

# **BREXIT PART 2: ARE YOU READY?**

SUMMARY OF CHANGES DUE ON JANUARY 1ST 2022 AND SGS E-CUSTOMS SERVICES





Brexit Part 2....or part 3 or 4 – it has been quite easy to get lost in all of the postponements and new requirements which have been introduced since Brexit become a reality on the 1st January 2021. Do not worry, SGS e-Customs have been following all the changes in the regulations and procedures and is your perfect customs partner to help you navigate and be prepared for the next set of changes.

When the UK left the EU, it decided to introduce new customs controls in stages, to lessen the impact on trade. On the 1st January 2022, a new round of measures will be introduced, which exporters, importers and logistics providers must comply with, to ensure smooth trade flows.

## **Delayed Import Declarations**

Throughout 2021 it has been possible for traders to delay declarations of UK imports for up to 175 days, reducing the pressure on customs brokerage availability. As of 1st January 2022 this will no longer be available, meaning imports will need to be declared before the goods even arrive at the EU exit border. This will place the onus on importers to ensure a service is in place, with interested parties advised to ensure this agreed well in advance, as supply is expected to be strained.

## **Port Controls**

By the 1st January 2022, all ports of entry into the UK must use either the Temporary Storage (TS) model or Goods Vehicle Movement Service (GVMS) to inform HM Revenue of Customs of arrivals at the UK border. Temporary storage is already in place at the majority of UK ports, and in use of many short sea operators. There will however be mandatory usage of the Temporary Storage system in some ports. Some ferry operators are expected to start using an inventory system, with all consignments requiring release from these systems from January 2022.

Ports choosing the GVMS system, including Dover and the EuroTunnel, will require logistics providers to complete an entry before arriving at the EU port of departure. In practice this means entering details of the consignments

loaded, in the form of pre lodged import declaration references, EORI numbers of UK traders registered for Customs Freight Simplified Procedures (CFSP) or transit declarations.

## The effect on logistics

Companies involved in the transport of goods to the UK will be the most affected. Since January 2021 it has been possible for goods to enter the UK without any pre-lodged customs declarations. From January 2022, this will no longer be possible and trucks will not even be able to board the ferry or tunnel without having the appropriate customs declarations pre-lodged or registration in GVMS complete. This puts pressure on all parties involved in the supply chain to be more coordinated to ensure the drivers of the transport company have what they need to board the ferry/tunnel at EU exit. Depending on the transport conditions, this coordination between all parties may not be clear or easy which could result in potential delays at the EU exit border.

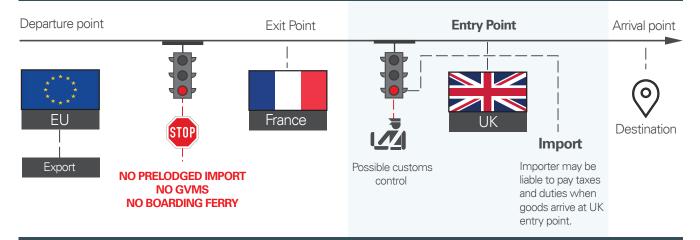
## Transit – a possible solution?

Transit procedures can be used to ensure the smooth movement of goods from departure point through the EU exit and UK entry point to a final destination in the UK. Read on to find out more on how transit can help your company manage the new requirements.



# Without Transit

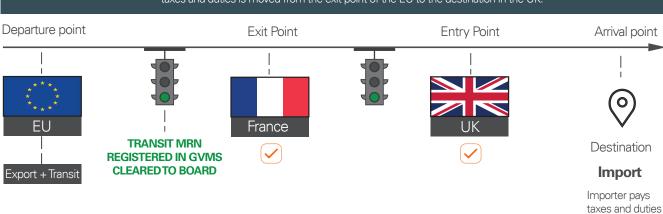
Trucks, semi-trailers, containers and vans travelling from the EU to the UK, will need to have a UK import Declaration pre-lodged before they arrive at their EU port of exit. The import declaration ERNs or MRNs need to be registered in GVMS to create a valid GMR. Trucks which do not have a valid GMR containing all relevant ERN/MRN numbers will not be allowed to board the ferry/tunnel to depart the EU.



# With Transit

Trucks which travel under transit do not need pre-lodged import declarations. Once the transit MRN is registered in GVMS, trucks, semi-trailers, containers and vans travelling under transit from the EU to the UK will be allowed to board the ferry/tunnel and will travel freely through the exit point of the EU through the entrance point of the UK to their final destination in the UK. The need for Import procedure and payment of taxes and duties is moved from the exit point of the EU to the destination in the UK.

when goods reach their destination





# Transit – how it works?

Transit can be started at any government customs office which supports the opening of a transit procedure. Transit can also be opened at Authorised Consignor locations which are customs approved locations from which transits can start under simplified procedure. Via SGS' customs transit platform, TransitNet, transits can be opened from one of 24 NCTS countries where TransitNet operates en route to the UK. Transit must be terminated at an authorized consignee's premise at an inland or at border entry UK customs office.

For those operators who prefer not to open their transit in the loading country, but prefer to open it close to the Channel, SGS in partnership with the Calais Truckstop offers approved clients the possibility to start transit under the simplified procedure from a perfect location in Calais. This removes the need to present the goods at border customs. For more information on SGS and the Calais Truckstop, please see SGS partners with the Calais Truckstop - SGS E-Customs

# **Goods Vehicle Movement Service** (GVMS)

TransitNet is also connected to the GVMS system which allows TransitNet users and clients to generate a GMR (Good Movement Reference) which is needed for boarding the ferry at EU exit. If a transit has been created in TransitNet, the GMR is created reusing existing data at the click of a button.

## Coming soon in 2022!

In 2022, SGS will also add the possibility to open transits from our SGS office located in the logistics hub of Venlo en route to the UK. Also in mid-2022, SGS as an Authorised Consignee will be able to arrive and terminate transits at our partners location in Ashford, The Custom House. Keep an eye on News - SGS E-Customs - Customs Made Simple for updates on this.



SGS E-CUSTOMS

**CONTACT US TODAY** 

ecustoms.sgs.com/contact

© SGS Group Management SA – 2021 – All rights reserved – SGS is a registered trademark of SGS Group Management SA

WWW.SGS.COM

