

Mr. Philip Kermode
Director, DG TAXUD,
European Commission

24 July 2015

RE: UCC Consultation on the IT Transitional Delegated Act

Dear Mr Kermode,

The Trade Contact Group (TCG) members associated to this letter are writing to you in respect of the Union Customs Code (UCC) consultation process and specifically the development of the IT Transitional Delegated Act (IT.TDA).

The importance of the IT.TDA to businesses affected by the UCC cannot be overemphasised. By establishing interim rules that trade must follow from 1 May 2016 until 31 December 2020, the IT.TDA will influence significantly the ability of businesses to transition between the CCC and the UCC as well as between existing and new IT systems. It may consequently become one of the most decisive factors in whether the UCC can be implemented efficiently or without heavier cost to European trade and industry. Especially at the present time, we believe every effort must be made to minimise negative economic impacts on European commerce and that drawing fully on TCG expertise and input is the only way to do so. The TCG's practical experience can help highlight problems and solutions that may not be readily identified in a forum without business representation.

Having not been consulted on the Title IX Administrative Transitional Delegated Act TCG members were very grateful for your clear assurance that we would be afforded every possibility to make a substantial and meaningful contribution to the IT.TDA. We understood the TCG would be able to meet and discuss the draft Act together with Member States and the Commission at least three times, at appropriate intervals during the drafting and approval process.

We were therefore very glad to have been invited to joint discussions on 8 May when initial ideas for the IT.TDA were discussed. We were also pleased to have had the opportunity to provide subsequent written comments in anticipation of feedback or indeed a revised draft reflecting our concerns. Regrettably, while subsequent meetings have taken place with Member States and updated versions of the IT.TDA circulated, the TCG has been left outside this process and without feedback on our written comments. In this context we were very disappointed to hear at the 10 July TCG meeting that the TCG would not until October be invited to discuss the IT.TDA with the Member States and the Commission. By this time it is evident that the IT.TDA will have largely been agreed and the opportunity to make any meaningful contribution will have passed. The purpose of this letter is to request the Commission to allow TCG participation at the CCEG meeting scheduled to discuss the IT.TDA on 17-18 September, so that timely and constructive TCG contributions can be made.

Naturally, we cannot expect, nor would we request to attend all such meetings between Member States and the Commission. However, we do maintain that consultations must be sufficiently frequent to enable a meaningful exchange between Trade, the Commission and Member States as the legislation is being developed. The business organisations associated to this letter strongly maintain the IT.TDA is a vital issue where more consultation is needed. We recognise the constraints faced by the Commission - including meeting room capacity - but as we have found on previous occasions these are not insurmountable problems nor should they be in view of the legitimate interest in involving trade in these discussions.

Thank you for considering our letter and request. We look forward to hearing from you as to whether accommodation could be made to invite TCG members to the CCEG meeting of 17-18 September.

With best regards,

