

# International Consignment Guidelines



To help our customers navigate international deliveries, we have prepared a document with useful advice on what to expect. However, we strongly advise that customers who plan to send shipments to the EU speak with their CitySprint Territory Manager or Customer Service Agent before booking. We are working closely with our international shipping partners to ensure we have the latest service updates. Furthermore, we strongly recommend that businesses seek independent legal guidance on how exports may impact their operations.

## Using us for international shipping into the EU?

We are committed to assisting your business post Brexit. Our third-party international shipping partners, along with our CitySprint delivery experts, can help you navigate the changes that Brexit brings and ensure that your customers continue to receive their orders without any inconvenience. By partnering with us, we can take the burden off your shoulders and support your business growth.

With effect from January 1st, 2021, free movement of goods between the UK and the EU is no longer possible. Therefore, shipments from the UK to the EU will be subject to World Trade Organisation terms. As a result, more shipping information and documentation will be required to ensure a smooth delivery process.

### This information includes:

- Knowledge of import and export regulations,
- Foreign VAT and TAX rules,
- Commercial invoices on all packages, and an Economic Operators Registration and Identification number (EORI).

Due to changes in processes and routing a UK Border surcharge will likely be imposed by most carriers.



To help you best prepare for International deliveries, 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 a specialized export document that serves as a customs declaration for goods being transported across international borders. This document contains detailed information about the products, their value, and the transaction between the buyer and the seller. The customs authorities use this document to determine the applicable taxes, tariffs, and duties on imported goods.

In addition to being a customs obligation, the commercial invoice serves as a contract and proof of sale between the buyer and the seller. It includes vital information such as the number and description of the goods, payment terms, and other important details.

Local customs authorities may inspect the goods, which can sometimes cause delays. To help our customers, CitySprint has created a Commercial Invoice template that can be completed and attached to shipments. When booking online, customers will be prompted to complete our electronic Commercial Invoice template, which enables us to begin the process of clearing the goods through customs ahead of time. If customers prefer to use their own Commercial Invoices or Shipping Paperwork, they simply need to include the shipment booking reference number in the job booking.

It's important to include the receiver's contact details in the Commercial Invoice as the local customs authority may use these to progress the entry and ensure the delivery process continues smoothly. For further information, please refer to the last page of this document.

## Why Do We Need a Commercial Invoice?



### Customs Clearance:

Customs officials rely on the commercial invoice to evaluate the value of the goods and decide on the relevant taxes and duties during the customs clearance process. If the commercial invoice is not completed correctly, your shipment may encounter delays or even get turned away at the border.



### Legal Compliance:

When conducting international trade, a commercial invoice is legally required to ensure an accurate declaration of product value and conformity with customs laws.



### Proof of Sale:

The commercial invoice is a document that serves as proof of a transaction between a buyer and a seller. It attests to the fact that the buyer and seller have completed a transaction. This document helps to establish the terms of the sale, such as the agreed-upon price, quantity, and payment terms.



### Insurance Claims:

In case of damage or loss during the shipment of goods, the commercial invoice plays a crucial role in substantiating the insurance claims. It serves as proof of the value of the goods delivered and helps in the settlement process.

## What is an EORI number?

EORI stands for Economic Operators Registration and Identification number. This number is used as an identification number in all customs procedures for businesses and individuals when exchanging information with customs administration. If you have previously traded with non-EU countries, you most likely already have an EORI number. However, if your business has an EORI number that does not start with 'GB' (issued in another EU country such as Ireland), you will only be able to use it for a short period Post Brexit, according to HMRC. To learn more about your EORI number, you can visit <https://www.gov.uk/eori>

To complete customs declarations on your behalf, CitySprint will require your EORI number when needed. It is crucial to provide this number as failure to do so will result in clearance delays, leading to possible storage charges levied by the authorities. For shipments destined for Northern Ireland, an 'IX' 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. Therefore, you are required to provide a Commercial Invoice as per the guidelines provided for all non-document shipments.

If you ship to Northern Ireland, we recommend registering on the website.

<https://www.gov.uk/guidance/trader-support-service> as soon as possible to ensure you are ready to ship by January 1, 2021. Please note that you must already have an EORI that starts with GB.

GB 123 456 789 000

## Essential Information in a Commercial Invoice

To ensure a smooth customs clearance process and compliance with regulations, it is crucial to include the following information in your commercial invoice:

### Goods Description

- ➔ To ensure a smooth delivery process, kindly provide a detailed and specific description of the contents of the package. This will help avoid delays and ensure your package reaches its destination on time.
- ➔ It is important to provide an accurate and detailed description of items being shipped, including the quantity, composition, and intended use. Terms like "samples," "parts," "spares," or "electronics" are insufficient for customs classification and safety and security purposes. Instead of using vague terms like "electronics," it is recommended to specify the exact item being shipped, such as "laptop."

### Commodity Code

- ➔ When exporting goods, please provide the product identification code used in the exporting country. This helps with clearance and prevents delays.

### Origin Country

- ➔ Goods must indicate their original place of manufacture, even if it's different from the exporter's country. If an item is produced in more than one country, all countries must be listed.

### Invoice Total Declared Value

- ➔ When noting down the value of goods, make sure to consider the International Commercial Terms that has been selected. If the seller is responsible for paying the freight and insurance charges, then these two items should be included in the notes as well.
- ➔ However, if the buyer is responsible for paying the freight company or any other related costs, then you only need to record the value of goods.

### Type of Export

- ➔ Choose one of the following: (a) Permanent, (b) Temporary, or (c) Repair & Return.

### Terms of Trade (Incoterms)

- ➔ The International Commercial Terms (Incoterms) are a set of guidelines that outline the responsibilities and risks that must be taken by both the seller and the receiver during an international trade. In this section, you will need to select the Incoterm that best describes the terms of sale. For Time Definite International (TDI), CitySprint most commonly offers DDP and DDU.





### DDU – Delivered Duty Unpaid

- The seller is responsible for ensuring safe delivery of goods to the destination. The buyer is responsible for paying import duties. These are our default Incoterms, unless instructed otherwise.

### DDP – Delivered Duty Paid

- The DDP Incoterm rules state that the seller is responsible for the delivery of goods, along with taxes and duties, until the point of unloading at the final delivery destination. The seller bears all the costs and risks involved in bringing the goods to the destination and must clear the products for both export and import, pay any duty for both export and import, and carry out all customs formalities.
- If you need a personalized solution, our experts are available to help. For more information, please visit. <https://www.great.gov.uk/advice/prepare-for-export-procedures-and-logistics/international-trade-contracts-and-incoterms>

### Reason for export

- The meaning of certain terms in a commercial invoice can be quite straightforward, such as Gift, Sample, Replacement, Personal use not for Resale, Sale Repair or After Repair. It's important to note that not all commercial invoice templates are identical for every company, so it's best to have a good understanding of what they entail. Additionally, there may be other elements that the provided sample commercial invoice does not include.

### Air waybill number

- Write down the string of numbers that is on the Airwaybill or provided by carrier.

### Harmonized Tariff Code (Commodity Code)

- Exported food requires a matching HS code for clearance and no delays.

### Unit Net weight and subtotal weight

- Declare the weight of a single unit of your product and total weight of all units if shipping multiple. Do not confuse with dimensional weight.

### Notes on importing goods from abroad

- HM Revenue & Customs guidance is as the UK has left the EU, customers in Great Britain will face import duties and VAT when buying goods from the EU that are more than £135 or if they are categorised as excise goods.

Potentially import duty and UK VAT may be due on the item you are importing, and you should take this into consideration. Import duty will be a direct additional cost to your budget. UK VAT will be recoverable if you possess a valid vat document/invoice for the import.

Contact HMRC:

<https://www.gov.uk/guidance/check-when-you-can-account-for-import-vat-on-your-vat-return>

