



Brexit: How to Ship from the EU to the UK

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On 24 December 2020, the United Kingdom and the European Union reached a post-Brexit trade agreement. But the deal **doesn't mean 'business as usual' for shipping** between the UK and the EU.

Most tariffs, such as import duty, will be eliminated on trade between the UK and the EU from 1 January 2021. However, **customs clearance will now be required** for all goods moving between the UK and the EU.

This means that you will need to **declare the goods** you are sending by **completing a commercial invoice**. You will also need to follow the **revised VAT rules for the UK**.

This material is designed for commercial transactions between the EU and the UK. Please contact us for the rules on non-commercial transactions.

What is the Deal?

The implications for shippers

Even with this deal in place, businesses will now face **more paperwork and administration** when shipping, meaning **increased costs** and **adjustments to supply chains**. Carriers such as UPS will incur costs to process these cross-border shipments and as a result may need to charge **additional fees**.

While most tariffs will be eliminated, it depends on the **proof of origin of the goods**. If you are importing goods from outside the EU and shipping them to the UK, you will not benefit from the no-tariff deal.

Agri-food consignments will require health certificates and undergo **sanitary and phytosanitary controls** at border inspection posts.

What is the Deal?

The implications for shippers

Returns across the UK-EU border are permitted, but you will need to attach a **commercial invoice** to these shipments, as they will also require customs declaration.

Ground movements and aviation will continue between the EU and the UK. However, **special rules will apply** for goods moving between the EU and **Northern Ireland**. These special rules have not yet been officially communicated by the authorities.

What is the Deal?

The implications for shippers

	Shipping within the EU	Shipping to/from UK as from January 2021
Free movement of goods	Yes	No
Import tariffs and quotas	No	No*
Customs formalities including commercial invoice and classification	No	Yes
Sanitary and phytosanitary checks	No	Yes
Rules of origin procedures	No	Yes

* Subject to proof of origin



How to Ship from the EU to the UK

Register for an EORI number

Shipping goods from the EU to the UK

An Economic Operator's Registration and Identification (EORI) number is a unique identification number assigned by customs to each importer and exporter to monitor the movement of goods.

Businesses shipping from the EU to the UK are now required to register for an EORI number.

How do I request an EORI number?

An EORI number can be requested from the HM Revenue and Customs website.

You may need a separate EORI number if you are moving goods to Northern Ireland.

The EORI number starts with **GB** to move goods to Great Britain and starts with **XI** for Northern Ireland.

What if I don't have one?

Your goods **will not be cleared through customs**, but will be held until you supply the completed paperwork.

This could mean **significant delays** and **additional charges**.

Complete a commercial invoice

Shipping goods from the EU to the UK

A commercial invoice is the primary documentation used for import control, valuation and duty determination when shipping across customs borders.

It is **required for all cross-border shipments**, except documents of no commercial value. It is required even if there is no sale.

Recognised worldwide, it contains **important information about your shipment**, including:

- The sender
- The destination
- The contents, including the quantity and what it's made from
- Its value
- Harmonized System (HS) Codes

Check out our **[guide to completing a commercial invoice](#)**, which is available on ups.com. These instructions will explain how to give your shipment the best chance of clearing customs smoothly.

Proof of origin of goods

Shipping goods from the EU to the UK

To benefit from preferential tariffs, you must hold proof that the goods comply with the rules of origin. This means that your product **must originate in the EU**.

You will need to include a certificate or **proof of origin of goods** in or with the commercial invoice or other commercial documentation (excluding a bill of lading). You can self-declare the origin of goods for the first year.

Proof of origin of goods means you must have either:

- a **statement of origin** by the exporter
- evidence of the **importer's knowledge** about the product's originating status

A **certificate of origin** is issued by a competent authority of the exporting country.

Self-issued certificates of origin and proof of origin may be issued by the producer, manufacturer, exporter or importer.



Proof of origin of goods

Shipping goods from the EU to the UK

How does proof of origin help when trading internationally?

It certifies that goods in a particular export shipment are wholly obtained, produced, manufactured or processed in a particular country; it declares the 'nationality' of the product and also serves as a declaration by the exporter to satisfy customs or trade requirements.

Would a certificate of origin issued by the UK be valid for export shipments to non-EU countries

For shipments from the EU, in this instance, a new certificate would need to be issued by the EU Chamber of Commerce.

What happens if I cannot prove that my goods meet the rules of origin requirements?

If you cannot prove that your goods meet the rules of origin requirements, you will still need to pay customs duty. To find out the rate of duty, you'll need to classify your goods correctly.

If the consignee is to pay the duty, we suggest you inform them of this before the transaction, particularly if they are consumers, to avoid any nasty surprises.

Assign Harmonized System (HS) Codes to your goods

Shipping goods from the EU to the UK

Harmonized System (HS) Codes are required on official cross-border shipping documents for tax assessment purposes. They ensure uniformity of product classification worldwide.

HS Codes are necessary to:

- Classify physical goods for shipment across a customs border
- Complete required shipping documentation such as shipper's letter of instructions, **commercial invoice** or certificate of origin
- Determine import tariff (duty) rates and determine if your goods qualify for preferential tariffs

HS Codes are now required for shipments from the EU to the UK, whether or not the goods originate in the EU.

Using incorrect HS codes can result in products being held in customs and heavy fines.

For more information, you can visit [World Customs Organization \(WCO\) website](#).

Comply with the new Import VAT rules

Shipping goods from the EU to the UK

- Whether you are a business or an individual shipper, if you are importing into the UK, **you now need to register for UK Import VAT** with Her Majesty's Revenue and Customs (HMRC). New rules apply from 1 January 2021, depending on the value of the goods being shipped:
 - **At or below £135:** There are three different options for shippers to choose from:
 1. B2C (direct to consumer) – shipper pays VAT and needs to process VAT with the UK authorities
 2. B2C sales through an online marketplace – online marketplace needs to process VAT with the UK authorities
 3. B2B – either the shipper or importer is liable to process VAT depending on the terms of sale
 - **Above £135:** the party responsible for VAT payment will continue to be determined by the INCO terms.
 - If you are importing into the UK but deliver directly to your customers (e.g. Delivered Duty Paid), your business is liable for Import VAT.
 - If your business wish to **postpone** UK Import VAT, this can be done via postponed VAT accounting, a duty deferment account or the customs declaration by UPS.
- As a non-UK entity, if you would like to claim back any VAT your business have been charged, please ensure to declare your business as a **non-established taxable person (NETP)** during VAT registration.

Check if your goods are subject to inspections at the border

Inspections and limitations for agri-food consignments



Agri-food consignments will require health certificates and undergo sanitary and phytosanitary controls at border inspection posts.



In order to avoid disruption at the border, UPS will accept these restricted commodities **only with UPS Express services**.








UPS will suspend the carriage by UPS Standard of goods that are subject to veterinary, phytosanitary or any other inspections of a restricted goods category at the UK border.



It is **your responsibility** as the shipper to check the regulations and whether the products you are shipping will require inspection.

Check if your goods are subject to inspections at the border

Examples of restricted commodities

-  Live animals and products of animal origin
 - *including fish and crustaceans, molluscs and other aquatic invertebrates and milk powder*
-  Medical and pharmaceutical products and preparations that include human or animal blood
-  All products manufactured from endangered species
 - *including alligator skin, coral, ivory*
-  Plants, bulbs, seeds, fruits and vegetables
-  Wood and articles of wood
 - *including wood charcoal*

Return shipments

Shipping goods from the EU to the UK

Your consignee in the UK may need to return the shipment to you, or your goods may be rejected upon import. What happens then?

The requirements to have these goods returned to you will depend on:

- Whether the goods have been in free circulation in the EU prior to being exported
- Whether the goods were in free circulation in the EU prior to being returned
- Whether the goods have been rejected upon import to the UK
- Whether the goods are subject to additional requirements before they can be imported to the UK

All return shipments from the UK to the EU will now require a **commercial invoice**. You can find out more about returns in our [guide to completing a commercial invoice](#).

Shipping to Northern Ireland

The Northern Ireland Protocol



Special rules will apply for goods moving from the EU to Northern Ireland.

The Northern Ireland Protocol is a practical solution to avoid a hard border with Ireland, while ensuring Northern Ireland benefits from the UK's deal with the EU.

Northern Ireland will remain aligned to a limited set of EU rules.

Goods shipped between the EU to Northern Ireland will move as an intra-EU movement. This means there will be no customs supervision, controls or formalities.

You can find more information on the [Gov.UK website](#).

UPS Paperless™ Invoice

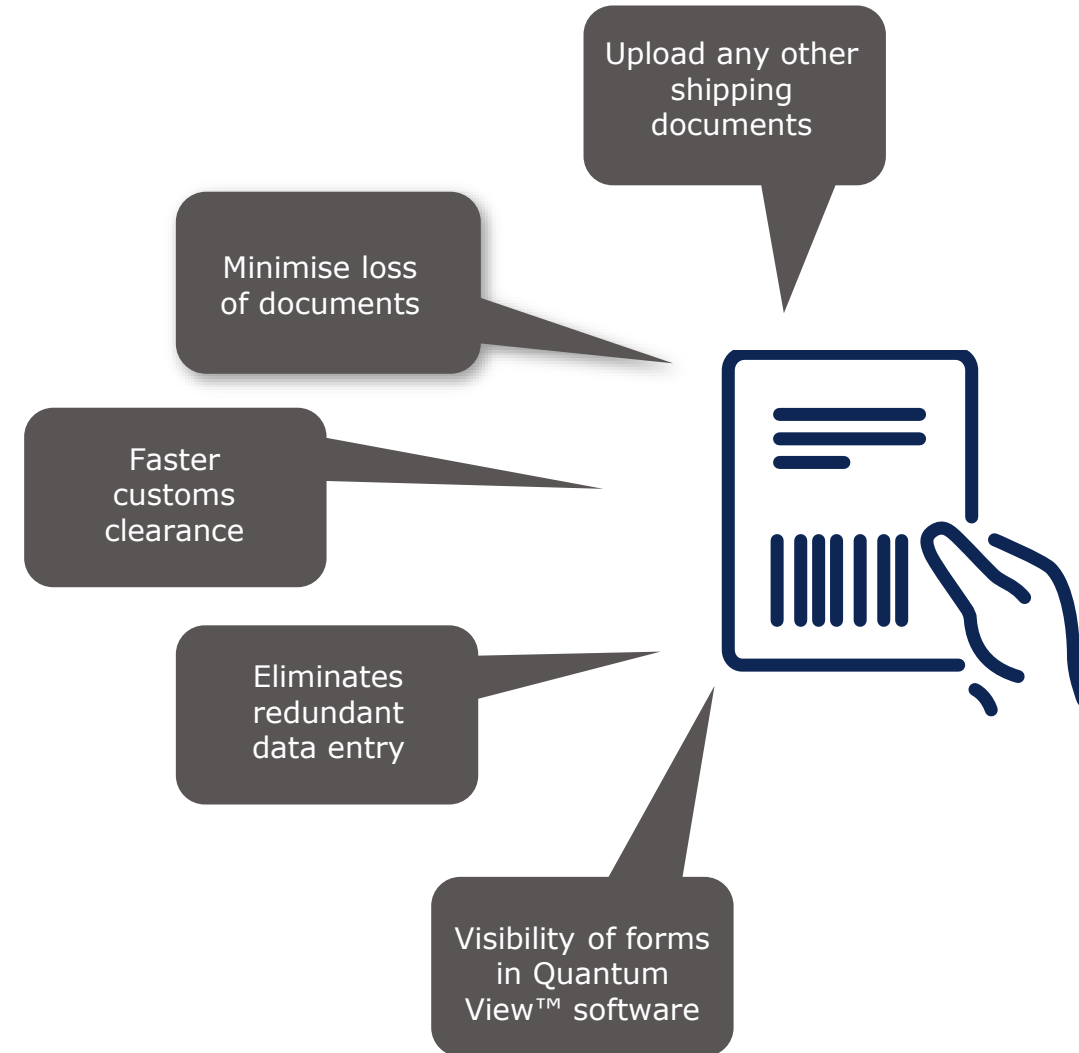
Shipping goods from the EU to the UK

In an industry first, UPS has **eliminated the need for paper commercial invoices** and other documentation required by customs in many countries.

With UPS Paperless™ Invoice, you can **file** your commercial invoices, certificates of origin and other export documentation **electronically** while processing your shipments.

It works seamlessly with UPS's shipping systems – there's no additional software needed.

If you complete your international paperwork outside of the UPS shipping system, the **Upload My Forms** feature allows you to upload your own trade documents that can then **travel electronically with your shipment**.





A Useful Checklist

A Useful Checklist

Shipping goods from the EU to the UK

- Register for an **EORI number**
- Complete your **commercial invoice** correctly
- Include **proof of the origin of goods**
- Assign Harmonized System (HS) Codes to your goods
- Comply with the new **UK Import VAT rules**
- Check if your goods are **subject to inspections** at the border
- Consider requirements for **return shipments**, if applicable
- Consider using UPS Paperless™ Invoice



THANK YOU