

Creative sector - customs meeting Tuesday, 21 September · 11:00am – 12:15pm

Movement of Goods

This session will cover:

- Introductions
- Key UK rules and principles
- Supporting the sector/sharing understanding in respect of EU customs formalities
- Haulage
- Stakeholder questions
- Next steps

Introductions

- **DCMS** session facilitation/oversee next steps
- HMRC information on the UK movements
- BPDG Overview of work in supporting sector understanding of customs formalities within priority Member States. Development of ongoing conversation to support post-pandemic touring
- UKMIS Overview of engagement with the body responsible for EU customs formalities (TAXUD). Opportunity for the sector to provide information to support development of TAXUD guidance. With support from European Market Access Centre
- DFT Information in respect of transporting goods by road

ATA Carnets

- Allows non-perishable goods to be temporarily moved between countries with suspension of customs charges, and can be used by private travellers and businesses in over 80 countries and territories around the world.
- By replacing customs documents that would normally be required it can help simplify the customs
 clearance processes in importing and exporting countries, overcome language barriers and unfamiliar
 customs forms as well as providing a financial security for customs charges potentially due on the goods.
- ATA Carnets can be used for goods such as commercial samples (e.g. prototypes & display equipment), professional equipment (e.g. photography equipment) and goods for presentation at exhibitions.
- ATA carnets are valid for up to 12 months from the date of issue and can be used multiple times, and in multiple countries during the period of validity.
- Those who hold a Carnet will still be required to obtain necessary export licenses or permits.

ATA Carnets (continued)

- The holder must adhere to certain requirements, ensuring that the Carnet is presented for endorsement each time the goods enter or leave a customs territory and presented on request from customs officials.
- Following the end of the transition period, the existing ATA Carnet process with convention countries outside the EU applies to relevant imports and exports with the EU, providing one of the options available to both businesses and individuals when temporarily moving goods between the UK and EU countries
- Further details, including how to apply, can be found at https://www.gov.uk/guidance/apply-for-an-ata-carnet

Temporary Admission

- Customs Special Procedures allow businesses to benefit from suspension of customs duties and VAT under specified conditions. Included within Special Procedures is Temporary Admission.
- Temporary Admission is a customs procedure that allows you to import non-UK goods temporarily in to the UK and, provided you remove the goods from the UK at a later date, any import duty or import VAT is suspended.
- Temporary Admission can be useful if temporarily importing goods such as professional equipment, samples or items for auction, exhibition, or demonstration in the UK.
- Goods can be imported under Temporary Admission for up to a maximum of 24 months. Some goods
 imported under Temporary Admission have set time limits to be discharged. A full list of goods eligible for
 Temporary Admission, alongside their uses and conditions, is available online at
 https://www.gov.uk/guidance/check-if-you-can-get-import-duty-relief-on-goods-using-temporary-admission

Temporary Admission (Continued)

- To be authorised to use Temporary Admission, traders can either apply for a full authorisation (useful for regular imports) or use the Authorisation by Declaration process (useful for casual imports as each entry is a separate application for authorisation).
- Some goods under Temporary Admission are eligible for an oral declaration (by speaking to a Customs Officer at the port of arrival) or a 'by conduct' declaration (passing through a green channel at the port of arrival). A list of these goods are available <a href="https://example.com/here/beta-based-action-com/here
- From 1 January 2021, Temporary Admission can be used for goods entering the UK from EU countries (as well as for Rest of World imports), provided the relevant conditions are met. The management of EU import and export procedures is the responsibility of the customs authorities of the Member States. It is important that businesses and individuals confirm the processes at their port of arrival and any conditions or procedures that may apply, such as the time limit goods may remain in the EU without the payment of duty. More information can be found online at https://ec.europa.eu/taxation_customs/home_en.
- Further details on Temporary Admission in the UK, including how to apply, can be found at https://www.gov.uk/guidance/apply-to-import-goods-temporarily-to-the-uk-or-eu.

Returned Goods Relief

- Individuals and traders returning goods are able to claim Returned Goods Relief (RGR) from customs import duty for goods that are exported from the UK and re-imported within three years of export, subject to certain conditions..
- The general rules for RGR are that:
- the goods would been in free circulation (i.e. not have been in a customs duty suspensive regime) before being exported
- originally sent from UK (transported /exported)
- for VAT RGR to apply, the exporter and importer must be the same person and any VAT due must have been previously paid in the UK or EU.
- the goods have not been exported to be repaired or processed. If they were but the repair or process was not carried out, relief may still be available

Returned Goods Relief (Continued)

Details and conditions for the reliefs are set out in the RGR guidance available online via the link https://www.gov.uk/guidance/pay-less-import-duty-and-vat-when-re-importing-goods-to-the-uk-and-eu

MIB – moving between Great Britain and Rest of the World

Commercial goods also known as Merchandise in Baggage are goods (to sell or use in your business) where:

- a commercial transport operator does not carry them for you or you do not pay them to carry them for you
- you've travelled from or to Great Britain carrying goods either in your baggage or in a small vehicle that can carry up to no more than 9 people and weighing less than 3.5 tonnes

MIB – moving between Great Britain and Rest of the World (continued)

Customs Declaration

MIB below £1500 and weighing less than 1000kgs and not classed as controlled goods:

- make oral declaration to a Border Force Officer at the port if facilities exist; or
- use HMRC's simple online declaration service before coming into or leaving the country.

MIB over £1500 or weighing over 1000kgs or classed as controlled goods

Submit standard electronic customs declaration to HMRC through a customs agent or intermediary.

Further details can be found at:

https://www.gov.uk/guidance/taking-commercial-goods-out-of-great-britain-in-your-baggage and https://www.gov.uk/guidance/bringing-commercial-goods-into-great-britainin-your-baggage, https://www.gov.uk/guidance/taking-commercial-goods-out-of-great-britain-in-your-baggage

UKMis Overview

- Role of UKMis and how we interact across HMG/Whitehall
- Economic Affairs Team structures and key areas of work
- Key relationships
 - TAXUD
 - EU Member States
 - Industry bodies
 - WCO
- How we can support

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Case Study 1

A Musician travelling from GB to an EU Member State with portable equipment or a musical instrument such as a violin or guitar either for personal or business use.

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1. TRAVEL DOCUMENTS

- -Valid passport with +6 months to run -Existing UK European Health Insurance card (UK EHIC) or UK Global Health Insurance card (UK GHIC)
- -Travel Insurance business insurance may be required -If intending to drive in the EU, carry your UK driving licence

2. VISA /WORK PERMITS

-Visas or work permits for short-term tours may not be needed in the following EU MS: Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Poland, Slovakia, Slovenia & Sweden.

3. ADDITIONAL TRAVEL DOCUMENTS

- -If the musical instrument contains endangered species or specimens, eg rosewood or ivory, then you will need to apply for a CITES permit or CITES certificate which is free for musical instruments.
- -You will also need to use a CITES designated GB port of exit and EU port of entry.
- -Further detail can be found <u>here</u> and here

6. DEPARTURE FROM EU MS AND

- ARRIVAL IN GB
 -You may need to present the "oral declaration form" to custom officials in the EU MS upon departure to GB.
- -Upon arrival in GB, you can exit via the green channel providing you have not gone over your personal allowance or have cash to declare (over £10,000) or have commercial goods.
- -You will need to arrive back into a GB CITES port if the musical instrument contains a CITES listed specimen.

5. ARRIVAL INTO EU /TEMP ADMISSION

Upon arrival into your first EU MS port or airport you can pass through the green or "nothing to declare" channel. The EU is one customs territory so if subsequently travelling onto other EU MS, (intra-EU travel) you should pass through the blue channel.

-Alternatively you may have to complete an "oral declaration form", a copy of which may be given to you. You do not have to pay any import duty on the instrument.

4. ACCOMPANIED

-If travelling with the musical instrument &/or equipment as part of your personal baggage on a plane, train or ferry or stored in a vehicle, i.e. car, you have "accompanied" it throughout its journey. You can therefore use what is termed "Temporary Admission" i.e you have temporarily taken your musical instrument out of GB to work, perform or tour in the EU.

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Case Study 2

A band hiring a transport company to move their musical instruments and equipment from GB to the EU using an ATA Carnet however the band do not accompany the instruments and equipment.

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1. UNACCOMPANIED

-Band decides to tour/perform in the EU and hires a logistics firm/haulier to transport their musical instruments and other equipment.

- Band members will not be accompanying the instruments and equipment.
- -Required travel documents, visa/work permits and additional travel documentation as per Case Study 1 apply to band members.

6. ENDORSEMENT OF CARNET CONT

- -When departing from Holyhead, you can use Roadking Truckstop in Holyhead to get your carnet stamped. Alternatively you can use the IBFs at Birmingham or Warrington.
- A carnet can be issued in the name of an individual or company and can be used by any person on the proviso the user carries a letter of authorisation from the carnet holder -this would apply if using a logistics company/freight forwwarder etc

2. ATA CARNET

-As the musical instruments and equipment are not accompanied then customs formalities are required.
-The band can apply for an ATA Carnet to

- simplify customs procedures into the EU or use a freight forwarder to do this.

 -An ATA carnet is an international customs
- document which allows the importation on a temporary basis of non perishable goods into countries which are part of the ATA carnet system--list can be found here

5. ENDORSEMENT OF CARNET

-If departing via Dover or Eurotunnel then your nearest IBFs to get carnets stamped are Sevington IBF in Ashford, STOP 24 on Junction 11/ M20 or Dover Western Docks. -If travelling to Ireland from Holyhead by ferry, it is best to pre-notify UK (bfholyhead@homeoffice.gov.uk) and Irish Customs (CustomsPBN@revenue.ie) 24 hours in advance of travelling stating vehicle reg, carnet no & departure time.

3.APPLICATION FOR AN ATA CARNET

-An application for an ATA carnet, which is valid for one year, needs to be made online using the London Chamber of Commerce & Industry (LCCI) eATA Carnet system which can be found by clicking here or by post.
-If using a freight forwarder, they will complete the online application on your behalf. The cost of the carnet is £216 for members of LCCI and £360 for non members.

4. DEPARTURE FROM GB

-Once an application has been made for an ATA carnet, HMRC will advise the carnet holder to report to a customs official at an approved GB site/location to be validated.
-Upon reporting to the site/location, officials from Border Force (BF) will stamp the carnet confirming the exported instruments & equipment match the items in the carnet.
-If travelling from Holyhead, Dover or Eurotunnel, a slot will need to be booked at an Inland Border Facility (IBF). The list of GB IBFs can be found here.

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7. ENDORSEMENT OF CARNET CONT

-If using a representative such as a logistics company, then you have to list their name in Box B (if they don't hold a letter of authorisation) & sign it yourself in Box J on the front green cover of the carnet. Further detail on carnets & what makes them up can be found here & here.

-Carnets are also valid for items in hand luggage or baggage transported via air. For flights to the EU, it is important to ensure customs staff are available to validate your carnet on exit & re-entry at UK airports. Upon arrival into the first EU MS airport, you will need to ensure your carnet gets stamped at the relevant customs office.

10. ARRIVAL BACK INTO GB

- -Prior to your departure from the EU, refer to the carnet procedures given by the LCCI or contact the HMRC helpline on 0300 322 9434 to ensure a customs official is available upon return to GB.
- -The carnet holder will need to submit an S&S declaration from 01/07/22.
- -You will need to arrive back into an approved GB site/location where BF will stamp the carnet.
- -If returning via Dover the primary location to get this done is Dover Western Docks or Sevington IBF. If returning via Eurotunnel you can get this done at STOP 24, at J11/M20.

8. ENTRY INTO EU

-For companies moving goods under a transport contract, the carnet holder will need to ensure that the relevant Safety & Security (S&S) declaration is made at appropriate times on both import/export at the seaports.

-Upon entry into the first EU MS, the driver will be required to present the carnet to customs officials who will stamp it. If passing through other EU MS, the carnet does not need to be presented or stamped again as the EU is one customs territory.

-The carnet will then only need to be presented and stamped by the relevant MS customs upon exit from the EU.

9. ENTRY INTO EU CONTINUED

-If arriving in France from the Dover or Eurotunnel, you will automatically be directed via the orange itinerary to the Centre Douane SIVEP (customs office) in Calais where your ATA carnet will be stamped. France has implemented a "smart border routing system" - further information on this and entry into other EU MS seaports such as Spain, Belgium and the Netherlands can be found here

- -If arriving into Ireland, follow the signs directing you to the customs terminal T11 at Dublin Port.
- -For other EU MS such as Belgium, Spain and the Netherlands, ensure your get your carnet stamped upon arrival at the relevant customs office.



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Case Study 3

A Musician or band travelling from GB to the EU with commercial goods (eg band merchandise) in their accompanied baggage (eg via plane) or carried in a small motor vehicle (eg via ferry) which they are travelling in.

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1. COMMERCIAL GOODS

-If the musician or band are travelling from GB to the EU accompanying their musical instruments and equipment then the same principles / requirements as set out in case study 1 apply.

-If they are also carrying commercial goods in their accompanied baggage or small vehicle which they intend to sell whilst on tour or use whilst performing, this is known as Merchandise in Baggage.

2 MERCHANDISE IN BAGGAGE

-Merchandise in Baggage are goods to sell or use as part of your work/business where:

- 1. A commercial operator does not carry them for you or you do not pay them to carry them for you
- 2. You have travelled from GB with the goods and they are either in your accompanied baggage or in a small motor vehicle which weighs less than 3.5 tonnes & can carry up to no more than 9 people.

3. TRAVELLING FROM GB TO EU

-If travelling from GB to EU with commercial goods which are not controlled, do not exceed £1500 in value & weigh less than 1000kg then you can make an online declaration 5 days before you depart GB.

-You can do this via the Merchandise online declaration service on gov.uk which can be found here. If you need evidence of export for eg tax purposes, then you should use this service.

6. BRINGING COMMERCIAL GOODS INTO GB

If bringing commercial goods into GB to sell or use in your business then they must be declared.

If they are not controlled, do not exceed £1500 & weigh less than 1000kg you can make an online declaration as per step 3.
-From 01/07/22, a Safety & Security declaration will need to be submitted to HMRC if carried in a vehicle such as a van and are worth over £1500.

5. ARRIVAL INTO THE EU

This limit of £1500 does not apply in the EU but a value limit of 1000 Euros (£858) applies for commercial goods. This means an oral declaration can be made upon arrival into the first EU MS at the Red "Goods to Declare" Channel if the goods are worth 1000 Euros or less. You should take your GB declaration/invoices or receipts with you. The EU is one customs territory so if travelling onto other EU MS, (intra-EU travel), pass through the blue channel.

4. ORAL DECLARATION

-Alternatively if your goods are not restricted or controlled, do not exceed £1500 in value and weigh less than 1000kg then you can make an oral declaration at a Red point at a GB port. If not taking commercial goods out of the UK then no declaration is required.
-The limit of £1500 only applies when

-The limit of £1500 only applies when importing commercial goods in baggage to & exporting them from GB.

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1. WHEN IS A FULL EXPORT DECLARATION REQUIRED?

-If travelling to the EU and your commercial goods are worth over £1500, weigh more than 1000kg or are restricted or controlled then a full export declaration is required.

- -In order to do this, you or someone acting on your behalf (i.e. a customs intermediary) will need an <u>EORI number</u> and access to the National Export System.
- Alternatively, you can make your declaration directly into CHIEF but will need software that work with CHIEF.

2. LEAVING GB FOR THE EU

- -Your commercial goods will need to be presented to a Border Force Officer (BFO) at the airport or seaport of departure at least 3 hours before you depart if valued more than £1500, controlled and weigh over 1000 kg in total.
- -You must also bring proof of your online declaration or make a declaration in the red channel at the seaport or airport.

3. NO RED CHANNELS AT THE SEAPORT OR AIRPORT?

- -If there are no red channels at your airport or seaport upon departure then your commercial goods will automatically be deemed as being presented or "arrived" when a full exports declaration is submitted using CHIEF.
- -This means the goods will not need to be presented to a BFO at the airport or seaport.
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6. ARRIVAL INTO GB

- -If you are arriving into GB and carrying commercial goods with a value of more than £1500, weigh more than 1000kg or are restricted or controlled then a full import declaration is required.
- -You must also submit a full import declaration if you are claiming relief, delaying paying duty or accounting for VAT on your VAT return.
- -Further information on making full import declarations can be found here

5. ARRIVAL INTO THE EU

- -Upon arrival into the first EU MS, you will be required to make an EU import customs declaration. You should head for the Red "Goods to Declare" channel taking your full export declaration and invoices or receipts with you.
- -Further information on EU customs declarations from the official website of the European Union can be found here

4. NO RED CHANNELS AT THE SEAPORT OR AIRPORT CONTINUED

- -If you are travelling with commercial goods worth over £1500, weigh more than 1000kg or are restricted or controlled and an export declaration was not completed on CHIEF, you will need to submit an online C1602 or C1603 form for the National Clearance Hub to "arrive" the goods.
- -Further information can be found <u>here</u>

EU Customs

- TAXUD overview and their relationship with UKMIS
- TAXUD has confirmed:
 - No distinction between 'professional purposes' and 'professional equipment'
 - Portable musical instruments can be declared orally for temporary admission
 - Oral declarations can be made by going through the green or 'nothing to declare channel' Supporting documents may be required to place goods under temporary admission

 - Goods can be re-exported to discharge the temporary storage (without any customs declarations to be lodged) when leaving the EU
- TAXUD guidance in development opportunity for the sector to shape
- BPDG links to priority Member States officials and how work can continue with the stakeholders

Haulage

- DfT is considering the evidence gathered as part of the Call for Evidence we ran over the summer. We will update the sector on our approach later this year.
- On splitter vans, DfT has been in touch with our counterparts in the European Commission (DG Move).
 They have confirmed their view that splitter vans do not fall in the scope of the TCA, and their use is therefore subject to Member State law.
- They have confirmed too that, even within the EU, the use of splitter vans from other EU Member
 States is subject to Member State law. This was also the case while the UK was a member of the EU,
 and as the TCA does not apply to splitter vans, their use by UK operators will continue to be governed
 by Member State law.

Summary of stakeholder questions

- Is it possible to provide a list of portable musical instruments?
- Can an 'international event' for the temporary importation of professional equipment and goods include music events?

- What is meant by 'oral' and 'by conduct'?
- Can musical instruments and equipment required for the production of a music performance can be taken temporarily into the EU using the oral or by conduct routes?
- How appropriate are Duplicate Lists for touring EU countries?

- When travelling with a combination of musical instruments, equipment and merchandise is it possible to do an oral or by conduct declaration?
- Splitter vans carry people and equipment are they subject to the cabotage rules
- Can a haulage driver accompany goods on the musician's behalf?

Questions

- 1. In certain circumstances can instruments, equipment and merchandise be taken across borders without the need for an ATA Carnet or full customs declaration?
- 2. Within the UK 'an oral declaration' at the 'goods to declare' channel or the 'red point' phone in the customs area at the port can be used, whereas within the EU a 'Declaration By Conduct' can be used. Do these mean the same thing?
- 3. 'To make the declaration, you must carry the goods through the customs control point. If there are no customs control points, you should follow an exit sign and leave the airport or port.' Does this refer to an EU port?
- 4. Can you confirm and set out what tariffs, VAT and Duty may be applicable to musicians entering the EU as the information is hard to find.
- 5. Where to go to get ATA Carnets stamped at EU ports other than Calais eg. Rotterdam, Zeebrugge.

Next Steps

- Continued review and development of gov.uk for UK rules around customs, including ATA Carnets and Duplicate Lists
- DCMS to consider whether gov.uk 'landing page' signposting text should be updated
- UKMIS to provide update on TAXUD guidance products
- Continued DCMS led links between BPDG, DIT and stakeholders to raise priority Member State issues
- Sector to continue to provide feedback to DCMS
- Thanks for taking part and any further questions welcome at this stage