



HMRC UK Freeport business examples

This document provides some examples of how businesses can benefit from locating within a Freeport.

These examples are fictitious; designed to show the potential benefits of using Freeport procedures for businesses operating within a selection of different sectors and with different business models. They focus on businesses locating within a customs site, but some also cover the tax site benefits.

The document also includes a summary of the Freeport customs benefits, including those which are unique to the Freeports customs offer.

Any references to a Freeport throughout this document also applies to Green Freeports in Scotland unless otherwise stated.

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Customs site benefits

Benefits unique to the Freeports customs offer

Simplified import declarations:

- A **simplified declaration** for non controlled goods to the Freeport procedure at the port using form C21. Available to authorised Freeport businesses only
- Movement from the port ITSF to ETSF at the Freeport customs site via **Internal Movements in Temporary Storage (iMiTS)** to make a **declaration "by conduct"*** into the site
- **No supplementary declarations** needed for goods declared to the Freeport procedure.

Movement between customs sites with declaration "by conduct"* rather than having to use transit or complete a declaration digitally.

Ability for an authorised Freeport business to move from another special procedure to the new Freeport procedure using **declaration "by conduct."***

Access to duty suspension, duty exemption on re-exports, and flexibility on how duty is calculated via **combined Freeport Customs Procedure**, instead of multiple authorisations.

Goods under Freeport Procedure may **move between processing and storage under that procedure and without a separate declaration.**

Suspension of import VAT and zero-rating for eligible supplies of goods and related services in the free zone.

Benefits of the Freeports customs offer also available through existing special procedures

Flexibility on how duty is calculated - When declaring non UK goods stored or processed in the Freeport to the GB market, authorised businesses can calculate import duties based on the value of inputs or the finished product - whichever is most beneficial to the business. The exception is goods subject to anti-dumping duties, in which case duties are calculated on inputs to avoid circumvention.

Duty suspension - No import duties to be paid on non GB goods brought into a Freeport until they enter GB domestic market.

Duty exemption for re-exports - unless subject to duty drawback clauses under the relevant Free Trade Agreement, no import duty paid.

(**Excise duty drawback** is a refund of UK excise duty, made when excise goods have not been and will not be consumed in the UK).

Businesses can operate their **existing special procedures in a Freeport customs site under their Special Procedure authorisation** such as customs warehousing and inward processing - they'll need to comply with both the general Freeport rules, e.g. record keeping, and the rules relating to their Special Procedure authorisation.

*Declaration "by conduct": Where the physical movement of goods constitutes the declaration, supported by record keeping requirements and notification to customs site operator

Business example 1



Sector

Food and drink

Type

Freeport business

Business size

Small-medium enterprise

Mode

Sea

Customer information

Business A are a health food company that imports specialist raw material food ingredients for nutritional meal replacement and health drinks.

Current position

The raw materials (including berries, seeds and vitamin powders) arrive by sea freight, and the containers are transported by road to the business. The ingredients are processed into sport, health and food supplements and packed in a temperature controlled warehouse.

They currently make use of the inward processing relief customs procedure, and are authorised to make a simplified declaration when the goods arrive at the port, followed by a supplementary declaration and final supplementary declaration. Inward processing also requires a bill of discharge to be completed.

Any regulated plant products also require a phytosanitary certificate. Goods may also need to be examined by Defra to confirm they have been officially inspected in the country of origin. The final products either enter the domestic market, or are exported overseas with the relevant export declarations made.

Future position

Business A have decided to upscale and are opening a new facility in a Freeport tax site in England which includes space for both processing and storage so that they can benefit from the tax reliefs to help them expand. They have chosen this particular location as it also sits within a Freeport customs site, run by a customs site operator.

They have purchased a factory production and packaging facility with a temperature-controlled storage warehouse for £2.5m. They have purchased additional plant and machinery to the value of £1m, and hired 40 new employees to work on site. Half of the new employees earn £20k per year, with the other half earning over £25k per year.

The business will need to apply for a single authorisation to use the Freeport customs special procedure, rather than securing authorisations for both inward processing relief and customs warehousing.

Relevant Defra checks and phytosanitary certificate requirements will still apply where appropriate.

Business example 1

Tax and customs user journey and associated reliefs and benefits

Tax user journey

1 Seek agreement with Freeport to locate in tax site ahead of purchasing facility.

2 Purchase factory production and packaging facility in England for £2.5m.

Tax Relief - business claim Stamp Duty Land Tax relief to the sum of £115,000.*

3 Purchase plant and machinery for £1m to fit out the facility.

Tax Relief - company can claim capital allowances of £1m (100% of the qualifying expenditure) in the year the expenditure is incurred.

4 Hire 40 new employees (20 earn £20k per year, 20 earn over £25k per year).

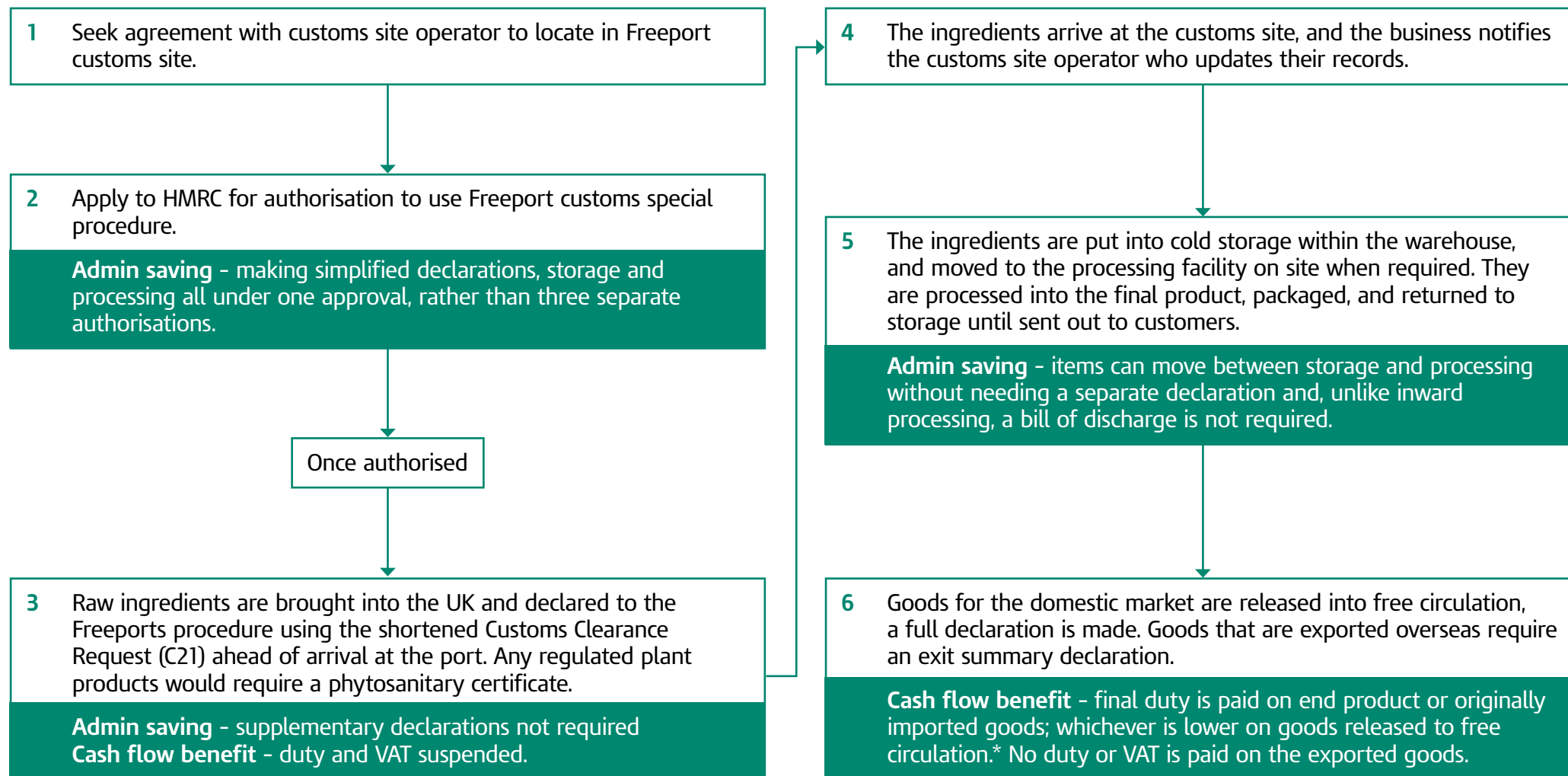
Tax Relief - business can claim National Insurance relief of around £74,000 per full qualifying year for 36 months for new employees (using 2024/25 rates and thresholds).

* Green Freeports Land and Buildings Transaction Tax Relief is available on qualifying transactions in designated Green Freeport tax sites. From 26 November 2024 relief from Land Transaction Tax (LTT) for Freeports in Wales will be available, initially, to 30 September 2029. The rules are different from SDLT in some areas and investors should ensure they are aware of how LTT will operate in relation to any planned transactions.

Business example 1

Tax and customs user journey and associated reliefs and benefits

Customs user journey



*This choice is not allowed in some specific circumstances, such as where the goods are subject to anti-dumping duties

Business example 2



Sector

Automotive

Type

Customs site operator
and Freeport business

Business size

Large

Mode

Sea, rail and road

Customer information

Business B are an automotive company that assemble semi-manufactured components and materials into vehicle parts for automotive supply chains such as dashboard components, seats, etc which are exported to Europe to form part of the final product.

Current position

Business B currently import some components from overseas through containerised sea freight using a freight forwarder. They do not import any controlled goods. They make use of the inward processing customs procedure, and are authorised to make a simplified declaration when the goods arrive at the port, followed by a supplementary declaration and final supplementary declaration. The inward processing procedure usually allows up to six months to discharge goods, although a longer timeline can be agreed in some circumstances.

They also source some components from a UK based company, who are located in a customs site at a UK Freeport, which travel by both road and rail to the factory. The assembled vehicle parts are then exported to Europe, with the relevant export declarations made, where they are used in the final car manufacture.

Future position

Business B have an existing facility which falls within the boundary of a Freeport, and want this facility to be designated as a customs site to take advantage of the Freeport customs offer.

They already use inward processing, but are interested in the additional administrative savings of the Freeport customs special procedure, and the ability to move goods easily from other customs sites as part of their supply chain. They would also be able to move goods between storage and processing, without being restricted by the agreed timeframe to discharge goods from the inward processing procedure or requiring a separate customs warehouse storage authorisation.

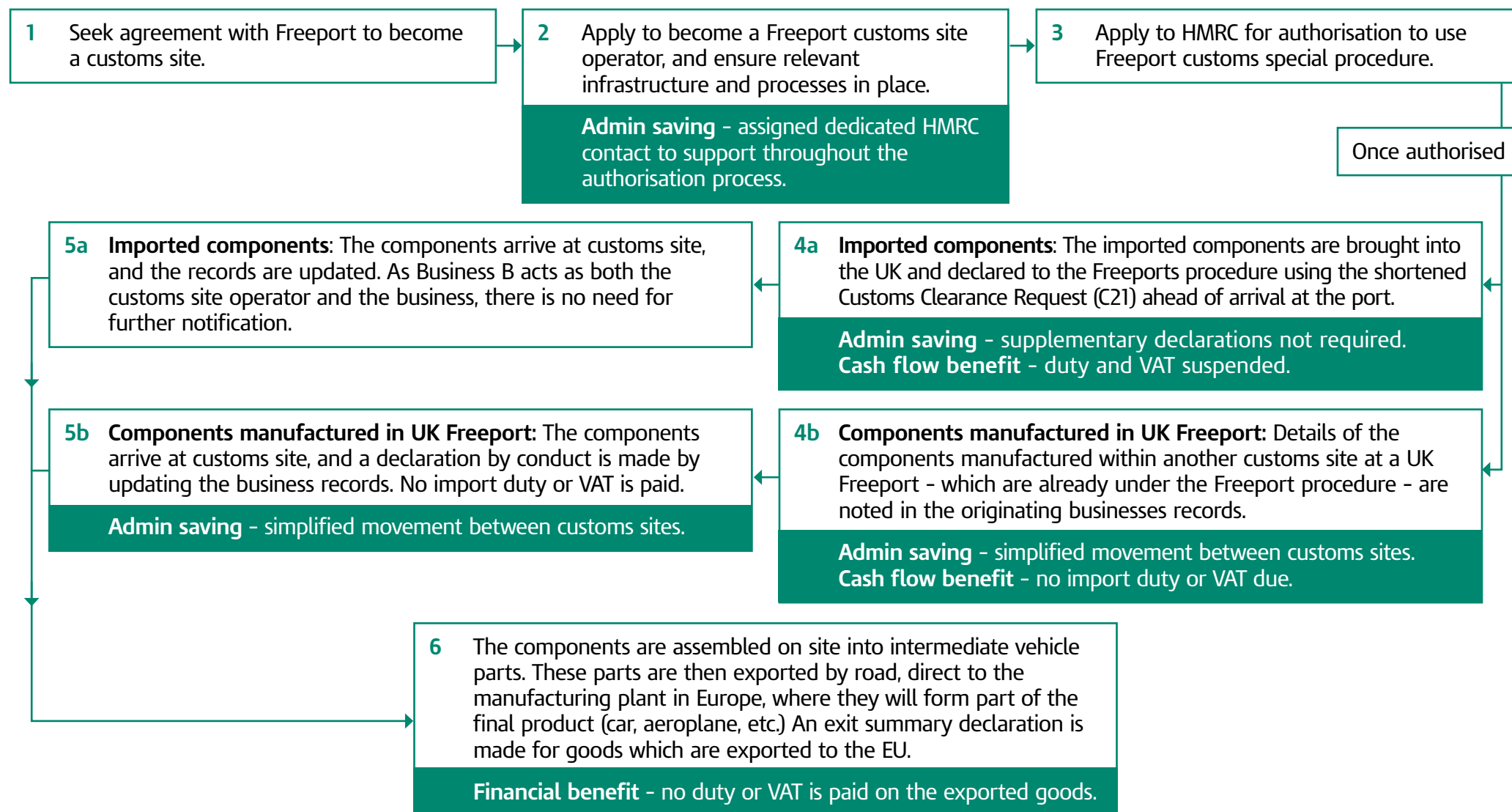
As there is no existing customs site operator, they will need to apply for authorisation to act as the customs site operator, as well as a separate authorisation to use the Freeport customs special procedure.

The freight forwarder does not need to be authorised as a Freeport business if acting directly on behalf of Business B when making declarations to the Freeport customs special procedure.

Business example 2

Customs user journey and associated benefits

Customs user journey



Business example 3



Sector

Pharmaceutical

Type

Freeport business

Business size

Small-medium enterprise

Mode

Air

Customer information

Business C are a pharmaceutical company involved in research and development, as well as the manufacture of vaccines and other pharmaceutical products.

Current position

Business C do not currently operate within the UK, but are looking to establish a new facility here. They plan to import supplies and materials using a freight forwarder from across the world by air for use in both research and manufacturing. The finished vaccines and other products would then enter the domestic market, or be exported across Europe with the relevant export declarations made.

Future position

Once Business C have followed the relevant processes to establish themselves as a business operating within the UK, they have an opportunity to base themselves in an existing customs site within a UK Freeport where they would be co-located with other businesses involved in life sciences and near an airport.

Materials and supplies will be used as part of the research, with other materials kept in cold storage until they are processed into vaccines and other pharmaceutical products*.

An appropriate facility is available to lease within the customs site, with some fit out required to meet their specific needs. The customs site operator charges a monthly fee to cover the admin costs of operating the customs site.

The business will need to apply for authorisation to use the Freeport customs special procedure, which gives them access to the customs benefits under one authorisation.

The freight forwarder does not need to be authorised as a Freeport business if acting directly on behalf of Business C when making declarations to the Freeport customs special procedure.

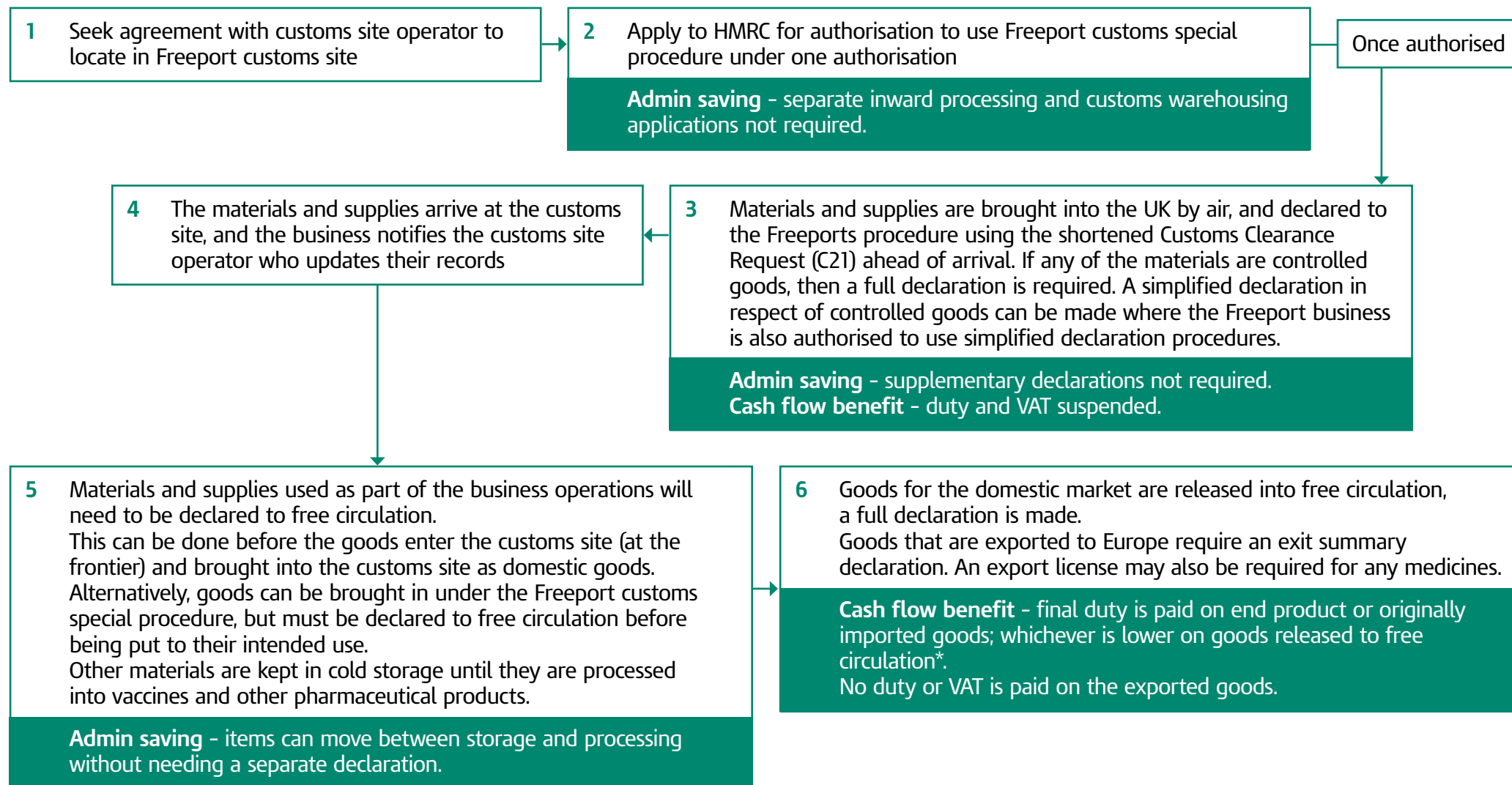
Before they begin any Freeport operations they will also need to ensure they have the relevant licences to manufacture and export medicines.

*Some pharmaceutical products are subject to licensing requirements

Business example 3

Customs user journey and associated benefits

Customs user journey



*This choice is not allowed in some specific circumstances, such as where the goods are subject to anti-dumping duties

Business example 4



Sector

Renewable energy

Type

Customs site operator and
Freeport business

Business size

Large

Mode

Sea

Customer information

Business D are a manufacturer of steel components used in wind turbines and other renewable energy projects.

Current position

Business D import steel from China with materials arriving by sea. The steel is processed into parts for wind turbines. They are then sent by sea to global offshore wind projects with the relevant export declarations made, where they will be assembled into wind turbines. Business D currently make use of the inward processing customs procedure, making a simplified declaration when the goods arrive at the port, followed by a supplementary declaration and final supplementary declaration.

Note - Certain steel products are subject to safeguard measures when imported to free circulation into UK. Safeguards are due unless you correctly claim the appropriate quotas for their products, (unless there is a country exemption).

Future position

Business D are looking to establish themselves as a global key player in the fast growing renewable energy sector. Building on their work on offshore UK projects, which has seen their reputation grow, they are shifting their focus to the global market.

In order to keep up with anticipated global demand over the next decade they are looking to establish a new manufacturing facility within a Freeport tax site. An appropriate facility has been leased with £5m spent on new plant and machinery to be used on site. An additional 300 engineers and technicians have been employed, all of which are earning over £25k per year. As there is no existing customs site at the location they will need to apply for authorisation to act as the customs site operator, as well as a separate authorisation to use the Freeport customs special procedure.

Note - It is possible to import goods subject to steel safeguards and declare them to the Freeport customs special procedure for processing with relevant safeguard measures suspended. The importation of some metals, steel and alloys are subject to safeguard measures and potentially additional customs duties, such as anti-dumping duty, dependant on the country of origin. Goods subject to anti-dumping duty do not have the same flexibility on how duty is calculated and duty liability must be calculated on the goods as they stood at the time of the declaration to the Freeport customs special procedure. Once declared to free circulation the normal safeguarding rules will apply.

Business example 4

Tax and customs user journey and associated reliefs and benefits

Tax user journey

- 1 Seek agreement with Freeport to locate in tax site ahead of leasing facility.

- 2 Purchase plant and machinery for £5m to fit out the facility.

Tax Relief - company can claim capital allowances of £5m (100% of the qualifying expenditure) in the year the expenditure is incurred.

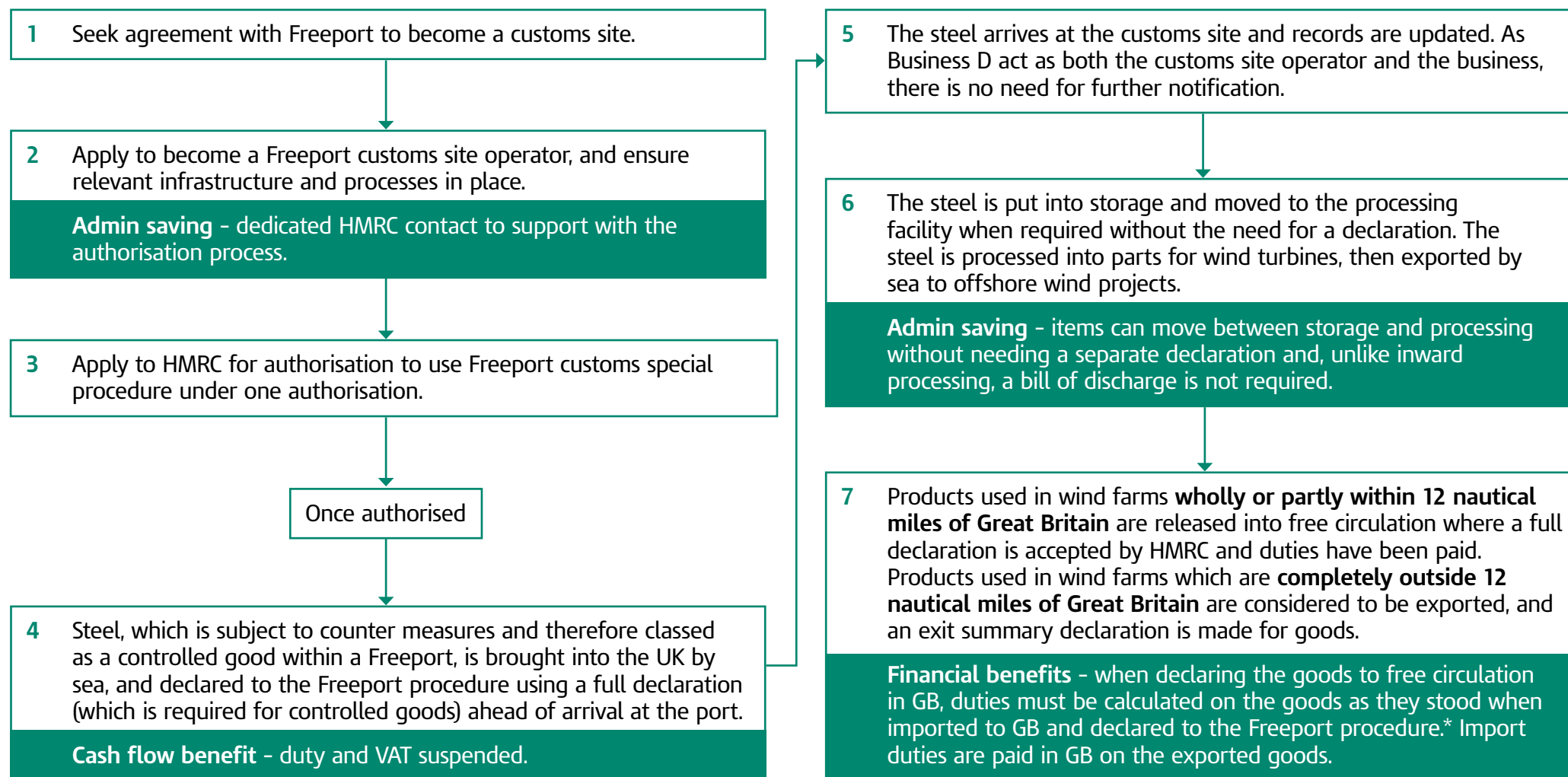
- 3 Hire 300 new employees (all earning over £25k per year)

Tax Relief - business can claim National Insurance relief of around £658,000 per full qualifying year for 36 months for new employees (using 2024/25 rates and thresholds).

Business example 4

Tax and customs user journey and associated reliefs and benefits

Customs user journey



*Where goods subject to safeguards are manufactured into another good whilst under the Freeport special procedure, and then declared to free circulation in GB, import duty liability must be calculated on the goods as they stood at the time of the declaration to the Freeport customs special procedure (input) rather than as they stood when declared to free circulation (output). This is to ensure the safeguard is not circumvented by virtue of processing in the Freeport customs site.

Business example 5



Sector

Excise - Alcohol

Type

Freeport business

Business size

Small-medium enterprise

Mode

Sea and Rail

Customer information

Business E is a medium-sized VAT registered brewery employing 50 people based in Dorset.

Current position

Business E import grain, wheat and barley from the EU and their main customer base is in the UK but they do have a small export contract with the USA.

The beer to be exported is stored in an excise duty suspended warehouse.

They use a private haulage firm to distribute in the UK and use an international exporter for the American market.

Future position

Business E recently secured a new contract with a major US distributor, to supply American IPA to the US. To meet this demand the business needs to set up additional premises and recruit an additional 60 employees.

They have heard about a new Freeport being built in South West England and because of the opportunities customs simplifications present, are considering purchasing a small plot of land for their new brewery and distribution warehouse within the Freeport.

To produce the IPA, they may need to import ingredients such as barley from other countries; operating within a Freeport will enable the business to suspend any taxes due on importation.

In addition to the suspension of excise duty the business is attracted to other benefits such as easier customs procedures, cheaper business expansion and reduced tax measures like SDLT and ESBA. They believe this approach could also lead to further business opportunities and expansion and they're keen to use their business contacts to import beer from other countries for re-export to America.

To use the Freeport customs special procedure the business will need to apply to be an authorised Freeport excise business which will allow them to operate a Freeport excise warehouse within the customs site. However, as the business is also looking to produce excise goods in the Freeport in addition they need to be approved and registered under the Alcoholic Product Producers Approval (APPA) as a brewery in order to brew, store and can/bottle the beer.

Relevant Defra checks and phytosanitary certificate requirements will still apply where appropriate.

Business example 5

Customs and Excise user journey and associated benefits

Tax user journey

1 Seek agreement with Freeport to locate in tax site ahead purchasing land.

2 Purchase land in England and build a micro brewery and warehouse at a cost of £6.5m.

Tax Relief – full relief from SDLT*. Enhanced Structures and Building allowance of 10% rather than the usual 3%.

3 Purchase plant and machinery for £2m to fit out the facility.

Tax Relief – business can claim £2m of capital allowances (100% of qualifying expenditure) in the year expenditure occurred.

4 Hire 60 new employees (30 earn £20k and 30 earn over £25k).

Tax Relief – Tax Relief – business can claim full secondary NICs relief for each employee on less than 25k for 36 months, and percentages of relief for new employees earning more than £25k. This means the business can claim National Insurance relief of around £111,000 per full qualifying year for 36 months for these employees (using 2024/25 rates and thresholds).

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Business example 5

Customs and Excise user journey and associated benefits

Customs and Excise user journey

1 Seek and obtain agreement with a Customs Site Operator (CSO) who is approved to host an excise business in order to set up an excise business within the Freeport.

2 Obtain the following approvals/authorisations from HMRC:

- Authorisation to operate as a Freeport excise business (freezone excise business authorisation)
- An approval to enable a premises to be used as an excise warehouse within the Freeport (excise warehouse approval).
- Approval and registration to operate a brewery under the Alcoholic Product Producers Approval (APPA) within the Freeport (APPA approval and registration).
- Approval as a trade facilitation excise warehouse for part of the brewery in order to temporarily store and bottle/can the self-brewed beer (excise trade facilitation warehouse approval).

Once approvals and authorisations have been obtained.

3 Agricultural ingredients used in brewing - such as barley that are imported into the UK are declared to the Freeports customs special procedure using the simplified customs clearance request (C21) ahead of arrival at the port.

Any finished goods, such as bottled beer, the company import that attract excise duty will require a full import declaration - however, it is possible to make a simplified declaration for excise goods where the Freeport business is authorised to use simplified declaration procedures.

Admin saving - no requirement for full declaration on non controlled goods.

Cash flow benefit - customs duty, excise duty and VAT are suspended.

4 The goods arrive at the company's premises and they inform the CSO who update their site records.

5 Brewing ingredients are kept in their regular storage facilities. They are used to produce beer, which is then bottled/canned and sent to a distribution warehouse for onward despatch.

6 Beer produced in the Freeport brewery, if any import charges on the ingredients has been paid, is in free circulation already and can be released for onward supply. Excise duty will still be due although it does not have to be paid at this point. Declarations will be required to move the beer under excise duty suspension to another excise warehouse outside the Freeport. From there it can either be released for consumption in the UK or exported.

For imported beer, when the goods are moved from the customs warehouse for onward supply into the UK market, the beer will need to be brought into free circulation by paying the Customs duty and Import VAT. The Excise duty can remain suspended provided it is moved to another Excise warehouse. In this case the customs declaration will account for customs duty and VAT while at the same time entering the goods to customs transit.

If the beer is to be exported it can be released from the Customs warehouse in the Freeport with all taxes suspended and moved under Customs transit to the place of export.

Cash flow benefit - All charges are suspended while the beer, whether brewed or imported, remains within the Freeport. Upon removal from the Freeport any customs duty and import VAT will need to be paid if the beer is to be sold in the UK, but excise duties can remain suspended provided the beer is moved to another excise warehouse. For beer that is exported no taxes will ever be payable.

Business example 6



Sector

Manufacturing, Steel

Type

Customs site operator and
Freeport business

Business size

Small-medium enterprise

Mode

Air and road

Customer information

Business F manufacture steel-based products for use mainly in the construction industry. These products are both exported and sold within the UK domestic market. They also have subsidiary companies who carry out construction services in the UK.

Current position

Business F import raw materials, declare them to inward processing in order to manufacture them into finished goods for use in construction, then store them in a customs warehouse under duty suspense until required. This requires them to use special inventory controls software and regular reporting to HMRC, including an inward processing bill of discharge. Alongside holding separate authorisations for both inward processing and customs warehousing, Business F are also authorised to use simplified declaration procedures, which requires submission of a simplified declaration, supplementary and final supplementary declarations.

Business F also have their own construction company who use the products to provide construction services throughout their UK network. The manufactured goods currently move into Business F's customs warehouse to be stored until they receive an order from the subsidiary company. Business F then release the goods into free circulation, and import duties (including customs and import VAT) then become due.

Future position

Business F is located within a Freeport boundary and are considering applying for Authorised Economic Operator Security and Safety - AEO(S) - status to become a customs site operator as well as authorisation to use the Freeport customs special procedure. Being authorised as a Freeport business will enable them to import goods and declare them to the Freeport procedure in a simplified way, manufacture and store them without additional declarations to HMRC. Being a customs site operator will also provide the opportunity for other authorised businesses to establish their operations in the customs site and take advantage of the benefits. AEO(S) will provide an internationally recognised status.

Business example 6 continued

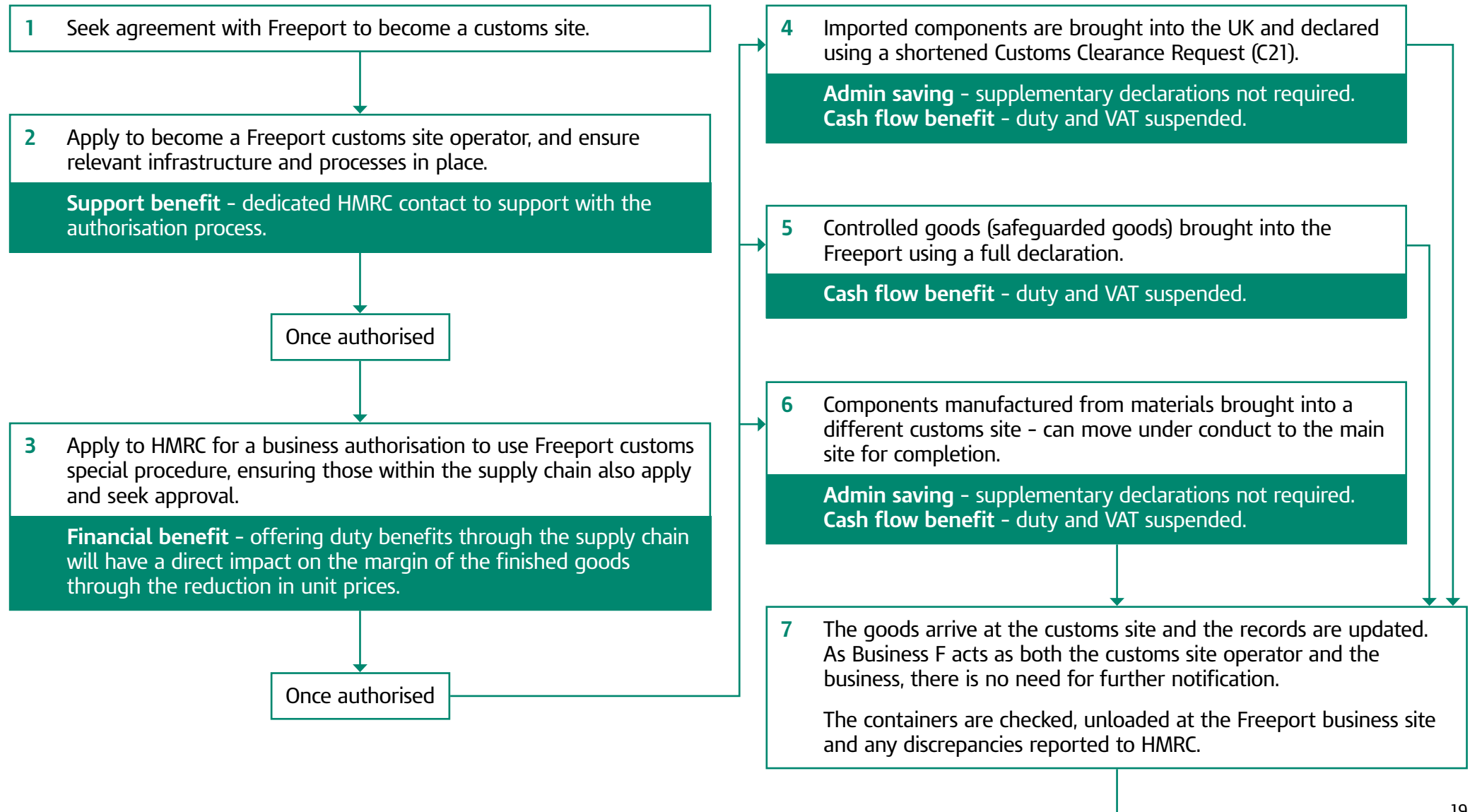
Business F can charge for this benefit or negotiate reduced pricing for components they need. Their subsidiary company can also apply for authorisation, enabling them to import products at a better price and in greater volume to store and release to free circulation as required.

Finally, Business F have identified a supplier who produces components in the UK within a Freeport customs site. By moving to this supplier, they will be able to move these goods to their site by making a declaration by conduct, a simpler movement between customs sites, and ensure that duty remains suspended until export or release into the UK domestic market. This means they are able to negotiate reduced prices on the components and cover the duty costs themselves rather than including them in the UK price.

Business example 6

Customs user journey and associated benefits

Customs user journey



Business example 6 continued

Customs user journey and associated benefits

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8 Once checked, the goods are put in to storage and removed from the customs site when required.

Storage benefit - not limited to 90 days storage.

↓

9 Materials/components are taken from storage and processed within the customs site, or moved to another customs site for further processing.

Admin saving - goods moving from storage to processing and between customs sites do not require additional declarations or multiple reporting. Unlike inward processing, a bill of discharge is not required.

Cash flow benefit - moving between customs sites duties and taxes remain suspended.

→

10 For goods exported overseas an exit summary declaration must be made.

Financial benefit - no VAT/duty is paid.

→

11 Goods for the domestic market are released into free circulation, a full declaration is made or use an entry in the declarant's records (where existing Simplified Declaration Procedure authorisations are held). Goods containing safeguarded materials will not be applicable for duty inversion on entry into free circulation.

Cash flow benefit - duty and VAT paid at this point.

Financial benefit - duty Inversion may reduce the duty %.

Business example 7



Sector

Logistics and storage

Type

Customs site operator and
Freeport business

Business size

SME

Mode

Sea

Customer information

Business G are relatively new within the logistics industry and starting to increase their client base by providing solutions for storage and transport. Their clients import and distribute globally and within the domestic market.

Current position

Business G are a logistics company who import and store goods on behalf of their customers, using temporary storage facilities to allow their customers to benefit from up to 90 days storage without paying duties and taxes.

Future position

Business G are based within a Freeport boundary and are being encouraged by their customers to become a customs site operator, so the businesses can benefit from the extended storage facilities and simplified movement of the goods between customs sites. Business G would be able to store goods for an unlimited time rather than being restricted to 90 days under temporary storage - and allowing goods, for example seasonal products such as barbecues, to be bought at more advantageous price points and be held until required. However, they will need to consider the additional requirements of opening and checking the contents of containers arriving on site, which is a requirement of the Freeport business authorisation.

Business G could potentially see a reduction in smaller customers and an increase in more specialised business throughput for larger companies. Business G could charge for the opening of the containers and being responsible and liable for the goods as the declarant whilst they are on their site alongside the charges for shipping and logistics, establishing themselves as a Freeport specific logistics company.

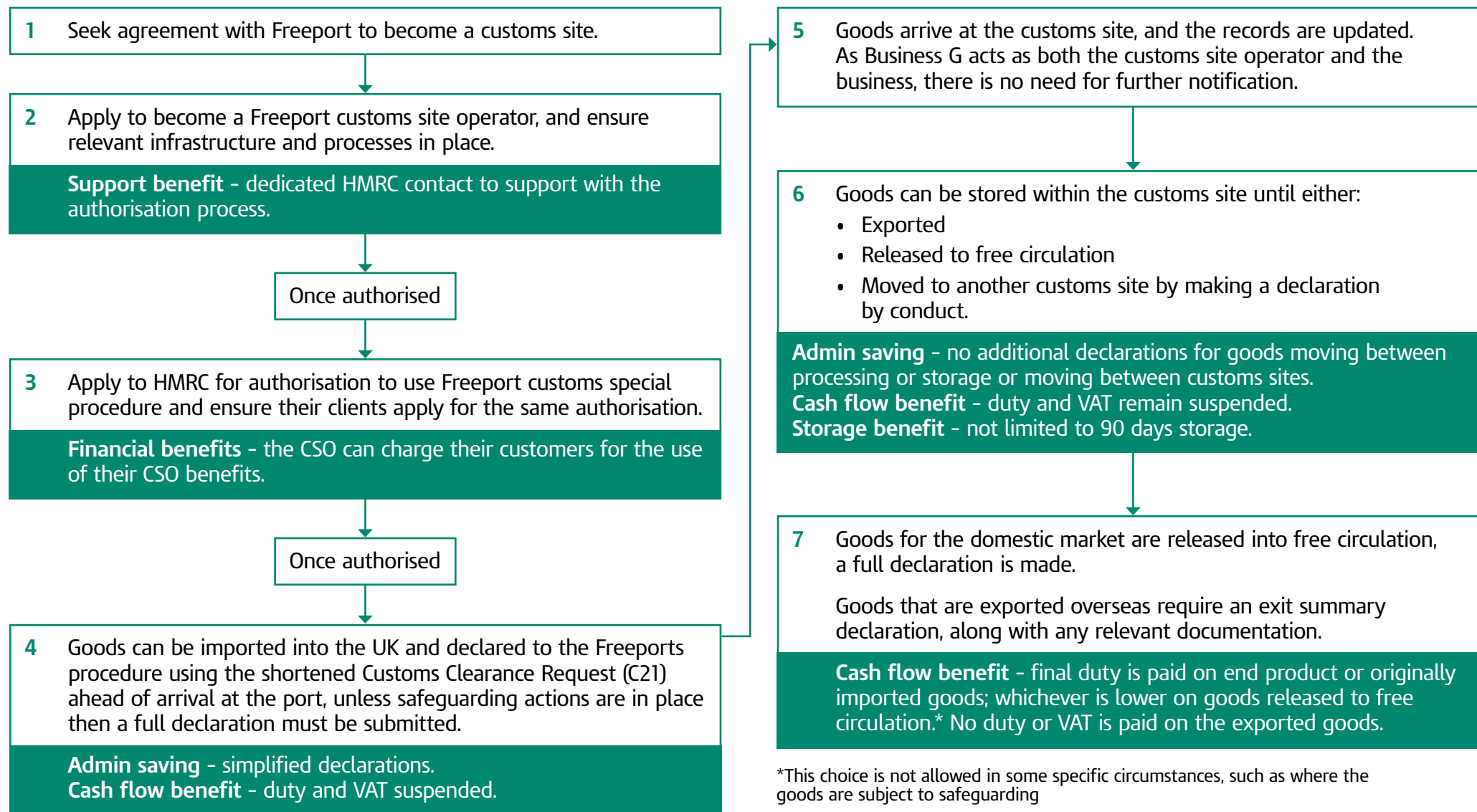
Business G could also potentially benefit from extending their land to smaller businesses who use materials to process goods within a quick turnaround time before exporting them, allowing them to benefit from the Freeport customs special procedure and creating another revenue stream for Business G.

The status of 'Freeport logistics company' and the company entering this project at the right time, would see them setting an example for other companies within the industry, it will also allow them to forge relationships through the Freeport communities.

Business example 7

Customs user journey and associated reliefs and benefits

Customs user journey



Business example 8



Sector

EV/Automotive

Type

Customs site operator and
Freeport business

Business size

Large

Mode

Sea, road and air

Customer information

Business H are an automotive manufacturer who have moved to specialise in the production of electric vehicles (EV).

Current position

Business H imports components under inward processing, as well as sourcing products within their UK supply chain. They work with other smaller businesses to provide processing services to produce EVs which are then sold domestically or exported. Some of their supply chain businesses are also located on site to reduce lead times in small components and services. They use customs warehousing to keep the finished goods in stock, until they are released to their subsidiary companies who sell the EVs in the UK.

One of the key areas of the EV manufacture are lithium-ion batteries. Business H buys these in on regular shipments using a 'just in time' method to ensure they can be used and distributed quickly, importing parts from Japan and China due to the benefits of trade agreements and reduced unit pricing. They have secure facilities to store a quantity of lithium-ion batteries on site under the strict regulations of UN3481 Class 9, which also applies to their airbags and seat belt pretensioners. They work with a third party logistics provider to secure appropriate shipping routes and additional staff to manage the hazardous goods requirements and certification.

Future position

Business H are located within a Freeport boundary and are looking to become a customs site operator as well as seeking separate authorisation to use the Freeport customs special procedure. They already hold AEO(S) approval, which will help streamline the authorisation process. Being authorised to use the Freeport customs special procedure will allow them to maintain similar import duty related benefits to inward processing and customs warehousing, while also benefiting from simplified import declarations to the Freeport procedure and reduced burdens with regards to reporting and throughput time restrictions. The benefits of being able to move goods from processing to storage without submitting further declarations further reduces the administration required to manage their existing multiple authorisations.

Business example 8 continued

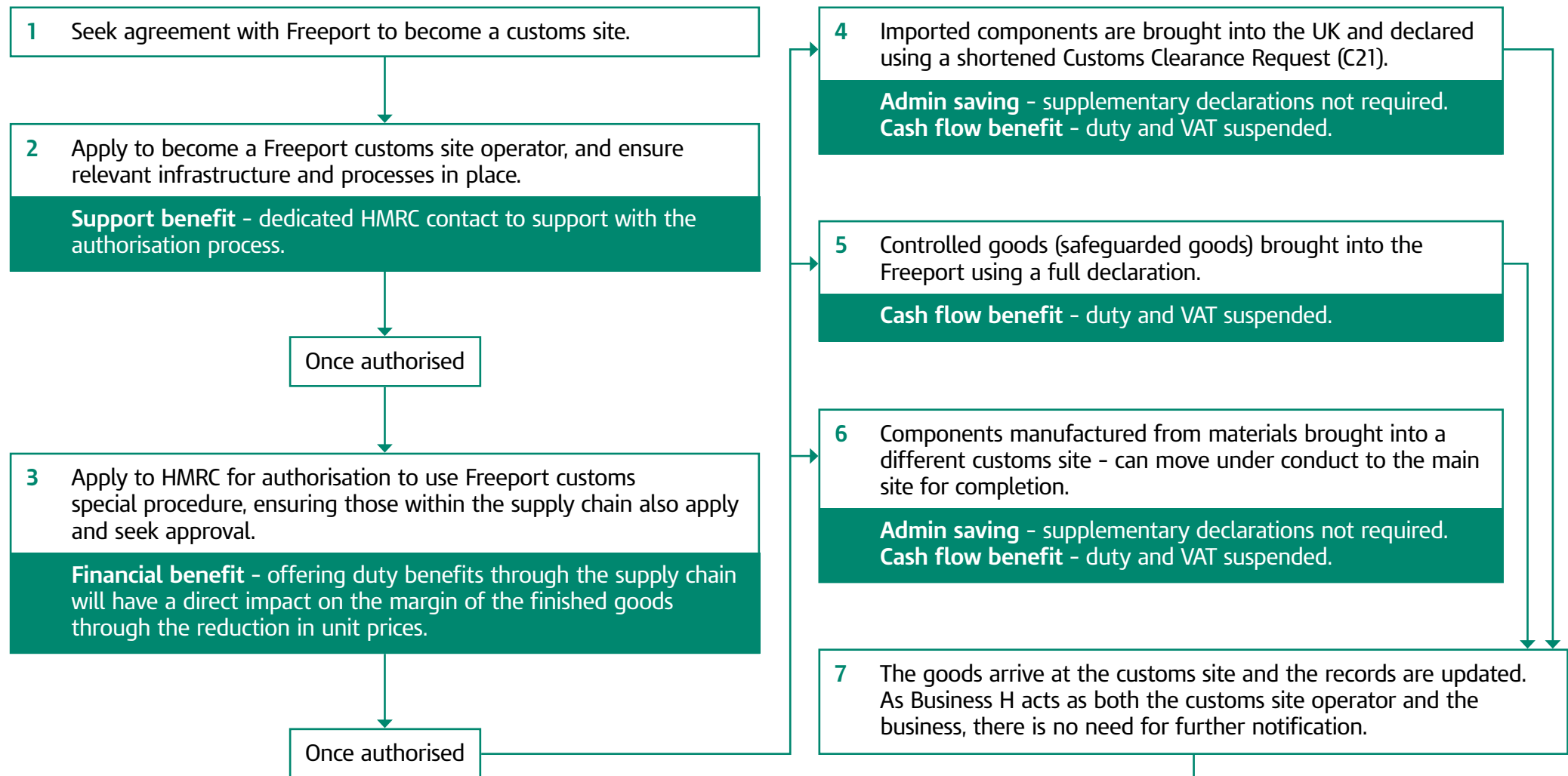
Their subcontractors on site, who do not currently use inward processing, can also apply to use the Freeport customs special procedure, and will then benefit from the offset of duties and simplified import entries. This will have a direct impact on the unit price of the goods they sell; therefore providing a saving to Business H and increasing the profit margin of both businesses.

Business H are also able to source services and parts from UK suppliers located in other customs sites. This allows them to buy UK origin parts as well as moving part manufactured products to other service providers based within a customs site.

Business example 8

Customs user journey and associated benefits

Customs user journey



Business example 8 continued

Customs user journey and associated benefits

↓

8 Once checked, the goods are put in to storage and removed from the customs site when required.

Storage benefit - not limited to 90 days storage.

↓

9 Materials/components are taken from storage and processed within the customs site, or moved to another customs site for further processing.

Admin saving - goods moving from storage to processing and between customs sites do not require additional declarations or multiple reporting.

Cash flow benefit - moving between customs sites duties and taxes remain suspended.

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10 For goods exported overseas an exit summary declaration must be made.

Financial benefit - no VAT/duty is paid.

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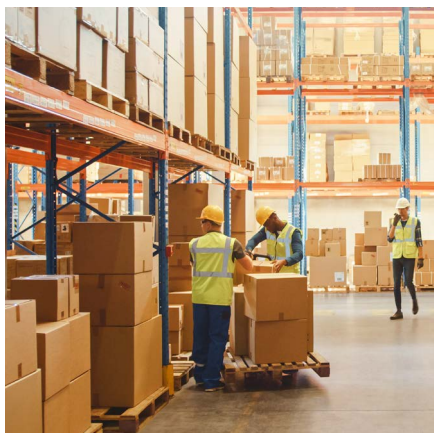
11 Goods for the domestic market are released into free circulation, a full declaration is made or use an entry in the declarant's records made (where existing Simplified Declaration Procedure authorisations are held).

Cash flow benefit - duty and VAT paid at this point.

Financial benefit - final duty is paid on end product or originally imported goods; whichever is lower on goods released to free circulation.*

*This choice is not allowed in some specific circumstances, such as where the goods are subject to safeguarding

Business example 9



Sector

Supply chain

Type

Customs site operator and
Freeport business

Business size

Large

Mode

Sea and road

Customer information

Business I is a 3PL (third-party logistics) service provider who supports their clients with a significant part of their supply chain operations. Their services cover arranging transportation from point to point, taking care of customs formalities, providing customs warehouse solutions, and in some cases in-depth analytics.

Current position

Business I help manage supply chains for their clients, which includes; making contact with suppliers, arranging transport on FCA (free carrier) terms within the agreed budget, making use of their increased buying power on certain trade lanes to negotiate lower fixed contracts, using their knowledge of the market conditions to ensure any potential delays are factored into plans, and handling customs formalities when goods arrive in the UK. In some cases, imported goods need storing so Business I offer their own customs warehouses and inventory managements, as well as transport to clients premises when required. They also offer their clients the benefits of temporary storage, for up to 90 days before goods enter free circulation.

Future position

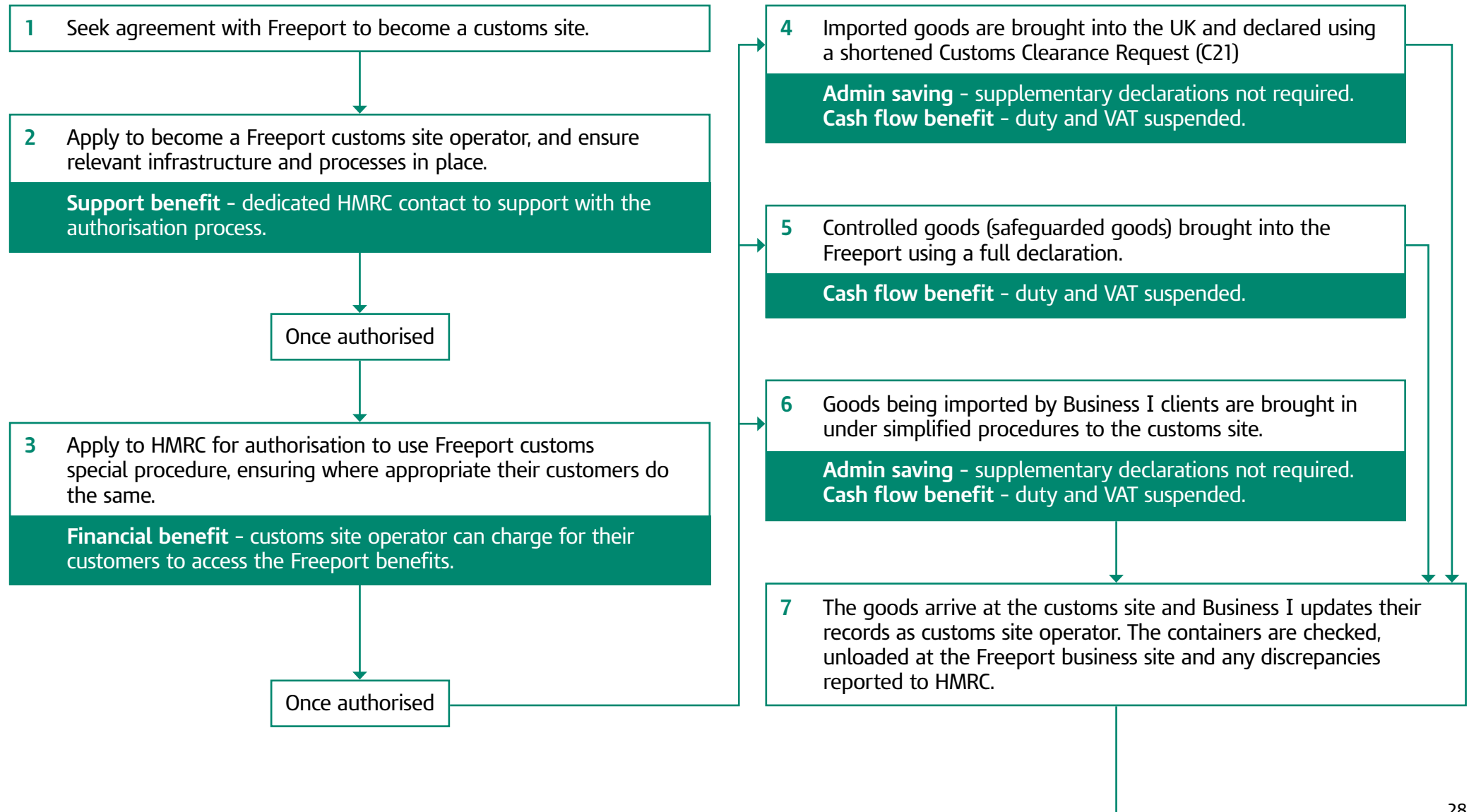
Business I are currently working to become AEO(S) approved, which will help to simplify their application for authorisation as a Freeport customs site operator. Business I are aware that being authorised to use the Freeport customs special procedure will allow them to bring goods in under indirect representation for clients through simplified procedures, as well as store the goods at their location and move goods to other customs sites where some clients are based. Business I understand the requirement to unload and check the goods on entry into the customs site.

Business I are also considering whether part of their land could be used by other, smaller, businesses on site who may benefit from goods coming into the customs site to be repackaged or relabelled before being exported. These would need to be authorised to use the Freeport customs special procedure. These businesses would also benefit from the ability to repair goods on site, or process parts into complete products under the Freeport authorisation. This would allow Business I to increase its revenue and expand on its existing business model.

Business example 9

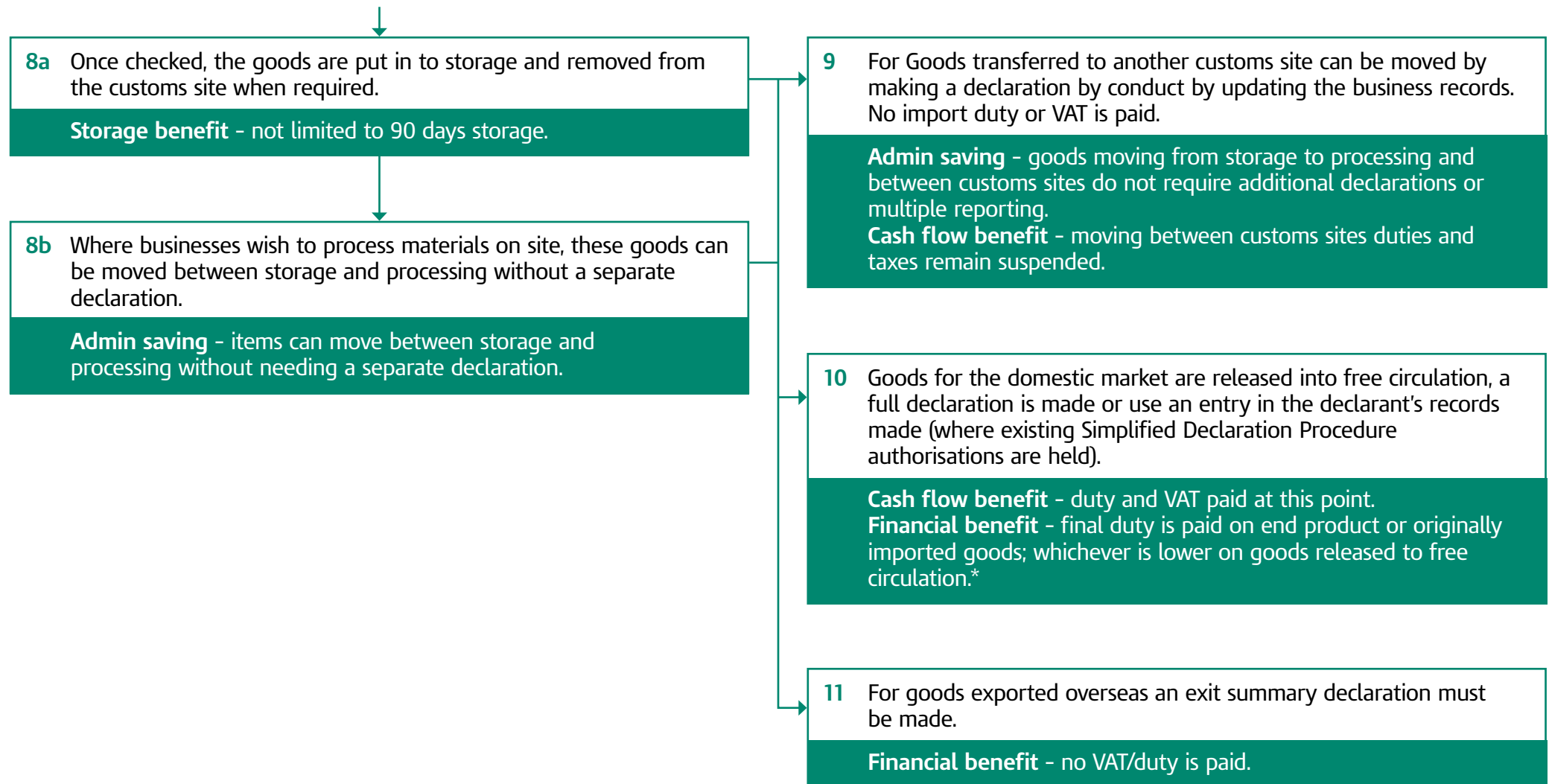
Customs user journey and associated benefits

Customs user journey



Business example 9 continued

Customs user journey and associated benefits



*This choice is not allowed in some specific circumstances, such as where the goods are subject to safeguarding

Business example 10



Sector

Food and drink

Type

Freeport business

Business size

SME

Mode

Sea and road

Customer information

Business J are a UK Seafood supplier of raw fish and processed raw fish products for distribution in the UK, EU and Rest of the World.

Current position

Business J currently use only fish caught in UK waters, which arrive at the port and are taken direct from the fishing vessels to the processing facility where the fish is processed into a combination of frozen fish fillets and tinned fish, before being packaged and stored ahead of distribution to UK and EU retailers by road.

Future position

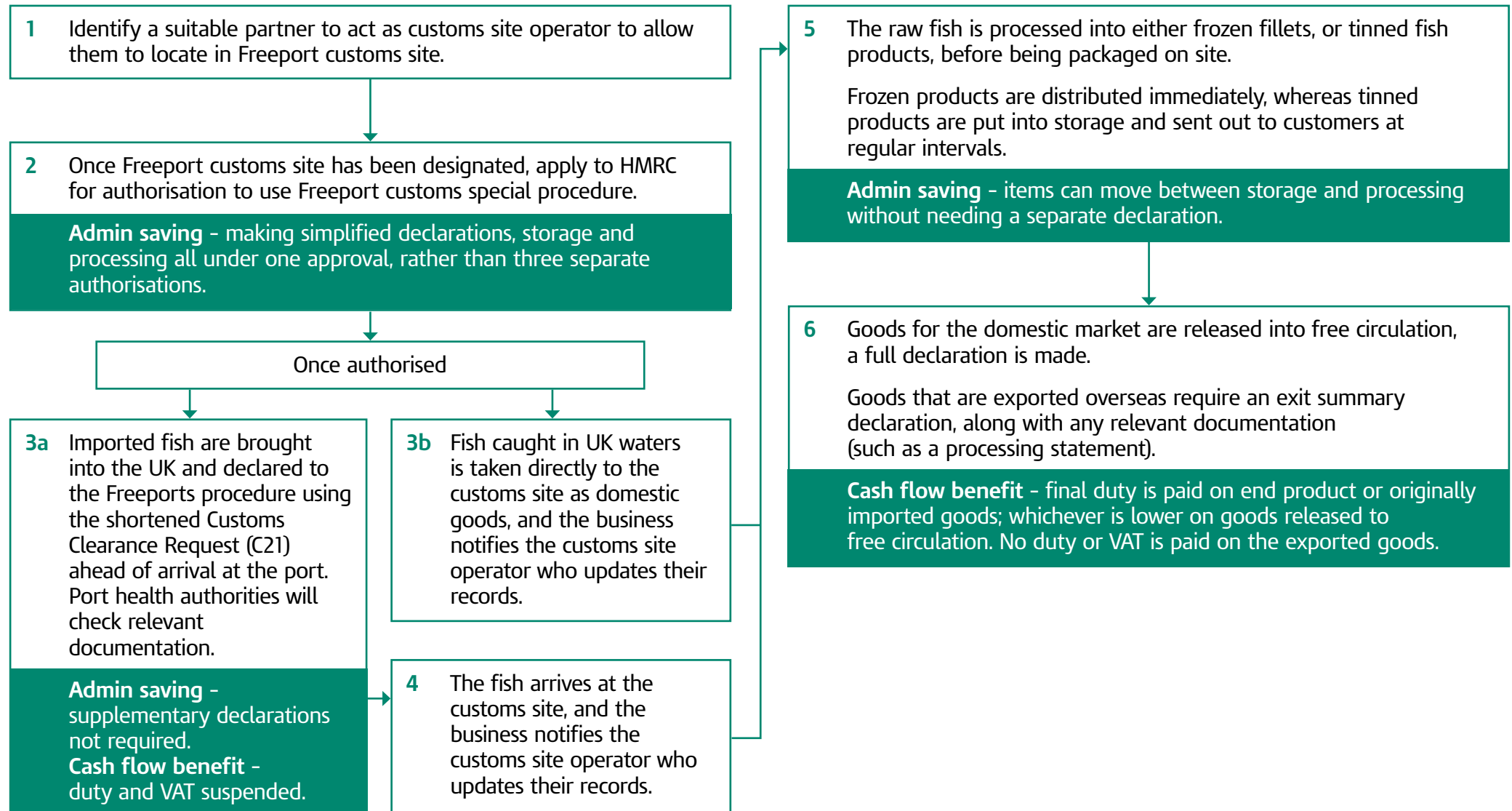
Business J are looking to expand to meet increased demand by supplementing their UK sourced fish with additional raw fish imports from the EU and other countries. As they have previously relied on domestic products, they do not currently use any special procedures such as inward processing.

Their current facility is located within a Freeport boundary, so they would like to make use of the Freeport customs special procedure to import goods for processing with payment of duties suspended. Business J are not currently in a position to become a customs site operator on their own, and would prefer to collaborate with a local company who would consider covering them under their customs site operator authorisation. This allows Business J to apply for authorisation to use the Freeport customs special procedure as part of a designated customs site.

Business example 10

Customs user journey and associated reliefs and benefits

Customs user journey



Useful links

The following links provide more information on some of the topics covered within these examples:

- [Freeports](#)
- [Declaring goods and paying tax when using a Freeport customs site](#)
- [Apply to use the Freeport customs special procedure](#)
- [Get your business ready to use a Freeport customs site](#)
- [Apply to be a Freeport customs site operator](#)
- [Operating a Freeport customs site](#)
- [Import plants and plant products from the EU to Great Britain and Northern Ireland](#)
- [Check if you can claim National Insurance relief in Freeport tax sites](#)
- [Check if you can claim the enhanced capital allowance relief in Freeport tax sites](#)
- [Check if you can claim enhanced structures and buildings allowance relief in Freeport tax sites](#)
- [Check if you can claim relief from Stamp Duty Land Tax in Freeport tax sites](#)
- [Get someone to deal with customs for you](#)
- [Apply for manufacturer or wholesaler of medicines licences](#)
- [Export drugs and medicines: special rules](#)
- [Export Control Joint Unit](#) (includes guidance on 'Check if you need an export licence')
- [Drugs licensing](#)
- [Finding commodity codes for imports into or exports out of the UK](#)
- [Anti-dumping duty measures](#)
- [Safeguard Measures - Anti-Dumping Duty on the Importation of Steel](#)
- [Customs, VAT and Excise UK transition legislation from 1 January 2021](#)
- [Storing, processing or producing excise goods in a Freeport customs site](#)
- [Importing or moving fish to the UK](#)
- [Exporting or moving fish from the UK](#)