

BREXIT NO-DEAL

Q + A

QUESTION

**WHAT WOULD A NO-DEAL BREXIT MEAN
FOR YOU AS INTERNATIONAL TRADERS?**

ANSWER

The good news is that international (non-EU) trade will be largely unaffected. Larger international ports tend to deal with little, if any 'RORO' (Roll On Roll Off) traffic so additional delays are not expected here, and airfreight similarly looks to continue to run smoothly.

ANSWER

One area that will see significant changes in the event of a 'no deal' is that current FTA's (Free Trade Agreements) between the EU and 3rd countries such as Canada, South Korea, South Africa and more recently, Japan, will become null and void for the UK. It is widely expected that these will be renegotiated on similar terms, but these can take several years to finalise.

QUESTION

**HOW WILL TRAFFIC MOVING BETWEEN
THE UK AND THE EU BE AFFECTED?**

ANSWER

Although there may be some delays due to high traffic on some of the main motorways near Dover, at least in the initial stages, it is unlikely that these will be anyway near as bad as is being widely publicised. HMRC have been working behind the scenes to put plans in place that are very much focused on avoiding that scenario.

QUESTION

**DO YOU TRADE BETWEEN THE UK AND
EU?**

ANSWER

These are the very significant changes coming your way in the event of a 'no deal':

- For imports of EU goods, all goods will require an import customs declaration (a pre-lodged non-inventory linked declaration) prior to the ferry arriving in the UK. On arrival, the customs entry must be 'arrived' within 24 hours, at which point any Duty/VAT will need to be paid (more on that later).
- For exports, pre-lodged customs declarations will be required (as is currently the case for all third country exports) but these will be declared as 'arrived'. If the declaration receives 'permission to progress' (P2P) then the vehicle can proceed to the port. If selected for examination, the goods will have to be presented to Customs.

ANSWER

In addition to the above, a safety and security declaration will need to be made for exports.

GOOD NEWS!

This normally is standard procedure as part of the export customs entry process anyway.

Similarly, import and export declarations (and safety and security declarations for the latter) will need to be arranged by customers/suppliers in mainland EU.

These plans have one aim: To avoid the need for trucks to have to stop and wait at RORO ports such as Dover.

QUESTION

WHAT WILL HAPPEN TO INTRASTAT?

ANSWER

Intrastat is the trade system for collecting information and producing statistics on the trade of goods between countries of the EU.

In a 'no deal' scenario this will no longer be used by the UK.

**WILL ANIMAL BASED PRODUCTS FROM
THE EU NOW NEED ADDITIONAL CHECKS
AND DOCUMENTATION IF IMPORTED TO
THE UK?**

ANSWER

In short, no. HMRC have agreed that these types of products (provided they are of EU origin), will be treated as 'trusted'.

**WILL WE BE ABLE TO AGREE NEW FREE
TRADE DEALS WITH THE REST OF THE
WORLD?**

ANSWER

We will, but these can take time. In fact, years. We wait to hear if the Government will be able to 'fast track' some of these agreements.

QUESTION

WE CURRENTLY IMPORT GOODS WITH LOWER RATES OF DUTY USING THE GSP SCHEME. WHAT WILL HAPPEN TO THIS?

ANSWER

The GSP Scheme will remain in place as it is now.

NOT TO WORRY!

If you are unable to or do not have the software in place to arrange your own export declarations, Woodland will be able to arrange this process for you, along with import customs entries for goods coming into the UK.

NOT TO WORRY!

As an alternative, HMRC have in the last few days introduced 'Transitional Simplified Procedures' or TSP – A simplified scheme for submitting import declarations.

A trader will simply need to provide their EORI number to get products into the UK, and once registered to the TSP service, they can submit a simplified import declaration once goods are in the UK. To register, you will need to have your own deferment account to qualify.