

JAGUFS™

SUPPORTING OUR CUSTOMERS

Your guide to Brexit





From 1st January 2021 things will change when you move goods between the United Kingdom and the European Union.

Please read this guide carefully to ensure you are prepared for the Brexit transition.

The Brexit transition period lasts until 31 December 2020, during this time, goods can continue to circulate freely between the UK and the rest of the EU, without Customs declarations or controls.

You need to be prepared for when the UK leaves the EU on the 1st January 2021. Additional pieces of information will be required for every shipment to ensure it can move across the border.

Our determination to continue providing unrivalled service remains unchanged. We will work with you to overcome these Brexit challenges. If you have any questions, please contact your local JAG UFS office.



We are international logistics experts, with experienced teams based across the UK, USA and the Far East, supported by trusted international partners in 226 countries.

Mostek, Czech Republic

Supporting our customers through Brexit

JAG UFS have been assessing every aspect of Brexit, considering all risks and implications based on all available information. Across the business, we are making a continued investment to assure we maintain the highest levels of service.

We are here to help you and your supply chain prepare for the Brexit transition. Our team of international experts are on hand to help you every step of the way.

We can assist in ensuring you provide us with the required information to continue shipping goods to and from the EU with as little disruption as possible to your business.

Please bear in mind that we can only check that the information is present and in the correct format. We cannot verify if you are using the right commodity codes or necessary licenses.

This document outlines the changes you can expect, the new requirements you will need to meet and gives information and links to help you navigate your way as simply as possible to ensure you are Brexit ready.

What to expect

31st December 2020 – End of transition period

The transition period lasts until 31 December 2020, allowing the UK and the EU to negotiate a trade deal that would be applicable as of 1 January 2021.

JAG UFS will ensure that whatever the scenario, you will be able to continue to send and receive your shipments throughout the EU.

Even if the UK negotiates a Trade Deal with the EU on or before 31 December 2020, it is still possible that we will require additional data from our customers to keep shipping into and from the EU.

The Brexit transition period will conclude on 31 December. In the meantime, goods continue to move between the UK and the EU as before, and our services will continue unchanged. Negotiations are ongoing between the UK and the EU to secure a new Free Trade Agreement.

1st January 2021

We already know that certain elements will apply to UK-EU shipments from 2021 regardless of whether there is a deal or not. New trading rules will apply. An outline of many of the requirements needed is outlined in this document.

If no agreement has been reached with the EU, then the UK will adopt WTO (World Trade Organisation) standards and become a 'third country'. In effect, your EU shipments will all become International movements.

The two potential scenarios:

Deal

Goods between the UK and EU may be subject to duties and/or VAT. Customs declarations may be required. Delivery rates could change, and additional surcharges may apply as a result of Customs handling.

No deal

Most likely with no deal, we will be trading with the EU under World Trade Organisation (WTO) rules, in the same way, that we currently trade with the USA and other countries with which we have no formal arrangement or trade deal.

You can anticipate that delivery times to your customers might increase, transit times may increase because of Customs checks, and it is likely that inspections will take place on some imported or exported goods. Detailed data will be required for us to ship your goods for export into Europe or to import them into the UK. Any goods sent to Europe will be subject to duties and/or VAT. Customs declarations will be required for each consignment. Our rates will also change as a result of shipments requiring Customs clearance on both import and export shipments.

A leopard is walking across a stone wall that runs along a rocky coastline. The ocean is visible in the background under a sunset sky with orange and purple hues. The leopard is in the foreground, facing left, with its body angled towards the viewer. The stone wall is made of large, rectangular blocks.

The Northern Ireland Protocol is designed to be a ‘fully legally operative solution’. Northern Ireland will remain part of the UK’s Customs territory but will also be aligned with the EU Single Market rules.

Giant's Causeway, County Antrim, Northern Ireland

The Northern Ireland Protocol

Northern Ireland will remain in the UK VAT system whilst also being in alignment with EU VAT regulation, with access to the EU’s IT systems.

This means no Customs procedures, regulatory checks or tariffs will be enforced against trade between Northern Ireland and the Republic of Ireland, and vice versa unless they are deemed ‘at risk’ of entering the EU, goods moving between Great Britain and Northern Ireland will also be tariff-free.

However, goods moving between the Republic of Ireland and Northern Ireland that are ‘at risk’ of entering Great Britain will be subject to tariffs.

The UK are still in discussions with the EU and Ireland to work out an effective approach to handling cross-border movements. The Northern Ireland Protocol, and the final details of regulations are still subject to ongoing negotiations with the EU.

The Government is providing a free service to support businesses with the changes to Northern Ireland trade which take effect on 1st January 2021. You can register your interest on their website [here](#).

You can find further information regarding Northern Ireland on the Government website link [here](#).

How JAG UFS are preparing for Brexit

The JAG UFS mission remains unchanged – to be the very best at what we do, to be renowned for the very highest level of service and impeccable communication. We aspire to be innovative in our solutions for our customers; an extension of their business and more than “just another supplier”.

Our logistics experts in the UK and Europe have been assessing every aspect of Brexit since the referendum, considering all implications for international trade for our customers. As international logistics specialists, we already have the expertise needed to support you following Brexit including dedicated Customs professionals and experience sending thousands of Customs transactions every year.

JAG UFS will submit Customs paperwork directly to Customs on your behalf as we send your shipments although authorisation by you may be required for either Exports or Imports.

To minimise any delays JAG UFS will also perform several checks to ensure you have provided all relevant information prior to the shipments leaving.

If you have not done so already, please contact your local JAG UFS office to discuss any information we need to continue to work on your behalf.

- We are planning for an increase in Customs entries of approximately 400%. We aim to minimise disruption to our customers' supply chains adding additional capacity where possible.
- We have assembled a dedicated Brexit team to pro-actively monitor our network and action contingency plans as needed.
- We continually invest in our infrastructure to ensure we provide a seamless service even in these challenging times, planning and pre-empting the impact of changing regulations.
- We have been working on network, hubs and ground operations planning, border issues management contingency planning for air networks. We have been carefully assessing new requirements.
- We have reviewed and enhanced our systems and infrastructure to enable shipping if Customs regulations apply to EU including being ready for product code changes and other increased Customs data requirements.
- We are increasing our resources with additional recruitment, expanded Customs agent capability and enhanced training for all team members to manage and process more Customs entries on behalf of our customers. We are also expanding our customer service teams to help provide support and guidance.

How to prepare your business

From 1st January 2021, you need to be aware of changes for goods moving between the United Kingdom and the European Union.

If you do not provide the correct information, EU Shipments will not be despatched until Customs have cleared the shipment with the correct paperwork, allowing it to leave the UK. Additionally, border control may be more likely to inspect your shipment which may impact transit times further.

Over the following pages, we have provided a summary checklist with in-depth information on each area and useful links to help guide you through these new requirements. If you are not familiar with the Customs procedures, now is the time familiarise yourself. If you are already used to trading outside the EU, you'll be familiar with Customs requirements, however, the information could still be useful in helping you prepare.

Please note, you are responsible for the information you provide to Customs and compliance is obligatory. You will also be required to retain records for all goods you move between the EU and the UK for 6 years.

Summary checklist



- 1 Register with HMRC for your an EORI number. You can register by clicking [here](#).
- 2 Ensure you have a deferment account ready. You can find out how to set up your UK Deferment Account [here](#). You must authorise us to clear your shipments using your deferment account with form C1207N available [here](#).
- 3 Classify goods with the correct 8 digit commodity code. You can get your commodity codes [here](#).
- 4 You must make declarations for controlled exports. Get export licenses for any goods that require one, you can learn more [here](#).
- 5 Don't forget, you must accurately describe your goods, checking product descriptions are accurate and compliant against their commodity code.
- 6 Ensure all product values are declared accurately on accompanying invoices or data. Commercial Invoice must include Goods Description, Goods Value, Quantity, Weight, Country of Origin and Incoterms.
- 7 Make sure recipient telephone numbers and email addresses are captured along with your own.
- 8 Decide on Terms of Delivery (Incoterms) and ensure this is in the data passed to JAG UFS.
- 9 Check that all additional required information is passed through to JAG UFS.

EORI numbers

From 1st January, your business will need an Economic Operator Registration & Identification Number (EORI). Your EORI number will allow you to continue to import and/or export between the UK and the EU. An EORI is an EU registration and identification which is used to identify you as the shipper. An EORI number is assigned to importers and exporters by HMRC and is used during the Customs clearance process for both import and export shipments travelling to or from the EU and countries outside the EU. Post-Brexit it will be a mandatory requirement to have an EORI number to ship into the EU from the UK.

It is important to remember the shipper and receiver of the goods will both need an EORI. From the 1st of January 2021, a UK EORI will no longer be recognised in the EU and an EU EORI will no longer be accepted in the UK.

If you have any concerns or questions about getting an EORI number, the Government has created a myth-busting guide that you can download [here](#).

You should ensure your EORI is in place as soon as possible. VAT-registered businesses should have been automatically issued with an EORI number in September 2019. Businesses without an EORI can apply for free. Numbers will usually be sent by email within five working days. You can apply [here](#).

As a priority, please inform your local JAG UFS office of your EORI number. You must also include it on all Commercial Invoices and Waybills to assist with Customs processing and clearance.

Deferment account for import duties & VAT

When goods are imported, they may be subjected to import sales tax and Customs duties. These duties are paid in full to the Customs authorities at the time of import.

A deferment account is an account authorised by your local Customs office which allows duties to be paid efficiently to help shipments to be cleared quickly. Duties are usually paid directly to the authorities for a certain accounting period on a predetermined due date.

Opening a deferment account allows you to postpone the payment of import duties and VAT on goods imported by up to 46 days.

If you already have a deferment account, you may need to increase your deferment guarantee if you expect to pay higher duty amounts following Brexit.

You can find out how to set up your UK Deferment Account [here](#).

You must authorise us to clear your shipments using your deferment account with form C1207N available [here](#).

Please ensure you advise your local JAG UFS office of your deferment account, and if appropriate, your CCG (Customs Comprehensive Guarantee) reference.

8-digit commodity codes

You must classify goods with the correct 8-digit commodity code. Commodity codes also known as HS (Harmonised System) codes represent the product or products that you're sending. The codes eliminate language barriers and issues with vague descriptions at Customs clearance points and are recognised worldwide by all Customs systems in countries that are members of the WTO, including the EU. This system is used by over 200 countries and covers 98% of traded goods.

You may find you are using the same code for various similar products. There is no code for a specific make of trainers, but there is a code for footwear with outer soles of rubber/plastics for example.

To ensure you can export goods, you need to provide us with the 8-digit format of commodity codes for each type of goods you are moving. This ensures the correct duties and taxes are applied by Customs. It can also be used to identify the duties and taxes are applicable in the country you are sending to.

Currently, the exact rates that will apply in the EU for UK shipments are yet to be agreed, but the codes must still be shown on every shipment.

To identify the commodity code(s) for your product(s) visit the UK Government site [here](#).

It is also important to include your correct address, contact details, phone/mobile number and email details.

Licences for controlled exports

Certain goods may be subject to restrictions when shipping them between the UK and the EU from 2021. You must make declarations for controlled exports.

If you have any concerns, speak with your account manager now.

You must have export licenses for any goods that require one, you can learn more [here](#).

Contact details

Make sure recipient telephone numbers and email addresses are captured on your shipping documentation.

This not only assists with delivery when recipients are not at the expected location at the time of delivery but is also needed in the case that customs charges are payable by them.

Failure to supply this information means your goods may be subject to delays or can be returned undelivered.

Accurate descriptions

Don't forget you must accurately describe your goods, checking product descriptions are accurate and compliant against their commodity code.

You need to be more detailed than what you are likely used to ensure there's no ambiguity. If there is the slightest doubt from Customs about what's inside your parcel, your goods may be subject to delays or might be returned undelivered.

Providing a detailed product description is necessary to ensure shipments clear Customs. Descriptions must be very specific and 100% accurate. Your goods description must be clear and concise and not generic. For example, instead of describing it as a pallet of wine describe it just as 'red wine' with the brand name. You should also include the batch number.

The true value of the goods must be stated at the market price, clearly showing the currency. Evidence may be requested by Customs if the value declared on your invoice seems unreasonable. Please remember that the freight charges make up the full value of your shipments and will also be subject to duty and VAT.

Ensure all product values are declared accurately on accompanying invoices or data.

Commercial invoices must include:

- Goods 8-digit Commodity Code
- Goods Value at Market Value including freight
- Quantity of Goods
- Total Weight
- Country of Origin
- Incoterms

Terms of delivery

International Commercial Terms (INCOTERMS) present a sequence of pre-defined commercial terms that are widely used in international trade. These terms address where the goods will be delivered, who arranges and pays for transport, who is responsible and pays for insurance of the goods, who handles Customs procedures.

It is essential to pre-agree Terms of Delivery (Incoterms) with your customers, and ensure this is in the data passed to JAG UFS. You should do this as soon as possible, before the Brexit transition comes to an end, ensuring you and your customers are fully aware of all requirements for imports and exports. You should ensure that receivers and importers know their local requirements for imports. Make sure they are aware of any potential import VAT & Duty that they may have to pay so they understand what the potential impact is for them.

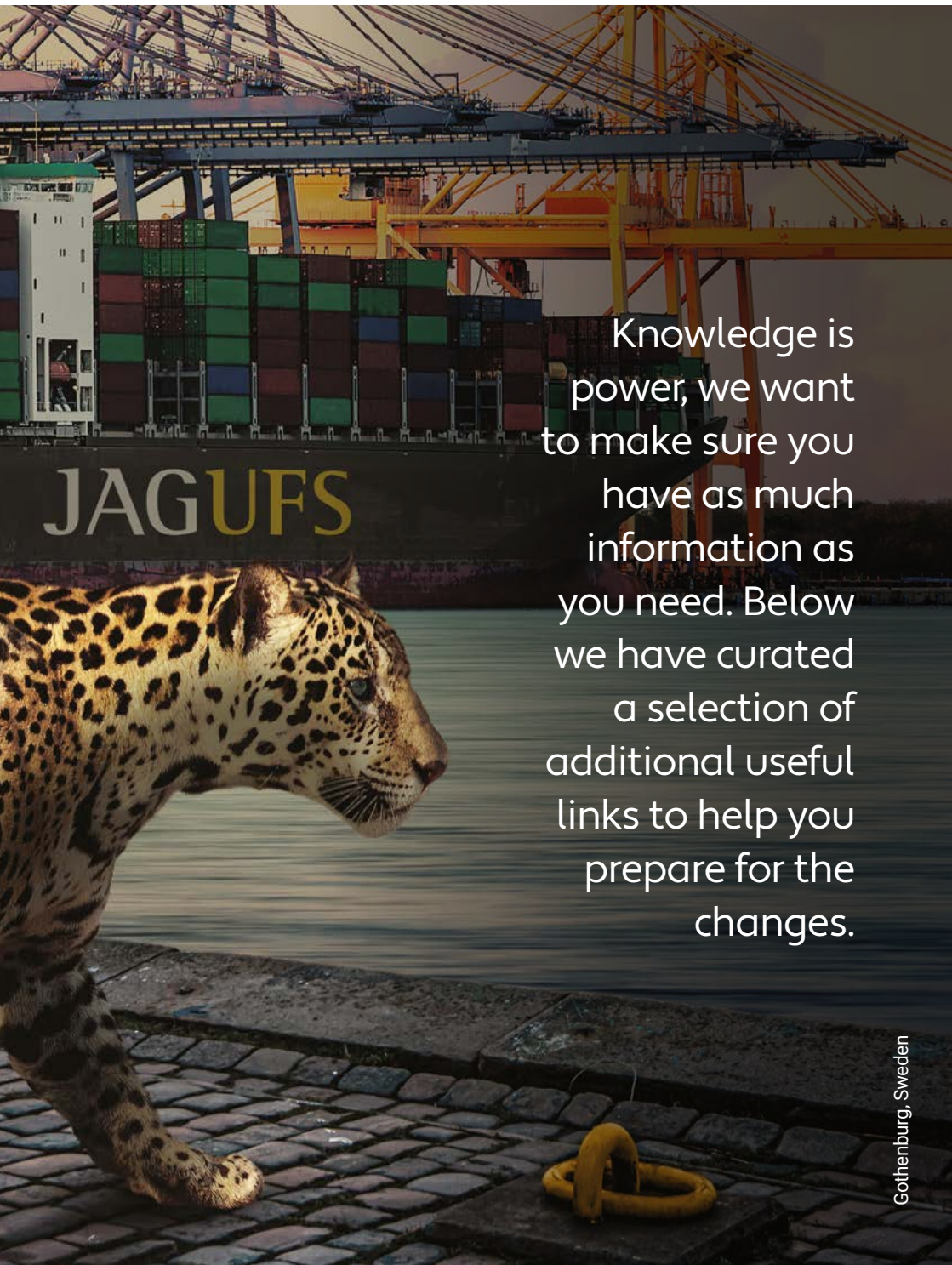
Generally you will select one of the INCOTERMS below, but you may also wish to consider FCA, CPT, CIP, DAP, DPU, DDP, FAS or CIF. If you need any assistance selecting the right INCOTERMS for your shipments, contact us.

FOB/FCA: The seller is responsible for getting the shipment to the forwarders warehouse and all other local charges at origin. FOB stands for Free On Board. FCA stands for Free Carrier At Named Place

Ex-Works / EXW: Ex-Works or EXW is when the seller places the goods at the disposal of the buyer at the seller's premises or at another named place (i.e. works, factory, warehouse, etc.) Or local origin charges are on a collect basis for responsibility of the buyer.

C&F / CFR: Previously known as CFR & CNF, C&F means that the seller must pay the costs and freight necessary to bring the goods to a named port of destination and must also procure marine insurance against the buyer's risk or loss to the goods during the carriage. C&F stands for Cost & Freight and is always stated as C&F port of importation.

All risk insurance is not covered automatically, always check you have the right cover.



Knowledge is power, we want to make sure you have as much information as you need. Below we have curated a selection of additional useful links to help you prepare for the changes.

Gothenburg, Sweden

Useful Links

Please remember that, as a JAG UFS customer, our team are here to help you.

We also suggest reaching out to your local Chambers of Commerce for advice on any specific paperwork required for your products – they can produce Certificates of Origin (COO) or ATA Carnets, for example.

- [UK Trade Tariff](#)
- [UK Global External Tariff](#)
- [UK Tool for Exports](#)
- [EORI Validator](#)
- [Sanctions & embargoes](#)
- [Export Control Organisation: SPIRE](#)
- [Market Access Database](#)
- [Customs Procedure Codes](#)
- [Customs Information Papers](#)
- [GBCC – Documentation](#)
- [UK Government Transition Guide](#)
- [UK Government Imports & Exports Helpline](#)
- [British Chambers of Commerce Brexit Hub](#)
- [The EU & the UK – Forging a New Partnership](#)

Contact your local UK office and get Brexit-ready today.

London Heathrow

Unit 2, Felthambrook
Industrial Centre, Feltham,
Middlesex. TW13 7DU

T +44 (0) 208 844 2388

F +44 (0) 208 844 1939

Southampton

17 Carlton Commerce Centre,
Dukes Road, Southampton,
Hampshire. SO14 0SQ

T +(0) 2380 677 555

F +(0) 2380 678 001

Southend

Unit 4, Roach View Business Park,
Millhead Way, Purdeys Industrial
Estate, Rochford, Essex. SS4 1LB

T +44 (0) 1702 546 853

F +44 (0) 1702 541 728

Felixstowe

Suite 6B, Unit 2, Orwell House,
Ferry Lane, Felixstowe,
Suffolk. IP11 3QQ

T +44 (0) 1394 673 585

F +44 (0) 1394 673 057