



HM Revenue
& Customs

Customs Declaration Service

The new way for your business to declare
imports and exports



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Customs in context

International trade in goods is worth over £800 billion to the UK economy each year.

The current Customs Handling of Import and Export Freight (CHIEF) system is the means by which we identify goods for checks at ports. It allows importers, exporters and intermediaries to complete customs declarations, making it critical to the flow of international trade.

In 2017, CHIEF was responsible for securing £34 billion in tax and duties.



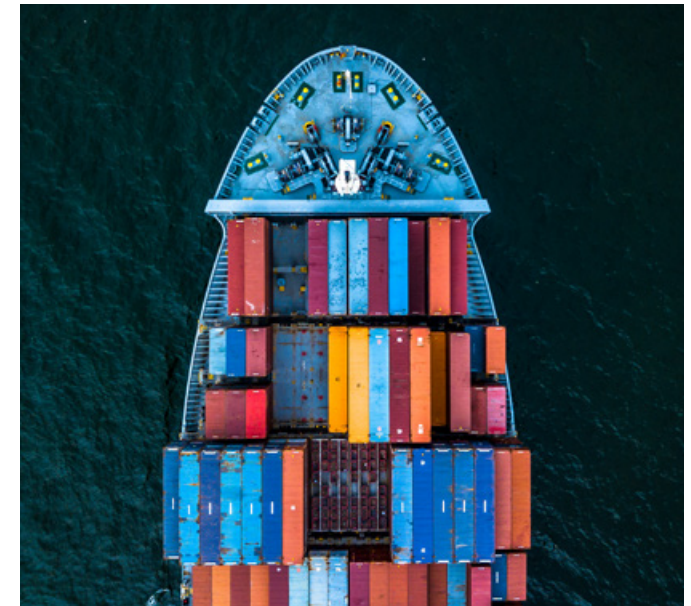
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Rail



Air



Maritime

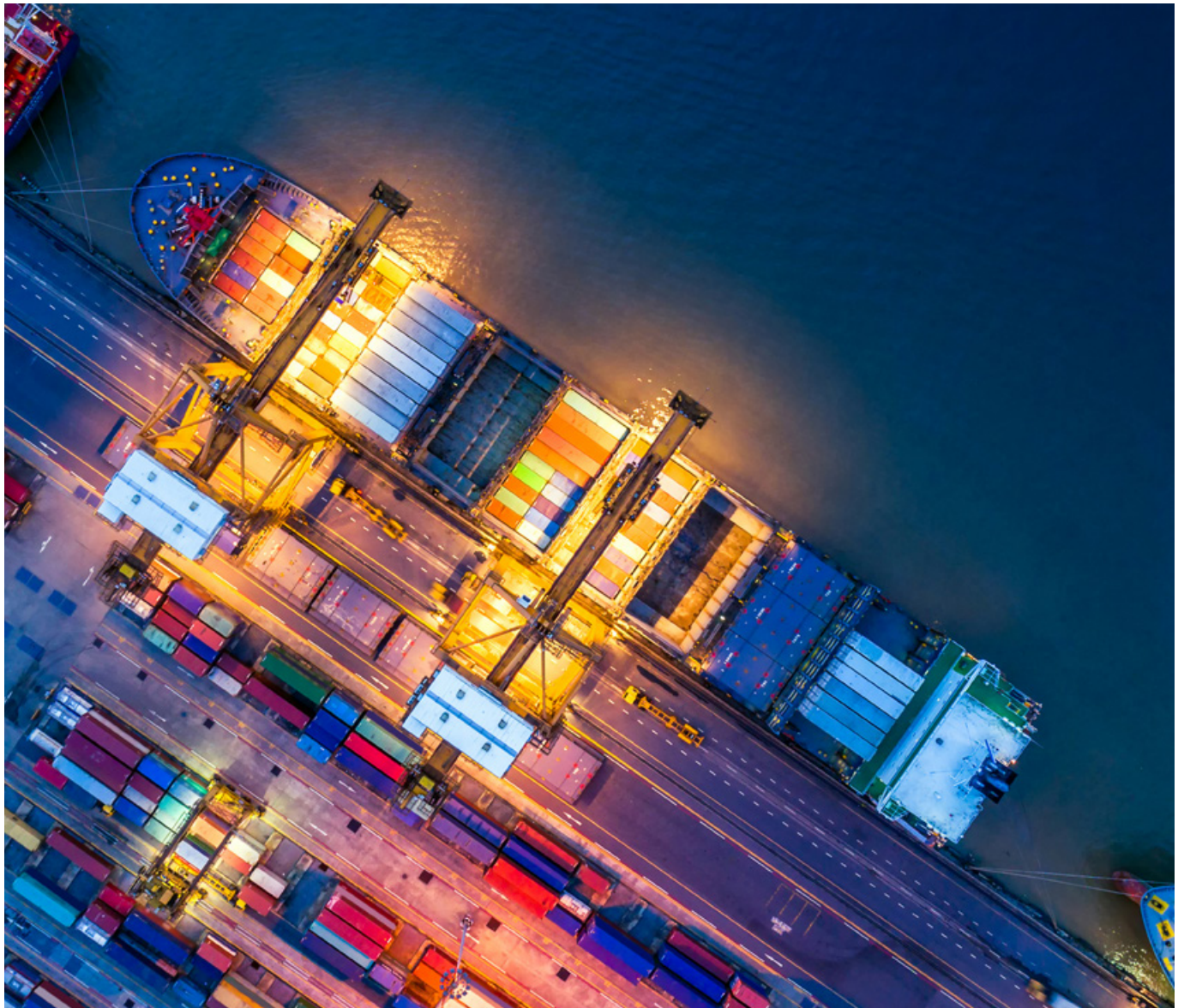
Introducing the new Customs Declaration Service

Today, customs declarations are made through the Customs Handling of Import and Export Freight (CHIEF) system, but technology has moved on since it was launched over 25 years ago.

HMRC is now replacing CHIEF with the Customs Declaration Service (CDS), a flexible declaration system that can handle anticipated future import and export growth.

HMRC started phasing in CDS in August 2018, with a group of importers who make certain types of Supplementary Declarations. The number of importers making declarations to CDS will continue to grow over the coming months.

Deployment of export functionality started at the end of March, and further functionality will follow through to the autumn, when we expect all import and exports capability to have been delivered.



Benefits to traders

Using the latest technology, CDS will deliver an enhanced service and user experience.

CDS has the capacity and capability to grow in line with the Government's growth agenda, alongside plans to increase the volume of international trade.



Designed to meet new EU customs requirements, as set out in the Union Custom Code (UCC)



Ensures regulatory compliance at the border



Declaration data available free of charge



Built to allow for future trade growth



Specialist functions and interfaces



Key changes

CDS will offer several new services, alongside existing services, all in one place.

The Union Customs Code (UCC), established in May 2016, requires additional information from traders when making import and export declarations. CDS delivers functionality to capture this information, which includes:



Changes to the Import and Export Tariff, required by the UCC



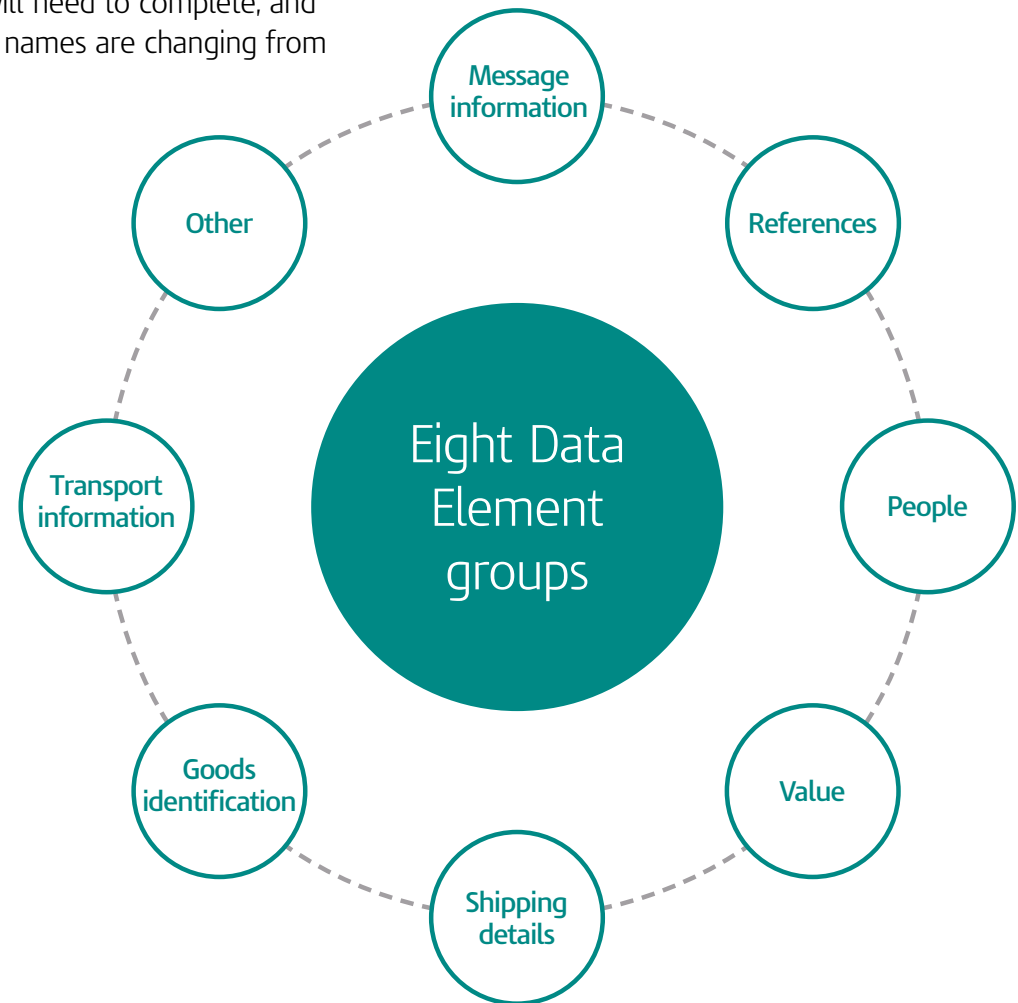
New or different data now needs to be included with your declaration



This means some product types might need additional codes

Tariff changes and impacts

Trade tariffs help you to find out which forms, codes and procedures to use when importing or exporting goods. CDS will include eight Data Elements that you will need to complete, and some of the current names are changing from those used in CHIEF.



CDS managed migration timeline*

We are delivering a phased implementation of CDS, alongside the existing CHIEF system.

Our strategy has always been to deliver CDS in three phases, with additional functionality being added to ensure system robustness, supported by a controlled migration of traders. Initially, migration will begin with a group of managed traders, with all remaining traders migrated by autumn 2020.

The expectation is that full trader migration will complete in late 2020.



* Subject to change

What do businesses need to do to prepare?

There are three key actions you need to take to prepare for using CDS:



Make sure you have an Economic Operator Registration and Identification (EORI) number



Understand the changes to the Import and Export Tariff available via GOV.UK



Make sure you have Government Gateway account details, and once notified by your software developer, register for CDS and authorise your software provider

You should also consider:



Any training or information your business needs to provide to your staff, for example for the new Data Elements



Finance process impacts, for example changes to Duty Deferment or Flexible Accounting System (FAS) accounts

If you use third party or in-house developed software:



Your software developer or community system provider should be working closely with HMRC to prepare for CDS



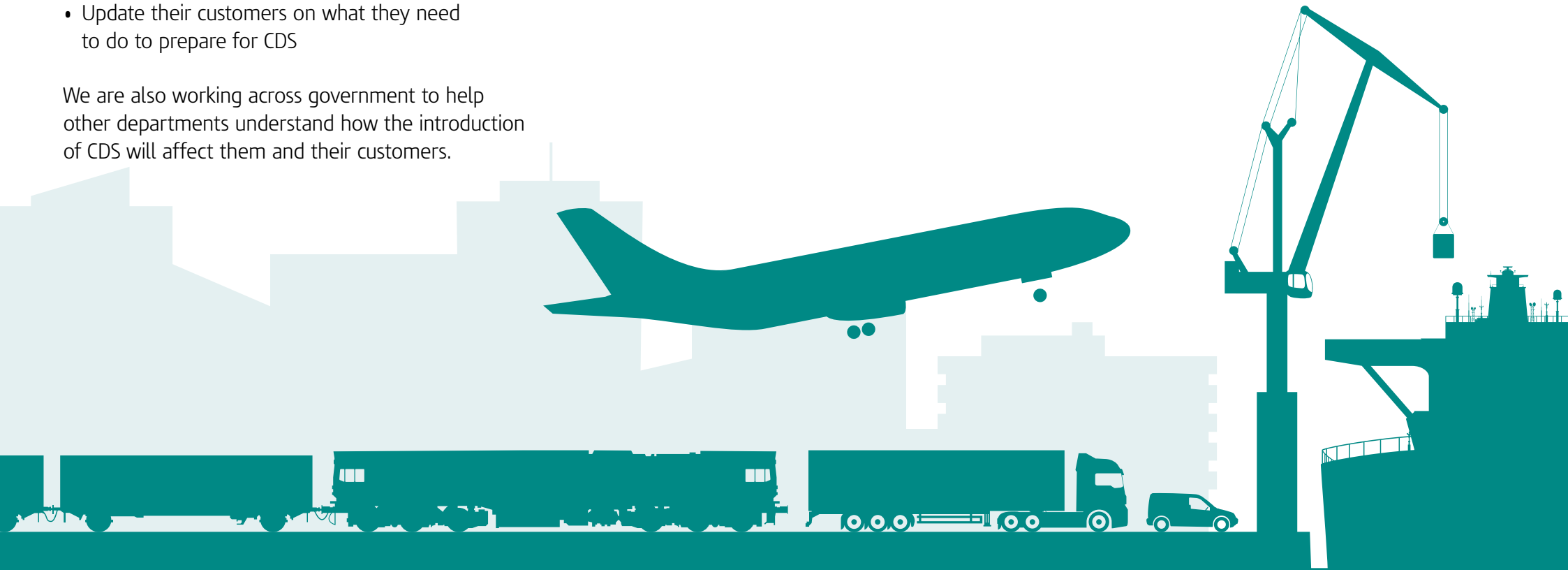
This includes updating their applications and letting you know when your business is ready to start using CDS

Developing CDS in partnership with our stakeholders

We are working with a broad range of stakeholders to help them:

- Understand the changes and new data requirements
- Make changes to their systems and software applications
- Update their customers on what they need to do to prepare for CDS

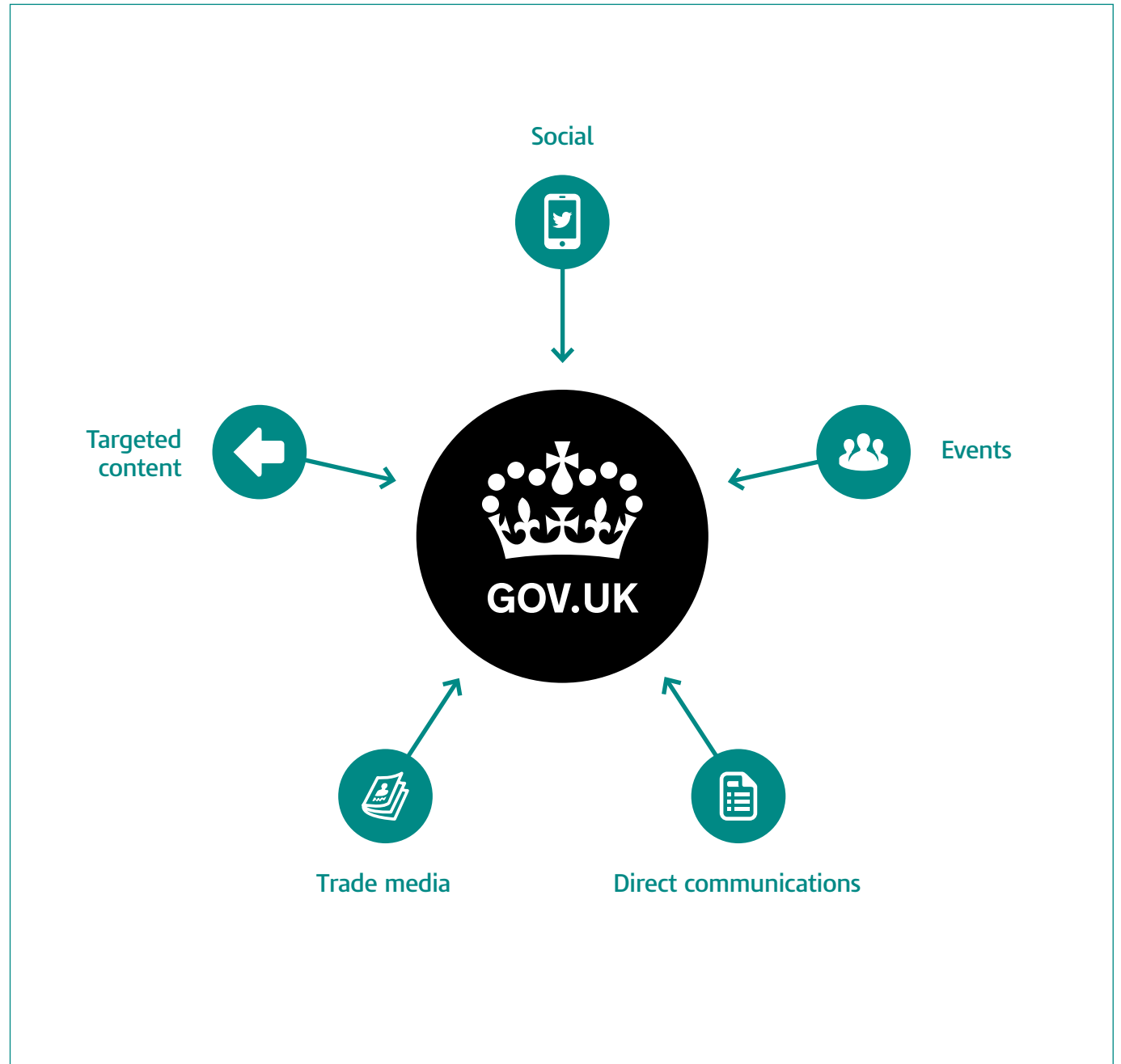
We are also working across government to help other departments understand how the introduction of CDS will affect them and their customers.



Communications

We have launched a multi-channel communications campaign that sets out what businesses need to do to prepare to move to CDS.

You can access the most up to date information about what you need to do to prepare on [gov.uk/customsdeclarationservice](https://www.gov.uk/customsdeclarationservice)



Contingency planning

Building resilience into the delivery of and transition to CDS, without distracting from core delivery, has underpinned our work.

From the outset, the CDS team has made it a priority that the new system is introduced without impacting imports or exports.

While CDS functionality continues to be developed and rolled out, the existing CHIEF platform will be dual-run with CDS, to maintain the integrity of the UK's customs service.



Case study

Core Management Logistics

Core Management Logistics (CML) was among one of the first companies to move to CDS.

CML is based in Leicestershire and the third-party logistics provider have been supplying retail warehousing and fulfilment solutions to some of the UK's leading retailers since 1990.

CML was excited to work alongside HMRC by being involved in the early stages of CDS rollout.

As at June 2019 CML has now completed 451 live entry declarations on CDS. HMRC is continuing to work with software providers, community system providers and importers/exporters to help them prepare for CDS, before CHIEF is switched off.

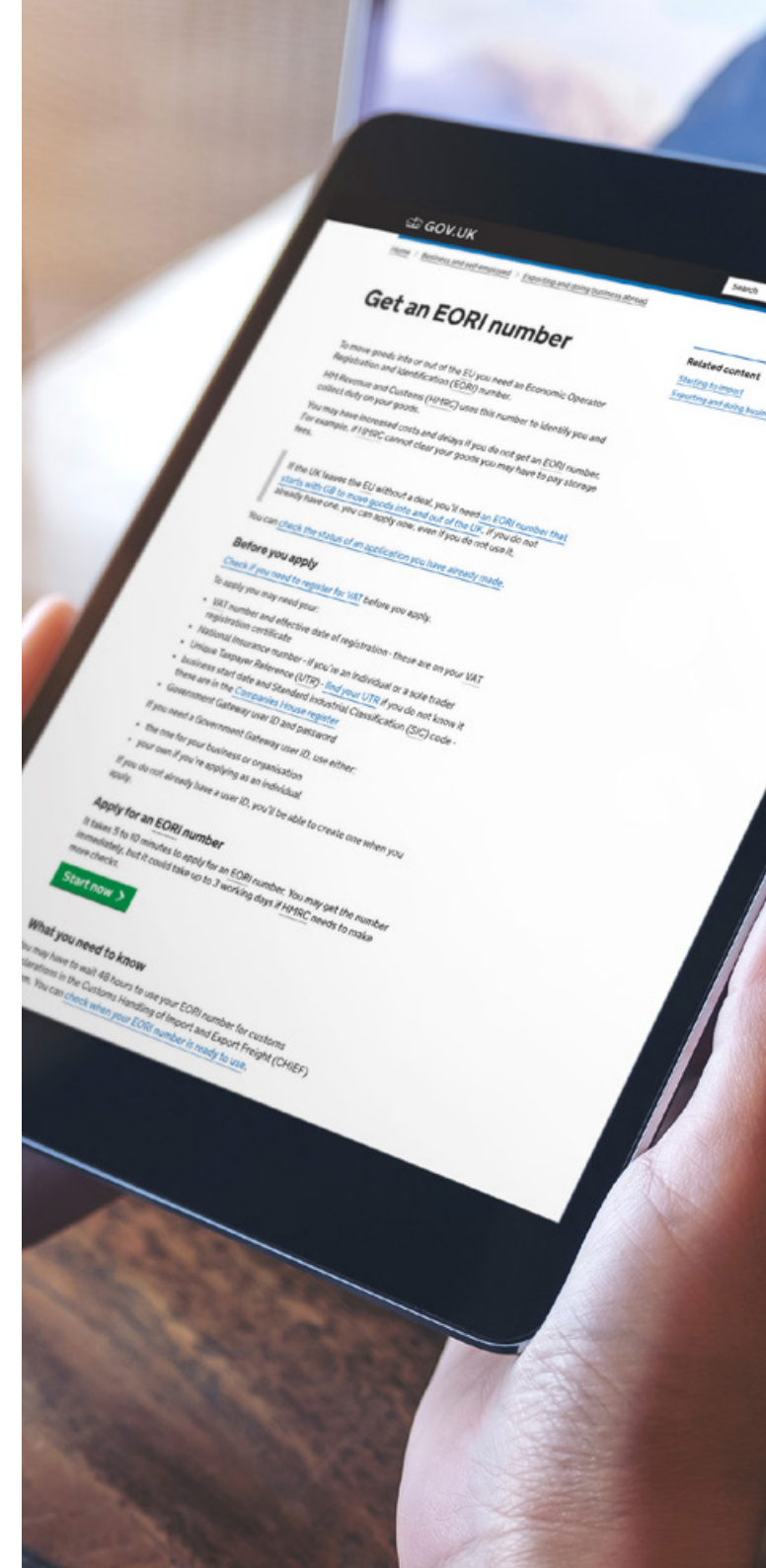
For more information please visit gov.uk/customsdeclarationservice



"As a system CDS works well. On average we have made eight to ten declarations a day and have found it really straightforward to use.

We would advise keeping in regular contact with your software developer to make sure that they are ready for the move. They are key in supporting you, as the client, to understand the new customs requirements."

Paul Bambrough-Smith
Global Logistics Manager,
Core Management Logistics



Case study

Active Products (UK) Ltd

Active Products (UK) Ltd was one of the first traders to move to CDS. Founded 15 years ago, the family run business based in Essex began by importing torches, before expanding their product portfolio to garden, building, flood alert and car care products. They have since supplied these products to companies such as B&Q, Wickes, Homebase, Tesco, The Range, Amazon, Screwfix and Morrisons.

Active Products (UK) Ltd were happy working alongside HMRC in being involved with the early migration to CDS.

As of June 2019, Active Products (UK) Ltd has now completed more than 500 live entry declarations on CDS. HMRC is continuing to work with software providers, community system providers and importers/exporters to help them prepare for CDS, before CHIEF is switched off.

For more information please visit [gov.uk/customsdeclarationservice](https://www.gov.uk/customsdeclarationservice)



"Making declarations on CDS was very simple, given the extremely helpful support from HMRC's Customs Declaration Service team and our software provider.

We would advise keeping in contact with HMRC. If there is anything you don't understand, don't be afraid to question it. CDS is a new system, so if in doubt, ask."

Donna Ray
Office and Finance Manager,
Active Products (UK) Ltd



Where can I get more information?

HMRC is continuing to develop its pages on GOV.UK as the primary source of information about CDS. This is being regularly updated as the new system is developed and is also where you can register to receive future important updates.

Visit [gov.uk/customsdeclarationservice](https://www.gov.uk/customsdeclarationservice) for more information and to register for future updates.

You can also look for updates on HMRC's twitter and LinkedIn feeds, there will also be further information in trade press.

Your (or your agent's) software developer or community system provider will let you know when your business is ready to start using CDS.





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