UK Government publishes new Border Operating Model

- <u>Border Operating Model</u> published to provide clarity and certainty for traders and the border industry
- This follows yesterday's announcement of an unprecedented £705 million investment for new infrastructure, jobs and technology at GB-EU border
- The Government also plans to set out vision for world's most effective border by 2025 later this month

Following extensive engagement with industry the Government is today (Monday 13 July) publishing the Border Operating Model. The Model provides clarity and certainty for the border industry and businesses, including technical detail on how the border with the European Union (EU) will work after the transition period and the actions that traders, hauliers, ports and carriers need to take.

On December 31st 2020 the transition period with the EU will end, and the UK will operate a full, external border as a sovereign nation. This means that controls will be placed on the movement of goods between Great Britain (GB) and the EU.

Recognising the impact of coronavirus on businesses' ability to prepare, the government took the decision in June to introduce border controls on imports coming into GB from the EU in three stages up until 1 July 2021. This flexible and pragmatic approach gives industry sufficient time to make necessary arrangements and prepare.

As part of these preparations, an unprecedented £705 million has been announced for new infrastructure, jobs and technology to ensure GB border systems are fully operational when the UK takes back control of its border after the end of the transition period. This will include £470 million to build infrastructure such as border control posts, and £235m for IT systems and around 500 more Border Force personnel to ensure our borders are safe and secure.

This is the first time the Government has published an operating model for the border. It covers all of the processes and systems, across all government departments, that will be used at the border. It provides clarity on the end to end journey for moving goods across the border — with information about controlled goods and new government systems that will support trade. The Border Operating Model will lay the groundwork in support of the Government's objective to have the world's most effective border by 2025.

Chancellor of the Duchy of Lancaster Michael Gove said:

The publication of the Border Operating Model is an important step which gives business the certainty and direction they need to prepare for the end of the transition period when the UK becomes an independent trading nation for the first time in nearly 50 years.

We are committed to working closely with businesses and the border industry to help deliver not just a fully operational border at the end of the transition period, but also the world's most effective and secure border by 2025.

There are a number of actions traders need to take to prepare for the end of the transition period, including:

- Get a customs intermediary. Intermediaries can help traders find the information needed to complete formalities and submit the required declarations, for example customs information to HMRC systems. This simplifies the declaration processes for traders. If you decide not to use an intermediary, you will need to make declarations yourself.
- Apply for a duty deferment account. Traders who import goods regularly, may benefit from having a duty deferment account. This enables customs charges including customs duty, excise duty, and import VAT to be paid once a month through Direct Debit instead of being paid on individual consignments.
- Prepare to pay or account for VAT on imported goods.
- Ensure you have International Driving Permits.
- Apply for a GB Economic Operator Registration and Identification (EORI) number. This is required for all businesses moving goods into or out of the UK.

The full Border Operating Model will be published on GOV.UK and you can check what actions your business needs to take to trade with the EU at gov.uk/transition.