

# Minutes of the Joint Customs Consultative Committee

Date of Meeting: 11 November 2019

Location: 1 Ruskin Square, Dingwall Road, Croydon

## Agenda

1. Introductions and Apologies
2. Minutes, Matters Arising and Action Points
3. HMG and Businesses Readiness for EU Exit
4. Delivery of CDS Migration update
5. Tea Break
6. JCCC sub-groups and Review of the year
7. Introduction to Customer Services Group
8. AOB

## Annexes

**A** - List of Attendees

**B** - Action Points from the meeting of 11 November 2019

**C** - Action Point update from the meeting of 31 May 2019

## 1. Introductions

The meeting was chaired by Bill Williamson (BW).

BW welcomed new members and confirmed that HMG is now in a state of purdah. As a consequence, the official side is constrained on what it can say publicly about government policy, and for this reason, representatives from Future Borders would not be attending the meeting.

BW thanked all those who contributed to, and took part in the JCCC 50<sup>th</sup> anniversary event, which was very well received. This celebration provided the opportunity to re-affirm our Customs/Trade partnership.

## Apologies

Name:

Organisation:

Pat Holohan  
Paul Behan

HMRC  
BEIS

## Chair introduced

Name:	Organisation:
Michelle Joyce	BF
Dexter Lee	BEIS
Ian Gowers	IoE
Nicholas Altham	DIT

## **2. Minutes and Matters arising**

### **Minutes of previous Meeting - 31 May 2019**

The minutes for the previous meeting were agreed, and have been published.

### **Ongoing Action Points**

All Action Points from the May meeting have been discharged - please see Annex C for an updated version of the Action Point log.

Trade have reviewed the organogram issued in response to AP1 raised at the JCCC meeting held on 4 March and have asked for a more detailed chart, as it is currently unclear how the various departments identified work together.

BW noted that it is difficult to show this interaction, but there is a formal mechanism in place to ensure the different areas are brought together.

PmC - Is there a mechanism in place to address situations where trade are not content with the responses they receive, rather than relay these through the JCCC?

LW - We can use the various groups, including the sub-group structure or we can take offline to discuss, if this is warranted, and bring back to the sub-group for visibility.

BW - There are two drivers, the EU Exit side and BAU side, and both need to reflect Customs Policy going forward. HMRC wanted to address cultural aspects, bridge the gulf between technical experts and broader policy thinkers - the political facing policy staff - and both of these areas have now been brought together.

**AP1. HMRC will review the Customs and Border Design organogram and re-issue identifying the heads of each section.**

## **3. Agenda Item HMG and Businesses Readiness for EU Exit**

HMRC (LW) summarised the current situation.

- HMRC are looking to identify a VAT representative to attend JCCC meetings, to address VAT related questions from trade.



- Although currently in purdah, an agreement has been reached to continue to prepare for the 31 January deadline, and we will continue with engagement critical to achieving this.
- EU Exit colleagues will continue to attend stakeholder meetings they have already been invited to, but are unable to attend wider public facing events.
- There is legislation that cannot be published at present, HMRC are preparing to publish this as soon as possible after the election.
- Internally to HMRC activity is underway to resolve any remaining No Deal issues.
- There is a backlog of enquiries regarding EU Exit, and efforts are being made to have these answered as quickly as possible.

## Industry

- There is an outstanding question about the legislation relating to the rules that would apply between NI and the rest of the UK, in a ND scenario.
- There are also questions around the current guidance available.
- Trade also raised some concerns about resource levels at the National Frontiers Approvals Unit (NFAU), application of HMRC policy at a local Border Force level as well as treatment of applications for Temporary Storage. LW and DH agreed to take these away and report back.
- Trade raised concerns about the EORI data feed, and tracker, in the event of the UK leaving the EU. HMRC agreed to look into this: **AP2**.

## **4. Agenda Item - Delivery of CDS Migration update**

BW introduced James Chok Wing who gave a presentation on CDS migration (slide deck to be issued with the minutes).

- Tests have successfully been carried out with high volumes. The response time was 150 declarations per minute, this has recently increased to 500 per minute.
- There is a virtual team providing support to trade in respect of the final steps relating to the migration to CDS.
- Import/Export functionality will be deployed by Jan 2020.
- When declarants move to CDS they are required to set up a new Direct Debit instruction. They can use the same DDI as they have for CHIEF. The main reason for this is the new finance solution links the duty deferment statements to CDS so in effect if they continue to use CHIEF for part of the declaration management declarants will need 2 DDIs or they won't be able to view their statements.

## Trade

- There is concern that companies are not prepared for the migration over to CDS by September 2020
- Trade asked what communication is being sent out to trade associations outlining the steps to take, noting clear guidance is required.

**AP3: Trade asked to be provided with a comparison of processing times between CHIEF and CDS.**

**AP4: Trade asked whether they will need to hold two deferment accounts if two DDIs are required?**

**AP5: Trade asked what to do if the deferment account is too large for the direct debit limit of £20 million?**

**AP6: Trade asked whether the issue of digital ID been resolved?**

**Tea Break**

### **5. Agenda Item - JCCC Sub-Groups and Review of the year**

BW introduced the draft paper on the review of the JCCC 2019 our activities, the work going forward and what conversations we will have in the New Year. BW welcomed any further comments from trade before finalising the paper. The paper is a record of our partnership with trade over the year, and the challenges and difficulties we have faced.

We continue to support trade facilitation, which has sometimes faced serious difficulties regarding what we can and cannot communicate in respect of EU Exit planning, because of wider government constraints. We have come to the end of the year and have reflected on the partnership with trade, Customs, BF and other government departments, and concluded the relationship is still strong.

We re-committed to Customs trade facilitation at the 50<sup>th</sup> anniversary celebration, and we will take this theme forward into next year. Noted that the EU Exit sub group now encompasses the Customs Future Vision sub group. It has been agreed that all discussions on policy, under Border Processes and Declarations will be reflected through the CP&P JCCC meetings, which will be co-chaired. The forward look for the next year will include CDS, Business Readiness and EU Exit scenarios. Customer service and trade facilitation will remain at the heart of our Customs vision.

### **Industry**

- Concerns raised about Inland Temporary Storage facilities.
- Trade asked whether the Temporary Storage guidance has been published.
- Trade asked if non inventory linked TS authorisations would be given in 16 days' (currently TS authorisations take months).
- Trade raised a question at the CP&P sub-group about the hit rate on shipments targeted by the anti-fraud strategy, and the delays in trade getting their goods back. Trade do not feel this has been answered satisfactorily.

**AP7: HMRC will issue the link to the Temporary Storage easement.**

**AP8: HMRC will take the question regarding the hit rate back to the chair of the CP&P.**



**AM** - conveyed how impressed he is 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.

## **6. Agenda Item - Introduction to Customer Services Group**

BW introduced Dr Joanne Liddy, who gave a presentation on the Customer Services Group (CSG) - the slide deck will be issued with the minutes.

Dr Liddy explained the role of Customs Operations within CSG. CSG operates a business model of shared services for the whole group, comprising HR, Communications, Finance, Performance & Planning and Operational Excellence. Customs Operations currently runs from 5 sites, and this will be consolidated to 3 hubs (Salford, Belfast and Liverpool) as HMRC moves to Regional Centres.

There is a programme of work to modernise and improve Customs Operations, based on customer insight and working closely with colleagues in Customer Strategy & Tax Design, Large Business, Risk and Intelligence and Other Government Departments. There are also plans to ensure operational delivery of EU Exit, including leaving the EU without a deal. Dr Liddy will become a member of the JCCC moving forward and is very keen to build relations with key stakeholders and partners and to work closely together.

### **Industry**

- Industry observed that, if the work is to be spread across three offices, there is a risk of different standards and have noted that the phrase 'it's policy' is a standard response in some correspondence. Trade will share examples with Dr Liddy.

## **7. AOB**

- BW announced Valerie Smith's retirement, and will report back on trade appreciation of the work Valerie has carried out in Customs, and with the JCCC during her long and distinguished career.
- The AEO sub-group will make any recommendations regarding the trade AEO paper to the main JCCC meeting.
- Trade facilitation at the WTO – HMRC co-chairs with DIT the newly established UK National Trade Facilitation Committee, the role of which is to ensure the UK is fully compliant with the TFA and to oversee a Forward Work Plan (FWP) to improve continuously across all vectors of the TFA.

AM outlined the trade facilitation agreement and gave a de-brief on what the Continental European group thinks of Customs now, and up to 2040. Arne can



share notes, should anyone be interested. Arne also highlighted some discussions he believes we should be aware of/consider.

**Date of next meeting:** 17 March 2019 venue TBC

**Annex A: List of Attendees**

<b>External Organisations in Attendance</b>	<b>Initial</b>
Association of Freight Software Suppliers (AFSS)	SB
Association of International Couriers and Express Services (AICES)	AR
Automated Customs and International Trade Association (ACITA)	DH
British Association of Removers (BAR)	SD
British Association of Ship Suppliers (BASS)	AM
British Business General Aviation Authority (BBGA)	AJ
British Chamber of Commerce (BCC)	LS
British International Freight Association (BIFA)	PJ
British Ports Association (BPA)	RB
Customs Air Transport Industry Consultative Group (CATICG)	MF
Chamber of Shippin (COS)	GS
Chartered Intitute of Logisitics and Transport (CILT)	SM
Community Systems Providers (CSPs/ASM)	PMcS
Customs Practitioners Group (CPG/UKWA)	BS
Food & Drink Federation (FDF)	GR
Fresh Produce Consortium (FPC)	ST
Federation of Sport and Play Association (FSPA)	MA
Freight Transport Association (FTA)	JL
Institute of Chartered Shipbrokers (ICS)	RH
Intitute of Export (IOE)	IG
International Meat Trade Association (IMTA)	KD
Institute of Directors (IoD)	AR
Society of Mptor Manufacturers & Traders (SMMT)	HL
Wine and Spirits Trade association (WSTA)	DR
UK Aerospace Industry Customs Group (UKAICG)	GT

HMRC	BW
HMRC	LW
HMRC	ZA
HMRC	DB
HMRC	TG
HMRC	JL
HMRC	AS
HMRC	MS



HMRC	JCW
HMRC	FB
HMRC	SH
BF	DH
BF	MJ
DIT	NA
BEIS	DL


**Annexe B: Summary of Action Points from Meeting of 11 November 2019**

<b>AP1</b>	HMRC will review the Customs and Border Design organogram, and re-issue.
<b>AP2</b>	EORI data feed may be turned off in the future and we will require tracker tools. Whatever is published in the tracker will need to be replaced for the UK if we leave the EU. HMRC agreed to look into this.
<b>AP3</b>	Trade asked to be provided with a comparison of processing times between CHIEF and CDS.
<b>AP4</b>	Trade asked whether they will need to hold two deferment accounts if two DDIs are required?
<b>AP5</b>	Trade asked what to do if the deferment account is too large for the direct debit limit of £20 million.
<b>AP6</b>	Trade asked whether the issue of digital ID been resolved?
<b>AP7</b>	HMRC will issue the link to the Temporary Storage easement.
<b>AP8</b>	Trade have asked for data in respect of the hit rate on shipments moved for the anti- fraud strategy and the delays in trade getting their goods back. HMRC will take the question back to the chair of the CP&P



## Annex C


### Action Points from Meeting 31 May 2019

Summary of Action Points 31 May		
<b>AP1</b>	HMRC (JCW) to look at topics being discussed at the 10 <sup>th</sup> June event and clarify to industry if technical issues or business process will be included.	Update sent to members on 01/07: The Technical Readiness Forum is structured specifically for software developers where we discuss development, testing and matters around readiness for CDS. However, the question has been raised to our Communications team for consideration for a wider and more general CDS forum.
<b>AP2</b>	Industry to send nominations to join an inventory-linking working group via the Secretariat.	E-mail to M Walton for an update 01/08 list of members provided 01/08  Copy of Working Group Requests.xlsx
<b>AP3</b>	DIT to share contact for Tariff via the Secretariat.	My colleague, Kapil Vijh works in our Tariff team and is happy to be your contact.
<b>AP4</b>	HMRC (JCW) to circulate CDS declaration data elements via the Secretariat.	Update sent to members on 01/07 The CDS declaration data elements are sited on GOV.UK, link <a href="https://www.gov.uk/guidance/changes-to-cds-volume-3-of-the-uk-trade-tariff-tariff-stop-press-notice-30">https://www.gov.uk/guidance/changes-to-cds-volume-3-of-the-uk-trade-tariff-tariff-stop-press-notice-30</a>
<b>AP5</b>	HMRC (JCW) to consider endorsing CDS data elements version prepared by BIFA and report back.	Update sent to members on 01/07 All the data elements are set out in the Tariff on GOV.UK. This is the HMRC endorsed data. HMRC will not endorse BIFA's version of the CDS data elements on their site.
<b>AP6</b>	HMRC (JCW) to provide an update on CDS test environments	Update sent to members on 01/07: A CDS Working Group has recently been set up and this topic is part of ongoing discussions to confirm the position.



<b>AP7</b>	HMRC (JCW) to confirm CDS migration date.	Update sent to members on 01/07: A draft scope roadmap which outlines the planned delivery is currently being reviewed and awaiting validation and sign off.
<b>AP8</b>	HMRC (JCW) to provide details of the planned timeline to deliver functionality	Update sent to members on 01/07A draft scope roadmap which outlines the planned delivery is currently being reviewed and awaiting validation and sign off.
<b>AP9</b>	HMRC (JCW) to provide a definition of CDS Go Live	<p>Update sent to members on 01/07: HMRC continues to implement the new Customs Declaration Service (CDS), which is being phased in alongside the existing declaration system, CHIEF. The majority of CDS import functions are in place and export functions began to deploy at the end of March 2019, with further releases to follow.</p> <p>The CDS migration strategy is founded on a robust delivery partnership between HMRC, software houses, Express Operators and CSPs. As HMRC builds and releases functionality, there is a hard dependency on delivery partners completing their own testing and system development to enable the migration of their customers to CDS. HMRC is working very closely with these delivery partners to support their migration to CDS and expects to announce a date during 2019 when CHIEF will cease to be available for use. Businesses will need to ensure they have migrated to CDS by that date.</p>
<b>AP10</b>	HMRC (Secretariat) to liaise with DIT around re-issue of invitation to ETAG.	<p>I have heard that some members had not seen the ETAG invite when it was circulated. Please can you share with me the mailing list of JCCC members? We have a large number of ETAG members already, but I'm happy to cross reference that list against our members list and reach out to individual members where necessary.</p> <p>Mailing list shared with DIT colleagues to ensure invites issued on the 03/06</p>



<b>AP11</b>	DIT to circulate (via the Secretariat), associated ETAG TORs	Copy sent with advance final notes on 1/07  DIT Customs ETAG ToR.PDF
<b>AP12</b>	Secretariat to send contact details for sub and working group Secretariats to all members.	02/10/2019 Organogram issued to all members. Plus over view of Customs Border Design
<b>AP13</b>	HMRC (CD) to report back progress on authorisation redesign work to either the CP&P sub-group or full JCCC.	CD presented the Authorised streamlining programme to trade at the CP&P meeting held on the 9 September 2019
<b>AP14</b>	HMRC (CD) to provide details of the number of UCC reassessments open at the end of May 2019.	Along with other member states, the UK provided a report to the European Commission in September on the outcome of the UCC reassessment work. The report confirmed the completion of all reassessments for simplified declaration procedures and local clearance procedures at both import and export and all reassessments for customs warehouse, the number of authorisations revoked or suspended during the exercise and the population carried forward. HMRC has also separately reported to the Commission the conclusion of AEO reassessments as part of an EU-wide fact finding mission for AEO to member states'.
<b>AP15</b>	HMRC (CD) to investigate whether UCC figures in AP14 include authorisations for inland clearance.	See response above.