



December 2021

VAT Registration Number

Dear customer

We're writing to you now as our records show you've imported or exported goods from Great Britain in the past. There are changes coming to customs arrangements from 1 January 2022, so this letter explains what's changing, and how to make sure that you're ready, before you move your goods.

The changes coming into force on 1 January 2022 for imports from the EU (except Ireland) to Great Britain include:

- full customs import declarations are needed for all goods at the time you or your courier/freight forwarder bring them into Great Britain
- customs controls at all ports and other border locations
- you may need a suppliers' declaration proving the origin of your goods (either UK or EU) if you're using the zero tariffs agreed in the UK's trade deal with the EU
- commodity codes, which are used to classify your goods for customs declarations, are changing.

We enclose some further information explaining these changes, what this means for you if you're importing or exporting goods from 1 January 2022, and what you need to do to prepare. If you aren't ready for the changes, the clearance of your goods may be delayed, leading to additional costs.

Temporary arrangements for movements from Ireland and Northern Ireland

The government has announced that current customs arrangements for goods moving from Ireland and Northern Ireland to Great Britain will be extended for as long as discussions between the UK and EU on the operation of the Northern Ireland Protocol (NIP) are ongoing.

This means that full customs controls will be introduced as planned on 1 January 2022 for goods moving between the rest of the EU and Great Britain, and for goods exported from Great Britain to Ireland.

If you move goods into or out of Northern Ireland, the free Trader Support Service can guide you through the process. Go to **GOV.UK** and search 'Trader Support Service' to sign up.

Further information

We understand the challenge of adapting to these changes, and we appreciate how much you've done already. We're here to support you and help you prepare.

You can watch videos, sign up for email alerts and register for free webinars to learn more about UK transition – go to **GOV.UK** and search 'help and support for UK transition'.

If you have a question about importing, exporting or customs reliefs

You can call our helpline on **0300 322 9434**. This is open from 8am to 10pm (weekdays) and from 8am to 4pm (weekends). You can also speak to an adviser online – go to **GOV.UK** and search ‘imports and exports general enquiries’.

Yours faithfully

Katherine Green and Sophie Dean

Directors General, Borders and Trade, HMRC

Information about changes from 1 January 2022

A number of things are changing from 1 January 2022. This information will help you prepare.

Customs Declarations

If you're importing non-controlled goods which are entering Great Britain from Irish ports there are no changes at the moment and you can continue to delay making your customs declarations for up to 175 days, as long as you make an entry in declarant's records at the time of import.

If your goods are entering Great Britain from other EU countries, you will no longer be able to delay making import customs declarations under the Staged Customs Controls rules that have applied during 2021. Most customers will have to make declarations and pay relevant tariffs at the point of import.

You should consider before 1 January 2022 how you are going to submit your customs declarations. You can appoint an intermediary, such as a customs agent, to deal with your declarations on your behalf or you can submit them yourself. For more information, go to gov.uk/hmrc/customs-on-your-behalf

Some businesses already have a 'Simplified Declarations' authorisation from HMRC that allows their goods to be released directly to a specified customs procedure without having to provide a full customs declaration at the point of release.

If you want to use Simplified Declarations, you'll need authorisation to do so. It can take up to 60 calendar days to complete the checks needed for this and therefore a new application made now may not be authorised before 1 January 2022. To find out more, go to **GOV.UK** and search 'simplified declarations'.

You must use the correct country code for the country of origin and the country of dispatch when you complete your customs declaration. For EU countries, the individual country code of the relevant member state should be used. The EU country code must not be used and will be removed from systems shortly.

Border controls

Ports and other border locations will begin controlling goods. This means that unless your goods have a valid declaration and have received customs clearance, they will not be able to be released into circulation, and in most cases will not be able to leave the port, except from in Ireland.

Your goods may be directed to an Inland Border Facility (IBF) for documentary or physical checks if these checks cannot be done at the border.

It's important that those involved in transporting your goods are ready and understand how you intend to operate from January 2022.

Goods exported through all border locations will be subject to full customs controls. Depending on which port your goods are moving through, you or your agent will either need to submit a pre-lodged export declaration or an arrived export declaration. To find out more about which process you need to follow, go to **GOV.UK** and search 'making a full export declaration'. A list of locations where you need to use pre-lodged declarations from 1 January 2022 is also available on **GOV.UK** by searching 'pre-lodged declaration locations'.

If you do not follow the correct process from 1 January 2022, the new systems will not permit your goods to leave the country and they will be turned away as they will not hold export clearance.

If you use a service such as a courier or freight forwarder to move your goods, you need to check their terms and conditions about who will make the declarations, and what other information they need from you to do this.

Rules of Origin – for imports and exports

The UK's deal with the EU, called the Trade and Cooperation Agreement (TCA), means that the goods you import or export may benefit from a reduced rate of Customs Duty (tariff preference). To use this, you need proof that the goods you:

- import from the EU originate there
- export to the EU originate in the UK.

By 'originate' we mean where goods (or the materials, parts or ingredients used to make them) have been produced or manufactured. It is not where the goods have been shipped or bought from. Your goods will need to meet the product specific rules of origin requirements set out in the TCA.

UK and EU importers can claim tariff preference if they have one of the following proofs of origin:

- a statement on origin – this must be made out by the exporter to confirm that the product originates in the UK or EU
- the importer's knowledge – this option allows the importer to claim tariff preference based on their own knowledge of where the goods they're importing originate from.

If you export goods to the EU and you provide the EU importer with a statement on origin, you may also need to have a supplier declaration in place. These are needed to confirm the origin of the goods you're exporting when the manufacture alone is not enough to meet the product specific rules of origin.

Throughout 2021, you have been allowed to export goods to the EU using tariff preference and get supplier declarations afterwards, to give you more time. But from 1 January 2022 you must have supplier declarations (where required) at the time you export your goods.

If you cannot provide a supplier declaration to confirm the UK origin of goods you exported to the EU between 1 January and 31 December 2021, you must let your customer know.

If you're subject to a request for verification by EU customs authorities and you can't provide this supporting evidence, your EU customer will be liable to pay the full (non-preferential) rate of Customs Duty and we may also charge you a penalty.

To find out more about rules of origin, and when supplier declarations are needed, search 'suppliers' declaration' on **GOV.UK**

Even if goods you import from the EU are eligible for tariff preference, normal VAT rules will still apply.

Postponed VAT Accounting (PVA)

If you're a VAT-registered importer, you can continue to use Postponed VAT Accounting (PVA) on all customs declarations that require you to account for import VAT, including supplementary declarations, except when HMRC have told you otherwise. PVA has already provided significant cash flow benefits for thousands of our customers, and we expect that most businesses will choose to use it. You can search 'postponed VAT accounting' on **GOV.UK** to find out more.

Commodity Codes

Commodity codes are used worldwide to classify goods that are imported and exported. They are standardised up to 6 digits and reviewed by the World Customs Organisation every 5 years. Following the end of the latest review, the UK codes will be changing on 1 January 2022. You should go to **GOV.UK** and search for the 'Trade Tariff Tool' at the time you're importing your goods to look up the correct commodity codes. You can also check the Trade Tariff news page at www.trade-tariff.service.gov.uk/news

Further changes from 1 July 2022

Further changes will be introduced from July 2022, which we'll let you know more about nearer the time.

These will include:

- requirements for full safety and security declarations for all imports
- new requirements for Export Health Certificates
- requirements for Phytosanitary Certificates
- physical checks on sanitary and phytosanitary goods at Border Control Posts.