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paper industries



1st January 2021

PREPARE YOUR BUSINESS
FOR BREXIT.

UK CUSTOMS CLEARANCE



BEFORE 1ST JANUARY 2021

INTERNATIONAL EXPORTS AND IMPORTS

- ✓ Customs clearance.
- ✓ Documentation needed e.g. Invoices and certificate of origin.
- ✓ Tariff codes.
- ✓ Duty payable depending on trade agreement.

EUROPEAN UNION EXPORTS AND IMPORTS

- ✓ No documentation normally required.



1ST JANUARY 2021 ONWARDS

INTERNATIONAL EXPORTS AND IMPORTS

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EUROPEAN UNION EXPORTS AND IMPORTS

- ✓ Customs Clearance.
- ✓ Documents needed e.g. licences and certificate of origin.
- ✓ Depending on trade deal, tariff codes may be implemented.
- ✓ Depending on trade deal, duty may be payable.



Import goods from the EU

1. Have you got an EORI number if not register for one.

EORI stands for “Economic Operators Registration and Identification number” In the **UK**, an **EORI number** is assigned to importers and exporters by HMRC, and is used in the process of customs entry declarations and customs clearance for both import and export shipments travelling to or from the EU and countries outside the EU.

<https://www.gov.uk/eori>

2. You must be VAT registered and have a VAT deferment account.

3. Customs declaration on imports

Submit a **full declaration** at the time the goods enter the UK or EU unless you are putting them into temporary storage or use the **Simplified declarations process**.

4. Decide whether to do customs clearance yourself or use a Customs Agent.

Completing a customs declaration can be complicated and you’ll need compatible software to do it. You may want to get someone to deal with customs for you. Most declarations are submitted electronically through Customs Handling of Import and Export Freight (CHIEF) system. To do this yourself you will need the following

[apply for access to CHIEF](#)

You will also need training on how to use the software.

[buy third party software that can submit declarations through CHIEF](#)



Import goods from the EU

5. If you don't plan to do the customs clearance yourself then you need to choose a suitable customs agent with the expertise required to do customs declarations for you. Prices range from £50 to £80 per declaration depending on the volume of declarations you anticipate.

6. What Licences are required to Import & Export.
From 1 January to 30 June 2021, if you import goods which are not controlled into Great Britain from the EU, you can record the goods in your own records without getting authorisation in advance.
But if the goods are on the list below, you must follow normal rules for making import declarations. Uncontrolled goods no licence required.

Examples of controlled goods

Alcohol products.

Tobacco products.

Drugs.

Chemicals.

Endangered species.

Fishery products

<https://www.gov.uk/guidance/list-of-goods-imported-into-great-britain-from-the-eu-that-are-controlled>



CFSP – Customs Freight Simplified Procedure

There are 2 types of CFSP authorisation:

The Simplified Declaration Procedure (SDP) – Use for releasing goods at the frontier to most customs procedures and which may be useful if you're importing perishable goods.

Entry In the Declarants records (EIDR), - A declaration is made in the trader's records rather than directly to the HMRC releasing them to customs procedure.

Following completion of a Simplified Frontier Declaration (SFD) to a customs procedure (e.g. free circulation or a special procedure), containing minimum details, you may remove goods from the frontier.

The benefits of CFSP to you.

- Gain accelerated release of your goods from customs at the (air)port or at authorised locations inland, subject to anti smuggling checks.
- Use CFSP in combination with normal entry and warehouse procedures to suit the needs of your business.
- Achieve cash flow benefits – the duty and import VAT are not paid until the Supplementary Declaration (SD) is submitted
- Use third-party service providers to submit electronic declarations



What information do I need for declaring UK imports

- **UK EORI Number** – This would be the importers VAT number plus 3 digits and would need to be applied for if you are not already registered.
- **Full Importers company name and registered address** – This would be the company's trading name and VAT registered address.
- **8 - 10 Digit Commodity Code** – This is a 8 - 10 digit code used by the UK and EU to identify what the goods are and what liabilities or restrictions may apply on import. This is sometimes also referred to in name as a HS code or Tariff code. For Exports its 8 digit code for imports it's usually a 10 digit code.
- **Customs Procedure Code** – This is a 7 digit procedure code which determines how the goods are being declared or if there is a form of customs control being used on import.
- **Copy of Bill of Lading** – This confirms the parties involved, description of goods and quantities.
- **Commercial Invoice – (showing incoterms of sale)** – This shows which parties are trading the goods, customs value for the declaration and who is responsible as per the Incoterm.
- **Confirmation of clearance quantities** – although we may have a bill of lading you may only be responsible for clearing a smaller parcel than shown so we would need to know what quantities you wish to clear.
- **Shipping Details and mode of Transport** – This details how the goods are arriving, their ETA and where they will be discharge.



Arrival CHIEF Routes on UK Imports

Once you or an agent issues your Import declaration, they will need to arrive the declaration with HMRC.

This will grant permission to discharge and move the cargo or advise if HMRC have A query or desire to inspect the goods.

- **Route 1** – Customs want to review documents for that declaration.
- **Route 2** – Requiring goods and documents to be examined.
- **Route 3** – Which implies automatic clearance after a short period of time during which the documentation must be submitted and customs have the opportunity to examine it.
- **Route 6** – declaration cleared in 10 minutes.
- **Route H** – declaration on pre loaded pending arrival confirmation.

This permission is known on a print-out from CHIEF known as DTI-E2XH

Incoterms 2020 – From 1st Jan 2020 all other variations are invalid



		Freight Collect Terms						Freight Prepaid Terms				
		Any Transport Mode		Sea/Inland Waterway Transport				Any Transport Mode				
Mode of Transportation												
Group		E: Departure		F: Pre Carriage		C: Main Carriage			D: On Carriage			
IncoTerm		EXW	FCA	FAS	FOB	CFR	CIF	CPT	CIP	DAP	DPU	DDP
		Ex Works	Free Carrier	Free Alongside Ship	Free on Board	Cost and Freight	Cost Insurance & Freight	Carriage Paid To	Carriage & Insurance Paid To	Delivered at Place	Delivered at Place Unloaded	Delivered Duty Paid
Transfer of Risk		At Buyer's Disposal	On Buyer's Transport	Alongside Ship	On Board Vessel	On Board Vessel	On Board Vessel	At Carrier	At Carrier	At Named Place	At Named Place Unloaded	At Named Place
Obligations & Charges												
Export Packaging	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading Charges	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Delivery to Port/Place	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Export Duty, Taxes & Customs Clearance	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Origin Terminal Charges	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading on Carriage	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Carriage Charges	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Insurance							Seller		Seller			
Destination Terminal Charges	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller
Delivery to Destination	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller
Unloading at Destination	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Buyer
Import Duty, Taxes & Customs Clearance	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller

DDP & EXW are not very Brexit friendly terms.

Using either of them will make you, or your customer/supplier responsible for both UK and EU customs declarations, as well as any import duty, which makes things much more complicated.

We recommend that instead of using EXW you use FCA (Free Carrier) and replace DDP with DAP (Delivered At Place).

This makes the export customs formalities the responsibility of the exporter, and the import customs formalities the responsibility of the importer. Simple!

Incoterms are ‘**International Commercial Terms**’ that are used worldwide for the international trade of goods. They clearly communicate the responsibilities between a seller and buyer in regards to tasks, costs and risks associated with the global transportation process.

Incoterm - DAT has been replaced with DPU



Key Information for packaging imports & Exports

Commodity codes for Corrugated Packaging

Corrugated Boxes – 4819100000

Corrugated Sheet board – 4807000000

Coated Corrugated sheet board – 4810000000

Customs Procedure Code - Under (CFSP) Simplified inward Processing – 51 00 001
- for goods imported under inward processing – 51 00 000
- for goods being returned under both – 31 51 000

Still under review

The use of heat treated pallets for all imports & Exports !

