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29 days to go.....

Liam Smyth,
Director – Trade Facilitation

THE FINAL COUNTDOWN

Issues at stake

- Fish
- NI Protocol
- UK Internal Market Bill
- 'Level playing field'

Behaviours

- Language – Less confronting
- False dawns – only 1 deadline
- Pace & frequency - High
- Compromise – seems imminent

Politics, Fear, Rhetoric, & Pragmatism

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READINESS - NATIONAL AUDIT OFFICE

270m

HM Revenue & Customs (HMRC) estimate of the annual number of customs declarations it may be necessary to process from 2021, compared with current volumes of 55 million

**40%
to 70%**

proportion of laden lorries travelling to the EU that will not be ready for EU customs requirements, under the government's reasonable worst-case scenario

£1.41bn

funding announced by government during 2020 to fund new border infrastructure and systems and wider support for the border industry

219.5 million

tonnes of freight that crossed the border between the UK and the rest of the EU in 2019, not including an unknown amount that crossed the border between Northern Ireland (NI) and Ireland

7,000

maximum number of lorries that may need to queue at the short Channel crossings under government's reasonable worst-case scenario

In March 2020, prior to the lockdown, BPDG reported that eight of the nine key elements of government and border industry readiness it was monitoring were at significant risk of not being delivered by 1 January 2021. Areas rated at the highest level of risk were **IT systems, infrastructure, data, customs agents' capacity, and trader and haulier readiness.**

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KNOWLEDGE IS POWER

Contracts & Cash Flow

- [Postponed VAT Accounting](#)
- [Duty Deferment & the Guarantee Waiver](#)
- [Tariffs from 1/1/21 & where to find them](#)
- [Incoterms & how to apply them](#)

[All HMRC Documents](#)

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RULES FOR ANY MODE OR MODES OF TRANSPORT

EXW | Ex Works

FCA | Free Carrier

CPT | Carriage Paid To

CIP | Carriage and Insurance Paid To

DAP | Delivered at Place

DPU | Delivered at Place Unloaded

DDP | Delivered Duty Paid

RULES FOR SEA AND INLAND WATERWAY TRANSPORT

FAS | Free Alongside Ship

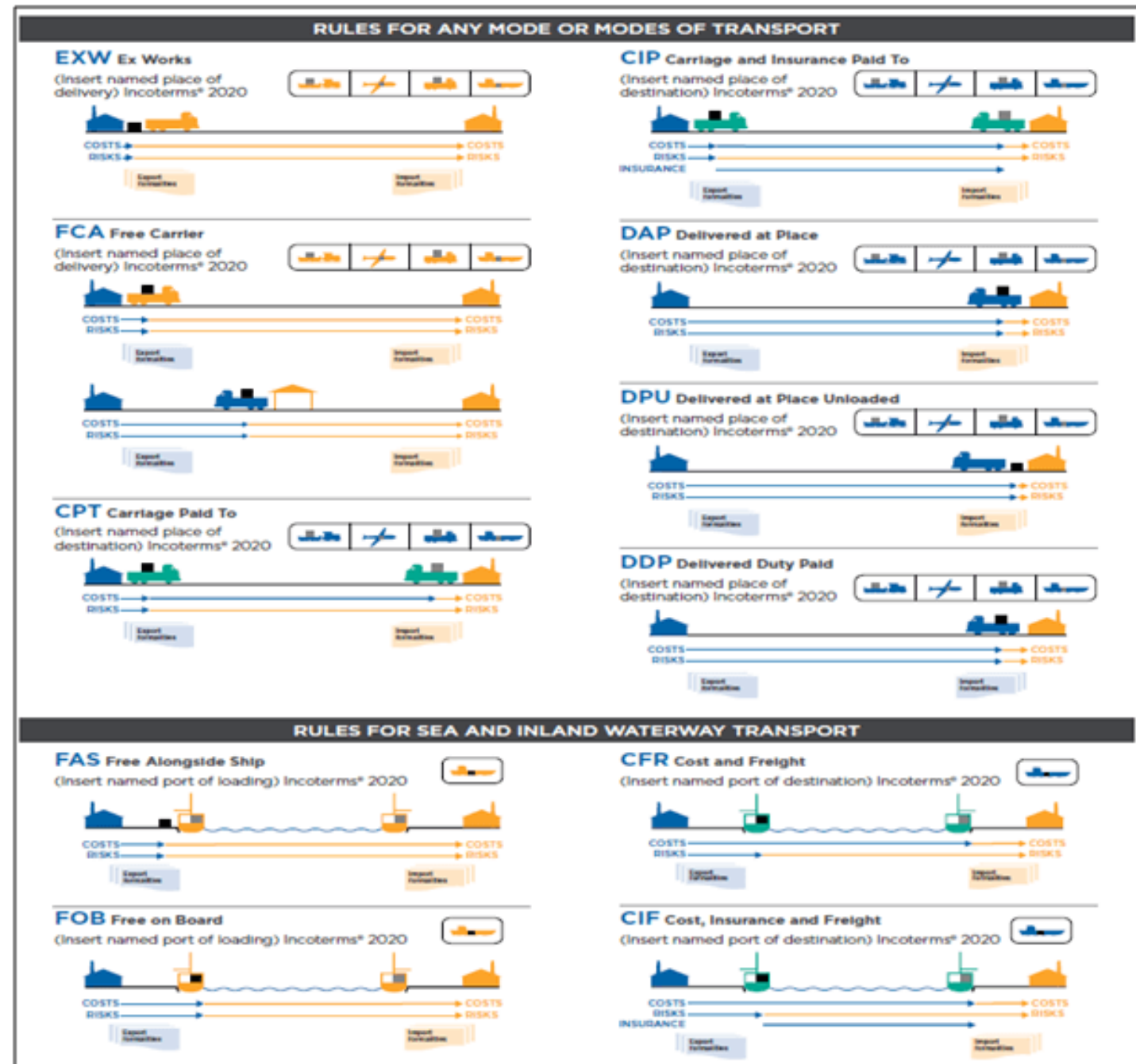
FOB | Free On Board

CFR | Cost and Freight

CIF | Cost Insurance and Freight

Image taken

from <https://iccwbo.org/publication/incoterms-2020-practical-free-wallchart/>



ITS NEVER SIMPLE

Customs & Borders – Simplified Procedures

- [Staged introduction for EU Imports?](#)
- [Entry in Declarants Records \(EIDR\)](#)
- [Supplementary Declarations](#)

ENTRY IN DECLARANTS RECORDS (EIDR) – EU IMPORTS

Information you need to record

You'll need to include the following information in your records:

1. The [customs procedure code](#)
2. A unique consignment reference – this could be invoice number, stock record number or job number
3. Purchase number (and if available, the sales invoice numbers)
4. The date and time of entry in records – creating the tax point, which is used for working out VAT payments later
5. A written description of the goods – so they are easy to identify the [commodity code](#) based on the description of the goods
6. [customs value](#)
7. Quantity of goods – for example, number of packages and items, net mass

You may also need:

8. The stock account reference number – if you put the goods into temporary admission, a customs warehouse or temporary storage
9. The warehouse approval number
10. Details of licensing requirements and licence numbers
11. Details of any supporting documents that are needed, including the serial numbers
12. Details of the person you're representing if you are making a declaration on behalf of someone else

WHAT WE DON'T KNOW

Terms of a UK:EU Agreement

Continuity Trade still be be agreed

GB / North Ireland / GB

WHAT TRADERS DON'T KNOW

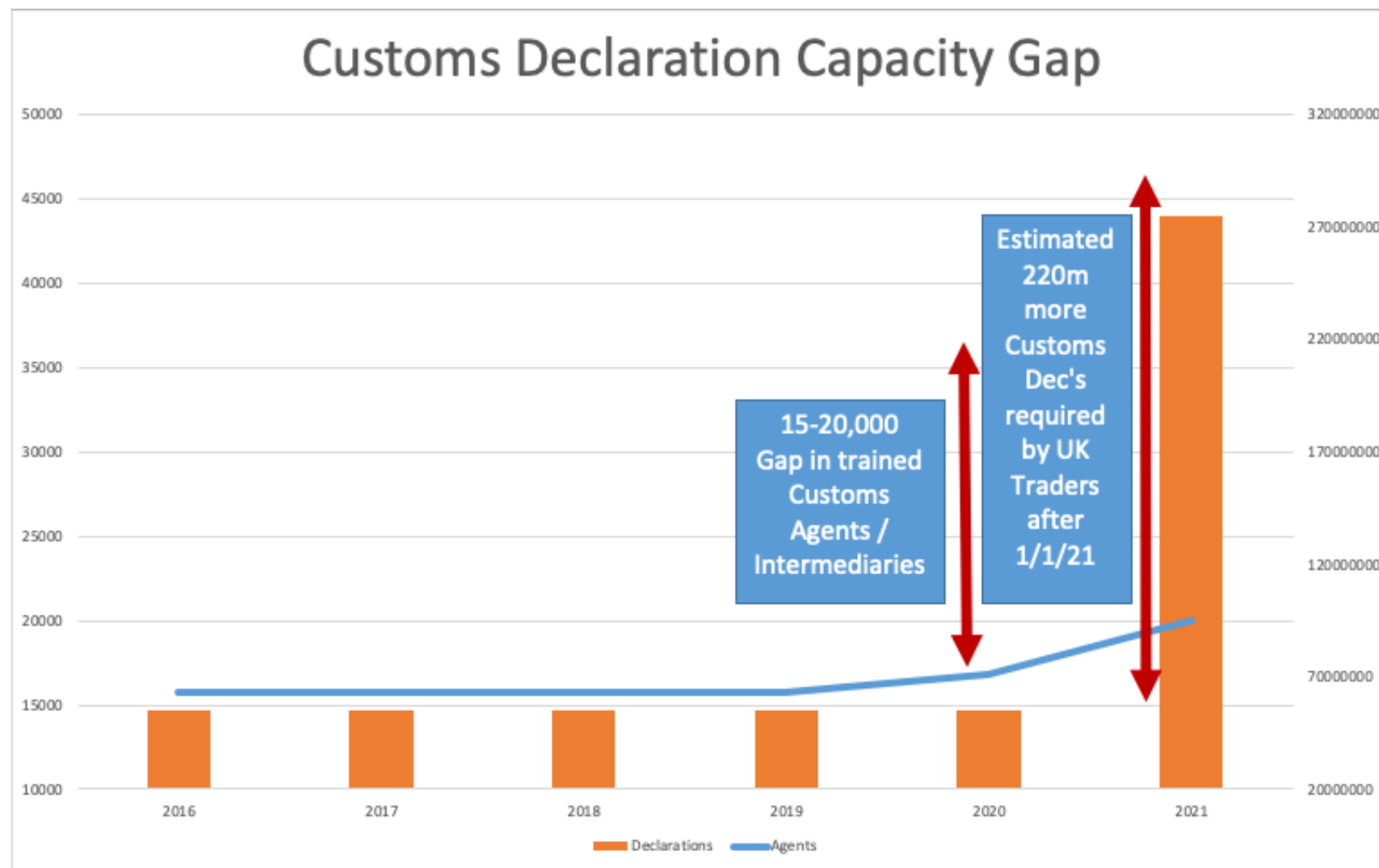
1. Customs Procedures
2. EORI's
3. VAT
4. Tariffs & Duties

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FREE TRADE AGREEMENTS

- Continuity Agreements
 - ✓ c. £132bn / 50 Countries / c. 19% of UK Exports
 - ✓ c. £35bn / 14 Countries / c. 5% of UK Exports
- EU27 Trade
 - £300bn / 27 Countries / 43% of UK Exports
 - £372bn / 27 countries / 51% of UK Imports

MIND THE GAP



As at 21 October
2020 BPDG
continued to
report customs
intermediaries'
capacity as a red-
rated risk for both
January and July
2021

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CHECKLIST – 20:20 Mission

- ☐ What is my EORI Number?
- ☐ Do I need an XI EORI for NI Trade?
- ☐ Should I register for the NI Trader Support Service?
- ☐ Will I use staged or full EU import controls or both from 1/1/21?
- ☐ How do I set up Postponed VAT Accounting?
- ☐ Have I applied for a Duty Deferment Account & Guarantee Waiver?
- ☐ How many customs declarations do we make each week/month/year?
- ☐ Can my forwarder/agent/broker deliver my additional demands?
- ☐ What are my responsibilities and what records must I keep?
- ☐ What are the commodity codes for the goods we buy and sell?

CHECKLIST – 20:20 Mission

- ☐ What is the Customs Valuation for our goods (different from invoice value)?
- ☐ What are the customs rules that apply to the borders I will trade across?
- ☐ What passports do my staff hold and where will they be on 31/12/20?
- ☐ Do we require mutual recognition of qualifications, standards or regulations?
- ☐ What ports do we typically use and what are our alternative options?
- ☐ On what terms do we currently trade with our customers and suppliers?
- ☐ Do my team have the skills and knowledge of customs that they need?
- ☐ Do I benefit from FTA's where I sell my goods?
- ☐ Do I rely on tariff rate quotas to be competitive?
- ☐ Does my business move data between the UK and EU?

HOW WE CAN HELP

ChamberCustoms is the customs advisory, training and brokerage service delivered through Chambers of Commerce across the UK.

We provide customs advisory services.

We train people.

We can make your customs declarations for you.

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WHAT DO WE OFFER?

- 200 Customs Agents – **highly trained and ready now**
- 45 UK locations – **near you, and in every nation**
- HMRC approved IT systems – **We're trusted**
- Direct customs links at every UK port - **Adaptable**
- +500k declarations capacity – **we'll deliver**
- Line by line invoicing – **clear pricing**

A compliance led service that offers peace of mind

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GET READY FOR 1/1/21

What is your companies Companies House Number	
What is your company EORI Number	
Number of Export / month	
Number of Imports/ month	
Air Imports volume	
Sea Imports volume	
Road Imports volume	
Do you have a Duty Deferment Account?	Y / N
Will you use Postponed Vat Accounting from 1/1/21?	Y / N

To appoint ChamberCustoms as
your customs broker please
send your answers and
estimates to
Kent Invicta Chamber

An agent will then contact you to
set up your account.

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GLOSSARY

EORI	An Economic Operators Registration and Identification number (EORI number) is a registration and identification number for businesses which undertake the import or export of goods, it is issued by HMRC in the UK.
Transition Period	This is the period of time agreed between the UK and the EU when the UK would have the benefits of remaining in the single market despite having left the European Community. It lasted from 31/1/20 until 31/12/20.
EU Single Market	An economic and customs area of 28 countries before 31/1/20 and 27 countries thereafter. Goods, services and people can move freely without customs controls in this defined territory.
Union Customs Code	These are the customs and fiscal rules that members of the single market abide by when moving goods into and outside of their customs territory. A UK Customs Code, referred to as the UK Border Operating Model will replace the Union Customs Code.
CHIEF	The legacy HMRC system for recording import and export declarations, Customs Handling Import Export Freight, it will soon be replaced by a new system called CDS, the Customs Declarations System.
CDS	Known as the Customs Declarations System, CDS will replace CHIEF. The CDS project was started before the EU referendum and was designed to be compliant with the Union Customs Code.
GVMS	This is a new Goods Vehicle Movement System that will give trucks heading for a port of entry or exit the green light to proceed to the port. In essence, it signals to customs authorities and carriers that the paperwork has been accepted by CDS.
Smart Freight	Smart Freight traffic management system aims to provide lorry drivers with an online portal they can use to check if they have the correct paperwork needed to enter the European Union.
CFSP	Customs Freight Simplified Procedures allow the importer's representative to arrange clearance of goods via a simplified entry, which is later finalised with a supplementary declaration.
Customs Declaration	A customs declaration is an official document that lists and gives details of goods that are being imported or exported.
EIDR	Entry in Declarants Record is a system whereby traders or their intermediaries record data points related to goods on the day of import. The same data is used later to complete a Simplified Frontier Declaration.
SDP	A Simplified Frontier Declaration typically summarises a number of imports that have been accounted for previously using EIDR into one SDP.



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