

2022 BREXIT BULLETIN

**\*IMPORTANT\*.  Changes to import and export rules from 1/1/22**

On the first of January 2021 the EU/UK transition agreement ended, However the UK and EU governments did agree to implement easements, many to last for the full 12 months of 2021.

Most of these easements will come to an end at midnight on 31/12/21.  Please make yourself familiar with the new rules, it will affect your relationships with your overseas customers, suppliers and how you organise your import and export activities.

**1. The end of delayed declarations:**

From 1/1/21 Importing trucks passing through UK customs border ports could drive onto their destinations without stopping.  The importer of record (Buyer or Consignee) had up to 175 days to submit the full declaration paying VAT and duty (if applicable).

This facility will come to an end and from 1/1/22 all importing consignments must be fully declared at time of import.  This will cause delays.  We know many importing companies still do not always have the correct documentation or submit correct declarations.

It has always been our policy to advise companies to complete full declarations on import and thankfully, most of our customers agreed.

**2. Proof or Origin:**

From 1/1/21 to 31/12/21 the UK/EU government agreed they will not demand Proof of Origin for the goods moving between the 2 markets.  Invoice statements declaring origin would suffice.This easement will end on 1/1/22 meaning that as an exporter you may be asked to prove the goods you are sending to Europe meet the general rules of origin.  If you send goods to Europe, the customs authority in the country of destination may ask your customer to prove the goods were in fact UK origin, they in turn will ask you, the supplier.  If origin cannot be proved, your customer will be made to pay the full import duty and they will be issued with a civil penalty. This is the same for goods you may be buying from your EU suppliers.

The actual rules state that before you declare the goods for export and add the Declaration of origin on your commercial invoice, you must have proof in the form of a supplier’s declaration or a Certificate of Origin for the goods you have imported to re-export. If they were bought as raw materials, you must be able to prove they meet the Ad Valorem rule (40/60), Change of Commodity code, Significant transformation etc to turn them into UK Origin Goods.

**3. Registered exporter authorisation (REX) – EU suppliers.**

From 1/1/22 all European suppliers to the UK MUST be REX authorised.  Their commercial invoices must show their REX authorisation number and the declaration of origin.  Any goods imported from the EU without the REX authorisation will not meet the preference rules and full import duty will be applied (if the goods carry import duty).  This ruling will be applied to consignment values for goods worth EUR 6000 and above.

UK companies selling to the EU do not require REX authorisation and declaration of origin on the Commercial invoice will suffice.

Please talk to your EU suppliers now and ask them to get REX registered.  It is simple and free of cost.

**4. Changes in Commodity Codes:**

In early 2022 there will be an overhaul of the Harmonised system codes (HS Codes).  351 sets of amendments will be made to the UK commodity codes.  This will impact over 5500 HS headings and subheadings.

It is our strong recommendation that you review your commodity codes for importing and exporting regularly throughout 2022 as they could change. This could impact the amount of duty applied.

As a customs broker, SITC staff always double check your HS and commodity codes, however even we could miss something and the onus is on the importer or exporter of record to ensure the correct codes are submitted.  More information can be found here:

<https://www.revenue.ie/en/customs-traders-and-agents/importing-and-exporting/classification/index.aspx>

**5. Sanitary and Phytosanitary products  (SPS)**

Fortunately the UK government has further delayed full implementation of all SPS rules to July, October and November 2022.

This will affect you if your are importing Animals, Products of animal origin, plants and plant based products.

BUT from 1/1/22 all import movements of SPS related products will require pre-notification.  This means affected companies must register with IPAFFS  (Import of products, animals, food and feed systems)

More information can be found here:

<https://www.gov.uk/guidance/import-of-products-animals-food-and-feed-system?utm_campaign=transition_p6&utm_medium=cpc&utm_source=seg&utm_content=ukb_agfl_sme__act162&utm_term=&gclid=EAIaIQobChMI1fy4yY_Z9AIVCbd3Ch1cFwNeEAAYASAAEgLcIfD_BwE&gclsrc=aw.ds>