

## Requirements for export to the UK (expected from Jan. 2021)

### EORI number

For shipping to countries outside the EU, you require a so-called EORI number for your business (Economic Operators' Registration and Identification); this identification number is required for customs processing. You can apply for an EORI number from the customs authorities in your country. When shipping to the UK, the EORI numbers of the commercial exporter in the EU and of the commercial importer in the UK are required.

### Goods classification on the basis of customs tariff numbers (HS code numbers)

Goods shipments to non-EU countries must be classified. For this, customs use goods or customs tariff numbers, so-called HS code numbers. This defines which goods are included in your shipment and how high the import duties and other import taxes are.

In addition to the goods description, parcels to the UK must also be furnished with the corresponding goods/customs tariff number. Detailed information regarding the HS code numbers can be found at <https://www.tariffnumber.com/>.



### Documents required for customs

#### 1. Commercial or pro forma invoice

For shipments to the UK a commercial or pro forma invoice in English is required. The commercial invoice is required for goods with commercial value and the pro forma invoice for goods without commercial value (e.g. sample or gift shipments).

The invoice must either be placed in a shipping envelope on the outside of the parcel or transmitted electronically with the customs data and must contain the following information:

Complete importer data if this is not the same as the recipient: name, address, phone number, e-mail address

- Name and address of the dispatcher with phone number and e-mail address
- EORI numbers of the dispatcher, the commercial exporter in the EU and the commercial importer in the UK
- UK VAT number when using Incoterm 18 (VAT Registration Scheme)
- Name and address of the recipient with phone number, e-mail address and contact person
- Delivery address if this differs from the invoice address
- Invoice date, number and location
- Designation and quantity of goods with associated customs tariff numbers and respective values
- Value of goods (with currency specification)
- Delivery condition/incoterm
- GLS parcel number(s)
- Weight (gross/net)
- Declaration of origin
- Company stamp, signature and name in plain text

For each line of the invoice, the following must be indicated:

- All goods tariff numbers (summed)
- The gross and net weight
- The exact description of the goods
- The origin
- The value declaration incl. currency

If the same goods tariff numbers with the same origin/the same country of provenance are listed several times on an invoice, a grand total for the gross and net weight, the value declaration and the quantity of the goods must be recorded for these goods tariff numbers.

#### 2. Export declaration

When a goods value of €1,000 is reached (in some countries regardless of the goods value), shippers in the EU need an electronic export declaration for parcel transportation to the UK. GLS only accepts the "two-stage procedure" for the export declaration.

At GLS, shippers need to provide your GLS depot with the customs invoice by e-mail.

## Parcel shipping to the UK in detail (expected from Jan. 2021)

### Incoterms

Incoterms define which costs incurred within the framework of customs clearance (taxes, customs duties, customs clearance) are borne by the dispatcher and which by the importer.

For shipping to a non-EU country, taxes, customs duties and a customs clearance fee are incurred alongside the shipping costs.

- Import VAT in the UK is currently 20%.
- The payable customs duties will depend on the type of goods to be shipped and the tariff rates set by the British government if no origin-related customs exemptions exist.
- The customs clearance fee will be fixed by GLS and covers the additional work incurred because of the customs clearance process. Depending on the Incoterm selected by the dispatcher, the charges will fall on the consignor or the recipient. Your GLS customer advisor will provide you with more information.

When exporting with GLS to the UK, dispatchers can choose between these Incoterms for commercial customs clearance:

- **Incoterm 10 (DDP):**  
Freight costs, customs clearance costs, customs duties and taxes paid – the sender pays all costs incurred, the importer bears no costs.
- **Incoterm 20 (DAP):**  
Freight costs paid, customs clearance costs, customs duties and taxes unpaid – the sender pays for freight only, the importer bears all other costs.
- **Incoterm 30 (DDP, VAT unpaid):**  
Freight costs, customs clearance costs and customs duties paid, taxes unpaid – the sender pays for freight, customs clearance costs and customs duties, the importer pays for the taxes incurred.
- **Incoterm 40 (DAP, cleared):**  
Freight costs and customs clearance costs paid, customs duties and taxes unpaid – the sender pays for freight and customs clearance costs, the importer pays customs duties and taxes.
- **Incoterm 60 (Pick&ShipService, Pick&ReturnService):**  
Freight costs, customs clearance costs, customs duties and taxes paid – the customer pays all costs incurred, the importer bears no costs.
- **Incoterm 18 (DDP, VAT Registration Scheme):**  
Freight costs, customs clearance costs and taxes paid – the shipper pays freight and customs clearance. Taxes are paid either by the importer or by the shipper after registration in the UK. There are no customs duties.

- For parcels with a shipment value of max. GBP135. When the according shipment value applies, the use of this incoterm is mandatory for commercial shippers.
- For this, the import VAT will be paid directly to the British tax authorities (HMRC). Therefore, a prior registration on the website of the UK government [www.gov.uk](http://www.gov.uk) may be required.
- Shipments go through a customs clearance and inspection process; GLS will charge fees for this process. There are no customs duties.

### Elimination of the exemption limit with Incoterm 50

In accordance with a decision by the British government, it is expected that the exemption limit (Incoterm 50) will be abolished from 2021. In principle, all goods, no matter how low their value, must be duty-paid then.

As an exception, the incoterm 50 can be still used for gifts with a value  $\leq$  GBP 39.00. The pro forma invoice must then indicate that it is a gift and for what occasion.

### Incoterms at a glance

Depending on whether you send to commercial or private recipients and on the value of the goods, the British government prescribes different rules for the choice of incoterms. The following table shows you an overview of all available incoterms.

To find the appropriate Incoterm, get in touch with the importers in the UK and determine who bears the import VAT and customs duties incurred: you as the consignor of the goods or the importer in the UK.

When shipping with GLS to the UK the following Incoterms are available:

	Shipment value <= GBP135 net		Shipment value > GBP135 net				
	B2C: Importer private	B2B: Importer commercial					
<b>Incoterm</b>	<b>18 DDP VAT Registration Scheme Mandatory if shipment value &lt;= GBP135</b>		<b>10 DDP</b>	<b>20 DAP</b>	<b>30 DDP VAT unpaid</b>	<b>40 DDU cleared</b>	<b>60 Pick&amp;Ship Pick&amp;Return</b>
<b>Description</b>	Freight costs, customs clearance costs + taxes paid The import sales tax is paid directly to the British tax authorities (HMRC)		Freight costs, customs clearance costs, customs duties + taxes paid	Freight costs paid, customs clearance costs, customs duties + taxes unpaid	Freight costs, customs clearance costs + customs duties paid, taxes unpaid	Freight costs + customs clearance costs paid, customs duties + taxes unpaid.	Freight costs, customs clearance costs, customs duties + taxes paid
<b>Clearance borne by</b>	Shipper	Shipper	Shipper	Importer	Shipper	Shipper	Requester
<b>Duties borne by</b>	No duties incur		Shipper	Importer	Shipper	Importer	Requester
<b>Taxes borne by</b>	Shipper	Shipper or Importer	Shipper	Importer	Importer	Importer	Requester
<b>Please note</b>	Shipper must register in UK and receives a UK VAT number → This must be indicated in the invoice and customs data	Shipper may use his own or the importer's UK VAT number (self-registration) → The respective VAT number must be indicated in the invoice and customs data → If the importer's number is used, the invoice must state: "Use importer account for VAT to HMRC"	<ul style="list-style-type: none"> <li>For B2B shipment, the shipper needs a UK EORI number. This must be indicated in the invoice and customs data.</li> <li>Bulk customs clearance is possible for shipments to the UK consisting of several packages for different recipients. <ul style="list-style-type: none"> <li>In this case, the customs clearance for different delivery addresses is conducted on the basis of a single invoice via one importer.</li> <li>There is only one customs clearance fee (depending on the quantity of customs tariff numbers), which can be broken down across all packages.</li> <li>Bulk customs clearance is, for example, possible via a branch of the shipping company in the UK, a fiscal representation of a company located in the EU, licensed in England, with an English tax number or a general importer in the UK.</li> </ul> </li> </ul>				
Shipments go through a customs clearance and inspection process; GLS will charge fees for this. There are no customs duties.							

<u>Incoterms:</u>	<u>Charges:</u>
Incoterms 10, 20, 30, 40 (net value >GBP 135)	€1.50 Export Clearance per piece and €5.00 Import clearance per consignment
Incoterm 50 (C2C)	€1.00 per consignment (must reflect C2C)
Incoterm 18 (net value of GBP 135 or less)	€1.50 Export Clearance per piece and €1.00 Import clearance per consignment (Shipper must provide a national UK VAT & EORI Number)

- Please note that some of these charges are subject to change