

Supporting you through Brexit.

A simple guide to support you and your business throughout the Brexit transitional period.

January 2021 | V1.7

InXpress[®]

We know **Brexit** is a headache to understand, so we've broken it down for you.





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Got a question about Brexit? Ask your local office today to find out more. Alternatively email info.uk@inexpress.com

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Information in this document is sourced openly from GOV.UK and our carrier partners.

Brexit: The Deal Explained

Simplified, the Brexit deal now means an increased amount of paperwork for British businesses wishing to Export to or Import from the European Union. Of course, this comes as no shock but hopefully through using this guide you will understand what it is your business needs to do to ensure compliance with the new 'standards' as well to help you and your business gain the necessary knowledge.

Vast amounts of Import tariffs have now been eliminated on the traded goods between the EU and Great Britain and excludes Northern Ireland (Ref Page 6). **Note that VAT will still be levied.**

Remember : If you are importing goods from outside of the United Kingdom and shipping them to the EU, you will not benefit from the no-tariff deal. Only goods originating from the EU or UK qualify for the Zero Rate Tariff.

You must include proof of the Country of Origin in a statement or document. Usually this is listed on your commercial invoice.

[Click here for more information on the Rules of Origin for 'Zero-Tariff'](#)

Customs Clearance is now required for all goods moving between the EU and Great Britain, excluding Northern Ireland.

Therefore, you must now complete and declare a commercial invoice every time you send a shipment outside of the United Kingdom. Details on completing a commercial invoice can be found later in this document.

It is likely that the carriers will be charging additional fees for the extra customs clearance work which are now required by law. These fees will be published by your local InXpress office once confirmed by the carriers.

Return shipments across the border are permitted and a commercial invoice is required for these shipments as well.

Understanding Country of Origin

You must state on either a commercial invoice or pro forma that the goods originate from the UK or the EU.

UK-EU shipments: the origin statement on the invoice can be made out by any exporter who has a GB EORI number. The GB EORI number must be included within the origin statement regardless of the value of the shipment.

For EU-UK shipments: the origin statement on the invoice can be made out by any exporter where the value of the consignment is 6,000 EUR / £5,700 or less. Above this amount the EU exporter must be a Registered Exporter (REX).

You are legally required to include the following on a commercial invoice.

“The exporter of the products covered by this document (REX or EORI Number) declares that, except where otherwise clearly indicated, these products are of preferential origin.”

Further information can be found, [here](#).



(REX) Registered Exporter System Explained

The Registered Exporter system (the REX system) is a system of certification of origin of goods based on a principle of self-certification.

A REX number is **only** required when a shipment exceeds 6,000 EUR.

The REX system simplifies export formalities by allowing the registered exporter to certify the preferential origin themselves by including a specific declaration (so-called statements on origin) on the invoice or another commercial document identifying the exported products. Thus, the registered exporter does not need to apply upon each export for issue of a certificate of origin.

The application to become registered exporter is a one-off formality, where the exporter provides the competent customs office with the necessary information for being registered.

Once the REX number is assigned to them, the registered exporter may use it for all their exports under preferential arrangements where the system of certification of origin applied is the REX system.

Further information on the REX system can be found [here](#).

EORI Numbers GB & XI

You are required to state on all commercial invoices either your EORI number or your NI number, dependant on the end location of your export.

If you do not have an EORI number as yet then you will need to register for one, you should receive both a GB and XI EORI number in the post.

You **do not need** to have a VAT number to apply for an EORI number

[Click here to register for a GB and XI EORI Number.](#)

If you already have a GB EORI number and need to register for an XI EORI number then please, [click here](#).

Example GB EORI Number : GB012345678000

Example XI EORI Number : XI012345678000

Paperless Trade (PLT) Explained

Paperless Trade was introduced to reduce the amount of material travelling through the carrier networks and to improve transit efficiency.

The InXpress **webship+** platform utilises and makes paperless trade easy. Simply upload your signature to our platform, create your invoice in the platform and choose the signature to apply. The rest is taken care of by our advanced API's which will transmit your commercial invoice to all of the necessary channels for a smooth transit process.

Alternatively, you can upload your own invoices should you have another system which produces these for you. You will need to make sure that the invoices are signed before uploading them for transmission. If no signature and name is recorded, then delays may be expected due to customs clearance.

If you want to learn more about Paperless Trade or setting your signature in our system then please, contact your local office.



Returning a Shipment from EU

Returning a shipment from the EU is very simple. If a declarable shipment is being returned from the EU to the UK, Customs paperwork must also accompany this return, in the same way as it would when a shipment is returned from a non-EU country.

A Customs Invoice will be required for the return, along with reference to the original outbound shipment in order to avoid unnecessary delays or customs charges.

Any shipments sent before the 1 January 2021, but returned subsequently, will still require customs paperwork.

Did you know? You can book the return and collection of your shipments in [webship+](#)

The Northern Ireland Protocol agreement and subsequent guidance is published by the UK Government and is unchanged by the *UK-EU TCA*. It sets out:

- A 3 month, temporary approach to applying declaration requirements for **parcels moved by express carriers** from Great Britain to Northern Ireland. This will enable parcels to continue to move as they do now in most cases until 31 March 2021. **This 3-month temporary extension does not apply to Pallet or Freight business.** The declaration easement is for UK movements, this does not apply for goods going through ROI, as this is not a domestic movement unless they are travelling in-bond through ROI.
- For goods valued at £135 or more received by Northern Ireland businesses, a declaration must be submitted by the receiver within 3 months of receiving the goods. Further detail on how to submit this declaration is expected, however businesses are encouraged to sign up to the Trader Support Services and store invoices for the goods received.
- Excise goods and restricted and prohibited goods sent from Great Britain to Northern Ireland may require a Declaration to be made.
- Northern Ireland to Great Britain: the majority of goods will not attract new customs processes. There is further detail on qualifying Northern Ireland goods [here](#).
- Between Northern Ireland and the EU:
No customs declarations are required for these movements, they will be treated as intra-EU.

Changes to UK VAT above £135

From 1 January 2021 Postponed VAT Accounting (PVA) will be introduced for imports valued at more than £135.

PVA will allow registered UK businesses to declare and recover import VAT on the same VAT Return, rather than having to pay it upfront and recover it later. HMRC will provide digital statements detailing PVA transactions. This benefits your business in a number of ways, including:

- Improved cash flow
- Fewer invoices to process from InXpress, as you'll no longer receive invoices detailing VAT remittance

Options on how you instruct InXpress to clear your shipments. For example, if VAT is no longer paid upfront, do you require InXpress to contact you for customs clearance? This may mean that you can reduce the additional charges from InXpress associated with contacting you for customs instructions

There is no additional charge to use PVA with InXpress but if you wish to do so, you must provide confirmation to us – along with your VAT and EORI numbers

Further information surrounding PVA can be found, [here](#).

You can also find out about Deferment of VAT, [here](#).

Changes to UK VAT below £135

From 1 January 2021, UK VAT on goods valued up to £135 will be collected at the point of sale, and not the point of import.

This means that overseas businesses selling goods to be imported into the UK, valued between £0-135, will be required to charge and collect any VAT due at the time of sale. **They must be registered for UK VAT and pay VAT using a UK VAT return.**

VAT registered UK importers can still choose to account for the VAT by providing their VAT registration to the supplier. For details see the 'Business to business sales' section here.

Alongside this, Low Value Consignment Relief (LVCR) will be abolished, meaning VAT will be due at the time of sale on all imported goods valued £0 - £135.*

More information is available, [here](#).

*Excludes excise goods and gifts.

Changes to EU Value Added Tax (VAT)

The EU will be moving to a similar VAT collection model to that being introduced in the UK, however this will be effective from July 2021.

When goods worth up to €150 are purchased from sellers outside the EU, VAT will be charged at the time of sale.

The current €22 VAT threshold for importing goods into the EU will also be removed. This means VAT will be due on all non-document shipments from the UK to the EU. Further information is available, [here](#).

Goods over the value of €22 require import taxes to be paid, in most cases.

Duties required to be paid where the goods are not deemed by the customs teams in the country to be of UK origin.

Common Causes of Customs Delays

Carriers are already seeing a large number of items being held up at customs, below are some of the most common reasons.

- An accurate and specific goods description must be on the waybill as well as the commercial or pro-forma invoice. This needs to list each item by line, starting with the most valuable.
- Values are not being included on commercial / pro-forma Invoices. Please include values by line item as well as the total value.
- Incomplete recipient information has been provided – for example a phone number, email address or receiver's EORI number is missing.
- A shipment being 'returned' does not have customs paperwork with it. See page 7 for details on returning a shipment from the EU.

Carrier Brexit Fees & Surcharges

The carriers will be introducing a levied fee on any shipment sent after January 1st 2021. This fee was introduced after the United Kingdom left the single market and Customs Union, as the following apply:

- Customs requirements for all shipments between GB & EU. This results in an increase in the number of declarations, licenses, data submissions, overall processing, plus new IT systems.
- Border formalities will be introduced that must be complied with, i.e. the new 'Border Ready' requirements in Kent.
- Increased regulatory requirements restricting commodities into Europe.
- Increased bond storage facilities and associated security.

The fee will vary from carrier to carrier. National and local offices will be in touch to communicate the relevant charges.

Veterinary & Phytosanitary Regulations.

As a general guide, Veterinary and Phytosanitary regulations will apply to animals, products of animal origin, plants and plant based products. Therefore, if sending these products to the EU, in order to ensure compliance with the Regulatory Authorities requirements, please follow the guidance below:

For your Veterinary and Phytosanitary shipments that DO require special Veterinary and Phytosanitary control formalities (such as authorisation & import/export licence requirements) under the Veterinary and Phytosanitary regulations, please ensure that you have the proper paperwork and authorisations. This paperwork must be provided to InXpress together with your shipments, so it can be handed over to Regulatory Authorities at their request in the European Union (EU).

For your Veterinary and Phytosanitary shipments that do NOT require special Veterinary and Phytosanitary control formalities (i.e. no authorisation, no import/export license requirements), please provide InXpress with a confirmation via a Veterinary and Phytosanitary Control - Customer Statement Form. This form needs to be attached to each Veterinary and Phytosanitary shipment which does not require special Veterinary and Phytosanitary control formalities.

[Click here to see the InXpress guide on Veterinary & Phytosanitary Regulations.](#)

Please see Gov.uk for details on when additional licences and inspections will be required.

Please note that EU country-specific restrictions will not be applied to goods moving between Northern Ireland and the EU, based on current customs law, however should this customs position change, InXpress and partners may need to revisit this position.

Commercial Invoice

It is important to ensure you capture all the required data on your commercial invoice, before processing a shipment.

Though not required, it is preferred that commercial invoices are on company headed paper.

Your commercial invoice should include:

- Sender / Receiver Address, with full contact details such as telephone and email address.

- EORI Numbers (Both Sender / Receiver) - It is important to use the country specific EORI numbers.

- Accurate Item Description (Note: If sending multiple items, you must break this down line by line).

- An accurate HS / Commodity Code.

- Terms of Trade.

- Item Weight and Quantity.

- Total Value of Goods.

- Shipping Cost.

- Signature and printed name, plus the job title of the signing individual.

If you have any questions about commercial invoices, please contact your local office.

Useful Material & Sources

There are hundreds of pieces of useful information available online, though InXpress are here for any guidance and questions you may have surrounding Brexit.

[UK Government Transition Guide](#)

[UK Government Import and Exports Helpline](#)

[EU-UK Trade & Cooperation Agreement](#)

[The European Union and United Kingdom - Forging a New Partnership](#)

[UK Trader Support Services](#)

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webship+ Features to help you prepare for Brexit

Our online shipping platform, **webship+**, has many Brexit-ready features built right in, to help customers to ship goods within the EU. These include:

- **Commercial invoices**
- **webship+** generates commercial invoices for EU shipments so there is no need to learn how to create a commercial invoice. The platform ensures compliance by forcing commercial invoices where needed.
- **Paperless commercial invoices.** Electronic customs invoices save paper and speed up customs clearance. If you have specialist requirements, webship+ also allows you to upload your own documents.
- **Deliver Duty Paid (DDP).** Send shipments with duty & tax prepaid so that your customers don't have to worry.
- **E-commerce integrations.** Automate your UK and international labelling process to save time and money.



This guide is intended to be informative and is derived from Government guidance.

While reasonable endeavours are taken to ensure that information is accurate and up-to-date as at the date of publication it does not represent legal, customs, or taxation advice.

InXpress cannot accept liability for any loss incurred arising from using the information within this guide.

If you have any questions, please do not hesitate to contact your local InXpress office.

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