

CLTM/BR6506/MBI Brussels, 20 March 2019

PREPARING FOR BREXIT - VERSION 5.0

Fifth update – tips and recommendations to facilitate the Brexit preparedness of the EU road freight transport and logistics industry. IRU recommends members to continue their preparedness activities for a "no-deal" Brexit

I. BACKGROUND

The United Kingdom (UK) is no longer scheduled to leave the European Union (EU) at 00:00 hours on 30 March 2019. Following the UK Government request to postpone the Brexit deadline, the EU Heads of State agreed on 22 March 2019 to offer the UK two options:

- Option 1: The UK House of Commons approves the Withdrawal Agreement in the week of 25 March 2019. In this case, the Brexit deadline is extended to 00:00 hours on 23 May 2019. Then, a transition period of at least 19 months will start during which the UK and EU can negotiate and agree to a future relationship agreement.
- Option 2: The UK House of Commons does not approve the Withdrawal Agreement in the week of 25 March 2019. In this case, the Brexit deadline is extended to 00:00 hours on 13 April 2019 and the UK might leave the EU without a deal.

It is important to mention that the EU Heads of State also formally endorsed the further clarification document which the UK Government had agreed with the European Commission in Strasburg last week. A "no-deal" Brexit presents serious implications for road freight transport and logistics companies in the UK, the EU27 and the EEA.

Given the persisting uncertainty about the nature of the UK departure from the EU and a potential EU-UK post-Brexit relationship, providing the right information for road freight transport and logistics operators remains challenging. The purpose of this document is to provide information on aspects where certainty already exists and flag where additional action might be needed. Caution remains essential owing to the uncertainty of the situation.

Since the end of 2018, the European Commission (EC) increased preparations for a potential "no-deal" Brexit. On 19 December 2018, a <u>new contingency plan</u> including <u>a number of legislative proposals</u> was tabled in the event that the UK were to leave the EU without a deal. The plan and legislative proposals contain unilateral EU measures for access to the EU market by road hauliers established in the UK. The final regulation was adopted on 19 March 2019 and will enter into force on exit day, if there is no deal. The UK intends to reciprocate any measures adopted by the EU27.

The EU is similarly increasing its contingency work on customs. The UK Government and several EU27 Member States have also taken contingency measures to enable continuity for a transitional period in a 'no deal' scenario and published additional information on customs and road freight transport and logistics requirements.

II. GENERAL

Can road freight transport operators prepare themselves while many things are still uncertain?

If no agreement is reached by 13 April 2019, EU, EEA and UK established road freight transport and logistics operators will be obliged to comply with customs formalities. Goods will have to be declared for import and export. Road freight transport and logistics operators are not responsible for this but they will need to ensure they carry the customs documentation and appropriate export declaration for the cargo before departure. Vehicles may be turned back, held at the border, or face financial penalties if customs formalities have not been properly dealt with.

Will a permit system be reintroduced?

In the event that an EU-UK free trade agreement is agreed, the UK would want to seek continued connectivity and liberalised access which would include point-to-point (bilateral), transit, cross trade and cabotage operations, without the need for permits. Such an agreement is becoming increasingly unlikely however in the short term.

On 13 April 2019, in the event of a no deal, the UK have confirmed that they will continue to recognise an EU Community Licence to ensure that EU and EEA established road freight transport and logistics operators can continue to carry goods to and from the UK. For road freight transport and logistics operators established in the UK, Community Licences and their Certified Copies issued by UK competent authorities can continue to be used under the EU contingency regulation and will be replaced by a UK equivalent once expired.

The UK Government has published its UK haulier border readiness <u>guidance</u> for transporting goods out of the UK by road if the UK leaves the EU without a deal on 12 April 2019, including a checklist of documents that haulage drivers must carry to pass through customs in a no-deal scenario.

The EU contingency regulation on road transport which was adopted on 19 March 2019 by the Council, provides short-term liberalised access for UK-established hauliers until 31 December 2019, in the event of no deal. As above, the UK is providing access and laid the necessary legislation to reciprocate. This legislation continues the effect of EU Regulations (EC) No 1071/2009, 1072/2009, so EU hauliers holding a Community Licence would continue to be able to conduct business in the UK as they could previously, including cabotage and transit, without the need for a permit. The UK has stated that the level of access for EU hauliers will ultimately mirror the access given to UK hauliers under the approved regulation. On 13 April 2019 EU hauliers will not need ECMT permits to operate in the UK. It is expected that UK hauliers will continue to use their existing Community Licences until they expire under the regulation at which point they would be replaced by a UK equivalent, as per the government's guidance on ECMT international road haulage permits.

Will there be border controls?

When driving to and from the UK, heavy goods vehicles already have to stop at the border for identity checks and, when going to the UK, for people inspections against stowaways. The latter are random but already cause serious extra delays at borders.

After Brexit, identity checks and people inspections could increase. Challenges related to the international migration crisis will continue. Inspections of vehicles to detect stowaways at EU exit ports will continue and could be randomly reinforced. *IRU members should raise their transport and logistics operators' awareness of the safety and security measures which they and their drivers should take when driving to the UK outlined in the checklist for hauliers.*

There is a serious risk of heavy penalties. Road freight transport and logistics operators and their drivers should follow the <u>UK Border Force Code of Practice</u> to show that they have done everything possible to avoid stowaways. They can also obtain <u>an accreditation</u> with the UK Border Force. The recently published <u>EU voluntary security guidelines</u> could also be a helpful tool to raise security awareness in general.

In the event of 'no deal', customs checks would be added as well as third country controls for goods. The UK has already indicated that it will not introduce systematic customs checks at its borders in a way which interferes with the flow of freight traffic. The UK may wish to route duty-sensitive goods to certain points for checks (Heathrow has been mentioned). The EU has not made such a pledge. It should be noted that procedures could vary depending on the EU exit point used. More information can be found below.

Certain goods such as fresh fruit and vegetables, meat, fish and flowers will also become subject to sanitary and phytosanitary checks at borders and could require specific documentation to be prepared. Other types of goods such as live animals or waste may also become subject to specific additional requirements, as outlined in the <u>guidance</u> on importing animals, animal products and high-risk food and feed not of animal

origin after EU exit. Road freight transport and logistics operators should always check with their customers about required checks and necessary documentation. Vehicles can be held at the border if procedures have not been complied with. The UK indicated that it will not impose systematic checks for such goods originating from the EU. However, such goods from Rest of World entering via the EU, will become subject to such checks. Such goods need to enter the UK via a port with a Border Inspection Post (BIP) or Designated Point of Entry (as appropriate). A full list and guidance is available online.

On both sides of the Channel, various initiatives are being undertaken to alleviate long road freight transport vehicle queues at border checkpoints by establishing extra parking areas for heavy goods vehicles and by testing filter measures for gradual approach to checkpoints.

Road freight transport and logistics operators should discuss these issues with their customers and consider taking extra measures: it is important to reflect on the impact of extra costs, delays and waiting times on contractual relationships with customers.

The UK Government published a series of brochures /checklists which could help different stakeholders in the road freight transport and logistics chain to prepare for Brexit. This information can be helpful for companies established in the UK or EU27. There is a general brochure, one for the arts, sports and cultural sector, hauliers, intermediaries, the automotive sector, retail, the chemical and pharmaceutical sectors and food and agriculture.

III. IMMEDIATELY FOLLOWING EXIT

From 13 April 2019, in the event of a no deal, the UK will become a third country and if the UK leaves without a deal, customs formalities will be introduced. The UK has acceded to the Common Transit Convention (CTC) as a contracting party and should, in principle, be ready by that time to use NCTS. At this time, the best source of information is the European Commission's CTC guidance. TIR will also become usable. In case of a "no-deal" Brexit, there will be no transition period for compliance with customs clearance procedures which will apply from 13 April 2019.

The UK has announced <u>transitional simplified procedures (TSP)</u> for goods imported into the UK from the EU using <u>roll on-roll off locations</u>. To register, a duty deferment account is required, but guarantees regarding deferment accounts do not need to be put in place until 30 June 2019. This will allow time for TSP registered businesses to understand the implications that the UK no-deal tariff will have on their business, and get the necessary guarantee set up with a financial institution. Once registered, TSP allows UK businesses or EU businesses with UK establishments who need to complete UK import declarations to access simplified procedures, including making an entry in their commercial records (for non-controlled goods) or a simplified frontier declarations (for controlled goods) in place of a full declaration for most goods. This simplification is intended to support businesses with no experience of making customs declarations and who may be unable to access a customs agent for 12 April 2019.

Declarations made using TSP will have to be followed up with a supplementary declaration within a set time period. The UK Customs authorities (HMRC) will review how TSP is working 3 to 6 months after it is introduced but anticipate it will remain in place for at least a year.

Businesses registering for TSP will have to set up a duty deferment account to pay any duties on a monthly basis. Usually a duty deferment account has to be backed by a financial guarantee. In the event of a no deal exit on 12 April the UK would waive guarantee requirements for duty deferment accounts until 30 June 2019.

Businesses that are solely established in the EU will not be able to register for TSP. An EU business acting as the UK importer, who does not have a UK establishment, will need to make full customs declarations. If the goods are arriving via a RoRo location, this declaration will have to be pre-lodged. EU businesses acting as the UK importer may wish to use the services of a customs intermediary to assist with making customs declarations.

EU operators will continue to be able to haul goods in the UK with their existing Community Licences and Driver CPC documents. For UK operators, there will a transition period for road haulage market access in the event the UK leaves the EU without a deal. UK hauliers, in case of a "no-deal" Brexit, will be granted access to the EU Internal Market until 31 December 2019. Access rights include bilateral transports with a departure and destination in the EU or the UK, transit, cabotage and cross trade between EU27 Member States. For cabotage and cross trade during the first four months, two operations will be allowed during a seven-day period before obligatory return to the UK. During the three following months, only one operation will be allowed during a seven-day period. During this period, a number of EU technical and social rules will

continue to apply to UK-established companies active in the EU. These include the driving and rest time, tachograph, weights and dimensions, speed limiter and seat belt rules.

IV. CUSTOMS PROCEDURES

Without a withdrawal agreement and a transition period, the UK will become a third country on 13 April 2019 and customs formalities will be introduced because the UK will no longer be a member of the EU Customs Union. In its most recent contingency plan, the EU¹ stressed that in the event of a "no-deal" Brexit, all relevant EU legislation on imported and exported goods will apply as of the withdrawal date. Member States will have to be ready to apply the Union Customs Code (UCC) and relevant indirect taxation rules to all imports and exports from and to the UK. They should use existing possibilities to issue authorisations for facilitation measures provided for in the UCC. Member States will use a wide variety of measures for customs clearance to and from the UK.² TIR will also become a useful customs clearance tool in parallel with the NCTS System. It should be noted that transport operators have to comply with a number of conditions in order to use TIR (see Annex 1).

IRU members should inform their road freight transport and logistics operators about the transport operator conditions in their country to enable the use of TIR and enquire about the interest to use TIR to cover certain operations. IRU members should also contact their competent authorities in order to try to obtain an as simplified an application process as possible for authorised access to the TIR procedure.

The UK will require all imported goods to be subject to either customs declarations or transit movement. CTC transit movements will be available to importers and exporters, as well as the UK's TSP procedures, to support making import declarations. In other cases importers and exporters or their agent will have to interact with the customs procedures to make import/export declarations.

The UK Customs Code will mirror the UCC to a very large extent, but there will be some differences. For goods entering the UK through a <u>listed Roll on-Roll off (RoRo)</u> location customs declarations will need to be pre-lodged. This could be a full customs declarations, a simplified frontier declaration or an entry in the commercial records where the agent or importer are authorised for CFSP, or a simplified frontier declaration or entry in declarant's commercial records under the new TSP processes.

The UK Government has announced that the requirement for carriers to complete Entry Summary (ENS) declarations will be phased in over 6 months for goods being imported from territories where the UK do not currently require these declarations. This includes, for example, the EU, Norway and Switzerland. The legal requirement to submit entry summary declarations for these goods will come into force in the autumn of 2019. The declaration which is required before the goods arrive in the UK, can be completed by the road

¹ The EC prepared a dedicated <u>webpage</u> with a list of practical tips and recommendations in 24 languages, a "<u>Brexit Checklist for Traders</u>", a "<u>Brexit Customs Guide for Businesses</u> and a <u>video</u>. The EC finalised a <u>guidance note</u> on customs matters in case of a "no deal" Brexit. This guidance note is accompanied by two additional documents, one on <u>business transit scenarios</u> in the CTC and one on <u>business export scenarios</u>. A ppt presentation on "<u>preferential origin</u>" aspects is also available.

² **France** plans a "Smart Border" system for <u>ferry</u> and <u>Eurotunnel</u> crossings which will pair the customs declaration to the vehicle registration number. This system will be used to pre-select vehicles for further controls on the UK side. The French customs authorities produced a video (in <u>French</u> and <u>English</u>) on how the system will work in the ports and for Eurotunnel and a flyer for drivers (in <u>French</u> and <u>English</u>). France also published <u>guidelines</u> for border users in case of "no-deal" Brexit; links to frequently asked customs questions can be found <u>here</u>.

The Netherlands developed information on how to pass via Dutch Ports, information leaflets in DE, EN and NL. This has been done in close cooperation with IRU members TLN and EVO. Portbase, a cooperation between the Dutch Ports, Customs Authorities and private initiatives has also been developed. Portbase is a paid service (registration costs are 249.50 euro) which will assist freight and logistics operators with the different formalities requested to transport between the Netherlands and the UK. All Dutch ferry terminals (C-ro, P&O, Stena Line and DFDS) agreed that all customs declaration numbers and documents for exports and imports from the UK via the Netherlands, have to be pre-registered through Portbase. Road freight transport vehicles will be refused access to the terminals if those numbers have not been properly registered and will be diverted to specific parking areas.

Belgium developed a customs-related <u>webpage</u> for Brexit. The Port of Zeebrugge has a <u>dedicated Brexit webpage</u> on its website. This page includes practical information and a data sharing platform which offers a digital connection between all links in the logistical chain.

Ireland also proposed webpages with useful customs information for Brexit.

4

freight transport and logistics operator, the customer(s), or could be outsourced to a third party. Under UK export declaration processes, this information is submitted as part of the export customs declaration.

The EU will adopt a delegated Regulation to modify Delegated Regulation (EU) 2015/2446 regarding the time limits for launching entry summary declarations and pre-departure declarations in case of transport by sea from and to the UK. This should allow such declarations for goods going to the UK. However, it should be noted that, it will not be possible to submit pre-lodged declarations before [time tbc] on 13 April 2019. However, goods that depart the EU for the UK will not require customs formalities if they depart the EU prior to 00.00 on 13 April 2019. *IRU members should make their road freight transport and logistics operators aware of this challenge*.

IRU members should enquire with their national customs authorities about their level of readiness to handle customs declarations (NCTS and TIR) on a large scale in case of a "no-deal" Brexit and inform IRU thereof. IRU members should also raise the awareness of their road freight transport and logistics operators about the use of TIR in case of a "no-deal" Brexit, and should notify IRU if they require assistance. UK members should keep IRU informed about progress in UK preparations to apply the CTC as of 13 April 2019.

Will transport operators have to take care of customs formalities?

This is the choice of the road freight transport and logistics operator, who can leave this to the customer or outsource. The operator and driver should always ensure that all necessary documents are available and duly completed and that all formalities are complied with. Otherwise, a vehicle may be held at the border.

In the case that road freight transport and logistics operators decide to take care of customs formalities themselves, they will have to apply for an Economic Operators Registration and Identification number (EORI) with their competent customs authorities. This identification number is required when a company has to deal with customs. In the event that companies outsource this, a road freight transport and logistics operator will need an EORI number if the declarations are completed in its name. In case of a "no-deal" Brexit, companies deciding to take care of customs formalities themselves may be required to apply for more than one EORI number. The EORI numbers obtained in an EU27 Member State will only allow export from and import to the EU. An UK EORI number will be needed to export from and import to the UK. Partners can be sought to take care of imports and exports as well. *IRU members should enquire with their national customs authorities about the procedures to apply for EORI numbers, and inform their member companies and IRU thereof. It is understood that currently it is difficult to apply for more than one EORI number. To get a UK EORI number, members should follow the EORI number guidance.*

IRU members should at least ensure that their member companies are fully informed about what customs procedures they will need to follow and what customs documentation will be required for transports between the EU and UK, even if the member companies decide to outsource customs formalities. Road freight transport and logistics operators and their drivers should be aware of the procedures in order to avoid being delayed at borders because not all the requirements have been met.

Should transport companies obtain Authorised Economic Operator (AEO) status?

Today, very few road freight transport operators have AEO status because it is not necessary, and it requires considerable investment and effort to obtain. Obtaining AEO status will only provide benefits if a company decides to take care of customs formalities itself. In order to be able to benefit in the EU and in the UK, a mutual recognition agreement will be required between the two Parties. This means that in case of a "nodeal" Brexit, transport companies will need to apply for AEO status in the EU27 and in the UK in order to benefit from this status on both sides of the Channel. *IRU members should enquire with their national customs authorities about the procedures for obtaining AEO status and about potential special procedures for mutual recognition, and inform their member companies and IRU thereof.*

Which rules will apply to the fuels and lubricants used by vehicles and special containers?

If in the event of a no deal, the UK becomes a third country on 13 April 2019, the provisions of Directive 2003/96/EC on taxation of energy products and electricity will no longer apply to vehicles registered in the UK entering the EU. Instead, the provisions of Regulation (EC) No 1186/2009 setting up a Community system for a relief of customs duty will apply to such vehicles. This Regulation specifies that the fuel and lubricants contained in the standard tank of the vehicle are exempt from duties when entering the EU. However, Member States can decide to limit the exemption to 200 litres. Special rules can also be applied to border areas within 25 km from the border. *IRU members should enquire with their national customs authorities about potential limitations and special rules applying to the fuels and lubricants in the*

standard tank of third country registered vehicles when entering their territory, and inform IRU thereof.

It is not yet known what requirements will apply to EU27 vehicles and special containers entering the UK.

V. MARKET ACCESS

The <u>EU contingency regulation</u> on road transport has been approved by the EU. This means that in the event of a 'no deal', UK hauliers will be able to drive to, from and through the EU as well as perform limited cabotage and cross trade. The measure will expire on 31 December 2019.

Should the UK leave without a deal on 13 April 2019, the UK Government has already confirmed that it will continue to recognise an EU issued Community Licence to ensure that EU and EEA established road freight transport and logistics operators can continue to carry goods to and from the UK. The UK has already laid the necessary legislation to confirm this. This legislation continues the effect of EU Regulations (EC) No 1071/2009, 1072/2009. This means that EU hauliers holding a Community Licence will continue to be able to conduct business in the UK as they could previously; this includes cabotage and transit, without the need for an ECMT permit.

For those established in the UK, Community Licences and their certified copies, issued by UK competent authorities, can continue to be used under the EU contingency regulation and will be replaced by a UK equivalent.

As the EU measure has been adopted, the reliance on ECMT permits has reduced. The UK Government secured an additional allocation of ECMT permits to be used for journeys not covered by the EU contingency regulation (mainly journeys transiting the EU to non-EU countries). ECMT permits allow point-to-point journeys, transit and cross-trade journeys. Cabotage is not allowed under ECMT. Under the ECMT system, drivers need to return to the country of establishment of the company on regular basis. In addition, vehicles are required to carry documentation confirming the emissions standard of the vehicle.

Finally, drivers may need to carry a Green Card as evidence of third party motor insurance when driving abroad. The UK is part of the Green Card-free circulation area by virtue of EU membership. The EU needs to make an administrative decision to allow UK to remain part of this area- the UK of course meets all of these requirements. Should the EU not make this decision in time for exit, a Green Card may be required to drive both in the EU and in the UK.

Will unaccompanied shipments become more attractive?

If road freight transport market access becomes restricted, sending unaccompanied semi-trailers or trailers to and from the UK could be an option. Customs formalities will still have to be complied with³. Available capacity on other modes of transport might be limited. There might be additional waiting times and delays which might have an impact on contractual obligations. Partnerships might have to be established to ensure collection of the unaccompanied vehicle units. Road freight transport and logistics operators should discuss this with their customers and inform other modal providers about availability and the customs formalities to be complied with in due course. In the case of UK semi-trailers being towed by EU-registered tractor units, it should be noted that the UK vehicle units would need to have their own registration number.

Will market access rules change for own account transport?

Currently own account road freight transport can be carried out without access to the profession and Community Licence. Own account is also generally exempt under ECMT requirement, however many member states have a reservation against this. It is not yet clear to what extent own account road freight transport will need a specific licence or permits in those countries. *IRU members should contact their competent authorities to enquire about the market access regime for own account transport and inform IRU thereof.*

Which technical and social rules will apply?

On 13 April 2019, the UK will continue to apply the AETR regulations on driving and rest times and on tachographs. It should be noted that on 15 June 2019, the smart tachograph will enter into force for newly

³ Apparently, there seem to be some issues with the application of the Common Transit Convention to unaccompanied trailers or semi-trailer. The EC and the UK are looking into the matter and IRU will provide further clarifications as soon as possible.

registered vehicles. This will happen during the transition period should the UK get one. Regardless of exit scenarios, the UK will continue to introduce the smart tachograph.

It is expected that the UK will be able to control EU-registered vehicles equipped with a smart tachograph. On the site of the <u>Driver and Vehicle Standards Agency</u> (DVSA) users can already find information about training on the introduction of the smart tachograph. The requirements to obtain a new workshop card have been established and can be officially consulted. Card issuance will start on 15 March 2019.

Will certificates and attestations still be valid?

On 13 April 2019, Transport Manager Certificates of Professional Competence (CPC) for road freight transport operators issued by UK competent authorities will cease to be valid in the EU. However, these will still be valid for UK operators when operating under the EU contingency regulations or when using an ECMT permit. EU-based operators with an UK-issued CPC should exchange these for a CPC issued by the relevant Member State before exit day. UK authorities have stated that certificates issued by an EU or EEA Member State will be accepted in the UK.

Driver CPCs issued by UK competent authorities will also cease to be valid in the EU. However, these will still be valid for drivers working for UK operators when operating under the EU contingency regulations or when using an ECMT permit. Certificates issued by an EU or EEA Member States will be accepted in the UK. UK or EU nationals working for a company established in the EU27 but who hold UK issued CPCs should exchange these for CPC issued by the relevant Member State before exit day. If they do not, they will have to undergo professional training in the EU27 Member State where their employer is established. More information can be found in the government's <u>guidance</u> on driving in the EU after EU exit for lorry and goods vehicle drivers.

IRU members who hold UK issued Driver or Transport Manager CPC certificates should verify with their competent authorities what the procedures are to exchange these before exit day, and inform their road freight transport and logistics operators and IRU thereof.

UK nationals who are not long-term residents in the EU and who are employed by a company established in the EU27 will have to obtain a third country drivers' attestation from the competent authority of the Member State where the company is established.

Member States who are Contracting Parties to the 1968 Vienna Convention on Road Traffic or 1949 Geneva Convention on Road Traffic (those who have not ratified the former) will have a system of mutual recognition of drivers' licences with the appropriate accompanying International Driving Permit (IDP) and vehicle registration documents. The UK issued <u>recommendations</u> on International Driving Permits when travelling to the EU and third countries.

A visa will not be needed to enter the UK or for UK nationals to enter the EU. However, it is recommended that professional drivers use a passport rather than an identity card for journeys to and from the UK.

VI. SANITARY AND PHYTOSANITARY REQUIREMENTS

Without a withdrawal agreement and transition period, the entry of many goods⁵ and animals subject to sanitary and phytosanitary rules to the EU will be prohibited – unless the UK is accepted as a "listed" third country. The UK will have to comply with all applicable conditions laid down in EU veterinary legislation in order to allow for the entry of live animals and animal products. The UK has already started the application procedure to become a "listed" country. When the UK becomes a "listed" country, strict health-related import conditions applicable to third countries will be required and these imports will have to undergo sanitary and phytosanitary controls by Member State authorities at border inspection posts.⁶ The UK expects this to be completed by the EU immediately or very soon after 13 April 2019. New border inspection posts and existing ones that are extended will have to be approved by the EC.⁷

The UK issued a note indicating that in the event of a "no-deal" Brexit, there would be no immediate change in the current import procedures providing that the goods or animals in question come directly from the EU27. Therefore there will be no new checks or controls on such goods from the EU. However, businesses

7

⁴ According to the European Commission, this could be an issue in the following Member States: Germany, Croatia, Estonia, Latvia and Lithuania.

⁵ The EC issued a <u>specific notification</u> on EU Food Law in case of a "no-deal" Brexit.

⁶ More information on such controls, including a list of approved control posts, can be found <u>here</u>.

⁷ The control posts in France are: Le Havre, St-Malo and Dunkirk.

importing controlled goods from outside the EU may not be able to use RoRo locations and Eurotunnel if the UK leaves the EU without a deal.

Products of Animal Origin from non-EU countries and transiting the EU to reach the UK must enter the UK via a BIP, and High Risk Food Not of Animal Origin from non-EU countries and transiting the EU to the UK must enter the UK via a DPE.

In the UK, guidance is available for: importing animals, animal products and high-risk food and feed not of animal origin after EU Exit; exporting animals, animal products, fish and fishery products to the EU after EU Exit; importing and exporting plants and plant products if the UK leaves the EU without a deal; trading and moving endangered species protected by CITES if there's no withdrawal deal.

IRU members should enquire with their national competent authorities about approved border inspection posts and inform IRU thereof.

VII. WOOD PACKAGING MATERIAL, INCLUDING PALLETS

On 13 April 2019, in the event of a no deal, the UK will become a third country. This will have an impact on the wooden pallets and wood packaging material used to transport goods from the UK into the EU, because the rules for wood packaging material coming in from third countries are stricter than those used for intra-EU trade.

EU legislation indicates that all wood packaging material from third countries must be heat treated or fumigated, must have a 3 coded ISPM15 stamp and the IPPC logo and must have all bark removed. There are some exemptions: if the wood is 6 mm tick or less; the material is entirely made from processed wood using glue, heat and pressure; the material is used for intra-EU trade. More information can be found on the <u>EC, DG SANTE website</u>.

The UK has committed to retaining its current pallet import approaches, and is not planning to change its approach to wood packing material controls. The <u>export guidance</u> will therefore remain as before EU Exit.

VIII. TRANSPORT OF DANGEROUS GOODS - ADR

The European Agreement concerning the carriage of Dangerous goods by Road (ADR) will continue to apply to all dangerous goods transports by road in, to and from the UK in any post-Brexit scenario. The UK has amended its rules implementing ADR in the UK in order to remove deficiencies arising from the UK's exit from the EU. The amended rules will enter into force on the day the UK exits the EU.

IX. ACTION FOR MEMBERS

Members are invited to carefully examine the content of this updated document and use it to help prepare their road freight transport and logistics operators for a "no-deal" Brexit. They should also contact their national competent authorities to try to obtain additional information relating to a number of questions raised in the document and should communicate this information to IRU (marc.billiet@iru.org) as soon as possible.

IRU will also continue to make enquiries with the EU, the UK and ECMT in order to obtain useful information on available options. This document will be updated regularly as substantial new and useful information becomes available.

This document will be further updated in due course. IRU will keep members informed of any further developments.

* * * *

ADDITIONAL INFORMATION ON TIR

As indicated in the main document, in order to be able to use TIR, road freight transport and logistics operators have to comply with a number of conditions.

1. Becoming an authorized TIR holder

It should be noted that before being able to use TIR, road freight transport and logistics operators should become an authorized TIR holder. In Part II, articles 1, 2 and 3 of its Annex 9, the TIR Convention lays down a number of conditions and requirements to be complied with by persons wishing to have access to the TIR procedure. HMRC's online application service provides further details. These consist of minimum and additional criteria; the latter may be introduced by the competent authorities and by the associations, therefore they may vary from country to country. The contracting parties will also determine how to implement the authorization process.

2. Vehicle certification and containers

Under the TIR system goods should be carried in customs secure vehicles or containers.

a) Vehicles

According to Annex 2 of the TIR Convention, approval for the international transport of goods under customs seal may be granted only to vehicles, the load compartments of which are constructed and equipped in such a manner that:

- no goods can be removed from or introduced into, the sealed part of the vehicle without leaving obvious traces of tampering or without breaking the customs seal;
- customs seals can be simply and effectively affixed to them;
- they contain no concealed spaces where goods may be hidden;
- all spaces capable of holding goods are readily accessible for customs inspection.

b) Approval Certificate and Approval plate

Every road vehicle used for TIR must be approved according to the procedure laid down in Annex 3 of this Convention. The **Certificate of Approval** shall conform to the specimen reproduced in Annex 4.

An approval certificate of approval, as provided for in Annex 4 of the Convention, is required to be kept in the vehicle only <u>for the load compartment of a road vehicle as described in Annex 2, article 1 (i.e. different from a container or demountable body)</u>. In case of transport of a demountable body, as defined in Annex 6, Explanatory note 0.1(j), or a container, an approval plate, as provided for in Annex 7, Part II, is required to be affixed to the approved demountable body or the approved container.

c) Containers

Containers must be constructed in conformity with the conditions laid down in Part I of Annex 7 and must have been approved according to the procedure laid down in Part II of that Annex.

Containers approved for the transport of goods under customs seal in accordance with the Customs Convention on Containers, 1956, the agreements arising there from concluded under the auspices of the United Nations, the Customs Convention on Containers, 1972 or any international instruments that may supersede or modify the latter Convention, shall be considered as complying with the provisions of the TIR Convention and must be accepted for transport under the TIR procedure without further approval."

Last but not least, it is also recommended to advise these transport operators who want to start using the TIR System that they should also equip their vehicles with TIR plates as reproduced in Annex 5 to the TIR Convention.

One **rectangular plate bearing the inscription "TIR"** and conforming to the specifications given in Annex 5 to this Convention, shall be affixed to the front and another to the rear of the road vehicle or combination of vehicles. These plates shall be so placed as to be clearly visible. They shall be removable or be fitted or designed in such a way that these plates can be reversed, covered, folded or indicate in any other manner that a TIR transport is not carried out.

The dimensions of the plates shall be 250 mm by 400 mm. The letters TIR in capital Latin characters shall be 200 mm high and their strokes at least 20 mm wide. The letters shall be white on a blue ground. An electronic file (encapsulated postscript format – EPS) containing the TIR plate in conformity with Annex 5, is available on the TIR web site or can be obtained by contacting the TIR Secretary.

3. Additional information relating to TIR use in the UK

IRU members are invited to enquire about their road freight transport and logistics operators' interest to start using TIR after Brexit and inform IRU thereof.

a) Do TIR holders need to submit advance cargo information prior to entering the UK? If yes, by which means and where?

No, holders should just provide their TIR carnets at the border control to be handled by the customs officer (stamps and control).

In a second stage (6/9 months) customs will be ready to get advance cargo information with safety and security and then advance cargo information should be submitted prior the entry/departure in the UK.

b) As a normal TIR transport, import formalities will be carried out at the customs office of destination (inland)?

Yes, after arrival at destination, the TIR operation will be terminated and goods passed to another regime (import, temporary storage, etc)

c) In case of transit in the UK for movements to Ireland, where the TIR holders should terminate the transit in the UK?

Customs at ports will perform the stamp and termination of the TIR procedure in the UK.

d) Is the use of Authorised Consignors for TIR is already in place in the UK?

UK Customs envisage to implement it on a later stage.

e) Is the use of Authorised Consignees for TIR is already in place in the UK?

In the UK, there are already 40 authorised consignees able to work with TIR

f) Will the number of inland customs offices will increase and will they be open for TIR?

The number will remain unchanged at the moment (around 44).

g) What is the current status of the IT system to manage TIR movements (transit)?

UK Customs is working on import-export and transit system, customs will inform on a timely manner when changes on the requirements will occur.

h) Any special requirements for TIR at entry/exit points?

No, TIR paper will act as the Customs declaration for transit, no additional requirements are foreseen for the coming months.