

BREXIT

SUPPLY CHAIN VIEW

Zsolt VECSERA

The GEFCO logo consists of the word "GEFCO" in a bold, yellow, sans-serif font, enclosed within a yellow square border.

Partners, unlimited

SUPPLY CHAIN

CHANGING ENVIRONMENT

BREXIT gives an interesting addition to our changing environment. Our homework list is already robust:

1. Find answers to **INDUSTRY 4.0**
2. Find solutions for **AUGMENTED MOBILITY**
3. Understand impacts of **3D PRINTING**
4. Contribute to our **ENVIRONMENTAL RESPONSIBILITY**
5. Deliver the **PRODUCTY** to our **PARTNER`s Supply Chain**
6. Meet our **Customers and their Clients requirements on increasing demand**

IS YOUR SUPPLY CHAIN READY FOR BREXIT?

1
Customs check could cost traders more than GBP 4 billion per year

1

2
180,000 traders – 250 million declaration per year

2

3
36% of traders rely on the just-in-time delivery of material and components

3



6

6
50% of imported goods are inputs into the UK production

5

5
AEO approval can take over 4 months (153 AEO approved businesses in UK)

4

4
Management of VAT will change after Brexit for EU-sourced goods with potential cash flow issues

KEEPING YOUR GOODS MOVING

PREPARATION FOR BREXIT

WCR PLANNING

- Additional inventory holding due to extended lead times.
- EU imports will require import VAT to be paid and then to recover – important impact on cash flow

SOURCING LOCATION

- Is your TIER1 TIER 2 supplier at the right location?
- Did they make the preparation to support your supply chain?

CONTRACTS

- Do you have INCOTERMS regulation in your contracts?
- Do you need to change your contracts to comply with future requirements?

REGIONAL SC MODEL

- Many companies run regional supply chain structures within the EU that have specific tax attributes.
- Centralised supply chain and procurement hubs hosted in the UK will depend on how they are configured.
- Basic physical supply chain questions need to be asked. Do I now need to consolidate? If so, where and which flows?

AEO

- AEO accreditation can enable businesses to benefit from faster customs clearances and gives assurance to HM Revenue and Customs (HMRC) that the business operates a secure and trustworthy import and/or export practice, allowing swifter approval of special procedures.