



All you need to know for Shipment to the UK after the Brexit

The United Kingdom (UK) ceased to be a member of the European Union as of January 31, 2020. There is a transitional period until the end of 2020.

The customs status of the UK after this period will depend on the ongoing negotiations and agreements with the EU. One outcome may be that the UK will be given the status of a third country from the EU's point of view.

That means that the movement of goods and thus parcel shipments between the EU and the UK would in this case be subject to customs supervision **as of January 1, 2021 at the earliest.**

Hence customs-free shipping to the UK would be possible for the last time on December 31, 2020. From January 1, 2021 it is expected that only shipments for which the shipper provides the full parcel and customs data might be processed.

With this customer information you can obtain an insight into the customs regulations to be expected in future for shipments to Great Britain and Northern Ireland.

The Republic of Ireland, however, remains a member of the EU, meaning that no customs formalities will be required for shipping there.

Requirements for export to the UK (expected from 2021 or later)

EORI number

For shipping to countries outside the EU, you require a so-called EORI number for your business (Economic Operators' Registration and Identification); this identification number is required for customs processing. You can apply for an EORI number from the customs authorities in your country. When shipping to the UK, the EORI numbers of the commercial exporter in the EU and of the commercial importer in the UK are required.

Goods classification on the basis of customs tariff numbers (HS code numbers)

Goods shipments to non-EU countries must be classified. For this, customs use goods or customs tariff numbers, so-called HS code numbers. This defines which goods are included in your shipment and how high the import duties and other import taxes are.

In addition to the goods description, parcels to the UK must also be furnished with the corresponding goods/customs tariff number. Detailed information regarding the HS code numbers can be found at <https://www.tariffnumber.com/>.



Documents required for customs

1. Commercial or pro forma invoice

For shipments to the UK a commercial or pro forma invoice is required in duplicate (original plus one copy). A commercial invoice is required for goods with commercial value and the pro forma invoice for goods without commercial value (e.g. sample or gift shipments). The invoice must be attached in a shipping pouch on the outside of the parcel and include the following information:

- Complete importer data if this is not the same as the recipient: name, address, phone number, e-mail address
- Name and address of the dispatcher with phone number and e-mail address
- EORI numbers of the dispatcher, the commercial exporter in the EU and the commercial importer in the UK
- Name and address of the recipient with phone number, e-mail address and contact person
- Delivery address if this differs from the invoice address
- Invoice date, number and location
- Designation and quantity of goods with associated customs tariff numbers and respective values
- Value of goods (with currency specification)
- Delivery condition/incoterm
- GLS parcel number(s)
- Weight (gross/net)
- Declaration of origin
- Company stamp, signature and name in plain text
- UK number for VAT pre-paid scheme "Incoterm 18"

For each line of the invoice, the following must be indicated:

- All goods tariff numbers (summed)
- The gross and net weight
- The exact description of the goods
- The origin
- The value declaration incl. currency

If the same goods tariff numbers with the same origin/the same country of provenance are listed several times on an invoice, a grand total for the gross and net weight, the value declaration and the quantity of the goods must be recorded for these goods tariff numbers.

2. Export declaration

When a goods value of €1,000 is reached (in some countries regardless of the goods value), shippers need an electronic export declaration for parcel transportation to the UK. GLS only accepts the "two-stage procedure" for the export declaration.

Parcel shipping to the UK in detail (expected from 2021 or later)

Incoterms

Incoterms define which costs incurred within the framework of customs clearance (taxes, customs duties, customs clearance) are borne by the dispatcher and which by the importer.

For shipping to a non-EU country, taxes, customs duties and a customs clearance surcharge are incurred alongside the shipping costs.

- Import VAT in the UK is currently 20%.
- The payable customs duties will depend on the type of goods to be shipped and the tariff rates set by the British government if no origin-related customs exemptions exist.
- The customs clearance fee will be fixed by GLS and covers the considerable additional work incurred because of the customs clearance process.

When exporting with GLS to the UK, dispatchers can choose between these Incoterms for commercial customs clearance:

- **Incoterm 10 (DDP):** Freight costs, customs clearance costs, customs duties and taxes paid – the sender pays all costs incurred, the importer bears no costs.
- **Incoterm 20 (DAP):** Freight costs paid, customs clearance costs, customs duties and taxes unpaid – the sender pays for freight only, the importer bears all other costs.

- **Incoterm 30 (DDP, VAT unpaid):** Freight costs, customs clearance costs and customs duties paid, taxes unpaid – the sender pays for freight, customs clearance costs and customs duties, the importer pays for the taxes incurred.
- **Incoterm 40 (DAP, cleared):** Freight costs and customs clearance costs paid, customs duties and taxes unpaid – the sender pays for freight and customs clearance costs, the importer pays customs duties and taxes.
- **Incoterm 60 (*Pick&ShipService, Pick&ReturnService*):** Freight costs, customs clearance costs, customs duties and taxes paid – the customer pays all costs incurred, the importer bears no costs.
- **Incoterm 18 (DDP, VAT pre-paid scheme):** Freight costs, customs clearance costs and taxes paid – the sender pays all costs incurred, the importer bears no costs.
→ For single or various parcels with a goods value of less than GBP 135. Here, the import VAT can be paid directly to the British tax authorities.

In accordance with a decision by the British government, it is expected that the exemption limit (Incoterm 50) will be abolished from 2021. In principle, all goods, no matter how low their value, must be duty-paid then.

To find the appropriate Incoterm, get in touch with the importers in the UK and determine who bears the import VAT and customs duties incurred (as of 2021 at the earliest): you as the consignor of the goods or the importer in the UK.

Bulk customs clearance for multiple parcels

Bulk customs clearance is possible for shipments to the UK consisting of several packages for different recipients. In this case, the customs clearance for different delivery addresses is conducted on the basis of a single invoice via one importer. There is **only one surcharge for customs clearance** (depending on the quantity of customs tariff numbers), which can be broken down across all packages.

What else is important

Your conditions and shipping rates

For the customs clearance service, GLS levies a surcharge that covers the considerable additional work incurred because of the customs clearance process. Depending on the Incoterm selected by the dispatcher, the charges will fall on the consignor or the recipient. Your GLS customer advisor will provide you with more information.

Lead times to the UK

The standard lead times to the UK will remain basically unchanged at [x] to [y] business days (Mon. - Fri.) if the customs data have been provided prior to parcel handover to GLS (possibly longer lead times for unforeseen events at the borders).

The use of express services to the UK is still possible. You will receive details from your GLS contact person.

Additional information

- You will find the GLS export guide with detailed information on exports to EFTA countries and third countries on the GLS website in your country.
- Your contact at the GLS depot will be happy to answer any further questions you may have and, if necessary, will consult experts on shipping to the UK for the clarification of specific details.

Please note:

As a shipping customer, you are responsible for the proper implementation and observance of all legal provisions. GLS can only provide information, but this should in no way be seen as recommendations for action or as legal or tax advice.