Summary: Intervention & Options

Department /Agency:	Title:	
HMRC	**Impact Assessment of the Export Control System (ECS)**	
Stage: Implementation	**Version:** 1.0	**Date:** 22 June 2009
Related Publications:		

Available to view or download at:

http://www.hmrc.gov.uk

Contact for enquiries: Mark Dillon **Telephone:** 01702 361915

What is the problem under consideration? Why is government intervention necessary?

The implementation of the Export Control System (ECS) is required by EU law. In recognition of the increased security threat globally, the Security Amendment to the Community Customs Code requires Member States to introduce systems capable of handling pre-arrival (imports) and pre-departure (exports) information upon which the Member States will be expected to carry out risk analysis at both an EU and a national level. The systems are designed to address weaknesses in existing paper-based control systems. This impact assessment covers the export (ECS) reforms of 1 July 2009 only.

What are the policy objectives and the intended effects?

Harmonising customs export controls across the EU through the introduction of a standard paperless export system will improve the safety, security and efficiency of international trade by providing a firm assurance to traders and customs authorities that goods have left the EU. Reforms to export procedures will be delivered in two stages: ECS1 (fiscal) will improve the control of indirect exports by passing messages from the Member State where the export starts to the Member State where the goods will exit the EU. It introduces the distinction between the Office of Export and Office of Exit. ECS2 (safety and security) introduces a requirement to provide pre-departure information which can be risk assessed by the Office of Export and the results passed to the Office of Exit if required.

What policy options have been considered? Please justify any preferred option.

1. Do nothing
2. Implement the required reforms using existing systems and infrastructure as far as possible

Doing nothing is unacceptable. Option 2 complies with the UK's legal obligations, and the chosen approach has been developed in discussion with trade bodies in order to minimise the cost to and impact on UK trade. UK exporters will be at risk of significant additional customs intervention and delays if this reform is not implemented.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects? We intend to review the policy to establish the actual costs and benefits and achievements of the desired effects within 3 years.

Ministerial Sign-off For final proposal/implementation stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) that the benefits justify the costs.

Signed by the responsible Minister:

Stephen C. Timms

Date: 25 June 2009

Summary: Analysis & Evidence

Policy Option: 2	Description: Implement Export Control System Reforms on 1 July 2009.

COSTS

ANNUAL COSTS		Description and scale of **key monetised costs** by 'main affected groups' HMRC costs: IT, consultancy, licences and T&S. £5.6m total for 2007/08 - 2009/10. Annual costs expected to be met at no increase to current budgets. Cost to UK business will be £1m or less per year for data provision (£0.75m in 2009/10 for the nine months after ECS goes live), with an additional upfront one-off cost of up to £1m for system changes.	
One-off (Transition)	**Yrs**		
£ Up to 6.6 million	3		
Average Annual Cost (excluding one-off)			
£ Up to 1 million	p.a.	**Total Cost** (PV)	**£ Up to 7.35 m**

Other **key non-monetised costs** by 'main affected groups' Consultation with representatives of UK exporters, freight forwarders, agents and software suppliers has revealed no significant cost concerns for them. In the UK, traders already provide most of the information electronically but not all will need to.

BENEFITS

ANNUAL BENEFITS		Description and scale of **key monetised benefits** by 'main affected groups' Full compliance with primary legislation, improvements in security and the risk-based control of goods, better control of indirect exports, trade facilitation, and the possibility of mutual recognition by other trading blocks resulting in a lower level of control on UK exports. These benefits cannot be quantified in financial terms.	
One-off	**Yrs**		
£ Not quantifiable			
Average Annual Benefit (excluding one-off)			
£ Not quantifiable		**Total Benefit** (PV)	**£ Not quantifiable**

Other **key non-monetised benefits** by 'main affected groups' Trade will benefit from a reduced level of interventions on low risk freight and passenger movements as a result of the greater use of technology.

Key Assumptions/Sensitivities/Risks These reforms have no impact on the amount of tax or duty collected. The administrative costs to business are expected to be low but are uncertain because the number of exports for which additional information will have to be supplied cannot be forecast with accuracy.

Price Base Year **2009**	Time Period Years	**Net Benefit Range** (NPV) £ **positive**	**NET BENEFIT** (NPV Best estimate) **£ +ve, but not quantifiable**

What is the geographic coverage of the policy/option?			United Kingdom	
On what date will the policy be implemented?			1 July 2009	
Which organisation(s) will enforce the policy?			HMRC and UKBA.	
What is the total annual cost of enforcement for these organisations?			£ No change	
Does enforcement comply with Hampton principles?			Yes	
Will implementation go beyond minimum EU requirements?			No	
What is the value of the proposed offsetting measure per year?			£ N/A	
What is the value of changes in greenhouse gas emissions?			£ N/A	
Will the proposal have a significant impact on competition?			No.	
Annual cost (£-£) per organisation (excluding one-off)	Micro low	Small low	Medium low	Large moderate
Are any of these organisations exempt?	No	No	No	No

Impact on Admin Burdens Baseline (2005 Prices)				(Increase - Decrease)
Increase of	£ Up to 1m	Decrease of £	**Net Impact**	**£** 1m increase

Key: **Annual costs and benefits: Constant Prices** **(Net) Present Value**

1. Overview and Rationale for Government Intervention

International trade needs to be managed in a safe, secure, efficient and cost-effective manner. To continue to meet that need, in recent years the European Commission has adopted legislation designed to update existing technology, improve security and ensure that appropriate risk-based controls are maintained. Some of the new rules address concerns about inadequate security information being exchanged between Member States and about some information not being available electronically.

The specific regulations are:

- Regulation (EC) No 648/2005 (the Security Amendment to the Community Customs Code); and
- Commission Regulation (EC) No 1875/2006 (the Implementing Provisions), including Annex 30A which describes the data elements to be presented and processed.

The Security Amendment requires Member States to introduce systems capable of handling a number of new initiatives. The core requirement is the ability to handle pre-arrival and pre-departure information upon which the Member States will be required to perform risk analysis at both an EU and national level, and to be able to pass messages between the Office of Export and the Office of Exit. The regulations carry legal force and the UK is implementing them accordingly, in discussion with trade representatives in order to minimise any negative impact on trade. Getting it right will ensure that low risk goods are cleared without delay, while those identified as higher risk will be subjected to appropriate and proportionate checks.

The reforms are being implemented in stages, with export control systems (ECS) being updated first with effect from 1 July 2009. Import control systems (ICS) will follow in 2010 following further consultation. This impact assessment focuses on the July 2009 reforms to exports. A section on imports is included but a fuller impact assessment for ICS will be issued in 2010, before the main system goes live.

2. Background

In 2005, the EU made a commitment to increase competitive business across Europe and to address the ever-increasing security and safety challenges faced by the Member States. Recognising the need to modernise the EU Customs Code as part of this commitment, UK Ministers lobbied for and approved the implementation of EU legislation to drive forward changes to customs processes, to be delivered to a binding timetable. The legislation comes under the umbrella of the Electronic Customs Multi-Annual Strategic Plan (MASP) and the legislation introduces integrated customs processes and obligatory electronic declarations across the European Union for the first time.

The UK has signed off, and is therefore committed to apply, the functional and technical specifications for ECS (i.e. what the system should do, and how it should be built). These specifications include both mandatory and recommended elements to be implemented by each Member State. To ensure that the export process is effective throughout the EU the UK must implement the mandatory elements, which relate to the passing of messages between the Office of Export and Exit. Essentially, if goods are exported from the UK to another EU country, but with a final destination outside the EU, then information about that route must be made available if known.

3. Policy Objective and Intended Effect

The aims, objectives and scope of this project are determined by:

- Legislation
- The Multi-Annual Strategic Plan (MASP)
- ECS European Commission documentation
- UK specific requirements

3.1 Legislation

- Regulation (EC) No 648/2005 (the security amendment to the Community Customs Code; and
- the Implementing Provisions (Commission Regulation (EC) No 1875/2006) including the provisions of Annex 30A describing the data elements to be present and processed.

3.2 MASP

The MASP was developed to capture the vision, objectives, strategic framework and milestones to implement the electronic customs initiative. There are three ECS projects registered in the MASP:

- Export Control System Phase 1 (ECS1- fiscal)
- Export Control System Phase 2 (ECS2-Safety & Security)
- Automated Export System (AES)

It is intended that each subsequent phase of ECS extends the functionalities of the previous phase.

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Export Control System Phase 1
• **Objectives** ECS 1 is designed to better control indirect exports by passing electronic messages from the Member State where the export starts, to another Member State where the goods will exit the EU. It introduces the concept of Office of Export and Office of Exit. It is split into two parts: 1a and 1b. (ECS 1a went live in September 2007 with the UK operating as an Office of EXIT for indirect exports. ECS 1b with the UK operating as an Office of EXPORT is due for delivery on 1st July 2009 (with ECS2))
• **Advantages** **- for the administrations:** fast reception and treatment (notably, risk analysis) of the pre-departure declarations; better control of movements, and a more rational use of resources for control; **- for the economic operators:** export traders across Europe will no longer need paper documents with these being replaced with electronic messaging. .
Export Control System Phase 2
• **Objectives** The objective of this phase is to provide for the electronic handling of exit summary declarations under the security amendment, and will require additional information to be included in export declarations, for safety and security purposes. This phase preserves and builds upon the functionalities delivered in ECS Phase 1, and will allow for a coherent transition period between one phase and the next. It also offers an interface to the EMCS system (exit control of excise goods).
• **Advantages** **- for the administrations:** fast reception and treatment (notably, risk analysis) of the pre-departure declarations; better control of movements, and a more rational use of resources for control; **- for the economic operators:** export traders across Europe will benefit indirectly from improvements in risk assessment, targeted controls and improved security.

3.3 ECS EU Commission Documentation

- Working Document TAXUD 2021/2009-Guidelines on export and exit in the context of Regulation EC 648/2005
- Working document TAXUD 2003/2009- measures concerning goods leaving the customs territory of the Community

3.4 UK Specific Requirements

The recommended elements set out in the Commission specifications cover national export activities undertaken by customs, trade and where applicable, other Government Departments (OGDs). They are intended to provide Member States with a complete end to end process for exports should they need it. Since the UK already has well developed processes and IT capability the recommendations will only be used as guidance. A set of UK specific prioritised requirements was developed.

To ensure that the legal requirements are delivered on time, i.e. by 1 July 2009, the UK is delivering ECS in phases, ECS1 and ECS2. ECS1 is split into two parts: ECS1a and ECS1b. ECS1a (UK operating as Office of exit) was delivered in 2007. ECS 1b (UK operating as Office of Export) is due for delivery on 1st July 2009 along with ECS2 (Safety & Security). The project is taking advantage of existing technology (CHIEF – Customs Handling of Import and Export Freight) and where possible it is intended that UK specific requirements do not change existing processes or system functionality.

This impact assessment covers the reforms of 1 July 2009 only, and hence excludes any impacts arising from the 2007 ECS1a reforms.

4. Options

4.1 Do nothing

To do nothing would allow businesses to continue to follow existing well established procedures with no business re-engineering or training costs. However, the UK customs declaration processing system would then be out of step with EU legal requirements which would affect data exchange with other Member States. This option was rejected because the UK would be in breach of EU law and face possible infraction proceedings from the EC.

4.2 Implement the required reforms using existing systems and infrastructure

This is the best option in order to meet the UK's legal obligations whilst minimising the costs for and impact on trade. It also ensures that the UK is aligned with EU partners resulting in consistency of treatment across the EU. The SAD Harmonisation project (which standardised the customs declaration documentation across the EU) has already provided the necessary functionality on CHIEF to support the safety and security data elements. To meet the minimum change requirements and impact on the trade, the enhancement of existing CHIEF and EU systems was identified as the most practical option.

5. Which businesses are affected?

There are around 83,000 businesses involved with exports, and they make around 5.5 million customs/ export declarations annually. The new rules will apply to all these firms.

The impact on business is twofold.

- Firstly, those firms and their agents involved with exports will need to familiarise themselves with the new procedures and ensure that their systems can handle them. There will be a modest one-off compliance cost for training and IT upgrades accordingly.
- Secondly, they will need to supply the additional security and routing information, where known and relevant, for all future trade. This will result in a modest increase in the annual recurring admin burden.

All businesses must comply with the new rules, but the number who actually need to make system changes themselves and/or supply significant amounts of additional information will be less. It is not possible to provide precise population estimates because levels and patterns of trade are variable, but the following paragraphs provide a qualitative picture.

Businesses that need to make systems changes (incurring a one-off compliance cost)

Businesses which currently complete customs export declarations in-house may need to update their IT systems to handle the new requirements. Around 5% of exporters (around 4,000 firms) are in this group.

The remaining 95% of businesses (79,000 firms) outsource customs declarations to, for example, customs agents, freight forwarders, logistics operators etc. In this case, the agents and operators will need to ensure that they are familiar with the new data requirements and have processes in place to collect the data from clients, and may have to make changes to IT systems and provide assistance to clients. We estimate that around 1,500 of these "agent" businesses will be affected.

Commercial inventory suppliers (known as Community Systems Providers or CSPs) will need to ensure that their software is up to date and compatible with the new requirements. There are five major CSPs who operate within the UK.

Finally, around 50-100 software providers and consultancy firms will need to ensure their systems are updated to the new data requirements, and suitable training material has been developed.

Businesses that need to supply additional information (incurring an ongoing admin burden)

All businesses will need to supply additional security and routing information, but only if known and relevant to the goods being shipped (e.g. only a small number of shipments would merit additional security information about dangerous goods). The precise number of firms supplying new information will depend on the goods being shipped and the level of information already available to the business or their agents. In practice, it is the largest firms that would be most affected simply because of the volume of trade handled.

6 Benefits & Costs

6.1 Benefits overview

The planned introduction of an electronic customs environment under the MASP means that there is a need to put in place a solid ground work upon which 27 Member States can exchange information and data in a common format. This will allow import and export customs information requirements to be seamlessly passed between authorities that need to control and/or examine the goods, thereby providing for a more joined up and efficient customs service across the EU that will aim to:

- reduce administrative burdens
- combat fraud, organised crime and terrorism
- protect intellectual property and cultural heritage
- increase the safety of goods and the security of international trade
- enhance health and environmental protection
- introduce the possibility of mutual recognition by other trading blocks potentially leading to lower levels of control for UK exports

6.2 Strategic benefits of ECS

- Facilitates delivery of a fully electronic, paperless environment for dealing with freight transactions which meets mandatory EU legislative requirements and UK Ministerial commitments to improve fiscal and physical security at the frontier and facilitate customs clearance
- Facilitates improvements to the efficiency and effectiveness of import and export procedures and controls, ensuring the UK becomes an increasingly attractive place to do business, thus encouraging and increasing trade
- Greater use of technology will reduce interventions on lower risk freight transactions and passenger movements.
- Improves supply chain security and enable HMRC to strike an appropriate balance between control and facilitation
- Combination into a single project reduces resources associated with testing and will helps to address implementation issues for both HMRC and the Trade.

Most of these benefits cannot be quantified precisely in financial terms, and they are shown as non-monetised on page 2 accordingly. However, collectively they do form a strong case for the proposed changes, and justify the costs outlined below.

6.3 Estimated one-off costs

Quantifying the time required per business is difficult because individual systems vary. In many cases the one-off costs will predominantly affect agents, leaving minimal one-off impact on their clients. Either way, our assessment is that the one-off costs will be low, although they will vary according to individual circumstances. The rationale behind this assessment is that:

- ECS is being phased in stages, in response to feedback from industry that that would minimise costs and disruption;
- The chosen option deliberately builds on existing systems (like CHIEF) rather than introducing new and potentially more disruptive changes;
- Much of the infrastructure already exists and will not require further change (e.g. some of the security fields already exist, and are simply being made mandatory in certain circumstances rather than optional);
- The majority of firms use agents, giving great economies of scale in terms of system upgrade costs; and
- Recent feedback from industry has been relatively low-key, although HMRC continues to liase with trade bodies and monitors implementation continuously.

We have included a tentative and indicative one-off cost estimate of £1 million for the industry as a whole on page 2. This estimate is very uncertain, but we believe it is in keeping with the above rationale. HMRC is continuing to work with the trade to ensure implementation is as smooth and cost-efficient as possible.

6.4 Estimated ongoing annual costs

Around 5.5 million exports are currently made each year. The introduction of ECS makes it mandatory to supply security data (that is currently optional) on departure from the EU. This includes country of export, countries of routing, Customs office of exit if the export is being made indirectly (i.e. via another Member State), transport charges method of payment code, UN dangerous goods code, trader reference, person lodging the declaration, seal number and special circumstances indicator (this identifies what type of declaration is being presented).

We require the trade to supply the information if known and relevant. This means that for many traders there will be little or no extra cost burden. The trade are aware of the additional data fields as they are already available on the Customs declaration processing system (CHIEF). In 99.9% of cases, traders already submit their declaration electronically to HMRC. CHIEF will process the data as now and HMRC does not expect the additional requirements to increase the cost to the trade, or the time required, to clear the goods for export.

Indicatively, each minute of time above current levels translates into an aggregate cost of £1 million across all 5.5 million shipments. However, in practice we expect only a proportion of shipments to actually require extra information beyond that already recorded. In such cases, most commercial software provides dropdown lists for the extra fields, allowing data to be entered in seconds. We have included a tentative ranged estimate of up to £1m on page 2 for annual industry costs based on the above. Once implemented this change will be business as usual, and in context, the marginal increase in cost is small because the number of extra fields is low, compared to the total amount of data supplied already. The cost will be £0.75m only in 2009-10 because the new system will be in operation for only 9 months of the year.

The requirement to supply data electronically is not expected to have a major impact on the trade. 99.9% of traders already provide export data to HMRC electronically.

6.5 HMRC Costs

In addition to the impacts on industry, HMRC will incur one-off costs in IT system development and staff training, together with recurring costs associated with carrying out the extended risk analysis on trade data. A full business case and project evaluation has been completed and the assessed implementation costs are £5.6m in NPV terms over the period 2007/08 through to 2009/10. The majority of costs will be incurred in the first three years. Annual operating costs (relating mainly to the risk analysis) are expected to be met with no increase to current budgets.

6.6 Administrative Burden

Within the overall compliance cost to business, HMRC tracks one component in particular. The 'administrative burden on business' is defined very specifically as the time and cost on compliant businesses of retaining information and/or sending it to the Department and/or a third party. As such, it includes the burden of completing forms and returns, and of complying with audits and inspections. All Government departments have targets to reduce administrative burdens and HMRC impact assessments provide an itemised figure accordingly. This does not mean that other types of burden are ignored: it means simply that HMRC are taking additional steps to address business concerns that the administrative burden, as defined, is minimised.

In the case of ECS, the preferred option is expected to increase the administrative burden on business by up to £1m per year as noted on page 2. This reflects the additional time requirement for additional routing and security data to be supplied. It does not, however, include the consequent benefits in terms of improved risk analysis and trade facilitation, and so presents only a partial picture. The figure is tentative.

6.7 Total Costs

The total costs shown on page 2 have been calculated over the 3-year period 2007-08 to 2009-10. They comprise:

	£ million
HMRC one-off development costs	5.60
HMRC recurring annual costs	minimal
Trade one-off development costs	up to 1.00
Trade recurring admin burden	up to 0.75
Total costs (3-year period)	up to 7.35

The trade ongoing cost of £0.75m covers the 9 months in 2009-10 for which the system will be operational. In subsequent years, the total annual cost to the trade will be up to 1.0m per year, depending on trade patterns and volumes.

7. Import Control System Reforms

Although this impact assessment has focused on the July 2009 reforms (exports), a further tranche of reforms will be introduced in 2010 for imports. The precise details continue to be developed in consultation with industry, but the current state of play is as follows. A full impact assessment will be issued next year.

The Import Control System (ICS) will provide for the submission by traders and carriers (declarants) of an Arrival Notification and Entry Summary Declaration (ENS). The UK implementation of ICS Phase 1 (now deferred until 2010) will include strictly what is needed to implement Regulation 648/2005 and its Implementing Provisions (Regulation 1875/2006), plus the ability to receive and process an Arrival Notification. An ICS IA will be produced nearer that time but essentially ICS will, at the first point of entry into the European Community (Office of First Entry), provide for:

- The submission by traders and carriers (declarants) of an Entry Summary Declaration (ENS);
- The amendment of a previously submitted Entry Summary Declaration;
- The submission of a Diversion Request, where consignments are diverted to a port or airport not previously on the itinerary, and
- The submission of an Arrival Notification advising arrival of consignments.

- The return to the declarant and, if appropriate, carrier of all response messages including a Movement Reference Number (MRN)
- The ability to perform Safety and Security risk analysis for every ENS declaration and share the results with other Member States, if appropriate. The declarant and carrier will be notified of any ‘Do Not Load’ message, as necessary.

At a subsequent office, or place of discharge, ICS will provide for:

- The submission of an Arrival Notification advising arrival of consignments; and
- Referencing the Entry Summary Declaration in the manifest or summary declaration to establish compliance with the legislation at the Office of First Entry.

8. Consultation

The trade has been continuously consulted on the best way to implement this change as part of ongoing discussions in consultative groups such as the Joint Customs Consultative Committee (JCCC). The JCCC ICS/ECS sub group and ECS Working Group have been used to identify and address trade concerns. The trade has been actively involved in the design of ECS from early on in the project lifecycle. Tariff updates have been issued early to provide information to the export trading community. There has been scant response to requests for feedback in relation to this IA. Most traders do understand that the ECS is required by EU law and accept the necessity of its introduction. Trade representatives that offered a response to our request for specific information on the costs to them of implementing ECS were of the opinion that the overall impact of ECS was likely to be slight in terms of additional workload or operating costs.

9. Competition Assessment

This change affects all UK exporters trading in the international export markets so no one group will be competitively disadvantaged over another. Costs may vary between different types of business (e.g. according to size) but HMRC does not expect the variation to be large enough to distort competition, or act as a barrier to entry. A large proportion of businesses which trade internationally use agents to complete their declarations, and hence will only be minimally affected by the change (we assume agents fees are unlikely to change significantly). The one-off costs primarily affect those already trading internationally, and should not affect new firms when deciding whether or not to trade abroad. Some businesses submitting declarations in-house utilising data messaging systems may incur some additional cost through the amendment of their internal software packages.

Software suppliers will incur costs in updating their software packages. However, we have assumed that these development costs will not be passed onto their clients, but will be absorbed as part of the annual re-release of their software.

10. Small Firms Impact Test

The changes to the legislative requirements to complete customs declarations apply to all businesses exporting from the UK (or indirectly via another MS) to outside the EU. Although there will be proportionately more members of large businesses who have proprietary electronic declaration systems linked to CHIEF, there will be a small number of smaller businesses who have invested in these systems who will also incur one-off costs from this change.

In general smaller businesses will not be any worse off as a result of these changes as it is assumed that freight clearing agents will absorb costs to remain competitive (based on the expectation that any change to costs will be small). Some small and medium businesses who export goods will employ agents (this freight clearance agents sector within the industry accounts for 95 per cent of all declarations lodged and is highly competitive) to submit declarations for them, others will do the paperwork themselves but the impact will not be significant as most firms will not experience any noticeable degree of change over what they do now. HMRC has been fully involved with representatives from the small and medium business sectors, and have undertaken a broad spectrum of consultation ranging from general dissemination of information throughout the project development at Joint Customs

Consultative Committees (JCCC) to specific focus groups requiring specific information/interfaces. This has been supported by a targeted education roll out to providing workshops and seminars.

JCCC groups have a wide and diverse membership encompassing specific trade associations such as the Customs Practitioners Group, representation from large business and more specifically organisations that focus on the small to medium enterprise sector, including the Confederation of British Industry and the British Chambers of Commerce.

10.1 Other Impact Tests

HMRC has considered the remaining impact and equality tests listed on page 12 and concluded that these areas are not significantly impacted by these ECS reforms. However we will continue to monitor the situation and address any concerns arising.

11. Risks

In order to minimise the risk to UK trade, HMRC has been fully involved with representatives from businesses, including commercial system developers and Community System Providers (CSPs), through the development and implementation of the necessary changes to the export declaration processing system and the development of interface requirements. The key risks to UK Traders are outlined below and have been actively managed during the lifetime of the project.

<table>
<tr><th>Description of Risk</th><th>Impact

(High / Med /Low)</th><th>Probability

(High / Med / Low)</th><th>Mitigation</th></tr>
<tr><td>UK trade are unable to make changes to their own systems in time to meet EU legislative date.</td><td>High</td><td>High</td><td rowspan="2">1. Early publication of technical specifications.
2. Trade test services made available to trade software suppliers prior to implementation.
3. Active consultation with trader and software suppliers via ECS trade working group on technical issues.</td></tr>
<tr><td>IT suppliers unable to meet EU Legislative deadline.</td><td>High</td><td>High</td></tr>
<tr><td>EU Business process does not prove to be a workable solution.</td><td>Medium</td><td>Medium</td><td>1. Active consultation on operating procedures with trade both at EU and national level
2. Presentations given to key trade sectors on ECS operating procedures.
3. Publication of guidance and trade information</td></tr>
</table>

Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.

Type of testing undertaken	***Results in Evidence Base?***	***Results annexed?***
Competition Assessment	Yes	No
Small Firms Impact Test	Yes	No
Legal Aid	Yes	No
Sustainable Development	Yes	No
Carbon Assessment	Yes	No
Other Environment	Yes	No
Health Impact Assessment	Yes	No
Race Equality	Yes	No
Disability Equality	Yes	No
Gender Equality	Yes	No
Human Rights	Yes	No
Rural Proofing	Yes	No

Annexes

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