

## Exporting Goods to Ireland



## Incoterms Explained



## The Incoterms Rules

The Incoterms rules are standard sets of trading terms and conditions designed to assist traders when goods are sold and transported.

By agreeing on an Incoterms rule and incorporating it into the sales contract the buyer and seller can achieve a precise understanding of what each party is obliged to do.

The Incoterms rules are created and published by the International Chamber of Commerce. You can find more information on Incoterms at the link below.

[Incoterms® rules - ICC - International Chamber of Commerce \(iccwbo.org\)](https://www.iccwbo.org)

## PTI Express Customs Services

When the UK left the EU in 2021 PTI Express created a streamlined groupage export service that provided customs clearance using DDP Incoterms. This service has now expanded to include DAP Incoterms, this ensures customers have suitable options to enable goods to be exported quickly and efficiently.

This document provides detail of how these services work and how they can benefit you and your customers.



## **DDP Incoterms – Delivered Duty Paid**

DDP means the seller is responsible for all costs associated with the delivery of goods to the named destination. It is the seller's responsibility to pay both export and import duties and fees.

Technically speaking PTI Express operates a 'DDP lite' service which has the same agreement on duty and documentation charges as DDP but has the buyer acting as the importer of record and accounting for import VAT directly with customs.

Because the buyer is the importer of record in this instance Irish Revenue require DAP to be written on all commercial invoices.

## **DAP Incoterms – Delivered at Place**

DAP means the seller is responsible for all costs and risks associated with the delivery of the goods to the final agreed-upon place, usually the buyers premises. The buyer is then responsible for import taxes and fees and unloading the cargo.





## **How does DAP work when shipping with PTI Express**

If you sell your goods under DAP Incoterms then the buyer (consignee) becomes liable for any import taxes and customs agents fees. The buyer has the option of using PTI Express customs agent or they can use their own customs broker.

The descriptions below provide guidance on how DAP works when sending goods using PTI Express groupage services.

### **Consignee Using their own broker**

On the day that the goods are being shipped PTI will advise shipping details (trailer number, sailing time and MRN of the Transit) so that the agent can proceed with the clearance. Once the goods have been cleared and the SAD has been created the agent must provide PTI with the correct documentation so that we can close the 'transit' of our trailer with HMRC and Irish Revenue.

**Providing the SAD in a timely manner is critical as any delays will hold up the unloading and delivering of groupage consignments if we are unable to close the Customs Transit.**



## Consignee using PTI Customs Agents

Most consignees will have their own Irish Revenue TAN (Trader Account Number) account which is used to pay import duties and taxes. Please note for consignees using a TAN account they must ensure that there are sufficient funds to cover the charges. Insufficient funds could cause delayed deliveries and charges may apply. If the consignee doesn't have a TAN account then they have a couple of options outlined below.



### Open an account

Your customer can set up an account with our agent in Ireland. Our agents will request the completion of a account application form, trader upload file and direct representation form. The agent will pay any duties on their behalf and recharge the consignee. There will be a 4% handling fee applied plus the customs brokerage fee.

### Cash Sale

If your customer is not in a position to open an account then our agents can handle duties via a cash sale. They will need contact details for the customer and also a completed and signed direct representative form. Goods will be released for delivery as soon as payment has cleared

**We have tried to outline the customs process as best we can however the explanations within this document are by no means exhaustive or complete so if you have any any queries then please send them to us using the email address below. Thank you.**

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