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BREXIT

31 OCTOBER



# Get **ready** for Brexit



Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



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# DIT Prepare for Brexit Trade Event

**Name: Thinley Topden**  
**Head of East of England (Region)**  
**Date: 9<sup>th</sup> October 2019**

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## We are here to share information to help you prepare for Brexit

### Who we are?

We are from the Department for International Trade

Our objective today is to help businesses across sectors prepare for Brexit

We are attending events across the UK and working with trade support partners

### Our aims for today



An update on HMG's support for Brexit Readiness



Signpost some sources of advice and support for SMEs



Identify areas where you will want to take action before we leave the EU



Respond to your questions and gather your feedback

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# Hertfordshire Growth Hub

Local support and advice for Hertfordshire businesses

**Telephone: 01707 398 168**

**Email: [enquiries@hertsgrowthhub.com](mailto:enquiries@hertsgrowthhub.com)**

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# Post-Brexit Growth Markets

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



**A business-led approach**

We will put businesses first, as they are the drivers of the UK's export performance, and we will design our products and services around their needs rather than our internal performance targets. In addition, we will communicate what we do clearly and in a way that makes sense for businesses.

**Specifically:**

- ▶ Government will tailor promotion of its services according to businesses' specific characteristics. An outline of this approach is illustrated in figure 7
- ▶ DIT will engage with a wide variety of stakeholders from across the UK, from businesses to civil society groups, to seek a broad range of views and support the government's trade policy development
- ▶ DIT will continue to publish a forward look of Ministerial travel to make good a pledge made to business and of our trade missions to enable businesses to plan ahead better
- ▶ DIT will develop a new Client Survey to better understand the quality of the government's service offer and the impact of our services on exporting outcomes
- ▶ We will develop its understanding of our services on exporting outcomes to promote these on a global level
- ▶ We will support supply chain strengths in the UK to

**Five guiding principles will govern how we engage with exporters**

As we look to deliver a step-change in the UK's export performance, it is important that UK companies know what to expect from us and how we can work together to address the export challenge.

Improving our export performance is one of the biggest opportunities for our business community. To realise the UK's export potential and create the right framework for businesses to thrive, the implementation of the strategy will be guided by the following five guiding principles:

the government plays an important role in removing barriers and markets and provide the necessary support across other sectors

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...s



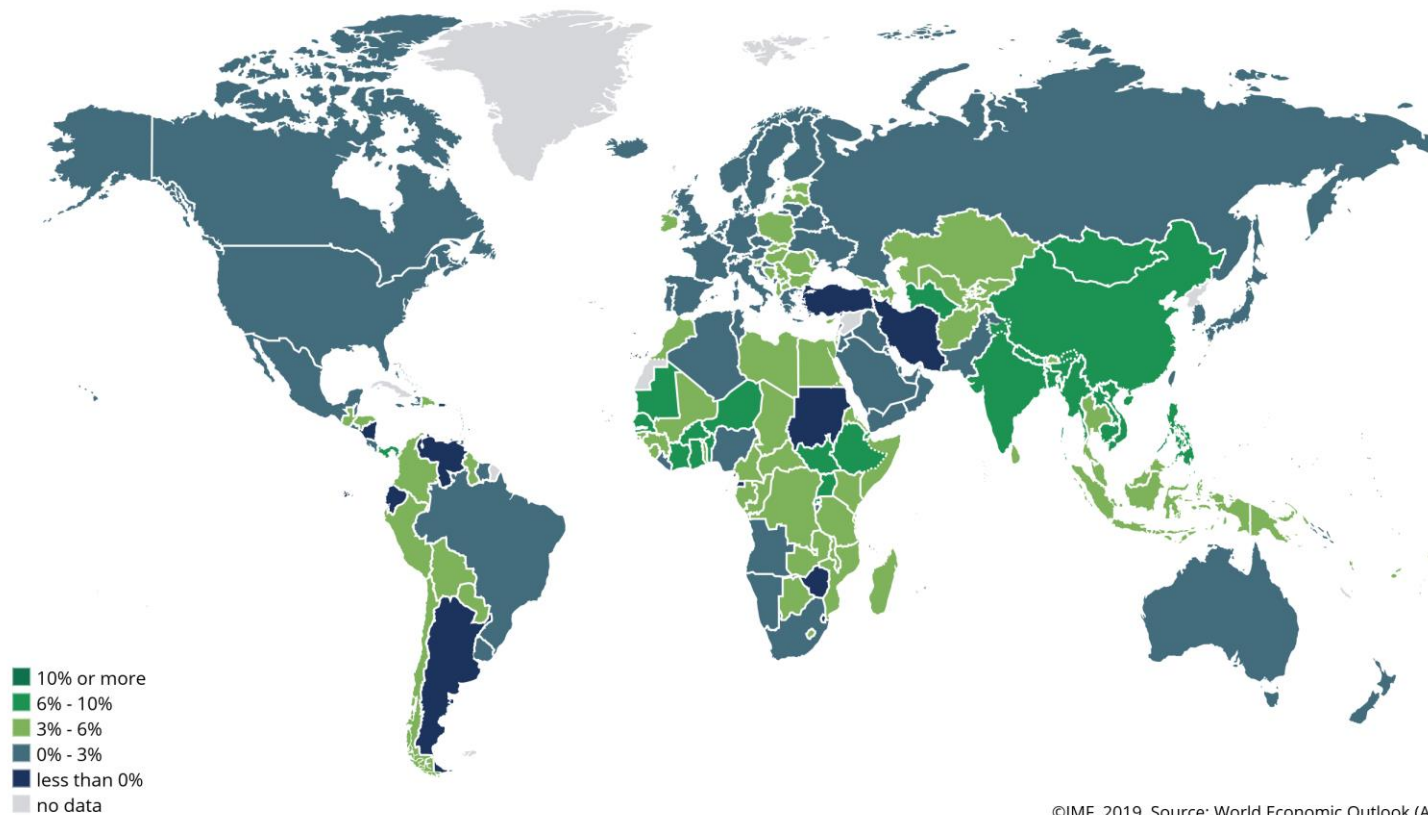


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# Economic Heat Map

IMF DataMapper

Real GDP growth (Annual percent change, 2019)



©IMF, 2019, Source: World Economic Outlook (April 2019)



Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)

GDP growth rates presented are forecasts for 2019



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## Where are the Fastest Growing Economies?

| Region                            | Selected countries included in the region   | Regional Growth Rates |
|-----------------------------------|---|-----------------------|
| China                             | N/A   | 7.0%                  |
| India                             | N/A   | 6.2%                  |
| ASEAN-5                           | Indonesia, Malaysia, Philippines, Thailand, Vietnam   | 5.0%                  |
| Emerging and Developing Economies | Bosnia & Herzegovina, Cameroon, Central African Republic, Egypt, India, Hungary, Mexico, Oman, Indonesia, Qatar, Philippines, Russia, United Arab Emirates, Uganda etc. | 4.1%                  |
| World                             | N/A   | 3.2%                  |
| Advanced Economies                | G7, Hong Kong, Denmark etc.   | 1.9%                  |

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)

IMF, 2019 forecasts Source: World Economic Outlook (July 2019)





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## Expanding Your Horizons – DIT's Overseas Reach



Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



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# Considerations: Ease of Doing Business Globally



Prepare for Brexit at [gov.uk/brexit](http://gov.uk/brexit)

World Bank Research: [doingbusiness.org](http://doingbusiness.org)



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## Revamped Country Guides

Updated country specific information covering:

- Economic performance
- Consumer/business markets
- Government policy
- Ease of doing business ranking
- New export opportunities
- Key in-market DIT contacts

<https://www.great.gov.uk/markets>

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)

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[Australia](#)

Updated 06 August 2019



[Brazil](#)

Updated 17 June 2019



[China](#)

Updated 17 June 2019



[Denmark](#)

Updated 28 June 2019



[Germany](#)

Updated 17 June 2019



[India](#)

Updated 18 July 2019



[Ireland](#)

Updated 17 June 2019



[Italy](#)

Updated 26 June 2019



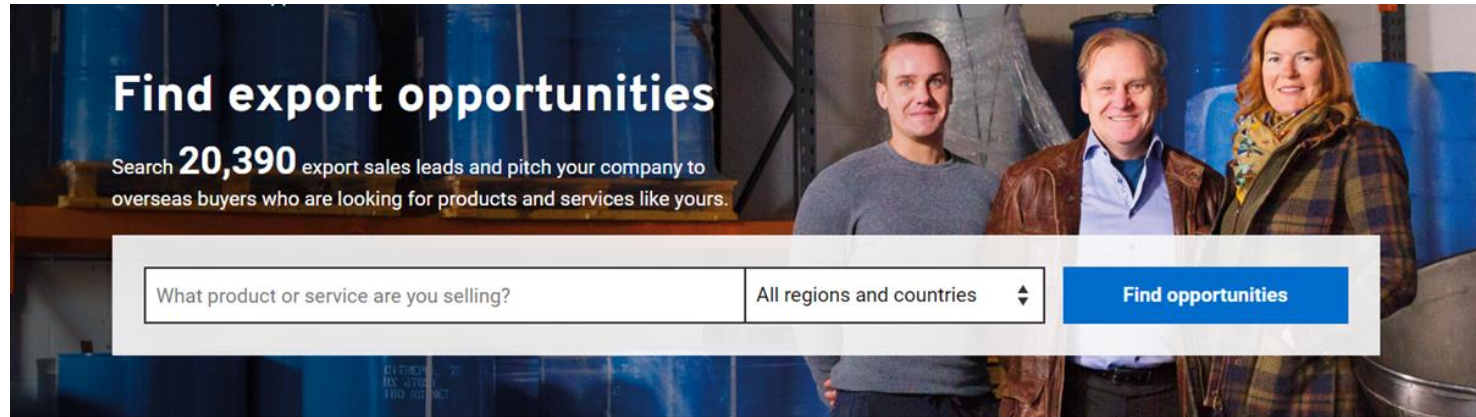
[Morocco](#)

Updated 26 June 2019




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# Real Time Export Opportunities



**Find export opportunities**  
Search **20,390** export sales leads and pitch your company to overseas buyers who are looking for products and services like yours.

What product or service are you selling? All regions and countries  **Find opportunities**

## Latest export opportunities

### [Hong Kong - Third runway concourse substructure works](#)

An airport operator wants expressions of interest for a substantial foundation and substructure works contract

Published: 05 November 2018, Closing date: 31 December 2018

### [USA - Marketing merchandise](#)

A global entity is looking for a company to supply promotional apparel and other related accessories.



Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



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## Recent Government Funding Announcements

Funding available directly to businesses:

- **New Customs Declarations Funding - £16m** to support training thousands more customs declarations experts.

Other funding Government is making available to support Brexit:

- **A new Business Readiness Fund** - Business organisations and industry bodies can apply for a grant from the **£10m** Business Readiness Fund to help UK businesses prepare for a no-deal Brexit.
- Brexit Business Readiness Programme - **Local Funding for Growth Hubs.**




Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



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# HMG - Get Ready for Brexit Checklist



**GOV.UK** Search

[Home](#)

## Get ready for Brexit

The UK will leave the EU on 31 October 2019.


Answer a few questions to find out how you or your business should prepare.

**Check what you need to do**

Check what you need to do as:

- [businesses and organisations](#)
- [individuals and families](#)

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**Businesses and organisations** 

**Businesses and self-employed**

If you trade any goods or services with the EU you'll need to get ready for



Prepare for Brexit at [gov.uk/brexit](https://gov.uk/brexit)



# Brexit Readiness

Department for Environment, Food and Rural Affairs (Defra)

Further information and guidance for Agri-Food Sector businesses



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## Farming, Food and Drink, Live Animals and Plants

- Farming Sector Guidance: <https://www.gov.uk/guidance/the-farming-sector-and-preparing-for-eu-exit>
- Food and Drink Sector Guidance: [www.gov.uk/euexitfooddrinksector](http://www.gov.uk/euexitfooddrinksector)
- Import and Export Guidance: Search 'Animal import export' or 'Plant import export' on GOV.UK.
- Email Agri-Food Business Readiness Team at [businessreadinessagrifoodchain@defra.gov.uk](mailto:businessreadinessagrifoodchain@defra.gov.uk)
- Equine related questions: [EquineExportsCarlisle@apha.gov.uk](mailto:EquineExportsCarlisle@apha.gov.uk)

## Chemicals

- If there are further queries related to EU Exit and Chemicals, contact: [REACH-IT@defra.gov.uk](mailto:REACH-IT@defra.gov.uk)
- Details on maintaining EU market access are available at <https://echa.europa.eu/uk-withdrawal-from-the-eu>
- Access more detailed guidance available at: <https://www.hse.gov.uk/brexit/reach.htm> and <https://www.gov.uk/guidance/how-to-comply-with-reach-chemical-regulations>
- Chemicals Sector Guidance: Visit <https://www.gov.uk/guidance/the-chemicals-sector-and-preparing-for-eu-exit>

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)





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## Waste

- Specific waste shipments and operational queries: [askshipments@environment-agency.gov.uk](mailto:askshipments@environment-agency.gov.uk)
- Environment Agency Customer Contact Centre: 03708 506 506 | Emergency number: 0800 80 70 60
- Defra policy-related waste questions related to Brexit: [Waste-EUExit@defra.gov.uk](mailto:Waste-EUExit@defra.gov.uk)

## Trading Endangered Species

- CITES Guidance: Visit <https://www.gov.uk/guidance/trading-and-moving-endangered-species-protected-by-cites-if-theres-no-withdrawal-deal>
- Northern Ireland Environment Agency: <https://www.daera-ni.gov.uk/brexit> | Contact via e-mail [tfs@daera-ni.gov.uk](mailto:tfs@daera-ni.gov.uk)
- Natural Resources Wales: [www.naturalresources.wales](http://www.naturalresources.wales) | General Enquiries or Incidents: 03000653000 | [enquiries@naturalresourceswales.gov.uk](mailto:enquiries@naturalresourceswales.gov.uk)
- Scottish Environment Protection Agency: <https://eu-exit.sepa.org.uk/> | Contact via e-mail <https://www.sepa.org.uk/contact/contact-us-via-email>



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## Fisheries

- Fisheries Sector Guidance: Visit <https://www.gov.uk/euexitfisheriessector>
- Export fish after a no-deal Brexit: Visit <https://www.gov.uk/guidance/exporting-and-importing-fish-if-theres-no-brexid-deal>

## Further information

- Register for alerts on [www.gov.uk/euexit](http://www.gov.uk/euexit)
- **Defra Helpline:** 03459 335 577 (Monday–Friday, 08:30–17:00)

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



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# Preparing your Action Plan for Brexit

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



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## Government Update

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- The Government has made £6.3 billion available for preparations for all Brexit scenarios.
- Government departments are all working together to secure a smooth transition whatever the outcome of Brexit.
- The Department for International Trade has signed or agreed in principle agreements with countries that account for £99 billion worth of trade.
- Our role in DIT is to give businesses accurate, official, up-to-date information on what will and won't change when the UK leaves the EU on 31 October.
- Businesses should familiarise themselves with the detailed and wide-ranging **Brexit guidance available on [gov.uk/brexit](https://www.gov.uk/brexit)** so they understand how to prepare for a potential no-deal Brexit scenario.

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



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## Action Planning: What To Do To Prepare...

- 1 Take account of the information and contacts made today



- 3 Sign up to email alerts about Brexit on GOV.UK:  
[Brexit email alerts](#)

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)

- 2 Develop your **Action Plan**



- 4 Follow the helpful HMG Checklist on preparing your business for Brexit here:

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



# My Action Plan:

## Key points for businesses

**Name: Jim Fanshawe, Your Export Department**



# How Do I Use My Action Plan?

## Preparation on the content

The training and Action Plan is divided into colour coded sections:

**GOODS**

**CONTRACTUAL**

**SERVICES**

**PEOPLE**





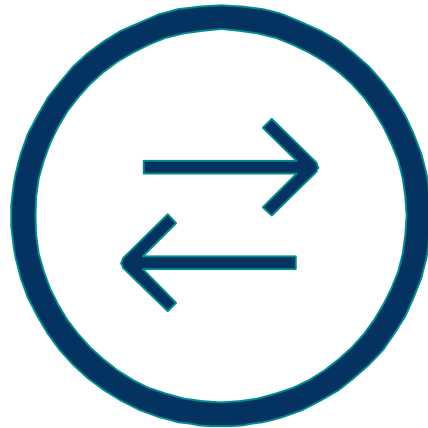
# Customs Processes

Moving goods





## Moving Goods



### Currently...

...businesses can move goods freely between the UK and the EU.



### In the event of a No-deal...

...business importing and exporting goods within the EU will have to comply with new rules.





## Customs Declarations – No-deal Scenario

Customs declarations required for UK-EU trade.

Businesses to decide how they want to manage the declarations process:

Appoint an intermediary



Use specific software



End-to-end service

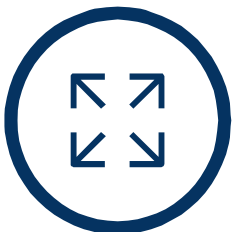




## Economic Operator Registration Identification (EORI)



You'll need an EORI number that starts with GB to move goods in or out of the UK if there's no-deal Brexit.



If you'll be dealing with EU customs then you'll need an EU EORI number.

If you are VAT Registered:

- You will be auto-enrolled for an EORI starting GB.
- The EORI will include your VAT registration number.



If you are not VAT Registered – register here: <https://www.gov.uk/eori>



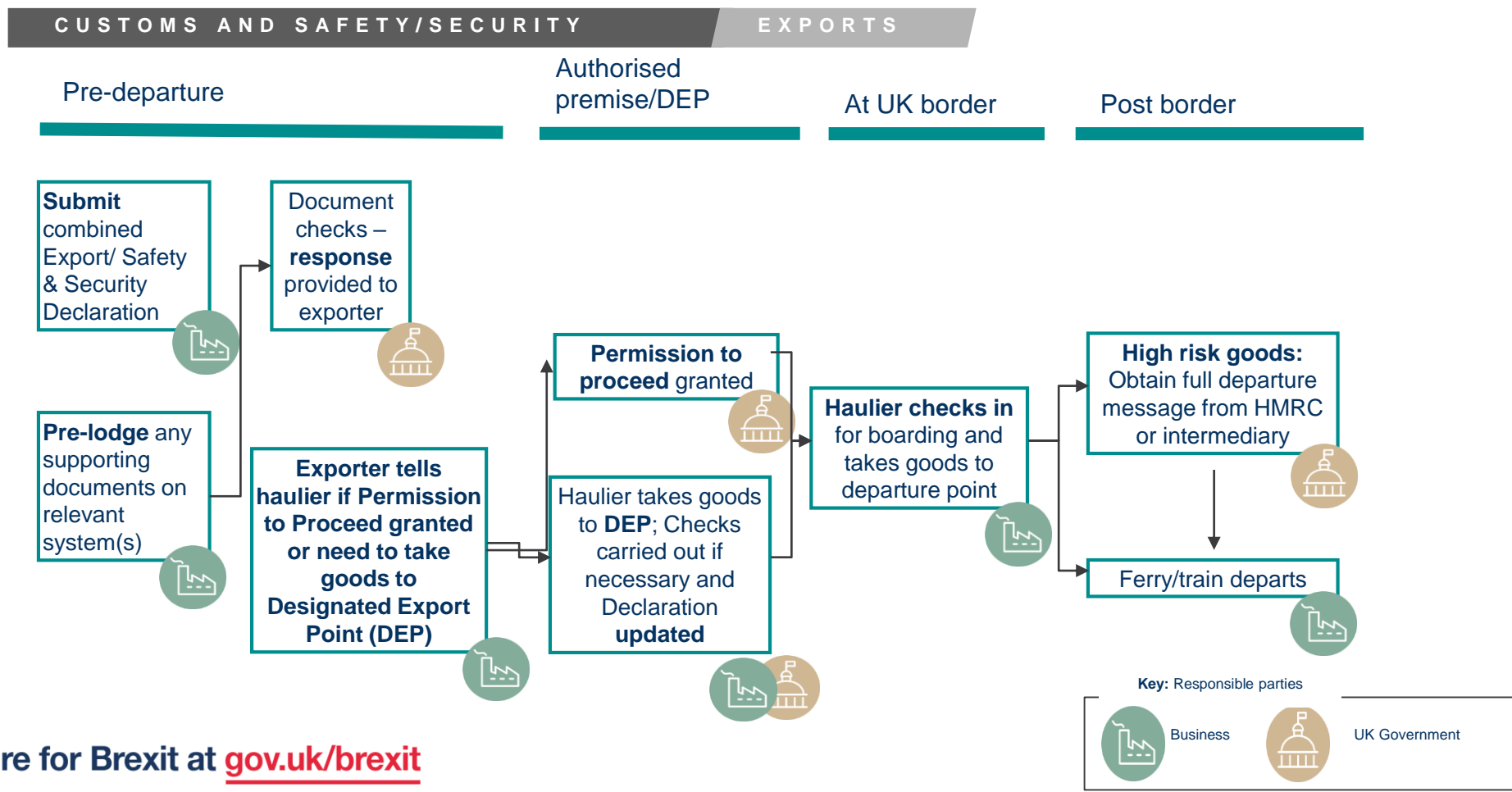
## No-deal Brexit: Export Process UK to EU

- Have a valid EORI.
- The export declaration also counts as an Exit Summary Declaration.
- Ensure contracts and International Terms and Conditions of Supply (eg Incoterms® Rules) reflect that you are now an exporter.
- Consider how you will submit Export Declarations.





# Exporting Goods Through RoRo Borders On 'Day 1'





# Transit and the Common Transit Convention (CTC)



1. The transit declaration is completed (including guarantee) using NCTS (the New Customs Transit System).
2. The goods are presented at the Office of Departure (or Authorised Consignor) and the Transit Accompanying Document (TAD) is printed off presented to the haulier and then the goods are released into transit.
3. At every border crossing into a new customs territory, the TAD and goods are presented at the Office of Transit (OoT functions can only be performed by Customs Officials).
4. At the final destination the goods and TAD are presented at the Office of Destination (or Authorised Consignee).
5. The transit movement is closed, the goods must be declared to another customs regime e.g. free circulation, temporary storage and the guarantee is released.

**The goods are tracked and messages are sent from the various offices using NCTS during the journey.**



## Simplified Transit Procedures

- Under the CTC, traders can apply for authorisation to use simplified transit procedures.
- The main types of authorisation are:



**Authorized Consignor Status** allows traders to declare goods to transit at their premises rather than an Office of Departure. Traders applying for this need to have a Customs Comprehensive Guarantee.



**Authorized Consignee Status** allows traders to end transit movements at their premises rather than an Office of Destination. Traders applying for this generally need a temporary storage facility.

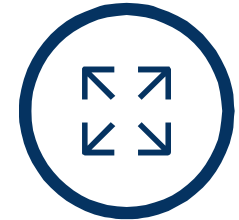
**HMRC is working to enable traders to be authorised as quickly as possible.**



## Excise - What's Changing in 'No Deal' - Exports

Rest of World rules will apply to exports of excise goods to the EU.

What this means:



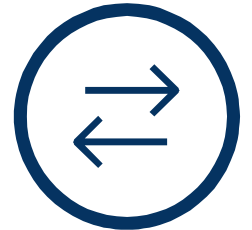
- Businesses will need to make an export declaration at the point of exit from the UK.
- Businesses can continue to use Excise Movement and Control System (EMCS) to move goods under duty suspension in the UK from a registered warehouse to the port/airport of departure.
- EMCS will be restricted to movements within the UK.
- Businesses will be able to claim Excise Duty Drawback on goods not consumed in UK (will include exports to the EU).
- Businesses will need to make an import declaration on entry of the goods into the EU.





## Moving Goods Between Ireland and Northern Ireland

- Goods moving between Ireland and Northern Ireland will face different procedures compared to other UK-EU trade.
- For most movements of goods across the land, air and sea borders between Ireland and Northern Ireland, you will:
  - need to pay import VAT on goods arriving from Ireland.
  - not need to get a customs agent or an EORI number.
  - not need to pay Customs Duty or make customs declarations.
- The only exceptions will be for goods liable to Excise Duty (alcohol, tobacco and certain oils).





# Contract Terms

## Incoterms® Rules



## Supply Chain Responsibilities

- Someone within your business must take responsibility for:
  - moving the goods;
  - preparing paperwork/licences;
  - making an export declaration;
  - making an import declaration;
  - paying duties at import; and
  - the risk if goods go missing or they are damaged.
- Commercially this is indicated with an Incoterms® Rule in the contract.
- The current set of Incoterms® Rules, published by the International Chamber of Commerce, is the 2010 set. A new set will come into force on 1 January 2020.



# Costs & Risk under the Incoterms® 2010 Rules

*Incoterms is a registered trade mark of the International Chamber of Commerce (ICC) - effective 1<sup>st</sup> January 2011*

|  |              | THE INCOTERMS® RULES   |           |                    |                 |                           |                  |         |                              |             |                   |                      |                                 |               |                 |                              | BUYER                   |                          |                          |                          |             |       |
|--|--------------|--|-----------|--------------------|-----------------|---------------------------|------------------|---------|------------------------------|-------------|-------------------|----------------------|---------------------------------|---------------|-----------------|------------------------------|-------------------------|--------------------------|--------------------------|--------------------------|-------------|-------|
|  |              | INSURANCE  | PACKAGING | COMMERCIAL INVOICE | Export Security | LOADING Seller's Premises | Export Documents | HALLAGE | EXPORT CUSTOMS CLEARANCE     | OFF LOADING | HANDLING FEES     | LOADING Export Point | INTERNATIONAL FREIGHT/ CARRIAGE | Arrival Point | Import Security | OFF LOADING At Arrival point | HANDLING Import Customs | IMPORT CUSTOMS CLEARANCE | CUSTOMS DUTIES AND TAXES | DELIVERY Buyer's Premise | OFF LOADING | BUYER |
| ANY MODE OF TRANSPORT<br>OMN & MLT-MODAL | DOMESTIC USE |  |           |                    |                 |                           |                  |         |                              |             |                   |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | ADVISED USE  | EXW named place EXWORKS  |           |                    |                 |                           |                  |         |                              |             |                   |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | YES          | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
| SEA & INLAND WATERWAYS ONLY              |              | MARITIME, SEA FREIGHT & INLAND WATERWAY TERMS BELOW – NOT SUITABLE FOR CONTAINERISED FREIGHT |           |                    |                 |                           |                  |         |                              |             |                   |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
| SEA & INLAND WATERWAYS ONLY              | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |
|  | NO           | Seller responsible   |           | Seller responsible |                 |                           | Assistance       |         | Delivery Point + Risk Passes |             | Buyer responsible |                      |                                 |               |                 |                              |                         |                          |                          |                          |             |       |



## Selecting the Most Appropriate Term

- Avoid the extreme terms when trading internationally, these are:
  - ExWorks (EXW); and
  - Delivered Duties Paid (DDP).
- If your contracts in the EU are currently EXW or DDP you could have issues when customs declarations and duty payments are made.
- Share the legal declarations sensibly between the buyer and seller.

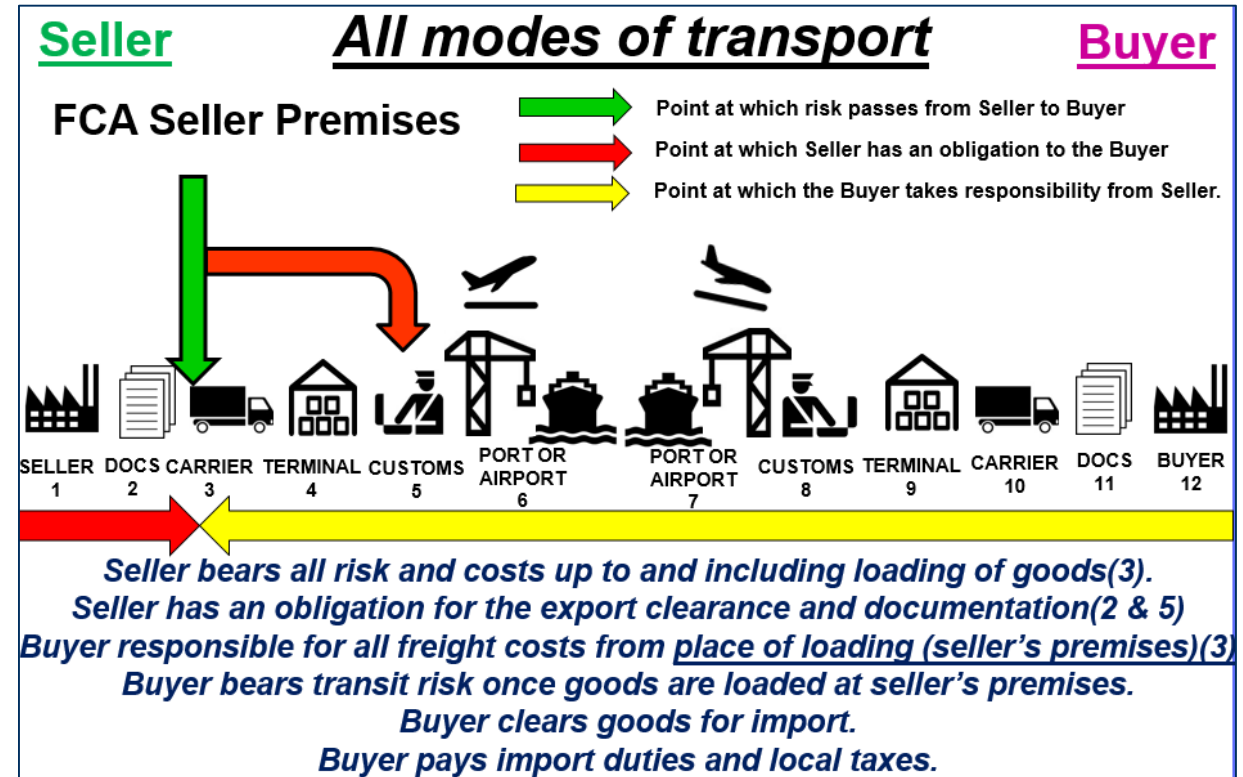


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## Selecting the Most Appropriate Term:

### Free Carrier (FCA)

Buyer organises the transport but seller arranges export customs and loading of goods.

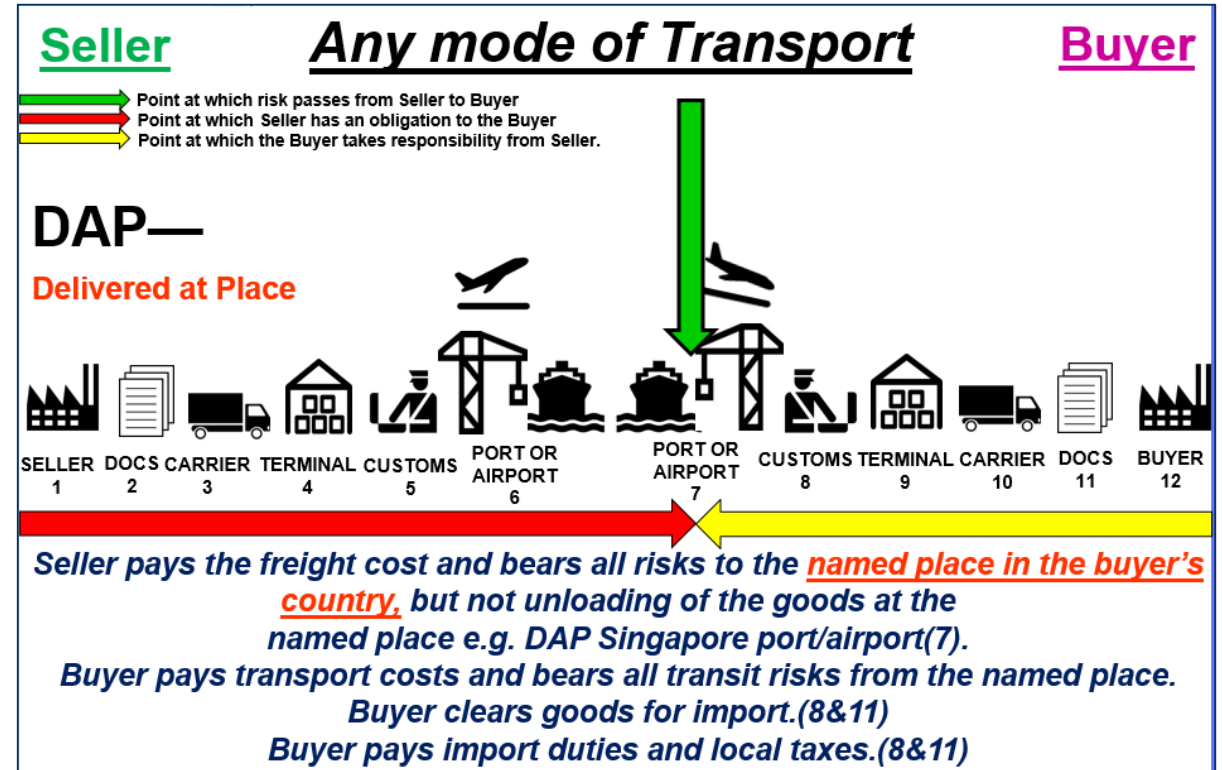




## Selecting the Most Appropriate Term:

### Delivered at Place (DAP)

Seller organises the transport and arranges export customs and loading of goods, but buyer arranges the import declaration, pays duties and arranges final delivery.





# Commodity Code Information

Customs Duties, Taxes and Paperwork





## Commodity Codes

- All goods are identified for customs purposes under a commodity code, also known as a tariff number.
- The commodity code:
  - Is based on the World Customs Organization (WCO) Harmonised System so there is some correlation between different countries' numbers.
  - Identifies import customs duty rates and additional taxes.
  - Identifies special documents required.
  - Links to other measures relating to the import or export of goods, such as the need for licences.



## Where Can I Find the Commodity Code?

Customs Notice 600 is the guidance to finding commodity codes for imports and exports and information on what they are used for.

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

### Trade Tariff: look up commodity codes, duty and VAT rates

Commodity codes classify goods for import and export so you can:

- fill in declarations and other paperwork
- check if there's duty or VAT to pay
- find out about duty reliefs

[Start now >](#)

#### If you're not sure how to classify your goods

Read the [product classification guides](#) to help you find the correct commodity code.

#### Getting advice

You can get advice on how to classify your goods by emailing [classification.enquiries@hmrc.gsi.gov.uk](mailto:classification.enquiries@hmrc.gsi.gov.uk).

Include a full description of your product - what it's made from, its use and function, and how it's presented or packaged.



# Export: Commodity Code

- The export section within the GOV.UK tariff indicates if:
  - a government licence is required to export the goods; and/or
  - if there are any country specific restrictions on where the goods can be sent.

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

[All sections](#)

- Section XVI: Machinery and mechanical appliances; electrical equipment; parts thereof, sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles
  - 84 Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof
    - 71 Automatic data-processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data, not elsewhere specified or included
      - Portable automatic data-processing machines, weighing not more than 10 kg, consisting of at least a central processing unit, a keyboard and a display

[Changes](#)

[Overview](#) [Import](#) [Export](#) [Chapter notes](#)

### Export measures and restrictions

Trade between the UK and

#### Measures for all countries

| Country                        | Measure   | Value | Conditions that apply      | Exclusions | Council Regulation (EEC) | Start date (End date, any) | Footnotes   |
|--------------------------------|---|-------|----------------------------|------------|--------------------------|----------------------------|---|
| ▶ All third countries          | Export authorization (Dual use)   |       | <a href="#">Conditions</a> |            | <a href="#">R1382/14</a> | 31/12/2014                 | <a href="#">CD464</a><br><a href="#">DU216</a><br><a href="#">DU222</a><br><a href="#">DU223</a><br><a href="#">DU694</a><br><a href="#">DU280</a><br><a href="#">DU435</a><br><a href="#">DU635</a><br><a href="#">DU229</a> |
| ▶ ERGA OMNES                   | Declaration of subheading submitted to restrictions (net weight/supplementary unit) |       | <a href="#">Conditions</a> |            | <a href="#">R0927/12</a> | 01/02/2013                 | <a href="#">CD651</a>   |
| ▶ ERGA OMNES                   | Supplementary unit  | p/st  |                            |            | <a href="#">R2658/87</a> | 01/01/2008                 |   |
| Belarus (BY)                   | Export control on restricted goods and technologies                                 |       | <a href="#">Conditions</a> |            | <a href="#">R0588/11</a> | 21/06/2011                 | <a href="#">CD994</a><br><a href="#">TM631</a><br><a href="#">TM636</a><br><a href="#">TM637</a>  |
| Iran, Islamic Republic of (IR) | Export control on restricted goods and technologies                                 |       | <a href="#">Conditions</a> |            | <a href="#">R0264/12</a> | 09/02/2016                 | <a href="#">CD995</a><br><a href="#">TM637</a><br><a href="#">TM636</a><br><a href="#">TM631</a><br><a href="#">CD983</a>   |

Footnote:  
Export Licence

Export Control  
Sanctions





# Import: Commodity Code

- The import section within the GOV.UK tariff indicates:
  - the standard duty/VAT rate at import (third country duty);
  - special certificates, e.g. animal health certificate;
  - tariff preferences available;
  - suspension of duties; and
  - restrictions at import.

All sections

- Section XI: Textiles and textile articles
  - 62 Articles of apparel and clothing accessories, not knitted or crocheted
    - 14 Shawls, scarves, mufflers, mantillas, veils and the like
      - Of silk or silk waste
        - Hand-made

[Changes](#)

Overview **Import** Export Chapter notes

### Import measures and restrictions

Measures for all countries

| Country                                     | Measure  | Value   | Conditions that apply      | Exclusions | Council Regulation (EEC) | Start date (End date, if any) | Footnotes             |
|---|--|---------|----------------------------|------------|--------------------------|-------------------------------|-----------------------|
| ▶ ERGA OMNES                                | VAT standard rate  | 20.00 % |                            |            |                          | 01/01/2015                    | <a href="#">03020</a> |
| ▶ ERGA OMNES                                | VAT zero rate  | 0.00 %  |                            |            |                          | 01/01/2015                    | <a href="#">03026</a> |
| ▶ ERGA OMNES                                | Animal Health Certificate  |         | <a href="#">Conditions</a> |            |                          | 01/01/2015                    | <a href="#">04003</a> |
| ▶ CARIFORUM                                 | Tariff preference  | 0.00 %  |                            | Haiti      | <a href="#">D0805/08</a> | 29/12/2008                    |                       |
| ▶ Central America                           | Tariff preference  | 0.00 %  |                            |            | <a href="#">D0805/08</a> |                               |                       |
| ▶ Certain handicraft products (Handicrafts) | Non preferential tariff quota Order No: <a href="#">090106</a>   | 0.00 %  |                            |            | <a href="#">R1850/15</a> |                               |                       |
| ▶ ERGA OMNES                                | Suspension - goods for certain categories of ships, boats and other vessels and for drilling or production platforms | 0.00 %  |                            |            |                          |                               |                       |
| ▶ ERGA OMNES                                | Import control on seal products  |         | <a href="#">Conditions</a> |            | <a href="#">R1850/15</a> | 18/10/2015                    | <a href="#">CD603</a> |
| ▶ ERGA OMNES                                | Import control on cat and dog fur  |         | <a href="#">Conditions</a> |            | <a href="#">R1523/07</a> | 15/08/2009                    | <a href="#">CD568</a> |
| ▶ ERGA OMNES                                | Supplementary unit   | p/st    |                            |            | <a href="#">R2658/87</a> | 01/01/2008                    |                       |
| ▶ ERGA OMNES                                | Third country duty   | 8.00 %  |                            |            | <a href="#">R2658/87</a> | 01/01/2005                    |                       |

Import controls

Standard duty rate  
*Erga Omnes means toward all*



## The No-deal Brexit UK Temporary Tariff Regime

- If the UK leaves the EU without a deal then the Temporary Tariff Regime will come into force.
- Under the Temporary Tariff Regime most goods will have a zero-import duty rate for a period of time (up to 12 months).
- Some goods will retain a positive rate of duty. Currently this mainly includes ceramics, textiles and foodstuffs; and finished cars.
- The Temporary Tariff Regime will apply to ALL imports not just goods coming in from the EU.
- Keep up-to-date – the Temporary Tariff Regime is subject to change.

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



## How to Check EU Import Duties

- The EU TARIC Database will be available to UK businesses to check the EU import duty rates and additional tariff requirements for goods going into the EU.
- Once the UK has left the EU the rates on this website will not apply to UK imports.

The screenshot shows the European Commission Taxation and Customs Union website. The main heading is "Search on TARIC code". Below this, there are two search options: "Search by code and area" and "Search on TARIC description". The "Search by code and area" option is selected and shows a form with two input fields: "Goods code [browse]" and "Country of origin/destination". Below these fields is a "Retrieve Measures" button. At the bottom of the form, it states "The current reference date for the query is 06-10-2010 [change]". The website header includes the European Commission logo, the text "European Commission Taxation and Customs Union", and navigation links such as "Contact", "Search", "Legal Notice", and "English (en)".

[https://ec.europa.eu/taxation\\_customs/business/calculation-customs-duties/what-is-common-customs-tariff/taric\\_en](https://ec.europa.eu/taxation_customs/business/calculation-customs-duties/what-is-common-customs-tariff/taric_en)



## Case Study One: Today - Biscuits to France

- Biscuits exported from the UK to France today:
  - no paperwork is needed for customs;
  - no customs duty, no special licences or certificates required;
  - intrastat reporting may be required recording the commodity code (Biscuits = 1905-9045); and
  - EC Sales List with EU customers VAT number to be submitted to HMRC.





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## Case Study One: No-deal - Biscuits to France

Biscuits exported from the UK to France under a no-deal Brexit:



- shipping paperwork required;
- customs export entry in the UK (UK EORI);
- permission to progress needed from French Customs;
- customs duty determined by the commodity code 1905-9045-00;
- import customs declaration needed (EU EORI);
- Standard Duty rate is 9%;
- VAT may be applicable (EU VAT number); and
- goods are also subject to variable third country duty depending on milk and sugar content of between 20.7% - 70%.

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)





## Case Study Two: Today – Chemicals to Germany

Washing preparations (chemicals) exported from the UK to Germany today

- no paperwork needed for customs;
- no customs duty, no special licences or certificates required;
- intrastat reporting may be required recording the commodity code (Washing preparations = 3402-2090); and
- EC Sales List with EU customers VAT number to be submitted to HMRC.



## Case Study Two: No-deal – Chemicals to Germany

Washing preparation exported from the UK to Germany under a no-deal Brexit:

- REACH registration in the EU required;
- shipping paperwork required;
- customs export entry in the UK (UK EORI);
- permission to progress needed from French Customs;
- customs duty determined by the commodity code 3402-2090-00;
- import customs declaration needed (EU EORI);
- Standard Duty rate is 4%; and
- payment of national VAT required (EU VAT number).



# Importing Goods?

Transitional Simplified Procedures, Paying Duty and VAT



## Importing Goods into the UK from the EU

- An export customs declaration will be required to get the goods out of the EU.
- Check your contract term to ensure this is not your responsibility.
- On arrival in the UK a customs declaration is required.
- Ensure the carrier/freight company can do this for you or you can do the declaration.
- Import duty and VAT will have to be calculated.
- Normally a credit account with HMRC is set up to pay these costs, it's called a Deferment Account.
- If you don't have a deferment account, you may be able to use the freight companies for a small handling fee.



## Transitional Simplified Procedures (TSP)

- Transitional Simplified Procedures will make importing goods easier for the initial period after the UK leaves the EU.
- Traders registered for TSP will not need to make full customs declarations at the border and will be able to defer paying their customs duties.

### To be eligible, traders must:



Be established in the UK



Have the intention to import goods into the UK from the EU



Have an Economic Operator Registration Identification (EORI) number





## Transitional Simplified Procedures (TSP)



### Controlled Goods the Trader:

- Submits a simplified frontier declaration.
- Ensures all necessary certificates and licences are available.
- Submit a supplementary declaration by the forth working day of the month.

### Standard Goods the Trader:

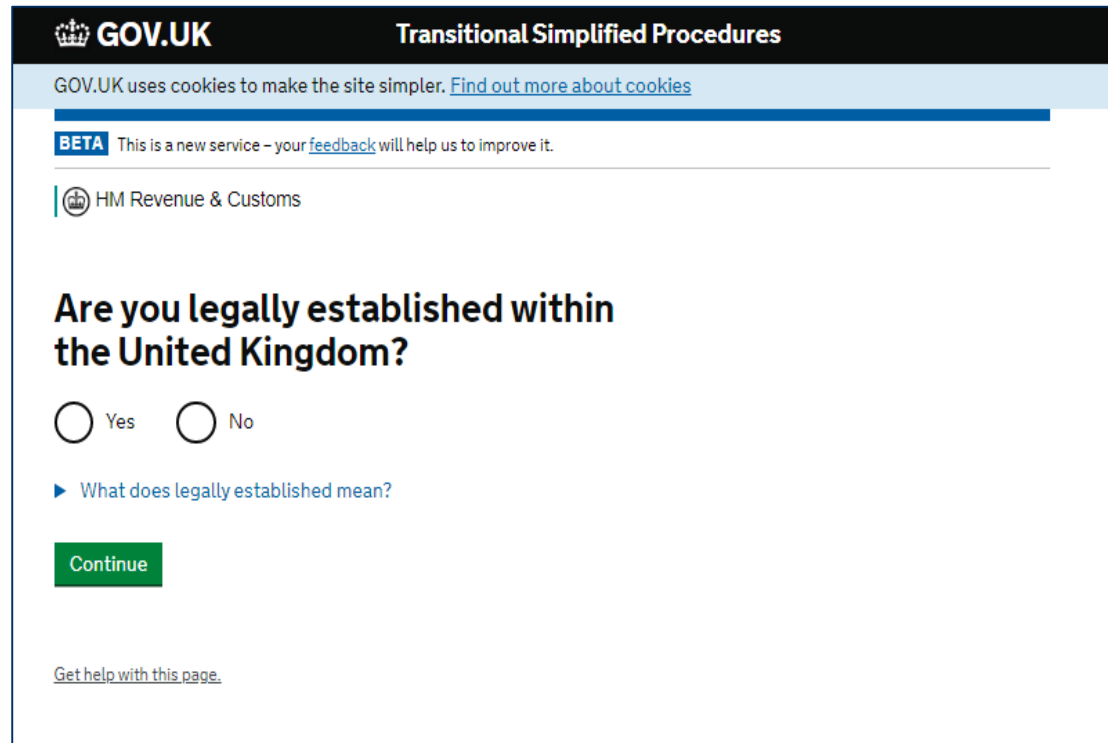
- Makes a declaration directly in their commercial records prior to goods arriving at the UK Border.
- Updates records with date and approx. time goods arrive in UK.
- Submits a supplementary declaration by the forth working day of the following month.





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# Transitional Simplified Procedures (TSP)



The screenshot shows the GOV.UK website interface for Transitional Simplified Procedures. At the top, it says 'GOV.UK Transitional Simplified Procedures'. Below that is a cookie notice: 'GOV.UK uses cookies to make the site simpler. [Find out more about cookies](#)'. A blue banner indicates 'BETA This is a new service – your [feedback](#) will help us to improve it.' The user is logged in as 'HM Revenue & Customs'. The main question is 'Are you legally established within the United Kingdom?' with radio buttons for 'Yes' and 'No'. A link 'What does legally established mean?' is provided. A green 'Continue' button is at the bottom. A footer link says 'Get help with this page.'

[Register for TSP here:](#)

<https://www.gov.uk/guidance/register-for-simplified-import-procedures-if-the-uk-leaves-the-eu-without-a-deal>

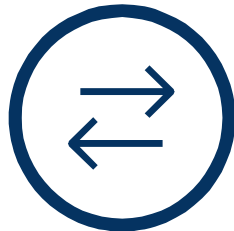




## VAT - Overview

- If the UK leaves the EU without a deal, the Government’s aim will be to keep VAT processes as close as possible to now.
- However, there will be some changes that will affect businesses.

❖ In a no deal scenario, postponed accounting will be introduced for imports from the EU and Rest of World







## VAT - Overview

- Business will not need to register to use postponed accounting.
- Provide VAT registration number on their customs declaration.
- An online monthly statement will show the VAT that's been postponed.
- This provides the evidence to declare/ recover import VAT on your VAT return.
- Postponed accounting won't be available for postal goods of £135 or less.
- Postponed accounting won't be available for non-VAT registered businesses.





## Duty Deferment Account

In practice, this is a direct debit mandate



It allows HMRC to take a monthly payment of duties 15 days after supplementary declaration is made



Guarantees are required in order to defer duty to make monthly payments



### Day 1 easements

- Traders will not be required to meet the Customs Comprehensive Guarantee (CCG) criteria when obtaining guarantees.
- Traders can still apply for a CCG, as those with Authorised Economic Operator C status can seek a reduction in the level of guarantee.



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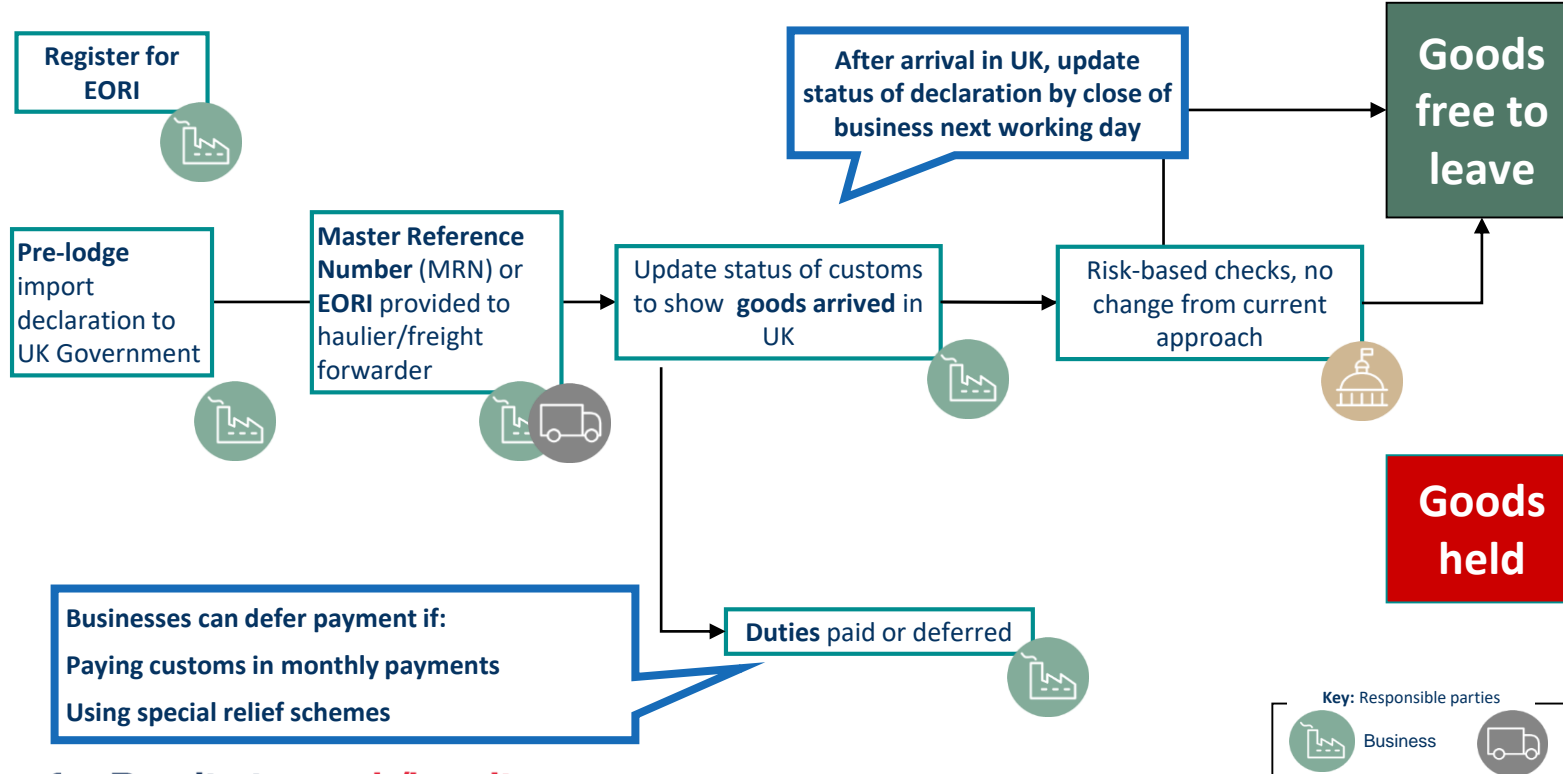
# Importing Goods Through RoRo Borders On 'Day 1'

## CUSTOMS

Pre-border

Enroute

At UK border



Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



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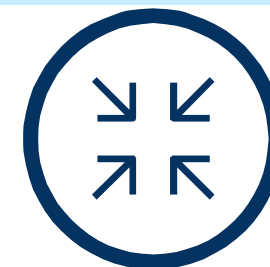


## Excise - What's Changing in 'No Deal' - Imports

Rest of World rules will apply to imports of excise goods from the EU

What this means:

- UK businesses will need to make an import declaration and:
  - account for the excise duty at the border; or
  - enter to the goods to the excise warehousing regime via EMCS (Excise Movement Control System).
- UK businesses can use Customs procedures for EU goods, e.g. Customs Warehousing, Transit etc. This will increase the volumes of goods at risk under customs control.
- Businesses can continue to use EMCS to move goods in duty suspense in the UK from the port to a registered warehouse
- The Registered Excise Dealers and Shippers system (REDs) will be obsolete and shut down.



Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



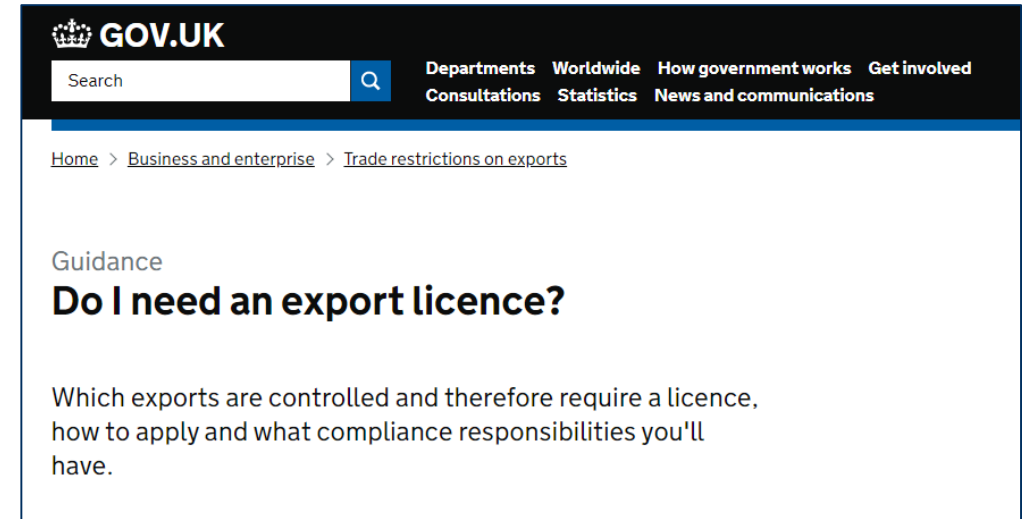
# Controlled Goods?

## Export Licensing Requirements



## Export Licence Controls

- A variety of goods require export licences and permits.
- All goods specifically designed, modified or reconfigured for military use require an export licence.
- Use the Goods Checker to confirm if your goods are strategically controlled.
- For other goods when a licence is or could be needed it is shown against the commodity code.



The screenshot shows the GOV.UK website interface. At the top, there is a search bar and navigation links for Departments, Worldwide, How government works, Get involved, Consultations, Statistics, and News and communications. The breadcrumb trail indicates the path: Home > Business and enterprise > Trade restrictions on exports. The main heading is 'Guidance Do I need an export licence?'. Below the heading, there is a short introductory paragraph: 'Which exports are controlled and therefore require a licence, how to apply and what compliance responsibilities you'll have.'

<https://www.gov.uk/guidance/beginners-guide-to-export-controls>  
<https://www.gov.uk/guidance/exporting-controlled-goods-after-eu-exit>



## Export Licence Controls – EU Supplies

- Military goods and technology need export licences today, so no change.
- Drugs have need to be registered today but additional licences will be needed for some products.
- Other goods have been able to move into the EU without licences – this is the major change. Check the commodity code in the UK Trade Tariff.
- Key term: dual-use controlled goods.

### Measures for all countries

| Country               | Measure                         | Value | Conditions that apply      | Exclusions | Legal base               | Start date (End date, if any) | Footnotes                 |
|-----------------------|---------------------------------|-------|----------------------------|------------|--------------------------|-------------------------------|---------------------------|
| ▶ All third countries | Export authorization (Dual use) |       | <a href="#">Conditions</a> |            | <a href="#">R1969/16</a> | 16/11/2016                    | <a href="#">Footnotes</a> |





## Dual-Use Controlled Goods (Both Commercial and Military Use)

- Most dual-use controlled goods, software and technology can move within the EU without a licence today.
- When the UK leaves the EU an export licence will be required.
- Dual-use controlled items can cover some standard commercial products.
- Controls are based on technological capabilities.
- UK has issued an Open General Export Licence for EU exports and companies must register for use via the Export Control Joint Unit's (ECJU) export licensing database, SPIRE.
- The Open Licence covers exports to the EU and Channel Islands.





## Case Study Three: Today – “O” Rings to Sweden

- “O” Rings, high spec (dual-use controlled) being exported from the UK to Sweden today for civil end-use:
  - no paperwork needed for customs;
  - notation on invoice that goods are subject to the EU Dual-Use Regulations and can move under Article 10 of EU Regulation 428/2004;
  - intrastat reporting may be required recording the commodity code (Rubber seals/ o rings = 4016-9300); and
  - EC Sales List with EU customers VAT number to be submitted to HMRC.





## Case Study 3: No-deal – “O” Rings to Sweden

- O” Rings, high spec (dual-use controlled) being exported from the UK to Sweden under no-deal Brexit for civil end-use:
  - registration via SPIRE to use the Open General licence to supply to the EU - there is no charge;
  - shipping paperwork needed for customs, export invoice must quote the Open General Licence authorization number;
  - customs export entry in the UK (UK EORI) and licence is declared;
  - permission to progress needed from Swedish Customs;
  - customs duty determined by the commodity code 4016-9300-00;
  - import customs declaration needed (EU EORI);
  - Standard Duty rate is 2.5% and payment of national VAT required (EU VAT number); and
  - UK company will be audited by ECJU with regard to use of Open Licence.





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# Data flows, Data Protection and Brexit

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



## What Won't Change in a No-Deal Brexit?

- **Data protection laws**

There will be no immediate change to the UK's data protection standards. The General Data Protection Regulation (GDPR) will be brought into UK law and the Information Commissioner will remain the UK's independent supervisory authority on data protection.

- **Data protection standards**

The UK is a global leader in strong data protection standards. Protecting the privacy of individuals will continue to be a priority.

- **Data transfers out of the UK**

The UK Government has committed to allow personal data to continue to flow freely to the EU, EEA, and 'adequate' third countries without restrictions.



## What Will Change in a No-Deal Brexit?

- **Transfers to the UK from the EU/EEA**

When the UK leaves the EU, we will become a 'third country' under EU GDPR.

Transfers from the EEA will become restricted and require additional legal safeguards.

UK and EU organisations will need to ensure their data transfers are lawful through additional steps

- **Transfers to the UK from 'adequate' states**

12 of the 13 relevant countries/territories have publicly announced that transfers will continue as before.



## What Do You Need to do to Prepare

- Find out if your organisation receives personal data from the EU/EEA
- If so, consult ICO guidance to ensure appropriate measures are in place



## Identifying Personal Data Flows

### Trading goods:

- addresses in delivery details
- bank accounts in order details.

### Trading services:

- personnel files in outsourced HR, accounts, back office functions
- names and addresses of partners and resellers

### European operations:

- intra-company transfers of customer details
- intra-company transfers of HR personnel detail





## Next Steps to Being Data Ready

### Visit GOV.UK

- Check [gov.uk/brexit](https://www.gov.uk/brexit) for general no-deal preparedness information, and specific data protection guidance.

### Visit ICO guidance

The Information Commissioner's Office has created step-by-step guidance to help you prepare your organisation.

**This guidance will help you identify if you need specific advice for your organisation**





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# Exporting Services?

## Standards and Regulations

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



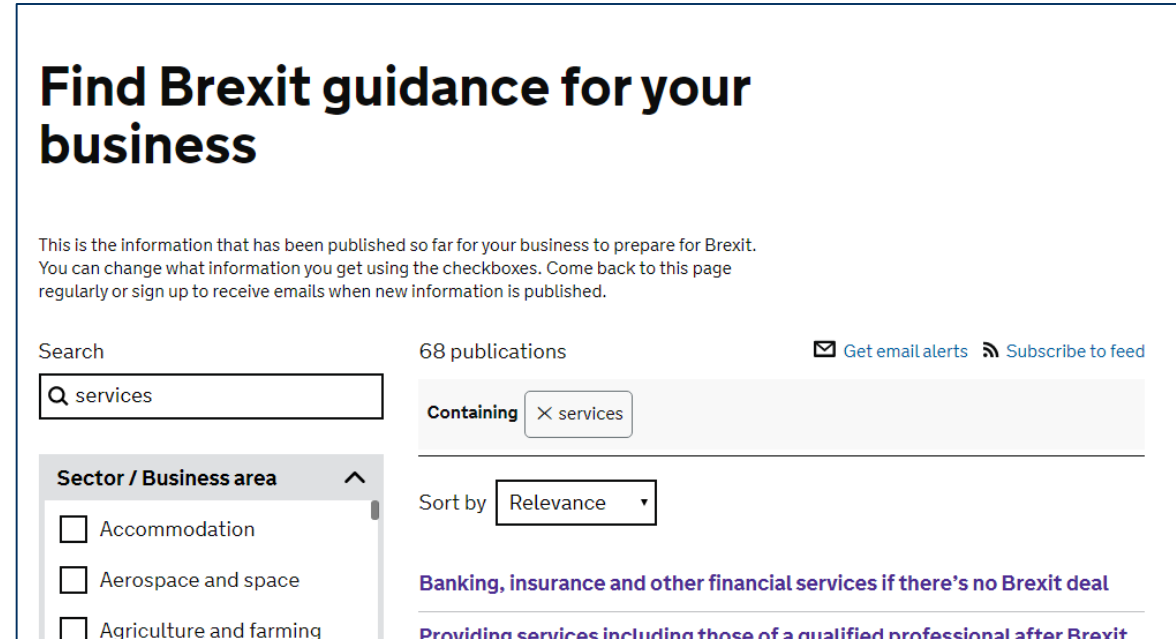
## Exporting Services to the EU

- The UK will no longer operate under the European Economic Area (EEA) regulations for the cross-border trade in services if there's a no-deal Brexit.
- This means that the rights and protections provided by the EU Directives and EU Treaty rights of freedom of movement and freedom of establishment will no longer apply to the UK.
- UK businesses will no longer be treated as if they were local businesses. Services provided by UK businesses and professionals will be regarded as originating from a 'third country'.
- UK firms and service providers may face additional legal, regulatory and administrative barriers as a result.



## Exporting Services to the EU

- Service industries need to seek specific guidance on how they will operate.
- In a no-deal Brexit UK professional qualification will not automatically be recognized in the EU, EEA or Switzerland.
- Find your guidance on the GOV.UK website.



**Find Brexit guidance for your business**

This is the information that has been published so far for your business to prepare for Brexit. You can change what information you get using the checkboxes. Come back to this page regularly or sign up to receive emails when new information is published.

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- Accommodation
- Aerospace and space
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Sort by

[Banking, insurance and other financial services if there's no Brexit deal](#)

[Providing services including those of a qualified professional after Brexit](#)

<https://www.gov.uk/find-eu-exit-guidance-business>





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## Cross-border Trade Regulations

If you're a UK business or professional providing services in the EU, Iceland, Liechtenstein, Norway or Switzerland, you'll need to check the national regulations of the country you're doing business in to understand how best to operate.

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### Guidance relating to all EEA and EFTA countries

[Providing services to any country in the EU, Iceland, Liechtenstein, Norway or Switzerland after Brexit](#)

17 June 2019 Guidance

### Country guides

[Austria: providing services after Brexit](#)

28 February 2019 Guidance

[Belgium: providing services after Brexit](#)

6 March 2019 Guidance

[Bulgaria: providing services after Brexit](#)

11 March 2019 Guidance

<https://www.gov.uk/government/collections/providing-services-to-eea-and-efta-countries-after-eu-exit>

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



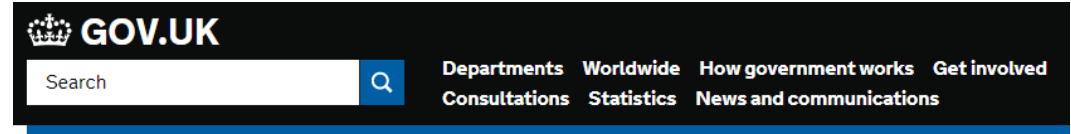
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## Business Travel

If you're a UK national, you'll need to check whether you need a visa or work or residence permit if you're either:

- providing services; and/or
- on a placement based in the EU or Iceland, Liechtenstein, Norway or Switzerland.

<https://www.gov.uk/government/collections/providing-services-to-eea-and-efta-countries-after-eu-exit>



The screenshot shows the GOV.UK website header. It includes the GOV.UK logo, a search bar with a magnifying glass icon, and a navigation menu with links for Departments, Worldwide, How government works, Get involved, Consultations, Statistics, and News and communications.

Home > [Find Brexit guidance for your business](#)

Collection

### **Providing services to the EU, Iceland, Liechtenstein, Norway or Switzerland after Brexit: collected guidance**

Information for UK businesses on EU service provision if there's a no-deal Brexit.

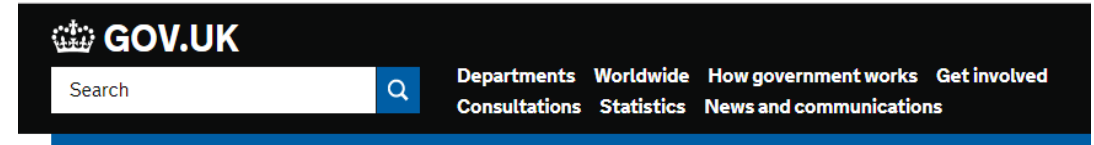




## Sending Workers to the EU, Iceland, Lichtenstein, Norway or Switzerland

- Currently employers and their workers only need to pay social security contributions (such as National Insurance contributions in the UK) in one country at a time.
- This may change if there is a no-deal Brexit. Employees may need to make social security contributions in both the UK and the country in which they are working.

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



The screenshot shows the GOV.UK website header. It includes the GOV.UK logo, a search bar, and navigation links for Departments, Worldwide, How government works, Get involved, Consultations, Statistics, and News and communications.

Home > [Find Brexit guidance for your business](#)

Guidance

### Social security contributions for UK and EU, EEA or Swiss workers in a no-deal Brexit

Find out when you need to pay social security contributions in the UK and other EU, EEA countries and Switzerland in a no-deal Brexit

<https://www.gov.uk/guidance/social-security-contributions-for-uk-and-eu-workers-if-the-uk-leaves-the-eu-with-no-deal>



## Case Study Four: Today – Encryption Services to France

- Company provided encrypted computer software for banks today:
  - computer software sold under licence to the company in France who is installing the equipment into the bank;
  - the software is held by the UK company on a Virtual Private Network (VPN) website page;
  - the password to the VPN login is provided to the company in France; and
  - the French company logs in and downloads the software.



## Case Study four: No-deal – Encryption Services to France

- Company provided encrypted computer software for banks:
  - computer software sold under licence to the company in France who is installing the equipment into the bank;
  - UK company registers for MOSS to declare sale of digital services;
  - the software is held by the UK company on a VPN website page;
  - UK company requires a UK Export Licence to provide the software to the French company;
  - UK registers for the Open Export Licence via SPIRE;
  - the password to the VPN login is provided to the company in France;
  - the French company logs in and downloads the software; and
  - UK company must record the download date and time for subsequent audit by the UK Export Control Joint Unit (ECJU).





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# Intellectual Property Rights

## Post-Brexit Considerations

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



## Overview

- The UK will remain party to a number of international treaties and agreements which protect and enforce IP rights entirely independently of our EU membership e.g. WTO TRIPS.
- In any scenario, including Brexit without a withdrawal agreement, the Government is committed to ensuring that there will be continuity of IP rights for all right holders and that existing IP rights will not be lost as a result of the UK leaving the EU.
- This includes IP rights protected in the UK based on EU law, such as EU trade marks, registered and unregistered Community designs, supplementary protection certificates and sui generis database rights.
- Brexit will bring some changes to the IP framework in the UK which might affect your business e.g. if you currently engage in parallel exports of IP-protected goods to the EEA.
- The government has published business guidance to help you understand what the changes are and how they might affect you. These publications are for guidance only and you should consider whether you need separate professional advice before making specific preparations.



## Summary of key actions for businesses

### Copyright:

- Broadcasters that transmit from the UK to other EEA states by satellite should review their licences with right holders to ensure they have the necessary copyright permissions for each state to which they broadcast. Additional right holder permissions may be required after Brexit.
- Providers of online streaming and rental services may need to review their licences with right holders or adjust how UK customers access their services while travelling to the EEA. EU rules providing customers temporary cross-border access to their services while abroad will cease to cover UK customers visiting the EEA after Brexit.

### Unregistered Community Designs:

- Businesses should consider whether changes in relation to the eligibility for unregistered designs rights in the UK and the EU (which from Brexit onwards will be restricted to the territory in which a design is first disclosed, i.e. UK or EU) will impact their business. They may want to seek legal advice to inform their assessment

### Exhaustion of IP Rights

- Businesses that wish to export IP-protected goods to the EEA that have already been legitimately put on the market in the UK may need to seek the IP rights holder's consent to do so after Brexit.



Guidance  
**IP and Brexit**  
Updated 2 April 2019

Contents

[Technical notices](#)

[Statutory legislation and business guidance](#)

[Copyright and related rights](#)

[Trade marks](#)

[Designs](#)

This guide offers information on the future of intellectual property (IP) laws following the decision that the UK will leave the European Union (EU).

The Intellectual Property Office (IPO) continues to contribute fully to the government's work towards exiting the EU. It has a clear goal of ensuring an effective IP regime that supports UK innovation and creativity. The UK will remain one of the best places in the world to obtain and protect your IP.

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





## Exhaustion and Parallel trade: How Things Work Today

- At present, parallel trade in the UK/EEA occurs when an IP-protected good has been placed on the market anywhere in the EEA, by or with the permission of the rights holder, and is then subject to onward sale across EEA borders.
- The IP is considered exhausted across the EEA in that area for the good or batch of goods.
- Parallel trade is the import and export of genuine IP-protected goods within the EEA after they have been placed on the market and sold for the first time by or with the permission of the right holder.
- This means that these goods can continue to circulate within the EEA without permission being sought from the rights holder (such as the owner of a brand).
- These goods include everything from toothpaste to spare car parts to real Louis Vuitton handbags.



## Businesses May Need Additional Right Holder Approval to Export goods from the UK to the EEA

- Legislation\* is in place so that, on Brexit day, a temporary fix will maintain the status quo as far as is possible. This means that exhaustion rules relating to parallel imports will remain the same.
- There may however be restrictions on what can be exported from the UK to the EEA.
- Businesses that parallel export from the UK to the EEA might need the right holder's consent to do so.

\*The Intellectual Property (Exhaustion of Rights) (EU Exit) Regulations 2019



## What Businesses Need to do in the Event of a Brexit without a Withdrawal Agreement if They Trade in the EEA?

- Businesses first need to identify whether they currently export IP-protected goods to the EEA (for example, goods branded with a trade mark) that have already been placed on the UK market, where they currently do not need to obtain the right holder's permission (i.e. parallel trading).
- Business that want to continue to export these IP-protected goods to the EEA may need to contact the IP right holder to obtain permission to do so. The IP right holder may choose to withhold permission if they do not wish for these goods to be exported to the EEA.
- Exporters of the IP-protected goods may need to review their business arrangements/business model/supply chain based on the outcome of the discussion with the IP right holder.



## What You Need to Do in the Event of a Brexit Without a Withdrawal Agreement If You Own IP rights

- Businesses that own IP rights (for example, a trade mark) may wish to seek legal advice if their IP-protected goods are parallel exported from the UK to the EEA and consider if they wish such arrangements to continue in the event of a Brexit without a withdrawal agreement.





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# Trade Agreements

UK Arrangements after Brexit

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)



## What is a Free Trade Agreement (FTA)?

- A Free Trade Agreement (FTA) is an agreement between countries or groups of countries that removes or reduces tariffs and other restrictions on goods and services traded between them.
- The UK currently belongs to 35 FTAs as an EU member. This will end at the moment of Brexit.
- To minimise trade disruption, the Government has signed or agreed in principle replacement ‘continuity’ agreements that account for £99 billion worth of trade and is actively working on others.
- At Brexit on 31 October, the Government will seek to sign new FTAs which will open new markets and lower trade barriers for UK businesses.



## Ensuring Continuity

So far, the UK has agreed 14 **Trade “Continuity” Agreements** covering 44 countries:

- (agreed in principle) Southern African Customs Union and Mozambique (10 September)
- South Korea (22 August)
- Central America (18 July)
- Andean countries (15 May)
- Norway and Iceland (2 April)
- Caribbean countries (22 March)
- Pacific Islands (14 March)
- Liechtenstein (28 February)
- Israel (18 February)
- Palestinian Authority (18 February)
- Switzerland (11 February)
- The Faroe Islands (1 February)
- Eastern and Southern Africa (31 January)
- Chile (30 January)



## Origin of Goods and FTAs

- To qualify for preferential (lower) tariffs in the destination country, UK exports currently need to have an origin certificate.
- This will not change after Brexit.
- EU content and processing will still count towards meeting the origin threshold under 'continuity' trade agreements, as it does now.





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## Origin of Goods and FTAs

- Note that after Brexit, UK materials and processing will not count as originating for EU FTAs.
- This could affect your sales into the EU if your customer onward sells under preference to other markets.





## Case Study Five: Today – Textiles to South Korea

- Textiles exported from the UK to South Korea today:
  - Prior registration of your textile items with South Korean customs under EU agreement;
  - commercial invoice required to export goods;
  - customs entry needed at export from the UK – must include the commodity code (Woven fabric/wool = 5111-1100);
  - EU FTA with South Korean – invoice approved exporter declaration completed;
  - goods declared at import into South Korea with the original export invoice;
  - customs import entry submitted to South Korean customs; and
  - duty will be zero under the FTA but VAT will be due at 10%.





## Case Study Five: No-deal – Textiles to South Korea



- Textiles exported from the UK to South Korea under a no-deal Brexit:
  - Prior registration of your textile items with South Korean customs under UK agreement;
  - commercial invoice required to export goods;
  - customs entry needed at export from the UK – must include the commodity code (Woven fabric/wool = 5111-1100);
  - UK FTA with South Korean – invoice Approved Exporter declaration completed;
  - goods declared at import into South Korea with the original export invoice; and
  - customs import entry submitted to South Korean customs; and
  - duty will be zero under the FTA but VAT will be due at 10%.



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# Travelling to the EU after Brexit

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)





## UK Passports

- When the UK leaves the European Union, there will be new rules for UK passport holders travelling to most European countries.
- Check your passport is valid for travel to Europe using the GOV.UK passport checker
- If you're travelling to Europe after Brexit, you may need to renew your passport earlier than planned.
- You can check the validity of your passport and find out more by visiting: [gov.uk/brexit-check-passport](https://www.gov.uk/brexit-check-passport)



## Driving in the EU after Brexit

Check you have the right driving documents

- You may need additional documents to drive in Europe after Brexit including an international driving permit (IDP) and a motor insurance 'green card'.

Check what you need to do to prepare for travelling to Europe after Brexit at [gov.uk/visit-europe-brexit](https://www.gov.uk/visit-europe-brexit)



# EU Staff Considerations



## EU Staff after Brexit

- Your business will still be able to employ EU citizens after Brexit and the rights and status of EU, EEA and Swiss citizens living in the UK will remain the same until 30 June 2021, if the UK leaves the EU with a deal.
- A successful application to the EU Settlement Scheme means they'll be able to continue living and working in the UK after 30 June 2021.
- Applicants will be given either:
  - settled status.
  - pre-settled status.



## EU Staff after Brexit

- Successful applicants will usually get settled status if they've:
- started living in the UK by 31 December 2020 (or by the date the UK leaves the EU without a deal)
- lived in the UK for a continuous 5-year period (known as 'continuous residence')
- If the applicant does not have 5 years' continuous residence when they apply, they'll usually get pre-settled status. They must have started living in the UK by 31 December 2020 (or by the date the UK leaves the EU without a deal).
- They can then apply to change this to settled status once they've got 5 years' continuous residence.



## EU Staff after Brexit

Settled or pre-settled status means they'll be able to:

- work in the UK;
- use the NHS;
- enrol in education or continue studying;
- access public funds such as benefits and pensions, if they're eligible for them; and
- travel in and out of the UK.



## EU Staff after Brexit

- The application for settled or pre-settled status must be carried out by individuals and not the businesses employing them.
- The scheme is free and the application process is quick and user-friendly. Applicants are required to provide:
  - 1) Proof of identity (a valid passport or national identity card)
  - 2) Proof of residence (National Insurance Number)
  - 3) Criminality check (Declare any criminal convictions)
- Recruiting EU citizens who don't already live in the UK following Brexit is likely to be more difficult, with the plans under consideration treating EU citizens in the same way as non-EU citizens currently.
- Salary threshold is still being considered as part of the future points based system.



## EU Staff after Brexit

- In the event of a no deal, EU citizens moving to the UK after Brexit, they'll need to apply for Euro TLR, or under the future immigration system, if they want to stay in the UK after 31 December 2020.
- They'll be able to apply for Euro TLR when the scheme opens after the UK leaves the EU without a deal.
- The deadline for applications will be 31 December 2020.
- The application will be free of charge.
- The application form will be online. They'll need to prove your identity and declare any criminal convictions during your application.
- More information can be found at <https://www.gov.uk/guidance/european-temporary-leave-to-remain-in-the-uk>
- Additional guidance for communicating on the EUSS with employees can be found at <https://www.gov.uk/government/publications/eu-settlement-scheme-employer-toolkit>





# Are You Ready Action Plan

Review of What You Need to Plan to do Next



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# For Further Information:

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

Enquiries: [www.great.gov.uk/brexit/contact](http://www.great.gov.uk/brexit/contact)

Local enquiries: [eastinfo@mobile.trade.gov.uk](mailto:eastinfo@mobile.trade.gov.uk)

Prepare for Brexit at [gov.uk/brexit](https://www.gov.uk/brexit)