

Swain Group – Customs Clearance

Export Guide

November 2020



Export Guide

Step-by-step export guide

When the transition period ends on 31 December 2020 then UK and EU businesses will have to apply customs, excise and VAT procedures to goods traded between the UK and EU in the same way that already applies for goods exported to outside the EU.

This step-by-step guide is intended to help businesses understand the key actions they will need to carry out in order to continue trading between the UK and EU after Brexit 1 January 2021.

It is based on the existing guidance that already applies to the trade that EU businesses carry out with businesses outside of the EU. The guide is for advice and guidance only and is not intended to cover all products and eventualities.

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1) Register for an EORI number

You need an EORI number in order to trade, whether you are based in the UK or EU27. Your customers will need to register for an EU EORI number if they do not already have one. You can obtain an EORI number by registering with the customs authority in your country.

2) Complete and send a Power of Attorney

Swain needs written authorisation from you to enable Swain to act as a Customs Agent on your behalf. This will apply to both Export Declarations and Import Clearances. Without this we cannot move your cargo through Customs. You can obtain these from your local office.

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3) Check if you need a licence to export your goods

You may need a licence or follow special rules to export restricted goods.

Whether or not you need an export licence for your goods will be determined by four factors:

- Nature of the goods
- Destination of the goods
- Ultimate end use of the goods
- Licensability of trade activities

Goods that are restricted range from agricultural products to military goods.

A comprehensive list of prohibited and restricted goods can be found in your national government / customs websites.

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4) Find out the commodity (HS classification) code of your goods

Commodity codes classify goods so you or your Broker can fill in export declarations. If you are unsure about how to classify your products, your national Customs authority will have guides available online.

It is important to conduct some background research on the destination(s) you wish to export to.

This background information, combined with the commodity code of the goods, will help you to determine if the goods will occur import duty in the destination country.

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5) Declaring your export to customs

It is possible to make your own customs declarations, but the process is complicated and only suitable for more experienced exporters. Most businesses use a customs broker or agent to do this for them.

If Swain is handling your freight we can assist you with this.

If you have decided to use a Customs Broker, you must, in a formal written authorisation, outline whether the broker is empowered to act as a 'direct' or 'indirect' representative. We can explain this and supply the necessary authorisation forms.

It is important to note that export declarations must be pre-logged Customs. The Export Accompanying Document (EAD) issued by Customs needs to accompany the goods to the port where the goods are being presented to customs.

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6) To complete the export declaration the broker will ask you to complete a commercial invoice

The commercial invoice should contain the value of your goods – which is the price you're selling them for. Your broker may also require the freight costs or export insurance (which you may or may not have included in the selling price), depending on the terms of sale. It is important that the information provided on the commercial invoice is accurate. This invoice will be used by your broker to make an official customs declaration.

7) Forward the commercial invoice (and licence, if you need one) with your consignment

The relevant documents must accompany the goods to the port of exit.

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8) The goods must be 'presented' to customs

Notification of the arrival of goods at the required location for Customs control is referred to as 'presentation of the goods to Customs'.

An authorised party will send notification of arrival to Customs (typically a port authority). This lets Customs know that the goods are at a required location for Customs control (normally a port).

Customs will examine the 'arrival message' and determine whether the goods have permission-to-progress or need examination etc.

9) Finalise the export entry on the national customs system

Once the means of transport upon which the goods were loaded has physically left the exporting territory, a departure message must be submitted to customs by the authorised vessel operator / airline.

You're required to keep records for all traded goods you declare to Customs for the legally required period, typically 6-7 years, although this varies by country

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After export

Things to consider

- VAT Treatment for exports

