EXPLANATORY MEMORANDUM TO

THE DISCLOSURE OF EXPORTERS INFORMATION REGULATIONS 2015

2015 No. XXXX

1. Introduction

1.1 This explanatory memorandum has been prepared by the Commissioners for Her Majesty's Revenue and Customs and is laid before Parliament by Command of Her Majesty.

1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Purpose of the instrument

2.1 This instrument authorises Her Majesty's Revenue and Customs to disclose the following information in relation to individual exporters and the goods they export:

- business name and address,
- commodity code,
- description of the commodity code covering the goods, and
- the month and year of export.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

Other matters of interest to the House of Commons

3.2 Disregarding minor or consequential changes, the territorial application of this instrument includes Scotland and includes Northern Ireland and is not a financial instrument that relates exclusively to England, Wales and Northern Ireland.

4. Legislative Context

4.1 Section 10(1) of the Small Business, Enterprise and Employment Act 2015 provides the Commissioners for Her Majesty's Revenue and Customs with a power to make these Regulations which authorise the disclosure of specified data in relation to the exports of goods. The information will be obtained from customs declarations made by exporters to Her Majesty's Revenue and Customs.

4.2 Section 8 of the Finance Act 1988 already allows Her Majesty's Revenue and Customs to disclose specified data from customs declarations in relation to importers of goods

4.3 Section 10(3) provides a limit on the information that may be disclosed under these regulations by confining the data that may be disclosed to a specified list of categories.

5. Extent and Territorial Application

5.1 This instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

6.1 The Commissioners for Her Majesty's Revenue and Customs have made the following statement regarding Human Rights:

"In our view the provisions of The Disclosure of Exporter Information Regulations 2015 are compatible with the Convention rights.".

7. Policy background

What is being done and why

7.1 There has been an increase in demand from the public and private sectors for access to export information held by Her Majesty's Revenue and Customs. This information can be used to help efforts to boost exports by enabling appropriate services and support to be made available to a wider range of businesses and will create greater visibility of UK exporters, especially small and medium sized businesses, to new overseas customers.

7.2 The Commissioners for Her Majesty's Revenue and Customs Act 2005 does not, however, permit HMRC to share this information and the absence of an alternative reliable publicly available data source has been highlighted as a constraining factor to deliver better exports services.

7.3 To address this, Section 10 gives the Commissioner Her Majesty's Revenue and Customs the power to make these Regulations to permit sharing of certain information on exports. This is tightly drawn and specifies the categories of information that may be disclosed under the regulations, and is limited to less sensitive but nonetheless useful information

8. Consultation outcome

8.1 The consultation on sharing exporter information was published on 25 June 2014 and concluded on 19 September 2014. The consultation was run to provide interested parties with an opportunity to comment on the proposal to disclose certain information regarding exporters and the goods they export.

8.2 There was general support for this measure. A small number of respondents were concerned that the publication of their identity and the sensitive nature of the goods they export may attract adverse interest in their activities. Measures will be put in place to ensure that their concerns over confidentiality will be addressed.

9. Guidance

9.1 A Revenue and Customs Brief will be issued to announce the changes brought about by these Regulations.

10. Impact

10.1 A Tax Information and Impact Note has not been prepared as no financial or regulatory impact on business, charities or voluntary bodies is foreseen.

10.2 The impact on the public sector will be the same as outlined in paragraph 10.1 above.

11. Regulating small business

11.1 The legislation applies to activities that are undertaken by small businesses.

11.2 This legislation is in line the government's efforts to support small businesses. It will enable those who provide export services to more easily identify their customers and makes it easier for foreign buyers to identify appropriate UK suppliers and buy their products. This will help increase the export potential of small businesses. HMRC will not charge for providing this information.

12. Monitoring & review

12.1 The outcome of the changes set out in this instrument will be monitored by Her Majesty's Revenue and Customs.

13. Contact

13.1 Mark Ellis at HM Revenue & Customs Tel: 03000 593339 or email: mark.ellis@hmrc.gsi.gov.uk can answer any queries regarding the instrument.