



# PREPARING YOUR BUSINESS FOR THE POST-BREXIT ENVIRONMENT

**After four long years of negotiations, the UK has officially left the EU.**

**A trade agreement is now in place and there are significant changes to how businesses import and export with the UK.**

## TRANSITION PERIOD

This transition phase ended on 01 January 2021. Up until the 31 December 2020, EU and UK companies continued to trade as normal. There were no sanitary/phytosanitary checks between the EU and the UK and citizens of both jurisdictions could still travel freely.

As of the 01 January 2021, the UK no longer apply the rules of the European Union, the Single Market or the Customs Union.

For Irish traders, tariffs now apply on exports to the UK and imports from the UK. In addition, customs declarations are required for imports and exports.

## PUTTING TOGETHER A CUSTOMS PROCEDURE GOING FORWARD

As you may now be importing/exporting for the first time it is essential to draft a Customs Procedure to ensure the correct processes are put in place for Importing and Exporting your goods.

### BREXIT PLAN

- Brexit Strategy
- Supply Chain Review
- Grants and Loans

### CUSTOMS

- Importing into the UK/ROI
- Duty Impact
- Border Controls
- Terms of Trade
- Trusted Trader

### VAT

- VAT on Entry
- VAT registration for new company
- VAT planning

### TAX

- New Company or Branch set up
- Tax Registration
- Transfer pricing
- People Planning
- Tax Planning

## WHAT CAN I DO?

We recommend following the 6 point action list below:

<h3>Step 1</h3>	<p>Are you <b>VAT registered</b> in the UK/ Ireland? Required to sell goods DDP</p>	<p><b>Timing</b> 4–6 weeks</p>
<h3>Step 2</h3>	<p>Do you have an <b>EU/UK EORI</b>?</p>	<p><b>Timing</b> 48 hours</p>
<h3>Step 3</h3>	<p>Do you have a <b>Customs Clearance Agent</b>? If you are not “established”* for Customs Purposes you will likely find it difficult to get an agent to lodge declarations on your behalf. <i>*Meaning of established – Company registered with CRO or Permanent Business Establishment</i></p>	<p><b>Timing</b> Depends on availability, contractual agreements and whether you are “established”</p>
<h3>Step 4</h3>	<p>Do you need to set up a company to meet <b>Import Requirements</b>, obtain a <b>clearance agent</b> and meet <b>Single Market rules</b>.</p>	<p><b>Timing</b> 2–3 weeks</p>
<h3>Step 5</h3>	<p>Review your <b>tax obligations</b> to determine staffing/substance requirements, trading/12.5% rate, identify PBE impact.</p>	<p><b>Timing</b> Now</p>
<h3>Step 6</h3>	<p>Have you confirmed if you have qualified for <b>Origin Status</b>?</p> <pre> graph LR     Q[Have you confirmed if you have qualified for Origin Status?] -- YES --&gt; A[Issue Origin Certification with Customs Declarations]     Q -- NO --&gt; B[Pay Customs Duties]             </pre> <p><i>**FTA qualifications typically require direct shipment, substantial manufacturing operations, potentially no more than 40% imports, possible change of classifications, verification of origin from suppliers.</i></p>	<p><b>Issue Origin Certification with Customs Declarations</b></p> <p><b>Pay Customs Duties</b></p>

FOR FURTHER INFORMATION PLEASE CONTACT:



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BDO are available to help your business with the new Brexit reality. Contact us for a full suite of Brexit services ranging from customs and tax to company set-up.

For more information contact the **BDO Customs and International Trade Team**, [brexit@bdo.ie](mailto:brexit@bdo.ie)

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