

# Crowcon BREXIT Frequently Asked Questions

## **Updated:** 19<sup>th</sup> November 2020

## Scope/Applicability: Crowcon Detection Instruments Customers.

### Introduction

As part of our preparations for BREXIT, we have collated this FAQ to help answer the questions you may have. We will continue to update this guide, so please check back regularly for updates.

## Q&As

## 1. What are my options?

From the 4th January 2021 Crowcon will offer two options for our European partners.

1. Direct to Customer – This option provides the most flexibility and allows us to deliver directly as before, however, you will be importing the goods and responsible for being the importer of record (see below). This option is preferred if you have previously been importing from outside the European Union.

2. Breakbulk – This option provides the simplest solution if you have not imported from outside of the European Union before, however this option increases lead time and transit time, we are also unable to provide any timed delivery services and we are expecting initial delays. We will import the goods and be the importer of record, the goods will then be re-distributed to customers within the single market. This option is preferred if you are not able to import from outside the European Union.

## 2. What is 'Importer of Record?

Importer of record is a term used in customs law. It refers to an importer, whether an entity or individual, who is responsible for ensuring that goods are imported in accordance with the local customs laws. The importer is responsible for filing legally required documents for customs clearance. The importer of record is also responsible for payment of import duties and other taxes applicable to the goods (see tariff table below).

Importer of record is not to be confused with the responsibilities of the Authorised Representative.

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will be the Authorised Representative in the European Union for all products placed on the market, we will be responsible for compliance, certification and all other technical and safety legislation when a product is imported into the European Union.

## 3. How do I Import?

Guidelines for importing goods from outside of the EU vary by country. Advice can be taken from the European commission <u>https://trade.ec.europa.eu/tradehelp/eu-import-procedures</u>

## 4. What are the current Tariff and Duty levels?

Below are the % duty payable when importing parts from a third country into the European Union – the highlighted commodities cover the majority of our shipments.

Company registered no. 978878



Tariff Heading	Description	% Duty
902680	Gas detector	0
902690	Gas detector spare/accessories	0
3822	Test Gases	0
391740	Plastic Fittings	6.5
842199	Filtering Apparatus for Gases	1.7
850440	Chargers/Power supply's	0.8
853400	Printed Circuit Boards	0
853641	Relays	2.3
854140	Diodes, Transistors etc	0
8544	Electrical Conductors	3.7
902730	UV Spectrometers	0
902780	Other instruments and spares	0.6
902790	Parts & Accessories	0.6

## 5. Are there any products that may fall outside of the standard shipments?

## Dangerous goods

Dangerous goods are commodities which are capable of posing an unreasonable risk to health, safety, environment, and property when transported. The rules vary by method of transport and how the goods are contained. Lithium batteries can be transported by road with limited restrictions, however, when shipping by air the restrictions become more complex and dangerous goods regulations need to be followed.

Test gases are classed as full dangerous goods, when these goods are shipped, we must follow strict regulations set out in the IATA dangerous goods regulations. Because of this, test gases must be shipped direct to the consignee and cannot be transported using our breakbulk service.

### 6. Will delivery times increase?

If you are using the direct to customer option then there should be no delay to your shipment, however some delays in January 2021 are expected.

If you take the breakbulk option, there may be an additional day's lead time and a 1 to 2-day transit delay, depending upon location.

It is anticipated that there may be general delays from early January as the transition completes. To ensure a smooth transition the last shipment from Crowcon to the EU will be December 22<sup>nd</sup> 2020

## 7. What impact/risk is there on Crowcon's supply chain due to Brexit?

Crowcon has put the appropriate supply chains and stock holding policies in place over the last year to minimise any potential disruption to supply due to material availability.

# 8. What are you doing to ensure there is minimum delivery disruption on Brexit day and beyond?

As we are unable to predict the potential for delays at UK and EU ports, we recommend that you review your requirements for January and place orders as soon as possible to avoid potential delays. We are fully operational and working in a Covid secure environment to ensure that we are able to service



requirements from all of our customers. The last shipping date for goods leaving the UK to the EU before the Festive break will be the 22nd December.

#### 9. Will there be a BREXIT related price increase?

Customers will not incur increased logistics costs due to the UK leaving the EU. Pricing will be managed via the annual price review in April

#### 10. Will there be VAT implications post Brexit

If as a customer you choose to receive goods direct from the UK you will incur import duties and import VAT. The import VAT will need to be disclosed as part of the customers' local VAT return.

If as a customer you choose to receive goods via the Breakbulk service then Crowcon will be responsible for import duties and import VAT as IoR into the EU. As we are placing the goods onto the market in The Netherlands, then any Netherlands customer will incur VAT at the local NL vat % (currently 21%) as effectively this sale for VAT purposes takes place within The Netherlands.

### 11. What will be your response to €/£ exchange rate volatility due to Brexit?

We have no plans to make any changes to our prices if there is short-term volatility in the  $\in/\mathbb{E}$  exchange rate following the end of the transition period on 31 December 2020.

#### 12. What Incoterms will be used post Brexit

No change DDP for EU customers

### 13. How will I return goods under warranty?

Our procedures regarding returning goods under warranty are due to be communicated before the end of November 2020. There will be no change in the level of warranty cover each product currently has.

### 14. Will Crowcon be certified for CE and ATEX in Europe post Brexit?

Crowcon has taken actions to ensure products remain compliant with EU Directives and remain CE marked post-Brexit. Product ATEX certificates formerly issued by UK-based Notified Bodies (NBs) have been re-issued from subsidiaries based in European Union member states.

As a manufacturer of ATEX certified products, Crowcon is obliged to hold a Quality Assurance Notification (QAN) from an accredited Notified Body (SGS Baseefa currently provide this service to Crowcon). Regular audits are performed by the Notified Body to ensure ATEX compliance is maintained. Our QAN has been transferred to an EU-based SGS subsidiary: SGS Fimko.

Customers are not likely to notice any changes to products or certificates. Only the Notified Body Number marked on product certification labels has changed from '1180' to '0598'.

The UK government has introduced a new 'UKCA' compliance marking scheme for goods sold in the UK. The deadline for UKCA marking on products is from January 1<sup>st</sup> 2022; Crowcon will begin applying the UKCA mark during the coming year.

#### 15. What do I need to do now?

If you would like to take option 1 and you have the ability to import outside of the EU then please complete the following form and we will deliver directly to you. Please complete your preference by following this link

If you would like us to import the goods you do not need to take any further action.

#### 16. Who can I talk to if I have more questions?

We want to ensure that this transition is as seamless as possible so if you have any questions then please email <u>orders@crowcon.com</u> and one of the team will be on hand to respond.