

Update on the transit simplification package

Transit Policy Team
10 June 2025



HM Revenue
& Customs





Transit Simplifications

- In 2022 our Call for Evidence (CfE) provided insight about transit users and how we could improve transit accessibility and resulted in announcing an informal consultation on a number of measures to simplify the transit process. This was announced as part of Spring Budget 2023 and partially implemented December 2023.
- Since then, we have continued to work on the transit strategy, in line with the Customs Vision of moving customs formalities away from the border.
- The data and discussions with trade tells us that existing authorised consignors still avoid using the transit authorisation because the existing process involves lengthy waiting times and uncertainty. To address this, we want to engage with businesses to test a number of proposals to determine if they will improve the process and encourage more movements to start at a business premises.
- As part of the 'Tax update spring 2025: simplification, administration and reform summary' we announced transit engagement on a number of policy proposals and TSADs (Transit Safety and Security Declarations).

Engagement

The engagement has been planned as an informal consultation. It began on the 19th May, with initial invites being sent to stakeholders that we regularly engage with. It will continue until mid August and be split into two sessions:

- Session 1 - To understand whether new ideas to improve and simplify the transit process would encourage more movements to start at a trader's premises by being more streamlined and cost effective for customers; and
- Session 2 - The benefits of introducing Transit Security Accompanying Documents (TSADs) to determine whether the UK should opt into offering TSADs or not

Stakeholders will have the opportunity to attend both sessions.



Support from Business Representative Organisations

- We would like to ask for your help:
 - *Firstly, by sharing details of the engagement with your members. They will have the opportunity to take part in one or both sessions*
 - *Secondly, we want to build up the picture of benefits of transit and why businesses choose to use it. We would like to collaborate with Business Representative Organisations to understand what these are from a sector perspective. (We are currently still in the planning stage of this piece of work so we will share further details with your shortly.)*



How to get involved?

There will be two separate sessions, each lasting about 1 hour. The sessions will take place via Microsoft Teams.

If you would like to take part, then please send an email stating which sessions you would like to attend to:

Transitpolycymailbox@hmrc.gov.uk

We will share the questions before the meeting.



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Annex – detail of the two engagement sessions

(1) Proposals for improving the transit simplification process

Making simplified movements more streamlined and cost effective for customers by:

1. **Removing the ‘time out period’:** Before a movement can start or end at a business premises, ACCs must wait a period of time (time out period), which is typically half an hour, to give HMRC officers time to decide if they want to control the movement or not. Recent engagement with businesses have confirmed that the time out period is a significant cost to just in time supply chains. If we were to remove this waiting time, we would need to replace it with an automated solution that would identify transit movements for control e.g. automated risking. ***Hence, we want to engage on the benefits businesses would gain if we were to remove the time out period.***
2. **Quicker and more flexible Controls:** We want to give authorised consignor’s the choice on whether they wait for an HMRC compliance officer to attend their premises to carry out a physical inspection of the goods which can take approx. 2 hours for the officer to arrive, or allow an authorised consignor to take the goods to their nearest port or a port on route to departure for a Border Force officer to complete the check, which would remove the 2 hour waiting time. ***We want to engage on the benefits of flexible controls***
3. **Improving Transit Authorisations:** Following cancellation of the modernising authorisation programme we want to revisit our existing Transit Authorisation process and ***engage with business on alternative proposals to modernise and simplify these processes, understanding which ones would generate the most benefit for business.***
4. **Facilitating compliant simplified movements departing Standard export locations (SELs):** Currently, when simplified movements depart from SELs, the transit declaration can include export entries that have NOT been cleared for export purposes. This can give rise to the risk of goods departing the UK without being checked and cleared. ***We want to engage on the practicalities of a revised process that will enable authorised consignors to complete the transit declaration once the export entries have been cleared,*** utilising the changes brought in with NCTS P5, thereby minimising the current compliance risk (This proposal was part of the December 2023 simplification package which we publicly deferred till NCTS P5 functionality was delivered.)



(2) Determining the benefits of TSADs

General information

- As part of the functionality of NCTS Phase 6 it includes the opportunity to introduce TSADs – a single declaration for traders to combine their S&S declarations with their transit declarations. TSADs are an optional feature and CTC members have a choice about whether they opt in or out of offering TSADs.
- In September 2024, the UK notified TAXUD that it would be opting out of TSADs from 1st September 2025 but we reserved the right to opt in from a later date should there be benefits to UK Trade in doing so. The decision to opt into TSADs is a policy decision for Ministers to make. For XST to make an informed decision on whether to invest in the digital delivery, we need to understand the benefits of TSADs in light of: (1) the S&S waiver being removed on EU imports, (2) whether key NAs that we trade with who have opted out will opt in from a future date.
- Informal engagement will:
 - *Explain how TSADs would work in different scenarios;*
 - *Understand who completes the S&S declarations currently and whether this would change if TSADs were introduced*
 - *Seek to understand what benefits businesses would incur if the UK and other key National Administrations opted in.*

