



Checklist

How to prepare your business for Brexit

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1 Learn what trade agreement could mean for your business

The UK left the EU on January 31, 2020, entering into a transition period scheduled to last until December 31, 2020.

The UK is currently conducting negotiations over future trading relationships with the EU and other countries.

If there is no trade agreement reached at the end of the transition period, this would mean the UK would trade with other World Trade Organization (WTO) members on WTO terms starting from January 1, 2021.

Exporters and importers should understand what the likely changes to the current rules and regulations will be, and how they affect their businesses.

Find out more about the [Trade Agreements that the UK has already signed and under discussion with non-EU countries](#).

Find out more about [trading under WTO terms](#).



2 Register for a UK EORI number

An Economic Operator Registration and Identification number (EORI) is required for businesses which import or export goods between the UK and non-EU countries, as well as between the UK and EU.

If you currently trade outside of the EU, you will already have an EORI number. If you only trade within the EU, you will need to register.

If there is no agreement in place at the end of the transition period, then both shippers and receivers will each need to register for an EORI in their respective country to trade between the UK and the EU.

UK EORI numbers will not be recognized in the EU.
EU EORI numbers will not be recognized in the UK.

We recommend all customers to register for an EORI number as soon as possible. It only takes 10 minutes to apply and the EORI number is free.

Find out more about [getting an EORI number](#).





3 Agree Incoterms with your customers

The Incoterms or International Commercial Terms are a series of pre-defined commercial terms widely used in international commercial transactions.

These include:

- Where the goods will be delivered
- Who arranges and pays for the transport
- Who is responsible for insuring the goods and who pays the insurance premium
- Who handles customs procedures and who pays duties and taxes

It's a good idea to **make sure you have a clear written contract, or make these clear on your Commercial Invoice, to minimize the risk of misunderstandings** with your customers.

4 Know how to describe and classify your goods

Ensure accurate classification of your goods as this information will be vital for the Commercial Invoice.

These include:

- Harmonized System (HS) code
- Description of goods
- Origin of goods
- Value of goods



5 Know how to complete commercial invoices

Every shipment will need a commercial invoice with information for customs authorities. This helps authorities assess if the goods can move in or out of the country, what controls are needed (if any), and determine duties and taxes.

It is important to **supply an invoice with the right information** as it reduces the potential for delay.

6 Submit your commercial invoice electronically

If you are a FedEx customer we recommend that you [register for ETD \(Electronic Trade Documents\)](#) so you can submit commercial invoices electronically at the point of preparing shipments. This will aid in avoiding customs delays, speed up delivery and reduce paperwork.

7 Understand customs & clearance requirements

Understand the changes in the **UK importation tariff rate and VAT** that may apply to your products.

And check your products for **any additional certificates, licenses, quotas**, etc. that may be required.

8 Make sure your customers/ importers know about potential changes

Check with your receivers/customers to ensure they **understand what the potential impact is for them and are prepared.**

9 Importers should consider setting up a Deferment Account

When goods are imported to the UK, they may be subjected to import sales tax and customs duties. These duties are paid in full to the customs authorities at the time of import.

A Deferment Account is an account authorized by local customs office through which the payable duties can be paid directly to the authorities for a certain accounting period on a predetermined due date.

Check with your receivers/ importers if they are considering to set up a Deferment Account.

10 Talk to us

We understand that you are preparing your plans for when the transition period ends. If you are considering changes to your supply chain and are looking for expertise and support, please talk to us.

Contact your Sales Executive in the first instance to discuss your plans and how we can support you.

