



Maurice Ward Group®

Maurice Ward Group Brexit Guidance Advisory

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BREXIT GUIDANCE ADVISORY

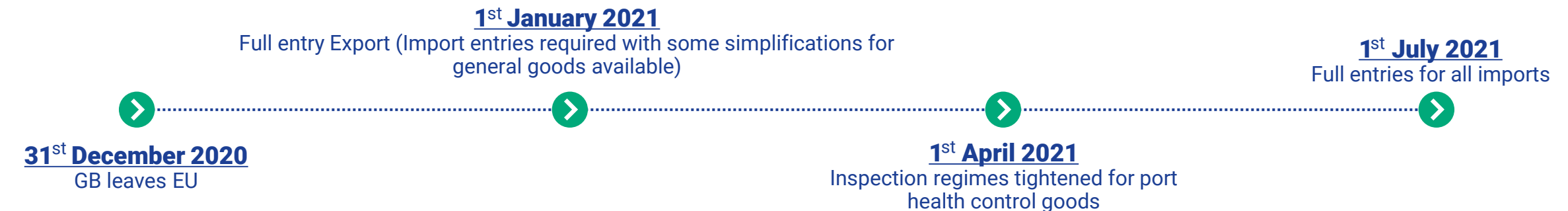


MAURICE WARD GROUP, YOUR CUSTOMS AGENT

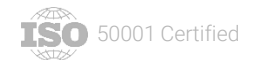
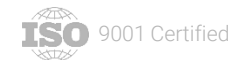
At Maurice Ward Group we arrange all logistics and customs matters that are necessary for the transport of goods. Furthermore, we have all the necessary permits to make declarations. If you do not have any permits or do not want to apply for them (and do not have any knowledge of customs matters yourself), our professionals will gladly assist you.

WHAT IS BREXIT?

The UK has already officially left the EU on January 31, 2020. In other words, Brexit is already a fact from a legal point of view. However, entrepreneurs will only be confronted with the real consequences of Brexit starting from January 1st 2021, the day on which the so-called transition period ends.



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EXPORT DOCUMENTS



What are export documents and which ones do I need after January 1st 2021 for my trade with the UK?

Export documents are the documents required to export your goods from Europe and import them into a third country. The exact documents required depend on the country of destination, the nature of the goods, the arrangements regarding payment and the modality.

The five main types of export documents are:

- **Customs documents** (such as the export declaration)
- **Origin documents** (such as a Certificate of Origin)
- **Transport documents** (such as a Bill of Lading)
- **Bank documents** (such as a Letter of Credit)
- **Export records** (such as an Export Invoice)

For trade with the UK, the following will be required: a **Customs documents** (in any case an export declaration), **Transport documents** (CMR / e-CMR, pay close attention to the liability clauses in case of delay) and an **Export invoice**.

EXPORT DOCUMENTS

What is a Chamber of Commerce export document and when do I need it?



Chamber of Commerce export documents are origin documents such as a **Certificate of Origin**. These are necessary for importers to demonstrate the origin of the goods in case of preferential agreements (trade agreements). For the UK it will only become clear after a trade agreement whether and which **Chamber of Commerce** export documents are required.

What is a customs export document and when do I need it?



A **Customs document** is a document that proves that the necessary electronic **Customs declaration** has been made. For import this is called a "Permission for Transport", for Export an "Export Guided Document" and for Customs transport (transit) a "**Accompanying Document**".

What is an export document?



An **export document** shows that the necessary export declaration has been made and that the goods have been released by **Customs** to be transported to the port / border to leave the European Union.

SCENARIOS AND CONSEQUENCES

What will change in my export to England due to Brexit?

As of January 1st 2021, you will have to deal with customs formalities at the border with the United Kingdom (UK). You should go through the following checklist to be well prepared for Brexit:

- Request an **EORI number**
- Apply for the correct **permits and certificates**
- Make a decision whether you want to outsource your **customs formalities** or whether you want **to do this yourself**

Need help? [Send your question to us](#) and our customs specialists will be happy to help you with this.

Will there be another trade deal or has this now become a utopia?

Deal or no deal; we still don't know. Three scenarios are currently the most plausible, namely:

- **A deal of limited size** in which probably only agreements are made about trade in goods. **Services traffic**, which has the main economic impact, is unlikely to be included in this deal
- **No deal**, so no trade agreement resulting in import duties on many products. **An economic disaster scenario**
- **A partial & temporary deal** containing only the topics that the parties already agree on. This is even more limited than the **deal in scenario 1**

HS CODES



What is an HS code and how do I get it?

An HS code (Harmonized System Code) is an **8-or 10-digit code** which makes it clear what type of goods are in a shipment. **Each type of goods has its own HS code.** An HS code, also known as a **commodity code**, is used to make clear to Customs what type of goods are being shipped.

Does your company trade with the UK?

Then you will need an HS code after 1 January 2021. You then put this code on your customs invoice so that customs knows which goods are involved.

Sometimes the answer is ambiguous, there freely contact your Maurice Ward Group (MWG) representative.

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What are the import duties for my HS code?

You only **owe import duties** if you trade with a country outside the EU. The HS codes and associated import duties can be found [here](#).

EORI NUMBER



What is an EORI number and how do I get it?

You need an EORI (Economic Operator Registration and Identification) number to transport goods to and from the United Kingdom. You will need this identification number from **January 1st 2021** for your trade with the UK. It depends on your situation whether you can compile that number yourself or whether you need to request it.

You can read about this on the website of the customs authorities of your country. You will have to deal **with British customs** and from now on you will also have to **file an import declaration in the UK**.



What do you have to do?

- You need a UK importer or customer to file the declaration for you
- The importer / customer must request a UK EORI number, if he or she does not already have one
- The importer / customer bears the risks. So, enter into a discussion and make good agreements about the risks. How do you cover it?
- Are you unable to make agreements? Then you can do the import declaration on the British side yourself. Open a branch in the UK and apply for a UK EORI number

AEO CERTIFICATE



What is an AEO certificate and what are the benefits?

- AEO stands for Authorized Economic Operator and can be regarded as a customs quality mark that is awarded to an economic operator if he meets a number of conditions. The AEO company concerned must **meet a number of defined criteria** (Article 39) **of the Union Customs Code (UCC)** and **work closely with the customs authorities to secure the international supply chain.**
- Companies with an AEO status receive benefits in the **27 EU Member States.** In addition, there are also advantages for **AEO-S** (find on next page) license holders for countries with which a so-called "**Mutual Recognition Agreement**" or **an agreement of mutual recognition has been concluded.** After Brexit, the EU member states with license will lose their benefits in the UK.
The AEO status is ratified by the issue of an AEO license.

AEO CERTIFICATE

There are two types of AEO permits:

AEO customs simplifications permit (AEO-C):



With this permit, operators can gain access to **simplified customs procedures** and benefit from a **reduced guarantee** (e.g., with a customs warehouse permit, inward processing)

AEO safety permit (AEO-S):



This permit is related to the **facilitation of customs controls** that are related **to the entry or exit of goods**, also known as the **Security & Safety controls**



Certification



AEO CERTIFICATE

Direct benefits of AEO:

- Smooth access to a number of customs authorizations
- Reduced dataset for summary declarations
- Reduced control percentage
- Reduction of collateral

Indirect benefits of AEO:

- Reduction of theft and loss
- Planning optimization
- Better customer satisfaction
- Better inventory management
- Reduction of the number of security incidents
- More commitment from employees



In the new trade agreement between **the EU and the UK**, the **AEO** status will be mutually recognized and the EU companies in the UK will have to receive the same customs benefits as **the British companies**.



Maurice Ward Group is an **AEO** certified and **our trained staff members** will gladly assist you with all your pending questions.

WHAT ABOUT NORTHERN IRELAND?

In the agreement between the European Union and the UK on Brexit, it has been agreed **that Northern Ireland will remain part of the customs territory of the EU**. This means that there are no customs formalities and procedures for the transport of goods between the EU and Northern Ireland. **Only if this transport goes via England, Scotland or Wales, it must be done under the transit procedure.**



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The European VAT system will continue to apply to shipments to and from Northern Ireland. The EU rules for intra-Community deliveries therefore apply to these shipments.

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CONTACT US



**For further information please contact
your MWG representative**

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