

In August 2021, HM Revenue and Customs announced that the Customs Handling of Import & Export Freight computer system (CHIEF) currently used to lodge import and export declarations will be fully replaced by a new system called the Customs Declaration Service (CDS) in 2023. *“CDS is a key part of the government’s plans for a world-leading fully digitised border that will help UK businesses to trade and to prosper”*, Sophie Dean and Katherine Green, Directors General for Borders and Trade at HMRC said.

The closing of CHIEF is planned in two stages:

30 September 2022: CHIEF is no longer usable for import declarations;

31 March 2023: CHIEF is no longer usable for export declarations and the National Exports System (NES).

What is the impact on businesses?

Companies operating cross-border movements of goods (typically importers and exporters) must ensure they are up to speed with the changes brought by CDS and plan the CHIEF to CDS transition accordingly. When declaration filing is outsourced to a third party (e.g. broker), most of the adaptations to be brought to the computer system are on the third party side. However, companies may still need to validate that the end-to-end process is running correctly and execute necessary testing campaigns accordingly.

At the first step of the transition to CDS, all importers and exporters must register for the use of the new system on the [government website](#). Currently, most customs brokers will still be completing the majority of entries on CHIEF until further notice. However, completing the changeover process now allows an easier transition over to CDS before the CHIEF system used for Imports is disabled by HMRC in September.

About the (new) Customs Declaration System (CDS)

According to the UK government statement, the new CDS system will provide a *“more secure and stable platform that has the capacity and capability to grow in line with the government’s ambitious trade plans”*. Launched in 2018, it has been running in parallel with CHIEF over the last three years and is already used for

declarations for cross-border trade with non-EU markets as well as for goods moved between Great Britain and Northern Ireland under the Northern Ireland Protocol.

In addition to allowing businesses to complete their export/import declarations, CDS will also allow businesses to:

- Get their postponed import VAT statements or get their import VAT certificates so they can complete their VAT return;
- Download monthly Deferment Account statements;
- Make VAT and Duty payments;
- Set up or change an intermediary or agent;
- Keep a track of all export and import declarations.

What we can do for you

As always, we are here to support all businesses. If you have any concerns about your customs clearances or any other international trade question, please [contact us](#).

About the Author



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