



BDO CUSTOMS & INTERNATIONAL TRADE SERVICES

Newsletters

2017



1. OVERVIEW

1.1. BACKGROUND

In February 2017, The Irish Exporters Association (IEA) announced BDO Customs and International Trade Services (BDO) as a key sponsor of the organisation's customs services offering. Working together, the IEA and BDO will offer IEA members guidance and advice on customs issues and challenges for export / import through a series of newsletters in 2017. The timing of these updates is especially crucial given the likely changes that Brexit, the Trump presidency and increasing uncertainty in the EU will bring this year for companies involved in the movement of goods into and out of Ireland.

Commenting on the significance of this partnership, Simon McKeever, Chief Executive, Irish Exporters Association said: *"Our members will be faced with more challenges than ever before as they plan their growth and development, manage uncertainty and compete internationally. Working with BDO, our members will receive regular information on customs and trade issues, customs developments, frequently asked questions and practical support for real customs issues. At the IEA, we service our members through representation, member development, networking & connectivity and export services. We will continue to assist our members in 2017 with practical help and support, ensuring that we offer solutions to their challenges, highlight opportunities and signpost them to expert advice."*

The IEA receives many queries from its members, the top being:

- Bilateral trade agreements and how they apply to Irish exporters
- Preferential certificates of origin (e.g. EUR1 Form) Immigration queries
- Introduction to customs and training available through the IEA
- Connect people to Bureau Veritas
- Signposting for customs documentations
- Shipping of live animals

Carol Lynch, Partner at BDO commented: *"We are delighted to be working with the IEA to provide timely and practical information to their members and to our clients on the evolving complexities of international trade. In particular, Brexit implications are becoming clearer and ambitious and forward-thinking companies are very focused on both the tax implications and the business opportunity it presents."*

BDO advises clients on a wide range of issues affecting the movement of goods including customs, VAT, excise, export controls, anti-dumping, audits and investigations.

2. ISSUE 1 | MARCH 2017

2.1. CANADA: OPENING OPPORTUNITIES FOR IRISH BUSINESS

On 15 February 2017, The European Parliament voted in Strasbourg for the Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada, concluding the ratification process of this deal at the EU level. Read more [here](#).

2.2. IRAN AND RUSSIA: MARKETS TO CONSIDER FOR IRISH EXPORTERS

In previous years Russia and Iran have been highlighted for a number of negative reasons including Russia's annexation of Crimea in 2014 and Iran's nuclear program which resulted in embargoes and sanctions being imposed on both countries. Read more [here](#).

2.3. BREXIT: FREQUENTLY ASKED QUESTIONS

At present it looks like the UK is likely to leave the EU in April 2019. Theresa May intends to trigger article 50 in March and, from this point, there are two years allowed to complete the exit negotiations. This can be extended if all Member States agree. Read more [here](#).

3. ISSUE 2 | MAY 2017

3.1. CUSTOMS CLASSIFICATION: THE WHAT? WHY? & HOW?

Traders who import or export goods into or out of the EU and (following Brexit) the UK are required to provide a classification code for the customs clearance of each of their goods being shipped. When asked to supply a classification code by a clearance agent a number of questions arise. Read more [here](#).

3.2. BREXIT & BORDERS

As we move into the negotiation and “divorce” phase of Brexit the main questions being asked by Irish exporters are: (1) Will there be additional tariffs to consider? (2) Will there be border controls on trade with the UK? Read more [here](#).

3.3. ACCESSING NEW MARKETS: USING EU TRADE AGREEMENTS

With the increasing focus on the additional costs companies will face accessing the UK market in the future, now is a good time to look at leveraging current EU Trade Agreements to identify new market opportunities. The EU is extremely active in negotiating trade agreements and there are significant opportunities for companies looking to diversify their markets outside of the UK and Continental Europe. Read more [here](#).

4. ISSUE 3 | JUNE 2017

4.1. CLAIMING PREFERENTIAL DUTY RATES: WHAT DO YOU NEED TO KNOW?

Free Trade Agreements (FTA) are signed up between countries with a number of trade facilitation goals in mind. While many traders will welcome the potential benefits of reduced or removed customs duties between countries in an FTA, it is important to note that there are certain conditions attached.

For a more in-depth review of this process please click [here](#).

4.2. IMPACT OF BREXIT ON VAT

When we consider the likely business impacts of Brexit, customs related considerations are usually part of our initial concern but what about the VAT changes that are likely to arise when Brexit comes to pass? We have outlined the key areas for concern regarding VAT and Brexit, the likely implications and what steps businesses can take to prepare. Read more [here](#).

4.3. WHAT NOW FOR CUSTOMS AND BREXIT?

Following the recent UK election, there is no further clarity on what Brexit means – in particular with regard to customs tariffs and border controls. We take a look at what a “practical” Brexit could look like in trade terms and how businesses should now look to plan ahead for March 2019. Read more [here](#).

5. ISSUE 4 | SEPTEMBER 2017

5.1. HOW SHOULD YOU PREPARE YOUR BUSINESS FOR BREXIT BY MARCH 2019

The UK is scheduled to leave the EU in March 2019. At this stage without a transitional arrangement being agreed, the key question is what should a business do to prepare? In this blog we outline the key areas and timelines to be aware of when planning for Brexit. Read more [here](#).

5.2. CUSTOMS DUTY AND IMPORT VAT SUSPENSION PROCEDURES

Businesses must pay customs duty and import VAT on goods imported from outside the EU. While import VAT can be reclaimed subject to certain conditions, customs duty cannot, so it is a direct cost which has to be either absorbed or passed on to the end customer. It is important that traders take steps to remain competitive in this environment. To find out how click [here](#).

5.3. WHAT ARE INCOTERMS AND WHY ARE THEY IMPORTANT?

The above questions are quite common when it comes to international trade compliance. In this blog we will explain more about Incoterms, why they are important and why you should know how to use them. We will also focus on some examples and help you to understand the implications of Incoterms. Read more [here](#).

6. ISSUE 5 | NOVEMBER 2017

6.1. PLANNING FOR BREXIT - HOW TO SOURCE FUNDING

Irish businesses are facing the challenges and impacts of Brexit. While preparation, innovation and adaptation are a crucial and major focus for all businesses, such actions require working capital. Read more [here](#).

6.2. NEW EXPORT REGULATIONS PLANNED FOR CHINA

In 2018 China's Ministry of Commerce (MOFCOM) will issue its first comprehensive Export Control Law (ECL). The purpose of this legislation is to safeguard sensitive technology associated with exports of instruments, materials, software and technical data from China and which the Chinese government determines to have national security implications. Read more [here](#).

6.3. WHAT IS TRUSTED TRADER STATUS?

Trusted Trader status, or officially known as an Authorised Economic Operator (AEO) certificate, is the EU's response to global security threats in the supply chain and the need to streamline customs activities whilst maintaining compliance. Find out more about the details about the AEO process [here](#).