



The Bonded  
Warehousekeepers  
Association

# BWA EU Exit Webinar

Friday 26<sup>th</sup> June 2020



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AGENDA



**Clive Brady, BWA Chairman: Welcome**

**Mike Gilmore, HMRC:**

- The Eu exit and the excise sector
- Covid-19 easement
- CDS

**Paul Davidson, HMRC:**

- EMCS upgrade 3.4

**Q&A Panel Session, including:**

**Host - Clive Brady, BWA**

Mike Gilmore, HMRC

Paul Davidson, HMRC

Mark Rowbotham, Portcullis ISC



HM Revenue  
& Customs



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# Excise EU Exit Update

*Mike Gilmore, HMRC*



HM Revenue  
& Customs

# Deal

## Ongoing negotiations with EU

- No impact on excise duties
- Possible agreement on import and export facilitations

Transition Period end 31 December 2020 – no extension

Staged introduction of customs controls between 31/12 2020 and July 2021

Different processes for controlled and non controlled goods.

Excise = controlled goods – full declaration or simplified declaration

# Deal - What does it mean for excise

## Rest of World rules apply

- Imports need import declaration (full or simplified) – pay excise duty at the border or clear to customs warehousing or excise warehousing
- Exports need export declaration and departure message

## Continue to use EMCS for internal UK duty suspended movements

- Including to and from ports to warehouses and internal movements

## Continue to operate excise Drawback for goods not consumed in UK (including exports to EU)

## Legislation to be laid – based on no deal legislation already laid

# What's changing - imports

**Rest of World rules will apply to imports of excise goods from the EU**

## What this means

UK businesses will need to make an **import declaration** and:

- account for the excise duty at the border; or
- enter the goods to the excise warehousing regime via EMCS (Excise Movement Control System) .

UK businesses can use Customs procedures for EU goods, e.g. Customs Warehousing, Transit etc. This will increase the volumes of goods at risk under customs control

Businesses can continue to use EMCS to move goods in duty suspense in the UK from the port to a registered warehouse

# What's changing? - exports

Rest of World rules will apply to exports of excise goods to the EU

## What this means

Businesses will need to make an **export declaration** at the point of exit from the UK

Businesses can continue to use EMCS to move goods under duty suspension in the UK from a registered warehouse to the port/airport of departure

EMCS will be restricted to movements within the UK

Businesses will be able to claim **Excise Duty Drawback** on goods not consumed in UK (will include exports to the EU)

Businesses will need to make an import declaration on entry of the goods into the EU

# What's changing – excise systems

## Changes to EMCS

- Upgrade to EMCS 3.4
- Switch off EMCS messaging to EU
  - No new movements (31 December 2020)
  - Goods in flight (31 May 2020)
- Preloading change (24 December 2020)

## Impact on excise customers who don't currently import or export to Rest of World

- Businesses will need an EORI number
- Businesses will need access to an agent to make declarations
- Businesses will need approval for CFSP (for simplified declarations)
- Importers will need access to a Registered Consignor





# Separation Issues

## Goods in Flight

- Duty suspended movements
- Duty paid movements

## Reciprocal agreement with EU

- Legislation
- Guidance to business

# Excise business readiness

Businesses and software developers need to make the necessary changes to excise IT systems – EMCS

Businesses need to get access to a Registered Consignor if they need one to enter goods onto EMCS

Businesses need to obtain EORI number for customs declarations from HMRC, get access to an agent

Businesses need to familiarise themselves with the changes to excise processes – legislation, public notices, guidance and forms



# Passengers and Parcels

## Passengers

Consultation closed on 20 May

Roundtables held with external stakeholders

Consider results from consultation – policy announcement in July

## Parcels

Rest of world rules apply – declaration and taxes/duties collected by operator from recipient



# Freeports

## Freeports Consultation

Businesses importing excise goods for storage in a Freeport will need to meet the current conditions for authorisation for Excise Warehousing and have the same controls apply.

More details can be found at <https://www.gov.uk/guidance/receiving-storing-and-moving-excise-goods>

Businesses importing goods for excise production or processing in a Freeport will also need to meet the current conditions for authorisation and will be subject to the current controls.

<https://www.gov.uk/government/consultations/freeports-consultation>



# COVID - 19

Excise easements – hand sanitiser production and approval

Time to pay arrangements

Longer term opportunities – simplification and modernisation

- Returning goods to duty suspension
- Hard copy documentation and wet signatures

# CDS

- CDS is live and can accept all import and export declaration types.
- It is fully compliant with Union Customs Code legislation.
- We will dual run CHIEF and CDS beyond December 2020.



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# EMCS Upgrade 3.4

*Paul Davidson, HMRC*



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# Q&A Session



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Thank you for attending.