

Formalities for the export of union goods from the UK

Customs Information Paper 64 (2016)	
Who should read:	All economic operators involved in completing export formalities for the export of union goods from the UK.
What is it about:	Failure of economic operators to complete customs export formalities. Reminder to provide commodity codes to freight agents.
When effective:	5 December 2016
Extant until/ Expires	Ongoing

1. Introduction.

HMRC is aware that UK exports which reach customs offices of exit in other Member States are being flagged up as irregular because export formalities have not been correctly completed in the UK. Previously, Customs Information Papers (CIPs) [\(10\)33](#) and [\(10\) 63](#), were issued to advise on the correct procedures for completing export formalities for goods being exported from the UK. This is a reminder of those procedures and notification of the relevant regulations under the new customs legislation.

2. Operation of the Export Procedure.

Customs legislation states that exports to third countries must be placed under the export procedure and must be covered by a customs declaration. Where an export is being made from the UK, the export formalities must be completed in the UK.

The UK export procedure is based directly on the provisions of the Delegated and Implementing Regulations (2015/2446 and 2015/2447) which involves a number of steps, performed by various parties, through the HMRC declaration processing system Customs Handling of Import and Export Freight (CHIEF) system. These can be summarised as follows:

- Pre-lodgement
- Presentation to Customs (by means of an arrival message) at the place of export
- Acceptance and clearance (permission to progress (P2P))
- Departure from the UK (direct exports)

- Departure from the EU (indirect exports.)

[CIP \(10\)33](#) provides more information on this process.

It is important to note that, whilst the UK declaration system will provide a Movement Reference Number (MRN) when the declaration is lodged, that information isn't transmitted to the office of exit until the goods have been released and permission to progress is granted.

Failure to complete the exports procedure may result in Customs in another Member State demanding that the consignment be returned to the UK in order for it to be processed by UK customs.

Monitoring the compliance of authorised exporters, declarants and freight agents will continue and, where non-compliance remains an issue, HMRC may consider imposing penalties.

3. Effects of non-arrived goods

Where the export declaration is not arrived correctly on CHIEF a notification is issued to the declarant, or person submitting the declaration (submitting trader) , 22 days after the export data was first entered to CHIEF(P9 print) to advise them to take appropriate action. If the declarant or submitting trader ignores that notification, the export declaration is automatically deleted from CHIEF after a further 38 days as the export is deemed not to have taken place.

(Please note: this period of time was extended from 8 days to 38 days to allow traders sufficient time to make an amendment to the declaration.)

It is important that data queried under the P9 procedure is correctly processed. Failure to do so may prevent traders from zero rating their exports for VAT, receiving CAP refunds/export reliefs or from obtaining returned goods relief if the goods are re-imported. It will prevent electronic discharge of the Master Reference Number (MRN) for the export movement.

If Excise goods are not arrived, the legal requirements upon Excise warehouse keepers will be compromised. Excise Duty suspension may not be applicable and the duty may be chargeable.

4. Commodity Codes

HMRC are aware that there are instances where the declarant has not been given the commodity code for the export consignment. Exporters must provide the correct commodity code for their export to their declarant, so that the export declaration is completed correctly. Failure to do so may result in penalties where HMRC find that an export declaration has been misclassified.

5. Contacts.

Customs Export Policy Email: export.customspolicy@hmrc.gsi.gov.uk

Export Enquiries Team Email: Export.enquiries@hmrc.gsi.gov.uk

Issued on the 7 December 2016 by Customer Strategy and Tax Design, HMRC.

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