



Frequently Asked Questions on The UK Transition



The UK Transition FAQs

We've created a guide to help answer your questions on how Brexit will affect you and your customers.

What is the latest update regarding the UK's exit from the EU?

The UK has left the European Union and entered a transitional implementation period which means that EU customs and Single Market rules apply until the end of December 2020. During this period, goods can move freely without the need for additional information or customs checks. Negotiations for a future trade relationship with the EU are ongoing and expected to conclude by the end of 2020. The UK Government has confirmed there will be no extension to the transition period.

What will happen at the end of the transition period and how will this affect shipping parcels to Europe?

Once the transition period ends, the UK will leave the EU's Single Market and Customs Union and in doing so the UK may no longer apply the same customs rules, regulatory standards or enforcement mechanisms. From a trade perspective, this means that goods crossing the border into the European Union will be subject to customs formalities. In terms of the parcels you ship, this will require you to declare additional information in the data manifest you submit to us when creating parcel labels. DPD Local will use this information to make the necessary customs declarations on your behalf both out of the UK and into the EU. In simple terms, it will be the same as sending a parcel to the USA, Australia or any other rest of the world destination for which you normally supply commercial invoices.

How can DPD Local help keep my supply chain moving once the transition period ends?

At DPD Local, we have been focused and prepared for the end of the transition – regardless of the outcome of the trade negotiations. We have made significant investments in our systems and operations including the necessary enhancements to include export and import customs clearance capabilities in-house. As one of Europe's largest, leading road parcel networks, you can be reassured that as a DPD Local customer, you will remain in a strong position to keep your parcels moving to Europe. We will take care of the new customs processes for you, all you need to do is provide us with more information, as detailed below or as outlined on our [website](#).

What additional information will I need to provide?

In addition to the usual parcel information such as the address and contact details of the recipient in Europe, you will also need to supply the following (which are also detailed on our [website](#)):

An EORI number – This is an Economic Operator Registration and Identification number. In order to continue moving goods to the EU, you will need to register for one. It's easy and free to register at www.gov.uk/eori

Commodity codes – Also known as HS or Tariff codes, commodity codes are a universal method used in international trade to classify goods that pass through international borders and need to be entered into the customs declaration. Basic commodity codes are 8 digits long composed of a number of different parts based on:

- type of product
- material used to make it
- production method

The UK Government provides lots of handy resources to help you classify your products with a commodity code which can be found on the Government's [website](#).

Country of origin – Is an important piece of information regarding the products you ship. It is important to note that origin of the goods is generally where they were made or manufactured and not where they were shipped from.

Values – In order to ensure the correct customs clearance process takes place and for the correct assessment of duties and taxes, the value of each item shipped is required.



Terms of delivery – You'll need to tell us who will be paying the duties and taxes. DPD Local offers business-friendly solutions where we can either collect this from the importer or bill it back to you the shipper.

Shipping/Freight costs – These need to be shown separately unless the goods were sold with free shipping. If no freight costs are shown, we will assume the goods have been sold with free shipping. Our European colleagues will apply a charge for shipping if no amount is shown.

****An important note for consignee contact details:** It's more important than ever now that you supply us with contact details for your consignee. In most cases, we'll need to contact the recipient in order to carry out the import clearance and where you've instructed us to collect the import duty and taxes. Without this information, your parcel will be delayed in customs and may even be returned. Don't forget, as standard, DPD Local offers the Predict delivery experience in Europe too providing your customer with their 1-hour delivery slot as well as a range of delivery options such as delivery to a parcel shop or change the delivery date. We will need the email address and/or mobile phone number to offer them this**

How will my e-commerce returns be affected and what do I need to consider?

Whatever the outcome of Brexit, DPD Local will still be in a position to offer value-added services such as e-commerce returns. Speak to your International Account Manager for more information on the services we have available.

Do I also need to provide printed copies of the additional customs information (printed commercial invoices)?

Good news, the customs clearance capabilities we have developed means you only need to provide the additional information electronically. There will be no need to print off any paper copies to attach to your parcel. Electronic customs clearance means a faster, more efficient process for you and for us and certainly helps the environment through no need to print on any paper. Normal commercial invoice paperwork requires a minimum of three copies so if you ship 50 parcels a week that's almost a ream of paper per month that will be saved!

How will DPD Local's European services change once customs formalities come into force?

The DPD Local Classic service itself will not change. Your customers will still be able to benefit from accessing one of the best-connected road networks in Europe as well as enjoying the experience of receiving their 1-hour delivery notification and following the driver to their door. Obviously, however, we will no longer be able to move the goods unless we carry out customs clearance processes. At DPD Local we are very well prepared for this and will make sure that your goods are moved as seamlessly as possible. However, we will need additional data from you to carry this out as outlined above and on our [website](#).

Will transit times be impacted when the transition period ends?

The addition of customs formalities in the movement of your parcels may mean your parcels will incur a delay – certainly if the receiving customer does not pay the import duties and taxes promptly. We have made significant efforts to ensure that any transit time impacts are minimised in our standard operation. In the initial period when we start the new trading relationship with the EU that there are likely to be delays and disruption as our two trading nations get used to the new rules. Whilst we have robust contingency plans in place, we will still be reliant on crossing the same borders out of the UK and into Europe. In the event that the ports suffer congestion or delay, DPD Local will always keep you up to date with the latest status and updates.

What are duties and taxes and when will they apply?

Once customs formalities come into effect, goods will become exports and imports and may attract import VAT and duty once the goods arrive at the EU border. The scale of the impact in this area however is very much dependent on the outcome of trade negotiations. For example, a free trade agreement may remove duty tariffs on some or all products. In addition, if the UK leaves the EU VAT scheme then VAT may also be due on importation into the EU. Under WTO terms (no trade deal) parcels containing goods valued over €150 will attract duty and goods may also be assessed for VAT. We recommend you follow the UK Government and EU Council's updates closely on this matter and seek advice from your tax advisor as to how this affects your VAT and accounting processes. In any scenario, if import charges are due DPD Local has solutions in place to collect them from the recipient securely or invoice the shipper based on your requirements. Contact our team of International Experts if you would like to find out more about how DPD Local can help you at internationalexperts@dpdgroup.co.uk or call us on 0121 275 7376.

You mentioned I will need to supply more information in the data manifest. Who can I speak to at DPD Local to make the changes to the manifest?

As a DPD Local customer, you will be used to producing your parcel labels via a number of methods - via our myDPD Local web platform, API or through an EDI integration with either a carrier management software provider or your own in-house systems. DPD Local has produced a new specification to be compliant with the need to perform customs clearance on your behalf. Here is a quick reference depending on your integration on what you need to do:

MyDpdLocal web and API users - When the new requirements come into force, DPD Local will update the web shipping platform with the additional data fields of data you will need to supply. If you use the file import function, you can check if your data is compliant with the new specification by requesting a copy [here](#) using our test environment. We recommend you do this as early as possible to avoid any issues when the changes happen.

EDI integrations - You can request a copy of the new EDI specification [here](#). Once you have reviewed this you will need to send DPD Local a test manifest for sign-off.

If you access DPD Local labels via a 3rd party integration platform we recommend contacting your provider in the first instance. DPD Local has proactively been liaising with all the major solution providers to ensure they have updated their systems with the new specification.

Will the changes affect the type of products I can send to Europe?

Subject to the outcome of the trade negotiations, some types of products may require more stringent sanctuary or security controls. For certain types of products, for example, you may need to check if there are any specific labelling requirements or notification requirements to comply with EU Regulations.

The UK Transition pages provide a lot of insight as to what the new rules are for exporting your goods:

<https://www.gov.uk/prepare-to-export-from-great-britain-from-january-2021>
<https://www.check-duties-customs-exporting-goods.service.gov.uk/selectdest>

The EU Commission also publishes useful guidance and information here:

https://ec.europa.eu/info/european-union-and-united-kingdom-forging-new-partnership/future-partnership/getting-ready-end-transition-period_en

If you have any specific questions, please contact our International Experts team, who will be happy to help, [here](#).

Will there be any changes to the parcel data I provide when I send to Northern Ireland at the end of the transition?

According to the UK's approach to the Northern Ireland Protocol, there will be some changes for goods movements into Northern Ireland from Great Britain. The UK as a whole will leave the EU's Customs Union with Northern Ireland remaining 'unequivocally' part of the UK's customs territory. According to the Government Policy paper published in August 2020, "The Protocol entails some new administrative processes for traders, notably new digital import declaration requirements, and digital safety and security information, for goods entering Northern Ireland from the rest of the UK." In terms of shipping parcels, the exact requirements for transport providers are yet to be confirmed. Until such confirmations are provided, it is prudent to expect that goods to Northern Ireland may require some form of additional information to be provided along with the standard parcel data you provide today. As soon as more details are published, DPD Local will contact you to advise of the changes you will need to make.

I often receive parcels via DPD Local which have been shipped from a supplier/customer in Europe. How will the end of the transition affect goods imported into the UK and delivered by DPD Local?

Goods coming into the UK from Europe will require customs clearance. Just as with our Classic service from the UK to Europe, DPD Local will carry out the import customs declaration on your behalf into the UK. Any goods over the value of £135 will require Duty and Tax to be paid. Subject to the arrangements requested by the sender, the Duty and Tax is to be paid by either the shipper or the receiver. A new scheme has been introduced by HMRC in which any goods under the value of £135 will not require Import Tax to be paid by the receiver; instead, this is to be paid as Sales VAT by the shipper directly to HMRC. The registration for this scheme can be found on the Government's [website](#).



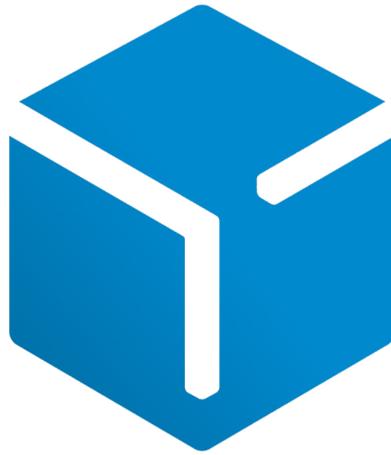
As a regular importer, can I use my duty deferment account to pay any UK import charges?

If you have already set up a duty deferment account with HMRC, DPD Local can use this to delay the need for paying customs charges such as import VAT and customs duty. More information regarding deferment accounts can be found on the UK Government's website page [here](#). If you wish to instruct DPD Local to use your deferment account, please email us at defer@dpdgroup.co.uk with your EORI number and DAN (deferment account number). Once we have received these, we will reply with confirmation and you will be ready to go.

I've read your FAQs and still need help!

Don't worry: we are here to help you get your business ready for the end of the transition. As a leading global delivery provider, we have a lot of expertise in helping businesses – big or small – understand the requirements for moving goods around the world. Although some of these changes may seem complicated, our delivery network is well prepared to adapt to the new requirements, and we can help you prepare too. Please contact your local account manager or our dedicated Transition Implementation team [here](#) for your own dedicated support advisor to assist you in understanding the new rules and how this affects shipping your parcels to Europe with DPD Local.





The DPD Local Local FAQ Guide

