



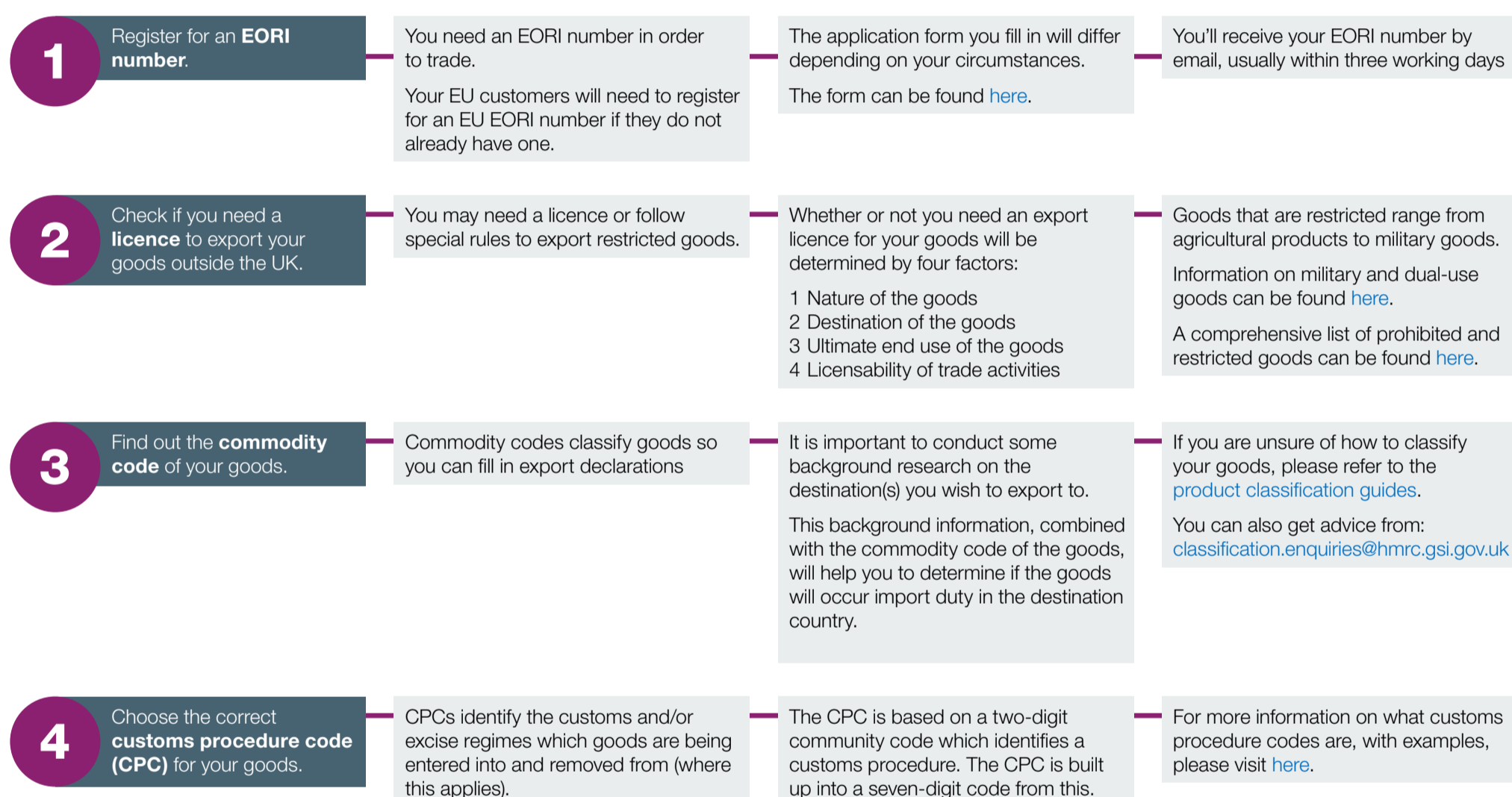
## Preparing for a 'no deal' EU Exit: step-by-step guide to exporting

The UK government is confident of securing an ambitious and comprehensive future partnership with the EU. But as a responsible government we have a duty to prepare for all possible outcomes, including the scenario that no agreement is reached.

If we leave the EU without an agreement on 29 March 2019, UK businesses will have to apply customs, excise and VAT procedures to goods traded with the EU, in the same way that already applies for goods traded outside of the EU. Trading partners in the EU will also have to apply customs, excise and VAT procedures to goods received from the UK, in the same way that they do for goods received from outside of the EU.

We have designed this step-by-step guide to help businesses understand the key actions UK business will need to carry out in order to continue trading with EU businesses in the event that the UK leaves the EU without an agreement. It is based on the existing guidance that already applies to all of the trade that UK businesses carry out with businesses outside of the EU. The guide will be updated as any outstanding details are confirmed – including VAT and excise arrangements – and should be used in partnership with our '[Starting to export outside of the EU](#)' guidance on GOV.UK.

The guide is **for advice and guidance only** and forms part of the government's ongoing programme of planning for all possible outcomes. The government fully expects to negotiate an agreement with the EU.



### Declaring your export to HMRC

It is possible to make your own customs declarations, but the process is complicated and only suitable for more experienced exporters. Most businesses use a customs broker or agent to do this for them.

You'll need to arrange transport yourself. More information on third parties that can help with the customs process and the movement of the goods can be found below.

#### Freight Forwarders

Freight forwarding is a service industry that involves moving goods around the world on behalf of importers and exporters.

One of a freight forwarders main functions is to arrange customs clearance of goods crossing the frontier. A freight forwarder or their subcontractor will have specific software that can communicate with the HMRC central computer.

More information can be found at:

- [BIFA](#)
- [Institute of Export](#)

#### Express Courier Industry

The express courier industry involves operators who specialise in time-definite, transportation services for documents, parcels and freight.

These operators offer world-wide, integrated, door-to-door movement of shipments which are tracked and controlled throughout the journey.

More information on using an FPO to import and export goods can be found [here](#).

#### Customs Agent/Broker

A freight forwarder will typically deal with ensuring your goods are transported from one country to another and provide other services such as customs clearance.

Customs agents and brokers make sure that your goods can be cleared through customs en route to the final place of delivery in the UK.

A customs agent/broker will either act as a direct representative or indirect representative. Information on what those terms mean can be found [here](#).

If you have decided to use a third party, you must, in a formal written authorisation, outline whether the third party is empowered to act as a 'direct' or 'indirect' representative. For a definition of direct and indirect representation, and information on the legal responsibilities attached to each, please visit the following [Notice](#) (Chapter 3). The route you need to take depends on whether you will be processing the export yourself or whether you have entrusted a third party to do so. This applies for steps 5, 6, and 7. It is important to note that export declarations are pre-logged to HMRC. The Export Accompanying Document (EAD) issued by HMRC declarations system needs to accompany the goods to the port where the goods are being presented to customs.

## Individual

## Third party

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Register for the **National Export System (NES)**

The NES is a computer system which allows export declarations to be made electronically.

There are a number of routes into CHIEF. There are three direct links known as WEX channels:

- 1 Web
- 2 Email
- 3 XML

Use the HMRC WEX application form, [PA7](#) to apply for a CHIEF badge for all three direct routes into CHIEF.

For more information on NES, please visit [here](#).

NES operates within the Customs Handling of Import and Export Freight (CHIEF) system which controls the movement of international cargo.

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The agent/courier/freight forwarder will ask you to complete a **commercial invoice**.

The commercial invoice should contain the value of your goods – which is the price you're selling them for.

The price of any freight costs or export insurance (which you may or may not have included in the selling price) will also need to be listed separately.

It is important that the information provided on the commercial invoice is accurate. This invoice will be used by your freight forwarder/agent to make an official customs declaration.

For a full list of what is required in an export invoice, please visit the following [page](#).

For an overview of what data is required for Full and Simplified Export Declarations please see section 19 of [Notice 275](#).

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Attach the **commercial invoice** (and licence, if you need one) to your consignment.

The relevant documents must accompany the goods to the port of exit.

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The goods must be **'presented'** to Customs.

Notification of the arrival of goods at the required location for Customs control is referred to as 'presentation of the goods to Customs'. CHIEF will examine the 'arrival message' and determine whether the goods have permission-to-progress (P2P) or need to go a different route.

When the goods should be presented to Customs is dependent on what method of transporting the goods is being used. Information on minimum time limits can be found [here](#) (section 4.4).

An authorised CHIEF 'loader' will need to send a notification of arrival on CHIEF. This lets HMRC know that the goods are at a required location for Customs control (normally a port).

For detailed information on this process. See Chapter 4 of [Notice 275](#).

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Finalise the export entry on **CHIEF**.

Once the means of transport upon which the goods were loaded has physically left the UK, a departure message must be submitted to CHIEF.

As the step above, this can only be done by someone who is authorised in the CHIEF 'loader' role.

If after P2P is given, the goods are not exported, the declarant (usually via the loader) must advise Customs of the change in circumstances.

For more information on how to finalise an export, refer to [Public Notice 275](#) (section 4).

## After Export

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You're required to **keep records** for all traded goods you declare to HMRC for six years.

The reason for this is for duty and tax purposes, and for government statistics.

Guidance for best practice in regards to archiving your paperwork can be found [here](#).

### Things to consider: VAT Treatment for Exports

VAT is a tax levied on goods and services consumed in the UK. You can usually zero-rate goods you're exporting out of the UK as long as you meet certain conditions. For further guidance refer to [VAT Notices 196](#).