

BREXIT

CUSTOMS BEST PRACTICES

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Customs best practices

1 Anticipate

Analyse your flows

Define your departure and arrival locations and your transit points

Identify your customs regimes and brokers in the departure and arrival countries

Identify the transport modes (sea, air, road...) and types (FTL, LTL, container...) of transport

Prepare your teams for customs compliance

Ensure your logistics team can process customs declarations

Check if you have all necessary customs IT tools and export licenses, if required

Check if the commercial terms of your contracts meet the legal requirements

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2 Opt for adapted Incoterms

AVOID INCOTERMS®

~~EXW~~

~~DDP~~

Export declaration is the responsibility of the buyer.
In the event of a tax audit, the seller will not be able to justify the sale excluding VAT for export in the absence of legal proof.

Import declaration is the responsibility of the seller.
The seller does not control the risks associated with importing into a country where he is not established and will be responsible for non-compliance.

You must control your export or import customs declarations

CHOOSE INCOTERMS®

FCA

DAP

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3 Identify your tariff codes and origins to benefit from TCA*

Compulsory for every customs operations

Check if you can benefit from preferential origin to avoid Customs duty payments

If you are purchasing EU or GB origin goods, make sure your suppliers are able to provide you proof of origin in accordance with TCA (ANNEX ORIG-1 to 4)

To have legal certainty, ask for a BTIR (Binding Tariff Information Request) and/or BOIR (Binding Origin Information Request)

* Trade and Cooperation Agreement

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4 Communicate across your ecosystem

**GB prelodged import declaration is mandatory before crossing French;
border import process must be anticipated (no space to stop, except for controls)**

Export declarations are to be provided at the border before crossing

**Depending on Incoterms, you will have to provide the right data and documents to your supplier,
customs agent, carrier or client**

Secure your crossing: without the right documents, your products won't cross

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5 Be ready for GVMS*

Check if your carriers are registered for GVMS in order to declare crossing and to get a GMR (Goods Movement Record)

Depending on Incoterms, provide your invoices & customs documents to carrier, supplier or client

Make sure your GB customs agent knows British exit /entry point planned by your carrier: customs declaration process may change

Carrier will need GB Export/import declarations, transit, EXS, TIR/ATA carnet... to get a GMR before crossing both way

* Goods Vehicle Movement Service (British It system used to automate data controls at GB borders using Pre-lodgement model)

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6 Benefit from PVA Postponed VAT Accounting

Allowed in some European countries (FR, CZ, PL, BE, etc.) and in the UK

May be subject to approval from the local EU customs authorities, depending on several criteria; optional in the UK

Positive cash effect

7 Ensure compliant export invoices

Pay attention to the legal clauses on your commercial invoices

Goods sent from EU to the UK are no longer intra-community deliveries, but exports

Article 146 of EC Directive 2006/112 concerning export operations from EU will apply and its counterpart in English law is enacted in the VAT Act 1994 section 30(8)

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8 Anticipate the import-export flows of reusable packaging

Customs formalities are required for packaging, but you may benefit from easements such as declaration by conduct

Possibility of temporary import-export solutions or local free circulation agreement

Request simplifications at your local customs office

9 Have an expert handle your VAT

VAT rules application depends on countries

Depending on EU countries, registration for VAT numbers may be managed by a tax representative established in the European Union (27)

Financial and cash flow impact

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10 Be ready for the next steps: SPS & ENS*

Importing SPS goods in Great Britain, since 1st January 2022, a pre-notification is mandatory

Postponement until the end of 2023

* SPS: Sanitary & Phytosanitary ; ENS: Import safety security declaration



**LET'S
WORK
TOGETHER
& MAKE IT
HAPPEN**