

The fourth Trade Specialised Committee on VAT Administrative Cooperation and Recovery of taxes

under the EU-UK Trade and Cooperation Agreement

Joint Minutes

COM host, 30 September 2024

Item 1: Greeting and opening remarks by the Co-Chairs

The EU and the UK Co-chairs welcomed participants to the meeting.

Item 2: Adoption of the agenda

The provisional agenda as published in advance was adopted for the meeting.

Item 3: Taking stock of the use of the administrative cooperation and recovery assistance in 2023

The EU presented information on the Parties' respective use of the measures under the VAT Protocol to the TCA for administrative cooperation and recovery assistance during the year 2023.

Administrative cooperation provisions have been used effectively and no major issues have been encountered. Some discrepancies were identified and both parties committed to resolving these issues. It was highlighted that the electronic system now automatically collects and processes these statistics. As a result, the collection of statistics should become less burdensome, with more reliable data expected from next full year of operation, as this year's functionality only began operating in April.

Item 4: Implementation of the VAT Protocol on administrative cooperation and recovery – adoption of the decision

The Parties agreed to adopt the Decision No 1/2024 to amend Decision No 4/2023 on standard forms to bring them in line with the Exchange of Forms (EoF) system in order to provide information about the outcome of the request for administrative notification.

Since both Parties, the EU and the UK, considered that the information about the outcome of the notification was useful and fully in line with the objective of allowing for the exchange of information between the Member States and the UK to be fully implemented, they agreed during the 2023 Trade Specialised Committee meeting to a commitment towards taking the changes on-board at a later stage.

Decision No 1/2024 allows to provide information about the outcome of the request for administrative notification.

Item 5: Debt recovery threshold

The UK once again expressed the importance it attaches to the amendment of the threshold to an amount equivalent to the one contained in Council Directive 2010/24/EU (the EU debt recovery Directive). Following that, the requirement for British businesses to appoint a fiscal intermediary when registering for the EU's Import One Stop Shop would be consequently removed. The UK noted the EU's position, previously expressed at the third meeting of the committee, that they would prefer to have more experience with the functioning of the VAT protocol following full implementation, to be able to assess it, before discussing the threshold. The UK highlighted the positive progress on cooperation regarding the VAT protocol which now demonstrates its successful functioning as the basis for a productive conversation on the issue.

The EU noted previous correspondence from the UK proposing to reduce the recovery threshold and that this topic, which forms a part of the overall balance of the negotiated package had been already largely discussed. The EU maintained its position that it was not open to amending the debt recovery threshold.

Item 6: Any other business

No other topics were identified.

Item 7: Conclusions and next steps

Co-Chairs agreed that the draft minutes shall be drawn up within 45 days from the end of the meeting and secretariats agreed to sign the minutes electronically.

Co-chairs confirmed that the next Trade Specialised Committee would occur no later than December 2025.

Item 8:

The Co-chairs concluded the meeting and thanked delegates.

Annex: List of attendees

UK Delegation:

- UK Co-chair of the Trade Specialised Committee
- UK Government Officials from HM Treasury; HM Revenue & Customs; Foreign, Commonwealth and Development Office
- UK Mission to the European Union Officials
- Scottish Government Officials
- Northern Ireland Executive Officials
- Isle of Man Government Officials from Isle of Man Customs and Excise

EU Delegation:

- EU Co-Chair of the Trade Specialised Committee
- European Commission Officials
- Delegation of the European Union to the UK Officials
- Representatives of EU Member States

A handwritten signature in black ink, appearing to be 'B. Green'.A handwritten signature in black ink, consisting of a large, stylized initial 'E' followed by a long horizontal line.

