EXPLANATORY MEMORANDUM TO

THE CUSTOMS (SAFETY AND SECURITY PROCEDURES) (AMENDMENT) REGULATIONS 2026

2026 No. 604

1. Introduction

1.1 This Explanatory Memorandum has been prepared by His Majesty's Revenue and Customs (HMRC) and is laid before Parliament by Command of His Majesty.

2. Declaration

2.1 Dan Tomlinson MP, Exchequer Secretary to the Treasury confirms that this Explanatory Memorandum meets the required standard.

2.2 Sara Albores Nodar, Deputy Director for Non-Freight, Border Information and Safety and Security, at HMRC confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Iram Akhtar at HMRC can be contacted by email at the following address with any queries regarding the instrument: cpsbriefingandco-ordinationteam@hmrc.gov.uk.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 The instrument updates customs rules concerning the safety and security (S&S) of imported goods, and goods that leave the United Kingdom (UK). It replaces outdated legal definitions within the rules that apply where operators handling goods moved by air seek to become an Authorised Economic Operator for Security and Safety (AEOS) (a trusted trader status granting certain facilitations within the customs S&S rules).

4.2 The instrument also changes rules about HMRC disclosure of information to UK aviation authorities, so these rules will permit (but no longer oblige) HMRC to disclose certain information about AEOS authorisations. Finally, the instrument addresses gaps within the customs civil penalties rules, to ensure that HMRC can respond appropriately and apply civil penalties in cases where S&S rules are breached.

Where does the legislation extend to, and apply?

4.3 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is the United Kingdom.

4.4 The territorial application of this instrument (that is, where the instrument produces a practical effect) is the United Kingdom with the exception that regulation 3 amends legislation which only applies in respect of Great Britain.

5. Policy Context

What is being done and why?

5.1 The instrument includes changes to customs legislation in relation to operators handling goods moved by air, who have the status of 'regulated agent' or 'known consignor'. These statuses are defined for UK purposes in the Aviation Security (Air Cargo Agents) Regulations 2024 (2024 regulations) and are regulated by the Civil Aviation Authority (CAA).

5.2 Customs legislation sets out S&S standards that are taken into account by HMRC when considering whether an operator meets the eligibility conditions to become an AEOS. These standards include special rules for regulated agents or known consignors. In addition, customs legislation concerning the monitoring of AEOS obliges HMRC to disclose specified information to the CAA concerning the AEOS authorisation of regulated agents and known consignors.

5.3 The instrument updates AEOS rules that apply in Great Britain for regulated agents and known consignors, to replace references to aviation security legislation which is soon to be revoked with references to the 2024 regulations. This will ensure that regulated agents and known consignors are defined appropriately in customs legislation going forward, with reference to appropriate aviation security law.

5.4 The instrument also removes an obligation for HMRC to disclose specified information about AEOS authorisations to the CAA, and instead permits (but no longer obliges) HMRC to disclose this information. This will enable a more proportionate approach to be taken to disclosure of this information by HMRC, so the relevant AEOS information will only be disclosed to the CAA when required by that authority.

5.5 The ability for HMRC to impose penalties where S&S requirements are breached is essential to ensure compliance with these requirements. Customs legislation enables HMRC to issue a civil penalty up to a specified amount to a person identified in legislation, where a relevant S&S customs rule has been contravened.

5.6 The instrument addresses certain gaps within the current S&S penalty rules, to deter non-compliance with S&S requirements. It provides for a penalty of up to £2,500 to be charged on the operator of a means of transport where there is a breach of the S&S requirement to notify HMRC when that means of transport arrives in the UK. The instrument also provides for a penalty of up to £1,000 to be chargeable on a representative who submits incomplete or incorrect S&S information on behalf of another person, and ensures that the current penalty concerning incomplete or incorrect information can apply, regardless of whether S&S information is provided within an export declaration or an 'exit summary declaration'.

What was the previous policy, how is this different?

5.7 Previously, AEOS rules in Great Britain for regulated agents and known consignors referred to aviation security legislation that is due to be revoked. These AEOS rules now refer to applicable aviation security provisions which will continue to be in force going forward.

5.8 Previously HMRC was obliged in law to disclose certain information about the AEOS authorisation of regulated agents and known consignors to the CAA. The legislation now permits (but does not oblige) HMRC to disclose that information to the CAA. This enables HMRC to disclose the information when it is required by the CAA, but

does not oblige HMRC to provide information that is not required or requested by the CAA.

5.9 Previously, customs rules concerning S&S penalties contained a number of gaps. No S&S penalty was chargeable for breaching the requirement to notify HMRC of the arrival of a means of transport in the UK. The rules also provided that only a 'declarant' could be liable to a penalty if incomplete or incorrect S&S information was provided in a declaration, and this penalty could not be charged against a representative who submitted incomplete or incorrect information on behalf of the declarant. In addition, the penalty for the provision of incomplete or incorrect S&S information in respect of goods leaving the UK applied only to S&S information provided in an exit summary declaration, and not to S&S information provided in another form of pre-departure declaration (such as an export declaration). These gaps are addressed as described in paragraph 5.6.

6. Legislative and Legal Context

How has the law changed?

6.1 EU legislation concerning customs S&S rules was retained EU law in Great Britain under section 3 of the European Union (Withdrawal) Act 2018 and is now assimilated law by virtue of the Retained EU Law (Revocation and Reform) Act 2023. This assimilated law includes the Commission Implementing Regulation (EU) 2015/2447 which sets out various rules concerning the government's AEOS programme, including S&S standards relevant to the AEOS eligibility criteria and arrangements for monitoring AEOS operators. This assimilated law is amended so that its provisions refer to the applicable aviation security legislation, and to replace an obligation on HMRC to disclose information about certain AEOS authorisations to aviation authorities with a permissive provision.

6.2 The UK's civil penalty rules that apply where customs S&S rules are breached are set out in the Customs Safety and Security (Penalty) Regulations 2019 (S.I. 2019/121) (S&S Penalty Regulations). The S&S Penalty Regulations are amended as described in paragraph 5.6 above.

Why was this approach taken to change the law?

6.3 Amendments to the legislation referenced above was the only way to make the necessary changes.

7. Consultation

Summary of consultation outcome and methodology

7.1 The changes are technical changes for which formal consultation is not considered necessary.

7.2 To support ongoing engagement with those affected, a virtual reading room was held on the draft instrument on 4 June 2026 with members of the Joint Customs Consultative Committee (JCCC), to provide more details on the draft legislation and provide members with an opportunity to ask questions. The JCCC is a HMRC-sponsored forum established to exchange views on, and to discuss proposed change to, customs rules.

8. Applicable Guidance

8.1 Guidance has been or will be published on most of the matters in this instrument and will, where necessary, be updated before the changes take effect. Guidance can be found on GOV.UK[1].

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because it does not introduce any new requirements for businesses, organisations or individuals who comply with the S&S rules. Further details are set out below.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities or voluntary bodies. Changes concerning regulated agents or known consignors will not impose any new obligations for these operators, but will ensure that S&S-related assimilated law uses correct legal definitions. Changes to S&S penalties will have no impact for any business, charity or voluntary body that complies with the S&S rules. Changes concerning disclosure of information affect only HMRC and the CAA.

9.3 The legislation applies to small or micro businesses.

9.4 No measures are proposed to minimise the impact of the requirements on small or micro businesses (employing up to 50 people). The rules in this instrument are general S&S rules that apply to all businesses who import or export goods and the impact on small or micro businesses is expected to be negligible.

9.5 There is no, or no significant, impact on the public sector.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring the measures in the instrument is to keep the rules under review through ongoing stakeholder engagement and compliance activity, to ensure that the instrument meets the policy objective outlined in section 5 of this Explanatory Memorandum.

10.2 The instrument does not include a statutory review clause. As this instrument is not made by a Minister of the Crown, no review clause is required.

[1] S&S Guidance: https://www.gov.uk/guidance/customs-technical-handbook-authorised-economic-operator-aeo/authorised-economic-operator-criteria-security-and-safety-aeos-only ; https://www.gov.uk/hmrc-internal-manuals/customs-civil-penalties-guidance, and https://www.gov.uk/guidance/safety-and-security-declarations.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 None.

12. European Convention on Human Rights

12.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts"). It does however relate to the withdrawal of the United Kingdom from the European Union because it amends assimilated law and UK-wide S&S penalty rules that apply alongside European Union S&S provisions that the UK government has agreed can apply in Northern Ireland, under the terms of the EU-UK withdrawal agreement.