

Border formalities between GB and the EU at the end of the Transition Period

Industry event - 6 November 2020

SPAIN



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Implications For Businesses That Trade With GB

Significant challenges for businesses that move goods between EU and GB:

- Particular challenge for SMEs, especially in light of dealing with the impact of COVID
- All businesses who trade between the EU and GB need to prepare for the new processes and controls that will apply from 1 Jan 2021 **regardless of the outcome of the negotiations**
- Preparation needed by EU and UK businesses - there are only 7 weeks left.
- Take action **as soon as possible**

HMG at the border

30+ Departments and agencies including:



HM Revenue
& Customs



Food
Standards
Agency



Driver & Vehicle
Standards
Agency



Department
for Environment
Food & Rural Affairs



Department
for Transport



Office for Product
Safety & Standards



Border Force



Home Office



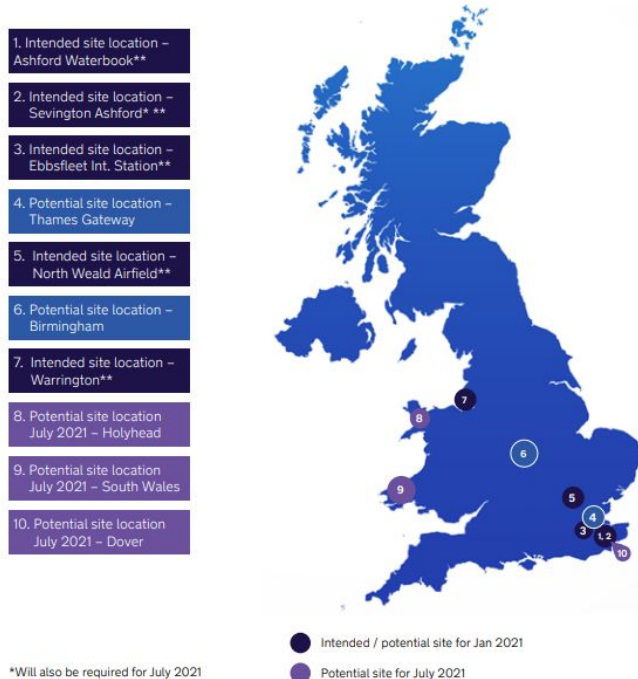
Department
of Health &
Social Care



Department for
Business, Energy
& Industrial Strategy

UK Border Infrastructure

Map of intended and potential inland sites
January 2021 and July 2021



*Will also be required for July 2021

** Subject to securing planning permission

- Infrastructure is required to handle transit (CTC) movements in and out of the UK from 1 January 2021. Additionally, Border Control Posts will be required for handling SPS checks from the EU from 1 July 2021.
- Where UK ports have the capacity to build on site, they were able to apply for financial support to the Port Infrastructure Fund, which closed for applications on 30 October. Where ports do not have the space, UK Government are making provision inland by building sites to handle transit movements and in some case inland Border Control posts..
- Some inland sites are already under construction and the final list will be published shortly.

EBBSFLEET

Operational from: 1

January 2021.

Capacity: 256 HGVs

Intended use: This site will be used by HMRC for CTC checks and customs clearance

SEVINGTON

Operational from: 1

January 2021.

Capacity: Up to 2,000 HGVs

Intended use: This will be used for traffic management from Jan and full border checks from July.

WATERBROOK

Operational from: 1 January

2021.

Capacity: 476 HGVs (175 HMRC and 301 DfT)

Intended use: For contingency use only (should Sevington IBF not be operational) for inbound & outbound HMRC CTC checks and customs clearance.

STOP 24

Operational from: 1 January

2021.

Capacity: 100-170 HGVs

Intended use: This potential site would be used by HMRC for CTC checks.

DOVER WESTERN DOCKS

Operational from: 1 January 2021.

Capacity: 100-170 HGVs

Intended use: This potential site would be used by HMRC for CTC checks and customs clearance.

**KEEP
BUSINESS
MOVING**



Trader readiness among EU businesses

This is an example from recent EU engagement on border readiness events.

NB: data sources e.g. response rate and event size vary.

Red: Unaware of actions required

Orange: Aware but not started

Green: Some action taken

Blue: I am ready

Trader readiness among EU businesses

Event	Attendees	Av. No. Responses	Aware of Impact	Readiness of Respondees	Increased understanding
NL BOM event (19/08)	TBC	8	90%		100%
UK Logistics deep dive (03/09)	TBC	TBC	100%		100%
BE BOM event (09/09)	195	73	95%		62%
BE BOM event (10/09)	74	19	95%		83%
ES Readiness event (15/09)	170	28	77%		64%
NL Readiness event (16/09)	89	30	82%		73%
PL Readiness event (17/09)	180	50	71%		78%
Nordic / Baltic Readiness event (24/09)	480	84	79%		81%
IE Readiness event (02/10)	117	15	72%		80%
NL Readiness event (13/10)	500	24	97%		100%
LU Readiness event (14/10)	65	12	100%		100%
ES Readiness event (19/10)	133	26	100%		78%
DE Readiness event (19/10)	430	81	95%		58%
DE Readiness event (20/10)	334	68	100%		70%
ES Industry Day (28/10)	530	84	93%		79%
IE Industry Day (02/11)	530	27	100%		94%
Total	3827	628	87%		84%

EU to GB imports

1 January 2021

- Declaration and control for excise and controlled goods (full declaration or CFSP)
- For standard goods, keeping records (EIDR or CFSP) - with a 6 month postponement on the full declaration, based on a self assessment
- 6 month deferred payment
- No safety and security declaration
- Physical check at destination for high risk veterinary and phytosanitary goods

1 April 2021

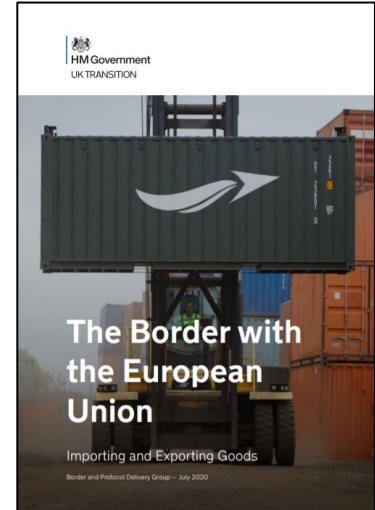
- Pre-registration for all:
 - Products of animal origin (POAO)
 - High risk food not of animal origin
 - Regulated plants and plant products

1 July 2021

- Safety and security declarations
- Full customs declarations, or use of simplified procedures if authorised to do so and the payment of relevant tariffs at import
- Control of veterinary and sanitary and phytosanitary (SPS) goods at GB Border Control Posts (BCPs)

UK Border Operating Model

- The second iteration of the Border Operating Model was published on the 8th October
- Includes further detail on a number of key policy areas including Goods Vehicle Movement Service (GVMS) and “Check an HGV is Ready to Cross the Border”
- New and improved annexes on passengers, rail and EU border procedures
- There are also step by step [import](#) and [export](#) guides are also available on gov.uk



Basics

EORI numbers

- GB Importers and exporters must have an EORI number issued by the UK
- EU importers and exporters must have an EORI number issued by an EU Member State (EORI numbers issued by UK will not be valid in the EU following the end of the transition period)
- A GB haulier will also need an EU EORI if they are, for example, the responsible entity for entering ENS data into a MS ICS system (accompanied freight)

Establish and agree Incoterms and conditions

- Ensure responsibility for **duties, clearance and dispute resolution** is clear
- Understand your logistics and supply chain including points of entry and exit
- The International Chambers of Commerce publish standard trading terms and conditions [iccwbo.org/resources-for-business/incoterms-rules/incoterms-2020/](https://www.iccwbo.org/resources-for-business/incoterms-rules/incoterms-2020/)

Basics - Getting an EORI number

EU economic operators not established in the UK **and**;
UK economic operators not established in the EU
from 1 January 2021 may also need a UK or an EU EORI number (respectively) in order to:

- Lodge a customs declaration in that customs territory
- Submit an [Entry Summary Declaration \(ENS\)](#)
- Lodge an [Exit Summary Declaration \(EXS\)](#)
- Lodge a temporary storage declaration in that customs territory
- Act as a carrier for the purposes of transport by sea, inland waterway or air;
- Act as a carrier who is connected to the customs system and wishes to receive any of the notifications provided for in the customs legislation regarding the lodging or amendment of entry summary declaration

Basics - Getting an EORI number

EU traders can apply and get a UK EORI number now

GB traders and hauliers may wish to pre-apply for an EU EORI number ahead of 1st January 2021.

However, some Member States' IT systems are unable to pre-allocate EU EORI numbers to GB traders and hauliers, but they are able to accept applications in advance, and will officially allocate the EORI numbers on the day following the end of the transition period (or later)

UK EORI

Get an **EORI number** issued by the UK if you do not already have one (it starts with GB). It takes five to ten minutes to apply on GOV.UK.

gov.uk/eori

EU EORI

The below link shows the list of National customs websites across the EU:

[Europa : National Customs Websites](#)



Basics - Established in the UK

A person or business needs to be established in the UK to be able to meet a number of customs rules, e.g. apply for a wide range of customs authorisations and simplifications such as special procedures, AEO authorisation or customs freight simplified procedures (CFSP).

What does “established in the UK” mean?

It can vary for individuals and corporations. The evidence you may need to provide includes:

- A certificate of registration issued by the Registrar of Companies
- Details of where staff are employed and the work that they carry out
- Physical premises owned or leased by the business
- Details of contracts, orders or invoices held or issued by the business
- Proof that the business has its own accounts

Basics - Established in the EU

EU Establishment means:

- Must be **established in the EU** and involved in the operation, could be a freight forwarder or carrier
- Must have an **EU VAT number**
- **UK businesses** will need an **EU (VAT) registered company** to act as an EU exporter or as a representative

Keep business moving

At this point it is still uncertain what exactly the trade relationship will be with the United Kingdom after end of the Transition Period.

We do know that customs procedures will apply to the trade between the UK and the EU.

Today the paperwork needed to transport goods between the Spain and the UK consists of a couple of documents: an invoice and contract of carriage.

From 1.1.21 **at least 9 additional procedures are added**, e.g the certification of the goods, export declaration, the exit of the goods and the requirements needed to then enter the EU, and of course requirements to import goods into GB.

How much time companies will have to spend on customs formalities depends on the individual situation.

BUT.....it all starts with an export declaration



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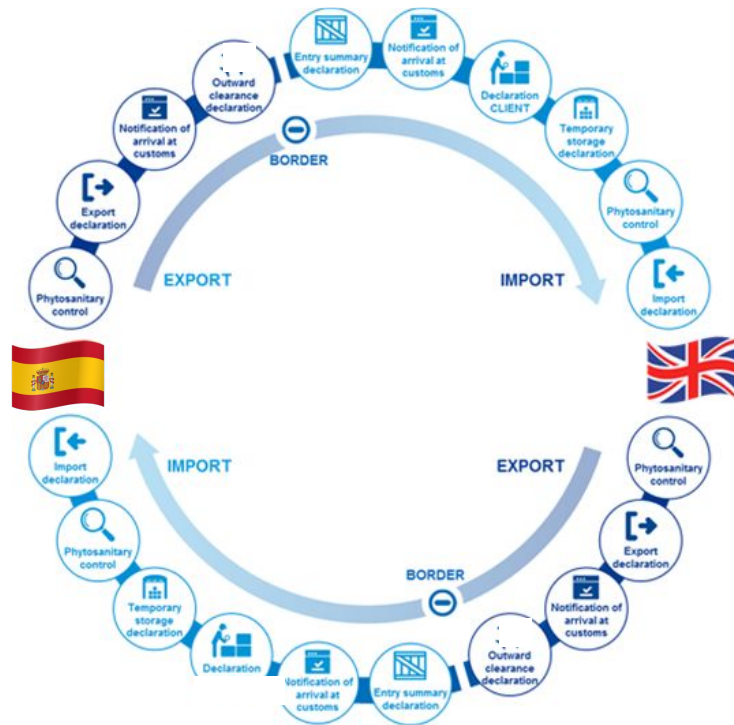
Simple case study

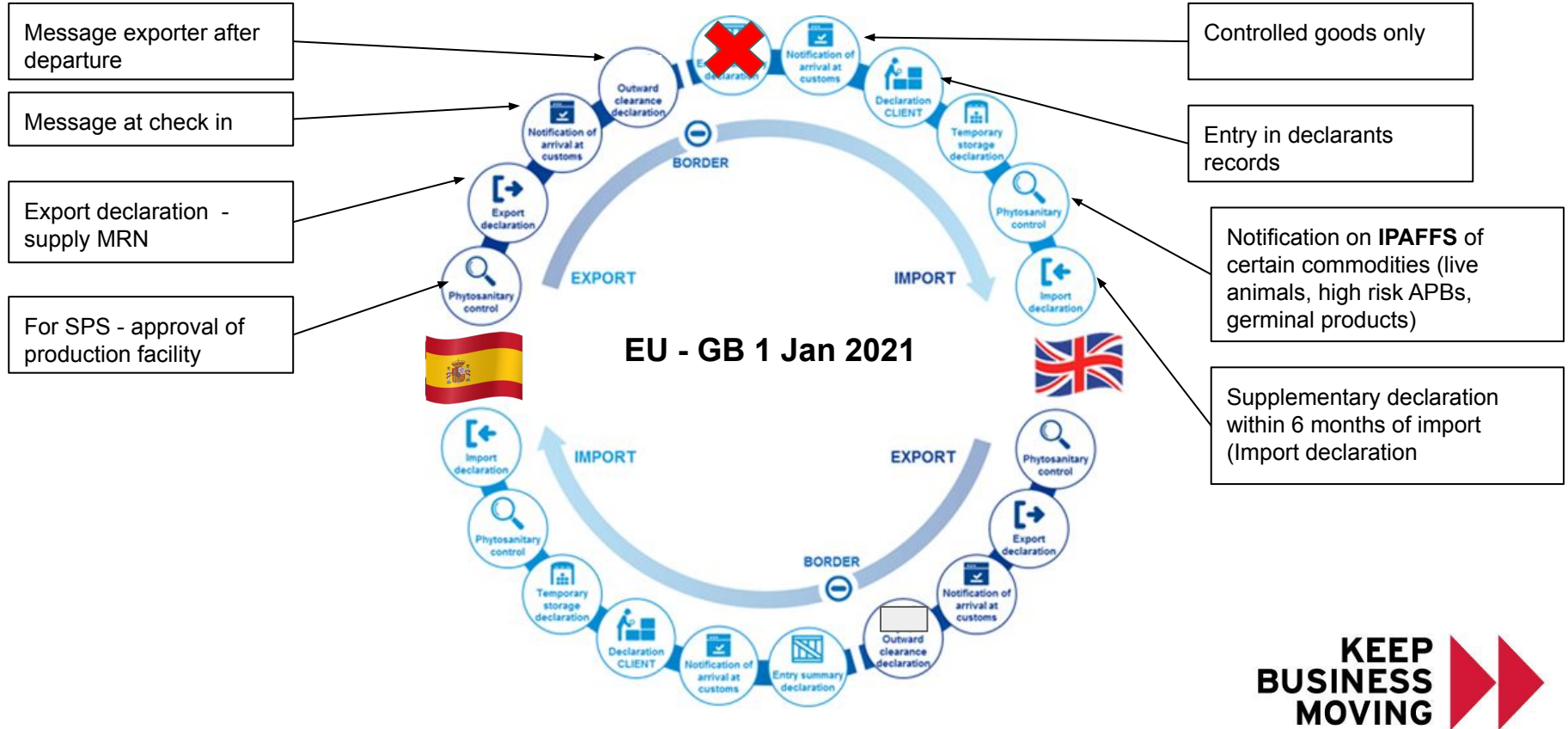
Movement of goods from:

1 January 2021

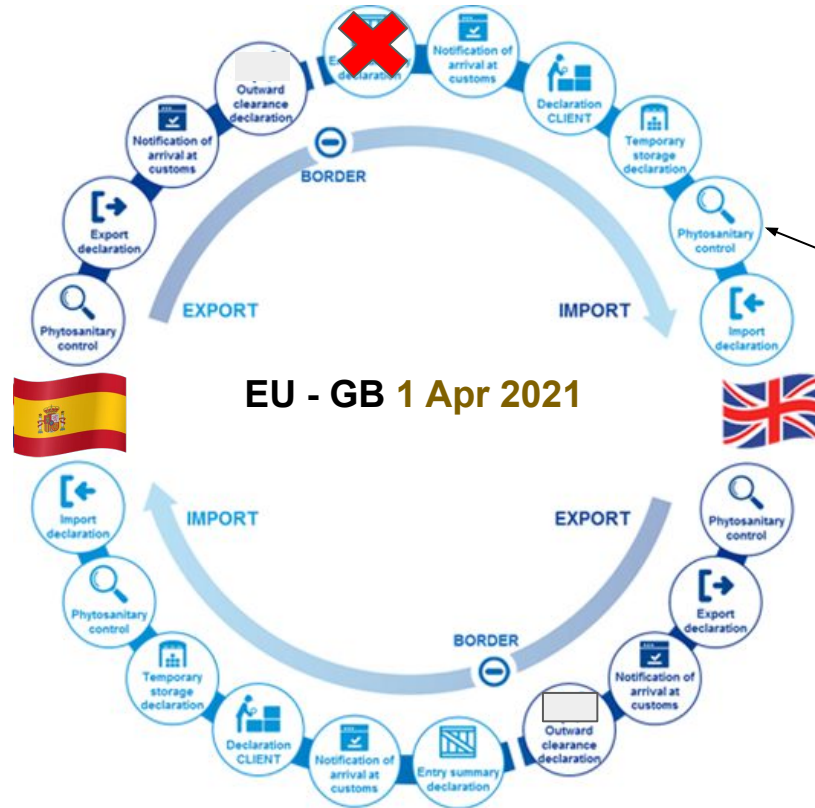
1 April 2021

1 July 2021









Pre notification, using IPAFFs & certificates required for POAO, HRF (and feed) NAO & all regulated plants and plant products

1st July 2021



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Prepare, prepare, prepare

No documents no transport!

For goods to leave the UK or to arrive in the EU

- **Check the location you wish to move goods from GB - EU or import to GB (over the 3 phases for imports into GB)**
- **Think about if you need to appoint an authorised representative to act on your behalf**
- **Understand new requirements across your supply chains / distributors and make sure your suppliers/distributors/customers understand the actions they need to take.**
- **Which regulations apply to your product**

To determine what steps you or others in your supply chain need to take, identify what EU or UK regulations are relevant to you. Think about the stages as well as end products, for example complexities around moving goods such as excise goods, live animals, products subject to SPS controls etc.
- **If you need a new product approval, begin the process as soon as possible**

If your product requires third-party approval, you may need a new approval especially if you sell in both the UK and EU.
- **What marking / labelling changes apply to your product**

You may need to make changes to the information or regulatory markings that appear on your product, for example the use of the UKCA mark to display compliance to the UK regulatory regime (this applies to most products currently requiring the CE marking) and vice versa.

Useful links:

- <https://www.gov.uk/eubusiness>
- <https://www.gov.uk/transition>
- <https://www.gov.uk/government/publications/the-border-operating-model>

Step by step guides to importing and exporting:

- https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/910155/How_to_import_goods_from_the_EU_into_GB_from_January_2021.pdf
- https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/910156/How_to_export_goods_from_GB_into_the_EU_from_January_2021.pdf

Today is for you

More information

More questions with answers

More clarity

Thank you - any questions?

Presentations by UK Government departments