

Joint Meeting of the Shippers' and Customs and Trade Councils

Minutes of the Joint Meeting of the Shippers' and Customs and Trade Councils
Logistics UK London Office with hybrid option
Thursday 25th May – 11am – 1pm.

1. Welcome

Chair of the Shippers' Council, Ryan Allender, opened the meeting, welcomed everyone and set out the agenda.

N. Mallon reminded members of the need to comply with competition law as set out in the conduct of meetings policy.

2. Roundtable discussion on topical issues and update on key policy issues.

One member gave an overview of current trading conditions facing shippers. Business is going well but cost pressures remain, even with the slight easement on commodity pricing and raw materials. In terms of exports, Brexit is starting to impact and influence strategic business decisions. There has been an increase in UK based production but import volumes have increased to service the supply chain and exports are slightly down. Triangular trade with the EU remains challenging. Resolving issues with Irish Revenue authorities is challenging without bilateral arrangements. There is a need for DEFRA to engage with individual port authorities etc as well as the Commission to resolve changing requirements increasing the administration burden on businesses (e.g. inconsistency on which details on declarations have to be in French etc). On current passenger volume pressures at Dover, freight planning is in place and hauliers are planning accordingly. On deep sea exports and imports, capacity has improved. Poor quality containers/pests and liability is becoming more of a problem. The lack of detail and tight timescales for implementation of the Border TOM and Windsor Framework is a real issue.

Action: NM to feed through deep sea issues to the Global Shippers Forum.

Another member reported that business is steady. Key concern is the TOM, the lack of detail and meaningful engagement, and the potential for different Border Control Post charges to influence movements and create an uneven playing field as well as increase inflation. On CDS, there are benefits but also concerns about how robust the system is with GVMS failings which impact further down the supply chain. The Single Trade Window should assist in reducing burden but there is frustration among the industry and in the EU at the multiple delays and constant changes.

N. Mallon said Baroness Neville-Rolfe stated at the TOM meeting with Logistics UK that she is working to "a personal deadline of the end of June" for the final version and reassured members that Logistics UK's formal TOM response to Cabinet Office contains the concerns expressed by members.

A member said HMRC have been responding to Windsor Framework guidance queries with a holding statement that they need to await full ratification by the EU.

Action: N. Mallon to get the latest on the date for completion of ratification processes by the EU and share with members.

Under the Windsor Framework and in respect of parcels, a member expressed concern that despite engaging with customers, many are not preparing for these changes. Clarity is needed on the level of granularity in data that will be required for B2C and B2B movements, for what type of goods and any IT system changes that will be required. The concern is that it will be left too late for businesses to make the changes needed and costs will be passed on to consumers. Lessons need to be learnt from the withdrawal from the Single Market.

N. Mallon set out Logistics UK's engagements with the UK government and European Commission on the Windsor Framework, gave an overview of the formal response on the TOM to Cabinet Office, and campaigning on the Retained EU Law Bill. Members emphasised the importance of government engaging on an industry wide basis to get the right outcomes.

Action: N. Mallon to circulate a copy of Logistics UK's TOM response.

Action: Logistics UK to explore issuing a members' survey on the time spent at borders, the quality and choice of goods in the UK and export and import volumes.

3. HMRC presentation on the TOM – Safety and Security controls

HMRC officials gave an overview of S&S proposals and the role of the Single Trade Window in streamlining and digitalising processes for traders. Now that the engagement period has closed, officials are working to respond to feedback. Key issues from the feedback are the need for more detail, concerns over liability for submitting S&S data, need to clearly set out what data is mandatory, conditional and optional, more detail on how transit will be treated across both S&S and SPS and the need to minimise data duplication and burden with support being expressed for Combined Import Declarations. HMRC confirmed that Combined Import Declarations is not being taken forward as the STW should deliver benefits.

HMRC was asked why cost saving proposals cannot be frontloaded to new processes to assist SMEs – e.g. bring forward trusted trader schemes or other cost reduction measures.

Members asked why the TOM and STW are not being rolled out together? HMRC said businesses would see more sequencing going forward.

In response to questions on confidence in delivery of the STW, HMRC officials said the technical delivery partner is to be announced very soon and following that, as much detail as possible will be shared with further engagement.

On ongoing engagement with businesses, HMRC confirmed that engagement teams will lead on this.

Action: Logistics UK offered to work with members to host Ministerial and senior officials site visits. E. McGing HMRC and N. Mallon to engage on this.

4. Forthcoming consultations

N. Mallon listed all of the customs, border and trade related engagement and consultations over the summer to ensure members are aware and urged all members to share their views and feedback.

Action: N. Mallon to circulate the council slide pack so members can review the list and feedback on issues of particular interest.

Action: Attention was drawn to the UK-EU TCA and approaches to Logistics UK from political parties on what is working well and what needs improved to better facilitate trade. We are keen to hear members views on this and ongoing Free Trade Agreements. Please contact N. Mallon (nmallon@logistics.org.uk) or Josh Fenton (jfenton@logistics.org.uk) to feedback.

5. Future Council meetings

Members expressed a view that joint council meetings are appropriate where there are major issues of common interest like the TOM but there is a need for separate meetings to focus on sector specific issues (e.g. containers and liabilities at Shippers Council). There was agreement on having in person meetings with a hybrid option for those unable to attend, dates for the year to be set well in advance, with agendas and speakers circulated early. It was also agreed that a 11am start, as opposed to 9.30am, works better for those travelling to be in person.

Action: As well as a review of the ToR for Shippers Council and Custom and Trade Council, a new meeting protocol is to be developed to include cameras on during meetings etc.

Action: Council membership lists to be reviewed to identify any gaps in industry representation.

6. AOB

N. Mallon drew attention to a number of Trade events which Logistics UK is speaking at and which are free to attend for members.

Meeting concluded.

Date of the next joint council meeting - 1 November at 11am, in Nestle's Premises in York.