



Department
for Environment
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Neil Parish MP
Chair of the Committee
Environment, Food and Rural Affairs Committee
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Dear Neil,

As agreed, I am writing to update you on how the introduction of Phase 2 import controls on 1 January landed and how our preparations for full import controls from 1 July are progressing.

The control measures introduced in January went very smoothly. Defra's operating systems, IPAFFS and PEACH performed as expected and traders reported no issues in submitting pre-notifications. Our helpline was largely employed in directing traders to relevant sections on Gov.UK to identify the correct commodity codes. There were some teething problems interacting with HMRC systems but simple workarounds were effected immediately and are being resolved in regular HMRC system upgrades. Volumes followed a predicted pattern of reduced trade in the first two weeks of January quickly rising to peaks by the third week. HMRC report volumes are higher than previous years and approaching levels last seen in 2018. We are seeing around 3500-4000 pre-notifications per day. The benefit of pre-notifications is that we are now able to provide more accurate granular data to APHA and port health authorities to validate their planning assumptions.

We are now ensuring that all the lessons across Departments are captured and acted upon. Of note, the close collaboration between Defra, Cabinet Office, HMRC and Border Force was highly effective and meant decisions were taken quickly to ensure that issues arising at ports were quickly resolved. We will ensure we have a similar approach in July. We have also appreciated the important part port operators play in building our intelligence picture, both sides of the border, and we are strengthening our relationships with them and building strong lines of communication. We have learned much from our colleagues in HMRC; their challenges arose from having a number of late system upgrades, which limited testing. We are looking to have a lengthy period of testing and assurance with ports and port health authorities ahead of 1 July, ensuring we war game our processes thoroughly.

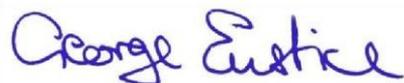
Following on from my last report, I can confirm that our inland border control posts remain on track, and I expect both Dover and Sevington to be designated in June. Port health authority staff and APHA plants inspectors will move into accommodation buildings at Sevington in February, with APHA live animal officials joining from May. Operational and end to end testing will be carried out ahead of go-live. Likewise, Commercial BCPs are also all scheduled to be ready in time for go-live and APHA and Defra expect to complete all designation by June. We are in discussions with HMRC and Cabinet Office to agree our charging regime at the inland border control posts, and expect to publish rates shortly.

Our devolved administrations are also making substantial progress. Scotland's 18 border control posts serving continental Europe and the rest of world are all reported on track for 1 July. There is no facility at Cairnryan, as the Scottish Government awaits confirmation of a need or a legal basis for checks on goods arriving via Northern Ireland. Welsh permanent facilities will not be ready until 2023 but the Welsh Government is developing its interim arrangements and is confident that it will be ready to commence import controls from July. Both administrations are being supported by Defra.

We remain closely engaged with port health authorities and monitor their readiness. In addition to the initial 500 staff recruited in 2021, we have provided additional funding for a further ~200 staff requested as a result of the improved data availability. The additional time before full import controls are introduced is being used to develop understanding, train the new staff and prepare for designation.

We have previously discussed the importance of expanding the digitisation programme to reduce the administrative burden on the supply chain. Technical development of the core IPAFFS requirements to facilitate physical inspections of Products of Animal Origin and High-Risk Food Not of Animal Origin in July 2022 is complete. A version of the solution has already been made available in a training environment for traders to familiarise themselves with. This represents half of the delivery for July 2022 with the core requirements for live animals and plants to be delivered by the end of April to allow sufficient time for business readiness and testing. We have an ambitious programme delivering imports integration solutions which will be implemented throughout 2022/23. This will include cloning functionality and application programme interfaces (API). An API for traders will significantly reduce the notification burden for high volume importers (such as supermarkets) by creating an import notification in IPAFFS from their local systems. These are all being prioritised to ensure that essential elements are delivered for July with enhancements introduced incrementally.

I note that you have called for an evidence session on 1 March, which will also cover preparations for July. I therefore propose to provide a written update to you again in April.



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