

# BREXIT

Following the triggering of Article 50, the UK will now formally leave the EU on March 29th 2019. While negotiations have been on-going between the UK and EU to formulate a withdrawal agreement, at present no agreement is in place. Fastway Couriers therefore are planning towards a No Deal Brexit.

## Brexit Plans

Currently for Fastway clients and customers involved in the movement of goods between Ireland and the UK, there are currently two potential Brexit dates to be aware of;

- » **29th March 2019** - where no deal is reached (no transition period and World Trade Organization (WTO) rules will apply).
- » **31st December 2020** - where if a deal is reached is the transition period where current rules will continue to apply.

The effects of Brexit on imports to Ireland from the UK will depend on the terms of any potential Brexit deal.

If the UK were to remain within the customs union, so avoiding tariff barriers, the effects would be much more limited than if the UK leaves the customs union.

Should the U.K. leave the customs union, customs clearance will then be necessary for all goods being imported from the U.K.. Where there is some form of customs checks, every individual item in a truck may have to be separately identified for customs, to ensure that the correct tariff is applied.

## What does it mean?



- » U.K. will then be defined as a 3rd country for customs purposes.
- » Customs formalities will apply resulting in a requirement for customs declarations.
- » Customs declarations will have to be completed either in advance of departure of goods from the U.K., at a bonded warehouse or at a secure facility such as the main Fastway sortation Hub.
- » All packages received from outside of the EU would require a customs declaration.

## What will be needed?

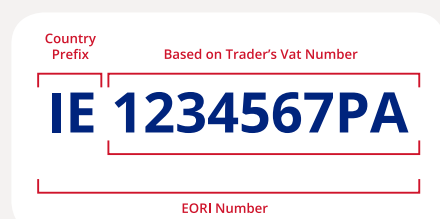
- » Both Fastway and our Client must have an EORI (Economic Operators Registration & Identification) number. The good news is that Fastway currently have a registered EORI number. Special procedures will also have to be put in place for inward & outbound processing of customs paperwork.
- » Achievement of AEO Status to become a trusted trader with customs. AEO Status;
  - » certifies that businesses will have priority status with customs in relation to;
    - » security arrangements,
    - » management systems,
    - » compliance with customs rules and procedures
    - » on-going solvency.
  - » Irish companies will be given very attractive benefits such as;
    - » low security risk,
    - » customs simplifications,
    - » very low examination rates and
    - » priority clearance of our goods.

## Making a Customs Declaration

- » Goods imported into the EU must be declared to Revenue electronically. Then Fastway or our agents will clear your consignments at import by lodging an electronic customs declaration to Revenue.
- » Once the electronic customs declaration has been lodged and accepted by Revenue, payment must be secured before goods are released.
- » A similar process will be required for any returns sent back by you to our clients. In all transactions where a customs declaration is needed there will be no requirement for Fastway to contact you directly, we will complete all of the necessary paperwork.

## What's needed for a Customs Declaration

- » Shipper's EORI number
- » Fastway EORI number
- » Commodity Code of the product you are ordering from U.K.
- » Valuation of the product you are ordering.
- » Country of Origin of where your goods are manufactured.
- » Identification documents for the truck carrying the parcels.



## Collection of Import Charges – Custom Duty & VAT

- » In the event of a **No Deal Brexit**, Fastway will not collect any import charges such as Custom Duty and VAT directly from you the customer.
  - » All such charges will be collected at Checkout when you make your on-line purchase.
- » Current charges; please note these may not be the applicable rates in a post Brexit Deal.
  - » Value of **€22 or less** (incl. additional costs) = **No duty or VAT**
  - » Value of **greater than €22** = **Vat payment only (23%)**
  - » Value of **greater than €150** = **Customs Duty & VAT payment. VAT applicable on Customs Duty also.**
  - » Customs Duty on **items such clothing and footwear** = **12%**