



TTF Brexit Guide

preparing for a no deal

A guide for the UK timber industry



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This pocket guide informs businesses of the implications for the trade in goods between the UK and EU countries, and the actions they may want to consider taking to mitigate the potential impacts in the event of a **No Deal Brexit**.





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Contract Documents

Check contracts and chosen INCO Term to establish who is responsible as importer.

Who is responsible for customs procedures?

Incoterm 2010	EXW	FCA	FAS	FOB	CFR	CIF	CPT	CIP	DAT	DAP	DDP
Export-Customs declaration	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Carriage to port of export	Buyer	Buyer or Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Unloading of truck in port of export	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading charges in port of export	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Carriage (Sea Freight/Air Freight) to port of import	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Unloading charges in port of import	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading on truck in port of import	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller
Carriage to place of destination	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller
Insurance	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Buyer	Seller	Seller	Seller	Seller
Import customs clearance	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller
Import taxes	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller



Logistics

Getting started

- 1 Get an Economic Operator Registration and Identification (EORI) number that starts with GB
- 2 Decide if you want to make customs declarations yourself or get help
- 3 You may need to buy specialist software to use simplified procedures
- 4 You could be entitled to financial help to help your business complete customs declarations training
- 5 If you already have authorisations to use special or simplified procedures check if they still apply
- 6 If you do not already use simplified customs procedures, find out if you can register to use transitional simplified procedures. You can also find out about making declarations using transitional simplified procedures. This can make it easier for you to import goods from the EU. Sign up for a TSP here - www.gov.uk/guidance/making-declarations-using-transitional-simplified-procedures



The first step to preparation is to register for an EORI.

You can do so by following this link www.gov.uk/eori



Customs Entry

In a No Deal Brexit, UK businesses that import goods will need to apply the same procedures to EU trade that apply when trading with the rest of the world.

HMRC has introduced transitional simplified procedures to help businesses import

goods from the EU. These will be reviewed in 3 to 6 months after they're introduced.

There is currently no published guidance which applies to moving goods between Ireland and Northern Ireland.

Finance

If the UK leaves the EU without an agreement, the government will introduce postponed accounting for import VAT on goods brought into the UK. This means that UK VAT registered businesses importing goods to the UK will be able to account

for import VAT on their VAT return, rather than paying import VAT on or soon after the time that the goods arrive at the UK border. This will apply both to imports from the EU and non-EU countries.



Further information on customs, VAT and shipping can be found in the Technical & Trade Hub of the TTF website.





CE Marking

The Construction Products Regulation CPR is classified as a “new approach” regulation and so the following information comes from the government guidance paper “Trading goods regulated under the ‘New Approach’ if there’s no Brexit deal”

A critical statement within this Government guidance is: “Products that meet EU requirements can continue to be placed on the UK market without any need for retesting or re-marking, including where they have demonstrated compliance with EU requirements after exit day.”

This means that as a UK manufacturer or importer placing CE marked goods for construction on the UK market your business can, in the event of a deal or a no deal scenario, continue to operate legally without significant change.

Members are advised to check with their notified body to confirm they have the necessary arrangements in place.

As a consequence of leaving the EU, there will be changes in the longer term principally because the UK will no longer be able to participate in the EU structures developed for implementation of the Construction Products Regulation. This means to pursue the stated objective of “frictionless trade” the UK is developing a parallel system.

This will mean that the Construction Products Regulation will become UK law.

- **Existing harmonised standards such as – EN.14250 for Trussed Rafters (used to demonstrate conformity with EU essential requirements) will become UK ‘designated standards’, used to demonstrate conformity with UK essential requirements. Immediately following exit these will be identical to EU essential requirements.**
- **Notified bodies based in the UK will be granted new UK ‘approved body’ status and listed on a new UK database.**
- **Approved bodies will be able to assess products for the UK market against UK essential requirements. Immediately after exit day in a No Deal scenario, UK requirements will be identical to EU essential requirements.**

A new UK conformity mark is being developed by the UK for manufacturers to affix before placing a product on the UK market.

For UK manufacturers wishing to export and place CE marked goods for construction on the EU market, your business can, in the event of a deal or a no deal scenario, continue to operate legally provided the notified body you are using is registered in an EU member state or has a partnership arrangement with such a body.

We advise all members to check with their current notified body to see what actions they should take.



Executive Summary

- **UK notified bodies will no longer be able to support CE marking**
- **UK notified bodies will automatically become UK accreditation bodies**
- **Products placed on the UK market will still require accreditation**
- **UK manufacturers can choose CE marking or the new UK Accreditation mark**
- **Products exported to EU or delivered directly from outside EU must be CE marked**
- **Manufacturers must transfer away from current UK notified body to continue CE marking**
- **Manufacturers must change logo to start using new UK Accreditation mark**
- **Manufacturers who mark without a notified body (level 4) can choose CE or UK marking.**

If you are currently using a UK notified body such as BM TRADA or CATG, to support CE marking for products you are placing on the market, for instance:

- Strength graded timber
- Plywood manufactured outside the EU
- Wood based panels manufactured in the UK or outside the EU

You should speak to your UK notified body to discuss the options available. If you do nothing you are at risk that the construction products you are currently placing on the UK or EU market may no longer be accepted in a No Deal Brexit.







Plant Health (Forestry Commission)

The main plant health risks to UK forests are posed by the commercial trade in some conifer wood products from EU member states. This is because conifer wood with residual bark or isolated bark could harbour certain species of bark beetles that are present in continental Europe but are absent from Great Britain.

The import scenarios outline the processes for different wood and bark products as guidance to importers handling EU material, or third country material transiting through the EU en-route to GB. These scenarios outline whether or not the product is controlled for phytosanitary purposes. The following scenarios cover imports and exports into England, Scotland and Wales (GB).

Scenario 1 EU bark free sawn timber with no phytosanitary relevance to a GB seaport

Scenario 2 Currently EU Plant Passported sawn timber with bark to a GB seaport

Scenario 3 Third Country Material Transiting through the EU to a GB seaport

Scenario 4 Third Country Material Transiting through the EU to a GB to a RoRo Port of Entry

Scenario 5 Bark-free conifer material from Portugal to a GB seaport

	Forestry Trader Application Form	Quarantine Release Certificate	Phytosanitary Certificate	Pre-Notification Form	Plant Health Import Inspection Fees	Stopped at border for phytosanitary check	Additional
Scenario 1	✗	✗	✗	✗	✗	✗	Importing from Scandinavia or Baltics will have no change in import requirements
Scenario 2	✓	✓	✓	✓	✓	✗	
Scenario 3	✓	✓	✓	✓	✓	✗	
Scenario 4	✓	✓	✓	✓	✓	✗	Apply for authorisation of Place of First Arrival (POFA)
Scenario 5	✓	✗	✓	✓	✓	✗	

✓ Required ✗ Not required

In a No Deal Brexit, all solid Wood Packaging Material (WPM) exported from the UK to the EU and all solid WPM being imported from the EU to the UK would need to be ISPM15 compliant. This means it must have undergone treatment and marking. The plant health risk from WPM imported from the EU is not expected to change as a result of an EU exit. Further information about these scenarios can be found here - www.ttf.co.uk/download/wood-imports-and-exports-under-a-no-deal-scenario/



EUTR

Importing

In the case of a No Deal Brexit, anyone importing timber from the EU into the UK will now have to undertake full due diligence to comply to the EU Timber Regulations and adhere to TTF's Responsible Purchasing Policy.

In a No Deal, importers of EU timber will be considered 'Operators' and will be obliged to exercise due diligence that shows negligible risk of illegally harvested timber entering their supply chain.

It is likely that EU exporters would need to provide relevant documentation about the source and legality of their timber exports to the UK to enable you to meet your due diligence obligations under the EUTR.

If you're importing timber from the EU that is covered by a CITES import permit, you will not need to conduct due diligence.

Exporting

It is likely that UK-based exporters would need to provide relevant documentation about the source and legality of their timber exports to EU and EEA-based importers to enable their customers to meet their due diligence obligations under the EUTR.



The TTF has developed guidance, training and toolkits for EUTR compliance under all scenarios. We are confident our members will be ready from day one.



Duty Rates

If there is no trade agreement between the UK and another country after Brexit, you will have to trade with that country under World Trade Organization (WTO) rules.

WTO rules state that the same trading terms must be applied to all countries, unless there is a trade agreement between 2 or more countries. This is known as Most Favoured Nation (MFN) treatment. Most Favoured Nation means that the UK cannot offer better trading terms to one country and not another, unless it has a trade agreement that allows it to do so.

The proposed UK Trade Tariff, currently published as a draft aims to reduce to zero the duty rates on as many commodity codes as possible. All commodity codes in Chapter 44 for Wood and Wood Products are listed as 0% duty.

www.gov.uk/guidance/check-temporary-rates-of-customs-duty-on-imports-after-eu-exit

All wood and wood products under Chapter 44 will have a 0% duty.





Trade Preferences

Trade preferences reduce or remove rates of duty (tariffs) on imports from developing countries into the EU, and this system is called, Generalised Scheme of Preferences (GSP).

In the event of a No Deal, the UK will implement its own Generalised Scheme of Preferences (UK GSP).

From exit date, the UK GSP will continue to provide trade preferences to the same countries at the same preferential rates as are currently applied through the EU's GSP.

www.gov.uk/guidance/generalised-scheme-of-preferences-countries



**In a No Deal,
the UK will trade
with developing
countries at the
same preferential
rates.**







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