

CDS Changes Forward Look

Below is a list of items that are in the current CDS update pipeline. This is not an exhaustive list, and may be subject to change.

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Removal of PVA Workaround for Manual Calculations

The workaround of using Additional Information code PVA01 is no longer required and declarants should cease using it.

Background

Postponed VAT accounting (PVA) is used to account for import VAT via VAT returns instead of paying at the time of import. When a trader opts to use PVA on a declaration, CDS should not collect the VAT due on the importation.

When a declarant is calculating charges manually in conjunction with using PVA, they are required to complete the tax line details, including the amount of VAT that is being postponed under PVA. Due to a defect, when using a manual override in conjunction with PVA, CDS was in most cases collecting the VAT instead of postponing it. A workaround was introduced under which the manually calculated amount of VAT was declared against AI code PVA01 instead and the VAT tax line was completed with the amount of VAT payable as 0.00 GBP.

Current Position

The CDS defect has now been corrected. When using a manual calculation in conjunction with PVA, the tax line should now be completed with the amount of VAT that is being postponed. CDS will no longer collect this amount on the import declaration but will successfully postpone payment of the VAT. The amount of VAT postponed will then appear on the trader's Monthly Postponed Import VAT Statement (MPIVS).

The AI code PVA01 is no longer required and should not be included on the declaration.

The VAT tax line must be completed with the actual amount of VAT that is being postponed, rather than the workaround amount of 0.00GBP.

We will permit a period of dual running under which the workaround can continue to be used whilst traders correct their procedures.

AI code PVA01 will be removed from the CDS code lists in due course. The dual running will end when the code is removed and any declarations submitted after this point which include AI code PVA01, will be rejected. Deletion of the document code will be included in the appropriate CDS release communications.

Country of Destination on import declarations

Validation will be strengthened around the country of destination on import declarations.

For GB import declarations, the country of destination should be GB, IM, JE, GG or ZU.

For Northern Ireland import declarations, the country of destination should be GB in most cases, but can alternatively be an EU member state if the goods are moving through NI.

XI is not an acceptable code for declaring the country of destination.

Other countries, for example Canada, USA, Nicaragua etc., are not acceptable as the country of destination on an import declaration.

EU Deforestation Regulation

This is due to come into force on the 30th December 2026 in the EU and will also be applicable in Northern Ireland. Appendix 5A has been updated to include the new document codes to be used for declaring EUDR Due Diligence Statements, other EUDR references or claiming exemptions from the controls. HMRC are still in discussions with DEFRA and further guidance will be issued in due course.

This is not only a Northern Ireland issue. Companies in GB who sell EUDR products to customers in the EU will need to be prepared to supply their customers with the necessary information for them to be able to submit a Due Diligence Statement to the EU. If they can't supply the necessary information then customers may have to buy their goods from someone else who can.

Authorisation Validation

Checks on previous declarations indicate that a large number of declarations contain invalid authorisations. For instance, Inward Processing authorisations declared against document code C601 should be of the format – GBIPO12345678900020251023140954 (IP authorisation belonging to EORI GB123456789000 and issued on 23/10/2025 at 14:09 and 54 seconds). Older authorisations in formats such as IP/09**/***/** are no longer valid.

The CHIEF dummy authorisation code 99/9999/9999, used for authorisation by declaration, is no longer valid. Please ensure that any authorisations being declared are of the correct format and are valid at the time that goods are entered to the procedure.

Please refer to the procedure code notes for instructions if using Authorisation by Declaration.

As a result of this we are looking at addressing weaknesses in the current validation of authorisations.

We will seek to stagger this in order to limit possible disruption but please do everything possible to ensure that the authorisations being declared are the correct ones and belong to the appropriate party.

When declaring authorisations, please ensure that DE 3/39 is completed with the correct authorisation code and the EORI number of the holder of the authorisation, and DE 2/3 contains the correct authorisation code and the correct authorisation number belonging to the holder of the authorisation declared in DE 3/39.

The first tranche of validation improvements was successfully delivered in September 2026 covering Simplified Declaration Procedure authorisations (document code C512) and Entry in Declarants Records (C514).

Strengthened validation for other authorisations is intended to be introduced in later releases. We will provide further updates in advance of the changes but would encourage declarants to ensure they are declaring the authorisations correctly now rather than waiting for the enhanced validation.

National Authorisations

Currently, Document Code C676 is used to declare the authorisation number for a variety of authorisation types. Future updates to CDS will introduce specific document codes for individual authorisations. Once these changes have been implemented, document code C676 will be changed to an electronic licence document code.

Authorisation Type Code

The authorisation type codes used in DE 3/39 Holder of the Authorisation Identification Number, are also being reviewed.

FAS accounts were not carried forward from CHIEF, so the code FAS is not appropriate on CDS but is declared a large number of times each month.

The code UKCS was included in anticipation of authorisations being introduced for operators in the UK Continental Shelf. These were never introduced but traders are declaring UKCS, possibly in confusion with the UK Carrier Scheme.

We will be looking to remove unnecessary codes, which will then result in declaration rejection if they are used. Further details will be provided before we make any changes.

Removal of exemption Status Codes

As part of ongoing updates to the Completion Instructions for Document Codes, the availability of X-series Status Codes will be removed from some document codes where there is an alternative waiver Document Code listed in the Online Tariff, or the waiver option is no longer applicable to the Code.

Melt and Pour Steel

BIST are looking at options for a UK Melt & Pour measure for steel imports. The exact details of these requirements have not yet been confirmed and further information will be provided in due course.

Arrived Export GVMS locations

Currently there are 7 Goods Locations where export goods must be declared as arrived. These can be found at [Locations you need to submit an 'arrived' export declaration before moving goods - GOV.UK](#).

HMRC has been carrying out a routine, evidence-based review of the Arrived Export Model at ports to ensure they continue to meet the relevant legislative criteria.

We are in discussions with the relevant ports and no final decision has yet been taken. The position in the previously issued CDS Forward Look should not be taken as confirmation of a final policy decision or implementation timetable and HMRC will issue formal communication should any changes to the Arrived Export Model be agreed.

Direct/Indirect Representation

Issues have been identified where the incorrect Representation Statuses are being declared on declarations. Validation will be introduced in the future to ensure that the correct Representation Status is being declared. For example, when the Importer and Declarant are the same EORI (self-representation), Data Element 3/21 must be left blank. Where the Importer and Declarant EORIs are different, Representative Status Codes '2' or '3' must be used.

UK Carbon Border Adjustment Mechanism (UK CBAM)

UK CBAM reporting requirements will apply to imports in 2027 but are not expected to impact on declaration completion requirements. Note: Northern Ireland imports are subject to UK CBAM reporting requirements and are not subject to EU CBAM.

GB EORI Restrictions in Northern Ireland (NI)

Restrictions will be implemented on the use of GB EORIs on Northern Ireland declarations. Further details will be issued in due course.

Indirect Exports from Northern Ireland

It is anticipated that changes will be required to the Declaration Completion Instructions for Northern Ireland exports to ensure compatibility with EU systems and code lists. Delivery is not expected until 2028.