

Private and Confidential

Minutes of the Customs Policy Group Meeting

Minutes of the Customs Policy Group Meeting held at The Baltic Exchange, 38 St Mary's Axe, London, EC3 8BH. The Meeting was held on the 24/01/2019 commencing at 10.30 hours.

Agenda Point 1. Competition Statement

The Chair read out the Competition Statement at the start of the meeting

Agenda Point 3. Agree the Minutes of the meeting of 28/11/2018

The Meeting agreed that the Minutes were a true and accurate account of the previous meeting.

Agenda Point 4. Matters arising from the meeting of 28/11/2018

No points were raised

Agenda Point 5. Customs Policy Update

The Group was informed that the anti-fraud operation was being moved from Bicester to Milton Keynes but the details of the logistics provider were still confidential (as per letter shown to the group). It was also confirmed that HMRC recognised that there were delays in processing of selected consignments and were channelling extra resources to address the issue. Members did express their strong concern about how the operation was conducted and were informed that the Secretariat would take this to the main JCCC meeting.

Members were updated on the plans to introduce postponed VAT accounting in case of No-deal Brexit which would be available to VAT registered traders importing goods into the UK from the EU and other third countries. Technical issues related to changing CHIEF setup enabling postponed VAT accounting were reported. It was also confirmed that Low Value Consignment Relief (LVCR) would be scrapped in case of D1ND and Members raised the issue of LVBI bulking being replaced with entry on item level and its impact of CHIEF or CDS in the future.

Agenda Point 6. BIFA Training Update + Intermediary Training Project

Members were informed that BIFA courses were now CPD approved and BTEC had been updated to include C88 completion. It was also confirmed that in 2018 there had been 7 BTEC courses as compared with 26 in 2019 largely driven by apprenticeship scheme with 6 in-house courses and the remainder delivered at the customers' premises. Members raised their concern about poor communication from the Secretariat about availability of courses.

An update on BIFA's involvement in the 8m government grant was provided to the Group who heard that BIFA would work with Brightwave (contract holders) to develop a course which would be primarily be delivered online. Members question the quality of a course designed to be delivered on a one-day course basis and asked whether BIFA should actually be involved in this project.

Members expressed their concern about the BCC's plans to offer customs clearance services and it was reported that some members were going to cancel their BCC membership. The Secretariat confirmed that since it was an unregulated industry it was unable to take any specific action but would contact the BCC to discuss the matter.

Agenda Point 7. CDS Update / Developer's perspective

It was reported that the software houses were not ready to go live and there was still insufficient understanding between the CDS project team and the trade.

The issue related to the authentication token was reported as unresolved which results in the constant need for rebooting of the system. Issues related to the testing environment (limited functionality), error messaging and ability download the tariff were also reported. The software sector representatives raised the general concern about the prospects of the whole project and whether and when it would actually be finalised. It was confirmed that CHIEF would continue in the foreseeable future and that CHIEF's capacity had been significantly improved in preparation for Brexit).

Agenda Point 8. RoRo Brexit Event Follow-up and Discussion

Members received an account of the meeting that had taken place in Lille, France on 15/01/2019. It was reported that HMRC and OGDs had sent a sizeable delegation and that the model they had presented wasn't dissimilar to the model the Group had seen on 16/01/2019. It was indicated that the French customs would prefer the use of CTC to avoid full customs checks at the border. Members asked about the practical side of arriving pre-lodged declarations in CHIEF and were informed that the details were still being discussed within the policy. The meeting was informed that there would be a new roro mode in CHIEF. Members asked whether it was possible to organise another Brexit-dedicated event (similar to the one held of 16/01/2019).

Agenda Point 9.

Date of the next meeting 20th March 2019 at the Baltic Exchange

Action Point 1:

Take the issue of the Anti-fraud operation to the main JCCC and raise it with the MPs if necessary

Signed: -(Chair)

Dated: -