



Minutes of the Joint Customs Consultative Committee

Date of Meeting: 23rd February 2021

Location: Teams Dial in

Agenda

1. Welcome and Introduction
2. Minutes, Matters Arising and Action Points
3. Border Strategy 2025 and Single Window
4. EU Transition Update
5. Guidance Taskforce
6. Staged Controls and Compliance
7. AOB

Annexes

A – List of Attendees

1. Introductions

Chair: Bill Williamson

Co-chair: Sally Beggs

Industry Chair: Peter MacSwiney

Apologies: None

Chair introduced:

Andrew Kelly (JCCC Secretariat Team, HMRC)

Gareth McLean (JCCC Secretariat Team, HMRC)

2. Minutes, matters arising

2.1 Minutes 10th November 2020

The minutes for the last meeting were agreed and have been published on Gov.UK https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/941261/Joint_Customs_Consultative_Committee_minutes_10_November_2020_Final.pdf

2.2 Ongoing Action Points (AP)

APs Carried forward from November 2020 meeting:

Can we please ensure that Transit is discussed at the next JCCC Transition meeting	'Deep dive' held at Transition Group meeting as requested.
Action points from transition meeting on VAT import issues	VAT Information circulated on 25 th Nov
Can we have some people who understand the whole process be part of a walkthrough in a live environment to see what works and what still needs to be developed? To give us confidence of what is being said (CDS)	CDS has been delivered and we are currently dual running the service alongside CHIEF, with the immediate focus on NI traders to onboard to CDS working alongside TSS. Later in the year we intend to engage with business on migration from CHIEF if we get ministerial agreement

Review of 2020 shared with Industry Chair for agreement or comment by external members. Those members have accepted the document and the accompanying themes for 2021 which are:

Transition

The JCCC will continue to respond to the challenges faced by its members as a result of the UK's exit from the EU with a focus on support, compliance and education. We will do this by:

- Adapting the frequency and length of meetings when needed and continuing to be flexible.
- Having the appropriate HMG colleagues from specific policy areas at meetings to provide information and respond to queries
- Supporting members through the use of the mailbox in between meetings. This includes distributing updates and responding to member queries within a reasonable time-frame.

Legislation

The UK's exit from the EU has resulted in a large number of changes to legislation. The Committee would like to support members in understanding these changes and the implications for trade. This will be done by:

- Liaising with colleagues to ensure that guidance meets the needs of members and is in a format which provides the intended support
- Suggest the production of a landing page for legislative changes or useable list of statutory instruments.

End of Staged Controls

As we move towards July and the end of staged controls, the Committee will seek to support members to ensure they are ready meet the challenges faced and can maintain their intended trade flow through this period. We will aim to:

- Discuss and gather feedback on readiness for the end of staged controls to better inform HMRC's approach.



- Respond to issues and challenges as they arise, addressing these through regular meetings of the Transition sub-group and supporting through the external mailbox.

Looking Forward

The Committee will become increasingly interested in looking ahead to the Border Strategy 2025, Single Window and Customs 30 and the overall design of the customs system. The Committee will aim to:

- Ensure that members are consulted on all aspects of shaping design and delivery over the coming years.

PM – At the Trade meeting this morning members were broadly supportive of the review document and aims for the coming year. Propose we give until the end of the week for any comments and then officially adopt these.

BW – Agreed. Any further comments please forward to the JCCC secretariat.

Questions/Comments from External Members	Response (if required)
Point of order raised – I have not had sight of this document, can we please ensure that it is shared with all attendees? (AV)	Apologies from JCCC Secretariat and action point taken to ensure papers are shared with all attendees and that list of external members held by Industry Chair and HMRC is identical going forward.

AV – Point of Order. Whilst I have received the agenda, I have not seen the document referred to as the Review of 2020 and did not receive an invite to the Industry pre meet from the Industry Chair. I attend the JCCC Transition Group so presumably am on HMRC’s list of attendees.

PM – Confirm that you are not currently on the membership list for the main JCCC held by me as the Industry Chair.

BW – Apologise for any unintentional oversight. Would appear that we may have an issue with the concurrency of the membership lists held by the Industry Chair and the JCCC Secretariat. Secretariat to pick up please with the Industry Chair and ensure we have a single list and a process for ensuring this remains up to date in the future.

3. Agenda Item

Border Strategy 2025 and Single Trade Window Oliver St John & Phil Stansfield BPDG

Border Strategy 2025 published in December 2020 and can be found at this link:
<https://www.gov.uk/government/publications/2025-uk-border-strategy>

Slide presentation given by BPDG colleagues (shared with all attendees ahead of meeting)

The strategy sets out our ambition and goals for the border over the next 5 years and beyond, and the 6 transformations we will take forward to achieve these. We have worked with colleagues across government, incorporated views shared by stakeholders and considered international best practice to develop a strategy that sets out our long-term ambition and the steps we’ll need to take to deliver a world-class border.

In August we concluded our public consultation and received over 170 responses from businesses and organisations. We also held multiple stakeholder forums and deep-dive workshops with over 200 stakeholders to discuss the future of the border. Respondents provided insight from businesses, ports and travel organisations across all regions of the UK and represented businesses of all sizes.



A partnership with border stakeholders is key to developing a border fit for the future. Insights from the border industry has formed the foundations for this strategy and we are keen to continue building on this work as we turn to implementing the strategy.

Objectives

- Promotes UK growth and prosperity by facilitating international trade from businesses of all sizes, while effectively collecting the revenue owed
- Detects, deters and disrupts serious and organised crime, terrorism, harm and threats to biosecurity, on land and at sea, in order to protect the UK's people, businesses, health, and environment
- Facilitates the movement of people that benefits the UK, while preventing abuse of the migration system, and safeguarding vulnerable people
- Is resilient, innovative and able to respond in an agile manner to one-off events and changing trends

Transformational Changes

These are six things that if delivered, we believe will realise that aim of delivering the best border in the world.

1. Develop a co-ordinated user-centric government approach to border design and delivery, which works in partnership with industry and enables border innovation
2. Bring together government's collection, assurance and use of border data to provide a comprehensive and holistic view of data at the border
3. Establish resilient 'ports of the future' at border crossing points to make the experience smoother and more secure for passengers and traders, while better protecting the public and environment
4. Use upstream compliance to move processes away from the actual frontier where appropriate, both for passengers and traders
5. Build the capability of staff and the border industry responsible for delivering border processes, particularly in an environment of greater automation; and simplify communication with border users to improve their experience.
6. Shape the future development of borders worldwide, to promote the UK's interests and facilitate end-to-end trade and travel

Single Trade Window (STW)

The Single Trade Window will provide a single point of entry into UK Government systems that masks the complexity of dealing with multiple government departments.

Aims

- Providing single point of entry for import/export journeys
- Enabling effective fulfilment of all regulatory requirements
- Supporting single submission of data
- Providing standardised information and documents

Strategic View

- A Single Trade Window (STW) is the 'face of the border' and a platform for digital and data innovation, a critical component of the 2025 UK Border Strategy.
- Today, traders with the UK face challenges navigating complicated and siloed import and export processes, and the government faces challenges in accessing quality data from industry and across government to improve decision-making at the border.
- An STW will ease these challenges:
 - It creates value by simplifying traders' interactions with HMG.
 - It provides a single entry point for sharing data and collect data in new ways (e.g., from supply chain).
 - It will create rich understanding of trader behaviour and what is happening at the border to improve decision-making and service improvements.
 - It will ease the burden of higher declarations volumes.



Governance and Legislation Barriers

There is currently no legal basis for STW’s future data processing. Legislation is required to enable STW’s specific role as facilitator, enabler and innovator at the border; expected earliest by end of 2022.

Consent is currently the only workable, yet limited, solution: will not cover everyone, can be withdrawn, and can be complicated to maintain.

There is currently a lack of data sharing across government, due to restrictive legislation as well as risk averseness. There is also a lack of effective data governance and data management, including unclear roles and responsibilities and insufficient knowledge about what data is where, for what purpose etc., mostly due to siloed operations.

PM - There appear to be a lot of things here that duplicate existing systems. How are you planning to take this forward and consult with industry? The presentation mentions intermediaries, what role are they going to fulfil?

PS - STW is a programme in itself. It will link into existing systems as a kind of federating service for the technology and systems that are already in place. On trade consultation, this is not currently decided. We are being asked to work at pace however; next year’s delivery very much puts the kind of foundational improving aspects of everything we need to do in order to move towards a STW. Once this is in place the pace should pick up substantially. Please be assured that decisions have not been taken at this point and we will be working in partnership with CSPs and intermediaries. It is not our intention to take over the work that they already do. There will be a STW programme board and the intention is that there will be Trade Representatives on it.

PM - I don’t think anybody expects all of the details to be worked out yet. What we would like to see is links between the different systems and processes and we would welcome that even in concept at this early stage. It has to incorporate the end to end requirement.

JOS - One thing that might be very useful at the start is to consider that not all of us are very technical and a glossary might be helpful.

BW - The JCCC embraces a wide membership with deep and diverse expertise. Certainly, working towards a common lexicon for the technical aspects of STW would be useful in expanding our shared understanding of the programme.

Questions/Comments from External Members	Response (If required)
Propose the STW team speak to Nick Davies in CDIO if not already doing so, as we have been working on a project for some time which would appear to do a lot of the things that STW would do (DR)	<p>We have noted those names to look into that further and can assure you that we do have very close links into HMRC and will be working with them on this (PS).</p> <p>Thank you for raising, we are aware of the work that Nick is doing on blockchain and all emerging work on the exploitation of technology will feed into the overall strategy (BW).</p>

BW – Thanks to BPDG for an excellent session.

General consensus amongst members is that there is support for STW in principle. Questions about how this takes form - and in practice we know how difficult it is to deliver large IT projects over many years. As mentioned in the presentation, the non-technical barriers with regards to data exchange and data privacy are areas of increased challenge and require both the exploitation of technology and a reframing of the way we work across government and with our industry partners. Many of our international partners have progressed beyond the UK in the development and implementation of their own STWs, so there is scope to learn, partner and



pilot. However, this has to be done successfully within a close partnership with industry if the UK is going to catch-up and remain competitive.

4. Agenda Item

BW – Following discussions with SB and PM we have decided for this JCCC to take a different form on the update from the Transition Group meetings. Rather than discuss the substance of recent meetings, given the overlap of membership, we would like to take the opportunity to take stock on the value of these meetings to you and to capture feedback on how we might adapt / improve the operation of the Group going forward.

Transition Subgroup Update

Sally Beggs HMRC

Activity since Nov 2020

- Meeting frequency increased to weekly throughout December/January/February
- 13 regularly scheduled Transition Group meetings have been held with the addition of an ad hoc meeting between Christmas and New Year following the FTA announcement
- 5 SI Reading rooms have been held to supplement those meetings in order to discuss and respond to member questions on legislative changes
- Over 220 questions answered through the meetings and JCCC Secretariat mailbox on Transition issues.

Topics covered

We have covered a number of subjects throughout this time including:

- Duty Deferment Accounts
- Returned Goods Relief
- Transit (Deep Dive)
- Tariffs/Commodity Codes
- CFSP Authorisations
- Intermediaries Grant Scheme (Including weekly drop in session)
- Northern Ireland Protocol
- Rules of Origin (Deep Dive)
- Representation (Direct and Indirect)
- Helplines and Support Services
- Postponed VAT Accounting
- EORI numbers
- Cash Controls
- IT Systems updates

We have had contributions from a number of OGDs and continue to promote a collaborative, joined up approach:

- Session with DIT on Tariffs and Commodity Codes
- Regular updates from BPDG

These meetings have huge value for HMRC and is a unique opportunity for us to have this regular two-way dialogue. It is an opportunity for us to give you updates and to receive real-time feedback on issues. We would like to reassure you that the insight we get from the JCCC is escalated throughout HMRC and discussed within the senior leadership team and we do try to act on that feedback.

External Member Feedback and Review

Peter MacSwiney (Industry Chair)

Following a discussion with external members, the feedback on these meetings and the value of them is fairly positive. These meetings are reactive and flexible and fulfil what for us is the



main purpose of any of these committees which is to identify what the problem is, identify who has got it and put those people together in order to try to solve it.

The positives for us is that the Transition Group allows members to raise issues and deal with those issues and has done a fantastic job during the last 6 months which have been challenging for many of us.

AV - The meetings have been really good for what is needed right now which is quick responses and support and this always seems to be the case. We seem to always get an answer when members raise issues. I feel that we are in such a different place post-transition with so many more people dealing with customs that it might be good to review the frequency and structure of the JCCC going forward with the main group being shorter and sharper. Bringing the good points of the Transition and Main groups together.

SB - I tend to agree. The Transition Group is so well attended that it has almost become the Main Group in response to what was needed at his time. It is definitely worth looking at whether we attempt to meet more frequently after this post-transition period.

PM - What this group does which has been difficult in the past, is to bring policy owners involved if needed. It has done a very good job of bringing in subject matter experts. One thing that we felt in our discussions is that the issue of compliance really needs more focus.

SB - Compliance will become more of a regular topic of discussion at these meetings and we have more on that later in the agenda today.

BS - I want to endorse what has been said and these meetings are marvellous. I wonder whether being forced to have meetings virtually due to COVID has actually benefitted this group and we should consider more virtual meetings in future especially if we consider shorter, more frequent meetings.

SB - It does seem to have made it easier to have well attended, weekly meetings as this might have been more difficult to arrange face to face due to travelling and schedules. We will discuss this and potentially have a mixture of virtual and face to face going forward.

HL - Just to reiterate what has been said. The Transition Group meetings have been very helpful and have come at the right time, with the right people to respond to what was needed. I would hate to see these meetings change before staged controls end.

SB - We have noted that the meeting frequency may need to increase again as we approach the end of staged controls and we intend to continue to offer the same support during that time.

AF - We have found these meetings very helpful, mostly because we can request to have issues on the agenda at short notice that have really impacted us. The fact that we have the policy leads there and can have an interaction with them is extremely valuable. This is something we don't get through any other forums.

SB - We will pass that back to our policy leads because it's very good for us to have positive feedback as well as the constructive. We are very committed to improving and continuing the support that we offer.

RB - It has been great getting that instant access to HMRC. To reiterate that it would be good to review the frequency of the meetings as others have said and could we look to refresh the membership of the Transition group as there do seem to some new names I don't recognise.

SB - Of course, there are membership criteria so members must represent trade associations, but we can certainly look to refresh the membership list and introduce new members during the meeting.



GR – The meetings are very useful and it is definitely worth mentioning CW and EP who have been extremely helpful to the FDF. We would advocate for continuing those meetings for at least the next few months.

BW – Thanks to members for feedback. Very positive and constructive comments and will certainly note the various references on the use of technology going forward. There does appear to be an appetite to continue to bring us together virtually in a way that augments face to face meetings when these again become possible. We will look at how the JCCC uses technology and can exploit the benefits of virtual meetings in the future.

5. Agenda Item

Guidance Working Group Update

Adam Cartwright HMRC

The group was set up in July 2020 and has 8 members:

- FSB
- MakeUK
- Logistics UK
- BIFA
- CILT
- BCC
- AICES
- RHA

We would like to thank the members for their feedback and input to the group over the time that we have been meeting which has been very valuable. We have intentionally kept the membership fairly small in order to facilitate the road-testing of guidance over relatively short timescales. We would welcome any feedback and questions on the group via the Transition or Guidance groups themselves or directly with me (email address provided to members).

Road-testing

Road-testing has taken place for any new guidance that has been published and also for existing products to ensure that they meet the intended objective. This is done with members as trusted stakeholders.

Some of the products which have benefitted from that input are:

- Rules of Origin guidance and flow chart
- Transit guidance (ongoing)

Customs Information Papers (CIPs)

We may have said at a previous meeting that we are winding these down but have decided not to do this however; we have taken a more rigorous approach and will only issue these when there are changes to procedures. Where there are messages that are better suited to guidance then it will appear in guidance as opposed to issuing CIPs.

Statutory Instruments

Members have asked previously about legislative changes and how they can be presented in guidance. There is a gov.uk page which lists all of the statutory instruments which have been laid that members may find useful: <https://www.gov.uk/government/collections/customs-vat-and-excise-uk-transition-legislation-from-1-january-2021>.

We have reviewed whether legislative references may appear in guidance however; feedback from user testing suggested that they did not wish to have that.



PM - Members have asked how they can engage with the Guidance group and we thought that it might be helpful if you allowed members with a specific interest in an area to join the discussions for that piece of guidance rather than becoming a permanent member of the group.

AC - On the road-testing, we have gone out in instances beyond the membership for specific guidance and would be open to doing that more widely. I would be very happy to reach out and have those discussions. We certainly can share a schedule of upcoming road-testing to see if there are members with a particular interest.

JC - What would be even more helpful/beneficial is a document/correlation table or xlsx from UCC to the UK Acts, sections and SIs (found in the link): could Guidance Taskforce plan to draft one?

AC - We will have to take that away and raise with colleagues as not strictly in the remit of guidance.

Questions/Comments from External Members	Response (If required)
Our experience with Rules of Origin was that it was challenging in that issues had to be raised not only with HMRC but also Defra in order to cover off all elements of the issues being raised by our members. We did get there with help from JCCC Transition sub group (ST)	I agree. Rules of Origin is very challenging and we are continuing to work on the guidance in that area and are planning user testing as the next step to address some of those issues (AC).

AC – Thanks to members. I would be happy to take comments offline and will ensure that I get back to you.

BW – The question from JC on producing a correlation between the UCC and UK Acts has been asked previously and is something we will explore. Whilst we agree that it would be a very useful tool to produce, we would need to look at the size and scale of the work involved given competing priorities.

6. Agenda Item

BW – Introduced the next agenda item. This is a topic which we appreciate we won't have the time to do full justice to but if we could use this time as a framing session to set the agenda for future discussions.

Staged Controls and Compliance Neil Hodgson & Joanne Cheetham HMRC

Our overall approach for Compliance controls is:

- To be supportive of people who are genuinely trying to get it right.
- We are prioritising flow at the border and seeking to avoid delays.
- We are aiming to support trader readiness and capability
- We are seeking to maintain a level playing field for genuine businesses

In order to meet these aims we are continuing our education and support work for traders during his period, supporting those who make genuine errors to get it right next time, promoting the keeping of good records and continuing to tackle deliberate non-compliance using the range of our compliance tools which includes pre-clearance checks and post clearance audit activity. We are putting a particular focus on high risk traders who have been excluded from staged controls.



High Risk Traders

We have set up a test through legislation and published a public notice, to exclude traders from staged customs controls. This was based on the last three years of their compliance history, looking at deliberate penalties, non-deliberate behaviours and phoenix traders (where a non-compliant trader sets up a new business to continue trading, leaving behind the old business and associated customs debts etc.). We monitor weekly for traders that may phoenix and will be running the exclusion test again at the end of February.

In terms of monitoring, where we have records of trader's past trading history we are looking at whether their behaviours reflect the patterns seen in previous years and whether they are making declarations when we would expect them to do so.

Beyond the High Risk Trader population, we are working with Border Force colleagues in terms of checks at the border for evidence of customs declarations made or entry in commercial records in the case of non-controlled goods. This is providing us with useful information on compliance and helps us to establish any patterns.

Guidance

A lot of our action at the minute is around trying to strengthen guidance that exists. For example where hauliers arrive at premises where there hasn't been an EIDR. What we are aiming to do is to strengthen that message between both the importer and the haulier. As we move towards the implementation of full customs controls, this intelligence that we are building on both the High Risk traders and other patterns of trade will help us to understand what other education we need to provide as we move towards those full customs controls.

We hope this has given a helpful overview to the Committee and we will work with members of the committee to listen to and address their concerns regarding compliance, over the coming months.

PM - There appear to be a significant number of people out there who don't think they have to do anything. There also seems to be a feeling that if you have an EORI number, you don't need anything else. We would be interested to know the numbers of high risk traders?

NH - The number of high-risk traders we are monitoring currently is in the low hundreds. We are trying to strengthen the message and communications to traders around this issue to address your concerns and acknowledge the problem

PJ - Are there any developments on the guidance for this issue, acknowledge that we have discussed this offline. Will there be another comms campaign planned before the end of staged controls?

NH - There are no updates currently, but we accept the seriousness of the issues raised and will hopefully be able to provide an update shortly. I would be happy for you to contact me directly about this and you have my details.

SB - The ending of staged imports is a big issue which we need to help people to get ready for. We will be starting discussions on how we do this through the Transition Group at the next meeting on 8th March and your views will be very important. There will be comms but we value your opinion and you will be able to influence that.

Questions/Comments from External Members	Response (If required)
One of the big problems that a lot of intermediaries that are trying to operate correctly is that it is difficult to identify who is a UK registered entity and who is not. The EORI number and VAT number look identical	Apologies but we are not able to answer that today but we will take this away and see how the relevant policy team can assist with this issue. (JC)



for established and non-established entities (DH)	
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BW – Thanks to speakers. From the discussion, there is concern from members on compliance during this period. HMRC colleagues clearly working on this and are in regular contact with industry members so that the key contacts are in the place. There is the opportunity to bring this into the fortnightly Transition Group for more detailed discussion.

NH – I have provided my contact details and I'm very keen to continue that communication and to target out engagement in the right way.

6. AOB

Members were informed that BW intends to retire from public service before the next meeting. SB and PM noted his commitment to the Committee over many years and his contribution to customs and trade, generally on behalf of both internal and external members. All members expressed their gratitude for his chairship of the JCCC and wished him luck for the future. The new chairperson will be announced in due course.

Questions/Comments from External Members	Response (If required)
How do HMRC plan to deal with the thousands of expected supplementary declarations when there is currently no API for bulk upload? (PM)	To be addressed in Transition Group meeting.
We would like some understanding of the plan for parcels to NI. (PM)	To be addressed in regular NI update at Transition Group meetings.

Date of next meeting:

The next JCCC meeting will be 6th July 2021

Annex A - List of Attendees –

Outside Organisation attendees	Name
Airline Operators Committee for Cargo UK (AOCC)	John O'Shea
Association of International Courier and Express Services (AICES)	Amanda Frances/ Richard Wade
Association of Freight Software Suppliers (AFSS)	Steve Bartlett
Automated Customs and International Trade Association (ACITA)	Des Hiscock
Agent Sector Management (ASM)	Peter Macswiney (Trade chair)
British Association of Exporters (BEXA)	Sarah Adams-Greener
British Association of Ship Suppliers (BASS)	Arne Mielken
British Association of Removers (BAR)	Stephen Denning



British Chamber of Commerce (BCC)	Liam Smyth/ Anna Jerzewska
British International Freight Association (BIFA)	Pawel Jarza
British Ports association (BPA)	Richard Ballantyne
Chartered Institute of logistics & Transport (CILT)	Susan Morley
Chartered Institute of Taxation (CIT)	John Carlin
Customs Practitioners Group (CPG)/UK Warehousing Association (UKWA)	Barbara Scott
Federation of Sport & Play Association (FSPA)	Michael Alexander
Food & Drink Federation (FDF)	Gavin Roberts
Freight Transport Association (FTA)	Alex Veitch
Fresh Produce	Sian Thomas
Institute of Directors (IoD)	Allie Rennison
Institute of Export (IOE)	Vicky Payne
International Meat Trade Association (IMTA)	Katie Doherty
Road Haulage Association (RHA)	Duncan Buchanan
Royal Mail Group	David Pilkington
Society of Motor Manufacturers & Traders (SMMT)	Howard Levene
UK Aerospace Industry Customs Group (UKAICG)	Gary Tanner/ Martin Brook
UK Warehousing Association (UKWA)	Peter Ward
Wines and Spirits Trade Association (WSTA)	David Richardson

HMRC/OGD attendees

HMRC Attendees	Name
HMRC Chair	Bill Williamson
HMRC Co- chair	Sally Beggs
HMRC Secretariat	Gareth McLean
HMRC co-secretariat	Andrew Kelly
HMRC	Adam Cartwright
HMRC	Lynsay Neil
HMRC	Joanne Cheetham
HMRC	Neil Hodgson
HMRC	David Vallely
HMRC	Elly Paterson
HMRC	Jon-Paul Brett
HMRC	Naheed Williamson
HMRC	Lesley Agnew



HMRC	Steve O'Brien
HMRC	Jenny Dyson
HMRC	Robert Jones
Other Government Departments	
Border Force	Alex Judge
Border Protocol and Delivery Group (BPDG)	Phil Stansfield
BPDG	Oliver St John
BPDG	Emiel Spoor
BPDG	Melanie Young
BPDG	Matt Lavis
BPDG	Ali Siddiqui
HMT	Maria Murray
HMT	Alexander Forster