

Global Trade Bureau – a guide to:  
**Exporting from the UK**

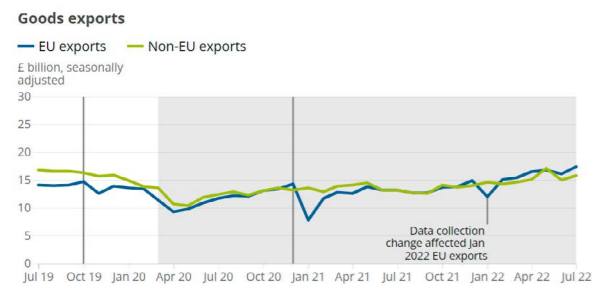
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## Exporting goods from the UK to the EU

### The Basics!

N.B., separate considerations apply for movements of goods in or through Northern Ireland

- The Exporter must be established in the UK for customs purposes;
- Ability to send export entries to Chief or CDS;
- A chosen broker or agent to complete the declarations.
- Understand your responsibilities for the Incoterms

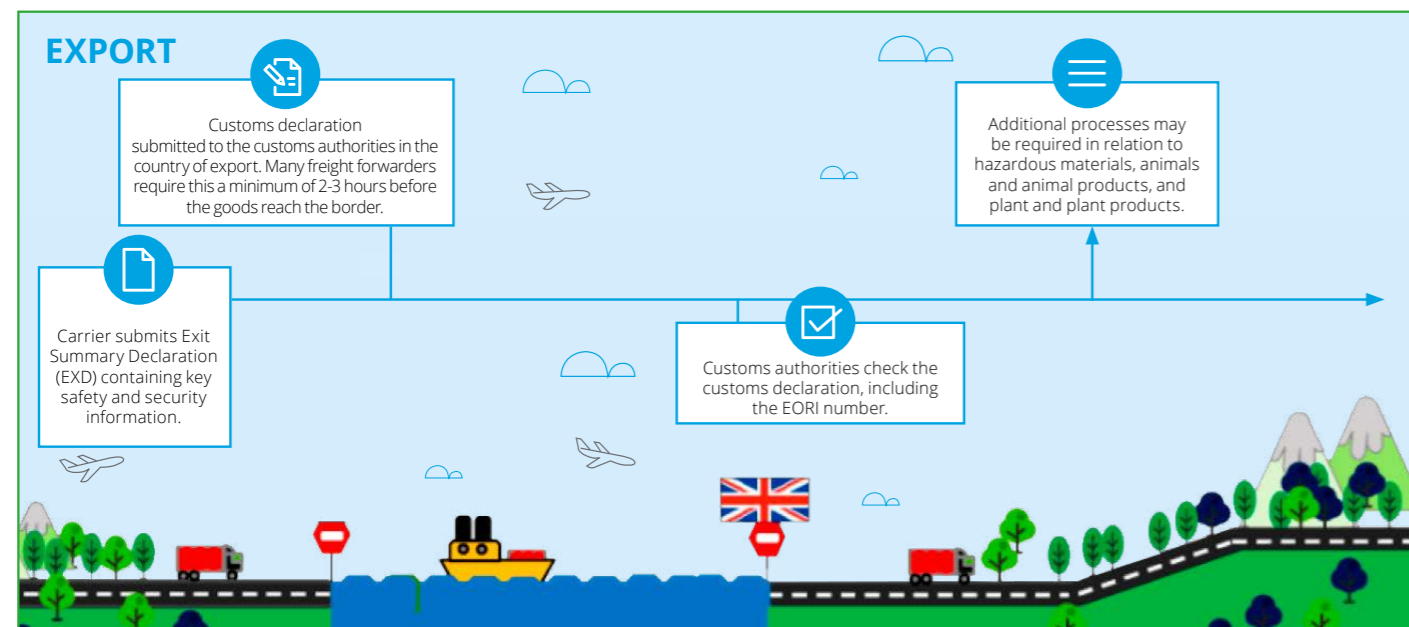


Typically, the cost of submitting a declaration is between £15 and £55 – sometimes higher – which could represent significant additional costs for businesses.

Source: Office for National Statistics – UK trade statistics, current prices, seasonally adjusted

### An overview of the clearance process

The diagram below summarises the key steps of the clearance process in order to export, and then import, goods.



## Key actions for businesses acting as exporter of record from the UK

This checklist summarises the key actions for businesses exporting goods from the UK. Some businesses may also be responsible for importing goods into the EU, in which case additional obligations will apply.

Key actions for businesses acting as exporter of record from the UK:	
<b>Crucial customs set up</b>	
Obtain a UK Economic Operator Registration and Identification (EORI) number and obtain an EU EORI number if the business is also importing into the EU	
Establish capability to complete customs declarations, – including data on product classification, value and origin	
Determine who will act as exporter, meeting the necessary establishment requirements	
Appoint a customs compliance provider to deal with border formalities on your behalf	
Review contract terms and Incoterms to be clear on where risk and obligations lie	
<b>Customs duties and customs regimes</b>	
Quantify the amount of customs duty payable in destination country where the supplier is also responsible for importing the goods into the EU	
Quantify the costs of managing the additional customs compliance requirements	
Review rules of origin in FTAs to determine whether the goods will qualify for preferential arrangements on import	
Consider whether any customs regimes and simplifications are relevant e.g. transit or outward processing	
Review economic impact of existing trade remedies on current supply chains (e.g. anti-dumping duties, countervailing duties and safeguards)	
<b>Related requirements</b>	
Review excise compliance requirements if the business exports excise goods (e.g. alcohol and tobacco) from the UK into the EU (excise duty applies in addition to any customs duty)	
Ensure compliance with SPS regulations where relevant, (e.g. for animals, certain plants, and some animal and plant products) including advanced notification, health certificates and veterinary checks, and import via a border inspection post	
Check compliance requirements for product standards and packaging requirements where the business acts as importer for regulatory purposes	
Check the business meets the conditions to zero rate the export of goods for VAT purposes, and consider VAT obligations if the business also imports into the EU	
<b>Customs governance</b>	
Set-up customs compliance provider governance, operating procedures and instruction	
Review, enhance and create an internal infrastructure:	
a. Customs skills	
b. In-house or out-source customs compliance	
c. System capabilities and changes	
d. Internal processes and controls	

## What are the key customs considerations for businesses exporting from the UK?

Businesses supplying goods from the UK to the EU will need to consider export requirements for the first time. These include:

### Establishment requirements

Under the UK's customs legislation, the exporter of record must be established in the UK. The exporter of record doesn't necessarily need to be the owner of the goods at the time of export e.g. it could be an agent or third party exporting the goods. Businesses should check their role in the supply chain and ensure the split of responsibilities between counterparties is clear.

### Export licences

Certain goods are goods and required a licence to export e.g. dual use civil and military goods. Whilst the overall framework of controls relating to such goods is not expected to change, some changes to licencing requirements are expected. In other cases, additional requirements apply e.g. for animals and animal products, which may require a health certificate and notification through the TRACES system in order to enter the EU.

### Document requirements

Exporters will need to provide key documents to their freight forwarder, such as any relevant export licences, the road consignment note, the Movement Reference Number (MRN) from the export declaration, preference documents where applicable, and other relevant documents where customs regimes such as Transit are used. The commercial invoice is issued by the exporter and evidences the sale from the exporter to the importer – and also forms the basis of the customs value when the goods are imported into the EU.

### Record keeping

HMRC requires that customs records are kept for at least four years. Failure to produce customs records upon request may lead to the business being subject to enforcement action, potential assessments and penalties.

## Customs special procedures

Customs special procedures relating to exports of goods are more limited than those relating to imports of goods. If goods are being exported from a special procedure in the UK, there are specific information requirements that must be included in the customs declaration. Depending on your supply chain, the following may simplify customs administration or reduce the duty cost:

### Transit

The UK has adopted the Common Transit Convention (CTC). This allows for customs clearance formalities (including payment of duty) to take place at the destination rather than at the point of entry into a customs territory. The exporter will need to make an export declaration as normal, and will also need to make a transit declaration to place the goods in transit and provide the transit accompanying document to the carrier.

### Outward Processing

This procedure will allow for relief from customs duty when exporting goods from the UK for processing or repair. When goods are re-imported, a full or partial duty relief can be claimed. In order to apply for this procedure, the goods must (1) originate in the UK or, (2) have been imported into free circulation within the UK with all customs formalities completed and charges paid.

### Early engagement with compliance providers is key

Freight forwarders transport goods from one destination to another. Where customs declarations are required, freight forwarders may work with a separate customs compliance provider. Have you reviewed your existing logistics arrangements to understand:

- How many freight forwarders do you use? Would appointing a single customs compliance provider help you streamline processes and reduce costs?
- Are you confident in the governance arrangements in place between the business and its freight forwarders/customs compliance provider[s] to help you stay compliant?

Where UK businesses exporting from the UK are also acting as importer of record into the EU will need to check they meet the relevant customs compliance requirements, including:

- Obtaining an EU EORI number;
- Appointing an indirect representative to act as declarant on the customs declaration if they do not have an EU establishment;
- Potential VAT registration

**Export process has specific requirements and especially for Key countries**

When you are exporting goods from the UK, it is important to check the specific requirements depending on the route which the goods are taking to ensure that the entry is completed correctly.

Ireland and France are two of the key countries, highlighted below:

**Ireland**

Goods moving to or from the United Kingdom (excluding Northern Ireland) are subject to customs formalities since 1 January 2021.

Revenue’s Customs Roll-On Roll-Off Service (RoRo Service) facilitates the movement and control of goods and vehicles when moved by scheduled ferry between Ireland and Great Britain.

Access to the RoRo Service does not require any pre-authorisation by Revenue, making it readily available to any party in the supply chain.

The services available on the RoRo System consist of three complementary functions:

- Pre-Boarding Notification (PBN)
- Customs Channel Look-up
- Customs Check-in when you get a Call to Custom

**France**

The French customs administration has developed a “smart border” to accelerate the movement of trucks through Channel Ports trucks through busy Channel ports. This would involve a pre-declaration at the port of departure, allowing time for the declaration to be processed and trucks to be selected for control checks in advance of their arrival at the port of arrival. Operators will complete customs formalities before loading and will assign a bar code associated with the vehicle and transit documentation, which will be used to determine whether additional checks are required. These arrangements would apply to movements of goods from the UK to France and from France to the UK.

**Related considerations**

Businesses exporting goods from the UK will also need to consider a number of related impacts. These include:

**VAT**

Exports of goods can be zero rated for VAT purposes. Where UK businesses currently rely on ROW VAT simplifications to minimise their ROW reporting obligations, they may need to register for VAT in the ROW. UK businesses making B2C supplies to ROW customers will need to consider the new e-commerce rules.



**Exporting animal and plant products**

Sanitary and phyto-sanitary measures (SPS) protect human, animal or plant life from the risk of infection and disease through checks undertaken before goods can enter a country. This means specific checks and certification requirements apply to certain animals, plants and associated products e.g. those with high milk or egg content. Imports of such products into the ROW may require advance notification and to pass through a border inspection post.



**Export controls**

Additional compliance requirements apply to controlled goods, for example licences are required for ‘dual use’ goods that can be used for both civilian and military purposes. Exporters also need to be aware of other restrictions that apply to people, organisations and transactions, e.g. sanctions and denied party screening.



**Product regulations**

Regulated products – such as chemicals, cosmetics and automotive parts – placed on the ROW market will need to meet ROW regulatory requirements. There will be separate UK and ROW regulators, with the potential for divergence over the longer term. Businesses that were previously distributors for the purposes of product regulations may now become importers, meaning they need to meet additional obligations.



**How Deloitte can help**

Our **market-leading Global Trade Advisory team** – drawn from both ex-HMRC officers and industry experts – works with businesses to provide a suite of advisory services. Our team works with your business to identify opportunities to simplify supply chains, introduce mitigations and identify cash-saving opportunities for the business.

Deloitte’s **Global Trade Bureau** is a tech-enabled customs compliance solution that takes care of your customs calculations and declarations, filing and end-to-end process optimisation. And, with a dashboard delivering analytics and reporting, not only can you keep your business moving, you can stay one step ahead.

**Services**

We provide a range of trade and indirect tax advisory services to help businesses prepare for the changes that will arise at the end of the transition period, including:

- **Manage customs compliance.** Our [Global Trade Bureau](#) combines deep global trade expertise with technology to offer a differentiated solution for managing customs compliance.
- **Identify customs and VAT impacts.** Prioritize focus based on business structure, supply chains, operating model, location.
- **Map existing and proposed supply chains** and analyze the resulting customs and tax obligations and mitigations, including potential systems updates.
- **Consider available duty reliefs** and how these may assist the business in not only reducing its customs duty bill, but also whether these can add efficiency within the supply chain.
- **Engage with tax authorities** on tax policy.

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