



[WEBINAR] 10/06/2021

RESTRUCTURING YOUR UK/EU SUPPLY CHAIN



BREXIT CHALLENGES TO YOUR SUPPLY CHAIN

CONTEXT

- Nearly 6 months since the UK left the EU customs union and single market.
- UK/EU deal provides for tariff-free and quota-free trade, but substantial non-tariff barriers remain.
- Key question for all companies: how to restructure my supply chain to deal with new constraints, but also seize new opportunities?

ONLY TO NAME A FEW CHALLENGES:

- You import products from Asia into the UK, and then back into Europe? That means your products will be hit twice by VAT and tariffs, as they are not “Made in UK”.
- You export products of plant or animal origin into the EU, but you are struggling with sanitary and phytosanitary rules and controls?
- Your clients are complaining about delays in deliveries and unexpected costs related to tax bills or courier charges?

RESTRUCTURING YOUR UK/EU SUPPLY CHAIN POST-BREXIT

Hosted by

 **unsworth**

RMB

In partnership with



HAUTS-DE-FRANCE REGION



Meet our speakers

Let's connect



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Introducing: Unsworth

Unsworth are a technology-based freight forwarder & customs broker established in 1974, demonstrating decades of continued growth as a global freight and supply chain specialist.

We have been guiding clients through the Brexit process for the past year and now streamlining customs clearance processes. We support around 800 declarations daily with the EU.



Unsworth: as your customs broker

We can support with the preparation

and submission of necessary documents to clear customs and can help arrange the correct payment of import duties and VAT, as necessary.

We can also liaise with

customs authorities on your behalf, taking all of the complications and hassle out of the process for you.

We will check classification and

valuation of your goods to ensure the right commodity codes are being used and we will advise on necessary licenses for the import of certain goods.

We know your time is worth money,

so we reduce delays to ensure you keep your business moving, allowing you to focus on other important things.

We are partnered with like-minded, forward-thinking customs specialists across Europe.

Introducing: RM Boulanger



198
1 Founded

315.000€
Share capital

30
Employees

3.600.000€
Turnover in 2020

600
Customers established in 45 countries

2.8bn €
Transactions reported to national Tax Authorities

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What RM Boulanger do

- Fiscal representation of French and foreign companies in the 27 countries of the European Union
- VAT, Customs and International Trade Audits
- Refund requests for VAT purchases and imports
- INTRASTAT filing management
- Representation of posted workers in France



Main bottlenecks today arising from Brexit

1

Complexity of
Customs processes

2

Veterinary and
Sanitary inspections
and certification

3

Huge pressure on
supply chain and
delivery times

4

Administrative
burden

5

Not enough awareness regarding fiscal liabilities. VAT is an issue that needs to be managed carefully.

The reality from a fiscal point of view

B2B transactions are no longer seen as intracommunity movements but as exports and imports between UK and the EU.

Customs duties to be paid

(unless products qualify as of UK origin)

Products imported in the EU attract import VAT

The notion of who of the shipper or the client will act as the importer is crucial from a VAT perspective.

EU VAT simplification rules CANNOT be used anymore when it comes to cross border operations between the UK and the EU.

Most of EU clients require to be supplied on a DDP basis.

Our recommendations:

How to make DDP deliveries possible

Use a unique point of entry: France

- Calais is in France
- Transport efficiency
- No need to deal with each Customs authority/BCPs in the countries of destination
- France has become a very attractive country from a fiscal point of view

Make your company the importer of record

- Your clients are not involved in the customs process and are very happy with it!
- You keep full control on supply chain and delivery times
- Your clients are buying from you as if your company was still based in the EU
- You remain a UK business, no corporate tax requirements in the EU
- Maintain UK businesses' position on the competitive EU market after Brexit

Our solution: DDP to / through France

France has become an attractive country for imports:

- VAT Deferment account on imports available
- Mutual tax reciprocity between France and the UK
- No requirement to set up a bank guarantee with the French tax authorities
- Lower VAT compliance costs



How do we make this all possible & what do you need to do?

In any case, obtain an EU EORI NUMBER

- This is a customs ID number, enabling you to perform imports in any EU country on your own name
- Easy to get, we can take care of it in usually less than 24 hours

Appoint Unsworth as your Customs Broker

- We work as customs representation after having reviewed your operations, alongside other specialist partners across the EU

Appoint RMB as your Tax Agent

RMB's mission depending on your types of operations in the EU:

- **Case 1**
Your company sells to EU businesses (but French), using France as the sole point of entry in the EU
- **Case 2**
Your company sells to all EU businesses, both French and other EU alike

Case 1

Your company sells to EU businesses (except French), using France as the sole point of entry in the EU

THE LIMITED TAX REPRESENTATION: AKA REGIME 4200

- Can be used immediately
- No VAT to pay upfront at time of import in France
- No VAT registration required in France
- Your goods are shipped from the UK to all EU countries on a DDP basis
- Your clients are not involved in the customs process in their countries

PROCESS

- Goods are customs cleared in France in your name
- Goods are immediately transported to your EU customers
- Your company mentions RMB's Global VAT number on invoices
- RMB will report these transactions to the French Tax Authorities for VAT and INTRASTAT purposes

THIS METHOD IS NOT APPLICABLE TO SALES IN FRANCE

Case 2

Your company sells to all EU and French businesses

FOLLOWING OPTIONS ARE AVAILABLE

Use limited tax representation for EU sales and pay VAT on imports to France

- BUT this is a long process and not efficient from a cash flow perspective

Register for VAT in France and apply for a full import VAT deferment

Benefits

- Import VAT is exempted on all goods, whether they are shipped to EU customers or sold to French clients
- Your company has its own French VAT number
- Brings more tax stability

PROCESS

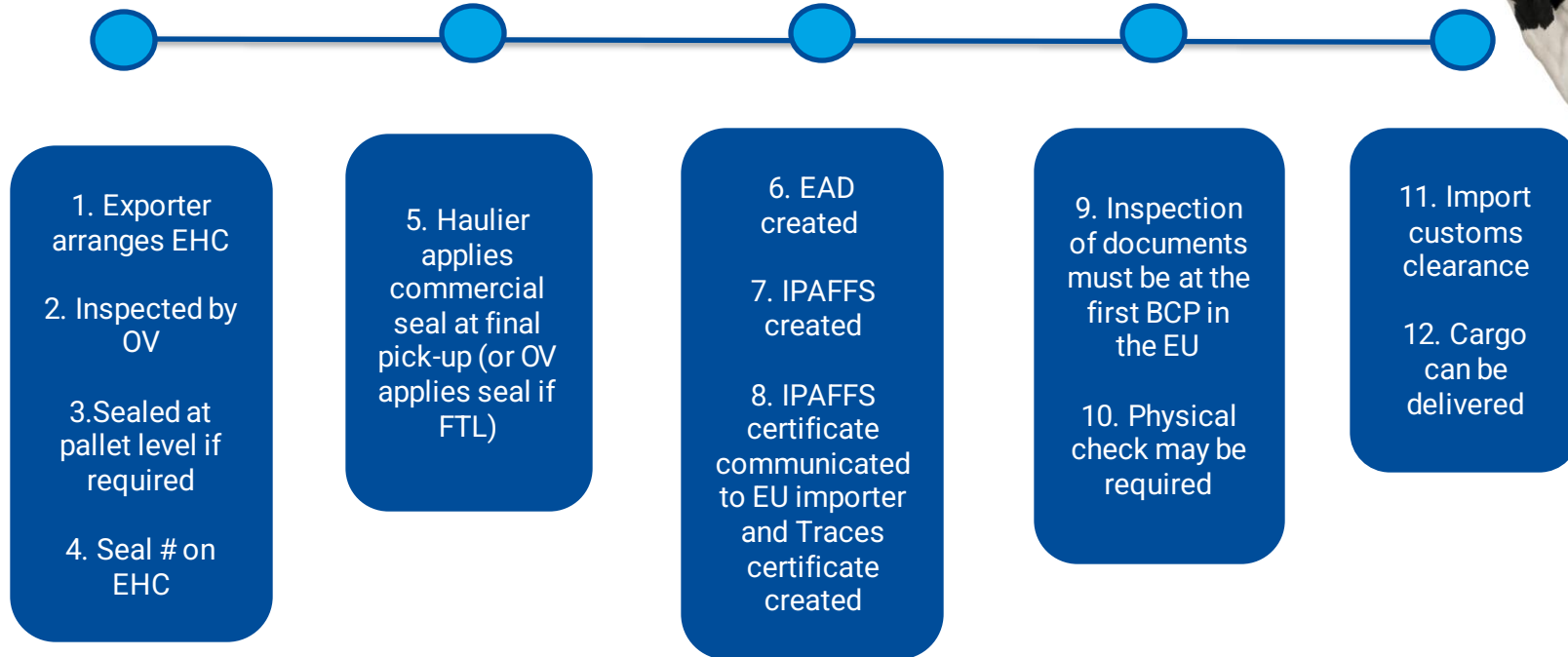
- Goods are customs cleared in France in your name
- Goods are sold to French and EU customers
- You appoint RMB as your tax agent in France
- You mention your own French VAT numbers on your invoices
- RMB will report these transactions to the French Tax Authorities for VAT and INTRASTAT purposes

Rules of Origin

TCA – Trade and Cooperation Agreement

- UK origin = duty free (with exceptions)
- Statement of origin by exporter - as long as following declaration is on commercial invoice
- From 1st Jan 2021 – must have statement
- The declaration: The Exporter of the products covered by this document
Exporter Reference No GB (EORI NO) declares that, except where otherwise clearly indicated, these products are of UK preferential origin.
Exporter of goods: GB EORI number

TRACES – Products of Animal Origin



Case Study

Dawkins International

Who are Dawkins International?

- A UK-based POAO meat exporter
- Currently exporting around 3-400 tonnes a week of pork meat into Europe
- Integral part of industry due to amount of meat exported from UK to EU

"By the first week of Brexit, we had around 95% of paperwork in place"

- Charlie Chitty, Operations Director



Case Study

Dawkins International: The Challenge

Delayed paperwork: T1 documents causing problems

No margin for error: mistakes on T1 documents could cause severe delays

As a meat exporter, timing was a huge challenge, as products are perishable

Port delays: even with paperwork completed, the queues at ports caused issues

Pre-Brexit, shipments would take less than 24 hours, but now, it takes anywhere between 3-7 days. In the second week of Brexit, production was stopped completely, as 10 trucks were just stuck at borders. One truck was destroyed due to items being perishable and paperwork taking too long.

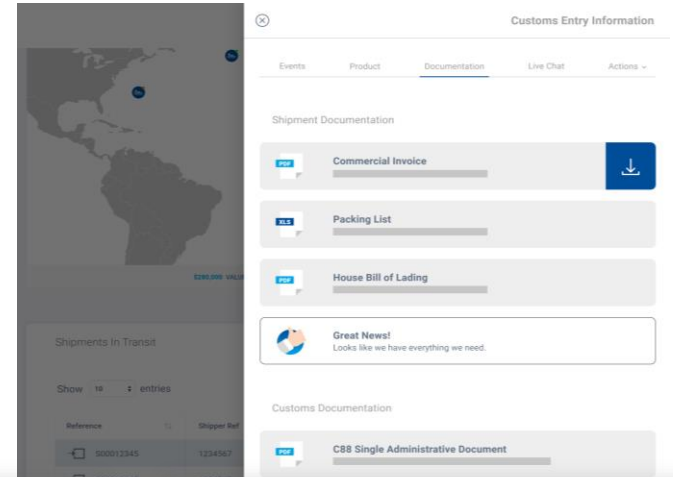
Case Study

Dawkins International: The Solution

- Appointing Unsworth as our UK customs agent and RMB as our French based accountants, enabled the elimination of lengthy T1 process
- By passing on loads to an agent at the border, it became their responsibility for getting trucks through, and Dawkins Int. were given the confidence that there were people at the border using a system that worked
- Dawkins Int. Were given back a sense of control over the process and were able to have direct contact with every part of the chain, giving them the ability to better communicate with customers.

Our Customs Visibility Platform

Eliminate inefficiencies from an already complex process. Digitizing your movements allows for full control, with documentation and declarations in one place, you can bring stakeholders together to collaborate more effectively.



Manage Customs Declarations in one place.

Keep up to date on all your key documentation with the click of a button.

Simplified and streamlined processes.

The Task Manager allows you to complete haulier registration and upload commercial documents.

Prioritise urgent shipments with ease.

Move shipments into priority lists, save your documents as draft or simply send to Broker.

Customs Visibility

Keep track of your customs processing as it happens, not just in monthly reports.

Manage your documents at shipment level, upload or download any document used in the customs declaration.













- Innovative data management
- Significant investment in future customs
- Live, real-time data, crucial
- This isn't a new platform for us – we've had digital tools for 2 years now and this was specifically developed to adapt to customs requirements

Shipments In Transit

Show Completed Shipments ☒ Show Only Shipment Exceptions ☐

Show entries

Search:

Reference	Shipper Ref	Factory	Mode	Route	Progress to Market
 S00012345	1234567	Apple Factory	Sea Freight	GBFXT > CNNBO	<div><div></div></div>
 S00012345	1234567	Apple Factory	Sea Freight	GBFXT > CNNBO	<div><div></div></div>
 S00012345	1234567	Apple Factory	Sea Freight	GBFXT > SGSIN 	<div><div></div></div>
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 S00012345	1234567	Apple Factory	Sea Freight	GBFXT > CNNBO	<div><div></div></div>
Reference	Shipper Ref	Factory	Mode	Route	Progress to Market

Showing 1 to 10 of 26 Shipments In Transit

Previous **1** 2 3 4 5 6 Next

Next steps

Get in touch with us now and we can help with:

- ✓ Expert practical advice
- ✓ Process and data mapping
- ✓ Incoterms assessment
- ✓ Rules of origin
- ✓ FREE consultation
- ✓ £2,000 funding available if needed (eligibility rules apply)





Any Questions?

Contact us

We are here to help



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