

PREPARING FOR MARCH 29TH

As you will be aware we are now in a high risk situation for Trade with a serious potential of the UK crashing out of the EU without a Trade Agreement on 29th March.

While this may still be avoided through political negotiations, businesses unfortunately have no choice but to have a contingency plan in place in the event that a Hard Brexit does occur on 29th March.

What does a Hard Brexit mean?

If the UK leaves the EU on 29th March with no deal then the UK becomes a non-EU country and will have to be treated as such for imports and exports.

In this case at 23.01pm on the 29th of March:

- **Customs Declarations will be required**
- **Veterinary Checks will be required**
- **Duty rates will be imposed**
- **Border Checks will apply**

HOW CAN YOU BUSINESS PREPARE FOR THIS SITUATION?

STEPS 1-6 - JANUARY 2019 - MARCH 2019

With a short time frame left, now less than 3 months, you must at this point ensure you have the requisite Customs Authorisations in place allow your business to continue to import and export from what will shortly be a Non-EU Country.

We are also advising:

- Stock piling critical items for manufacturing and sale**
- Avoiding shipping or moving goods the week of the 29th**
- Apply Immediately for a Customs Registration (EORI) - see step 1 below**

<p>STEP 1:</p> <p>Ensure you have a Customs Registration Number - EORI.</p> <p>If you intend to act as an importer from/exporter to the UK and the EU, you cannot do so unless you are registered with Customs. Similarly you will be required to have a UK Customs registration to export from/import to the UK</p>	<p>STEP 2:</p> <p>Establish whether you need to obtain a Deferred Payment Account and, if so, put in place a guarantee provision with your bank to cover the duties that are going to be suspended.</p> <p>A Deferred Payment Authorisation will allow you to import goods into Ireland from the UK and <u>defer the payment of Customs Duties and Import VAT to the month following import.</u></p> <p>If you export to the UK you should also now request a Deferred Payment Authorisation from HMRC.</p>	<p>STEP 3:</p> <p>Ensure your tariff classifications are 100% correct and, from this, confirm the duty rates that may be payable.</p> <p>STEP 4:</p> <p>Ensure you have a clearance agent to lodge Customs Declarations on your behalf</p> <p>A clearance agent will act on your behalf to enter your Import and Export Documents into the Customs System (AEP, Ireland and CHIEF, UK).</p>	<p>STEP 5:</p> <p>Talk to your suppliers and customers to confirm who is acting as Importer and/or Exporter of Record for your purchases and sale as they are responsible for the payment of the Import Duties along with customs compliance.</p> <p>As a first step to engaging a Clearance Agent we would recommend talking with your Freight Forwarder or Haulier.</p>	<p>STEP 6:</p> <p>If you trade in Agricultural goods, and particularly if those goods are of animal origin, then additional Veterinary checks and certs will be required along with additional time frames for notifying Customs of Imports.</p>
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HOW CAN YOUR BUSINESS PREPARE FOR THIS SITUATION?

STEP 7 - PUT 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.

STEP 8 - AUTHORISED ECONOMIC OPERATOR (AEO/TRUSTED TRADER)

After completing steps 1-7 you can look to apply for the Authorised Economic Operator (Trusted Trader Customs Authorisation).

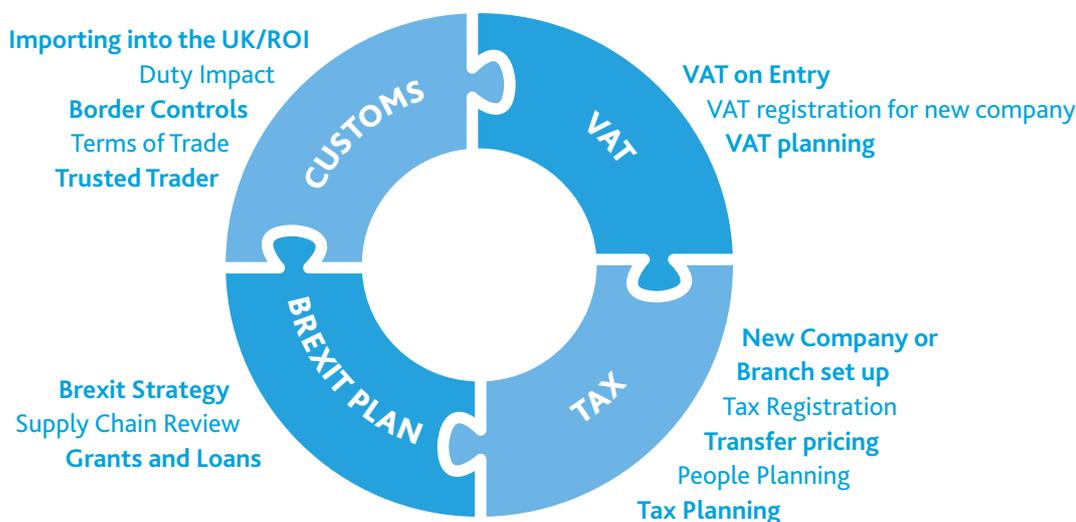
This is a complicated process and requires a considerable number of procedures to be in place from both a Customs, IT, Accounting, Logistics and Supply Chain Security perspective.

The average time frame to securing AEO status is 4-6 months in Ireland and 9-12 months in the UK.

CUSTOMS TRAINING

BDO will be providing emergency ½ day sessions to explain to clients how to import and export to and from the UK in the event of a Hard Brexit. We will be covering the essentials of Customs and Import VAT as well as customs compliance and border controls. Please contact a member of our team to sign up for these Tutorials.

On high level we strongly recommend putting together a customs plan, along with a wider VAT, Tax and Supply Chain plan to ensure any risks of delays are addressed and the relevant procedures put into effect to enable the efficient movement and clearance of your goods.



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