



Preparing for Brexit What can operators do (and when)?

29 August 2018

V. 2

1. “What can operators do to prepare for Brexit?” has been a question asked by many members over the last two years, especially those dealing with international movements.
2. In January, the RHA provided guidance for members highlighting a few actions that operators can start to take to prepare for Brexit. Between January and the 23rd August nothing concrete changed and so no significant updates were provided by us. This paper amends the original paper – with updated information relating to customs formalities in a “no deal” situation.
3. The Chequers position (proposing a “common rule book” and a “combined customs territory”) remains too speculative to use for this update.
4. The Government guidance most relevant for road haulage customs issues is called “Trading with the EU if there’s no Brexit deal” and can be viewed [here](#).¹ In the guidance “no deal” means the UK will exit the EU at 23:00 on the 29th March 2019 with no implementation / transition period.
5. The RHA believes that “no deal” with no implementation period in place is not practically feasible as insufficient time remains for the implementation of new processes. We have called for the implementation period to apply in the event that “no deal” is agreed over the future relationship between the UK and the EU.
6. If the implementation period does come to pass, it is expected that new arrangements (in whatever form they may take) will apply from 23:00 on the 31st December 2020. Whether the date it is March 2019 or December 2021 - action needs to start NOW.

Assumptions

7. With what we know we believe the following assumptions should be made:-
 - existing EU labour can stay in the UK and a visa system of some description for the movement of labour will be put in place,
 - A form of customs control will be introduced between the UK and the EU (this may be away from the physical border if there is sufficient time),
 - an arrangement will be put in place that allows the international movement of freight vehicles (either permits or mutual recognition of operator licenses).

¹ <https://www.gov.uk/government/collections/how-to-prepare-if-the-uk-leaves-the-eu-with-no-deal>



Labour (for all operators)

8. **ACTION** - Dealing with the shortage of drivers in the context of Brexit operators need to:-
- Reassure staff from the EU that they are wanted, valued, and will not have to leave the UK (most have done this already – but it is worth repeating the message),
 - Encourage EU staff to obtain full passports. It is prudent for them to apply early given potential for backlogs and slow processing times,
 - Seek to train more staff, in particular drivers.

Customs (for international operators)

9. As things stand, customs controls will be introduced as the UK will leave the EU internal market. Customs may be managed through systems of pre arrival or post arrival clearance for road haulage, but the methods to be used are unclear for the moment - we only have general information about how this will be managed in the UK and the EU. What should be assumed is that every commercial shipment will be subject to customs clearance formalities.
10. This will require paperwork from importers, exporters and operators that is far more precise than is currently the case for European road haulage.
11. **ACTION** - Operators **MUST** encourage their customers (importers and exporters) to start **improving paperwork now** - the aim is to get international road haulage paperwork up to a standard that would be used to ship to or receive goods from the Far East. Actions include:-
- Start to insist that complete CMR notes are used for all shipments,
 - CMR notes must have full and accurate shipper/consignee information,
 - Importers and exporters must start to prepare commercial invoices that are complete and accurate,
 - All descriptions of goods must be to a standard that allows a customs commodity code to be identified, further information on the standards needed can be found in another Government paper [here](#)²,
 - Importers and exporters who only trade within the EU should review the following sites: <https://www.gov.uk/starting-to-import> and <https://www.gov.uk/starting-to-export>,
 - Operators should consider joining the Civil Penalty Accreditation Scheme so that you start to establish a relationship with Border Force (if not done so already).

² <https://www.gov.uk/government/publications/classifying-your-goods-in-the-uk-trade-tariff-if-theres-no-brexit-deal/classifying-your-goods-in-the-uk-trade-tariff-if-theres-a-no-brexit-deal>



The Road Haulage Association

12. The Government's paper "Trading with the EU if there's no Brexit deal" states that international road haulage operators will need to make Safety and Security declarations for goods moving in lorries between the UK and EU. For every UK - EU movement of goods by road the operator will be "required to submit an Exit Summary Declaration to the customs authority of the country from which the consignment is being exported" and "an Entry Summary Declaration to the customs authority of the country that the consignment is entering."
13. This is a major change for international road haulage operators. Current guidance from Government is not clear about how this will work in detail for operators. The RHA is seeking further information from HMRC to help operators understand the obligations that will be placed upon them and how to fulfil them.
14. **ACTION** – follow future guidance from the RHA. You may also wish to register for HMRC help and education emails [here](#).
15. The Government has advised that all importers and exporters of goods trading with the EU will need to register for an Economic Operator Registration and Identification (EORI) number.
16. **ACTION** – Nothing, the Government does not want importers or exporters to apply for an EORI number now – they advise that further information will be "available later in the year."
17. The Government has also advised that all importers and exporters should "consider how they will submit customs declarations [...], including whether they should engage the services of a customs broker, freight forwarder or logistics provider".

Market Access (International operators to and from the EU)

18. In September we are expecting a paper from Government outlining the "no deal" impacts for international road haulage licensing (permits) and qualifications. Until the information is published there is no concrete action that can be taken by UK operators to prepare for Brexit.
19. Even when the Government publishes further information there may be little operators will be able to do to prepare until we know if we are entering a deal or no deal future.