the legislation, and reading rooms were made available for trade members to view associated papers. This work will continue.

HMRC's recommitment to a vibrant Customs-Trade Partnership in future is both an acknowledgement of the extraordinary environment of the last three years and a confirmation that its ethos of trade facilitation is unwavering and undimmed, as signalled by the historic inaugural meeting of the UK National Trade Facilitation Committee in October, chaired jointly by HMRC and DIT.

### **Improving the work of the sub-groups/customer service**

HMRC proposed changes to the JCCC sub group network, to ensure we have the right conversations with the right people at the right time, and this was fully endorsed by trade members. New sub groups and working groups have been set up during 2019 to deliver this.

In the longer term, once the EU Exit sub-group is disbanded and subsumed within the existing sub-groups, the scope of the CP&P sub-group will be revisited. Until the UK leaves the EU we are unable to take this forward.

In 2019 an AEO paper was produced by trade members, which helped direct HMRC as to the format and structure of how the HMRC AEO guidance on Gov.Uk could be improved. This was welcomed as a basis on which to improve HMRC guidance.

The AEO sub group has now been re-launched to focus on the future vision for AEO, and look at improvements to current processes and mutual recognition work. An Authorisations Streamlining Programme has been set up to streamline the authorisation process and, by October 2020 halve the amount of time it takes to make decision for some authorisations.

At the beginning of 2019 industry raised concerns around the lack of progress made with the Self- Assessment sub-group and wanted clarity as to the meaning of Self-Assessment. It was felt an opportunity had been missed to set up a pilot scheme to test the concept. Progress has now been made in this area, and in July 2019 the self-assessment sub group drafted a paper for discussion. The paper outlines the proposal to pilot the new process, and representatives from the trade have been invited to participate. A timeframe to take the pilot scheme forward is presently in development.

### **Customs Future Vision**

The Customs Change sub-group had been relaunched as The Customs Future Vision Tasking and Delivery Group, with the objective of taking the strategic, long term view of how the UK will operate customs and its borders. It will also highlight developments in technology and

how these will play a part in the future vision. The role of the Border Delivery Group (BDG) in taking forward the Future Borders vision was discussed, and plans for engagement were clarified.

HMRC and Trade also agreed that the Customs 2020 Vision will be revisited with a vision for 2025 and beyond. The Customs Future Vision Tasking and Delivery Group did not continue beyond the initial meeting, it being decided to amalgamate it within the EU Exit sub-group

A request to HMRC to organise a new working group for NILPS has been taken on board and HMRC are aiming for the working group to be up and running by the end of 2019.

A JCCC secretariat workshop has been held and set a standard for customer service and engagement across all sub-groups. Other subjects touched on during the year, were:

- Goods under £135.00.
- Approved depositories and inventory linking.
- Special Procedures CFSP's.
- Temporary Storage.

Trade has been disappointed that there has not always been Policy representatives at JCCC meetings and HMRC have taken this on board, noting the unprecedented challenges that 2019 has brought about in the Customs arena.

In retrospect trade have conveyed how impressed they are with the JCCC, and the amount of work we cover. We should recognise the work we do and the time we invest. We are proud of the JCCC and the detail we go into. We should treasure it, and not take it for granted because it is impressive work.

## **Forward Look**

Ongoing themes which will be brought back to the JCCC for further discussion in 2020, include:

- The Customs Declaration Service, with the focus on migration.
- HMRC and Business readiness for EU Exit scenarios.
- Customer Service.
- Putting trade facilitation at the heart of our Customs Future Vision.

## **Customs Vision 2020**

HMRC's key objectives for 2020 will be the implementation of CDS, managing EU Exit and any implementation period, and building new trade systems, new controls and IT systems.

## **Customs Future Vision 2025**

HMRC have committed, along with Border Force and other government departments including BEIS and DIT, to work with UK Trade in a Customs-Trade partnership to achieve

common objectives that are in the UK's best interests, and to develop a new, shared Customs Vision for 2025.

Border Delivery Group will be looking at technology opportunities across multiple agencies, including the potential for a single trade window. Work has been started to look ahead to 2025, with the priority of improving flow and increasing security.