

# JLR SUPPLIER PACK V3

INDIRECT PURCHASING – CUSTOMS PROCESSES

March 2024

#	Date	Change
1	Apr 2022	Initial publication
2	Jan 2023	ERN replaced with MRN due to introduction of CDS
3	July 2023	Gold Standard Commercial Invoice updated, full details can be found in own pack. <b>NEW UPDATE</b>

## WARNING

Under the **FCA** Incoterms in the supplier's contract with JLR, it is the responsibility to clear goods for export and therefore to complete the required customs procedures set out in this document.

Under the DDU/DAP Incoterms in the supplier's contract with JLR, it is the supplier's responsibility to clear goods for export and to deliver the parts to the named location and therefore to complete the required customs procedures set out in this document.

Under the DDP Incoterms in the supplier's contract with JLR, it is the supplier's responsibility to clear goods for export, pay all costs associated with the export and import of goods (including taxes and duties) and to deliver the parts to the named location and therefore to complete the required customs procedures set out in this document.

As goods will be unable to proceed without this, **failure to complete the required customs procedures** or provide the required customs paperwork will be considered as a **failure to provide goods and therefore a breach of contract**.

JLR would like to remind suppliers that supply of the goods shall at all times remain pursuant to JLR's Purchasing Global Terms and Conditions, and that the supplier remains responsible for supply of the goods strictly in accordance with such terms.

## DISCLAIMER

The contents of this pack are intended to provide FCA, DAP/DDU & DDP **Indirect Purchasing** suppliers with general information and to assist these suppliers in complying with JLR's processes from 1 January 2021.

Whilst every effort has been made to provide correct information, the contents of this pack and JLR's response to any query should not be construed as any customs, legal, tax or any other advice. Suppliers should consult with their own professional advisors for specific advice on all customs, legal, tax and other matters.

JLR does not guarantee the completeness or accuracy of the information contained in this pack or its response to any query. Any such information and any response to any query are provided without representation, warranty or other contractual term of any kind, whether express or implied. JLR, to the fullest extent permitted by law, disclaims all liability to suppliers in respect of the content of this pack or its response to any query.

Accordingly, nothing in the contents of this pack or JLR's response to any query shall relieve any supplier from any of its contractual obligations to JLR.

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INDIRECT PURCHASING INTRODUCTION

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INDIRECT PURCHASING ACRONYMS

From the **1st January 2021** all goods moving across the UK / EU border in both directions, need to follow appropriate customs processes and complete appropriate customs documentation.

It is a mandatory requirement that **all** suppliers have the capability to carry out customs declarations and to act as the Exporter of Record for EU to UK and UK to EU shipments.

This pack aims to provide a guide to the newly required processes at an operational level to assist you.



We have seen regular process failures at certain stages. To support adherence we have marked these with a warning.



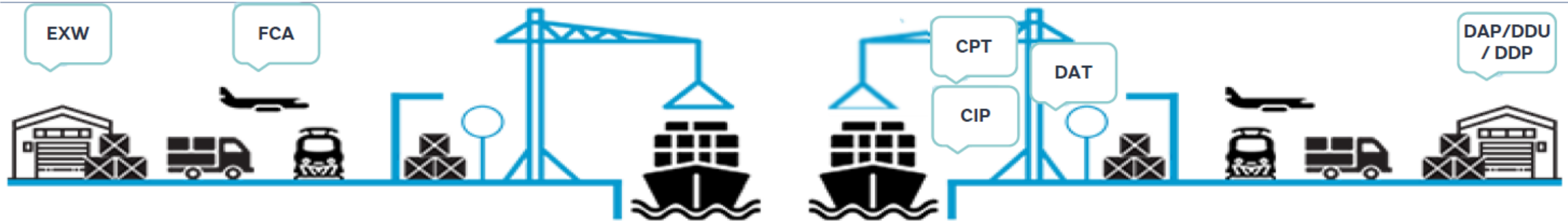
This pack refers to the process to follow for INDIRECT PURCHASING SHIPMENTS ONLY

## WARNING

The following section applies to mainland EU vendors.

Vendors in the Republic of Ireland may need additional transit documentation for exit via Republic of Ireland ports.

If parts from Republic of Ireland are routed through Northern Ireland then the Northern Irish Protocol will apply.



The International Chamber of Commerce Incoterms rules provide internationally accepted definitions and rules of interpretation for most common commercial terms used in contracts for the sale of goods.

The trade terms help traders by clarifying the tasks, costs and risks involved in the delivery of goods from sellers to buyers.

The Incoterms specified in your contract with JLR will define the responsibilities of both parties including in relation to customs.

DDU (Delivery Duty Unpaid) named place is an Incoterm 2000 term in use in JLR contracts.

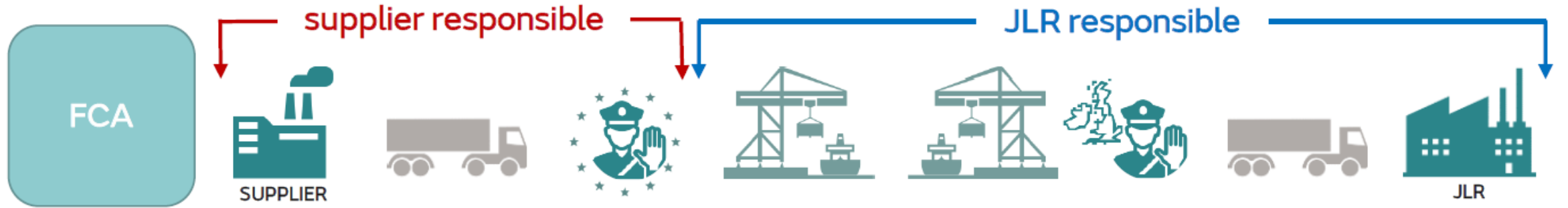
<https://iccwbo.org/resources-for-business/incoterms-rules>

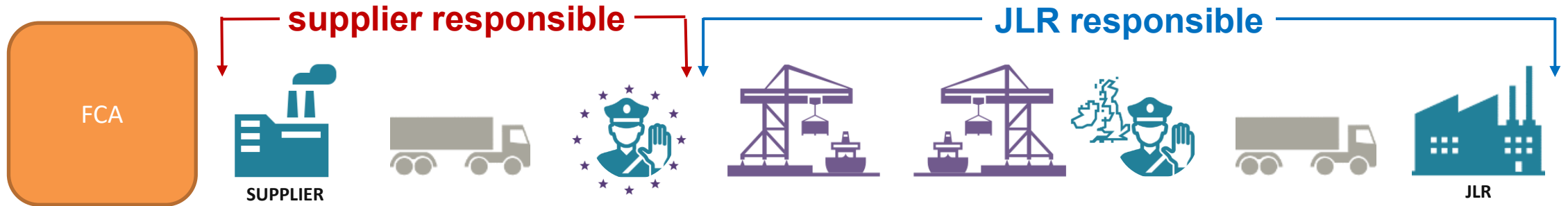
**The Incoterms on your contract with JLR are agreed and cannot be changed at this stage**



# SUPPLIERS ON FCA, DDU/DAP & DDP INCOTERMS







## FCA Indirect Purchasing

### Commercial View

- ✓ JLR expects suppliers for Indirect Purchasing collections to pay costs for export declarations.
- ✓ In the case of EU suppliers, JLR will pay the cost of import declarations on these collections

### Administration

1. The port of exit will be confirmed by the collection plan sent to you by carrier
2. Suppliers are responsible for completing the export declaration, providing accompanying documentation & commercial invoice
3. Customs clearance must be completed by the supplier AHEAD of JLR collection. JLR will not divert to customs offices. Please refer to steps 4 and 5 of the process map



## DDU/DAP Indirect Purchasing

### Commercial View

- ✓ JLR expects suppliers for Indirect Purchasing collections to pay costs for export declarations.
- ✓ In the case of EU suppliers, JLR will pay the cost of import declarations on these collections

### Administration

1. Suppliers are responsible for completing the export declaration, providing accompanying documentation & commercial invoice, as well as providing information regarding port of exit, port of entry and carrier information to JLR



## DDP Indirect Purchasing

### Commercial View

- ✓ The seller is responsible for delivering the goods to the named place in the country of the buyer, and pays all costs in bringing the goods to the destination. This includes payment of the UK import duties and VAT

### Administration

1. JLR will have no involvement in these shipments or customs requirements
2. Supplier's own EORI number required
3. UK VAT registration required

# SUPPLIERS ON FCA, DDU/DAP & DDP INCOTERMS - EU TO UK PROCESS



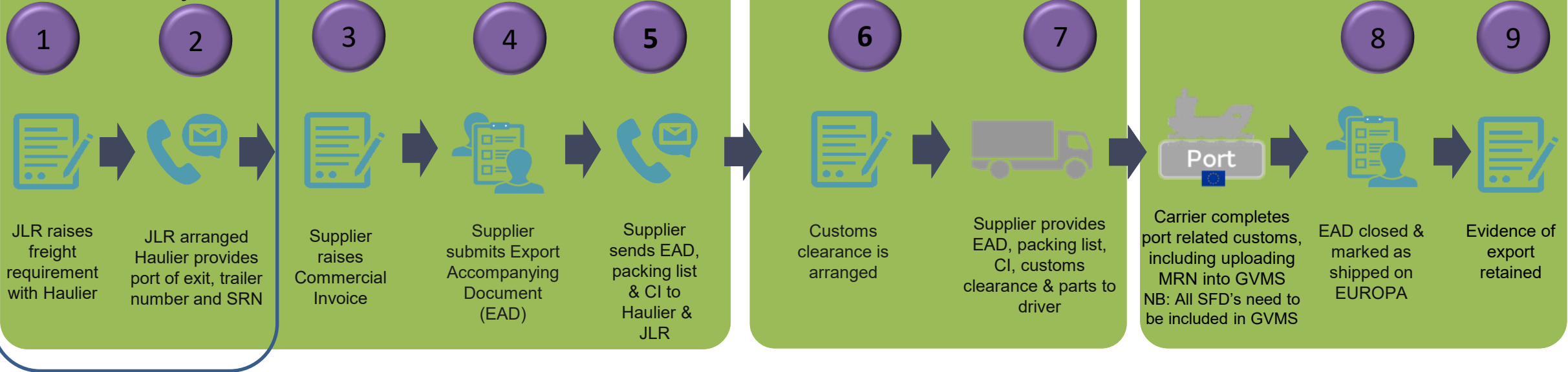
Here are the process steps which the supplier, as Exporter Of Record is required to complete. Each numbered button links to a detailed page on the process step.

As soon as collection is arranged

Day of collection

In transit

FCA only



Export Process steps from EU to UK for INDIRECT PURCHASING FCA & DDU/DAP supply to JLR

1

Once the need for Indirect Purchasing is identified, JLR will confirm with the Vendor when the goods will be available for collection (FCA only)/delivery (DDU/DAP). The supplier is the **Exporter Of Record**. The Exporter Of Record has the responsibility to complete the customs declaration.

**WHO?**

JLR will confirm availability with vendor

**WHERE?**

This will be sent to the current supplier contacts

**WHEN?**

As soon as the need is identified

**WHAT?**

The preparations for collection will be arranged with you via JLR as per the current process. You must consider the time required to complete your responsibility in raising the required export documentation when confirming availability for the collection (FCA only) / delivery (DDU/DAP)



The collection will be arranged in the existing way for Indirect Purchasing orders



2

The Haulier will confirm the carrier, port of exit, trailer number and SRN (shipment reference number) before the collection (FCA only) / delivery (DDU/DAP). These details are required for the export declaration.

**WHO?**

The Haulier

**WHERE?**

This will be sent to the current supplier contacts by the Haulier selected. The supplier contact is responsible for communicating this information to their customs team/broker.

**WHEN?**

After the shipment is raised. Once these details are received, the supplier must use them to raise the export declaration.

**WHAT?**

The details will be required from the selected Haulier:

ETA Date

Port of Exit from EU (Route)

Arrival Port into UK (Route)

Vehicle Reg. No. (If Accompanied/Van)

Trailer number

Whether the trailer is Accompanied or Unaccompanied

Unique Ref No

These details will allow the export declaration to be raised

**TIP:** It may be beneficial to create a generic email for both supplier dispatch & customs to access.

The Haulier will confirm the carrier, port of exit and trailer number before the collection

3



## COMMON FAILURE

The supplier is required to complete a full and accurate Commercial Invoice (CI). The information provided on this provides part of the required customs paperwork.

**WHO?**

The supplier

**WHERE?**

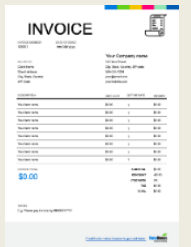
This needs to be sent along with the EAD in Step 5

**WHEN?**

This needs to be prepared once the parts are ready to be collected and the day prior to collection

**WHAT?**

JLR has created the Supplier Commercial Invoice Standard document to explain the requirements for your commercial invoice as we see them. This document has been sent to all supplier's and is available on the supplier portal please refer to this for full details, a field summary is provided on the following page.



Supplier's should ensure that all entries are on the Commercial Invoice. Where this is not possible, as a contingency, suppliers must supply box quantity, along with gross and nett weight details for each part reference and total shipment on the accompanying Packing List.



THE INVOICE CONTAINING **ALL** INFO **MUST** BE COMPLETED OR THE SHIPMENT **WILL** FAIL – REFER TO JLR STANDARD

A clear and accurate CI is essential – please REFER TO JLR STANDARD on next slide  
Correct Preference Statement must also be declared

3

Please refer below to a summary of the JLR Gold Standard Commercial Invoice. The full version of this document can be found at <https://jlr.portal.covisint.com/web/portal/brexit>  
Correct Preference Statement must also be declared

Field #	Required Information	Field	Explanation
1	Supplier Name (Consignor)	Supplier specific	Supplier Name as specified on the JLR Purchase Order.
2	Supplier GSDB Code	Supplier Specific	Global Supplier database which contains key information on JLR suppliers. A unique code for each JLR supplier.
3	Supplier Address (Consignor)	Supplier specific	Supplier Address as specified on the JLR Purchase Order.
4	Preference Statement	Mandatory Field	A preference certificate is issued by exporters when the goods being exported qualify under a preferential trade agreement with specific countries. This certificate permits the goods to be imported into that country at a reduced rate of duty, in most cases zero duty.
5	Suppliers REX (EU), Customs Authorisation Number (Non-EU), or EORI (UK Only)	Supplier specific	1) A REX (Registered Exporter Number) number needs to be included in preference statement for EU exports (see field number 4) 2) Customs Authorisation Number needs to be included in preference statement for Non-EU exports (see field number 4) 3) EORI needs to be included in preference statement for UK Exports (see field number 4)
6	Sellers VAT Registration Number	Supplier specific	N/A
7	Buyers Company Name	JLR should be used	This is the legal entity as specified on the JLR purchase order (Production order field 1) who is buying the goods and not necessarily the destination it is delivered to.
8	Buyers Company Address (sold to details)	Company Address on JLR Purchase Order	This is the address as specified on the JLR purchase order (Production order field 45) who is buying the goods and not necessarily the destination it is delivered to.
9	Delivery Place Name (Ship to name)	Delivery Place Name	The name of where the goods are being delivered to as specified on the JLR schedule.
10	Delivery Address (Ship to address)	Delivery address to include FULL postcode	The address of where the goods are being delivered to as specified on the JLR schedule.
11	Invoice Number	Supplier specific	A unique number is required on each invoice and should not be duplicated.
12	Invoice Date	Either DD/MM/YYYY or MM/DD/YYYY	N/A
13	Invoice Currency	Where possible suppliers should use the 3-character abbreviation e.g., EUR/GBP	The currency agreed for this transaction will be stated on the JLR part Purchase Order
14	Incoterm + Name place	Incoterm on as JLR Purchase Order	The International Commercial Terms (INCO Terms) declare when the ownership of the goods officially changes hands and who becomes responsible for tax, duty, and transportation cost. The Incoterm you have agreed with JLR will be stated on the JLR Purchase Order. Incoterm must have place name after 3 letter code. Incoterm FCA, DDU and DAP are accepted by JLR.
15	Total Invoice Value	Numerical Value	This is the total value of goods supplied for customs. Value of goods – FCA Incoterms Value of Goods, Transport & Insurance – DDU/DAP Incoterms

Field #	Required Information	Field	Explanation
16	Part Number	Part number / Service Part number / Item specified on the JLR Purchase Order.	(1) JLR Part number – including engineering level. (2) Service part number for Aftermarket supply. (3) For Non-production goods, Item specified on Purchase order
17	Part Description	Full Part Description specified on the JLR Purchase Order.	This must be in English Generic or broad descriptions are no longer permitted and are likely to cause delays.
18	Harmonised Tariff Code (HS or commodity code)	8 Digit Number  NOTE: Some HS Codes may be 6 digits long and in these cases, zero's must be added to the end of the HS code until 8-digit length has been reached.	Harmonised System (HS) Codes are commonly used throughout the export process for goods. The Harmonised System is a standardised numerical method of classifying traded products. It is used by customs authorities around the world to identify products when assessing duties and taxes and for gathering statistics. <b>UK Information</b> - <a href="https://www.gov.uk/guidance/finding-commodity-codes-for-imports-or-exports">https://www.gov.uk/guidance/finding-commodity-codes-for-imports-or-exports</a> <b>EU Information</b> - <a href="https://ec.europa.eu/taxation_customs/dds2/taric/taric_consultation.jsp?Lang=en">https://ec.europa.eu/taxation_customs/dds2/taric/taric_consultation.jsp?Lang=en</a>
19	Origin of Part	Country Code or full country name. "EU" is not acceptable.	Rules to establish the country of origin of imported and exported goods and to help identify those which qualify for lower or nil Customs Duty. This should be a 2-letter code for the country. Information can be provided on Delivery Note or Packing List.
20	Number of parts	Numerical quantity	Specific number of parts
21	Number of boxes/pallets	Numerical quantity	Specific number of boxes / pallets
22	Gross weight - Total	Numerical quantity kgs or litres	Unit of Measure i.e., Kilogram OR Litres to 3 decimal places of parts & packaging weight. Information can be provided on Delivery Note or Packing List.
23	Net weight – Total by part	Numerical quantity kgs or litres	Unit of Measure i.e., Kilogram OR Litres to 3 decimal places of parts & packaging weight. Information can be provided on Delivery Note or Packing List.
24	Unit Value	Numerical value of each part/ item	Price and currency on JLR Purchase Order to 4 decimal places.
25	ASN/SRN number	Advanced shipping number	This will ensure the shipment is booked as received against the correct schedule.
26	Signed declaration	Statement	At the bottom of each Commercial Invoice a signed declaration should be included "I/We hereby declare that the information contained in this invoice is true and correct and that the contents of the shipment are as stated above". Where possible this should be signed with the name of the individual and position in company.
27	Means of transport	Transportation details	N/A

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An Export Accompanying Document (EAD) which includes the Movement Reference Number (MRN) are required to clear the goods for export. These are required before the goods leave the suppliers premises.

**WHO?**

As the Exporter Of Record, the supplier must submit the export declaration or employ a customs broker to complete it on their behalf.

**WHERE?**

This is to be submitted to the customs authority in the **country of export**.

**WHEN?**

As soon as the details of carrier and port of exit are provided.

**WHAT?**

For the customs declaration along with basic company information, the following are required;

- EORI Number
- Commodity code
- Commercial Invoice
- Trailer/carrier details
- Port of Exit

An export declaration is not required for the pallets and/or stillages if they have parts in them.

The image shows a complex form with multiple sections and fields. Key sections include:
 

- Header with a barcode and 'EXPORT ACCOMPANYING DOCUMENT'.
- Section 1: 'GENERAL INFORMATION' containing fields for 'EXPORTER', 'IMPORTER', 'CUSTOMS OFFICE', 'COMMODITY CODE', 'EORI NUMBER', 'COUNTRY OF ORIGIN', 'COUNTRY OF EXPORT', 'MODE OF TRANSPORT', 'TYPE OF GOODS', 'DATE OF EXPORT', 'DATE OF DECLARATION', 'DECLARATION NUMBER', 'DECLARATION DATE', 'DECLARATION TIME', 'DECLARATION STATUS', 'DECLARATION TYPE', 'DECLARATION SUBTYPE', 'DECLARATION CATEGORY', 'DECLARATION CLASSIFICATION', 'DECLARATION STATUS', 'DECLARATION TYPE', 'DECLARATION SUBTYPE', 'DECLARATION CATEGORY', 'DECLARATION CLASSIFICATION'.
- Section 2: 'TRANSPORT INFORMATION' containing fields for 'TRANSPORT MODE', 'TRANSPORT TYPE', 'TRANSPORT SUBTYPE', 'TRANSPORT CATEGORY', 'TRANSPORT CLASSIFICATION', 'TRANSPORT STATUS', 'TRANSPORT TYPE', 'TRANSPORT SUBTYPE', 'TRANSPORT CATEGORY', 'TRANSPORT CLASSIFICATION'.
- Section 3: 'CARRIER INFORMATION' containing fields for 'CARRIER', 'CARRIER TYPE', 'CARRIER SUBTYPE', 'CARRIER CATEGORY', 'CARRIER CLASSIFICATION', 'CARRIER STATUS', 'CARRIER TYPE', 'CARRIER SUBTYPE', 'CARRIER CATEGORY', 'CARRIER CLASSIFICATION'.
- Section 4: 'PORT OF EXIT INFORMATION' containing fields for 'PORT OF EXIT', 'PORT OF EXIT TYPE', 'PORT OF EXIT SUBTYPE', 'PORT OF EXIT CATEGORY', 'PORT OF EXIT CLASSIFICATION', 'PORT OF EXIT STATUS', 'PORT OF EXIT TYPE', 'PORT OF EXIT SUBTYPE', 'PORT OF EXIT CATEGORY', 'PORT OF EXIT CLASSIFICATION'.

The export declaration is required as soon as the carrier information is received

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The complete set of customs paperwork including the Export Accompanying Document (EAD), Commercial Invoice (CI) and Packing List should be sent to the Haulier & JLR to complete the import stage of the process.

**WHO?**

The supplier must send all required documents to the Haulier & JLR.

**WHERE?**

In return to the email providing you with the port of exit and carrier details and either [euukcfsp@jaguarlandrover.com](mailto:euukcfsp@jaguarlandrover.com) for Simplified Frontier Declarations (SFD) (majority of clearances) or [euffdclearance\\_smb@jaguarlandrover.com](mailto:euffdclearance_smb@jaguarlandrover.com) for Full Frontier Declarations (FFD) (for items such as hazardous goods for air freight)

**WHEN?**

As soon as the EAD/MRN is received. The EAD & CI documents need to be with Haulier & JLR prior to collection.

**WHAT?**

All 3 pdf documents should be sent to Haulier & JLR.

1. Full set of EAD with MRN (see next page for further details) **and**
2. Commercial Invoice **and**
3. Packing list

The email MUST have the following subject format:  
**Clearance Request<7 digit shipment reference (SRN)>-  
<supplier GSDB>-<Collection date>**  
e.g. Clearance Request-1024569-ABQ3A-17092021

**COMMON FAILURE**

Supplier's failure to send the export documentation, Commercial Invoice & packing list **to Haulier & JLR email addresses with the correct subject header has caused multiple stoppages & resulted in premium freight**

The Haulier needs the EAD (inc. MRN), CI and Packing List prior to the collection

5

An example of what good looks like for an email layout.

## WHAT GOOD LOOKS LIKE: INDIRECT- FCA / DDU / DAP ACCOMPANIED

	<b>To</b>	euukcfsp@jaguarlandrover.com
	<b>Cc</b>	
	<b>Subject</b>	Clearance Request - 3423490 – XY11Z – 20/02/2022

JLR Route: Indirect  
INCOTERM: FCA / DDU / DAP  
Carrier: Waberers  
Shipping Ref: 3423490  
Loading Date: 20/02/2022

ETA Date: 23/02/2022  
Port of Exit from EU (Route): Calais  
Arrival Port into UK (Route): Dover  
Vehicle Reg No. (If Accompanied): WA456  
Trailer No: RE2345K  
Accompanied Trailer: Yes

Level of detail required on email



An example of what good looks like for an email layout.

### WHAT GOOD LOOKS LIKE: INDIRECT- FCA / DDU / DAP -UNACCOMPANIED

 Send	<b>To</b>	euukcfsp@jaguarlandrover.com
	<b>Cc</b>	
<b>Subject</b>		Clearance Request - 3423490 - XY11Z - 20/02/2022

JLR Route: Indirect  
INCOTERM: FCA /DDU / DAP  
Carrier: Waberers  
Shipping Ref: 3423490  
Loading Date: 20/02/2022

ETA Date: 23/02/2022  
Port of Exit from EU (Route): Calais  
Arrival Port into UK (Route): Dover  
Vehicle Reg No. (If Accompanied):  
Trailer No: RE2345K  
Accompanied Trailer: No

UK Carrier Email Address: abc@ukcarrier.co.uk  
Devanning Location in UK if Groupage:  
Port Manifest System: Destin8  
Badge Reference: AAA

Level of detail required on email

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## COMMON FAILURE

Suppliers should ensure the document they are submitting is the Export Accompanying Document (EAD) with the MRN barcode.

## This is the EAD

1. It has the required MRN and Barcode
2. It States Export Accompanying Document

The image shows a sample of an Export Accompanying Document (EAD) form. The form is titled "EUROPEAN COMMUNITY" and "EXPORT ACCOMPANYING DOCUMENT". It contains various fields for export details, including a barcode in the top right corner circled in green and labeled "1". A large green checkmark is overlaid on the bottom half of the form, and a green circle labeled "2" highlights the title "EXPORT ACCOMPANYING DOCUMENT" on the left side.

The EAD is required with MRN & Barcode



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After the Haulier & JLR receive the EAD (with MRN), CI & Packing List they will submit the import declaration. You will receive either a Simplified Frontier Declaration (SFD) reference number or a C88 (for FFD clearances).

**WHO?**

This will be sent to the supplier

**WHERE?**

In response to the submission of your export documentation

**WHEN?**

Once this is received from UK Customs after the submission of your export documentation

**WHAT?**

The Simplified Frontier Declaration (SFD) reference number or C88 allows the goods to be released into the UK at the port of entry. This will be created and sent to the supplier.

The information required to submit this is taken from your EAD, commercial invoice and packing list. Any issues in this documentation may delay the clearance creation and therefore delay the shipment.



THE SFD OR C88 CANNOT BE COMPLETED UNTIL THE EAD, PACKING LIST AND COMMERCIAL INVOICE HAVE BEEN RECEIVED BY JLR. THE SUPPLIERS COMMERCIAL INVOICE MUST BE COMPLETE & ACCURATE

The SFD reference or C88 is required for the goods to enter the UK

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The complete set of customs paperwork including EAD, commercial invoice, packing list & SFD/C88 should be given to the driver as paper copies. This is the copy that allows the goods to pass through customs at Port of Exit. It is a requirement to have a paper copy. Without a paper copy the shipment will be delayed and may be unable to clear customs

**WHO?**

It is the supplier's responsibility to supply the documents to the carrier/driver.

**WHERE?**

At collection/dispatch point on carrier arrival.

**WHEN?**

The driver should receive these when parts are loaded.

**WHAT?**

The full set of customs documentation including the Export Accompanying Document (EAD), Packing List, SFD reference & Commercial Invoice (CI) **must** be provided as paper copies to the driver. Without the documentation the parts cannot leave the supplier premises.

The supplier will need to have a printer properly configured to print the documentation in the legally required format including the printed barcode.

Failure to provide paperwork will be considered as failure to provide goods.

The image shows a sample of an INVOICE document. The title 'INVOICE' is prominently displayed at the top. Below the title, there are several fields for 'Invoice Number' and 'Invoice Date'. A large barcode is visible on the right side of the document. The invoice is divided into multiple sections, likely for 'Export Accompanying Document (EAD)', 'Packing List', and 'Commercial Invoice (CI)'. The document is a standard customs form used for international trade.

The driver should be given a printed copy of all customs documentation including EAD

8

The haulier will close the EAD once the parts have cleared customs at the Port of Exit. The Movement Reference Number (MRN) will then be marked as shipped. This is done via the EUROPA system.

**WHO?**

The supplier is able to check the status of the MRN to confirm shipment

**WHERE?**

The supplier is able to check an MRN through  
[https://ec.europa.eu/taxation\\_customs/dds2/ecs/ecs\\_home.jsp?Lang=en](https://ec.europa.eu/taxation_customs/dds2/ecs/ecs_home.jsp?Lang=en)

**WHEN?**

The MRN will be marked as closed when the carrier has cleared customs

**WHAT?**

The EUROPA site provides a function to confirm the status of a specific MRN. The supplier can use this to confirm a specific shipment has been exported.



The supplier is able to confirm shipment via EUROPA

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Required evidence will usually come from the IE599 message from the Europa system. JLR will support suppliers on exception who require additional 'evidence of export for VAT purposes'.



**WHO?**

Supplier to request from Haulier in the first instance. JLR will support if required



**WHERE?**

Sent to the vendor circa 10 days after request which contains the required information



**WHEN?**

After the goods have been imported into the receiving country

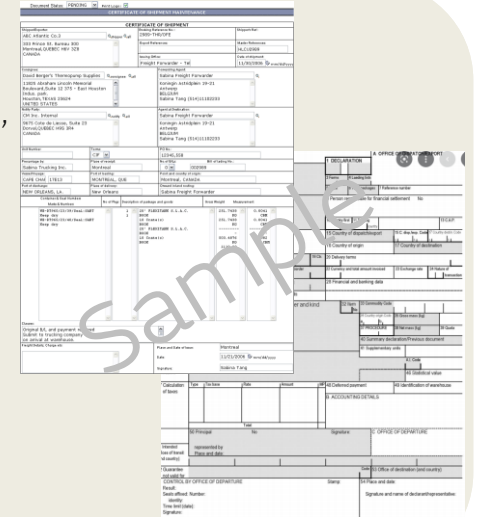


**WHAT?**

The IE599 message should be sufficient evidence for tax authorities. On exception, DHL can provide one of the following:

- A signed delivery note
- A letter from the haulier
- A signed copy of the CMR

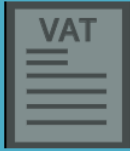
Vendors can also use the self bill invoice supplied by JLR upon goods receipt as evidence for tax authorities.



Documents can be provided as evidence of export if required

# SUPPLIERS ON DDP INCOTERMS

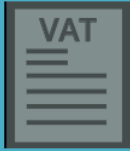




## VAT implications for supplier on DDP Incoterms: Import clearance into the UK

- As legal title to goods passes to JLR at the point of delivery and this occurs after the point of import clearance into the UK, VAT rules regard the supply to JLR as a domestic (i.e. UK) supply for VAT purposes. This has the following consequences:
  1. Suppliers must become VAT registered in the UK (if not already registered) and file regular UK VAT returns as a result
  2. UK VAT (at 20%) must be charged on invoices between suppliers and JLR. This includes invoices raised on suppliers as part of the JLR self-bill process.
- In relation to VAT registration, this is necessary as suppliers are considered to be making taxable VAT supplies in the UK. Critically, UK VAT registration also allows suppliers to recover VAT paid on importation into the UK. JLR will not accept any responsibility for UK VAT paid by suppliers and which cannot subsequently be recovered for any reason.
- Suppliers should obtain their required UK VAT registrations before 1<sup>st</sup> January 2021. It is suggested that suppliers may wish to engage a reputable advisor or VAT representative in the UK to support in this process, including answering any questions which the UK Tax Office may have and supporting future UK VAT return filings.
- In relation to charging UK VAT on invoices to JLR, this may also require IT systems changes on the part of the supplier.

The above represents JLR's general understanding of UK VAT requirements in relation to DDP supply. JLR does not provide tax advice and the above should not be regarded as such. Suppliers are responsible for their own tax affairs and it is recommended that, where appropriate, advice is sought from suppliers' own advisors based on their specific, individual circumstances.



## VAT implications for supplier on DDP Incoterms: Import clearance into the EU

- As legal title to goods passes to JLR at the point of delivery and this occurs after the point of import clearance into the EU, VAT rules typically regard the supply to JLR as a domestic supply for VAT purposes. This has the following consequences:
  1. Suppliers must become VAT registered in the recipient country (if not already registered) and file regular VAT returns as a result
  2. Domestic (recipient country) VAT must be charged on invoices between suppliers and JLR. This includes invoices raised on suppliers as part of the JLR self-bill process.
- In relation to VAT registration, this is necessary as suppliers are considered to be making taxable VAT supplies in the recipient country. Critically, VAT registration also allows suppliers to recover VAT paid on importation into the EU. JLR will not accept any responsibility for EU VAT paid by suppliers, and which cannot subsequently be recovered for any reason.
- Suppliers should obtain their required VAT registrations before 1<sup>st</sup> January 2021. It is suggested that suppliers may wish to engage a reputable advisor or VAT representative to support in this process.
- In relation to charging EU VAT on invoices to JLR, this may also require IT systems changes on the part of the supplier.

The above represents JLR's general understanding of EU VAT requirements in relation to DDP supply. JLR does not provide tax advice and the above should not be regarded as such. Suppliers are responsible for their own tax affairs, and it is recommended that, where appropriate, advice is sought from suppliers' own advisors based on their specific, individual circumstances.



# ISSUE RESOLUTION





## FAQs

## Returnable Packaging

Where JLR manages the transportation of empty plastic and metal pallet returns, we will also manage the associated customs formalities required to move these items across the UK-EU border.

Where suppliers manage pallet returns using their own transport, they will need to put in place processes to manage exportation and importation.

JLR can confirm that both CHEP & GEFCO are managing the movements of their respective empty containers and will manage associated customs procedures and paperwork required.

The customs formalities of returnable packaging between directed Tier 2 and Tier 1 suppliers needs to be managed between the 2 contracted parties.

## Customs Clearance on Site

Supplier must have the ability to customs clear goods at their dispatch site (at JLR Collection Code address). Suppliers must ensure that parts have an Export Declaration available at the point of JLR collection.

JLR is unable to divert our collection vehicles to transport parts to customs offices / brokers in instances where suppliers cannot clear customs on-site.

A customs declaration may be lodged prior to the expected presentation of the goods to customs. If the goods are not presented within 30 days of lodging of the customs declaration, the customs declaration shall be deemed not to have been lodged. More information can be found in Article 171 - Lodging a customs declaration prior to the presentation of the goods <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02013R0952-20200101> -

If your organisation is not able to meet the JLR customs process, then you will need to arrange transportation to the JLR site(s) on schedule demand at your own cost, with exportation being completed by the supplier & JLR completing the Import process. Guidance on how to contact JLR to complete Import clearance under these circumstances can be found on the DDU – Buyers Place supplier guide.

Once the collection address can clear parts, JLR will re-instate collection service.



Further advice and specific requirements and guidance may be found on your countries' custom authority website

[https://ec.europa.eu/taxation\\_customs/national-customs-websites\\_en](https://ec.europa.eu/taxation_customs/national-customs-websites_en)

<https://www.gov.uk/brexit>



If there are any issues during this process or during shipping, you need to contact your JLR Customs and DHL contacts to ensure all parties are aware of the issues.



# ACRONYMS

	Definition
C88	The import entry form completed when implementing a FFD
CI	Commercial Invoice
CIP	Carriage & Insurance Paid to destination (Incoterm)
CPT	Carriage Paid to Destination (Incoterm)
DAP	Delivered At Place (Incoterm)
DAT	Delivered At Terminal (Incoterm)
DDP	Delivered Duty Paid (Incoterm)
DDU	Delivered Duty Unpaid (Incoterm)
EAD	Export Accompanying Document, to be submitted by the supplier or a customs broker employed on their behalf
ETA	Estimated time of arrival

	Definition
EXW	Ex Works (Incoterm)
FCA	Free Carrier (Incoterm)
FFD	Full Frontier Declaration, contains all the information required for customs clearance. No further information needs to be provided retrospectively
GSDB	Global Supplier Database, the GSDB code is unique reference given to a supplier
GVMS	Goods Vehicle Movement Service, system used for customs control purposed at some border location
INCOTERM	International Commercial Terms, terms which declare when the ownership of the goods officially changes hands and who becomes responsible for tax, duty and transportation costs
MRN	Movement Reference Number, which is in the top right hand corner on the EAD
SFD	Simplified Frontier Declaration, which contains the minimum amount of information needed to be submitted at the frontier to enable customs clearance. SFD can be done in lieu of an FFD, but it does then require a SDI (Supplementary Declaration Import) to be performed retrospectively
SRN	Shipping Reference Number, provided by the Haulier
VAT	Value Added Tax, a goods and services tax