



Brexit update

Keeping our customers informed



What's the latest on Brexit?

On 29 January 2020, the European Parliament ratified the Brexit withdrawal agreement that had been ratified earlier in January by the UK Parliament.

As a consequence, on 31 January 2020 the UK left the European Union and the Transition Period as stated in the Withdrawal Agreement begins.

It will last until 31 December 2020, allowing the UK and the EU to negotiate a Trade Deal that would be applicable as of 1 January 2021.

We can confirm that during this period it is very much business as usual and we will deliver your goods to the EU exactly as we do today.

DPDgroup will ensure that we are 'Brexit ready' whatever the scenario and whatever the final date of exit, so that you can continue to ship parcels to your customers throughout the EU.

Key details are:

-  The UK left the European Union on the 31 January 2020.
-  Even if the UK negotiates a Trade Deal with the EU on or before 31 December 2020, it is still possible that we will require additional data from our customers in order to keep shipping into and from the EU.
-  During the transition period, movement of goods across the border will continue under the current rules, giving businesses and transport companies until 31 December 2020 to make extra preparations.



Two Brexit Scenarios

Here's a summary of the two different scenarios:

Deal

The UK left the European Union on 31 January 2020. The new transition period will last until 31 December 2020 while the UK and the EU negotiate a trade deal.

What does this mean to you?

-  Goods between the UK and EU **may still be subject** to duties and VAT
-  Customs declarations **may be required**
-  Delivery rates **could change** and additional surcharges apply as a result of customs handling
-  Delivery times to your customers **may increase**
-  Inspections **may take place** on some goods imported or exported
-  **Increased information** may be needed in your data to us relating to the goods you are sending*

No Deal

In the worst case scenario, if a trade deal isn't agreed by 31 December 2020, the UK may leave the EU with no deal. This may leave us trading with the EU under World Trade Organisation (WTO) rules, in the same way that we currently trade with the USA and other countries with which we have no formal trade deal or arrangement.

What does this mean to you?

-  The goods you send with us to Europe **will** be because of duties and VAT
-  Customs declarations **will** be required for each consignment
-  Our rates **will** change as a result of customs handling
-  Transit times **will** increase because of customs checks
-  Inspections **will** take place on some goods imported or exported
-  **Detailed data** will be required to export goods into Europe or import them into the UK



Your Strategy

We're keen to know what your Brexit strategy is and what kind of help you might need in a post-Brexit world.

- ❏ Please see our Brexit survey which we encourage you to complete and return to us if you haven't already done so.
- ❏ It will give us an understanding of the kind of preparations you've made and collectively where our focus needs to be moving forward
- ❏ You can complete our survey by visiting www.dpd.co.uk/brexit

How can you prepare for Brexit?

Whilst every business is different and your plans will be individual to the needs of your business and customers, DPD aims to help all of our customers prepare for Brexit in any way we can.

The next few pages will outline several areas that will help you get your business ready for Brexit and continue to ship successfully into the EU.

What you need to know

New data

Getting a parcel from Birmingham to Paris today is just as easy as moving one from Birmingham to Newcastle, as a bare minimum you can do it with a name and address.

When the UK leaves the EU, additional pieces of information may be required for every parcel to ensure it can move across the border.

We will take care of the majority of this data, but there will be seven new data fields you will need to get and pass on to us to ensure your parcels travel to and from the EU with no delays.

Commodity Codes

- ❏ Commodity codes also known as HS codes represent the product or products that you're sending and can be recognised worldwide by all customs systems in countries that are members of the WTO, including the EU.
- ❏ This eliminates language barriers and issues with vague descriptions at customs clearance points.
- ❏ There's no specific code for a pair of branded trainers, but there is a code for footwear with outer soles of rubber or plastics, so you may end up using the same code for various products of the same type.
- ❏ To ensure you can export you need to provide us with the 8 digit format of your commodity code.



Product Description

More detailed than what you might be used to, these need to be fairly detailed to ensure there's no ambiguity about what you're sending. If there's any doubt from customs about what's inside your parcel, your goods may be subject to delays.

Providing a detailed product description is necessary to ensure shipments clear customs. Descriptions must be specific and accurate, see below:

Product Category: Apparel	
Unacceptable Description Example	Acceptable Description Example
Clothes	Men's navy blue leather jacket
Clothing	
Clothing Apparel	
Product Category: Toys and Games	
Unacceptable Description Example	Acceptable Description Example
Toy	Scalextric toy car set
Model Toy	
Children's Toy	
Product Category: Footwear	
Unacceptable Description Example	Acceptable Description Example
Footwear	Men's black suede/textile footwear
Trainers	
Shoes	
Product Category: Electronics	
Unacceptable Description Example	Acceptable Description Example
Tablet	Apple iPad Mini 4 128GB Wi-Fi
Computer	
PDA	





EORI Number

In the UK, an Economic Operator Registration and Identification (EORI) number is assigned to importers and exporters by HMRC and is used during the customs clearance process for both import and export shipments travelling to or from the EU and countries outside the EU.

In a post-Brexit world it will be a mandatory requirement to have an EORI number to ship into the EU from the UK.

If you're still unsure about getting an EORI number or have any queries, the Government has released a mythbusting guide on EORI registrations that you can download by clicking here.

You can register for an EORI number easily by visiting gov.uk/eori

Country of Origin

Declaring which country your products were manufactured or produced in is crucial for international trade. It has an impact on duty and tax rates, and security checks if required.

If you're not using our shipping system, you will need to know the two digit format for the country where your products are from; for example: FR for France or ES for Spain.

Consignment Value

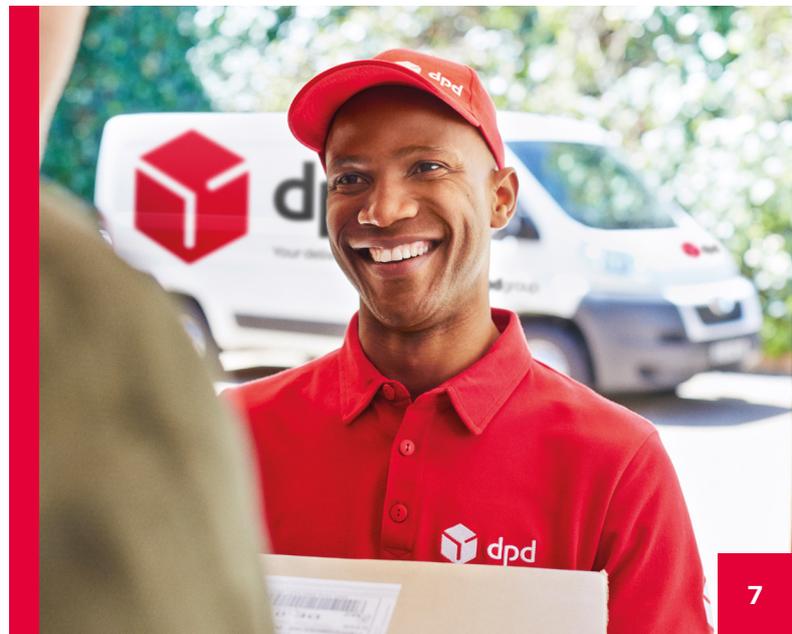
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Total Weight

The total weight of your parcel or consignment in KG.

For products weighing less than 1kg, weight should be declared as a fraction of a kg and not in grams.



Reason for Export

For all exports you will need to supply a 'Reason for Export'.

These three reasons are what will be accepted post-Brexit:

- 01 - Sale
- 02 - Return/Replacement
- 03 - Gift

Quantities

Quantities of the same commodity will automatically add up to give you an accurate final total weight value, which should be declared accurately.



Contact Information

We've already encouraged you to give us at least one piece of contact information when you send your parcels both domestically and internationally, whether it's a phone number or email address.

You can't take full advantage of our award-winning Predict service and in-flight delivery options without it, however post-Brexit contact information will become integral to sending parcels to the EU.

If we don't have at least one piece of contact information it's likely to make things such as duty or tax collection and requests for further details really difficult. Which is why we'll be making it mandatory for you to provide us with either an email address or a phone number of the recipient, preferably both.



Terms of Trade

International trade terms may change if the UK and the EU agree on a trade deal. Once details of the trade arrangements are known, DPD will make sure you are covered for any of your shipping requirements.

The transition period will last until 31 December 2020, so during this period nothing changes for trade of goods and services between the UK and the EU. Goods can continue to circulate freely between the UK and the rest of the EU, without customs declarations or controls.

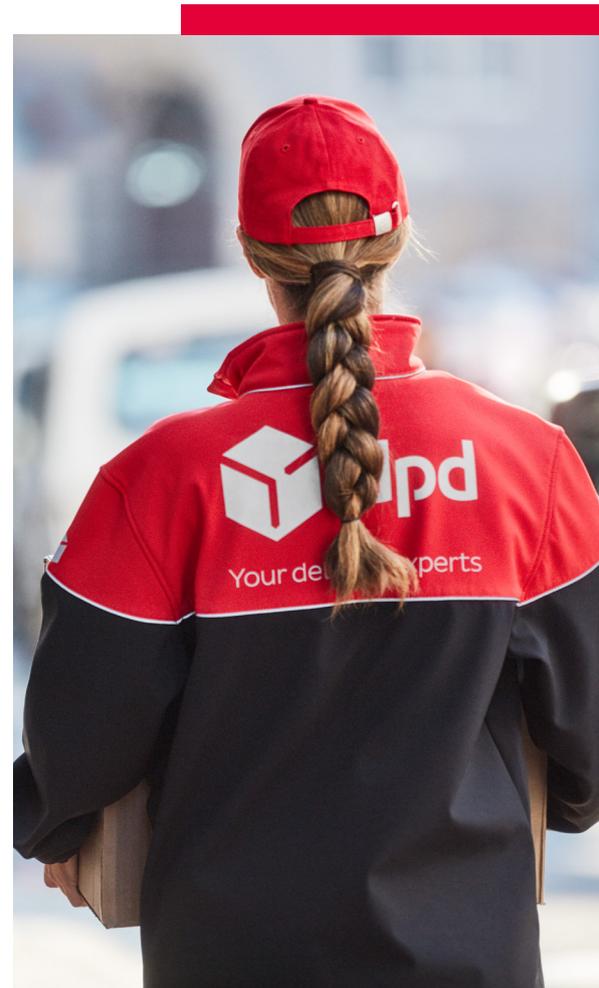
Data, not paper

As part of our drive to be a clean, green, carbon neutral company, DPD will not be accepting paper invoices post-Brexit. All the data you need to give us to send your parcels when we leave the EU needs to be electronic.

All our shipping systems will be updated before the UK leaves the EU to ensure we capture all this information we need.

If you use MyDPD, all of this will be taken care of automatically and there's nothing else for you to do.

If you use a third party provider we would recommend checking in with them to ensure you're covered post-Brexit.



What can you do now?

We recommend taking the 'no regret actions' featured in this guide to ensure you're Brexit Ready. We've provided a handy checklist on the following page - tick all of these boxes to successfully declare yourself 'Brexit Ready'.



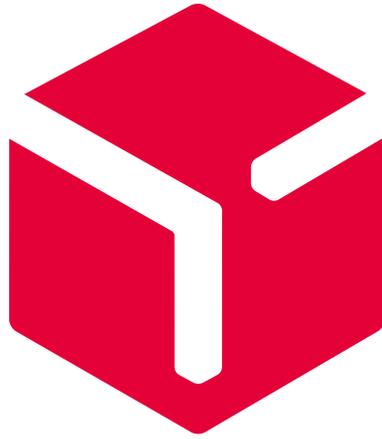
Summary Checklist

Register with HMRC for your an EORI number	<input type="checkbox"/>
Classify goods with the correct 8 digit commodity code	<input type="checkbox"/>
Ensure product country of origin is declared with product data	<input type="checkbox"/>
Ensure all product values are declared accurately on accompanying invoices or data	<input type="checkbox"/>
Check product descriptions are accurate and compliant against the commodity code	<input type="checkbox"/>
Ensure recipient telephone numbers and addresses are captured	<input type="checkbox"/>
Decide on Terms of Delivery and ensure this is in the data passed to DPD	<input type="checkbox"/>
Check that all additional required information is passed through to DPD in the data from your systems	<input type="checkbox"/>
Complete our customer Brexit survey You can do this on the Brexit page of our website	<input type="checkbox"/>
Request our Brexit data specification sheet You can do this on the Brexit page of our website	<input type="checkbox"/>

www.dpd.co.uk/brexit

Notes

Notes



The DPD Guide to Getting Brexit ready

