

dpd

The UK Transition

Keeping our customers informed



What's the latest on Brexit?

In December 2019, the UK Government agreed and voted for a new Brexit deal. On 29 January 2020, the European Parliament ratified the Brexit withdrawal agreement that had been agreed earlier in January by the UK Parliament.

On 31 January 2020 the UK left the EU, and the transition period as stated in the Withdrawal Agreement began.

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

During this period nothing changes for trade of goods and services between the UK and the EU. Goods can continue circulating freely between the UK and the EU without customs declarations or controls.

DPDgroup will ensure that whatever the scenario, you will be able to continue to ship parcels to your customers throughout the EU.

Key details are:

- The UK left the European Union on the 31 January 2020.
- 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 in order to keep shipping into and from the EU.
- During the transition period, movement of goods across the border will continue under the current rules, giving businesses and transport companies until 31 December 2020 to make extra preparations.

Two Transition Scenarios

Here's a summary of the two different scenarios:

Deal

The UK left the European Union on 31 January 2020. The new transition period will last until 31 December 2020 while the UK and the EU negotiate a trade deal.

What does this mean to you?

- 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
- Delivery times to your customers **may increase**
- Inspections **may take place** on some goods imported or exported
- **Increased information** may be needed in your data to us relating to the goods you are sending*

No Deal

In the worst case scenario, if a trade deal isn't agreed by 31 December 2020, the UK may leave the EU with no deal. This may leave us 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 trade deal or arrangement.

What does this mean to you?

- The goods you send with us to Europe **will be subject** to duties and/or VAT
- Customs declarations **will** be required for each consignment
- Our rates **will** change as a result of customs handling
- Transit times **will** increase because of customs checks
- Inspections **will** take place on some goods imported or exported
- **Detailed data** will be required to export goods into Europe or import them into the UK



Your Strategy

We're keen to know what your transition strategy is and what kind of help you might need in a post-transition world.

The next few pages will outline several areas that will help you get your business ready for Brexit and continue to ship successfully into the EU.

How can you prepare for Brexit?

Whilst every business is different and your plans will be individual to the needs of your business and customers, DPD aims to help all of our customers prepare for transition in any way we can.

What you need to know

New data

Getting a parcel from Birmingham to Paris today is just as easy as moving one from Birmingham to Newcastle, as a bare minimum you can do it with a name and address.

When the UK leaves the EU, additional pieces of information may be required for every parcel to ensure it can move across the border.

We will take care of the majority of this data, but there will be seven new data fields you will need to get and pass on to us to ensure your parcels travel to and from the EU with no delays.

www.gov.uk/check-duties-customs-exporting

Commodity Codes

- Commodity codes also known as HS codes represent the product or products that you're sending and can be recognised worldwide by all customs systems in countries that are members of the WTO, including the EU.
- This eliminates language barriers and issues with vague descriptions at customs clearance points.
- There's no specific code for a pair of branded trainers, but there is a code for footwear with outer soles of rubber or plastics, so you may end up using the same code for various products of the same type.
- To ensure you can export you need to provide us with the 8 digit format of your commodity code.



Product Description

More detailed than what you might be used to, these need to be fairly detailed to ensure there's no ambiguity about what you're sending. If there's any doubt from customs about what's inside your parcel, your goods may be subject to delays.

Providing a detailed product description is necessary to ensure shipments clear customs. Descriptions must be specific and accurate, see below:

Product Category: Apparel	
Unacceptable Description Example	Acceptable Description Example
Clothes	Men's navy blue leather jacket
Clothing	
Clothing Apparel	

Product Category: Toys and Games	
Unacceptable Description Example	Acceptable Description Example
Toy	Scalextric toy car set
Model Toy	
Children's Toy	

Product Category: Footwear	
Unacceptable Description Example	Acceptable Description Example
Footwear	Men's black suede/textile footwear
Trainers	
Shoes	

Product Category: Electronics	
Unacceptable Description Example	Acceptable Description Example
Tablet	Apple iPad Mini 4 128GB Wi-Fi
Computer	
PDA	



EORI Number

In the UK, an Economic Operator Registration and Identification (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.

In a post-transition world it will be a mandatory requirement to have an EORI number to ship into the EU from the UK.

If you're still unsure about getting an EORI number or have any queries, the Government has released a mythbusting guide on EORI registrations that you can download by clicking here.

You can register for an EORI number easily by visiting gov.uk/eori

Country of Origin

Declaring which country your products were manufactured or produced in is crucial for international trade. It has an impact on duty and tax rates, and security checks if required.

If you're not using our shipping system, you will need to know the two digit format for the country where your products are from; for example: FR for France or ES for Spain.

Total Weight

The total weight of your parcel or consignment in KG.

For products weighing less than 1kg, weight should be declared as a fraction of a kg and not in grams.



Reason for Export

For all exports you will need to supply a ‘Reason for Export’.

These three reasons are what will be accepted post-Brexit:

01 - Sale
02 - Return/Replacement
03 - Gift



Quantities

Quantities of the same commodity will automatically add up to give you an accurate final total weight value, which should be declared accurately.

Contact Information

We’ve already encouraged you to give us at least one piece of contact information when you send your parcels both domestically and internationally, whether it’s a phone number or email address.

You can’t take full advantage of our award-winning Predict service and in-flight delivery options without it, however post-transition contact information will become integral to sending parcels to the EU.

If we don’t have at least one piece of contact information it’s likely to make things such as duty or tax collection and requests for further details really difficult. Which is why we’ll be making it mandatory for you to provide us with either an email address or a phone number of the recipient, preferrably both.

Terms of Trade

International trade terms may change if the UK and the EU agree on a trade deal. Once details of the trade arrangements are known, DPD will make sure you are covered for any of your shipping requirements.

The transition period will last until 31 December 2020, so during this period nothing changes for trade of goods and services between the UK and the EU. Goods can continue to circulate freely between the UK and the rest of the EU, without customs declarations or controls.

Data, not paper

As part of our drive to be a clean, green, carbon neutral company, DPD will not be accepting paper invoices post-Brexit. All the data you need to give us to send your parcels when we leave the EU needs to be electronic.

All our shipping systems will be updated before the UK leaves the EU to ensure we capture all this information we need.

If you use MyDPD, all of this will be taken care of automatically and there's nothing else for you to do.

If you use a third party provider we would recommend checking in with them to ensure you're covered post-transition.



What can you do now?

We've provided a handy checklist on the following page - tick all of these boxes to suc-cessfully declare yourself 'Transition Ready'.

Summary Checklist

Register with HMRC for your an EORI number	☐
Classify goods with the correct 8 digit commodity code	☐
Ensure product country of origin is declared with product data	☐
Ensure all product values are declared accurately on accompanying invoices or data	☐
Check product descriptions are accurate and compliant against the commodity code	☐
Ensure recipient telephone numbers and email addresses are captured	☐
Decide on Terms of Delivery and ensure this is in the data passed to DPD	☐
Check that all additional required information is passed through to DPD in the data from your systems	☐

www.dpd.co.uk/brexit

The DPD guide to getting transition ready

Our team of international experts are on hand to help with any query, email us now at internationalexperts@dpdgroup.co.uk