

Welcome

Free Bitesize Sessions – Export Basics

8th April 2021



Greater Manchester
Chamber of Commerce



Greater Manchester Chamber of Commerce

Susana Córdoba

Head of International Trade



Greater Manchester
Chamber of Commerce



What will be covered today?

1. GMCC Brief Introduction

2. What is an export?

3. 4-Steps Export Process

- Step 1. Receiving an Order – Key Exporting Checks (e.g. EORI, commodity codes, incoterms, etc)
- Step 2. Getting goods ready to leave the UK
- Step 3. Goods Arrive at the export destination
- Step 4. Post Export

4. How can the Chamber Help?

5. Q&A



1. GM Chamber at a Glance



Founded

In 1794 and became the Greater Manchester Chamber in 2004. We are the largest accredited chamber of commerce in the UK



10 Local Authorities

Bolton, Bury, Trafford, Wigan, Tameside, Oldham, Rochdale, Stockport, Manchester, Salford.



+4,500

Members across all sectors and sizes representing about 5% of the businesses in the region & combined workforce of circa +460,000 employees.



+50

Employees

Top 3 Sectors for the Chamber



Manufacturing & Engineering



Property & Construction



Business & Financial services

We are a non-for-profit private business membership organisation (Non-governmental)





GMCC Memberships & Accolades

Members of

- British Chambers of Commerce
- International Chambers of Commerce
- Institute of Exports & Int. Trade
- The Caribbean Council

Investors in People

- Gold Award till 2020
- Finalists of the National Gold Awards 2018

2015/16 British Chamber of Commerce Award Winners

- Most Effective Campaigning
- Excellence in International Trade Services

2017/18 British Chamber of Commerce Award Winners

- Chamber of the Year

2018/19 British Chamber of Commerce Award Winners

- Excellence in International Trade Services

2019/20 British Chamber of Commerce Award Winners

- Excellence in International Trade Services

Sunday Times Best 100 Companies to Work For 2019

- Awarded the ["One to Watch 2019" accreditation](#)



POLL NO. 1

What would you say describes best
your company's export experience?



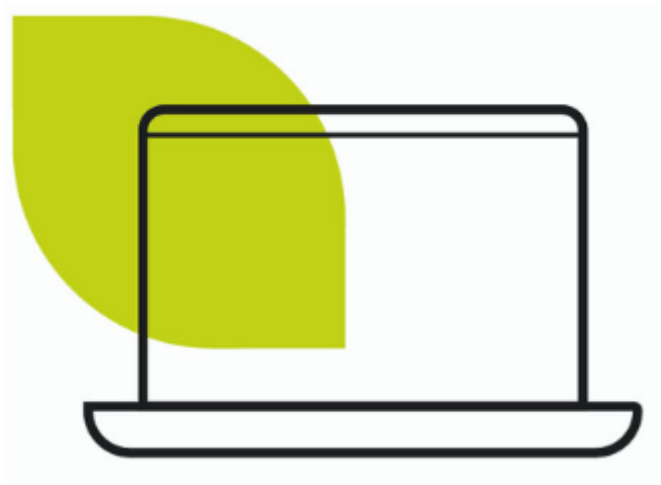
2. What's an “export”?

- An “export” is when we sell goods or services from the UK to any country in the world
- From 1st January 2021, goods or services going to the EU are also considered as “exports”
- Exports and Imports need to observe new rules outlined on the:
 - New UK Border Control
 - Northern Ireland Protocol



3. 4-Steps Export Process

Step 1: Receive an Order – Key Exporting Checks



Once you have received an order from an overseas customers, you will need to consider the following when agreeing the terms of sale:

- ✓ EORI Number
- ✓ Commodity Code
- ✓ Rules of Origin & Proof of origin
- ✓ Export Documentation
- ✓ Special Licences, Certificates or Permits
- ✓ Product Specific Regulations
- ✓ Shipping and Insurance (Incoterms)
- ✓ Pricing & Invoicing
- ✓ Payment Terms



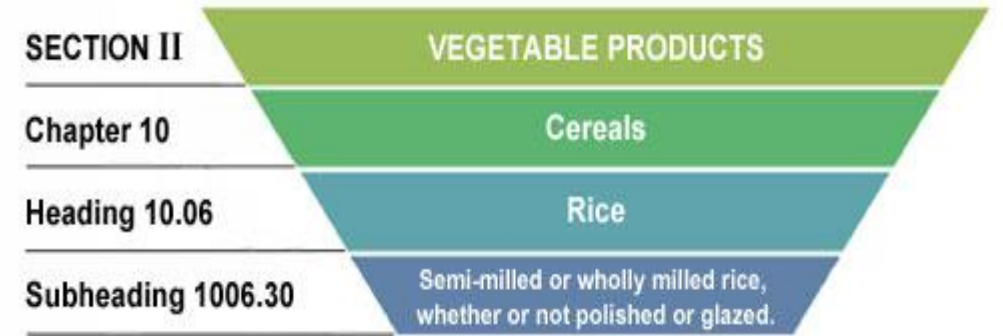
EORI - Economic Operator Registration Number

- An EORI number is needed if you move goods between GB and any country in the world.
- If you are VAT Registered Business, HMRC would have issued one
- If you are non-VAT registered, you need to apply
- If you were only trading with the EU before 1st Jan 2021, and had an EU EORI, you now need a GB EORI number
- 10 minutes to register, and you can do it [here](#) (Your number will start with GBXXXXX)
- **If you move goods to/from Northern Ireland**, you may need an EORI number starting with XI. For more information, click [here](#)
- Depending on the incoterms you use, you may also need and [EU EORI number](#)



Commodity Codes

- A commodity code (also known as HS or tariff code) is a product specific code that is used to determine any regulations or controls for your goods, the rate of tax and duty on imported goods, reliefs or other
- Used to fill customs declarations and other paperwork
- The number is usually 8 digits for export and 10 digits for import
- The exporter is legally responsible for the using the correct code
- You can find your commodity code in the [UK Trade Tariff](#)
- If in doubt, use HMRC informal or Legally Binding Advice Services. For more guidance, click [here](#)



Commodity Codes

Trade Tariff: look up commodity c × +

trade-tariff.service.gov.uk/sections

Apps Twitter GMCC Import Gov.uk GMCC Website Eventbrite - Discov... Chamber Customs CRM BCC Chamber Hub Trade Map - Trade s...

GOV.UK

Trade Tariff

Search Additional Code Certificate Footnotes Quotas CAS A-Z Exchange rates Forum


Trade Tariff: look up commodity codes, duty and VAT rates

Search the tariff

Q

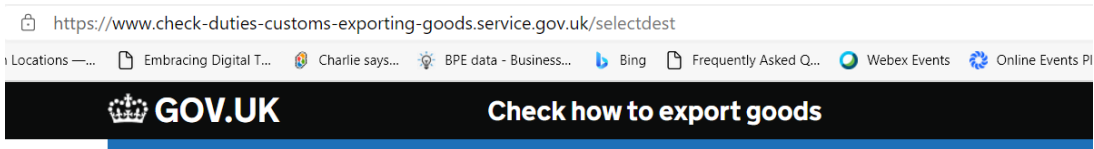
This tariff is for 4 August 2020 [Change date](#)

All sections

Section	Chapters	Section title	 [BETA] Trade Tariff PDF (94MB)
I	1 to 5	Live animals; animal products	
II	6 to 14	Vegetable products	
III	15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	



Export Requirements



Where would you like to export to?

Select the destination country or territory for your goods. You can come back to this page to select a different country.

Continue

Can't find the country or territory you're looking for?

We are still working on improving this service and might not have the country or territory you are looking for. [Here is a full listing of supported countries and territories](#). If your destination country has a trade agreement with the UK, you can find it on our [trade agreement page](#).

You can also [contact us](#) directly.

Use the New UK Gov Export Checker tool:

- Trade Agreements? - Rules of Origin & Proof of Origin
- Duties and Other Taxes (e.g. import VAT, excise, etc)
- Export Documentation
- Special Licences, certificates or permits
- Sanctions or Restrictions
- Product Specific requirements
- ✓ Packaging requirements

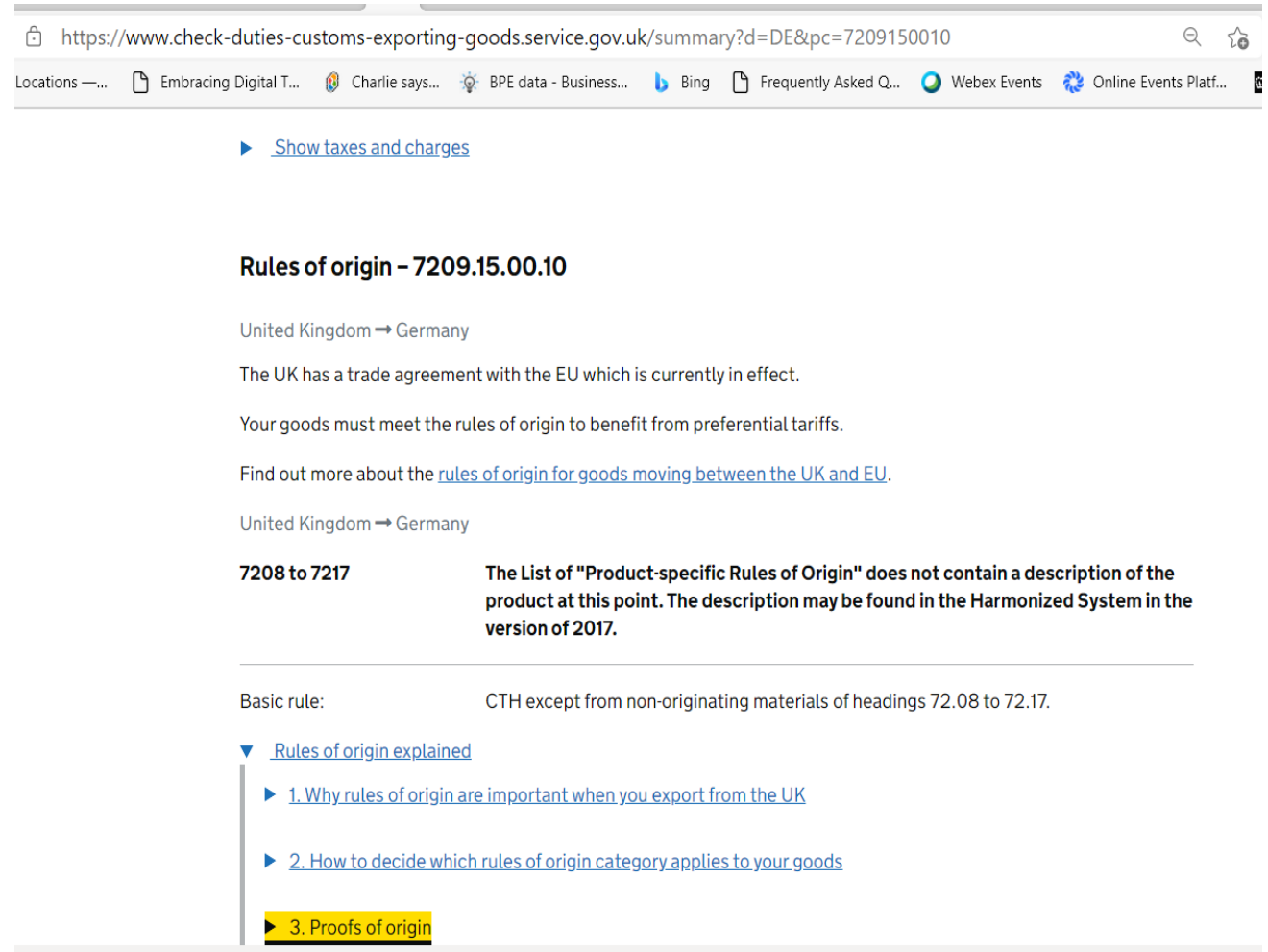


Trade Agreements? Rules of Origin & Proof of Origin

➤ Trade Agreements

- ✓ Preferential Trade Agreements with Non- EU Countries
- ✓ EU-UK Trade Cooperation Agreement

➤ WTO Terms



The screenshot shows a web browser window with the URL <https://www.check-duties-customs-exporting-goods.service.gov.uk/summary?d=DE&pc=7209150010>. The page title is "Rules of origin – 7209.15.00.10". It indicates a trade route from the United Kingdom to Germany. The text states: "The UK has a trade agreement with the EU which is currently in effect. Your goods must meet the rules of origin to benefit from preferential tariffs. Find out more about the [rules of origin for goods moving between the UK and EU](#)." Below this, it specifies the tariff heading "7208 to 7217" and notes that the "List of 'Product-specific Rules of Origin' does not contain a description of the product at this point. The description may be found in the Harmonized System in the version of 2017." A "Basic rule:" section states "CTH except from non-originating materials of headings 72.08 to 72.17." A dropdown menu titled "Rules of origin explained" is open, showing three items: "1. Why rules of origin are important when you export from the UK", "2. How to decide which rules of origin category applies to your goods", and "3. Proofs of origin" (which is highlighted in yellow).

Locations —... Embracing Digital T... Charlie says... BPE data - Business... Bing Frequently Asked Q... Webex Events Online Events Platf...

▶ [Show taxes and charges](#)

Rules of origin – 7209.15.00.10

United Kingdom → Germany

The UK has a trade agreement with the EU which is currently in effect.

Your goods must meet the rules of origin to benefit from preferential tariffs.

Find out more about the [rules of origin for goods moving between the UK and EU](#).

United Kingdom → Germany

7208 to 7217 The List of "Product-specific Rules of Origin" does not contain a description of the product at this point. The description may be found in the Harmonized System in the version of 2017.

Basic rule: CTH except from non-originating materials of headings 72.08 to 72.17.

▼ [Rules of origin explained](#)

- ▶ [1. Why rules of origin are important when you export from the UK](#)
- ▶ [2. How to decide which rules of origin category applies to your goods](#)
- ▶ [3. Proofs of origin](#)



Export Requirements - Example

←

→

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https://www.check-duties-customs-exporting-goods.service.gov.uk/summary?d=DE&pc=7209150010

🐦 Home / Twitter

📍 Ocean Locations —...

📄 Embracing Digital T...

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⬅️ Back

Export 7209.15.00.10 from the United Kingdom to Germany

[Disclaimer](#)

Section XV: Base metals and articles of base metal

↳ Iron and steel

↳ Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, cold-rolled (cold-reduced), not clad, plated or coated

↳ In coils, not further worked than cold-rolled (cold-reduced)

↳ Of a thickness of 3 mm or more

↳ 'Electrical'

▶ [Commodity notes](#)

[Unexpected result? Go to product group](#)

[New search](#)

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www.check-duties-customs-exporting-goods.service.gov.uk/summary?d=DE&pc=7209150010

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📄 Frequently Asked Q...

🌐 Webex Events

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What duties to pay

How to get your goods out of the UK

How to get your goods into Germany

Duties, taxes and charges – 7209.15.00.10

United Kingdom → Germany

Updated on: 01.03.2021

The UK has a trade agreement with the EU which is currently in effect.

This agreement establishes zero tariffs or quotas on trade between the UK and the EU, where goods meet the relevant rules of origin. Where goods do not meet the rules of origin, MFN tariffs will apply.

[Find out more about the agreement.](#)

▶ [How to use the tariffs table](#)

Type	Amount
Preferential (PREF) Duty	0.0%
↳ Tariff preference (2021-01-01 -) Regulation: D22530/20	
Most Favoured Nation (MFN) Duty	0.0%
Third country duty (2005-01-01 -) Regulation: R17890/03	



Export Documentation

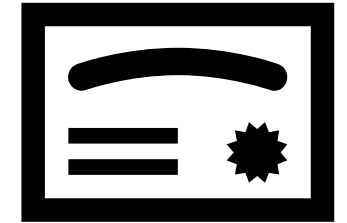
You must check what export documentation must accompany your goods overseas for customs purposes and to have preferential market access (e.g. nil or reduced import duties).

- **Commercial Invoice**
- **Packaging list**
- **Customs Declaration (e.g. for exports C88, SAD)**
- **If using Transit, you may need a T1**
- **Preferential Documents:**
 - EUR1s – Now we have UK EUR1s
 - ATRs – No longer applicable for the UK
- **Non-Preferential**
 - EU Certificates of Origin now replaced with UK COOs
 - Arab Certificates of Origin – No change
- **Temporary Exports**
 - ATA Carnets – Now can be used for temporary exports to the EU



Special Licences, Certificates, Permits & Sanctions

➤ Export Licences and Certificates are needed for exporting:



- Animals, plants, food & agricultural products (e.g. Export Health Certificate, Phytosanitary)
 - Chemicals and waste
 - Controlled goods (e.g. you can check using the Online Open General Export Licence - OGEL system)
 - Diamonds
-
- ## ➤ If using any special customs procedures such as Inward Processing, Outward processing, Returned Goods Relief, or other, please note you need to be authorised by HMRC. This authorisation number will be needed for your customs paperwork.
-
- ## ➤ Check if the countries where you are exporting to are subject to any sanctions or restrictions (e.g. Iraq, Iran, etc)



Product Specific Requirements

➤ **Markings - Conformity Assessments/Certificates (Manufactured Goods)**

- If exporting to EU, note that there are changes on CE Marking. The UK now has an UKCA.
 - Check if your UK notified Body has made arrangements to help you get a certification for the EU Market.
 - If not, you need to find/appoint a EU Notified Body
 - If you are selling to the EU without using an importer or fulfilment service provider, you must appoint an authorised or responsible person based in the EU, EEA or Northern Ireland

➤ **Labelling:** Check local importing country requirements. For exports to the EU, please consider that:

- Food Products of Animal Origin exports from 1st Jan – will now require new health and identification marks
- If your product is being distributed in the EU, you may need an EU distribution address listed on the product, label or packaging.

➤ **Marketing standards:** Consider it for Fresh fruit, vegetables, eggs, poultry, beef, wine

- You must follow local importing country requirements
- For EU, make sure to check the EU marketing standards regulations

For further guidance, visit [UK Gov website](#)



Packaging Requirements

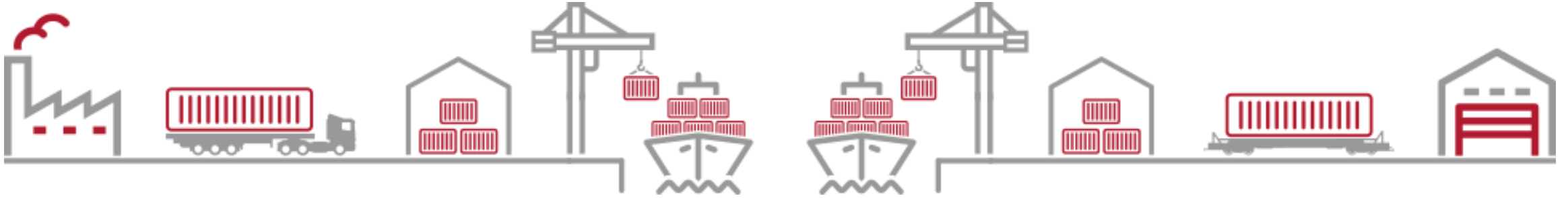
- Movement of Goods between GB and EU or Rest of the World must meet Wood Packaging international standards – ISPM15
- Wood Packaging Material (WPM) includes:
 - packing cases
 - boxes
 - crates
 - drums and similar containers
 - pallets, box pallets, pallet collars and other load boards
 - dunnage (loose wood used to protect goods and their packaging)



Further Guidance visit: [Wood packaging material for import and export - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/wood-packaging-material-for-import-and-export)



Incoterms – International Commercial Terms



- These rules define the responsibilities of the buyer and seller with respect to the packing, transportation, insurance and customs procedures.
- 11 terms in the latest version of Incoterms 2020
- Incoterms help exporters and importers avoid misunderstandings by clearly defining each other's responsibilities.
- Potential risks of using **EXW** and **DDP**





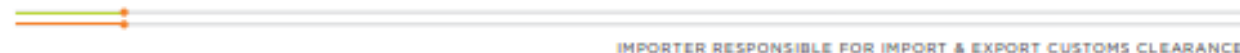
ALL MODES OF TRANSPORT

EXPORTER

IMPORTER

DELIVERY

EXW Ex-works



Named Place

FCA Free Carrier



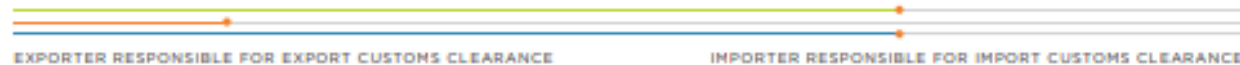
Named Place

CPT Carriage Paid To



Agreed Destination

CIP Carriage and
Insurance Paid To



Agreed Destination

DPU Deliver at Place
Unloaded



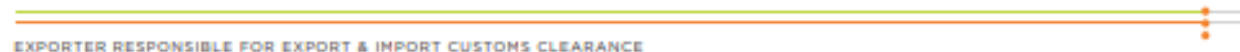
Agreed Destination

DAP Deliver at Place



Agreed Destination

DDP Delivered Duty Paid



Agreed Destination

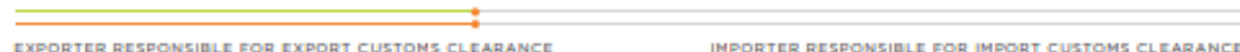
SEA AND INLAND WATERWAYS ONLY

FAS Free Alongside Ship



Named Loading Port

FOB Free on Board



On Board Ship

CFR Cost and Freight



Named Destination Port

CIF Cost, Insurance and
Freight



Named Destination Port

— COST — RISK — INSURANCE • RESPONSIBILITY IS TRANSFERRED

Payment Terms

- Due diligence: Prior to agreeing to the sale and shipping the product, always do your research about new clients to avoid payment delays or credit risks.

- Methods of payment: Based on the country of export and of your relationship with the customer, you will have a choice between a range of methods of payment. Consider the benefits and disadvantages of each. The most commons are:
 - Advanced Payment
 - Letters of Credit
 - Documentary Collection
 - Open Account



Pricing & Invoicing

Once you have agreed your incoterm and you understand whether you are or not responsible for:

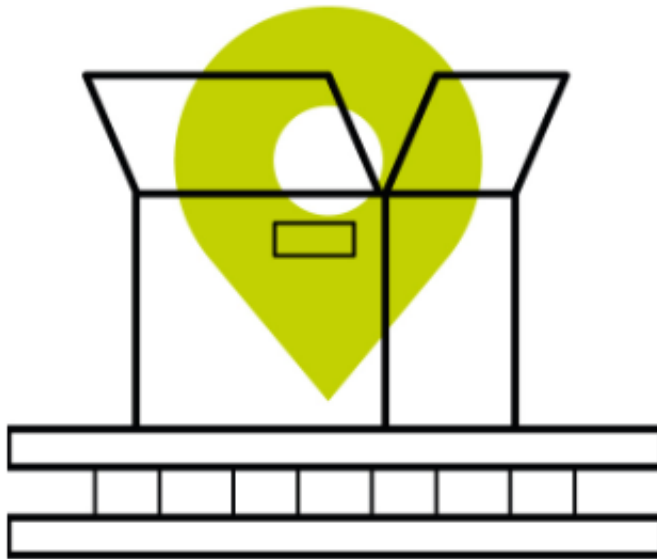
- Transport
- Insurance
- Customs Clearance (Export and/or Import country)

Other Considerations when pricing your goods/services:

- **Foreign exchange:** If payment is made in another currency, consider the impact of foreign exchange on your transaction.
- **VAT** – Find out if you can zero rate it when exporting & make sure to keep evidence goods have been exported
- **Cost of documentation** - COOs, Customs Declarations, special permits/authorisations
- **Costs related to Methods of Payment**



Step 2: Goods are ready to leave the UK



The order is now confirmed and the terms have been agreed, the goods are ready to leave the UK. You now need to be clear who is responsible for what – and this will depend on the incoterms you have used:

- ☐ Export Customs Declarations – Likely responsibility of the Exporter
- ☐ Transport and Insurance
- ☐ Import Customs Clearance – likely responsibility of the Importer



POLL NO. 2

What have you considered in terms of customs declarations with the EU?



Arranging your export customs declaration

- ☐ For the submission of Export declarations you can: Do it yourself using CHIEF and you must register in the National Export System (NES), alternatively you can use specialised software, or you can appoint a customs intermediary
- ☐ Your customs declaration will need the following information:
 - ❖ Commodity code, weight, value...
 - ❖ Any licences or additional documentation
 - ❖ Special permits/authorisation numbers(e.g. if using special customs procedures such as Inward Processing, Outward Processing, etc)
 - ❖ Exporter and importer details
 - ❖ Transport details
- ☐ If exporting under EXW, you must get a **proof of export** and you are **NOT** responsible for the export customs clearance. It will be up to your customer to arrange this and they may need an GB EORI number and register for VAT in the UK.

CHAMBER
CUSTOMS



According to Incoterms – Arrange transport/pick-up

- ❑ Depending on Incoterms, are you will be responsible for the transport from the UK to the country of dispatch?

- ❑ Examples:
 - ❖ With DAP – Exporter is responsible for transport until the goods are delivered “at place” (agreed destination)
 - ❖ With FOB – Exporter is responsible for the transport until the goods are on board the ship.

- ❑ Talk to your Freight Forwarder about the best routes and check costs.

If you do not have a freight forwarder, we have plenty of members who can help!
Download the list [here](#)



According to Incoterms – Arrange insurance

- ☐ Under some Incoterms, the insurance will become the responsibility of the exporter or importer.
- ☐ If not part of Incoterms, speak to your supplier and/or freight forwarder to check what is included and if an additional cover must be bought.
- ☐ For example for road freight the agents maximum liability is £1.300 per tonne



GM Chamber Members get preferential rates on Cargo Insurance with Strategic Partners A&B Insurance

www.covermycargo.com



Step 3: Goods arrive in the country of destination



The goods have left the UK and are now arriving in the country of destination. As the exporter, you might need to consider the below:

- ☐ Import Customs Declarations
- ☐ Duty and VAT

Some of your responsibilities at this stage will depend of the Incoterms you have chosen to use and agreed to with your customer.



According to Incoterms – Arrange import customs clearance

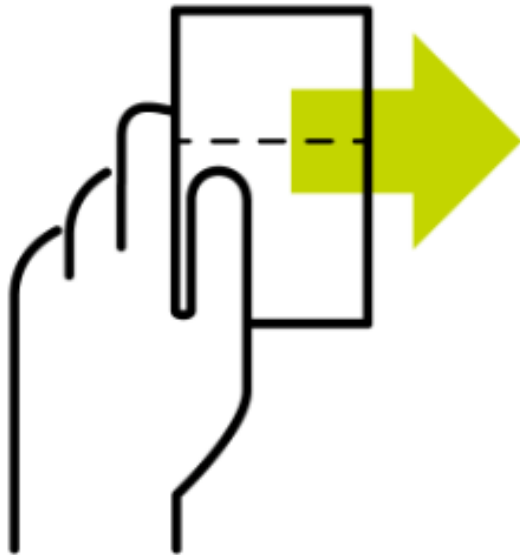
- ☐ If trading under DDP (Delivered Duty Paid), you will be responsible for arranging the import declarations in the country of destination and the payment of duties and taxes.

Main consideration:

- ✓ Who's the importer?
- ✓ Who can process the import declaration for you?
- ✓ Is there any duty and VAT?
- ✓ How to pay duty and VAT? – e.g. is there a postponed VAT scheme, Deferment account?
- ✓ **If Selling on DDP to the EU**, you also must have an EU EORI number and register for VAT in a EU State, and in some cases you may need to appoint a Fiscal Representative



Step 4: Post Export



You must keep a clear trail of your export and customs procedures for potential audits from HMRC. Most documents must be kept for at least 4 years.

- Proof of export (SAD)
- Preference Document and Proof of Origin
- Intrastat reporting required in 2021 for Exports to EU. For more info, click [here](#)

<https://www.gov.uk/guidance/archiving-your-trade-documents>



POLL NO. 3

How have you found the movement of goods since 1st Jan 2021?



4. How can The Chamber Help?

- **Brexit Hub** - www.gmccbrexithub.com
- **EU Transition Support Packages** aligned with HMRC New £2,000 Grant - More info, click [here](#)
- **Bespoke Service:** Access our in-house team and external customs experts on hourly basis for punctual and more in-depth support. For more info, click [here](#)
- **Export Documentation:** UK EUR1s, UK Certificates of Origin, Arab Certificates of Origin, ATA Carnets, Import Certificates, Legalisation, Apostille Services. For more info, click [here](#)
- **VAT Advice:** Need specialist advice? Email us at exportbritain@gmchamber.co.uk for an introduction to our VAT partners.
- **Debt Issues:** Let us connect you with our strategic partner. Drop us an email for an intro.
- **Customs Agent Services:** The Chamber is now an approved HMRC customs agent able to help UK companies with customs clearance in the UK for exports and imports. Check our [website](#) for more info
- **For more international services, click here:** [Welcome | Greater Manchester Chamber of Commerce \(gmchamber.co.uk\)](#)



Upcoming Bitesize sessions, Training Courses and Events

Date	Description
13 th April	<u>In Conversation with Jonathan Knott – HM Trade Commissioner for LATAC Region</u>
20 th April	<u>Training: Rules of Origin (Preferential & Non-Preferential)</u>
21 st April	<u>Market Networking Event: UK Meets Bulgaria Online</u>
22 nd April	<u>Bitesize Session: New Rules – New UK Border Control & Northern Ireland updates</u>
28 th April	<u>Market Event: America Made Easy</u>
30 th April	<u>Training: Understanding Tariff Codes</u>
5 th May	<u>Training: Inward and Outward Processing</u>
6 th May	<u>Bitesize Session: New Rules: Incoterms (high level 1 hr webinar)</u>
11 th May	<u>Training: Incoterms (in-depth knowledge 3 hr course)</u>
18 th May	<u>Training: How to Complete Customs Declarations</u>
19 th May	<u>Market Event: Trade & Investment Opportunities in Pakistan</u>
26 th May	<u>Workshop: Exporting to the EU</u>
27 th May	<u>Training: Export Customs Procedures & Documentation</u>

To keep up with our upcoming events, please click [here](#)



YOUR
FEEDBACK

HELP US IMPROVE FOR
FUTURE EVENTS



Q&A



Disclaimer

This presentation has been put together based on information and guidance available from official and trusted sources and our understanding/interpretation of it.

We can not be held liable should there be any errors related to guidance which was sourced from 3rd parties. Whilst we have made every effort to check the accuracy of these, we can not make any guarantees.



Thank you for joining us!

For more information please contact:

General trade queries: exportbritain@gmchamber.co.uk

Customs Agent Services: chambercustoms@gmchamber.co.uk

Export Documentation: exportdocs@gmchamber.co.uk

Twitter: @GMCCTradeteam @NWExportBritain @gmchamber

