

Basic Exporting Guide



Helpful tips and advice if you are thinking about exporting.

Choosing How to Export.

If you are planning to export goods overseas you will need to determine a few factors about the process before you can proceed.

Firstly you will need to establish which shipping terms or Inco terms you plan to export on.

Inco terms are internationally recognised and help you determine who will pay for and be responsible for the various stages of exporting.

For a better understanding of the Inco terms and to avoid any unexpected charges you can have a look at the government website: www.gov.uk/trade-tariff or you can take a look at our handy INCO chart below.



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	 Seller	 Carrier	 Border/ Customs	 Port	 Ship/Aircraft	 Port	 Border/ Customs	 Carrier	 Buyer/Customer	
EXW (EX WORKS)	Packing & Labelling	Inland Freight	Origin Terminal Charges	Vessel Loading Charges	Air / Sea Freight Charges	Unload & Destination Terminal Charges	Customs Formalities	Inland Freight	Delivery	Unloading
DAP (DELIVERED AT PLACE)	Packing, Labelling & Documentation	Inland Freight	Origin Terminal Charges	Vessel Loading Charges	Air / Sea Freight Charges	Unload & Destination Terminal Charges	Customs Formalities	Inland Freight	Delivery	Unloading
DDP (DELIVERED DUTY PAID)	Packing, Labelling & Documentation	Inland Freight	Origin Terminal Charges	Vessel Loading Charges	Air / Sea Freight Charges	Unload & Destination Terminal Charges	Customs Formalities	Inland Freight	Delivery	Unloading
FOB (FREE ON BOARD)	Packing, Labelling & Documentation	Inland Freight	Origin Terminal Charges	Vessel Loading Charges	Air / Sea Freight Charges	Unload & Destination Terminal Charges	Customs Formalities	Inland Freight	Delivery	Unloading
CFR (COST AND FREIGHT)	Packing, Labelling & Documentation	Inland Freight	Origin Terminal Charges	Vessel Loading Charges	Air / Sea Freight Charges	Unload & Destination Terminal Charges	Customs Formalities	Inland Freight	Delivery	Unloading

Key: Seller - Arranges/Pays Buyer - Arranges/Pays

We are always at the other end of the phone to talk you through the options and explain any confusion, deciding on shipping terms is important so it is always best to seek advice from your Freight Forwarder.

You will also require a commodity code for your goods before exporting them. A commodity code is needed for customs purposes when goods leave the UK. You can also advise the customer receiving the goods of the export commodity code which may be helpful when they are finding the import commodity code.

You can work out the Commodity Code for your product by having a look at:

www.gov.uk/trade-tariff

If you have any difficulty or want to find out more about working out your commodity code then get in touch with our team and they can assist you with this process.

Getting a Quote

To get an accurate quote from your freight forwarder they will need the following information:

- You will need to know your shipping terms (INCO Terms). This enables your Freight Forwarder to know which aspects of the exporting process they are arranging on your behalf.
- It is important to let your Freight Forwarder know the weights and dimensions (Height, width, length) of your items as all quotes will be based on this information.
- Your Freight Forwarder will need to know the destination country and address. It is ideal to know if the destination address is a commercial or residential address too.
- Check with your Freight Forwarder to establish which documentation or certificates may be required in the destination country.
- Let your Forwarder know if there are any time constraints that need to be factored in when determining which mode of transport to send your goods by.
- Most Freight forwarders will offer a packing service either through themselves or a company they work with. Ask your Freight Forwarder about your packing and palletising options.
- Your Freight Forwarder will also likely want to know the value of the goods as this enables them to include insurance as part of their quote. For more information about insurance options have a look at our website or call us on 01392 369923 and we can talk you through your options.

Always make sure you get your quote in writing as they often have a validity date and you want to know the quote you are given will still be accurate when you need it.



Preparing for Export

You will need to have the following information before your goods can be exported.

- You will need an EORI number. This is your VAT number if you are VAT registered it just needs to be registered for export.
- If you are not VAT registered you will need to apply for an EORI number for exporting purposes.
- You will need to determine your Commodity Code and let the forwarder know what code to use. This is required for customs purposes and must be given by anyone exporting.
- You will need to create a commercial Invoice which will detail the goods being exported and their gross value.
- You will also be required to create a packing list which will show the weights, sizes and number of packages.
- Your Freight Forwarder alongside the shipping line will create a bill of lading. This is a document which proves ownership and will be sent to the customer overseas when the payment for the goods has been received and you have handed over ownership.

If you require any support in finding or understanding any of this information you can visit our website or get in touch with our friendly export team on 01392 369923.



The Stages of Exporting

When you have accepted the quote from your Freight Forwarder and you are ready for your goods to be shipped, the following steps will take place:

- Packing - Before your goods can be shipped it is essential for them to be packed correctly and securely. It is worth checking with your Freight Forwarder about requirements in the destination country in regards to labelling and materials used. If palletising your own products please ensure that you use a stamped and heat treated pallet.
- Booking - Once your consignment is correctly packed your Freight Forwarder will then arrange the bookings by whichever mode of transport you have decided.
- Documents - To establish which documents will be required for your shipment it is best to talk to your Freight Forwarder as they will have the knowledge regarding this.

You will also need to distribute the shipping documents provided for you by your Freight Forwarder. This can include sending them to your bank for you to obtain payment for the consignment, sending them to your overseas client to obtain cargo on arrival. You will also need to hold onto a copy for the next 7 years for VAT purposes to show proof of export.

- Exporting your goods. When your Freight Forwarder have had your goods delivered to the port or airport they will confirm with you the vessel or flight details and an expected ETA for the destination. These details are always subject to change but your Freight Forwarder will keep you informed.



The Final Stages.

Prior to your goods leaving the UK you will be required to pay the freight and charges to your Freight Forwarder. After payment has been received your goods can leave the UK.

On arrival in the destination country the bill of lading will need to be presented to the shipping line or consolidation company by the overseas client. (Only once you have received payment). This enables the goods to clear customs and be delivered at their end.

There may be taxes and duties to be paid by your customer at the destination port/airport. Your Freight Forwarder can advise you on these so you can make sure you know your customer is prepared.

Depending on the Inco terms used for the shipment there may also be fees for your customer which you can advise them after seeking information from your Freight Forwarder.



For more information and to ask any questions you may have please feel free to get in touch with the exports team. We will be more than happy to talk you through the process and help with any queries you may have.

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