

Brexit guidance for customers

December 2020



A Brexit outcome of any kind might impact the way you use our services. This document aims to provide our valued customers with useful advice on what we can expect next.

Please note – Brexit is an evolving situation and changes are being made at Government-level often and without warning. We would caution any customers looking to send shipments to the EU to speak to their CitySprint Territory Manager or Customer Service Agent prior to booking. We are working very closely with our international shipping partners to ensure we have the latest service updates. CitySprint would also recommend that businesses seek independent legal guidance on Brexit.

Using us for SameDay or UK Overnight delivery services?

No problem! We do not anticipate any changes to the service we provide to customers using our SameDay courier or UK Overnight delivery solutions. CitySprint continue to have access to thousands of couriers (and growing!), across a wide range of vehicle types, so you can continue to trust in us to deliver.

Using us for International shipping into the EU?

We're here to help. Through our third-party international shipping partners and our CitySprint and Transworld delivery experts, we will help your business navigate what Brexit means for you and your customers. By using us as your delivery partner, we can take the hard work out of navigating these changes and support your business so that it can continue to grow.

As of November 2020, all available information seems to be indicating the UK is heading towards a 'hard' Brexit. This means:

- ➡ No more free circulation of goods between the EU and the UK
- ➡ From 1st January 2021, shipments to the EU from the UK are to be considered under World Trade Organisation terms
- ➡ Because of these terms, you'll need more shipping information and documentation to ensure a smooth delivery process. This required information includes:
 - ▶ Knowledge of import/export regulations
 - ▶ Knowledge of foreign VAT rules
 - ▶ Commercial invoices on all packages
 - ▶ An Economic Operators Registration & Identification number (EORI - more on this below)
- ➡ Owing to the changes in processes and routing, it is likely a Brexit or UK Border surcharge will be implemented by the majority of carriers

To help you best prepare for Brexit, below is some information on the additional requirements your shipments to the EU are likely to need.

What do I need to know about Commercial Invoices?

A Commercial Invoice is simply a document that contains important information about the goods being shipped, which is then used to create a customs declaration.

Goods may be subject to inspection by the local customs authorities, which may result in delays (albeit rarely).

CitySprint have created a Commercial Invoice template for our customers to complete and attach copies to their shipments. When booking online, you will be prompted to complete our electronic Commercial Invoice template, which allows us to efficiently begin the process of clearing the goods through Customs ahead of time.

In instances where customers require the use of their own Commercial Invoices/Shipping Paperwork, we will simply require the shipment booking reference number to be included in the job booking. Please refer to the last page of this document for further information.

Please ensure the receiver's contact details are included within the Commercial Invoice, as the local customs authority may use these to progress the entry and enable the delivery process to continue.

What is an EORI number?

EORI stands for Economic Operators Registration and Identification number. It acts as an identification number in all customs procedures, both for businesses and individuals, when exchanging information with customs administration.

If you have traded previously with non-EU countries, you most likely already have an EORI number. However, if your business has an EORI number that doesn't start with 'GB' – one issued in another EU country such as Ireland, for example – then HMRC have advised that you'll only be able to continue using it for a short period after Brexit. To learn more about your EORI number, visit: <https://www.gov.uk/eori>

CitySprint/Transworld will require your EORI number to complete customs declarations on your behalf, when needed. Failing to provide one will result in clearance delays, therefore leading to possible storage charges levied by the authorities.

For shipments destined for Northern Ireland, current advice stipulates that an 'XI' EORI number is required. Although there will be no VAT or duty amounts to pay on shipments moving to Northern Ireland, inspections may take place as goods enter. You are therefore required to provide a Commercial Invoice as per the guidelines provided for all non-document shipments.

If you ship to Northern Ireland, our recommendation is to register on this website as soon as possible to ensure you are ready to ship by the 1st of January 2021:

<https://www.gov.uk/guidance/trader-support-service> (Please note, you must already have an EORI that starts with GB.)

What are Incoterms?

Incoterms are a declaration of the 'terms of sale' between you and your customer when sending goods internationally. 2020 saw a revision to Incoterms (of which there are now a total of 11). CitySprint most commonly offer 'DDU' and 'DDP', as detailed below:

DDU – Delivered Duty Unpaid

- ➡ The seller is responsible for ensuring goods arrive safely to a destination; the buyer is responsible for import duties.
- ➡ These are our default Incoterms, unless otherwise instructed.

DDP – Delivered Duty Paid

- ⇒ DDP Incoterm rules stipulate that the responsibility for the delivery cycle, including taxes and duties, is owned by the seller, up to the point of unloading at the final delivery destination.
- ⇒ The seller bears all the costs and risks involved in bringing the goods to the place of destination. They must clear the products not only for export but also for import, pay any duty for both export and import and carry out all customs formalities.

Our experts are on hand if a tailored solution is required. More information can also be found here: <https://www.great.gov.uk/advice/prepare-for-export-procedures-and-logistics/international-trade-contracts-and-incoterms/>

What next?

The most important thing is to be prepared. Below is a short checklist of actions to work through to ensure you don't experience any interruption to your EU shipments.

- ✓ Booking online with CitySprint will provide the you with 'as-you-go' guidance, including Commercial Invoices
- ✓ Familiarise yourself with our Commercial Invoice template for manual bookings or more complex shipments
- ✓ Ensure the provision of four copies with every international shipment (excluding shipments of only documents)
- ✓ Register for an EORI number (and an 'XI' EORI if shipping to Northern Ireland)
- ✓ Keep a list of Commodity Codes and values for your products
- ✓ Be aware of Incoterms to help ensure the right declaration and assignment of Customs duties & taxes

We are here to help

To speak to our delivery experts about Brexit, call our customer service team on

 **0207 880 1069**  **brexit@citysprint.co.uk**

The below information might also help with any additional questions you might have around importing and exporting. Common questions this information can help to answer include:

- ⇒ How do I know what my consignment commodity code is?
- ⇒ How do I know if I need an export licence for the consignment?
- ⇒ How do I know if the consignment is classed as "dangerous goods"?
- ⇒ What happens if Customs intercept the consignment; how do I then get it released?

For additional info on exporting rules and regulations, as well as importing guidance, visit this website. This online tool published by HMRC will assist you in understanding if your item has a commodity code and what that code might be. It also explains if export permits or licences are needed for the item and what steps to take if Customs wish to intercept the goods.

Our dedicated Export Team are on hand to support – get in touch by emailing specialhandling@transworldcouriers.com. This is also the best email to use if you have an urgent request or are shipping items that weigh over 32kg.