

Preparing for a future after Brexit



What should businesses consider next?

Now the UK has left the EU, the government has moved to the next phase of negotiations - to determine our future trading relationship with the EU beyond 31 December 2020 and our trade agreements with key partners in the rest of the world.

As the UK moves to the next stage of planning, businesses should also be moving to the next phase of their Brexit continuity and contingency planning.

What should businesses consider next? Commodity Codes

All goods moved internationally will need to be classified using accurate commodity codes and corresponding descriptions to ensure that businesses do not pay too much customs duty but also remain compliant.

Customs Valuation

Not only is the application of the correct customs valuation method important for businesses who are or have European subsidiaries (pricing between related entities). It is vital that the appropriate valuation method for customs purposes is used to avoid future inflated costs.

Incoterms

The Incoterms (shipping terms) applied between the buyer and seller determines the responsibilities of both parties for the delivery of goods but also the related risk. These are particularly important when considering where the potential liability for any customs import duties may rest.

Customs Special Procedures

Explore, consider and use existing customs regimes which will benefit both cash flow and end-to-end supply chain movements. These could include Inward Processing, Outward Processing, Customs Warehousing, Duty Deferment Accounts.

Supply Chain Continuity

Regulatory alignment and origin will be one of the most contentious areas to be negotiated with the EU. Businesses will need to be confident in the origin of their goods (and any raw materials, if engaged in processing or manufacturing) and be alive to the implications of any potential regulatory alignment changes they may face.

Customs Documentation

Be as informed as your customs agent, understand the information entered on your behalf on customs import and export declarations and what other supporting documents may be needed.

What should you do next?

The Brexit uncertainty and shape of our future customs trade landscape is not yet over but to relieve the uncertainty, there are steps businesses can take.

To discuss any of these topics, please speak to your usual Campbell Dallas contact or:



Lucy Sutcliffe

Director of National Customs Duty
lucy.sutcliffe@campbelldallas.co.uk
07961 736 088