

Customer's checklist in preparation for Brexit

Here at DACHSER, we may not be able to influence the political situation in the UK, but we can prepare you in the best possible way for regulated customs procedures:

Administrative aspects	
Check whether you currently have any commercial ties to the UK.	These may comprise either incoming or outgoing deliveries.
Estimate the future customs-related shipment volume.	<p>Verify the structuring of customers and deliveries: delivery sizes, developments in the volume, goods values, availability of own internal resources (such as staff, IT, warehouse space).</p> <p>Particularly in the period directly after Brexit, longer transit times are to be expected due to delays in customs processing at border crossings.</p>
Agree on the Incoterms to be applied with your trading partners.	<p>For smooth procedures, we recommend using the following Incoterms: FCA and DAP</p> <p>For further details on the current Incoterms, please refer to the website of the International Chamber of Commerce (ICC).</p> <p>Characteristics of the EXW/DDP Incoterms</p> <p>If you intend to send deliveries to the UK/EU subject to the EXW delivery terms, you will need to determine who is responsible for processing the export. Furthermore, you need to check whether any additional tax-related requirements apply in the country of origin because of the selected freight terms.</p> <p>DDP is applicable only in exceptional cases. Please keep in mind that these freight terms may also result in further tax-related requirements in the destination country. In addition, clarify who is to take over the costs and liabilities.</p>

<p>Speak to your suppliers and customers.</p>	<p>Since in future, every delivery from/to the UK must be processed for customs during both export and import, it is important to know who is responsible for doing it.</p> <p>The customs declarations can be submitted either by the trade partners (exporter and/or importer) or one of their agents (representatives).</p> <p>If you are the initiator of the shipment and it is not clear who is to submit the customs declaration for your trade partner, then we kindly ask that you provide us with a letter of recommendation, as well as the contact person and their contact details (name, phone number, e-mail). With this letter in hand, we can get in contact with your supplier/customer. This is the only way we can ensure that we have the information we require for proper customs processing in advance of the delivery.</p>
<p>Create commercial documents as prescribed by customs law.</p>	<p>The commercial invoices must contain not only the general invoice data, but also additional customs information, such as any EORI numbers of the trading partners, the contact information of the recipient and the sender, quantity and type of packages, a detailed description of the goods, TARIC code, the value of the goods, net and gross weight for each TARIC code and country of origin and the currency.</p> <p>Please make sure that the quality of your data is correct. The data must match the physical shipment.</p>
<p>Further accompanying documents</p>	<p>Further important documents include the following: the export-accompanying document and the letter of consignment. Optionally: preference documents (if preferential agreements exist between the countries involved) as well as commodity specific documents, which are required for the product to be delivered.</p>
<p>General aspects of customs regulations</p>	
<p>Apply for an EORI number.</p>	<p>What is an EORI number? Economic Operators' Registration and Identification number.</p>
<p>Verify the product classification.</p>	<p>All products must be assigned to the correct custom tariffs classification according to the harmonized system and the TARIC. This TARIC code is required for determining the applicable import/export regulations and duty rates. You can find the current TARIC code here and on the websites of the corresponding national customs administrations.</p>

<p>Verify the licensing requirements applicable for your export goods.</p>	<p>If your products are subject to import/export licensing requirements, then as things currently stand, these requirements will come into effect for deliveries from/to the UK as soon as the UK leaves the EU. Therefore, you should verify any existing licensing requirements and the effects they may have on your UK trade relations.</p>
<p>Calculate your customs duties with the „UK Trade Tariff“ in advance (for imports into the UK) or with the TARIC (for imports into the EU).</p>	<p>You can calculate the possible customs duties as follows: Imports from the EU to the UK: Trade Tariff Exports from the UK to the EU: TARIC</p>
<p>Apply for simplified customs declaration.</p>	<p>Authorisations/registration for customs processes when exporting goods Do you already have an authorisation/registration for exports? If not, it may be worthwhile to apply for the following:</p> <ul style="list-style-type: none"> • Registration to lodge export declarations (EU) or National Export System (NES) for UK <p>Simplifications of customs processes when importing goods Do you already have an authorisation for import processes? If not, it may be worthwhile to apply for the following:</p> <ul style="list-style-type: none"> • Entry into Declarants Record (EIDR) (only UK) • Customs Freight Simplified Procedure (CFSP) (only UK) • Postponed Vat Accounting (PVA) (only UK) • Approval for deferred payment
<p>EIDR customers (only UK)</p>	<p>For EIDR customers: With this option the importer is responsible for keeping a record of the movements that cross the border and will need to submit an electronic declaration within 6 month of the crossing. To enable DACHSER to move the goods we will need the EORI number of the importer of record to evidence a customs procedure has been opened for the goods.</p>
<p>Controlled goods (e.g. foodstuffs of animal and plant origin; excisable goods, ...)</p>	<p>If you want to ship or import controlled goods, please inform us in time. Special customs procedures may be required for these goods.</p>
<p>Check how far customs duties can be avoided or the payment of customs duties can be postponed to a later date by using a bonded warehouse.</p>	<p>Third-country goods in your own warehouse: Do you import goods from third countries, process them for free circulation in the EU/UK and then deliver them to the UK/EU? If so, can you save customs duties by turning your warehouse into a customs warehouse?</p>

Origin of goods and preferences

Verify and take note of the origin of the goods.

Preferred/non-preferred origin of goods for in-house production:

Do you check whether the material used in the manufacture of your product is of UK or EU origin? If so, check whether this proportion is so significant that it influences the calculated origin of the finished product. If necessary, the origins of the goods of the products manufactured in-house must be recalculated and different results must be stored in the master data.

If the examination of the preferential originating status has shown that this is no longer the case, long-term supplier's declarations already issued must be revoked. Please also note that for deliveries to third countries with which the EU has concluded a preferential agreement, it may no longer be possible to confirm preferential origin of goods.

Preferred/non-preferred origin of goods for trade goods:

Do you source goods originating in the UK or EU and...

- a) issue supplier declarations to your customers or
- b) do you deliver these goods with preferential origin to countries with which the EU has preferential agreements?

If necessary, the origin of the goods stored in the master data must be corrected, and long-term supplier's declarations already issued shall be revoked. Please also note that for deliveries to third countries with which the EU has concluded a preferential agreement, it may no longer be possible to confirm preferential origin of goods.

A list of existing trade agreements in place if the UK leaves the EU without a deal can be viewed [here](#).

<p>Use a customs deferment account (DAN).</p>	<p>A payment deferment account allows you to delay payment of any applicable import fees to a later date. This may provide you with cash flow benefits. Further guidance on deferment can be found in customs notice 101 Deferring duty, vat and other charges.</p>
<p>Additional requirement</p>	<p>In order to automate the customs declaration process, we have a tool at our disposal which is able to read out customer invoice data and transfer it to the corresponding customs software (currently in UK and IE) via an interface. Since the layout of almost every customer invoice differs, these must first be trained in the readout tool. We would therefore ask you to provide us with invoice samples before 01.01.2021 if possible. Every invoice, which can be trained before the final Brexit contributes to the smoother customs process as of 01.01.2021. The more invoices a customer can make available, the better the quality of the read out of the data afterwards.</p> <p>Please send these samples together with the importer's customer number to the following e-mail address: digidocs-ecd-training.kempton@dachser.com</p>