



Six steps to prepare for trade between the United Kingdom and the European Union post-Brexit

Understand

Prepare

1. THE DEADLINE

Watch Out for 29th March 2019

- The United Kingdom (UK) will leave the European Union (EU) on Friday 29th March 2019 at midnight.
- Negotiations between the EU and the UK on the terms of the Withdrawal Agreement are still ongoing. Once they are concluded the Withdrawal Agreement will need to be approved by the UK and European Parliaments.
- If the Withdrawal Agreement is ratified before 29th March 2019, most of the legal effects of Brexit will apply as of 1st January 2021, after the transition period.
- In the absence of a Withdrawal Agreement, there will be no transition period and EU law will cease to apply to and in the UK as of 30th March 2019 so ensure you are aware of the implications of a 'no deal' scenario.

Be Ready

If you were planning on waiting longer before setting plans, it may condense the time you have to take action. The possibility of a 'no deal' Brexit remains, so now is the time to better understand the implications.

2. YOUR SUPPLY CHAIN

Get to Know Your Supply Chain Better

- Responsibilities could change depending on where you are situated in the supply chain (e.g. manufacturer, importer, wholesale distributor, etc).

Harmonize UK Goods With EU laws

Map out your supply chain and understand where your goods come from and what categories they fall into. Familiarise yourself with your responsibilities under EU law if you receive products from the UK.

3. THE PAPERWORK

Check Your Documents

- If your business relies on certificates, licenses, or authorisations issued by UK authorities or by bodies based in the UK they may no longer be valid in the EU post-Brexit, and vice versa.

Update Documents as Needed

Take all necessary steps to transfer certificates, licences or authorisations issued in the UK to the EU27, or obtain new ones

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4. CUSTOMS

Assess Customs Impact

- Doing business between the UK and the EU post-Brexit will become more complex in terms of customs and VAT procedures. Assess the impact of additional paperwork and formalities on your supply chain and your resources (time and people).

Define Roles and Responsibilities

Inform yourself of EU customs procedures and rules that will apply post-Brexit. If you have intra-EU contracts, check that they include legal provisions defining who is responsible for shipping goods across borders, and how VAT is dealt with.

5. RULES OF ORIGINS

Research Applicable Rules of Origins

- If the products you export to countries with which the EU has a Free Trade Agreement (FTA) have enough EU content, preferential tariffs may apply.
- Post-Brexit, UK input to your finished EU products may no longer be considered EU content and could alter the tariff your products face when exported worldwide. The UK will no longer be part of the EU FTAs and might negotiate its own FTAs, which could benefit your UK products.

Update Status for UK Input

Check goods in your supply chain for UK input, establish preferential EU origin or not and update - that way you'll ensure EU preferential origin for your goods.

6. RESTRICTIONS

Understand Prohibitions and Restrictions

- Post-Brexit, goods destined for or coming from the UK will be subject to UK or EU rules around health, safety, and the environment. These rules could be different.
- Certain goods traded between the EU and the UK could be restricted (such as live animals, plants, and products of plant or animal origin).
- Some commodities could require specific permits or notifications.

Comply with Changes

Take steps to ensure compliance with the EU's import/export prohibitions and restrictions.

AND SOME ADDITIONAL TIPS...

Data: Your clearance data will need to be submitted to changing or new digital customs systems. Update your databases so that you're sure any standards that apply to you are covered.

Trusted trader schemes and exporter status: Consider participating in trusted trader schemes (such as Authorised Economic Operator (AEO)), or becoming a Registered Exporter (REX), and getting an Economic Operators' Registration and Identification (EORI) number.

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