



**DB SCHENKER**

# Brexit? No worries!

Together we keep Europe and your business moving.

**#WeKeepEuropeMoving**

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August 2020 –  
Customer update on BREXIT

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## Dear customer,

As a global company engaged in transport to or from the UK BREXIT will present challenges to your business as you seek a smooth transition when the UK leaves the European Union at the end of the year. DB Schenker understands the complexities these changes will bring and is employing significant resources to ensure the continuity of our market leading services.

It is of the utmost importance that we approach the BREXIT challenges in genuine partnership with you as the success that we both seek is interdependent.

We at DB Schenker have been engaged in detailed preparations for the past two years including the setup of a pan-European Brexit taskforce. You will shortly receive an invitation to attend our upcoming BREXIT webinar at which we aim to provide critical customer and market information to assist you in the period of transition.

## Your DB Schenker Brexit Taskforce

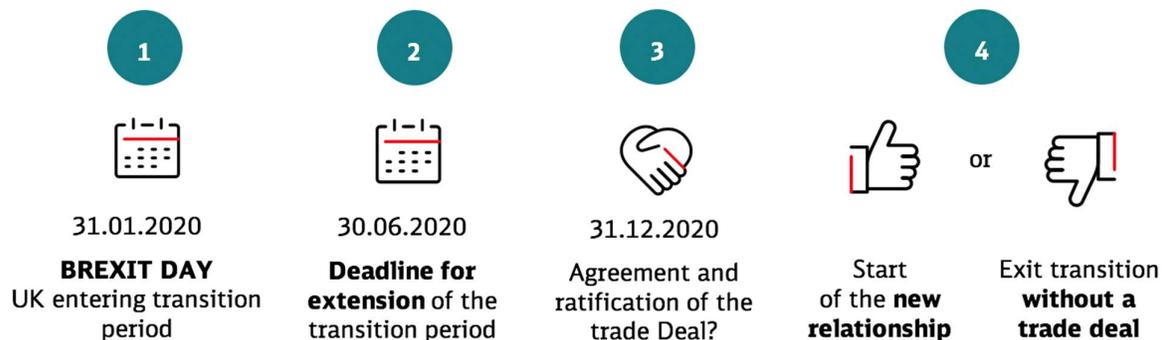
# 1 What is the current position of UK/EU Trade?

Following the EU and UK negotiation culminating in the signing of the withdrawal agreement the UK left the EU on the first of the 1<sup>st</sup> of February 2020. During the transition period until the 31<sup>st</sup> of December 2020, there is no change in the trade formalities between both economic parties.

The possibility of a further extension elapsed on the 30<sup>th</sup> of June 2020 and the UK will exit the current trade agreement with the EU by the 31<sup>st</sup> of December 2020. At this point in time, there is no agreement to govern the post BREXIT trade relationship between the EU and the UK. It is also unclear about the status of freight moving between GB and Northern Ireland.

From the 1<sup>st</sup> of January 2021 there will be significant changes to the trading relationship between both parties. These changes will lead to new trade regulations and customs procedures.

Businesses in the EU and the UK must, therefore be prepared for new customs processes and procedures at the end of the transition period regardless of the outcome of the negotiations regarding the future partnership.



## 2 What do I need to prepare?

The following steps will help our customers prepare to minimize possible Brexit ramifications:

- **Review your business**, if you have not already done so, to understand what impact Brexit will have on your EU supply chain.
- **Keep up to date** with the political situation regarding Brexit and the effects it will have on your Brexit planning.
- **Share client/consignee Power of Attorney** (also known as Direct Representation Letter) with DB Schenker, or generate in designated local customs system as soon as possible (this is a legal requirement in many Countries).
- **Make sure your partners are providing the required information on** their commercial documentation to allow a Customs declaration to be made.
- **Review your own commercial documentation** and ensure it provides the information required to allow a Customs declaration to be made.
- For IE into the UK, check **what UK procedures** your Importer is intending to use.
- Advise DB Schenker of Authorizations you have in place with **Customs**.
- Advise DB Schenker of **potential Modal shifts** that you are considering i.e. from the road to airfreight.
- **Speak to your trading partners** about the information they supply on their documentation (relevant to Customs requirements).
- **Advise DB Schenker** if you intend to use postponed VAT accounting to account for your VAT.

Question to be answered	Administration to prepare	Commercial Invoice to contain
<ul style="list-style-type: none"> <li>■ Who will perform customs clearance: Customer/3rd party or Schenker?</li> <li>■ Do the Consignee(s) hold deferment accounts to pay VAT/Duty?</li> <li>■ Which (if any) Customs Procedure Codes (CPCs) might apply? This defines which Customs/Excise regimes goods are being entered into and removed from (where applicable) e.g. temporary import, temporary dispatch for return in unaltered state, supplies for ships' &amp; aircraft stores etc.</li> <li>■ If you require Schenker to complete the Export Declaration, we need from you the approved Representation Letter (or PoA) to act as Direct Representative to create Customs Declarations</li> <li>■ If you/your consignee requires Schenker to complete the Import Declaration, please arrange to identify consignees linked with Schenker traffic and arrange for them to share PoA.</li> </ul>	<ul style="list-style-type: none"> <li>■ Power of Attorney (PoA) from client/consignee</li> <li>■ Commercial Invoice</li> <li>■ EORI (Economic Operators Registration &amp; Identification number) registration number – obligatory for customs identification</li> <li>■ MRN (Movement Reference Number) generated pre-collection by completing export declaration (<i>relevant if client will generate their own customs declaration</i>)</li> </ul>	<ul style="list-style-type: none"> <li>■ Date</li> <li>■ Consignee name/address, Consignor name/address</li> <li>■ Contact name/number</li> <li>■ Product description</li> <li>■ Commodity codes for all goods being ex/imported</li> <li>■ Quantities of goods</li> <li>■ Value (individual &amp; total) &amp; currency specified</li> <li>■ Country of origin</li> <li>■ Gross &amp; net weights</li> <li>■ No. &amp; type of Packaging</li> <li>■ Defined Incoterms (and to which location they are valid)</li> <li>■ Client's EORI number</li> <li>■ VAT number</li> </ul> <p>Note: Packing List may contain some of the info. requested above if Commercial Invoice cannot offer comprehensive details</p>

### **3 What can we expect the customs costs to be?**

Prices will be defined by costs incurred in each country and we will provide you with comprehensive list of customs services and a pricing matrix shortly.

### **4 How is DB Schenker prepared to help with seamless transport arrangements post Brexit?**

We have created a Brexit Taskforce and have expanded our project team structure. We currently have a competent group of experts who jointly work on this important project.

This includes:

- Brexit Program Manager
- National Brexit Experts
- Commercial and Transportation Leads (e.g. Sales, Business Services, etc.)
- IT Project Managers
- Customs Consultants

The preparations made by the Brexit Taskforce are designed to ease the transition post-Brexit to ensure continuity of service for our customers.

The team is covering a wide range of themes within four main business areas: Customs, Operations, Communications and Commercial. In order to help us to prepare we need to understand your requirements in detail. Your account manager will be your main point of contact.

We are strengthening our operational and customs teams to accommodate the additional workload that will be necessary from 1st of January 2021.

Our core objective is to provide a seamless transport and customs service to and from the UK for all our loyal and perspective customers. DB Schenker will prioritize customs resources towards clients who use our transport services.

### **5 What is the DB Schenker contingency plan in the event of disruptions?**

In preparation for providing a detailed report to you and the rest of our customers, our Brexit Taskforce team will introduce and release the full contingency plans in the upcoming customer summit webinar.

DB Schenker has the largest network across all of Europe with a multitude of routes and potential crossing points from Europe to the UK. We already have sophisticated procedures for dealing with tunnel and ferry disruptions that allow us to calculate the potential advantages of changing routes should there be a delay at any specific crossing point.

## 6 Where can I get more information on Brexit?

For more information on Brexit you can visit the following pages:

**Citizenship:**

<https://www.gov.uk/settled-status-eu-citizens-families>

**Travel:**

<https://www.gov.uk/guidance/passport-rules-for-travel-to-europe-after-brexit>

**Transporting goods from the EU to the UK:**

<https://www.gov.uk/prepare-to-import-to-great-britain-from-january-2021>

**Transporting goods from the UK to the EU:**

<https://www.gov.uk/prepare-to-export-from-great-britain-from-january-2021>

**News Updates on Brexit:**

<https://www.bbc.com/news/uk-politics-46393399>