

# PARLIAMENTARY DEBATES

HOUSE OF COMMONS  
OFFICIAL REPORT

Third Delegated Legislation Committee

DRAFT CUSTOMS SAFETY AND SECURITY  
PROCEDURES (EU EXIT) (NO. 2)  
REGULATIONS 2021

*Wednesday 8 December 2021*

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**Sunday 12 December 2021**

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**The Committee consisted of the following Members:**

*Chair:* PHILIP DAVIES

Abrahams, Debbie (*Oldham East and Saddleworth*)  
(Lab)

† Butler, Rob (*Aylesbury*) (Con)

† Clarke-Smith, Brendan (*Bassetlaw*) (Con)

† Docherty-Hughes, Martin (*West Dunbartonshire*)  
(SNP)

† Frazer, Lucy (*Financial Secretary to the Treasury*)

† Huq, Dr Rupa (*Ealing Central and Acton*) (Lab)

† Johnson, Dr Caroline (*Sleaford and North*  
*Hykeham*) (Con)

† Lewer, Andrew (*Northampton South*) (Con)

† Mak, Alan (*Lord Commissioner of Her Majesty's*  
*Treasury*)

† Marson, Julie (*Hertford and Stortford*) (Con)

† Murray, James (*Ealing North*) (Lab/Co-op)

† Owen, Sarah (*Luton North*) (Lab)

† Smith, Greg (*Buckingham*) (Con)

Sultana, Zarah (*Coventry South*) (Lab)

Wakeford, Christian (*Bury South*) (Con)

† Whittingdale, Mr John (*Maldon*) (Con)

† Yasin, Mohammad (*Bedford*) (Lab)

Guy Mathers, Niamh McEvoy, *Committee Clerks*

† **attended the Committee**

# Third Delegated Legislation Committee

Wednesday 8 December 2021

[PHILIP DAVIES *in the Chair*]

## Draft Customs Safety and Security Procedures (EU Exit) (No. 2) Regulations 2021

9.25 am

**The Chair:** I remind Members that House of Commons Commission guidance expects people to wear face coverings and to maintain distancing as far as possible. Please give each other and members of staff space when seated and when entering and leaving the room. I remind Members that they are asked by the House to have a covid lateral flow test twice a week if coming on to the parliamentary estate. That can be done at the testing centre on the estate or at home. *Hansard* colleagues will be grateful if Members send any speaking notes to [hansardnotes@parliament.uk](mailto:hansardnotes@parliament.uk). Similarly, officials in the Public Gallery should communicate electronically with Ministers.

**The Financial Secretary to the Treasury (Lucy Frazer):** I beg to move,

That the Cttee has considered the draft Customs Safety and Security Procedures (EU Exit) (No. 2) Regulations 2021.

It is a pleasure to serve under your chairmanship, Mr Davies.

The primary aim of the draft statutory instrument is to support businesses' recovery from the pandemic by delaying for six months the introduction of safety and security declarations on the movement of goods to Great Britain. Before I speak to the SI in detail, I will set out the system operated by Her Majesty's Revenue and Customs.

The UK's customs, safety and security regime is based on the World Customs Organisation's SAFE framework of standards, which sets out a series of standards to support and facilitate secure supply chains and trade at the global level. Under the framework, goods authorities must collect and risk assess goods data before goods arrive in or depart from their customs territory. In the UK, that information is provided in the form of safety and security declarations. The declarations are usually submitted by the carrier or haulier. The responsibility may be passed to a third party, such as a customs intermediary.

Before the UK left the European Union, the safety and security declarations were not required for imports to and from the EU. The EU, as the Committee knows, forms a single safety and security zone. While the UK was part of the EU, only goods entering or leaving the EU were required to submit safety and security declarations. As the UK is no longer in the EU, since the end of the transition period the Government have been introducing new customs controls for EU imports gradually, to give businesses time to prepare for the new requirements. As part of that, and to account for the unforeseen impact

on traders of the pandemic, the Government have waived the requirement for safety and security declarations on goods imported from the EU and other territories, such as Norway and Switzerland, where such declarations would not have been required before the end of the transition period. That waiver runs until 31 December this year.

In September this year, the Government announced their intention to grant a further extension before the introduction of the safety and security declaration requirements. The pandemic has had longer lasting impacts on businesses in the UK and the EU than many observers expected in March. There are also pressures on global supply chains caused by a wide range of factors, including the pandemic. The extension is designed to provide additional support to businesses, which face challenges from unprecedented and long-lasting disruption caused by covid and the related impacts on global supply chains. The draft instrument will therefore extend the waiver for safety and security declaration requirements for goods imported into Great Britain from places where such declarations were not required before the end of the transition period. The extension is for six months, so the waiver will last until the end of June 2022. Safety and security declarations will be required for such imports from 1 July 2022.

Border Force will continue to undertake intelligence-led risk assessments of imports into Great Britain. Safety and security declarations were not required for imports from the EU before exit day. As a result, the extension simply maintains the status quo. Existing intelligence sources will continue to be used to secure our borders in the same way as they are now. There is no significant increase in security risk for the UK as a result of the waiver.

The draft instrument does not affect safety and security requirements in Northern Ireland. Under the terms of the Northern Ireland protocol, Northern Ireland remains aligned with the EU's safety and security zone. That means that there are no safety and security requirements for goods moved between Northern Ireland and the EU. The instrument also has no effect on safety and security declaration requirements for goods imported from the rest of the world, for which declarations will continue to be required.

The statutory instrument grants a temporary waiver on the requirement to submit safety and security declarations for goods moved into Great Britain from the EU. It will allow us to support businesses affected by covid and related global supply chain issues, while balancing the need to maintain security standards within Great Britain. I hope therefore that colleagues will join me in supporting the draft regulations, which I commend to the Committee.

9.30 am

**James Murray (Ealing North) (Lab/Co-op):** Thank you very much, Mr Davies, for the opportunity to respond to this delegated legislation on behalf of the Opposition.

As we have heard, the draft regulations relate to the customs safety and security procedures that apply to the import of goods to the UK from the EU following the end of the transition period. The draft regulations seek to waive temporarily—I use that word with caution—certain customs requirements for goods entering the

UK. They extend a previous waiver of the requirement to lodge an entry summary declaration for goods coming into the UK from the EU, and other countries for which a declaration was not required before the UK's exit from the EU.

We recognise that the waiver may help businesses to avoid extra administrative burdens for now, and that the Government may feel that they need to take action to mitigate delays and avoid disruption to the import of goods to the UK, particularly as so many businesses are feeling the effects of the supply chain crisis and depleted workforces. However, the legislation sits in the context of a series of waivers and waiver extensions on customs oversight that raise serious questions about not only the Government's competence but their commitment to keeping our borders secure.

After we left the EU and the transition period ended, new security requirements were supposed to be in place for goods entering the UK. The new arrangements were supposed to require pre-arrival safety and security entry summary declarations in respect of goods arriving in Great Britain from the EU's customs territory; however, the Customs Safety and Security Procedures (EU Exit) Regulations 2019 waived that requirement for six months, from 1 January 2021 until 30 June 2021. The Government's explanatory memorandum to those regulations clearly acknowledged that the information on the safety and security declarations would be

“analysed by our border agencies to...prevent illegal goods from entering.”

Yet, as the June 2021 end of the waiver approached and the security measures were supposed to come into force, I was in Committee with the previous Financial Secretary to the Treasury, the right hon. Member for Hereford and South Herefordshire (Jesse Norman), debating the new Customs Safety and Security Procedures (EU Exit) Regulations 2021, which sought an extension of the waiver on security measures by another six months to 1 January 2022. I questioned him on whether that would be the last extension. He responded that

“it is absolutely not the plan that the regulations should be further extended, and we send that strong and firm signal to international neighbours and industry.”—[*Official Report, Fourth Delegated Legislation Committee*, 23 June 2021; c. 6.]

Yet here we are again, this time debating the draft Customs Safety and Security Procedures (EU Exit) (No. 2) Regulations 2021, through which the Government now seek to further extend the waiver for safety and security declarations for another six months, until 30 June 2022.

The repeated extension of the waiver is not the only way in which the Government's seemingly cavalier approach to customs is having an impact on security at our borders. In December last year, my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) was in Committee to consider the Customs Safety and Security Procedures (EU Exit) Regulations 2020, which provided a six-month waiver extension on exports from the UK to the EU. The Government's explanatory memorandum to those regulations warned:

“There may be risks associated with using these powers to implement any temporary waivers; for example, to border security.”

The truth is that the Government's own documents recognise that the security declarations being pushed aside today are needed by our border agencies to monitor

what goods are coming across the UK border and to prevent illegal goods from entering; yet Ministers have been prepared to waive the need for those declarations again and again. It is astonishing that today is the third time that Ministers have had to waive border security requirements for goods coming into our country. As I said, it raises questions about not only the Government's competence but their approach to national security.

Perhaps people have forgiven the Government for a few months' delay introducing the measures after the end of the transition period, but today the Government are rubber stamping at least a year and half of delay to putting the safety and security declarations in place. The Government are leaving our border agencies without the tools they need to prevent illegal goods entering our country. That is a careless approach to national security and another broken promise.

In the explanatory memorandum, the Government try hard to downplay the impact of the extension. I note that it no longer mentions the threat of illegal goods entering our country. It says that no impact assessment has been prepared because the instrument simply extends existing arrangements. I would be grateful if the Financial Secretary set out whether she believes safety and security declarations are important. Does she agree with the following phrase from the Government's explanatory memorandum to the Customs Safety and Security Procedures (EU Exit) Regulations 2019? It states:

“Goods imported to the UK from the EU and other nations will require a safety and security declaration. The information on the declaration can then be risk analysed by our border agencies to monitor what goods are coming across the UK border and prevent illegal goods from entering.”

Assuming she still believes that safety and security declarations are important, and assuming she stands by that phrase from the 2019 explanatory memorandum, I would be grateful if she acknowledged that the repeated extension of waivers on the requirement of safety and security declarations is having an impact on border agencies' work. Will this extension be the very last?

9.36 am

**Mr John Whittingdale** (Maldon) (Con): As my right hon. and learned Friend the Financial Secretary to the Treasury knows, I was an enthusiastic supporter of Britain regaining its independence by leaving the European Union. I am very much in favour of our taking advantage of the freedoms that gives us either to remove unnecessary bureaucratic regulation or to put in place checks that we were prevented from doing while we were a member state. I would be grateful if she told us whether there is information to suggest that when we were not able to impose checks as a result of our membership, dangerous goods were entering this country. If that was not the case, I would ask why we need to impose checks where they did not previously exist, which are bound to increase to some extent the burden on business. I am happy to support the imposition of checks if we have knowledge that the absence of those checks did increase the risk to the citizens of this country.

9.37 am

**Martin Docherty-Hughes** (West Dunbartonshire) (SNP): It is good to see you in the Chair, Mr Davies. I have a few points for the Minister. It was interesting that they wanted to be clear that the checks were not required before we left the European Union. That is a basic

[*Martin Docherty-Hughes*]

reality. I wish to draw clarity with the OBR's statement that, so far, the data we have seen on the impact of Brexit, especially taking into account the fact that the new trading arrangements came in in January, is broadly consistent with previous assumptions that our long-run GDP would be reduced by around 4%. That is double the impact of covid on the economy.

It was notable that the Minister utilised the terms "Great Britain" or "UK", but when she mentioned Northern Ireland in relation to the protocol, she did not mention the fact that it has full access to the single market and has seen an increase in trade with the rest of the European Union, while the rest of the UK has seen a dramatic decrease. I bring to the Minister's attention the points made by the National Farmers' Union in Scotland that the UK Government's decision to further delay the introduction of border controls on imports from the EU is, at least from their perspective, a "bitter blow to Scottish farmers".

Will the Minister accept the OBR's statement, recognise the improvement for Northern Ireland from its full access to the single market, and recognise the grave concerns held by farmers in Scotland?

9.39 am

**Lucy Frazer:** Let me respond briefly. The hon. Member for Ealing North spent some time talking about security. He will note that these requirements were not in place before, so this waiver simply maintains the status quo. There is therefore no additional risk in continuing it. I am sure that he is aware, from having listened to my predecessor in previous debates, that Border Force will continue to undertake intelligence-led risk assessments of imports into GB, as it has done during the current waiver period. I am happy to give him that reassurance.

**James Murray:** I must press the Minister on that point. Surely she cannot have it both ways. To follow on from the point made by the right hon. Member for Maldon, either the requirements are necessary, in which

case their delay is having an impact, or they are not necessary, which raises the question of why we are here at all.

**Lucy Frazer:** I am happy to answer that point and those made by my right hon. Friend at the same time. We need to bring in the checks, as well as the staged controls, which we committed to in January, because we are required to do so for customs in the round under the terms of our arrangements. I was addressing the element of security risk. As we are simply maintaining the status quo, there is no additional risk in continuing that arrangement.

I will touch on border security more broadly in terms of migration. Border Force regularly reviews its capacity, plans and resources, and it deploys and recruits staff when necessary to maintain border security. The reason why we are not bringing in and extending those arrangements at this time is simply to do with timing and the disruption that has hit businesses so far.

The hon. Member for West Dunbartonshire mentioned a whole range of issues that really relate to Brexit as a whole. That decision has passed; we have left the EU and we are now dealing with the arrangements that we need to bring in as a result of that decision.

**Martin Docherty-Hughes:** The Minister must recognise the point made by the OBR. Also, GB may have left the European Union, but Northern Ireland has full access to the single market.

**Lucy Frazer:** As the hon. Gentleman knows, one of the arguments put forward at the time of the referendum was about the opportunity to trade not only with the EU, but outside the EU. He will know that we have entered into more than 60 trade agreements with partners across the world, and that trade with those countries is encouraging. For all those reasons, I comment the draft instrument to the Committee.

*Question put and agreed to.*

9.42 am

*Committee rose.*