

Brexit

Is your business ready?

Take a look at FAQs asked by
British Businesses



Department for
Business, Energy
& Industrial Strategy



www.gov.uk/brexit
www.Humbergrowthhub.org

Under a no deal EU exit, there will not be a transition period. Businesses are advised to understand what will change, understand what to prepare and plan.

A comprehensive set of technical notes cover most scenarios under a no-deal EU exit:

<https://www.gov.uk/government/collections/how-to-prepare-if-the-uk-leaves-the-eu-with-no-deal>

All Notices can be found at <https://www.gov.uk/find-eu-exit-guidance-business>

GOV.UK has a triage page that will ask about your business and combine the technical notices into a bundle that is relevant to your trading circumstances

<https://www.gov.uk/business-uk-leaving-eu>

Importing: How will Brexit affect goods coming into the UK from the EU?

Checklist

There may be impacts on import and export tariffs, VAT recording processes and an increase in administration costs.

If there is no trading deal reached, the UK will regulate imports under World Trade Organisation (WTO) rules.

- There may be delays as new customs borders come into force. This may result in a **delay in goods arriving** from the EU into the UK.
- Is this the time to discuss logistic plans with your suppliers and hauliers?
- Does the business need to consider its **stock holdings** to cover delays in importing, taking into account **warehousing** and **logistical** issues?
- Is there an alternative **UK supplier** that can provide the goods that you need, to prevent delays?
- How will increased stock holdings **impact on your cash flow**? Do you need to consider contingency finance?
- Does increasing or decreasing stock holdings have an impact on your finance arrangements?
- Have you checked if your imported goods or services will **attract duty and VAT**?
- Has the business registered for an **EORI number** or has it been issued one by HMRC?
- Do **supply contracts** need to be reviewed?
- What will change on the **VAT reporting** process?

Web resources:

Importing after Brexit: check what you need to do – GOV.UK

<https://www.gov.uk/guidance/trading-and-moving-goods-from-the-eu-to-the-uk-if-the-uk-leaves-the-eu-with-no-deal>

Importing Step by Step guide

<https://www.gov.uk/prepare-import-to-uk-after-brexite>

Get an EORI number

<https://www.gov.uk/eori>

Check commodity codes for goods

<https://www.gov.uk/guidance/finding-commodity-codes-for-imports-or-exports>

Check for temporary import tariffs if the UK leaves the EU without a deal

<https://www.gov.uk/guidance/check-temporary-rates-of-customs-duty-on-imports-after-eu-exit>

Trade tariff code, VAT and tariff look-up

<https://www.gov.uk/trade-tariff>

VAT for business under a no deal Brexit

<https://www.gov.uk/government/publications/vat-for-businesses-if-theres-no-brexite-deal/vat-for-businesses-if-theres-no-brexite-deal>

Local Resources:

Review of contractual agreements needs to be through your commercial solicitor

Review of your financial undertakings should be discussed with your accountant or financial advisor

Looking at strategies around protecting the business from currency fluctuations should be discussed with your foreign exchange provider or bank

Exporting: How will Brexit affect goods you export from the UK into the EU?

Checklist

If we leave the EU without a trade agreement, there may be changes in how your goods are classified under the **tariff classifications**.

If there is no trading deal in place, the UK will **regulate exports under** World Trade Organisation (WTO) rules. The UK will have 'third country' status to EU importers. The existing HMRC **customs declaration system will be replaced**, to manage the increase in expected demand.

- Is this the time to **review your export data** and revise your export systems?
- Has the business registered for an **EORI number** or have it been issued one by HMRC?
- Do you need a **special licence** to export controlled goods?
- Do your **commercial invoices** meet the export documentation requirements?
- Do you have the software needed to **submit customs declarations** through the National Export System or will this be something your export partner will undertake?
- Will you need to change your **rules of origin** information for your product?
- Do you have the correct **commodity codes and CPC codes** for the goods your business is exporting?
- Does the business or person receiving your export know that there may be **tax and duty** applied to the consignment and they are liable for those charges?
- Can you **logistic partners** keep you updated on these changes?
- There may be delays as new customs borders come into force. This may result in a **delay in goods arriving** with your customers. Is this the time to discuss supply chain planning with your customers?
- Will your customers need to **increase stock holdings** to compensate for any border delays?
- Has a **trade deal** already been agreed with the country you are looking to trade with?
- If you are transporting the goods, rather than a transport partner, do you need to **complete further processes**? Will the **driver need extra documentation** or a licence?
- Do **supply contracts** need to be reviewed?
- Are any guarantees or covenants with your bank affected by leaving the EU under an no-deal EU exit?

Web resources:

Step by step export guide

<https://www.gov.uk/prepare-export-from-uk-after-brexit>

Customs Declaration System (CDS) has been piloted and there will be a phased release, running parallel to the current 'CHIEF' system

<https://www.gov.uk/government/news/launch-of-the-customs-declaration-service-begins>

How to prepare for the CDS system

<https://www.gov.uk/guidance/how-hmrc-will-introduce-the-customs-declaration-service>

Transport goods out of the UK by road: step by step

<https://www.gov.uk/transport-goods-from-uk-by-road?step-by-step-nav=e169b2ac-8c90-4789-8e6c-3657729e21b2>

Exporting controlled goods

<https://www.gov.uk/guidance/exporting-controlled-goods-after-eu-exit>

National resources:

Department for International Trade website

<https://www.gov.uk/government/organisations/department-for-international-trade>

Department for International Trade enquiries page

<https://www.great.gov.uk/eu-exit-news/contact/>

British Chamber of Commerce for Export Documentation & Training

<https://www.britishchambers.org.uk/page/trade-support-export-documentation>

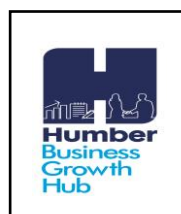
UK Trade Deals with Countries after no deal Brexit

<https://www.gov.uk/guidance/uk-trade-agreements-with-non-eu-countries-in-a-no-deal-brexit>

Rules of Origin <https://www.gov.uk/guidance/rules-of-origin>

Local Resources:

Review of contractual agreements needs to be through your commercial solicitor



Exporting: How can I remain competitive in the EU market after Brexit?

Checklist

If you have customers in the EU, now may be the time **to open a dialogue** about how your goods and services are going to fit with their plans for the future.

- Is this the time to understand if your company could be replaced by a non-UK EU supplier? If so, **how are you going to compete?**
- Your business may find it is **more competitively priced** in EU markets, even taking into account increases in export taxes, once we leave the EU. Is this time **to market this message** to new and existing customers?
- **Is it time to do a costing exercise on your products**, in light of the scenario of possible increases in VAT on imports and increased regulations around imports?
- As we leave the EU with a no deal, some businesses are looking at markets outside of the EU where UK products and services would be welcomed, beyond the EU trading bloc.
- Are you able to start to seek **new market and/or product opportunities?**
- There may be **fluctuations in demand** for your products, both up and down. Are you able to react to changes in demand?
- There may be a period of **economic adjustment**. Is this something that the business needs to model out to ensure it remains sustainable?
- Is the business's **intellectual property** still secure under a no-deal EU exit?

Web Resources:

Step-by-step export guide

<https://www.gov.uk/prepare-export-from-uk-after-brexit>

Exporting for the first time

<http://www.greatbusiness.gov.uk/information-and-training-for-first-time-exporters/>

IP and Brexit: the facts

<https://www.gov.uk/government/publications/ip-and-brexit-the-facts>

National resources:

Department for International Trade website

<https://www.gov.uk/government/organisations/department-for-international-trade>

Local resources:

Review of your financial undertakings should be discussed with your accountant or advisor



Exporting: Will my EU customers still want to buy from my business after Brexit?

Checklist

- There may be elements of **trade protectionism** from both the EU and UK markets.
- This may be the time to scope out your EU stakeholders and get their view of **how they view UK suppliers** and products.
- Do your customers understand Brexit and the implications?
- Are they happy to **accept UK quality standards**?
- Will **product testing standards** need to be considered?
- What **licencing and EU approvals** will your sector need? Will they be different to the compliance you already adhere to?
- If there are **changes to your compliance**, how long will it take to comply with any regulation changes and how will this affect you supplying your EU customers?
- Do you need to consider **changes to your labelling** or instructions?
- Have you communicated to your EU customers that you are Brexit ready and know the challenges? Have you offered to assist them in overcoming any barriers to ensure your business continues to trade with them smoothly?

Web resources:

The UKCA (UK Conformity Assessed) marking

<https://www.gov.uk/guidance/prepare-to-use-the-ukca-mark-after-brexit>

Domestic: Do you employ non-UK EU citizens and how will they be affected after Brexit?

Checklist

- Do your non-UK EU citizen employees know where to register as an EU citizen working in the UK under the UK's EU Settlement Scheme?
- Have you got a communications plan in place to keep all of your workforce up-to-date on changes in employment regulation?
- Do you know how many non-UK EU citizens you employ and are their roles critical to the success of the business?
- If you employ non-UK EU citizens outside of the UK, there may be some changes in employment regulations. Is this the time to understand what differences there may be in employment conditions to ensure there are no breaches in employment laws?
- Do you have a recruitment plan in place if immigration laws are impacted and you are not able to access the non-UK EU citizens as easily? This plan may need to address a short-term issue as well as addressing long-term skills issues.
- If a skills-based immigration policy is not in place after free movement of EU nationals ends, will this impact your hiring policies?
- You may have to consider issues such as automation, accessing skills from other geographical areas and engaging with apprenticeships, to address the long-term needs of your business.
- Do your staff have qualifications and accreditations that will still be acceptable to your EU customers, as part of their compliance?

Web resources:

Non-UK EU-Nationals – continue to live in the UK after Brexit, UK's EU settlement scheme

<https://www.gov.uk/staying-uk-eu-citizen>

EU Settlement Scheme: employer toolkit

<https://www.gov.uk/government/publications/eu-settlement-scheme-employer-toolkit>

Domestic: What other impacts may Brexit have on my business?

Checklist

If the UK exits the EU under a no-deal, there may be some compliance and regulatory changes that your business will need to review as part of its preparedness planning.

- Will your **intellectual property** be affected, including copyright, trademark and patents?
- If there are further changes in **UK Sterling** and tariffs on imported goods, will goods and services be more expensive and have you factored price changes into your supply agreements?
- Do any of your **contractual agreements** fall under EU legislation, and therefore need reviewing?
- Are any of your goods or services governed under regulatory bodies or registers that will be affected by a no-deal EU exit?
- Do any of your employees need **to travel to the EU**, after the exit date to work?
- Will your websites or data sharing be subject to change and do you have a .eu website?

Web resources:

IP and Brexit: the facts

<https://www.gov.uk/government/publications/ip-and-brexit-the-facts>

Visit the EU after Brexit <https://www.gov.uk/visit-europe-brexit>

Recognition of professional qualifications: guidance for regulatory bodies

<https://www.gov.uk/government/publications/recognition-of-professional-qualifications-guidance-for-regulatory-bodies>

Posted UK workers in the EU

https://europa.eu/youreurope/business/human-resources/posted-workers/posting-staff-abroad/index_en.htm

and <https://www.gov.uk/working-abroad/posted-workers>

Data protection law under Brexit

<https://www.gov.uk/government/publications/data-protection-law-eu-exit>

Using & receiving personal data

<https://www.gov.uk/guidance/using-personal-data-after-brexit>

EU websites

<https://www.gov.uk/government/publications/guidance-on-eu-top-level-domain-name-registrations-in-the-event-of-a-no-deal-eu-exit/guidance-on-the-ecommerce-directive-in-the-event-of-a-no-deal-eu-exit>

Websites & geo-blocking

<https://www.gov.uk/guidance/geo-blocking-of-online-content-after-brexit>

Information Commissioners Office advice on changes under Brexit

<https://ico.org.uk/for-organisations/data-protection-and-brexit/>

Domestic: Will the demand change for your products and services in the UK market?

Checklist

With the changes in the value of Sterling and changes in VAT and import duties as we leave the EU, goods and services may become more expensive. As a result, there is a possibility that there will be **less demand in the UK market**. Less demand could lead to a contraction in the economy.

- How is your business able to adapt to these market changes? Will you still be competitively priced?
- Is it time to revisit your market strategy?
- Are your competitors in a weaker or stronger position than your business? Where is the market opportunity for your business?
- Does your business have a resilience plan? Are all your products and services as sustainable as they can be?
- Is this the time to revisit and reforecast the business plan?

Where do companies go to when there is a contracted economy?
What support is there & is this a hub offering?