

CUSTOMS & TRADE

Cross-border trade compliance challenges

The global customs and trade compliance landscape is in a period of flux. There are huge challenges for business in sustaining market position, let alone growth, and the questions and issues for business are many.

- Does your business manufacture and/or move goods across national borders?
- Can you identify and measure the potential risk exposure due to ineffectual compliance with cross border customs controls?
- Do you heavily rely on third party logistics service providers to meet customs and trade regulatory requirements?
- Do you feel confident that your business knows how to react appropriately to a customs audit or investigation?
- Would you like to explore opportunities for landed cost savings?
- Do you have the tools you need to contribute to board level strategic decision making with deep insights into the global network of trade agreements?

Gowling WLG's Customs and Trade team can guide you through these issues (and more), offering practical advice and workable solutions so you can navigate compliance challenges and optimise your market position. Based in our London office, the team is integrated into our broader network of specialist advisors in key markets across Europe, the Americas and Asia.

How we help

We advise clients on a full range of contentious and non-contentious customs and trade matters including:

- Responding to audits and investigations launched by UK authorities.
- Determining appropriate customs valuation, classification and origin.
- Design, implementation and testing of global trade compliance programmes.
- Planning for geopolitical change e.g. Brexit.

Audit and dispute resolution

Assisting businesses in dialogue with customs authorities on a range of issues: from a blocked shipment at the border; or an audit on selected import/export transactions; through to an investigation for evasion of customs duties.

Import/export compliance

Many import/export transactions are straight forward and based on readily available data. Others require deep expertise to ensure compliance with the applicable rules. This may include, for instance, adjusting the customs value for other payments related to the goods; determining if the tariff classification is appropriate where two or more codes could prima facie apply; and evaluating if lower rates of duty are applicable under free trade agreements where the goods meet the applicable origin rules.

Trade compliance programmes

Businesses that operate across borders and rely heavily on freight agents to meet their reporting requirements are highly exposed to the risk of non-compliance. The team is well positioned to design workable trade compliance programmes, processes and controls that encompass customs, export controls and sanctions and other regulatory requirements connected to the movement of goods.

Planning for geo-political change

In the face of continued uncertainty on the future of the trading landscape, notably the UK and EU, it is essential for business to prepare for a range of outcomes. Gowling WLG can support you in identifying those supply chains most at risk of disruption or additional landed cost and advising on tangible mitigation strategies. We also tap into our global network of trade advisors to understand the opportunities to leverage free trade agreements whilst demystifying the complex rules to qualify.

Key Contact

URSULA JOHNSTON

Director, Customs & Trade

+44 (0)20 7759 6601

+44 (0)7768 044455

ursula.johnston@gowlingwlg.com



Ursula helps clients to navigate the complex and ever changing trade environment. As such, she is known for providing practical advice and proven workable solutions. Her practice covers compliance challenges in the fields of customs, excise duties and cross border regulatory matters including export controls and sanctions. Prior to joining Gowling WLG, Ursula held senior trade and customs roles in consulting practices at a Big 4 accounting and tax firms in Singapore, London and Amsterdam and has over ten years of customs and global trade advisory experience.

Ursula works with clients across a wide range of business functions including supply chain, tax, procurement, IT, legal and logistics. This ensures that any proposed solution to a challenge or opportunity is workable from both a compliance and operational perspective. Her experience covers a broad range of industries including retail, life sciences, automotive, food and beverage and heavy industry.

Ursula's experience includes:

Audit support - assisting a high street retailer through a prolonged voluntary disclosure process triggered by an initial query by HM Revenue & Customs into the validity of the commodity codes applied to apparel imported from China. The disclosure involved an in-depth review of the classification of 100s of products and implementation of a robust process for instructing freight forwarders. The client was able to avoid penalties of over £300k.

Other areas of relevant expertise

- EU and WTO Trade Defence Investigations
- EU and UK Sanctions Law
- International Trade and Supply Chain
- Incoterms
- Indirect Taxes

Customs valuation - advising on the customs value to be applied at import following a reorganisation of a multi-national consumer products business. Liaising with supply chain and contract law colleagues, Ursula tested the supportability of the proposed value as an arms-length transaction for customs purposes (as opposed to transfer pricing); identified the payments for intangibles to be included or excluded in the value declared; and the mechanism by which it would be adjusted for insurance and freight costs.

Tariff suspension application - acting for an importer of fine chemicals for the oil and gas industry in successfully applying for the suspension of EU customs duties on a highly technical product. This involved building a business case that demonstrated that the product could not be sourced on the EU domestic market.

Brexit - working with a major pharmaceutical company to assess the potential regulatory landscape post Brexit and to further understand the impact on its customs compliance obligations. This involved advising on which entity can legally act as importer/exporter of record, what data will be required to complete the import or export declaration and the process for an Authorised Economic Operator application.

Trade controls - conducting a pan European multi-site remote review of a Tier 1 supplier to the defence industry to identify compliance risk with EU export controls legislation. The objective of the review was to provide the head of legal and compliance with an indication of manufacturing sites that required a more comprehensive audit whilst ensuring the potential for business disruption was minimised.