

February 2019

## IMPACT OF HARD BREXIT ON SHIPPING WITH EUCON

Dear Customer,

Eucon Shipping & Transport Ltd. is Ireland's largest short sea container line moving goods to and from the north European ports of Antwerp and Rotterdam to the Irish ports of Dublin, Cork and Belfast.

The pending withdrawal of the United Kingdom from the European Union on the 29<sup>th</sup> March will bring some changes in the way Eucon and our clients operate, particularly on traffic flows to and from Northern Ireland.

A failure to come up with a deal between Europe and the United Kingdom may result in Northern Ireland being deemed third country status, meaning all cargoes shipping to and from Northern Ireland will require customs regulatory control documents.

In the scenario that a deal is agreed in advance of 29<sup>th</sup> March there will be no changes to the current procedures for cargo to/from Northern Ireland as there will be a transition period to at least the end of 2020.

The current impasse is creating challenges for businesses and whilst we cannot predict what the coming months will bring, we continue to focus on what is known.

Attached we have outlined some initiatives we have taken and some suggested actions for our clients to be ready in the event of a hard Brexit. This is also available to download at the Brexit section on our website where we will post any updates and relevant news <https://www.eucon.nl/customer-area/brexit/>

The team at Eucon continue to closely monitor this developing situation. We will do our utmost to bring pro-active solutions to the challenges once known.

We remain committed to serving our customer requirements and make every effort to minimise the level of disruption in the event of a hard Brexit.

Yours sincerely,

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Eucon Shipping & Transport Ltd.

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#### **Preparations at Eucon:**

- Eucon has increased dry container fleet by 450 x 45ft pallet wide containers and 50 x 45ft pallet wide reefers
- We have added additional weekly shipping capacity by introduction of the m/v Victoria during 2018 and the ability to upscale capacity if required at short to medium term notice
- Changed ancillary and quay rent terms in all ports with effect from 01/01/2019 to assist prevention of port congestion
- Maintaining our AEO status
- Adapting software to allow additional manifest fields when required for statutory reporting to Customs and Excise
- We will have on-line connections to customs authorities in Belfast to determine if goods are customs cleared prior to delivery alleviating the need to present physical documents at the terminal.
- Capturing clients Economic Operators Registration Identification (EORI) numbers
- Current line quotations for traffics to and from Northern Ireland have validity until 28<sup>th</sup> March 2019

#### **Key Suggested Preparation for Clients:**

- If you do not have an EORI number, please apply for one as soon as possible and advise this to your local Eucon office  
*At a minimum all Shippers and Consignees should have an EORI number*
- Cargoes that are currently moving in free circulation C status between Europe and Northern Ireland in the event of a "hard Brexit" will become third country imports/exports with the added regulatory requirements
- We recommend if you do not have your own expertise that you appoint a Customs Clearing Agent. Eucon will not act as a Custom Clearing Agent for any cargoes
- Review transit time expectations in your logistics planning on your traffic flows moving to/from Northern Ireland taking into account any new regulatory requirements and the impact on various stages of your supply chain
- When containers are presented for shipment to/from Northern Ireland a MRN (Movement Reference Number) along with an accurate quantity and good descriptions will be required before the container can be loaded on board our ships. For shipments from Rotterdam and Antwerp pre-notification of MRN number in port community systems is required before container arrives at the terminal
- We have opened a Brexit section on our website where we will post any updates and relevant news - <https://www.eucon.nl/customer-area/brexit/>
- We may be forced to implement earlier vessel cut off times due to documentation processing. This will be further advised in the coming weeks.
- Clients shipping cargoes with multiple drops on the island of Ireland are expected to have issues if consignments include goods destined for Northern Ireland. We would recommend that this practice is avoided.
- Free terms at ports remain as per published Eucon tariffs. All charges (waiting time, storage, reefer charges etc.) arising from delays due to documentation issues will be for clients account.