

Brexit Effects on Customs

Brexit negotiations between the UK and the EU continue with default position of Hard Brexit. It means, in case no other agreement is reached by January 31st, 2020, no-deal Brexit scenario will unfold taking the UK out of EU's single market and customs union. In this case, UK-EU trade will begin to be governed by WTO rules which indicates tariffs, customs declarations and border controls.

In the case of hard Brexit, expected effects on customs administration and processes are, amongst others, a rise in customs declarations, numerous customs controls and vague processes due to the new legal environment despite the application of known WTO/GATT rules. These uncertainties require alignment within the supply chain parties and with customers as consignees or consignors of traded goods. Below are some additional information in the case of Hard Brexit.

Trade between the UK and the EU will begin to be governed by WTO/GATT rules. That means introduction of tariffs, customs declaration and border controls. It also is worthwhile to highlight that DHL foresees uncontrollable delays and hindrances that may affect the UK cross-border shipments and delivery times.

As the UK became a 3rd country for the EU, in case currently trading outside of the EU, you are already familiar with customs requirements. However, if only trading within the EU, you need to get familiar with the customs procedures. Customs procedure is provision of data to customs administration in the form of customs declaration, comply with documentation requirement for the goods and payment of applicable duties & taxes.