

Private and Confidential

Minutes of the Maritime, Road and Rail 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 26th June 2019 commencing at 10.30 hours.

Agenda item 1 – Competition Statement

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

Agenda item 2 - Agree the Minutes of the meeting of 13th February 2019

These were agreed as an accurate record of the meeting and signed by the Chair

Agenda item 3 - Matters arising from the Minutes of the 13th February 2019

The item regarding threat posed by carriers becoming increasingly involved in the forwarders traditional area of activity had been carried forward and would be discussed under the market overview.

Agenda item 4 - Market overview

A presentation was provided regarding the main issues facing the maritime and road sectors, focussing on the impact of ULCV's, emissions and driver shortage, digitalisation was briefly discussed. Regarding increased carrier activity in the forwarding market, it was noted that the shipping lines currently primarily focussed on filling their vessels and moving containers. In order to fulfil a freight forwarding function/logistics function they would have to improve their customer service levels and change their mindset.

Regarding the driver shortage, the specific problems relating to retaining short haul drivers and some initiatives designed to make the job more appealing, especially to women were discussed. Members noted that they still experienced difficulties retaining recently trained drivers, who could move elsewhere for a significant salary increase.

Agenda item 5:- Regional Consultants Reports

All Members and Regional Consultants agreed that circulating a brief consolidated report prior to the meeting was an improvement over the previous procedure. No additional points were noted.

Agenda item 6:- BIFA Training Report and YFN network

Efforts to encourage new workers into the industry by BIFA were supported, and the provision of events covering generic topics such as Customer Service were welcomed.

There was some support for the idea that in particular Members of the Policy Groups could share non sensitive commercial information with Members of the YFN to give an insights into the industry.

Agenda item 7:- IT and Customs Matters

AFSS Update

Primarily the software developers were focussing on two areas:-

- CDS
- Brexit

It is known that the industry is facing particular demands developing programmes robust enough to cope with a hard BREXIT. Of particular concern is the inability to test the NCTS system to ensure that it can cope with increased throughput stemming from the anticipated increased usage of Transit.

Regarding CDS there had been little progress developing the system, not date had been given relative to when the system would be available to trade to test and some of the necessary interfaces were still not available.

The AFSS's concerns regarding the length of possible down time to upgrade CDS, which could damage trade was noted. One key issue related the new systems current inability to handle more than 14 lines on a customs entry, when CHIEF could handle 99 items. In fact, in order to comply with the UCC, the new system should be able to process 99 separate items.

The AFSS had been present at a presentation given by TAXUD relative to the Multi Annual Strategic Plan (MASP), which outlined surprisingly extensive changes to AES, ICS and NCTS. The proposals included aligning the data elements within the different systems to produce one data set. This would be compatible with WTO, WCO and other global standards.

Brexit

Since the delay to the initial 29th March deadline for the UK to depart the EU, there had been little communication from Government on further developments. Recent communication with Government indicated:-

- That they are preparing the relevant briefs for the next Prime Minister

- Published dates for commencement of and duration of easements were being reviewed to bring them in line with the new timelines resulting from the delay
- Few new policies were being developed although existing easements were being refined

Of the last set of policies, TSP was being refined to be extended to all modes and inventory linked ports, although how to clear the inventory system was still under consideration.

Regarding the application for the customs intermediary training grant, a few problems with PWC's administration. Where notified of an issue BIFA would intervene to assist resolving the problem.

There was a brief discussion regarding Operation Pandora, a combined government operation which established to combat organised crime. Regarding the now well established anti-fraud operation based at Milton Keynes, unacceptable delays had been noted, but there did seem to be an improvement in service levels.

The meeting was reminded that BIFA had explored and was encouraging the use of HMRC's complaints procedure and the Association was aware of compensation being paid, where appropriate.

Agenda item 8:- NVOCC Register proposal from the IMB

Relevant papers had been circulated prior to the meeting; attendees were unconvinced of the benefits of the scheme for themselves and felt that take up would be limited. The view was that forwarders would only sign up for Membership if the banking sector wrote something into Letter of Credits stating that shipments covered by L/Cs had to be handled by a forwarder registered under the scheme.

There was a brief discussion regarding the format/colour of FIATA bills of lading, the Secretariat reminded Members that they needed to purchase a licence from BIFA to print such documents using commercial software.

Agenda item 9:- Review of the UK's speed limits for HGV's

The Members expressed no view on the subject

Agenda item 10 – Presentation by Drewry on digitalisation

The meeting concluded with an overview of digitalisation

Agenda item 11 – Date and time of the next Policy Group meeting

The next meeting will be held on the 30th October.