

Minutes of the Joint Customs Consultative Committee

Date of Meeting: 20 November 2017

Location: 1st Floor Conference Room, Euston Tower, London

Agenda

1. Introductions and Apologies
2. Minutes, Matters Arising and Action Points
3. Import Fraud Strategy Refresh
4. JCCC Sub-group Update
5. EU Exit Update
6. CDS Update
7. FHDDS Update
8. Any Other Business

Annexes

- A – List of Attendees
- B – Action Point Update
- C – Sub-group Update

1. Introductions

The Meeting was chaired by BW (Director Customs).

The chairman welcomed new members to the JCCC:

Claudia Catelin	Institute of Directors (IoD)
Rod Mackenzie	Road Haulage Association (RHA)
Steven Harffey	UK Major Ports Group (UKMPG)
Sandra Strong	British Association of Exporters (BEXA)
Stella Jarvis	CDS Programme Transition HMRC
Roopal Pujara	Projects Team Customs & Indirect Tax HMRC
Tim Morris	HMRC
Phil Seward	HMRC
Tom Wedge-Roberts	HMRC

2. Minutes, matters arising

2.1 Minutes July 2017

The minutes for the last meeting were agreed.

AR Thought Non - Inventory Linked Ports (NILPs) were discussed. HMRC agreed to investigate and update.

[new] AP1 HMRC (Secretariat) to investigate and update about NILPs.

2.2 Ongoing Action Points

AP1 Industry members to feed in, via the Industry Chair, feedback on i-forms.

AP carried forward. A reminder was issued for industry members to feed in, via the Industry Chair, details of significant issues with i-forms to help HMRC build up a picture of areas for improvement.

AP2 HMRC (TRo) to provide an update on i-forms at the next meeting.

AP carried forward pending reply to AP1.

AP4 Industry members who are not on the CIP distribution list to register on informationpapers.customs@hmrc.gsi.gov.uk

Whilst this AP was discharged, GR asked about progress on work to ensure CIPs are going to the right people. TRo updated this has been investigated. Continued industry assistance is needed to keep lists as up to date as possible.

All other action points from the last meeting were discharged. Please see **Annex B**.

3. Import Fraud Strategy Refresh

BW introduced Colin Davis (CD) from the Customs Enforcement, Engagement and Law Team. CD updated on activity since the original Import Fraud Strategy was released internally in 2015

CD explained a review is taking place on HMRC's approach to import fraud and compliance. CD welcomed trade input into the review, highlighting the important role that a customs - trade partnership plays in supporting compliance and driving out fraud.

MA said industry welcomed the review and asked if it encompassed other departments such as Trading Standards. CD reassured part of the strategy is to work across departments and ensure a joined- up approach is used to tackle fraud. GT enquired about the size of the group. CD said to make it manageable it needs to be a small group. CD proposed to invite nominations via the JCCC Secretariat. CD said he hoped to set up a meeting before Christmas. GT felt feedback was needed before the next JCCC.

AP2 Industry nominations to the Import Fraud Working Group to the Secretariat by 30/11/2017.

4. Sub - group update

Duty Liabilities

VS gave a verbal update from the Duty Liabilities Working Group. The written sub-group update is at **Annex C**.

GR highlighted the recent good work from the Duty Liabilities group and thanked VS and her team. BW echoed this thanks.

ITOSW

BW enquired if the ITOSW group is adding value as there have not been any recent meetings.

GT replied reports from this group are concise and accurate. In addition the chair has offered conference calls when there are insufficient issues to form an agenda.

GT said Industry felt it is important to have the ITOSW in the sub- group structure.

AR raised a query about CHIEF availability during a planned outage in December.

TM agreed to investigate.

AP3 HMRC (TM) to investigate planned CHIEF outage and report back directly to AICES.

Products and Processes

GT asked about the date of the next Products and Processes meeting. BW agreed to update members with known dates for forthcoming meetings.

AEO

Discussion took place around AEO with the decision to set up a specific AEO working group.

BW welcomed the suggestion to have a separate AEO working group which will report back at the next meeting and through the Brexit sub group.

AP4 Industry to signal interest in AEO working group to the Secretariat.

Self- Assessment (SA)

HL enquired if there was any update on self-assessment (SA) MA added an update would be welcome especially as both SA and AEO have been key areas of discussion around EU exit scenarios. AR said an update was given at the last Products and Processes sub –group and he hoped there would be further updates via this sub-group. BW acknowledged industry enthusiasm and desire to engage on SA. BW explained UCC obligations still need to be met. Like AEO, SA is going to be part of the customs system going forward. BW explained both AEO and SA have appeared in the Customs White Paper models and at recent round table HMRC events with trade.

LJ added BF are engaged in the SA group and considering the scope of SA.

BW summarised the number, frequency and value of each of the sub groups should continue to be reassessed and HMRC will do this together with the Industry Chair.

AP5 HMRC (CD) to carry out a review of the sub –groups.

5. EU Exit update

HMRC gave an update on EU Exit work to date, thanking all who attended an event or provided a written submission.

- HMRC/HMT have published and invited formal responses to two EU Exit-related papers.
- Undertaken a series of sectoral and regional roundtables.
- Published the Northern Ireland-Ireland Position Paper.
- Continues to engage through its membership of the Border Planning Group
- Is on course to have a functioning customs service on Day 1 that enables trade to flow, HMRC to collect revenues, and the UK to have a secure border.

Industry:

Appreciate the level of consultation with Industry and the opportunity to participate in discussions and in the Border Planning Group.

- Concerned about Industry readiness from Day 1.
- Concerned about possible withdrawal of Low Value consignment relief.
- Queried whether solution will be based on the UCC.
- Queried which parts of MASP will be used.
- Queried Temporary Storage position.

- Queried Customs Warehousing Authorisations and the AEO application process.

BW summarised the need for as much flexibility as possible to facilitate trade.

6. CDS update

BW introduced Stella Jarvis (SJ) Programme lead on CHIEF replacement. SJ gave a presentation on CDS update.

Whilst industry had questions, BW advised these should go directly to the CDS team.

GT, on behalf of industry, thanked the CDS team for their exceptional communication to date.

Industry raised concern about attendees at a proposed stakeholder event on 1 December. SJ assured there was still time for members to register their interest.

AP6 Industry members to signal their interest in the 1 December CDS Stakeholder event via cdsinternal.comms@hmrc.gsi.gov.uk

7. AOB

7.1 Future resources and service standards

GT raised future resources, service levels and standards as a potential agenda item for the next meeting. An action point was taken for industry to feed in any concerns via the Industry Chair

AP7 Industry to feed in concerns about future resources, service levels and standards via the Industry Chair.

7.2 Fulfilment House Due Diligence Scheme (FHDDS) Update

BW introduced Roopal Pujara (RP) from HMRC Indirect Tax.

RP updated:

- Following public consultation in summer 2016, primary legislation introducing the FHDDS is currently under consideration by parliament as part of the Finance (No 2) Bill 2017.
- The Fulfilment Business (Approval Scheme) Regulations 2018 have now been published, for formal consultation.

RP invited comments on the draft statutory instrument.

AP8 Industry to comment on the FHDDS draft statutory instrument via: indirecttax.projectteam@hmrc.gsi.gov.uk by 15 December 2017.

RP thanked industry for their input into stakeholder meetings to discuss the draft regulations.

- Guidance is currently being drafted, and will be published on GOV.UK.
- The timetable for the scheme has not changed and will open for registration for existing fulfilment businesses in April 2018.
- By April 2019, all fulfilment businesses will need to be approved by HMRC in order to trade.
- Work is underway to build the digital platform to enable fulfilment businesses to register for the scheme.

RP said once ready, we may be in touch with industry for support and co-operation during HMRC testing of the system before it goes live.

PJ felt it was unfair on business to wait for authorisation before starting to trade and unreasonable to expect business to keep records of entry numbers. BW replied these were questions for the consultation which will be registered with a response sent to BIFA specifically.”

Date of next meeting:

The next JCCC meeting will be 20 March 2018.

Summary of Action Points	
AP1	HMRC (Secretariat) to investigate and update about NILPs.
AP2	Industry nominations to the Import Fraud Working Group to the Secretariat.
AP3	HMRC (TM) to investigate planned CHIEF outage and report back directly to AICES.
AP4	Industry to signal interest in AEO working group to the Secretariat.
AP5	HMRC (CD) to carry out a review of the sub –groups.
AP6	Industry to feed in concerns about future resources, service levels and standards via the Industry Chair.
AP7	Industry members to signal their interest in the 1 December CDS Stakeholder event via cgsinternal.comms@hmrc.gsi.gov.uk .
AP8	Industry to comment on the FHDDS draft statutory instrument via indirecttax.projectteam@hmrc.gsi.gov.uk by 15 December 2017.

Annex A - List of Attendees – July 2017

Outside Organisation attendees	Name
Airline Operators Committee for Cargo UK (AOCC)	JO
Association of International Courier and Express Services (AICES)	JG
Association of Freight Software Suppliers (AFSS)	GATt
Automated Customs and International Trade Association (ACITA)	DH
British Association of Ship Suppliers (BASS)	AM
British Chamber of Commerce (BCC)	PW
British International Freight Association (BIFA)	RW PJ
British Retail Consortium (BRC)	SJ
Customs Air Transport Industry Consultative Group (CATICG)	MF
Chamber of Shipping (COS)	TR
Community System Providers (CSPs)	PM
Chartered Institute of logistics & Transport (CILT)	SM
Customs Practitioners Group (CPG)/UK	BS
Warehousing Association (UKWA)	
Federation of Sport & Play Association (FSPA)	MA
Food & Drink Federation (FDF)	GR
Freight Transport Association (FTA)	AV
Institute of Export (IOE)	MJ
International Meat Trade Association (IMTA)	KW
Royal Mail	
Society of Motor Manufacturers & Traders (SMMT)	HL
Wine and Spirits Trade Association (WSTA)	DR
HMRC/OGD attendees	
HMRC	BW
HMRC	PM
HMRC	IW
HMRC	TRo
HMRC	CD
HMRC	SJ
HMRC	RP
HMRC	TM
HMRC	PS
HMRC	TWR
HMRC	SY
BF	LJ

**Annex B - JCCC Meeting Action Points
From July**

Summary of Action Points		UPDATE
AP1	Industry members to feed in, via the Industry Chair, feedback on i-forms.	Carried Forward
AP2	HMRC (TRo) to provide an update on i-forms at the next meeting	Carried forward
AP3	HMRC TRo to review if CIP 11(2016) for Export Simplifications needs updating.	Discharged
AP4	Industry members who are not on the CIP distribution list to register on informationpapers.customs@hmrc.gsi.gov.uk	Discharged
AP5	Industry, via Secretariat, to signal interest in FHDDS workshops.	Discharged
AP6	HMRC (Secretariat) to circulate Sub- group update 4 weeks prior to JCCC.	Discharged
AP7	HMRC (LL) to explore whether there will continue to be access to services provided by the European Commission post Brexit.	Discharged

Annexe C Sub Group Update

DATE OF MEETING: 28th July 2017
SUBJECT : Update on JCCC Sub Groups

The information table below provides key issues and updates from JCCC Sub Group/ Working Group meetings. The minutes from each Sub Group or Working Group meeting will continue to be posted onto the [HMRC website](#)

Definitions

- **JCCC Sub Group** - for projects / initiatives which are finite; and
- JCCC Working Group** - for “perpetual” meetings;

Name of Group / Type of Group	Next Meeting	Contact	Update and Key issues from recent meetings
Customs Brexit Group	27/10/2017	Steven Rae (steven.rae1@hmrc.gsi.gov.uk) Aaron Dunne (aaron.dunne1@hmrc.gsi.gov.uk)	<p>The last JCCC CBG meeting was held as an open discussion with members about the proposals put forward in <i>Future Customs Arrangements A Future Partnership Paper</i>. HMRC/HMT Policy leads provided information on:</p> <ul style="list-style-type: none"> • Negotiated Options: <ul style="list-style-type: none"> ○ Highly Streamlined Arrangement ○ New Customs Partnership • Interim Period • Implementation/Contingency Scenario • Northern Ireland/Ireland Paper <p>Each segment was opened up to the trade for discussion. Questions centred on the advantages and disadvantages they saw under each model and the potential impacts. Trade were then informed about the upcoming publication of a Customs White Paper – which would set out the need for Customs legislation. Update provided on HMRC's stakeholder engagement plan going forward. This consisted of sectoral roundtables and then regional roundtables discussing <i>Future Customs Arrangements: A Future Partnership Paper</i>.</p>
Customs Change	TBC	Ian Wilkins/ Daniel Foster	Latest update included in notes of last JCCC

Duty Liability	Feb 2018	Valerie Smith	<p>The group last met on 11/10/17. A range of issues were discussed including:</p> <p>Valuation – John Mitchell gave a general update on discussions in the Customs Export Group. This included the latest on the development of guidance and the Valuation Compendium..</p> <p>Origin – Steve Lamprell provided the usual update on progress with various trade agreements; there was some discussion following the implementation of the EU/Canada Trade Agreement. There was further discussion about the status of Western Sahara following the EU Court judgment.</p> <p>Anti Dumping Duty – Steve Lamprell briefed the group on the replacement of undertakings for solar panels.</p> <p>Tariff – Dave Knight advised the group about progress with development of the new Tariff data transmission.</p> <p>Tariff Classification sector reports were circulated and a range of technical issues discussed. These included recent EU BTI application and decision form changes and the upgrade of EBTI 3; the latest on the classification of cameras and pet food containing starch.</p>
International Trade Operating Systems Working Group (ITOSWG)	TBA	Maggie Kelly	Latest update included in notes of last JCCC
Customs Product and Processes	18/11/17	Kevin Snow	<p>The meeting on 25/8/17 was dominated by discussion about possible Brexit changes and trade desire to feed into plans as they are developed.</p> <p>Joanne Cheetham addressed the group on the subject of due diligence.</p>

