

# PARLIAMENTARY DEBATES

HOUSE OF COMMONS  
OFFICIAL REPORT

Fourth Delegated Legislation Committee

DRAFT CUSTOMS SAFETY AND SECURITY  
PROCEDURES (EU EXIT) REGULATIONS 2021

*Wednesday 23 June 2021*

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**Sunday 27 June 2021**

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

*Chair:* SIR GARY STREETER

Barker, Paula ( <i>Liverpool, Wavertree</i> ) (Lab)	† Norman, Jesse ( <i>Financial Secretary to the Treasury</i> )
Begum, Apsana ( <i>Poplar and Limehouse</i> ) (Lab)	† Owen, Sarah ( <i>Luton North</i> ) (Lab)
† Bradshaw, Mr Ben ( <i>Exeter</i> ) (Lab)	Pursglove, Tom ( <i>Corby</i> ) (Con)
Caulfield, Maria ( <i>Lewes</i> ) (Con)	† Rutley, David ( <i>Lord Commissioner of Her Majesty's Treasury</i> )
Coutinho, Claire ( <i>East Surrey</i> ) (Con)	Thomson, Richard ( <i>Gordon</i> ) (SNP)
Harris, Rebecca ( <i>Lord Commissioner of Her Majesty's Treasury</i> )	Throup, Maggie ( <i>Lord Commissioner of Her Majesty's Treasury</i> )
Jones, Mr Kevan ( <i>North Durham</i> ) (Lab)	† Tomlinson, Michael ( <i>Lord Commissioner of Her Majesty's Treasury</i> )
Mann, Scott ( <i>Lord Commissioner of Her Majesty's Treasury</i> )	
Morris, James ( <i>Lord Commissioner of Her Majesty's Treasury</i> )	Seb Newman, <i>Committee Clerk</i>
† Murray, James ( <i>Ealing North</i> ) (Lab/Co-op)	† <b>attended the Committee</b>

## Fourth Delegated Legislation Committee

Wednesday 23 June 2021

[SIR GARY STREETER *in the Chair*]

### Draft Customs Safety and Security Procedures (EU Exit) Regulations 2021

2.30 pm

**The Chair:** Before we begin, I remind Members to observe social distancing and to sit only in places that are clearly marked. I also remind Members that Mr Speaker has stated that face coverings should be worn in Committee unless Members are speaking or they are exempt. *Hansard* colleagues would be most grateful if Members sent their speaking notes to [hansardnotes@parliament.uk](mailto:hansardnotes@parliament.uk).

**The Financial Secretary to the Treasury (Jesse Norman):** I beg to move,

That the Committee has considered the draft Customs Safety and Security Procedures (EU Exit) Regulations 2021.

It is a pleasure to serve under your chairmanship, Sir Gary. The statutory instrument has been introduced as one of the steps that the Government are taking to support businesses affected by covid-19, and it works by extending the staging in of customs control, specifically in relation to safety and security declarations. In this country we follow the World Customs Organisation's SAFE framework in order to ensure that goods entering and leaving the UK do not threaten our safety and security. Customs authorities following the SAFE framework collect and risk-assess goods data before those goods arrive in or depart from their customs territories. The EU implemented that through the Union customs code, and those provisions have been retained in UK law following the end of the transition period on 31 December 2020.

The EU, as the Committee will know, 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. After the end of the transition period, to give businesses more time to prepare for new customs requirements, the Government announced that the requirements would be introduced in stages. As part of that, the Government have waived the requirement for safety and security declarations on goods imported from the EU and other territories from which such declarations would not have been required before the end of the transition period. The waiver runs from 1 January 2021 until 30 June 2021.

In December 2020, the Government also introduced a statutory instrument that granted the commissioners of Her Majesty's Revenue and Customs time-limited powers to waive or alter the requirements for safety and security declarations on goods exported from Great Britain by issuing a public notice. Since 1 January 2021, there have been public notices in place for two categories of exports, waiving the requirement for safety and security declarations on those movements. The first category is roll-on, roll-off movements where an exit

summary declaration would otherwise be required. The second is movements of empty pallets, containers and modes of transport being moved under a transport contract where such movements did not attract the safety and security requirement before the end of the transition period.

In March, in response to feedback from stakeholders about the challenges that they were facing, the Government announced their intention to extend the staging in of customs controls. To support that, this instrument extends for six months until 31 December 2021 the waiver from a safety and security declaration requirement for goods imported into Great Britain from places where such declarations were not required before the end of the transition period. Safety and security declarations will be required for those imports from 1 January 2022. The instrument has no impact on the safety and security declaration requirements for goods imported from the rest of the world where declarations will need to be submitted pre arrival.

As has been the case since the beginning of the year, Border Force will continue to undertake intelligence-led risk assessments of imports into Great Britain. There is no significant increase in the security risk to the UK as a result of this waiver. The instrument also extends until 30 September 2021 the waiver for the requirement for a safety and security export declaration for the two categories of movement where those requirements are currently waived by public notice. The powers under which HMRC commissioners issued those public notices are time limited and cannot be used to alter or waive safety and security export requirements after 30 June 2021. The Government are therefore extending the waiver by statutory instrument.

The two categories of movements covered by the waiver are the same as those covered by public notice waivers since 1 January 2021. These are roll-on, roll-off movements where an exit summary declaration would otherwise be required and movements of empty pallets, containers and modes of transport, being moved under a transport contract where such movements did not attract a safety and security requirement before the end of the transition period.

For most exports from Great Britain, a full customs export declaration is submitted, which contains information that is risk-assessed for safety and security purposes. The two categories of movements where full customs declarations are not required normally therefore require a stand-alone exit summary safety and security declaration. Border Force will continue to undertake intelligence-led risk assessments of exports from Great Britain. As such, there is no significant short-term increase in risk to the UK as a result of this waiver. Those temporary waivers of safety and security declaration requirements strike an appropriate balance between supporting businesses affected by covid-19 and maintaining security standards within Great Britain. I hope the Committee will join me in supporting these draft regulations.

2.35 pm

**James Murray** (Ealing North) (Lab/Co-op): It is a pleasure to serve with you in the Chair, Sir Gary. I am grateful for the opportunity to respond to this statutory instrument on behalf of the Opposition. As we heard, the instrument introduced by the Government seeks to waive administrative reporting requirements on certain

goods moving in and out of the UK. Specifically, it provides an extension to the existing waivers on certain requirements to provide exit summary declarations until 30 September 2021, and pre-arrival safety and security entry summary declarations until 31 December 2021.

We do not oppose this instrument, because British businesses need support following the exit from the EU. We want to do all we can to support British businesses facing difficult times. However, the fact that we are back here discussing these waivers raises important questions of this Government's approach. The Minister will be aware that he sat in a Committee on 10 December 2020 and debated this matter with my right hon. Friend the Member for Wolverhampton South East (Mr McFadden). On that day, the Committee agreed to waive requirements for pre-arrival safety and security entry summary declarations and exit summary declarations for six months until 30 June 2021.

In his speech last December, the Minister assured the Committee that

“the Government would use these powers only where absolutely necessary to preserve the smooth flow of goods at the border and after due consideration of any risks arising from their use.”—[*Official Report, Fourteenth Delegated Legislation Committee*, 10 December 2020; c. 4.]

My right hon. Friend pressed the Minister on whether we would be sat here again, debating a further extension of waivers. The Minister said:

“we certainly do not anticipate extending the regulations. They are specifically designed to be a contingency tool to be used in specific circumstances, for specific purposes, and for a time-limited period.”—[*Official Report, Fourteenth Delegated Legislation Committee*, 10 December 2020; c. 8.]

Yet here we are again. As the Minister rightly put it last December, contingency tools should be used in specific circumstances for a time-limited period. He did not anticipate extending the regulations last December, so something must have changed. Could he explain what has changed since last December? Why did he not anticipate extending the regulations then, yet today he is asking us to? How many more times does he anticipate having to extend the regulations?

In December, the Minister also noted that “due consideration” would be given, and the Government conceded that the regulations presented a trade-off with the risk to border security. The explanatory memorandum states that

“An Impact Assessment has not been prepared for this instrument because the provisions are in force for less than 12 months.”

Surely, waiving the requirement on pre-arrival safety and security entry summary declarations for six months and then extending that waiver for a further six months means that they are, in fact, in force for 12 months. Perhaps the Minister could explain whether that is the case and give us his view on whether an impact assessment should have been prepared.

The Minister previously referenced conversations and consultations taking place with the Home Office to mitigate the risk to border security. Will he update the Committee on what measures the Government are enacting to prevent smugglers and traffickers from bringing contraband into the country? At the time of the last debate on the regulations, the Minister said that data gathering on EU trade did not take place as the United Kingdom was still part of the single market. Could he

update us on what data gathering arrangements are in place, so that we can have better oversight of EU trade and the associated border security risks?

I look forward to the Minister's reply. I would be grateful if he addressed all the points I have raised, and assure us that we will not be back in three or six months to seek a further extension of these time-limited contingency tools.

2.39 pm

**Jesse Norman:** I thank the hon. Gentleman for his question and for his support of this statutory instrument. He asked a series of questions; let me first say how delighted I am that he has been subjecting my previous speeches to the appropriate level of rabbinical scrutiny. I hope that they were worth it. The care and attention that he has given to what I have said so far suggests a diligent and effective intelligence.

The hon. Gentleman rightly highlights my remarks when we first debated the regulations. I pointed out that they were a contingency tool, time-limited in nature and intended to be as such, and so they are now. It is therefore appropriate to ask what has changed. It is fair to say that we are living in a world that has seen considerable change, even since December. At that point, of course, it was not at all clear what the reaction of trade would be to the change in circumstances created by Brexit or what the EU's reaction would be on the ground. The further developments of the pandemic and the response to it—including, most recently, the new variant of concern—highlights the amount of change that has taken place. It is appropriate to recognise the concerns that continue to be shown by stakeholders about this legislation, and we have done that.

As I said, we do not plan to extend the regulations further; I mildly underline the words “do not plan”, but I do not think it appropriate to rule something out entirely. We could not have foreseen, for example—no one did, in fact—the emergence of the delta variant of the virus. We cannot pretend that we have omniscience now as to what the future will bring. However, 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.

The hon. Gentleman asked a question about security and vulnerability to potential criminal behaviour. He will understand that criminal behaviour is a target for the safety and security declarations. Separate arrangements are put in place for the customs system that accommodate the lawful transfer of objects, but here we are considering the nature of consignments and what they may have in them. It is noticeable, and has been certified by Border Force and HMRC, that there is no discernible security risk arising from the continuation of this waiver. I commend that thought, based on their expert judgement and advice, to the hon. Gentleman.

The hon. Gentleman asked about data gathering. As he will be aware, the changes made in this instrument are not fully comprehensive; data will continue to be gathered, particularly on non-covered export categories, by HMRC and Border Force. It has been an important part of the overall rationale that we continue to build that data set as the trade evolves and changes. We will continue to do so and I am sure there will be long-term value from that process.

**James Murray:** Before the right hon. Gentleman concludes, will he address the point about the impact assessment? The explanatory notes state that

“An Impact Assessment has not been prepared for this instrument because the provisions are in force for less than 12 months.”

However, extending the pre-arrival safety and security entry summary declarations for six months, and a further six months, surely means they are enforced for 12 months. Could the Minister explain whether that is the case? Is it his view that an impact assessment should have been prepared?

**Jesse Norman:** I am grateful to the hon. Gentleman for raising the question. No, it is not the Government’s view that an impact assessment should have been prepared,

because the regulations maintain the existing status quo in which the declarations are waived. In that sense, nothing has changed. However, I recognise the point that the hon. Gentleman raises. It is important to reflect that the Government always wish to be cognisant of the impacts of legislation that they pass, and that will continue to be true elsewhere in our legislative package as well.

*Question put and agreed to.*

2.44 pm

*Committee rose.*



