

PRESS RELEASE

AEB releases UK Customs Guide for Traders following HMRC's letters to thousands of businesses

- The UK government publishes new advice and guidance in their letters to EU-only traders in the UK
- AEB releases new step-by-step guide for UK traders to understand and prepare for customs procedures in the event of a no-deal scenario



September 28, 2018 – Earlier this month, HMRC published a letter of advice and guidance to thousands of UK companies who currently only trade goods with EU member states. It alerts about customs, excise, and VAT procedures that these businesses need to apply in the event of a no-deal Brexit. Come March 29, 2019, they would have to start completing customs declarations – and customs checks would apply for the very first time

since the UK joined the EU. To help these businesses prepare for the challenge, AEB, a leading provider of global trade and logistics software, has published a step-by-step guide for UK traders – available now on www.aeb.com/brexit-tool-kit.

Starting customs clearance for the first time

As one of the first steps, affected companies will need to register with UK's customs authority HM Revenue and Customs (HMRC) to work with its IT system(s) for processing customs declarations. That's because all import and export declarations to HMRC need to be submitted electronically and companies therefore need to apply for access to the government's customs systems to officially engage in import and export procedures.

Which IT system and customs procedure a company needs to apply for depends on the type of goods they move and the timing of planned exports and imports from and to the UK. Controlled goods, for example, are also subject to license requirements in addition to standard import and/or export declarations and for excise goods, processing via the EMCS system also applies.

And to complicate things further, HMRC operates two central customs systems at the moment – an old one called CHIEF (Customs Handling of Import and Export Freight) and a new one called CDS (Customs Declaration Service). Ultimately, CDS is planned to replace CHIEF and the phased system rollout has already begun, with a scheduled completion in March 2019. Depending on when companies want to start importing and/or exporting, access to either one or both systems will be required in line with HMRC's IT implementation timeline.

Preparation takes some time – and there is none left to waste

Next steps in the preparation process include companies setting themselves up as economic operators and deep-diving into their product master data to understand customs requirements and commodity code classifications for the goods they move. When it comes to the actual process of filing import or export customs



declarations, there are several considerations to heed great attention to including an analysis of a company's ERP system and global trade data capabilities, its integration options for specialist solutions, existing in-house knowledge in customs, collaboration options with service providers, and how to ascertain customs compliance and revision-safe storing of relevant records.

The recent HMRC notices and guidance letters make it clear that it's time for companies trading exclusively with the EU to understand what additional red tape and costs would await them in case of a no-deal Brexit. It's crucial for businesses that are either unfamiliar and/or unprepared for managing new customs processes to understand the requirements of this scenario. And that analyses of best options and getting ready to manage customs procedures involves time to prepare. AEB's new "UK Customs Guide for Traders" is a slim, step by step reference guide to support affected businesses in getting started.

Geoff Taylor, Managing Director at AEB in the UK said: "AEB has been delivering custom software to businesses for over 38 years now. We know exactly about the challenges that companies face when dealing with customs management for the first time. It's a complex topic and in today's tough marketplaces, it's important to start things right to avoid impacts on service delivery and further hits on profit margins. Global trade has always been a dynamic environment but latest developments under Brexit certainly add significant new challenges for both experienced global trading companies and first-time exporting or importing businesses. That's why we've created a new Brexit page for traders on our website with valuable resources to tackle changes – including our latest guide with step by step guidance for kicking off customs management in the UK."

The HMRC letters to EU-only traders in the UK as published in September 2018 can be found on <https://www.gov.uk/government/publications/no-deal-brexit-advice-for-businesses-only-trading-with-the-eu>.

- Ends -

Contacts

For further information, photos or interview requests, please contact AEB's PR team by region:

- Germany (HQ): Jens Verstaen, AEB GmbH, tel; +49 711 72842 0, email: info.de@aeb.com
- Netherlands: Michiel Sengers, AEB Nederland, tel. +31 88 3131 700, email: info.nl@aeb.com
- Singapore: Frans Kok, AEB Asia Pacific, tel. +65 63379300, email: info.sg@aeb.com
- Sweden: Ted Roth, AEB Sweden, tel. +46 40 85 0 11, email: info.se@aeb.com
- Switzerland: Ingo Strasser, AEB Schweiz, tel. +41 43211 1060, email: info.ch@aeb.com
- UK: Andrea Krug for AEB (International), tel. +44 7740 245 867, email: andrea@krugcomms.com

About AEB (www.aeb.com)

For over 38 years, AEB has developed software to support the global trade and logistics processes of businesses in the industrial, commercial, and service sectors. More than 5,000 customers from over 35 countries use AEB solutions for transport and warehouse management, import and export management, origin and preference management, and much more. They benefit from enhanced efficiency, compliance, and transparency – domestically and internationally – thanks to features such as multi-country customs and global embargo checks, improved collaboration with supply chain partners, and automated shipping processes. AEB's portfolio extends from ready-to-go online solutions to comprehensive international logistics solutions. The company has offices in the UK, Germany, Singapore, Switzerland, Sweden, the Netherlands, Czech Republic, France, and the US, and runs its own certified data center in Germany.