



Are you ready for Brexit?

September 2019



What do I need to do post Brexit?

What do I need to do differently post Brexit

The current outcome re Brexit is still ongoing but a 'No Deal' scenario is increasingly likely. With a lack of certainty and an increasingly short timeframe we are recommending that you are prepared for a 'No Deal' scenario and the actions you will need to take to ensure continued movement of goods and printed matter.

There are certain changes you will need to apply when submitting printed matter or goods (goods are defined as items of commercial value) to be exported or imported via Whistl. These changes will be different according to the service you use and the items you send/receive.

What does this mean overall?

- Customs declarations will be required for each consignment
- You are likely to have to pay higher fees due to customs handling
- Transit times will possibly increase because of customs checks
- Inspections will take place on some goods imported or exported

Deal

With a deal of any kind, the fact that we have committed to leaving the single market will mean that customs declarations will be required for import and export.

No Deal

If the UK leaves 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?

- Goods between the UK and EU may be subject to duties and VAT
- Delivery times to your customers may increase
- Delivery rates could change and additional surcharges apply as a result of customs handling
- Customs declarations may be required
- Inspections may take place on some goods imported or exported
- Increased information may be needed in your data and on your parcels to us relating to the goods you are sending

What does this mean to you?

- 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
- Increased information may be needed in your data and on your parcels to us relating to the goods you are sending



EORI Registration

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.

No Deal Brexit requirements

In the event of a no-deal Brexit, you will need an EORI number beginning with GB to move goods in or out of the United Kingdom. If you already have an EORI number, you can continue to use it if it starts with GB. The number should be 12 digits long and if you are registered for VAT, will include your VAT number.

You will also need an EU EORI number for any other countries you trade with within the EU. You should note that an EORI number is not currently expected for trade between Northern Ireland and Ireland.

HMRC is helping businesses get ready for Brexit by automatically issuing them with a UK EORI (Economic Operator Registration and Identification) number. They have written to more than 88,000 VAT registered companies to let them know the UK EORI number they've been assigned. Businesses will not be able to move goods in and out of the UK without one.

If your business is not VAT-registered or you have not received notification of a number then you will still need to [apply now](#) for a UK EORI as soon as possible before the Brexit deadline of 31st October.

Considerations:

Do I need to notify Whistl of my EORI number when shipping goods?

If you use our tracked services, then Yes.

For fully Tracked services, we are working with carriers to provide EORI numbers as part of our data feed. This allows the carrier to include the EORI number as part of a customs declaration and should help with the customs process.

If you have an EORI number, please provide it to your Whistl Account Manager who will update our systems accordingly.

What happens if I don't have an EORI number?

It is possible that your goods may be delayed or held by customs, the EORI number should help make the process easier and also less costly.



Duty and Tax

If the UK leaves the EU in a no deal scenario, goods exported to the EU or imported from the EU are likely to incur VAT and possibly duty.

Exports

Post-Brexit, exports to the EU may be subject to duty/VAT collection. If this is the case, you should be prepared to apply a zero rate for VAT, in the same way you may do now to non-EU destinations, so that VAT can be collected when the goods are cleared into the EU.

Duty Rates

Today, under WTO rules, parcels shipped from non-EU countries into the EU with a value over €150 will incur duty. Some examples of duty rates for shipping from an existing third country to the EU under WTO rules are listed below:

- Men's/Boys Shirts/T-shirts 12%
- Leather Handbags 4%
- Trainers 17%

NB: For guidance only and subject to change pending the final outcome of negotiations

Duty rates are dependent on the commodity shipped, which is why we strongly recommend accurate commodity classification codes and accurate descriptions are provided, so that your customer pays the right amount of duty. When duty charges apply, terms of delivery help make it clear who is responsible for importing the goods and paying any outstanding duty or VAT.

Delivery Duty Unpaid/Paid

Whistl's untracked International postal services and fully tracked International **Standard**, **Standard Road** and **Premium** services are all despatched using **Delivery Duty Unpaid** as standard – where the consumer is responsible for paying the duty. **Delivery Duty Paid** is offered as an alternative option on our Premium International service only and by request.

Delivery Duty Unpaid (DDU)

With a DDU solution, the consumer is responsible for paying taxes and duties. They are contacted directly by the carriers to settle this balance before the good(s) are cleared through Customs which may also include an administration fee.

For **Tracked services**, the consumer will be contacted by our carrier via Email or an SMS message which will contain information about their shipment and fees that require payment. Items will be held for approximately 7 days while this payment is attempted to be collected.

If payment is not received, parcels will be returned to sender and a return to sender charge applied.

Delivery Duty Paid (DDP)

Using a DDP option, the retailer (sender) is responsible for paying the taxes and duties and in many cases, retailers will apply these fees at checkout and directly collect payment from the consumer (receiver).

DDP is available by request on our **Premium International** service. Our carriers will manage the customs clearance process and submit the duties and taxes on behalf of the sender i.e. Whistl. These charges passed back to you and will be applied to your weekly Whistl invoice alongside any applicable administration fees.



Data Considerations

If you currently send items outside of the European Union, or to the Channel Islands, you will be used to providing additional information regarding the contents of your parcels. This additional information forms the customs declaration to the receiving country and is also the information used to calculate any duties and taxes. Provision of this information will be mandatory when shipping into the EU after Brexit and it is essential that your declarations are accurate and complete. This will help minimise the risk of increased transit times due to customs procedures and checks.

Recipient Information

An accurate recipient name and address is essential to successful delivery but will also assist customs authorities. **Failure to supply accurate information will result in your item being returned or in some cases held** at customs or with our carrier partners.

For Tracked services, you should ensure contact information is supplied, ideally a telephone number but as a minimum a recipient email should be supplied. If the recipient is a VAT registered business, their in-country VAT number should also be supplied to ensure they are treated as a business for Duties and Taxes, if the number is not provided they will be treated as a B2C customer.

Commodity Codes

A Commodity Code (or Harmonised Code) for the product being shipped should always be provided. Commodity codes, also known as HS codes, are designed to eliminate language barriers and are a globally recognised coding system recognised in countries that are members of the WTO, including the EU.

Basic commodity codes are 8 digits long, however to be fully compliant we recommend classifying your products using the 10 digit format as this is universally recognised at both export and import level. For more information, please refer to <https://www.gov.uk/trade-tariff>

Commodity Codes will be enforced subject to carrier or destination in the event of a No Deal Brexit. Non-provision of an accurate 10 digit code or use of Default codes (0000000) is likely to result in additional handling charges or rejected items. In the current political climate a number of customs authorities are now advising that the provision of this information is now a mandatory requirement when importing goods into EU destinations (for example: the Netherlands). This is designed to address concerns surrounding customs clearance times.



Data Considerations

Product Information

You will need to provide accurate and complete information about the contents of your packages you are sending.

- **Untracked Postal Services (AllSort International, Zone Sort, Country Sort)**

For untracked postal services, you will need to provide product information in the form of a **CN22 or CN23 customs declarations**. Forms may be completed by hand, printed or may already be produced by your IT platform. **Whistl will not check the accuracy or completeness of your CN declaration, it is your responsibility to do so in order to ensure no delays in transit. It should also be noted that failure to provide a CN declaration will result in your package being returned to you.**

- **Part and Fully Tracked Services**

For part and fully tracked services, product information is passed via your integration with our Carrier Management System. Please ensure that the information supplied is accurate and is provided irrespective of the destination country.

Should you not currently provide all of the required fields for product information, you will need to update your integration in advance of the deadline. Please contact your Account Manager who will liaise with our Customer Implementation team.



Data Considerations

Shipper Details

We will utilise the Registered Company Name supplied to us when setting up your account as the shipper. If you ship on behalf of others (for example you are a Fulfilment company or reseller), you will need to ensure you provide information about the shipper of the goods (Registered Company Name, Address, VAT number, EORI Number) and EORI for the destination company to our team who will update our systems accordingly. If you deal with multiple shippers please ensure items are declared against the correct shipper information.

Mandatory Information

The table below details the information you will need to supply and indicates whether this is required on all services (both Postal and Tracked services) or Tracked services only:

Field	Definition	Example	International Services	Status
TAX ID	The tax ID for the recipient company. Required when shipping outside of the UK to a VAT registered business.	3423423	Tracked	C
Product Type or Category	A description of the product, should be specific and accurate, "Goods" is not an acceptable term.	Mobile Phone	All	M
Product Description	A specific description of the product, used in the commercial invoice for the product	XPhone V 250GB	Tracked	M
Product Weight	The weight of the product contained within the parcel	100g	All	M
Product SKU	A unique value used to reference the product in your own system or online site.	12312341	All	M
Commodity or Harmonised Code	A globally recognised code describing the product sold. Recommended that a full 10 digit code is used, but 8 digit code will suffice. If not known, a default of 000000 should be used.	8517120000	All	M
Value	Sale price of the product	1	All	M
Quantity	Quantity of items sold	5	All	M
Currency	Currency the order was sold in	GBP	Tracked	M
Country of Origin	The country where the goods were manufactured. Customs will want to see this to ensure that nothing is imported that contravenes local laws.	GB	All	M
Carriage Value	The amount charged to the recipient for shipping the item. To be left blank if zero.	10	Tracked	R
Insurance or Other Value	Any additional charges, for example Insurance, charged to the recipient. To be left blank if zero.	1	Tracked	R

KEY: **M** = Mandatory information
 R = Recommended information
 All = Untracked postal services (requiring CN22 or CN23 documentation)

AllSort International, International Presort

Country Sort & International Presort Zone Sort)

Part and Fully tracked services (supplied via your integration)

(International InSight, International Standard, Standard Road & Premium)

Presentation

Untracked Postal Services (International AllSort and International Presorted)

All items shipped outside of the United Kingdom will require a CN22 or CN23 label to be affixed to the parcel. A CN22 or CN23 document should be affixed to the outside of the parcel, this information forms the customs declaration to the receiving country or territory.

CN22 documents are for packages with a total value up to £270:

CUSTOMS DECLARATION Déclaration en Douane		CN 22
Great Britain/Grande-Bretagne		May be opened officially Peut être ouvert d'office
Important! See instructions on the back		
<input type="checkbox"/> Gift/Cadeau	<input type="checkbox"/> Commercial sample/Echantillon commercial	
<input type="checkbox"/> Documents	<input type="checkbox"/> Other/Autre	Tick one or more boxes
Quantity and detailed description of contents (1) Quantité et description détaillée du contenu	Weight (in kg) (2) Poids	Value (3) Valeur
For commercial items only If known, HS tariff number (4) and country of origin of goods (5) Nomenclature du SH et pays d'origine des marchandises (si connus)		Total Weight Poids total (in kg) (6)
		Total Value (7) Valeur totale
I, the undersigned, whose name and address are given on the item, certify that the particulars given in this declaration are correct and that this item does not contain any dangerous article or articles prohibited by legislation or by postal or customs regulations		
Date and sender's signature (8)		

If the value of your package is **greater than £270**, a **CN23 document should be completed** and affixed to the outside of the package using a document wallet. Failure to affix the right documentation may result in an item being delayed in transit and in the event of a no-deal Brexit, returned.

Fully Tracked Services

There are currently no plans to change labelling requirements for Fully Tracked Services. Customs declarations are made digitally and where required, additional labelling is applied by our carriers.

Although not required currently, in the event of a No Deal Brexit and should customs authorities become backlogged, it is possible that some destinations may begin to ask for paper commercial invoices to be affixed to the outside of the package in a document wallet.

A commercial invoice should contain the same information provided as part of your data declaration.

Commercial Invoice

Sender details		Invoice number (optional)	
Company:		Shipping date:	
Address line 1:		Shippers number:	
Address line 2:		Currency:	
Postcode / City:		Reason for export:	
Location:		Sender VAT number:	
Sender name:		Receiver VAT number:	
Telephone / Email:		Terms of sale (Incoterms):	

Receiver details		Delivery details (if different from receiver)	
Company:		Company:	
Address line 1:		Address line 1:	
Address line 2:		Address line 2:	
Postcode / City:		Postcode / City:	
Location:		Location:	
Receiver name:		Delivery contact:	
Telephone:		Telephone:	
Email:		Email:	

Description of goods	Quantity	Unit weight (kg)	Unit value	HS code	Location of origin	Total weight (kg)	Total value

Number of packages in shipment:		Total shipment value	
		Discount:	
		Subtotal:	
		Shipping costs:	
		Insurance costs:	
		Other costs:	
		Total declared value:	

Declaration		
I declare that the content of this invoice is true and correct.		
Name and Signature	Company and Job title	Date

Additional information (e.g. hazardous details, EORI number, ECCN number, etc.)



Summary Check List

Register with HMRC for your EORI number	<input type="checkbox"/>
Classify goods with the correct 10 digit commodity code	<input type="checkbox"/>
Ensure product country of origin is declared with product data	<input type="checkbox"/>
Ensure all product values are declared accurately on accompanying invoices or data	<input type="checkbox"/>
Check product descriptions are accurate and compliant against the commodity code	<input type="checkbox"/>
Ensure recipient telephone numbers and addresses are captured	<input type="checkbox"/>
Decide on Terms of Delivery and ensure this data is passed to the team at Whistl	<input type="checkbox"/>
Check that all additional required information is passed through to Whistl in the data from your systems	<input type="checkbox"/>
If you ship on behalf of others please ensure Whistl has the shipping information for each of the businesses	<input type="checkbox"/>

What can you do now?

- Register with HMRC for an EORI number for international trade
- Have your goods classified with the correct commodity code to ensure your sales and orders have the correct duty amounts applied
- Ensure that all product values are declared accurately on accompanying invoices or data
- Speak to your Account Manager



Thank You



Mail



Parcels



Fulfilment



International



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