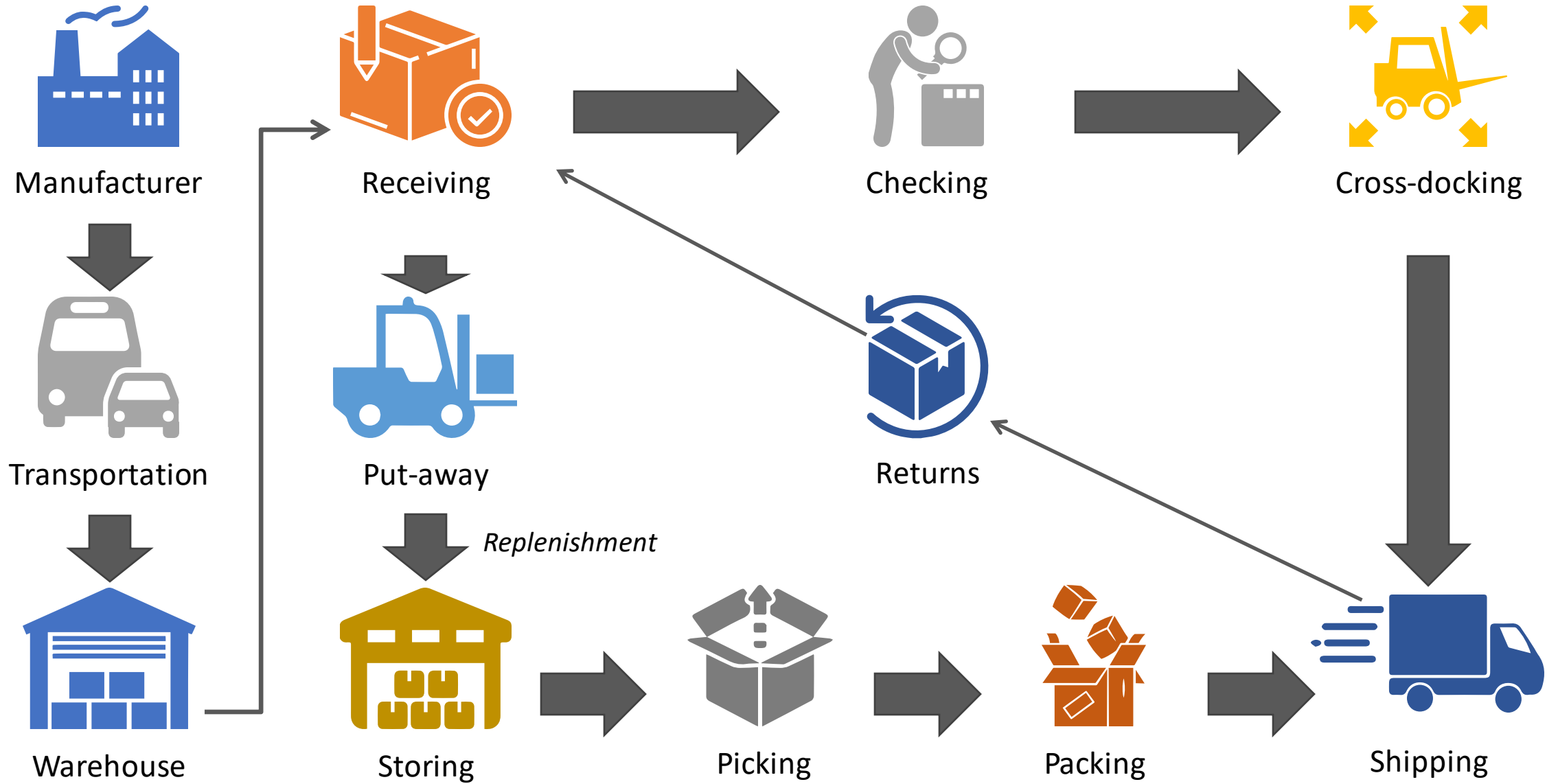
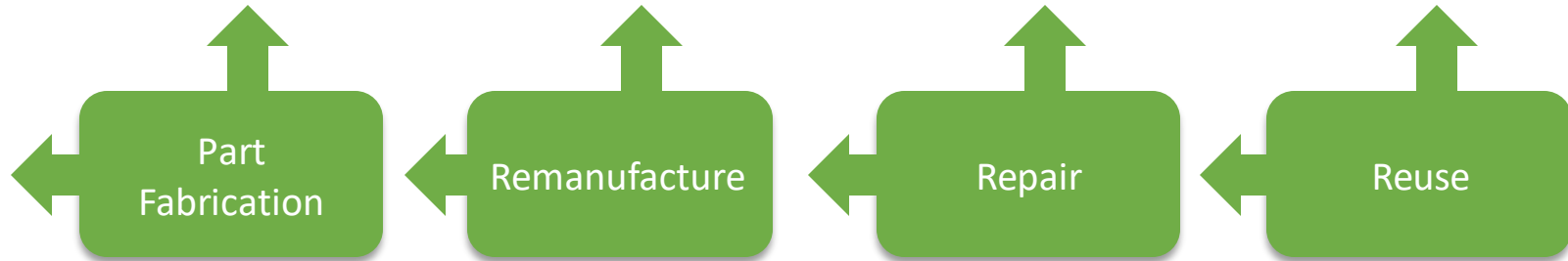
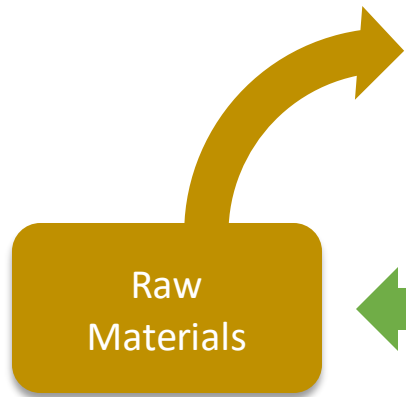
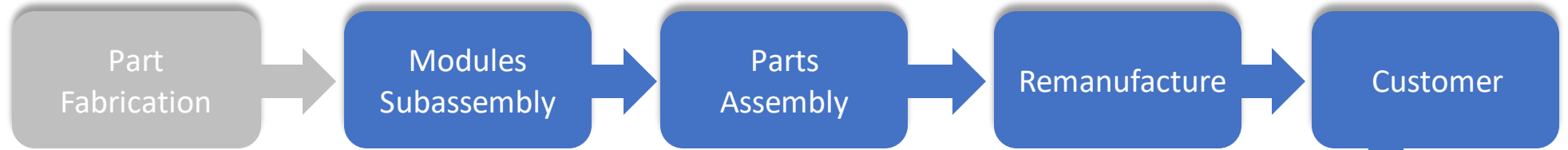


LOGISTICS PROCESS FLOW




LOGISTICS PROCESS FLOW



Export Logistics Process



3. **Logistics and Shipping Arrangements**

- Third-Party Service: A 3PL is a third-party business that provides logistics services to other companies.
 - Outsourcing: Companies outsource logistics operations to 3PLs, allowing them to focus on core business activities.
 - Services Provided
 - Transportation: Managing the movement of goods via air, sea, rail, or road.
 - Warehousing and Storage: Offering storage solutions for inventory.
 - Distribution and Fulfilment: Handling order processing, packaging, and distribution.
 - 3PLs can manage international shipping, including customs clearance and warehousing.
 - Inventory Management: Tracking and managing inventory levels, often through sophisticated software systems.
 - Transport Mode Decision: Deciding on the most efficient and cost-effective mode of transport (air, sea, road, rail)
 - 3PLs bring specialized knowledge and expertise in logistics operations.
 - Cost Efficiency: Potential reduction in transportation and logistics costs.
 - Scalability and Flexibility: Ability to scale logistics operations up or down based on business needs.
 - Network Access:
 - Access to a broader logistics network.
 - Local Expertise: Knowledge of local customs landscapes and regulations.
 - Regulatory Compliance logistics operations comply with legal and regulatory requirements.
 - Risk Mitigation: Managing risks associated with transportation and storage of goods.
 - Cargo Insurance: Securing insurance to cover the goods against loss or damage during transit.
- 
- The background of the slide features a light blue world map. Overlaid on the map are several transportation-related images: a large cargo ship at sea, a white semi-truck with a dark trailer on a road, and a commercial airplane flying in the sky. The overall aesthetic is clean and professional, emphasizing global logistics.

5. Navigating Customs Procedures summary

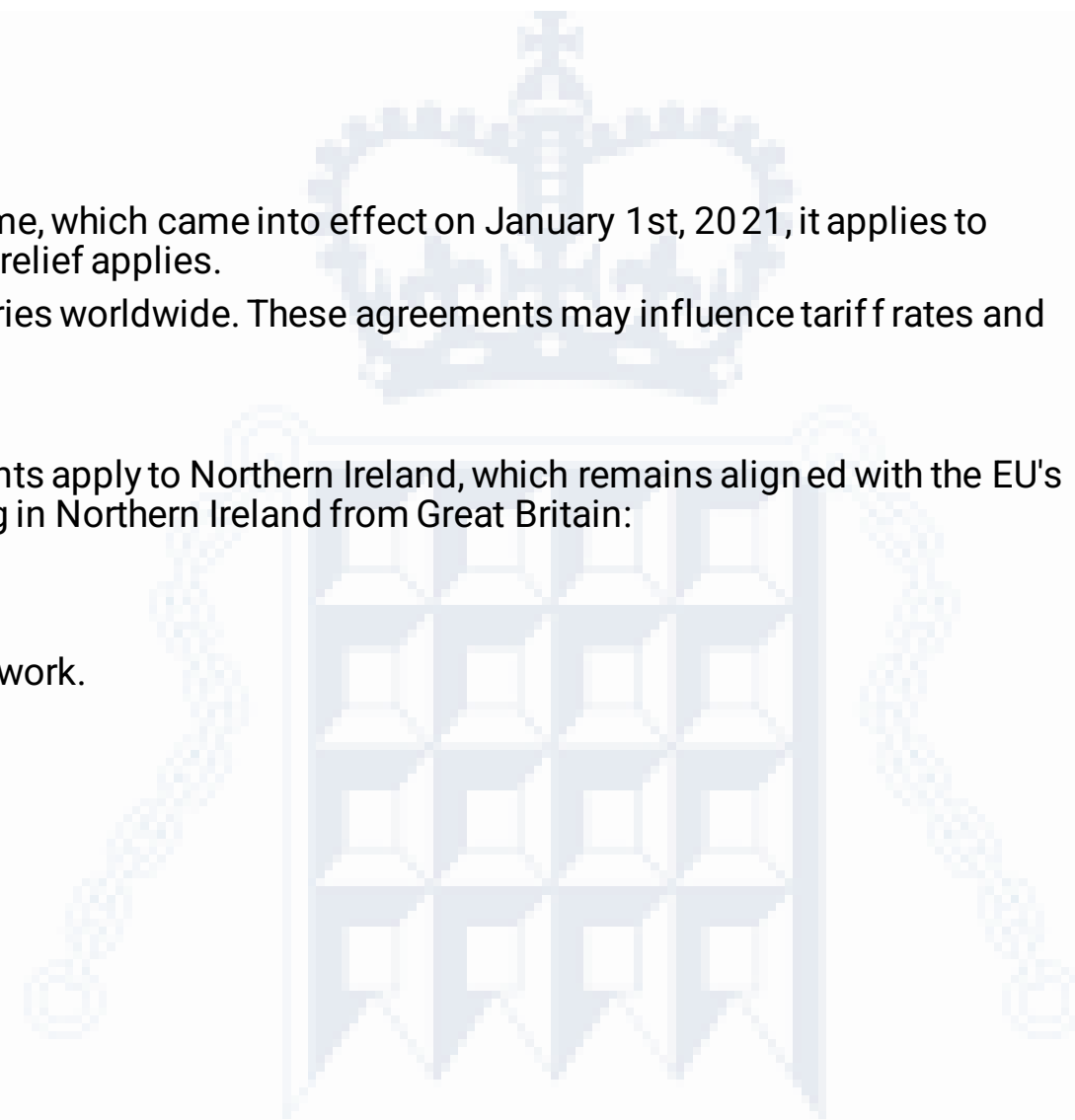
- Pre-Shipment Inspection:
 - Quality and Quantity Verification: Inspections to verify that the goods meet the specifications and quantities ordered.
 - Explain the necessity of understanding the import regulations of the destination country, including tariffs and restricted items
- Documentation:
 - Bill of Lading, Certificate of Origin, and Commercial Invoice.
- Customs Clearance :
 - IMPEX Documentation: Preparing necessary documents like commercial invoices, packing lists, and certificates of origin.
 - IMPEX Declarations: Filing necessary customs declarations in the country of origin.
 - Duties and Taxes: Understanding and fulfilling any obligations for **import duties or taxes. (Export taxes)**
- Inspection and Duty Payment: Goods can be inspected and before duty and tax is calculated
- Release of Goods:
- Customs Compliance: Importance of adhering to laws and regulations.
 - Legal Obligations: legal requirement to comply with both local and international customs laws.
 - Avoiding Delays and Penalties: Compliance ensures timely delivery and avoids costly penalties and seizures.
 - Reputation and Reliability: the importance of compliance in building a reputation as a reliable trader.
 - Ensuring goods comply with the regulations of the destination country, including safety, environmental, and customs requirements.
- Continuous Learning: The importance of staying updated on changing regulations and best practices

5. Navigating Customs Procedures for Exports from the UK

- **Determine commodity codes:** Each exported product is assigned a specific commodity code that indicates the type of goods being exported. It is important to determine the correct commodity code, as it helps in completing the necessary customs documentation accurately. The UK Trade Tariff can be used to find the appropriate code.
- **Customs declaration:** As an exporter, you'll typically need to complete an export declaration for your goods. This declaration provides detailed information about the goods, such as their description, value, and destination country. You can make these declarations electronically using the Customs Handling of Import and Export Freight (CHIEF) or Customs Declaration Service (CDS) systems or use the services of a customs agent to assist you.
- **Export licenses and certifications:** Certain goods may require specific licenses or certifications before they can be exported. It is important to determine if your goods fall into any restricted categories or if any additional documentation is needed for smooth clearance. Check with the relevant authorities or trade associations to ensure compliance with any export licensing requirements.
- **Packing and labelling:** Ensure that your goods are properly packed and labelled according to the regulations of your destination country. This may include providing accurate descriptions, markings, and labels such as country of origin, product identification, and any necessary certifications.
- **Transport and documentation:** Arrange transportation for your goods, whether by sea, air, road, or rail. Ensure that you have all the necessary documentary evidence, such as commercial invoices, packing lists, transport documents (such as bills of lading or airway bills), and any additional documentation required by the destination country.
- **Export controls and restrictions:** Certain goods may be subject to export controls or restrictions due to their nature, destination, or specific regulations. It is important to be aware of these controls and restrictions and ensure that your goods comply with all applicable laws and regulations.
- **Post-departure procedures:** Once your goods have been shipped, you may need to follow up with relevant authorities, such as providing proof of export, reporting the export for statistical purposes, or completing any necessary post-departure documentation.

5. Navigating Customs Procedures for Exports from the UK

- UK Tariff and Trade Agreements
 - UK Global Tariff (UKGT): Upon leaving the EU, the UK established its tariff regime, which came into effect on January 1st, 2021, it applies to goods imported into the UK unless an exception such as a trade agreement or relief applies.
 - Trade Agreements: The UK has been negotiating trade agreements with countries worldwide. These agreements may influence tariff rates and rules of origin for imported and exported goods.
- Brexit Implications
 - The Windsor framework built on Northern Ireland Protocol: Special arrangements apply to Northern Ireland, which remains aligned with the EU's customs rules for goods. The framework creates two "lanes" for goods arriving in Northern Ireland from Great Britain:
 - A green lane for goods which will remain in Northern Ireland
 - A red lane for goods which may be sent on to the EU.
 - Products going through the green lane do not need checks or additional paperwork.
 - Red lane goods are still subject to checks.



HM Customs and Excise

5. **INCOTERMs**

- Def: the word 'INCOTERM' is an abbreviation for International Commercial Terms which provide a common set of rules used for defining the responsibilities of sellers and buyers in the delivery of goods under sales contracts - Updated in 2020.
- They are widely used in international commercial transaction
- **What Incoterms 2020 do...**
- Rules are **not** designed for a specific type of trade or commodity
- It can be used for any type of trade
- It describes:
 - **Obligations** Who does what – between buyer and seller
 - Delivery of goods
 - Come and take the goods from my place
 - Will deliver the goods at your place
 - Organizing carriage
 - Insurance to cover the transit risk
 - Obtaining shipping documents
 - Export / import clearance
 - **Risks** - Where the risk is transferred from seller to buyer - Where and when seller delivers the goods
 - **Costs** – for whose account at which stage, **packing checking loading and unloading.**
- **They do not:**
 - Apply to contracts for services.
 - Define contractual rights and obligations other than for delivery.
 - Specify details of the transfer, transport, and delivery of the goods.
 - Determine how title to the goods will be transferred.

5. INCOTERMs

INCOTERMs

What do they define?



Who has to take care and pay for the **transport** of the goods



Who has to take care and pay for the **insurance** of the goods



Who has to take care and pay for **other costs** like, e.g. customs, handling...



Define the place where the seller has to **deliver** to the buyer



Define clearly the place and time when the **risk is transferred** from one party to another

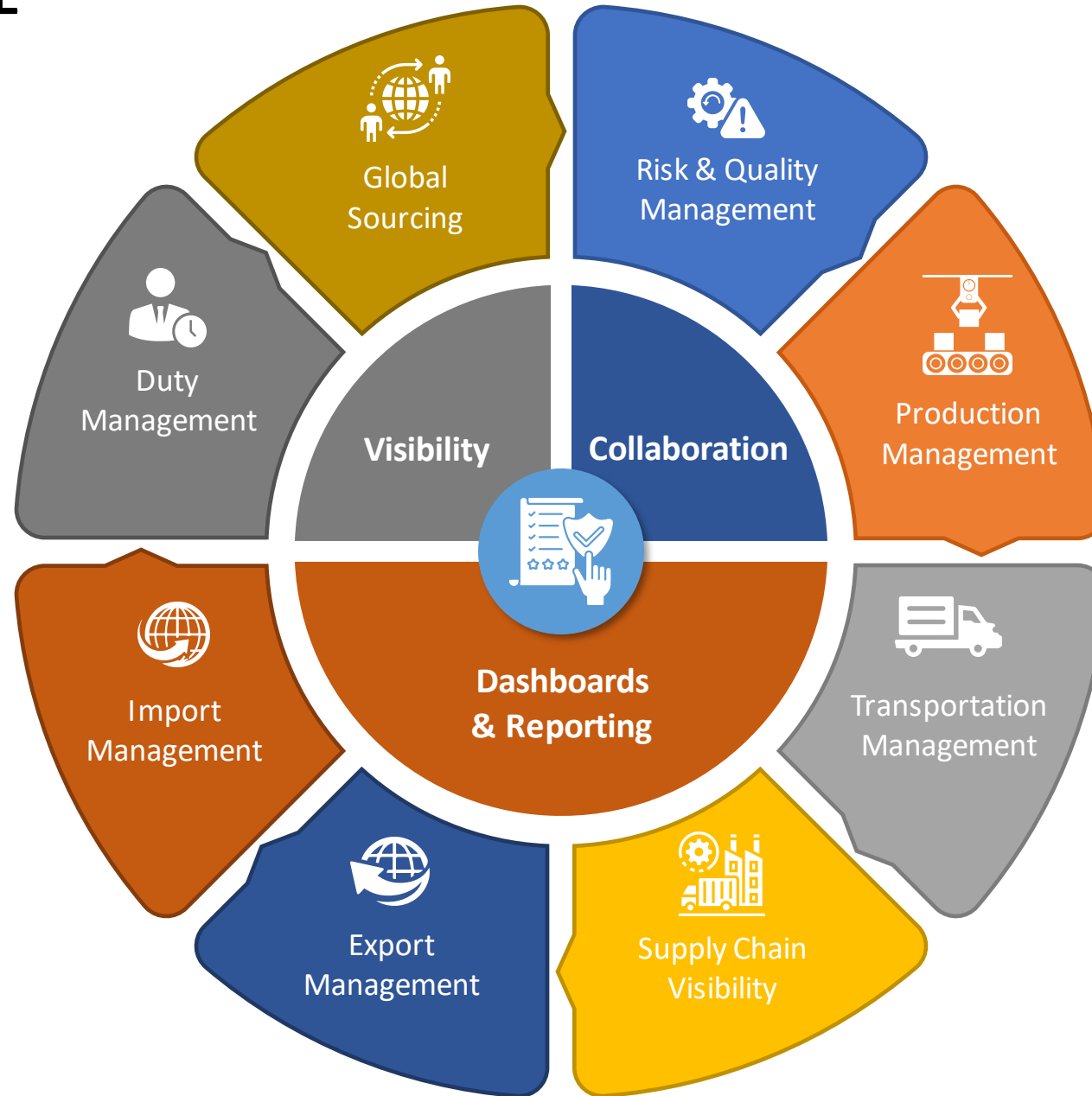
Internati

ommerce

The world business organization

- Trade compliance refers to the adherence to laws, regulations, and policies governing international trade activities. It involves ensuring that businesses and individuals comply with the rules and requirements set by government authorities and international organizations to promote fair and lawful trade practices. Trade compliance covers various aspects, including import/export regulations, customs procedures, trade restrictions, documentation, licensing, and product-specific standards.
- Trade compliance aims to maintain the integrity of global commerce, prevent illegal activities such as smuggling or fraud, protect national security, promote economic stability, and ensure a level playing field for all participants in the international trade arena. It seeks to strike a balance between facilitating trade and enforcing necessary regulations to safeguard public safety, intellectual property rights, fair competition, and environmental sustainability. Significance: Explain how compliance affects every aspect of the trade, from legal standing to market reputation, and its role in facilitating smooth, ethical, and legal international transactions.
- Key elements of trade compliance include:
 - Import and Export Controls: Compliance with import and export regulations, including the proper declaration of goods, accurate valuation, adherence to restricted or prohibited goods lists, and compliance with licensing requirements for certain items.
 - Customs Documentation: Meeting the documentation requirements set by customs authorities, such as customs declarations, commercial invoices, bills of lading, packing lists, certificates of origin, and any additional permits or certificates necessary for specific products.
 - Trade Restrictions: Complying with trade embargoes, sanctions, or other trade restrictions imposed by governments or international bodies, which may involve restrictions on specific countries, individuals, entities, or goods.
 - Product-specific Standards: Adhering to product-specific standards and regulations related to safety, quality, labeling, and environmental considerations. This includes conformity to specific certifications, testing requirements, or industry standards.
 - Anti-Corruption Measures: Implementing policies to prevent bribery, corruption, or unethical business practices in international trade transactions, in accordance with applicable laws such as the Foreign Corrupt Practices Act (FCPA) or the UK Bribery Act.
- Failure to comply with trade regulations and requirements can result in financial penalties, legal consequences, shipment delays, damaged business reputation, and disruptions in supply chains.

TRADE COMPLIANCE



1. **Product Design and Development, sourcing, Manufacturing.**
Compliance with International standards starts at the beginning of your import export journey.

- **Product Design and Development:** Ensuring compliance with international standards starts by conducting thorough research on the standards and regulations applicable to your specific product in the target market. These standards may cover safety, quality, labelling, environmental considerations, and more. Incorporating these standards into the design and development process helps ensure that your product meets the necessary requirements and can be legally sold in the desired market.
- **Sourcing:** When sourcing materials and components for your product, it is essential to work with suppliers who also comply with relevant international standards. Conduct due diligence to verify their quality control processes, certifications, and adherence to ethical and sustainable practices. This helps mitigate risks and ensures your supply chain aligns with the required standards.
- **Manufacturing:** Compliance with international standards during the manufacturing process ensures that your product is produced according to established guidelines. This includes following safety protocols, quality control measures, and environmental regulations. Implementing robust quality management systems and conducting inspections and audits throughout the production process helps maintain consistent compliance.
- **Import-Export Regulations:** Apart from product-specific standards, it's crucial to navigate import-export regulations and customs procedures. This entails adhering to customs requirements, documentation, labelling, and compliance with international trade agreements or restrictions. Understanding import duties, tariffs, and export control regulations ensures smooth customs clearance and compliance with applicable laws.
- **International Certification and Testing:** Depending on your product category, obtaining international certifications or conducting testing may be necessary to demonstrate compliance. These certifications can include ISO standards, product safety certifications (e.g., CE, FCC), or industry-specific certifications. Working with accredited third-party testing laboratories or certification bodies can help verify and ensure compliance with these standards.

2. **Packing and Labelling for Export: Effective packaging for export is crucial for product safety, compliance with international regulations, and cost efficiency. It involves an integrated approach that considers physical protection, regulatory adherence, economic factors, and environmental impact.**

What is the ISTA?

- ISTA stands for the International Safe Transit Association. It is a non-profit organization focused on developing standards and guidelines for packaging protocols and testing methods. ISTA's mission is to help ensure the safe transport and delivery of products throughout the supply chain.
- The organization collaborates with industry experts, packaging professionals, and testing laboratories to create standards for packaging design, testing, and certification. These standards are designed to address the unique challenges that goods face during distribution, such as shock, vibration, compression, and environmental conditions.
- ISTA offers a range of test protocols and certifications that help companies evaluate the performance of their packaging and optimize it for various transportation scenarios. By following ISTA's guidelines, businesses can enhance product protection, reduce damages, increase supply chain efficiency, and improve sustainability.
- The ISTA certification process involves subjecting the packaging to rigorous tests that simulate real-world transport conditions. These tests can include drop tests, compression tests, vibration tests, and temperature tests, among others. Based on the performance of the packaging during these tests, it can be certified with certain ISTA designations, such as ISTA 1A, ISTA 3A, or ISTA 6-FEDEX, depending on the specific level of protection achieved.
- Overall, ISTA plays a significant role in promoting standardized packaging practices and ensuring the safety and integrity of goods during transportation. By adhering to ISTA's guidelines, companies can minimize the risk of product damage, reduce costs, and enhance customer satisfaction.

2. **Packing and Labelling for Export: Effective packaging for export is crucial for product safety, compliance with international regulations, and cost efficiency. It involves an integrated approach that considers physical protection, regulatory adherence, economic factors, and environmental impact.**

- **Physical Protection:** Packaging should provide sufficient protection to safeguard the product during transportation and handling. It should consider potential risks such as rough handling, stacking, moisture, temperature changes, and vibrations. Utilize appropriate packaging materials, such as shock-absorbing materials, cushioning, and secure containment to prevent damage.
- **Regulatory Adherence:** International regulations may dictate specific packaging requirements for certain products. Examples include labelling for hazardous materials, marking for fragile items, or packaging standards for food products. Ensure compliance with these regulations to avoid delays in customs clearance and meet safety and legal obligations.
- **Economic Factors:** Efficient packaging is key to optimizing shipping costs. Consider the size, weight, and dimensions of the packaging to minimize transportation expenses. Utilize packaging materials that are lightweight but still provide adequate protection. Additionally, optimizing the packaging design can maximize space utilization in shipping containers to reduce shipping volumes and associated costs.
- **Environmental Impact:** Sustainable packaging practices are increasingly important. Select eco-friendly materials that can be recycled or are biodegradable. Minimize the use of excessive packaging, such as unnecessary layers or excessive filler materials. Environmentally responsible packaging not only reduces waste but also aligns with consumer preferences and sustainability goals.
- **Product-Specific Considerations:** Different products may have unique packaging requirements. Perishable goods may require temperature-controlled packaging, while fragile items may need additional layers of protection. Take into account any special considerations related to your specific product to ensure appropriate packaging solutions.
- **Clear and Accurate Labelling:** Proper labelling is essential for export. Include important information such as product names, descriptions, quantities, country of origin, handling instructions, and any regulatory or safety certifications. Ensure that the labelling is clear, legible, and complies with the labelling requirements of the target market.

4. Tracking, communication and warehousing

- **Tracking:** Tracking refers to the ability to monitor the movement of goods throughout the supply chain. This involves keeping track of shipments, identifying their location in real-time, and gathering information about their status, such as whether they are in transit, have arrived at a specific facility, or have been delivered. Tracking can be accomplished through various technologies such as GPS, barcodes, RFID, or cloud-based platforms. Efficient tracking ensures transparency, allows for timely updates, and helps identify any potential delays or disruptions.
- **Communication:** Effective communication is vital for coordination and collaboration within the supply chain. It involves sharing information, instructions, and updates between various stakeholders, including suppliers, manufacturers, distributors, carriers, and customers. Clear and timely communication ensures everyone is informed about shipment details, order changes, inventory updates, and any issues that may arise. Communication channels can include email, phone calls, web portals, or integrated software systems that facilitate seamless information exchange.
- **Warehousing:** Warehousing plays a crucial role in the supply chain as it involves the storage, management, and distribution of goods. A well-organized warehouse ensures that inventory is stored in a safe and efficient manner until it is ready to be shipped. This involves activities such as receiving, inspecting, labelling, storing, and picking items for shipment. Effective warehousing practices include optimizing space utilization, implementing inventory management systems, using appropriate handling equipment, and ensuring proper security measures. Additionally, modern warehousing practices may utilize technologies such as automation, robotics, and real-time inventory tracking to improve efficiency and accuracy.
- The integration of tracking, communication, and warehousing is essential for creating a seamless supply chain. By effectively tracking shipments, communicating important information across stakeholders, and maintaining efficient warehousing operations, businesses can improve visibility, reduce delays, enhance customer satisfaction, and optimize inventory management. Ensuring smooth coordination in these areas helps facilitate the movement of goods from supplier to customer, resulting in a more streamlined and efficient supply chain.

