

Less than a month until full customs controls are introduced

If you're a trader, a number of things are changing from 1 January 2022. This information will help you get ready.

Customs declarations

You will no longer be able to delay making import customs declarations under the Staged Customs Controls rules that have applied during 2021. Most customers will have to make declarations and pay relevant tariffs at the point of import.

You should consider before 1 January 2022 how you are going to submit your customs declarations and pay any duties that are due. You can appoint an intermediary, such as a customs agent, to deal with your declarations on your behalf or you can submit them yourself.

Some businesses already have a 'Simplified Declarations' authorisation from HMRC that allows their goods to be released directly to a specified customs procedure without having to provide a full customs declaration at the point of release.

If you want to use Simplified Declarations, you'll need authorisation to do so. It can take up to 60 calendar days to complete the checks needed for this and you will also need to have a [Duty Deferment Account](#) in place. Therefore a new application made now may not be authorised before 1 January 2022.

You must use the correct country code for the country of origin and the country of dispatch when you complete your customs declaration. For EU countries, the individual country code of the relevant member state should be used. The EU country code must not be used and will be removed from systems shortly.

Border controls

Ports and other border locations will be required to control goods moving Great Britain and the EU. This means that unless your goods have a valid declaration and have received customs clearance, they will not be able to be released into circulation, and in most cases will not be able to leave the port.

From 1 January 2022, your goods may be directed to an Inland Border Facility for documentary or physical checks if these checks cannot be done at the border.

It's important that those involved in transporting your goods are ready and understand how you intend to operate from January 2022.

From 1 January 2022, you must also submit an “arrived” export declaration if your goods are moving through one of the border locations that uses the arrived exports process.

If you do not follow the correct process from 1 January 2022, the new systems will not permit your goods to leave the country and they will be turned away as they will not hold export clearance.

If you use a service such as a courier or freight forwarder to move your goods, you need to check their terms and conditions about who will make the declarations, and what other information they need from you to do this.

Rules of origin – for imports and exports

The UK’s deal with the EU, called the Trade and Cooperation Agreement (TCA), means that the goods you import or export may benefit from a reduced rate of Customs Duty (tariff preference). To use this, you need proof that the goods you:

- import from the EU originate there
- export to the EU originate in the UK

By ‘originate’ we mean where goods (or the materials, parts or ingredients used to make them) have been produced or manufactured. It is not where the goods have been shipped or bought from. Your goods will need to meet the product specific rules of origin requirements set out in the TCA.

UK and EU importers can claim tariff preference if they have one of the following proofs of origin:

- a statement on origin – this must be made out by the exporter to confirm that the product originates in the UK or EU
- the importer’s knowledge – this option allows the importer to claim tariff preference based on their own knowledge of where the goods they’re importing originate from

If you export goods to the EU and you provide the EU importer with a statement on origin, you may also need to have a supplier declaration in place. These are needed to confirm the origin of the goods you’re exporting when the manufacture alone is not enough to meet the product specific rules of origin.

Throughout 2021, you have been allowed to export goods to the EU using tariff preference and get supplier declarations afterwards, to give you more time. But from 1 January 2022 you must have supplier declarations (where required) at the time you export your goods.

If you cannot provide a supplier declaration to confirm the UK origin of goods you exported to the EU between 1 January and 31 December 2021, you must let your customer know.

If you’re subject to a request for verification by EU customs authorities and

you can't provide this supporting evidence, your EU customer will be liable to pay the full (non-preferential) rate of Customs Duty and we may also charge you a penalty.

Even if goods you import from the EU are eligible for tariff preference, normal VAT rules will still apply.

Postponed VAT Accounting

If you're a VAT-registered importer, you can continue to use Postponed VAT Accounting (PVA) on all customs declarations that require you to account for import VAT, including supplementary declarations, except when HMRC have told you otherwise. PVA has already provided significant cash flow benefits for thousands of our customers, and we expect that most businesses will choose to use it.

Commodity codes

Commodity codes are used worldwide to classify goods that are imported and exported. They are standardised up to 6-digits and reviewed by the World Customs Organisation every 5 years. Following the end of the latest review, the UK codes will be changing on 1 January 2022.

You can also check the [Trade Tariff news page](#).

Further changes from 1 July 2022

Further changes will be introduced from July 2022, which we'll let you know more about nearer the time.

These will include:

- requirements for full safety and security declarations for all imports
- new requirements for Export Health Certificates
- requirements for Phytosanitary Certificates
- physical checks on sanitary and phytosanitary goods at Border Control Posts