



# CUSTOMS AND INTERNATIONAL TRADE SERVICES

How can we help you

IDEAS | PEOPLE | TRUST



# CUSTOMS AND INTERNATIONAL TRADE SERVICES

## Ten ways BDO can help importers and exporters manage change

### CUSTOMS DUTY

Today's global economy brings both an increased volume of imports and exports and greater scrutiny of cross-border goods movements. This poses a significant challenge to business supply chains because the international movement of goods can be costly and the legislative infrastructure, including the Union Customs Code (UCC), is complex. In this dynamic trading environment, a global business must ensure compliance whilst carefully managing its international trade costs in order to stay competitive and profitable.

BDO is committed to helping you to succeed by understanding your needs and delivering exceptional client service. Our rapidly growing European Customs and International Trade team comprises over 30 specialists located across our close-knit network. By drawing on our collective experience and specialist knowledge, we seek to identify opportunities to help you to operate efficiently and compliantly.

### HOW BDO CAN HELP YOU

BDO's Customs and International Trade team can help you to move goods around the world compliantly, efficiently and cost effectively.

We would welcome the opportunity to invest our time to learn more about you and your business. This will enable us to pinpoint areas where we can work together to ensure that your supply chain is operating efficiently and spot potential opportunities for savings.

# 01

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### BREXIT: MITIGATING THE IMPACT

When Brexit takes effect, one of the key changes that businesses will face is that goods traded between the UK and the EU will be treated as imports and exports rather than as intra-community movements. This is likely to mean that full import/export declarations will be required and customs duty could potentially become payable.

We are carrying out Brexit Impact Mitigation projects to help businesses to be ready by the time the UK leaves the EU (eg by re-designing supply chains and seeking relevant Customs-related authorisations in the UK/EU).

BDO has created a Brexit Customs Cost Tool which can identify the key trade and customs issues British exporters and importers will face.



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### 02

#### CUSTOMS HEALTHCHECKS

It is common for businesses to have a de-centralised customs function which is not aligned to other core business processes. Our reviews use government data (MSS) to provide an overview of your supply chain. We can evaluate current processes and procedures against tax authority requirements, identify any gaps and make recommendations for efficiency in the supply chain operation. These reviews can also help the business meet the standards required by the Authorised Economic Operator (AEO) accreditation and the UK's Senior Accounting Officer requirements.

BDO can provide guidance to businesses on classification, valuation and preference compliance to ensure that the right amount of duty is being paid and to minimise the risk of tax assessments and/or penalties:

- ▶ **Tariff Classification** - this drives a number of import variables such as the duty rate, entitlement to preferential rates of duty and import restrictions such as quotas and suspensions.
- ▶ **Valuation** - the customs value declared on imports forms the basis for calculating the amount of duty payable, so it is essential that these are set in accordance with valuation rules.
- ▶ **Preference** - a variety of preferential trade agreements exist between the EU and its key trading partners (and hopefully between the UK and other countries inside and outside the EU post-Brexit). The ability to claim preference on import and/or export of a product is governed by legislation which requires certain key criteria to be met and supporting documentation (such as a certificate of origin) to be obtained.

### 03

#### TRAINING CLASSES/WORKSHOPS

BDO offers bespoke and standardised training programmes. Our on-site training covers all areas of Customs planning and compliance for global businesses. We can provide a standard training session or a tailored programme to address the individual commercial needs and practical challenges faced by your organisation.

We also provide hands-on detailed customs declaration training to support companies that decide to bring this function in-house.

### 04

#### AUDITS AND INVESTIGATIONS BY TAX AUTHORITIES

All businesses have to deal with queries and audits from the tax authorities from time to time and there are a number of ways we can help to relieve the pressure this puts on your organisation. Where a difficult customs duty matter arises, you can instruct us to discuss the situation with the tax authorities on your behalf to help negotiate an acceptable solution.



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#### ASSISTANCE ON CUSTOMS RELIEFS

A variety of reliefs and regimes exist within the EU, which either suspend or entirely remove customs duty and import VAT liabilities. These include customs warehousing and Inward Processing Relief. The UK government intends to replicate these regimes ('customs special procedures') in the UK customs law post-Brexit.

BDO can provide guidance on which duty reliefs may be appropriate to your business, thereby reducing costs associated to movement of goods between the UK and EU/third countries.

### 06

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#### AUTHORISED ECONOMIC OPERATOR (AEO) CERTIFICATION

Three years after its implementation in May 2016, the Union Customs Code is now fully in force. Its revised rules, coupled with the trade challenges likely to be presented by Brexit, have made AEO certification increasingly important to UK importers/exporters. AEO can offer businesses many benefits including but not limited to reduced risk for delays at the UK-EU customs borders and financial guarantee reductions.

BDO has real-life experience of the application process and interaction with HMRC personnel involved in the certification process. Over the years, we have supported clients across all industry sectors with preparing for AEO accreditation and completing application forms.

### 07

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#### AD-HOC CONSULTANCY

We can offer advice and assistance in all areas of international trade with a view to delivering best practice methodologies and developing global trade programs that can maximise risk management and cost reduction, thus driving improved business performance.

### 08

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#### HELPLINE AND RETAINER ARRANGEMENTS

Many of our clients just want a trusted advisor to provide them with a second opinion or a quick steer on how to handle an urgent issue.

We provide our clients with a helpline/retainer arrangement providing immediate assistance when they need it. Clients can choose from a flat monthly fee, an hourly rate or a discounted hourly rate for a pre-purchased 'bank of hours' each month or quarter. We would be delighted to offer this to you too.

### 09

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#### EXCISE DUTY

Excise duty must be paid on certain goods - such as alcohol, tobacco and fuel - when produced or traded. The rules around excise goods are regulated on a national scale and the rules vary by product types.

The legislation is complex and breaching it can have serious consequences including penalties. The levy of excise usually forms part of the consumer price and is therefore passed onto the customers, however, there are often ways to manage such excise costs.

BDO has expertise to assist companies to ensure processes are compliant and to help to reduce cost.

### 10

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#### SUPPLY CHAIN REVIEW

Traditionally, decisions on supply chain and distribution channels are made purely from a logistics viewpoint, without consideration of the additional costs and compliance concerns related to customs.

We can review your goods flows from a combined logistics and customs/tax perspective, unlocking potential cost savings opportunities.

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FOR MORE INFORMATION:

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