



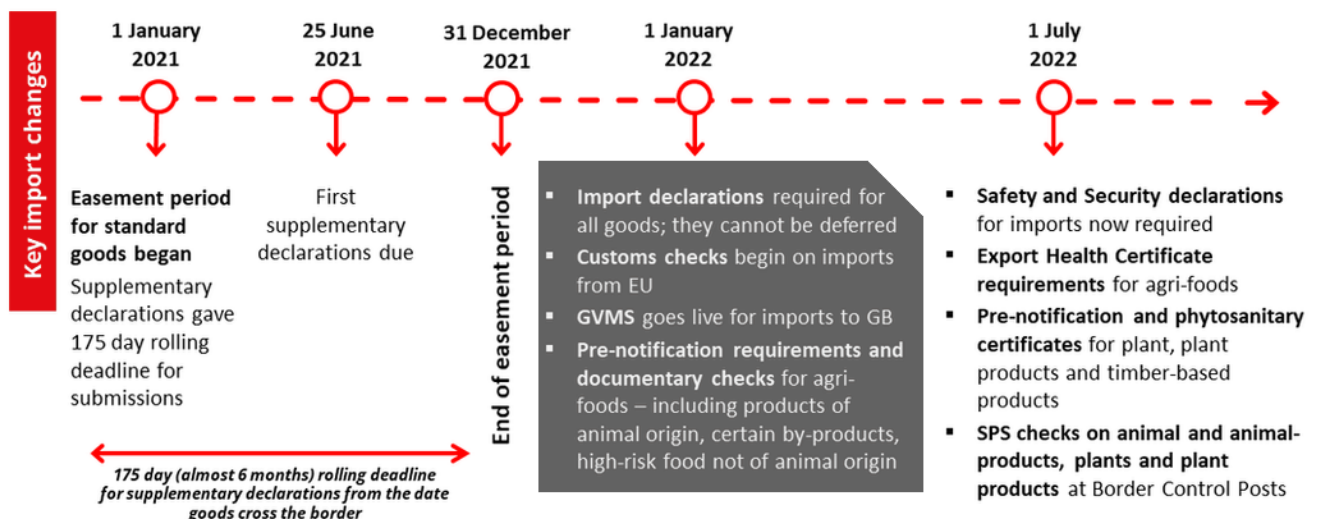
CHANGES TO EXPORTING RULES FROM THE EU TO THE UK

FROM 1ST JANUARY 2022

From the 1 January 2022 there are changes to the UK customs processes that may impact your supply chain operations. These changes will affect hauliers and drivers and it is important to recognise these changes and act now. There is little time remaining before these changes come into effect and so action is needed before the end of December 2021.

In addition, UK based freight forwarders will become the party liable to UK Customs with these changes and could therefore face financial penalties. As part of these changes, goods arriving or departing the UK by road freight via the Port of Dover or Eurotunnel will face additional checks and this will apply to goods from the European Union Goods and the rest of the world.

Introducing The Goods Vehicle Movement Service (GVMS)



Imports from the European Union (Using EU A / EAD / Export Declarations)

- **HAULIERS** will be required to obtain a UK Government Gateway account and register for the new GVMS System. Hauliers should register for GVMS now, which is available to all hauliers with a valid UK EORI Number. <https://www.gov.uk/guidance/register-for-the-goods-vehicle-movement-service>
- **ALL HAULIERS** without a UK EORI Number should apply for one at: <https://www.gov.uk/eori>
- **HAULIERS** will have to create a GMR (Goods Movement Record) for every vehicle which must include the Vehicle Number, the UK Customs entry number for each consignment, the designated port of departure and the operator details.
- **LIABILITY:** Current suggestions are that the company creating the GMR will be held responsible by UK Customs for all goods loaded onto the vehicle and any Customs debt. A company must ensure all goods have the appropriate Customs declarations in place before the driver boards any ferry/train.
- **DRIVERS** will benefit from using a smartphone which can receive the GMR barcode sent to them by the haulier or alternatively, hold a printed copy of the GMR barcode. Ferry or train operators will scan the GMR on the driver's smartphone or printed barcode and the Customs clearance process will begin during the ferry/train crossing.
- **DURING EACH FERRY/TRAIN CROSSING** the driver should check their smartphone to see if they have either a red or green customs routing. Red routings mean a driver must proceed to one of the Inland Border Facilities where the appropriate Customs checks take place. With a green routing drivers can disembark and proceed to delivery. Those drivers unable to use a smartphone will need to call their line managers to receive the correct the Customs routing. <https://www.gov.uk/government/publications/attending-an-inland-borderfacility/attending-an-inland-border-facility>

Imports from the European Union/Rest of World (Using Community Transit)

- **HAULIERS** will be required to obtain a UK Government Gateway account and register for the new GVMS System. Hauliers should register for GVMS which is available to all hauliers with a valid UK EORI Number. <https://www.gov.uk/guidance/register-for-the-goods-vehicle-movement-service>
- **ALL HAULIERS** without a UK EORI Number should apply for one at <https://www.gov.uk/eori>
- **HAULIERS** need to create a GMR (Goods Movement Record) for every vehicle which has to include, among other items, the Vehicle Number, the MRN of the T1/T2, the port of departure and full operator details.
- **LIABILITY:** At present, the company creating the GMR will be held responsible by UK Customs for all goods loaded onto the vehicle and for any Customs debt if the goods are not declared for clearance.
- **ALL DRIVERS** will require a smartphone to enable the GMR barcode to be sent to them by the haulier or alternatively, hold a printed copy of the GMR barcode.



Exports to the European Union (Using EAD / Export Declarations)

- **HAULIERS:** Hauliers should obtain a Government Gateway account, a UK EORI Number and create a GMR for each export vehicle.
- **TO CREATE A GMR,** the haulier will require the Export DUCR (Declaration Unique Consignment Reference from the customs broker for each single consignment.
- **THE CUSTOMS BROKER** will provide the Export DUCR for their client/haulier as soon as the goods have been granted permission to progress (P2P). HMRC states that consignments are not meant to leave the exporter's or forwarders' premises until they have the designated P2P.
- **THE HAULIER** sends the GMR to the driver on their smartphone. Alternatively, the driver obtains a printed version of the barcode.
- **THE FRENCH CUSTOMS AGENT** provides a French Customs declaration to the haulier.
- **THE DRIVER** proceeds to the Port of Dover or Eurotunnel and submits both GMR and French Import entries for scanning before boarding the ferry/train.
- **FRENCH CUSTOMS CLEARANCE** should be undertaken en-route with the driver following the Green/Orange routes departing the ferry/train and the instructions of French Customs officials



Exports to the European Union and Rest of World (Using Community Transit)

- **HAULIERS:** Hauliers must obtain a Government Gateway account, a UK EORI Number and create a GMR for each export vehicle according to current regulations.
- **TO CREATE A GMR,** the haulier will need the Export DUCR (Declaration Unique Consignment Reference) for the customs broker for each single consignment.
- **THE CUSTOMS BROKER** will provide the Export DUCR to their client/ haulier once the goods have been granted permission to progress (P2P). HMRC states that consignments are not meant to leave the exporters or forwarders premises until they have P2P. In addition, the Customs Broker will provide a Local Reference Number (LRN) which will be processed by Customs at the Inland Border Facility in order to produce a T1.
- **THE DRIVER** reports to an inland border facility with LRN(s) and then Customs produce the T1 with a MRN and then give the driver printed copies.



Introducing the REX system

Registered Exporter system (REX) is a system that authorises exporters in Generalised System of Preferences (GSP) beneficiary countries to issue a self-certificate known as a statement on origin.

From January 2022

For the first 12 months after the UK left the EU, HMRC allowed an easement for Customs documentation, where a statement of origin was not needed to claim a preferential (0%) rate of duty for goods imported into the UK from the EU.

This is coming to an end at the end of 2021 and your EU suppliers will now require a registered exporter REX number.

This is how REX will affect your business:

- From 1st January 2022, all export invoices from the EU to the UK must show a statement of origin for the preferential rate of duty to be claimed.
- Where the value of the consignment is €6,000 or less, the statement of origin can be made by any exporter.
- However, for consignments that are above €6,000, the EU exporter must have a Registered Exporter (REX) number and include it in the statement.
- If the exporter is not REX registered, they cannot make a valid statement of origin for goods with a value exceeding €6,000.
- If you import goods into the UK and your supplier's invoice does not have a valid statement of origin, then Customs duty will be due on importation.

Further information on changes to Rules of Origin, visit <https://www.gov.uk/guidance/check-your-goods-meet-the-rules-of-origin#how-to-get-proof-of-origin> for more details.



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