

## Get Ready for CDS

### Providing the clearance instructions for your declaration

Charles Kendall have been advising our customers about how different a CDS entry is going to be for quite some time. To assist our customers in their preparation we have compiled a list, in the first table below, of information you will need to include in your clearance instructions, to be assured the CDS declaration we submit on your behalf is accurate.

All the criteria detailed have relevance for a CDS entry, so should be considered as mandatory. You should try to cover as much of this content as you can when providing your clearance instructions to us.

Where the listing is prefixed with a **"D"** the information may be discernible from the documents if included in them. However, where it is not, you should capture it in your clearance instructions instead. You may wish to review your usual shipment documentation and check if the content can be changed to simplify this. For imports, this may mean speaking to your supplier.

In the second table provided we have tried to provide background on each of the criteria, to highlight its importance in the clearance process. In some instances, we have been able to include links to reference tables for you as well. We hope this information is of benefit and helps you.

Clearance instructions criteria to consider capturing:

1.	<b>D</b>	Who is the importer?		
2.	<b>D</b>	Is the importer different to the buyer? Who is the buyer		
3.	<b>D</b>	Who is the Exporter?		
4.	<b>D</b>	Is the exporter the Seller, or is there a different Seller - who?		
5.		What are the EORI's for each of the above parties <i>(Where applicable/available?)</i>		
6.	<b>D</b>	What are the Incoterms of the shipment?		
7.	<b>D</b>	What location are the Incoterms up to? <i>(Named place)</i>		
8.	<b>D</b>	Movement details <ul style="list-style-type: none"> <li>○ <i>flight details for air</i></li> <li>○ <i>vessel details for ocean</i></li> <li>○ <i>truck and crossing details for road/roro</i></li> <li>○ <i>Accompanied or unaccompanied?</i></li> <li>○ <i>Haulier name / EORI</i></li> </ul>		
9.	<b>D</b>	Location of goods? <i>(Formerly Box 30)</i>		
10.		Is the UK frontier an inventory linked location?		
11.		Are there any licences required? <i>(Please provide a copy)</i>		
12.	<b>D</b>	Are they SPS / POAO / HRFNAO goods? <ul style="list-style-type: none"> <li>○ <i>Are CKF doing IPAFFS?</i></li> <li>○ <i>Key info for IPAFFS</i></li> <li>– <i>Temp Control or Ambient?</i></li> <li>– <i>Purpose of consignment i.e., "for internal market"</i></li> <li>– <i>Species/genus</i></li> <li>– <i>Commodity intended for "for animal consumption" or "for human consumption Etc."</i></li> </ul>		
13.		Are goods hazardous? (Y/N?)		
14.		Additions and deductions Is there anything that affects the customs value of the goods that is not specified on the commercial invoice – include freight amounts, insurance, discounts etc.		
15.		Nature of transaction as per table in tariff for DE 8/5		
16.		Supplementary / Additional Codes for TARIC (2600, 2601, 2700, 2701 etc)		
17.	<b>D</b>	Country of destination?		
18.		Is satisfactory evidence for the claim to preference available? <i>(e.g., Correct preference statement or correct docs etc.)</i>		
19.	<b>D</b>	What is the net mass in kg for the product(s) being declared		
20.	<b>D</b>	Supplementary Units <i>(e.g., number of pairs for footwears, litres for liquids etc.)</i>		
21.	<b>D</b>	What is the gross mass in kg for the products declared?		
22.	<b>D</b>	Value(s)		
23.	<b>D</b>	What is the transaction currency for the values that are declared?		
24.		Procedure Code (first 4)?		
25.		Additional Procedure Code (final 3)?		

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## Trader Checklist – Moving to the Customs Declaration Service

26.	Are you using any special Customs regimes? <ul style="list-style-type: none"> <li>○ Please provide full authorisation details. Include: <ul style="list-style-type: none"> <li>– approval number for use on CDS</li> <li>– Controlling HMRC office details,</li> <li>– Is the approval covered by a CCG?</li> </ul> </li> </ul> Please remember to give us the CDS CCG number.		
27.	Tax rates (Are you claiming any nil or reduced duty rates) (Are the goods zero VAT rated etc?)		
28.	What Method of payment are you using?		
29.	Will you be using your own deferment? <ul style="list-style-type: none"> <li>○ Do we have the details of the deferment?</li> <li>○ Have you authorised CKF to use the deferment via the Govt Gateway?</li> <li>○ Is the deferment covered by a CCG?</li> </ul> (Please remember to give us the CDS CCG number)		
30.	Valuation <ul style="list-style-type: none"> <li>○ Is there a price influence as the result of a relationship between the buyer and seller?</li> <li>○ Are there restrictions as to the disposal or use of the goods by the buyer?</li> <li>○ Is the sale or price subject to some condition or consideration?</li> </ul> Is the sale subject to an arrangement under which part of the proceeds of any subsequent resale, disposal or use accrues directly or indirectly to the seller?		
31.	Are you using Postponed VAT Accounting (PVA)? (Have you notified CKF in writing?)		
32.	Are CKF representing you Directly or Indirectly? (Have you provided the relevant Letter of Empowerment to CKF?)		
33.	Commodity code		
34.	<b>D</b> Country of origin?		
35.	<b>D</b> Country of preference?		

**NOTE:** To help you understand why all the fore going information is so important, please see the follow notes for each point listed.

1.	The 'Consignee' in CHIEF has been replaced with the Importer and Buyer in CDS however the Buyer is only required if different to the Importer. Please see the definitions below:
2.	<b>Importer</b> – The party who makes, or on whose behalf an import declaration is made. <b>Buyer</b> – The last known entity to whom the goods are sold or agreed to be sold. If the goods are to be imported otherwise than in pursuance of a purchase, the details of the owner of the goods shall be provided.
3.	The 'Consignor' in CHIEF has been replaced with the Exporter and Seller in CDS however the Seller is only required if different to the Exporter. Please see the definitions below:
4.	<b>Exporter</b> – The last seller of the goods prior to their importation into the Union. <b>Seller</b> – The last known entity who sold the goods or agreed to the sale to the buyer.
5.	Used to identify the registered entity of each party. EORI's are unique for each entity within the transaction.
6.	Incoterms determine which entity is responsible for payment of each milestone within the transaction. For example, DDP means the Importer/Buyer is only required to pay import VAT.
7.	The final location for where the responsibility of the Incoterm transfers from the Seller to the Buyer. For example, the first component of the Incoterm is DDP and the second is a named place = DDP-Manchester UK
8.	Used to determine how the shipment was imported into the United Kingdom, including whether the driver accompanied the shipment or if this was a container which was collected from the frontier, unaccompanied. (Your haulier / carrier should be able to support you with this information.)

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9.	This will assist the import declarant when claiming the shipment from the frontier for onward delivery. It also determines whether a pre-lodged entry can be used. <i>(Your haulier / carrier should be able to support you with this information.)</i>
10.	This will assist the import declarant when claiming the shipment from the frontier for onward delivery. It also determines whether a pre-lodged entry can be used. <i>(Your haulier / carrier should be able to support you with this information.)</i>
11.	Used to show the shipment conforms to import formalities and is fit to enter the United Kingdom (UK). Any shipment missing a licence will be delayed whilst undergoing import clearance; it is imperative CKF have a copy of any licence(s) ahead of the shipment arriving to the UK frontier to avoid delay.
12.	Required to determine if the shipment requires additional certificates (e.g., Health certificates etc.). Certain Products Of Animal Origin (POAO) are controlled at first point of entry into the United Kingdom, for example dairy products, fresh foodstuffs etc..
13.	Used to determine if special treatment or handling is required for the shipment.
14.	Used in addition to the total value of goods to arrive at the Customs Value (dutiable value). It is necessary to include any pre-CIF freight charges, insurance, other charges due after the frontier which may affect the Customs Value of the shipment.
15.	Used to determine the type of transaction, for example goods returning to the initial country of export. <i>CDS Data Element 8/5 - view the full table for available code combinations online <a href="#">here</a></i>
16.	In case a TARIC code is not informative enough, it may be necessary to go to further detail with the additional TARIC code. The length of the additional code is 4 characters and can be numeric (e.g., 2600, 2601 etc.) or in the case of Anti-Dumping Duties, alpha-numeric (e.g., B999)
17.	The ultimate country of destination is typically where the buyer is located to receive the shipment, but this is not the case for all shipments, so it is important to show the final location for the shipment.
18.	Used to determine if your shipment is claiming Duty of Tax relief due to a Trade Agreement with the United Kingdom.
19.	Net mass is the weight of the product contained within the shipment, minus any packaging or pallets used within the shipment.
20.	It is important to state how many "units" are contained within the shipment for statistical purposes. E.g., It may be necessary to input the litres of a liquid, or number of pairs for shoes in a shipment as supplementary units.
21.	Gross mass is the weight of the product contained within the shipment, including any packaging or pallets used within the shipment.
22.	Used to determine the final Customs Value for Duty and/or VAT amounts applicable to the shipment. It is imperative that the declared value is determined to be that of the same or similar articles imported into the United Kingdom to avoid post-clearance demands from HMRC.
23.	This is the currency used for the transaction on the goods between the Seller and the Buyer.
24.	The CPC code which signifies why the shipment is brought into the country. For example, '4000 - Release to Free Circulation' for shipments intended to circulate within the United Kingdom. <i>You may wish to refer to <a href="#">Appendix 1: DE 1/10: Requested and Previous Procedure Codes</a></i>
25.	The CPC code which signifies additional guidance on how the shipment should be handled. For example, '000 - No other additional procedure code applies'. <i>You may wish to refer to <a href="#">Appendix 2: DE 1/11: Additional Procedure Codes</a> for details.</i>

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26.	It is important to state if the shipment is intended to enter a customs regime which may require additional formalities, such as a Customs Comprehensive Guarantee for Inward Processing. This is to inform customs that Duty and/or VAT can be halted under this special regime. CKF should be made aware of this requirement before an entry is completed for the shipment.
27.	Used to determine if VAT is applicable upon import.
28.	Used to identify how the Importer will pay the customs debt generated from the import, for example immediate payment or Duty Deferment.
29.	This is used to defer any import duty accrued at the border. CKF must be authorised to utilise, and importer held deferment prior to the entry being lodged. Any associated Customs Guarantees must be passed to CKF along with the deferment details.
30.	How were the contents of the shipment valued and are there any considerations of the value which would affect the final value of the shipment? Does your shipment contain waste which will be disposed of or are your items intended for re-sale?
31.	This will inform the declarant if you are postponing VAT payment when the shipment arrives at the frontier. It is imperative CKF hold written authorisation to use PVA on your behalf.
32.	Used to determine how CKF are representing you and your import. CKF are required to hold written authorisation from the Importer if they are representing you Directly or Indirectly due to the Duty and VAT liability upon import.
33.	What is the commodity code for the items contained within your shipment? (10 digits for imports / 8 digits for exports) <i>You can find information on and guidance on selecting the correct commodity codes in the <a href="#">UK Integrated Online Tariff</a> or the <a href="#">Northern Ireland Online Tariff</a>. The length of the codes varies according to the nature of the goods, and whether they are subject to any Tariff measure requirements.</i>
34.	Used to support the claim for preference, Importers are required to show the items origin, that is the where the goods were manufactured, so that the appropriate preference can be applied to the item.
35.	Used to support the claim for preferential origin, depending on the circumstances, goods can originate from a country other than the country of export but still be entitled to claim preferential origin.

If you have any questions regarding the information required or would like our input in helping you satisfy the clearance instructions requirement, Charles Kendall Freight would be happy to help.

If you have any questions about CDS or about using Charles Kendall Freight to support your CDS entries, please speak to your local contact or salesperson or contact our Compliance team at: [compliance@charleskendall.com](mailto:compliance@charleskendall.com)