



Dear Member,

Please find HMRC's communication about an extension to the implementation timetable of the new computer system that will replace an existing system used for processing Customs declarations together with a link to BIFA's press release:

<https://www.bifa.org/news/articles/2020/apr/freight-forwarders-says-hmrc-is-acting-pragmatically-over-implementation-timetable-for-new-customs-declarations-processing-system?l=y>

Dear stakeholder,

We would like to provide you with an important update regarding CHIEF and CDS dual running.

Background

HM Revenue and Customs (HMRC) introduced the new Customs Declaration Service (CDS) in August 2018 to replace the existing Customs Handling of Import and Export Freight (CHIEF) system.

CDS is currently being used by a small group of high-volume businesses submitting certain Supplementary Declarations, with the platform now able to process the full range of declaration types for imports and exports.

CHIEF/CDS dual running

HMRC continues to work in close partnership with the customs intermediary industry, developing and testing CDS to deliver a customs platform, which supports our needs and those of our customers.

Through this partnership work and listening to our key delivery partners about the pace of change, we have decided to extend our migration timelines and keep CHIEF open beyond December 2020. This means that we will dual run CHIEF and CDS for longer, until all traders are migrated from CHIEF, and that traders will not need to move from CHIEF to CDS by the end of September 2020.

We will continue to keep our key delivery partners informed of progress, with regular updates made available and shared with their customer and member networks.

What should businesses do to prepare?

- Visit www.gov.uk/customsdeclarationservice to understand how the changes affect your business; what you need to do to prepare for the introduction of CDS, and when
- Understand the changes to the Import and Export Tariff, as explained on GOV.UK
- Make sure you register for a Government Gateway account and, once notified by your software developer, register for CDS and authorise your software provider

- If you use a C88 form (for CIE input) or the Web based Declaration system to submit NES declarations, please visit GOV.UK where you'll find further information on this
- Consider any training or information needs your business will provide to staff, for example outlining how 'Boxes' in CHIEF are being replaced with 'Data Elements' in CDS
- Consider any finance process impacts, for example changes to Duty Deferment or Flexible Accounting System (FAS) accounts
- As an Importer/Exporter your Customs Agent may require additional information from your business about your goods. Under UCC requirements, CDS will require Agents to provide extra mandatory data elements which may not be required in CHIEF. Your agent will contact you if this is the case.

Further Information

HMRC has published a series of resources to help traders prepare, these can be found at: www.gov.uk/customsdeclarationservice

Customs Declaration Toolkit

The Customs Declaration Toolkit provides a comprehensive overview of CDS, explaining the benefits traders will experience using the new system, as well as key information about what businesses need to do to prepare: <https://www.gov.uk/government/publications/customs-declaration-service-communication-pack>

UK Trade Tariff guide

The UK Trade Tariff guide underpins the declaration process, detailing the classification information for all goods, including any special conditions that may apply. The guide also explains the key changes brought about by the Union Customs Code (UCC) and signposts to affiliated GOV.UK pages, where further information can be found: <https://www.gov.uk/government/publications/customs-declaration-service-communication-pack>

If you have any questions, please let us know through your usual channels of communication.

Thank you

Kind regards
HMRC
