

Private and Confidential

Minutes of the Air Policy Group Meeting

Minutes of the Air Policy Group Meeting held via MS Teams. The Meeting was held on the 16/09/2020 commencing at 10.00 hours.

Attendees

[REDACTED]

In attendance

[REDACTED]

Apologies for Absence

[REDACTED]

Agenda item 1, Competition Statement

BIFA's Competition Statement as detailed on the Agenda was read out by the Chair at the start of the meeting.

Agenda item 2, Agree Minutes of the meeting of the 3rd June 2020

The meeting agreed that the Minutes were an accurate record of the meeting, the Chair advising BIFA Secretariat to sign them on their behalf.

Agenda Item 3, Matters arising from the meeting of 3rd June 2020

There were no matters arising from the meeting

Agenda item 4 – BIFA training and Young Forwarder Network (YFN)

The meeting was advised that all BIFA forwarding and customs training had transferred to the online medium. Initially it was the day long courses that had moved to an on-line format. BTEC had approved reducing the main CM3 Customs Procedures course from 5 to 4 days resulting in it being re-written, although a neutral assessor still had to review candidates written test papers.

The BTEC courses, which had been increased in number were heavily subscribed, being fully booked until the end of October. Customs entry training had declined, with only 307 candidates being trained to date in 2020.

The number of apprentices being recruited in all UK business sectors had declined in 2020 by 72% compared to 2020. On a brighter note, the YFN was still active, a virtual port tour of London Gateway had been well supported. It was noted that the YFN had been nominated for an award at the Talent in Logistics Awards. The Chair asked for Member support and if the forwarders customer could be contacted to speak on issues of interest to them.

The Secretariat provided an overview of the three elements of the £50 million Customs Intermediary Grant covering: -

- Training
- IT upgrades
- Recruitment

Because apprenticeships were reviewed every three years, it would be necessary to reform the Trailblazer Group and volunteers are being sought for it.

Agenda item 5 – ASM update

ASM supported by the AFSS had significant concerns regarding the following issues surrounding EU Exit: -

- Lack of clarity for specific regimes and procedures
- Failure to listen to trades views and translate these into practical/ pragmatic policies
- Political confusion which impacted the first mentioned point
- Concentration of power in the hands of the Cabinet office limited contact with and information from departments such as HMRC.

Due to the last point Border Protocol Delivery Group were replicating HMRC's consultations of 2019, increasing delays and workloads. There was a lack of clarity about responsibilities as to which sector/organisation would provide a functioning system. For instance, it was understood that most CSP's had developed system to streamline the flow of data linking various Government systems but approval for use had not been forthcoming.

Discussion focussed on four topics: -

- Transit which was moving to an XML system
- Safety and Security Declarations which would be required for all movements from UK to EU and UK and Northern Ireland from 01/01/2021. However, for movements from the EU to UK, they would not be required until 01/07/2021 and the current UK Governments position was that they would not be required for movements from NI to UK. BIFA emphasised that transport Trade Associations in both UK and EU supported the mutual recognition of one another's security arrangements, a pragmatic view that had been relayed to Government
- Members had concerns regarding the negative impact of the unclear political situation regarding trade with NI. It was noted that from 01/01/2021 a full ENS had to be submitted for goods moving to NI along with an import customs declaration, which was to be submitted via CDS. On the last point it was noted that at present CDS was not fully operational and the software developers and CSP's doubted whether it would be in time.

Agenda item 6 -Customs update (including EU Exit)

BIFA had continued to engage with Government wherever possible on both EU Exit and CDS. Regarding specific EU Exit related matters BIFA has made Government very aware of Members concerns. Excluding points raised elsewhere in these Minutes the following specific issues have been raised: -

- It is anticipated new guidance regarding the relaxation of the rules relating to Customs Comprehensive Guarantees will be shortly issued
- Changes to Low Value Bulk Imports had been announced via a Statutory Instrument
- There had been changes to the treatment of VAT on goods under £135, which from 01/01/2021 would be treated as sales rather than import VAT.
- Members had raised concerns regarding the lack of clarity surrounding the "Deferred Declaration" procedures and especially the concerns that imports could be commenced without any assurance that importers would be able obtain the authorisation to complete supplementary customs declarations
 - Lack of clarity for shipments under this procedure at inventory linked ports

Agenda item 7 – IATA/FIATA update

- It was noted that IATA's head of cargo Glynn Hughes and his deputy Gordon Wright were both taking early retirement from IATA, as part of restructuring programme. Concern was expressed that IATA would focus increasingly on passenger related issues and downgrade the cargo side of its activities
- A BIFA member Geodis, using CCS (UK) Ltd. systems had taken part in the "One Record" test and moved cargo without the need for paper documents. This could be a workable alternative to E-awb.
- The 2021 editions of IATA Manuals had been released and this fact had been advised to BIFA Members
- At a European level, IATA had proposed in Holland reducing the timescale for reducing CASS payments from one months to a fortnight, a proposal that FIATA has successfully blocked.
- FIATA are to make representations to IATA to reduce the price of the TACT Manual due to the cost savings stemming from placing it online
- Unique to certain regions with their own Cargo Programs, the forwarders can block, by vote, detrimental airline proposals impacting them negatively in the region. IATA had proposed at the IFCC meeting to remove this right, and because of COVID 19 had not been able to hold a Congress meeting where this decision could have been overturned.

Agenda item 8 Regional updates

See attached reports for **South and South West** and also **The North**.

Scotland – Prestwick Airport recorded a profit, up 46% year on year. This is the first time for a long time. The sale of Prestwick is on hold at present.

The Regional Consultant holds two meetings a month and the main topic being EU Exit.

Scotland do not have the grant schemes relating to apprenticeships so there is very little interest at the moment.

Agenda item 9 - Heathrow: two runway scenario/HATF

BIFA is a member of the Heathrow Air Transport Forum (HATF) whose role is to challenge sustainability levels in HAL's decisions relative to building the third runway. With the legal challenge made those efforts continue in a two-runway scenario. Cargo has a very limited profile in HAL's plans, particularly as the landlords of the Cargo Terminal are SEGRO. BIFA was able to arrange a meeting with HAL discussing the proposals to build a new cargo terminal at the airport, intermediate plans during COVID-19 and any areas where co-operation could be beneficial to our membership.

Agenda item 10 - CAA/Avsec

When the Transition period ends on the 31/12/2020, the EU ACC3 programme will be replaced by UK ACC3. The UK one is stricter in certain areas, and ongoing co-operation between the UK and EU is in both sides interests and likely to continue. The main impacts of this change are:-

- That the UK will not be able to accept EU supply chain security information
- The validators licences will only be valid in the appropriate jurisdiction

Due to COVID 19 restrictions, the CAA/Dft now notify Regulated Agents in advance of compliance checks and the Agency wishes agents to remember that only the Security Manager needs to be present.

Agenda item 11 – Any other business

None was tabled

Agenda item 12 -Date and time of the next Policy Group Meeting

To be held online on Wednesday 2nd December at 10 a.m.

Signed:-

(Chris Packwood)

Dated:-

Action Point 1 (Agenda item 5)

ASM (UK) Ltd to provide an overview of the IT mechanisms for arranging an air shipment from UK to Northern Ireland. Member to outline scenario to ASM.

Action Point 2 (Agenda item 6)

BIFA to provide further updates regarding EU exit procedures as appropriate.