



DHL EXPRESS

BREXIT Update

Dear Customer,

The UK and EU trade deal that was announced on Christmas Eve provides more clarity for UK and EU trade from the end of the transition period. As our own teams work through the detail of the deal, we'd like to confirm the essential requirements for shipping from 1 January 2021.

• **Customs Declarations will be required from 1 January 2021 for shipments between Great Britain and the European Union (and vice-versa).** Although the EU-UK Trade and Cooperation Agreement refers to 'zero tariffs' (zero customs duties), this doesn't replace the need to generate a Customs Declaration and so a Commercial or Pro-forma Invoice is required. The trade deal only applies to Customs duties, meaning that in most cases Customs duties will not be applied to goods fulfilling all necessary "rules of origin" requirements. However, **VAT will still be levied.** Customs declarations are therefore required for goods to clear the border, as the UK will have left the single market and the customs union. Country-specific restrictions will still be in place and any associated licences will also be required.

• **Rules of Origin Requirements:** in order to benefit from the EU-UK Trade Agreement 'zero tariff' (zero Customs duties), it's essential that you provide evidence of the country of origin in the Commercial or Pro-forma Invoice for both B2B and B2C shipments – please do this using the statement below for UK or EU goods fulfilling the relevant rules of origin requirements. Without the statement, it will not be possible for DHL to claim the duty relief, and it may not be possible for DHL to amend the documentation post-clearance without additional charges, if at all.

*The exporter of the products covered by this document (Exporter Reference No. *) declares that, except where otherwise clearly indicated, these products are of ... preferential origin.*

*(Place and date**):*

(Name of the exporter):

IMPORTANT: The goods Country of Origin must be calculated and recorded accurately, and it is your responsibility to do this

*: The Exporter Reference No. is required for all UK to EU shipments (this reference is your GB EORI number). For shipments from the EU to the UK, the Exporter Reference No. (this reference is your REX number) is only required where the value of the shipment exceeds 6,000 EUR / £5,700.

** : may be omitted if the information is contained on the document itself

• **Changes to UK VAT regulations will still be introduced on 1 January 2021,** as this regulatory change is not part of the EU-UK Trade and Cooperation Agreement, and applies to shipments being imported into the UK from any country worldwide. This means that most shipments valued at more than £135 will attract VAT on importation from any country, including the EU. For shipments with a value of £0-£135 when being sold by businesses to consumers in the UK, VAT will need to be collected at the point of sale and will therefore be the seller's responsibility.

• **Preparing Shipment Paperwork:** After your final TDI collection in 2020, please do not prepare any shipment paperwork until after 11:00 GMT / 12:00 CET on 1 January 2021. DHL will update its shipping systems overnight on 31 December 2020 with the correct product codes and reference tables required from 1 January 2021. If you use one of our bespoke tools where you make your own technical changes, please also make the changes live in your system by 11:00 GMT / 12:00 CET on 1 January 2021 and before preparing any shipment paperwork.

• **Day Definite International (DDI) road services remain suspended.** If you have shipments prepared and ready to go, please ensure new waybills and customs paperwork is prepared after 11:00 GMT / 12:00 CET on 1 January 2021 when the systems have been updated. This will ensure all paperwork is correct. Please



be aware that our intention is to restart the service as soon as possible in January, however this remains fluid as we closely monitor the situation at the border. We will keep you updated.

• **Northern Ireland customers can continue to trade as you do now**, as customs paperwork will not be introduced when trading with the EU. For customers sending goods between Great Britain and Northern Ireland we await confirmation of the final requirements, so in the meantime please continue to use the DHL domestic product code for shipping from Great Britain to Northern Ireland until further notice.

Please review the links below or speak to your account manager for further guidance.

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For additional information, please find the links below:

UK GOVERNMENT:

- <https://www.gov.uk/transition>
- **How to Import/Export to/from UK, EORI Registration, Duty/VAT, Customs Declaration**
<https://www.gov.uk/topic/business-tax/import-export>
- **Exporting Controlled Goods from 1 January 2021**
<https://www.gov.uk/guidance/exporting-controlled-goods-after-eu-exit>
- **Export Licences and Certificates from 1 January 2021**
<https://www.gov.uk/guidance/export-licences-and-certificates-from-1-january-2021>
- **Changes to UK VAT Regulations for Overseas Goods Sold to Consumers from 1 January 2021**
<https://www.gov.uk/government/publications/changes-to-vat-treatment-of-overseas-goods-sold-to-customers-from-1-january-2021/changes-to-vat-treatment-of-overseas-goods-sold-to-customers-from-1-january-2021>

EUROPEAN COMMISSION:

- **BREXIT Overview, Publications/News, EU-UK Negotiations**
https://ec.europa.eu/info/european-union-and-united-kingdom-forging-new-partnership_en
- **BREXIT Preparedness: Legislative Developments, Links to Member States**
https://ec.europa.eu/info/european-union-and-united-kingdom-forging-new-partnership_en
- **Draft EU-UK Trade and Cooperation Agreement**
https://ec.europa.eu/info/files/eu-uk-trade-and-cooperation-agreement_en