CUSTOMS AND INTERNATIONAL TRADE COMPLIANCE FORUM

Alongside the development of the Single Trade Window the UK Government, HMRC and government departments involved in goods crossing the border are looking to further innovation.

This is not a 'next step' or some distant 'science fiction' concept but is running in parallel with the Single Trade Window work and indeed pilot schemes are already under way!

Increasingly Authorities and companies are relying on the use of technology and data to facilitate and ensure compliance for goods movements across the border. This automated assurance and reliability can help to build and ensure trust between the Authorities and companies, creating an 'Ecosystem of Trust' that could allow a great deal of processes to be moved away from the physical frontier. According to the UK Government such an ecosystem is built on three pillars: technological capabilities, real time data and trusted relationships.

The benefit of an Ecosystem of Trust for a compliant and trusted trader would be far greater 'frictionless' movement across the border and for the various government authorities such as HMRC, DEFRA etc. it would allow them to concentrate on those who are deemed to be higher risk and less trustworthy. This would create greater efficiency in use of staff and ensure legitimate trade had far less disruption.

Both Companies and Government believe that the existing UK border model could be improved and expanded to deliver greater results for Government, industry and wider benefits for the economy and security through the use of:

- **Improvements to some of the existing Trusted Trader schemes offered by government departments. This pilot would help determine how we may boost benefits that can be offered in such schemes and how these can be expanded across Government**

- **Innovations in technology can both ensure that the integrity of the data presented is accurate, reliable and obtained from the correct sources; and assure the movement of goods, detecting fraud or tampering**

- **Better sharing of data between Government and industry supply chains**

So how would it work?

It is clear to see that the current Authorised Economic Operator (AEO) trusted trader certification is crucial to provide access to this scheme for companies at both ends of the supply chain and all those engaged in facilitating the journey.

Data on goods alone is not enough to secure the UK border because, as we sadly know only too well, goods can be tampered with and containers and trucks opened after despatch. So other technologies such as geo-location and digitals seals will have their part to play.

By using technology and increased data visibility to replace physical processes which assure movements over the border, traders could self-assess more requirements, conduct processes upstream/inland and receive pre-notification of clearance, allowing them to conduct more timely and reliable trade. This could fast-track shipments across the border, and allow the removal of some processes entirely avoiding timely and costly delays.

Such systems may also provide the means by which traders could demonstrate in an automated, cost-effective way their compliance with wider Government policy requirements such as sustainability, money laundering rules and modern slavery compliance.

Innovation is coming to customs work and all other aspects of goods crossing the border and everyone in the supply chain has a part to play. It is coming faster and sooner than you think! Now is the time to evaluate your current business model and to work out how much and how quickly you will need to change in the next year or so to meet the challenges coming at the end of 2023 so that you can not just stay in business but actually benefit and expand. ■

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