

# TRADING POST-BREXIT DHL GLOBAL FORWARDING CUSTOMER GUIDANCE (1/2)

**On 24 December 2020, a Trade and Cooperation Agreement (TCA) was reached between the European Union and the United Kingdom that governs future trade relations, which came into force provisionally on 1 January 2021.**

**This means that the United Kingdom is no longer part of the EU Single Market and the EU Customs Union, so customs declarations and tax formalities are now required for the movement of goods between the UK and EU (and vice versa). We strongly recommend that traders review the TCA to assess whether their products meet the preferential Rules of Origin. To facilitate smooth transition, traders should also ensure the availability of specific documentation to support customs declarations and tax formalities.**

## **So, what does this mean for you in practical terms?**

As per TCA, there will be no tariffs or quotas for goods that originate in and move between the UK and EU. In order to benefit from preferential treatment, the goods need to meet the preferential Rules of Origin and be declared accordingly as indicated in the Agreement.

You need to check if your products comply with the agreed Rules of Origin and, if so, the way to claim preferential treatment. This information can be found in Part 2, Chapter 2 (Rules of origin) of the Agreement, with product-specific rules of origin detailed in the Annexes (ORIG-1 to 4). A claim for preferential treatment shall be based on 'a statement of origin' or 'the importer's knowledge'. We recommend you to review the Agreement for compatibility of preferential treatment and, if so, how to claim.

For the shipments DHL Global Forwarding (DGF) handles (UK/EU and vice versa), from 1 January, if DGF are the designated customs broker and have received all necessary information from your side, we assume responsibility as broker at both origin and destination and our customs experts will complete the customs declarations needed in the UK and EU for each shipment. There is a cost for this; please contact your account manager or customer service representative for details.

If you are shipping on Incoterms which impose customs brokerage responsibility for either export or import of your customer, you need to inform them explicitly that they will need to follow the regulations and meet the requirements as well.

Reminding them proactively may save a lot of frustration with them – which you want to avoid. Customs formalities take time and require some effort and preparations, so there are no delays.

Furthermore, you will also need to consider how you will go about paying your customs duties and VAT, which also became applicable on UK/EU and vice versa shipments from 1 January 2021. Of course this would apply also to your customer in EU or UK in case they have to take care of the customs formalities.

**So that we can support you with this, you (and also in some cases your customer at the other end of your supply chain) need to:**

- 1. Have the necessary Power of Attorneys in place (PoAs)** in some European member states. Please double check that your trading partners made contact with their local DHL Global Forwarding office to ensure PoA and clearance instructions are in place so as to avoid any delays.
- 2. Make sure you have valid EORI numbers.**

As of January 1<sup>st</sup>, companies exporting from the EU to the UK (and vice versa), need to have **UK and EU EORI numbers** (Economic Operators' Registration and Identification number).

Obtain a **UK EORI number** via [www.gov.uk/eori](http://www.gov.uk/eori). It will arrive by email, usually within 3 working days. Register for an **EU EORI number** [here](#).

Furthermore, if you move goods to or from Northern Ireland (NI), from 1 January 2021 you need an EORI number that starts with XI to: move goods between NI and non-EU countries, make a declaration in NI, get a customs decision in NI. To get an EORI number that starts with XI, you must already have an EORI number that starts with GB. To get advice on moving goods between Great Britain and Northern Ireland sign up for the **Trader Support Service**.

- 3. Know your VAT number for both UK and EU** imports and ascertain you are able to pay customs duties, excise duties and VAT either directly or via the so called deferment account. Of course DHL is able to outlay and settle any payments with the customs authorities on your behalf, if certain conditions are met, and against a disbursement fee.

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## DHL GLOBAL FORWARDING CUSTOMER GUIDANCE (2/2)

#### 4. Know How to Describe and Classify Your Goods.

The goods you are sending should be identified via a precise, internationally-recognised commodity code as this will ensure the correct duties and taxes are applied by Customs. This code is also known as a Harmonised System (HS) code. To identify the commodity code for your product(s) visit: [UK >](#) | [EU >](#)

Please note that in some cases, the HS code for UK will be different from the one in EU due to the fact that UK adopted an own customs tariff after leaving the EU.

#### 5. Establish if additional licences or certification are needed for your products).

Licences are required in a number of cases:

- For goods considered to be military or potentially have a dual use. More information at [Gov.uk](#) and <http://trade.ec.europa.eu/>
- Goods subject to control due to trade conventions, such as Washington Convention or Kimberley Process. CITES documentation is required for any movement of endangered species.
- If goods are being temporarily exported/imported, an ATA Carnet is required to prevent customs charges.
- Certificates of Origin can be required in destination country. Note that origin means in general the country where the goods are manufactured, not the country you are shipping from (example: US products keep their US origin even if exported out of Germany to UK).

#### 6. Ensure You Use ISPM15 Compliant Packaging.

From January, it is a legal requirement for all wood packaging material (including pallets, boxes and crates) moving in both directions between the UK and the EU to be compliant with a treatment and mark as specified in the International Standard for Phytosanitary measures No 15 (ISPM15).



#### USEFUL LINKS

- [Full Trade and Cooperation Agreement](#)
- [UK's Trade and Cooperation Agreement Summary](#)
- [European Commission Guidance Note: Withdrawal of the United Kingdom and EU Rules in the Field of Customs, including Preferential Origin](#)

# DHL GLOBAL FORWARDING

## SHIPMENT CHECKLIST FROM 1 JANUARY

**From 1 January you need to provide a range of information for your UK/EU shipments, including:**

**Commercial invoice**

- Should contain HS code for each article for UK and EU
- Should be issued without VAT
- Should contain value and currency
- Should contain invoice number
- Should contain name and address of Shipper (Seller) and Consignee (Buyer)
- Should contain both gross and net weight
- Should match in total weight and packs with any other shipping documents

**Name and contact details of Buyer and Consignee** in the specific country of customs brokerage (declaration) in order for DHL to be able to perform brokerage. We will need to contact the consignee to arrange the customs clearance.

**EORI numbers for Buyer and Consignee**

**Packing list:** Should match any other shipping documents in terms of total weight (gross and net) and packs.

**Export declaration:** If the shipper creates the export declaration independently, provide the MRN number of the export declaration (EAD) - to be inserted in the transport order - and handover the export accompanying document to the driver.

**Country of Origin** (where product was manufactured). Certificate of Origin.

**Authorisations based on your product** e.g. Is a licence required?

**Incoterms** - who is doing the clearance at origin and destination?



### **WE'RE HERE TO HELP!**

We're here to help make Brexit simple for your business.

If you need any further support, contact us at [dgbrexit@dhl.com](mailto:dgbrexit@dhl.com).