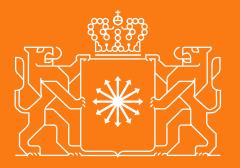
Holland International Distribution Council



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Logistics after Brexit

Working together to keep your supply chain optimal in 2021. Maintain or even increase your turnover.



November **2020**

26 November 2020: The date EU officials say a Brexit trade deal* must be ready to be presented to the European Parliament if it is to be ratified by the end of 2020

December **2020**

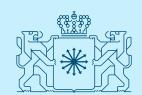
Transition period ends - Trade Agreement between UK and EU finalized? If a trade deal is not in place, the UK will fall back on to WTO rules

January **2021**

New relationship between the UK and EU with major areas of impact - New agreement on UK-EU relations could enter into force (if an agreement has been reached and ratified by the end of 2020)

*When it comes to a Brexit trade deal the EU has been very firm with the UK not be able to produce and deliver products and services post Brexit under current EU conditions.





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Brexit key consequences for businesses

- Market and Commercial issues: Cost and availability of certain goods and services change substantially. Much of British employment law derives from Europe;
- **Supply chains:** There will be increased costs and delay to supply chains. Goods will become exports and imports;
- Customs/Border tariffs: There will be import tariffs and border controls. Imports are liable to import VAT and potentially customs duty;
- Regulations: The UK works to European-wide standards and this regulation will continue to comply with those standards. But with no ability to shape the policy behind them regulatory burden on businesses will rise and compliance checks will increase.

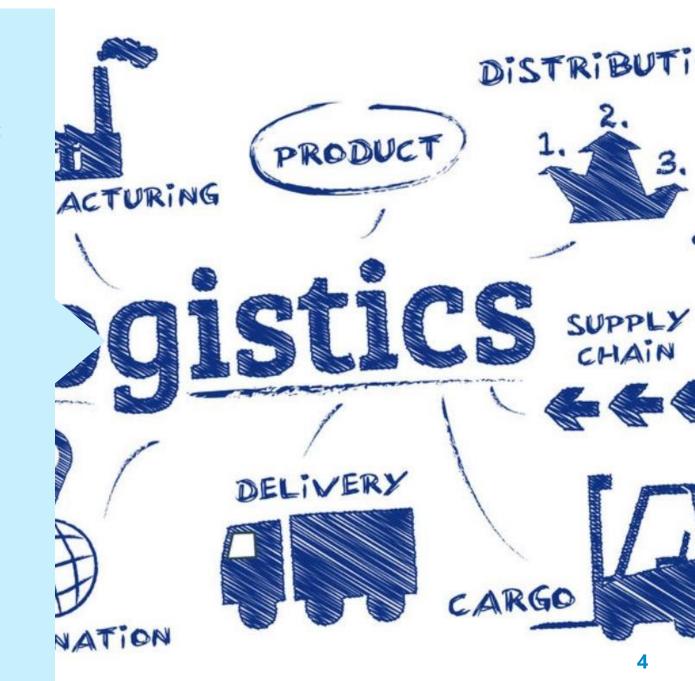




Challenges of Brexit

UK and EU trade requirements as from 1-1-2021:

- Customs declaration in EU and UK (EORI number required in EU and UK);
- Import duties;
- VAT;
- Certificates and licenses (f.e. food inspection).





Challenges of Brexit

Consequences of these requirements for importers and exporters:

- Administrative burden (paperwork);
- Longer lead times (delays in administrative procedures and congestion at the border).

Consequences of these requirements for the UK/EU supply chain:

- Higher costs;
- Time to market increases.

This results in less competitive products.





Optimize supply chain in new situation

3 Key elements:

- Customs procedures;
- Transport;
- Manufacturing, assembly and warehousing.











Customs procedures

Be prepared:

- EORI number;
- VAT registration;
- Certificates (f.e. food inspection);
- Portbase registration, when port of entry is in the Netherlands.

Use a customs broker in the UK and EU with experience in dealing with third countries:

- Shortage in UK;
- High demand in EU, act quickly!





Transport

Focus on cost reduction:

- Compare different transport companies and ferry lines/short sea options for international transport;
- Containers or unmanned trailers versus trailers with drivers (2 minutes extra time at the border for trucks means a traffic jam from Dover to the hinterland of 27 km/16 miles);
- Consolidate exports to larger amounts.

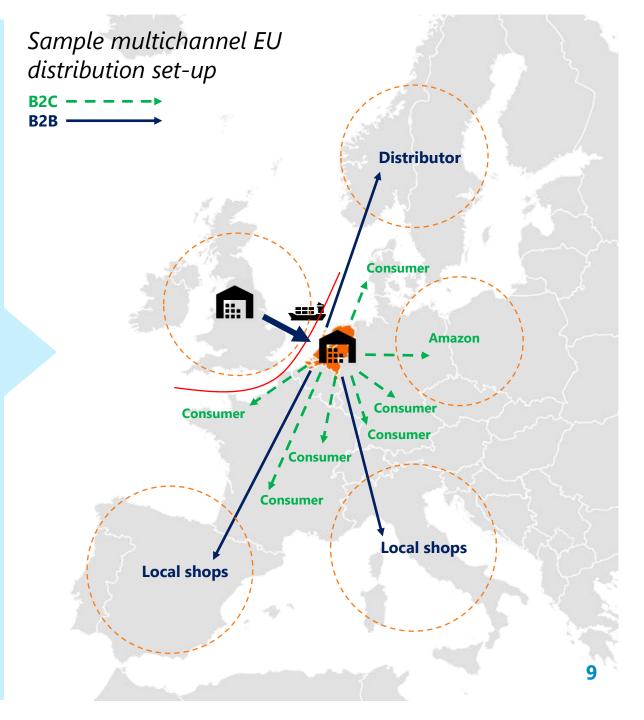




Manufacturing, assembly and warehousing/logistics

- Manufacturing and assembly: re-consider your footprint to maintain EU origin;
- Warehousing and logistics: limit number of shipments across the new border, consider the following options:
 - Consolidate shipments from the UK, cross-dock in the EU;
 - Supply your EU B2B and/or B2C customers from a EU stock, rather than from the U.K.;
 - Replenish your EU warehouse from the U.K. or directly from the manufacturing location;
 - Outsource fulfilment to a specialized efulfilment provider in the EU.

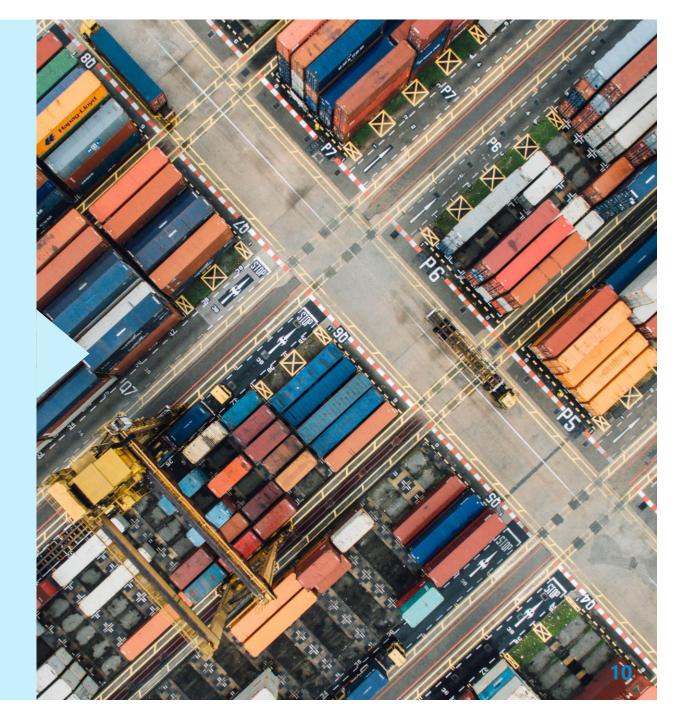




The Netherlands – Customs procedures

- **✓** Experienced customs brokers:
 - Customs agents;
 - Freight forwarder/logistics service provider.
- Client focused customs:
 - Solution oriented;
 - Open for dialogue.
- ✓ Digital information exchange for smooth procedures in all Dutch ports:
 - Portbase for imports and exports.





The Netherlands - Transport

- Broad range of UK specialists in international transport with competitive prices and innovative solutions:
 - International road transport companies with broad network in EU;
 - Ferry lines/RORO;
 - Short sea connections;
 - Air freight trucking;
- World class seaports with perfect physical and digital infrastructure:
 - Rotterdam;
 - Amsterdam;
 - Moerdijk;
 - North Sea Port.





The Netherlands: Your Brexit solution for manufacturing, assembly and warehousing



Efficient logistics services empowered by

innovation and collaboration



#1 Entry point

in Europe for overseas products



Strong logistics sector

#1 logistics hub in Europe



Competitive cost

for labour, real estate and transport



Proximity to European markets

170 million consumers

within a 500 kilometers radius



(A)

3 Mainports for air, data

and sea

Excellent connectivity

to Europe and all continents



World class and competitive

business environment:

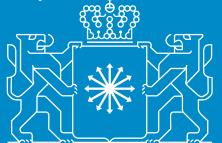
no VATpayment at import

The Netherlands: your Brexit logistics solution

HIDC is a Private nonprofit organization representing 300 members. Founded by the Dutch logistics industry in 1987. We provide **match making services** for foreign exporters.

Contact us for more information: https://hollandinternationaldistributioncouncil.com

Fill out our <u>Logistics Questionnaire</u> and get started right away!



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